



Office of the City Clerk

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Legislation Details (With Text)

File #: SO2021-3243

Type: Ordinance **Status:** Passed

File created: 7/21/2021 **In control:** Committee on Committees and Rules

Final action: 12/15/2021

Title: Amendment of Municipal Code Titles 4, 8 and 17 with various section modifications and new Article VII within Chapter 4-156, regulating sports wagering

Sponsors: Burnett, Jr., Walter, Hopkins, Brian, Mitts, Emma, Sawyer, Roderick T., Tabares, Silvana, O'Shea, Matthew J., Cardona, Jr., Felix

Indexes: Ch. 3 Business & Commercial Districts, Ch. 4 Downtown Districts, Ch. 5 License Fees for Title 4 Licenses, Ch. 5 Manufacturing Districts, Ch. 6 Special Purpose Districts, Ch. 9 Use Regulations, Ch. 12 Gambling, Ch. 13 Review & Approval Procedures, Ch. 17 Terminology & Measurements, Land Use & Zoning-Tables & Index, Ch. 156 Amusements

Attachments: 1. SO2021-3243.pdf, 2. O2021-3243.pdf, 3. O2021-3243 (V1).pdf

Date	Ver.	Action By	Action	Result
12/15/2021		City Council	Passed as Substitute	Pass
12/13/2021	1	Joint Committee: Zoning, Landmarks and Building Standards; License and Consumer Protection	Recommended to Pass	
12/13/2021	1	Joint Committee: Zoning, Landmarks and Building Standards; License and Consumer Protection	Substituted in Committee	
12/13/2021	1	Joint Committee: Zoning, Landmarks and Building Standards; License and Consumer Protection	Recommended to Pass	
11/15/2021	1	Joint Committee: Zoning, Landmarks and Building Standards; License and Consumer Protection	Add Co-Sponsor(s)	
9/14/2021	1	City Council	Re-Referred	
9/10/2021	1	Committee on Committees and Rules	Recommended for Re-Referral	
7/21/2021	1	City Council	Referred	

SUBSTITUTE ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Section 4-5-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows,

4-5-010 Establishment of license fees.

(Omitted text is unaffected by this ordinance) (1) Limited

Business License (4-4) \$250.00

(Omitted text is unaffected by this ordinance)

41) Mobile Merchants \$250.00

42) Sports Wagering (Article VII of Chapter 4-156) For a primary sports license:

<u>Initial year</u>	<u>\$50,000.00</u>
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<u>Per year (after initial year)</u>	<u>\$25,000.00</u>
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For a secondary sports license:

<u>Initial year</u>	<u>\$10,000.00</u>
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<u>Per year (after initial year)</u>	<u>\$5,000.00</u>
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SECTION 2. Section 4-156-020 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows,

4-156-020 Tax imposed.

A. Except as otherwise provided by this article Article, an amusement tax is imposed upon the patrons of every amusement within the City. The rate of the tax shall be equal to nine percent of the admission fees or other charges paid for the privilege to enter, to witness, to view or to participate in such amusement, unless subsection J of this section provides for a lower rate.

B. The tax imposed by subsection A shall not apply to the following persons or privileges:

(1) patrons of automatic amusement machines as defined in Article II of this chapter Chapter,
or

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(1.5) patrons of master sports wagering licensees as defined in Article VII of this Chapter, to the extent that the charges paid by such patrons are part of the adjusted gross sports wagering receipts that are subject to the tax imposed by Article VII of this Chapter: provided, however, this shall not include any separate charge paid by a patron of a master sports wagering licensee for the privilege of engaging in the activity of sports wagering, or

(2) the privilege of witnessing or participating in any stock show or business show that is not open to the general public, or

(Omitted text is unaffected by this ordinance)

SECTION 3. Section 4-156-450 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows,

4-156-450 Gambling.

It is unlawful for any licensee to conduct or permit any person to conduct any raffle, lottery or chance distribution of money, or article of value, or any gift enterprise or any form of gambling upon the licensed premises^; provided, however, that nothing in this Section shall be construed to prohibit any conduct authorized by the Sports Wagering Act, 230 ILCS 45/25-1 et seq.

SECTION 4. Chapter 4-156 of the Municipal Code of Chicago is hereby amended by adding a new Article VII, as follows:

ARTICLE VII. SPORTS WAGERING

4-156-960 Definitions.

"Master sports wagering licensee" means a person that has, or that is required to have, a master sports wagering license under the Sports Wagering Act, 230 ILCS 45/25-1 et seq.

"Management services provider licensee" means a person that has, or that is required to have, a management services provider license under the Sports Wagering Act, and that has contracted with a master sports wagering licensee to conduct sports wagering operations on its behalf.

"Primary sports license" means the City license that a master sports wagering licensee is required to hold.

"Secondary sports license" means the City license that a management services provider licensee is required to hold.

"Sports facility" means each of the following entertainment and spectator sport large venues as named currently or as may be re-named in the future: Wrigley Field, Guaranteed Rate Field, Soldier Field, United Center and Wintrust Arena, so long as each such venue also qualifies as a "sports facility" as defined under the Sports Wagering Act.

"Sports Wagering Act" means the Sports Wagering Act, 230 ILCS 45/25-1 et seq.

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The terms "adjusted gross sports wagering receipts," "designee," "organization licensee," "owners licensee," "sports wagering," and "wager" have the same meanings assigned to such terms in the Sports Wagering Act.

4-156-962 License required.

It shall be unlawful for any person to conduct sports wagering at a physical location in the City of Chicago, including related mobile sports wagering permitted under the Sports Wagering Act as a result of such person being physically located in the City of Chicago, unless such person: (1) is an owners licensee, organization licensee, sports facility or its designee, or a management services provider of such person, and (2) holds all necessary licenses under the Sports Wagering Act, and (3) holds valid City licenses including a primary sports license and, if applicable, necessary secondary sports licenses.

4-156-965 Legal Duties.

(a) Each licensee engaged in the business of sports wagering shall:

- 1) *comply with the Sports Wagering Act, 230 ILCS 45/25-1, et seq.*
- 2) pay the licensee fee as set forth in Section 4-5-010 of this Code.
- 3) pay all taxes required to be paid by such licensee under Chapter 4-156 of this Code.
- 4) upon request of the Commissioner of Business Affairs and Consumer Protection, make available for examination all books and records relating to sports wagering operations necessary or appropriate to ensure compliance with this Chapter.

4-156-968 Location Restrictions.

a) Each owners licensee that is a master sports wagering licensee shall limit in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) to locations inside its casino facility."

b) Each organization licensee that is a master sports wagering licensee may have in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) inside one (1) inter-track wagering location located within the City only if: (i) the inter-track wagering location licensee from which it derives its license is an organization licensee that is issued a master sports wagering license; and (ii) the organization licensee that is a master sports wagering licensee does not have in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) inside its race track facility.

c) Each sports facility or its designee that is a master sports wagering licensee shall limit in-person sports wagering operations (whether conducted by such master sports wagering licensee or by a management services provider licensee) to a single location either (i) inside the sports facility, or (ii) in a permanent building or structure located within a 5-block radius of the sports facility.

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4-156-970 Prohibited Acts.

(a) It shall be unlawful for a licensee engaged in sports wagering to:

- 1) operate sports wagering in a temporary structure.
- 2) relocate its sports wagering operation without prior written approval from the Commissioner of Business Affairs and Consumer Protection.
- 3) install more than 15 kiosks or wagering windows, in the aggregate, within the location where in-person wagers may be placed if the facility does not offer food and drink for purchase.
- 4) permit sports wagering between 12:00 a.m. and 10:00 a.m. on Mondays through Thursdays, or between 12:00 a.m. and 9 a.m. on Fridays, or between 1:00 a.m. and 9:00 a.m. on Saturdays and Sundays.

- 5) permit any person under the age of 21 to place a sports wager.

4-156-973 Tax Imposed.

There is hereby imposed a tax on each primary sports licensee operating in the City. The rate of the tax shall be 2% of the adjusted gross sports wagering receipts from sports wagers that are placed within the City at, or within a 5-block radius of, any of the following: a casino facility, race track facility, or sports facility where sports wagering is allowed under Section 4-156-968.

4-156-974 Tax Payments.

The tax imposed pursuant to this Article is due and payable to the Department of Finance no later than the 15th day of the month following the calendar month in which the adjusted gross sports wagering receipts were received and the tax obligation was accrued.

4-156-975 Application of Uniform Revenue Procedures Ordinance.

Whenever not inconsistent with this Article, or whenever this Article is silent, the Uniform Revenue Procedures Ordinance, Chapter 3-4 of this Code, shall apply and supplement this Article.

4-156-977 Diversity Goals for Sports Wagering

a) Consistent with the Sports Wagering Act and to the extent permitted by law, the City of Chicago will actively seek to achieve racial, ethnic, and geographic diversity when issuing primary sports licenses under this Article and encourage minority-owned businesses, women-owned businesses, veteran-owned businesses, and businesses owned by persons with disabilities to apply for licensure. This subsection is aspirational and shall not form the basis for a private right of action.

b) Each licensee under this Article shall submit to the Commissioner of Business Affairs and Consumer Protection a copy of its annual report required under the Sports Wagering Act, 230 ILCS 45/25-85, regarding all procurement goals and actual spending for businesses owned by

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women, minorities, veterans, and persons with disabilities and small business enterprises in the previous calendar year.

4-156-979 Rulemaking Authority

The Commissioner of Business Affairs and Consumer Protection is authorized to promulgate rules necessary or appropriate to implement this Article, and rules related to sports wagering advertisements.

4-156-980 Violation - Penalty.

Any person violating this Article shall be subject to a fine of not more than \$10,000.00 for each offense. Each day that a violation continues shall constitute a separate and distinct offense to which a separate fine shall apply. '

SECTION 5. Section 8-12-010 of the Municipal Code of Chicago is hereby amended by deleting the language struck through and by inserting the language underscored, as follows,

(Omitted text is unaffected by this ordinance)

SECTION 8. Section 17-4-0200 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-4-0200 Allowed Uses.

(Omitted text is unaffected by this ordinance) 17-4-0207

Use Table and Standards

USE GROUP	Zoning Districts				Use Standard	Parking Standard
Use Category	DC	DX	DR	DS		
Specific Use Type						
P = permitted by right	S = special use approval req'd				PD = planned development	
COMMERCIAL						

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(Omitted text is unaffected by this ordinance)

BB. Entertainment and Spectator Sports (except as more specifically regulated)

*

2v	Indoor SpeP	P	-	P		
1.	incidental li					
Z	Inter-TrackP/S	P/S	-	P/S	17-9-0110	17-10-0206
(Omitted text is unaffected by t			his ordinance)			

SECTION 9. Section 17-5-0200 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-5-0200 Allowed Uses.

(Omitted text is unaffected by this ordinance) 17-5-0207

Use Table and Standards

USE GROUP	Zoning District			Use Standard	Parking Standard
Use Category	M1	M2	M3		
Specific Use Type					

P = permitted by right S = special use approval req'd PD = planned development

COMMERCIAL

(Omitted text is unaffected by this ordinance)

R. Entertainment and Spectator Sports

(Omitted text is unaffected by this ordinance)

2. Inter-Track Wagering Facility

P/S P/SP/S

17-9-0117-10-0207-

P

(Omitted text is unaffected by this ordinance)

SECTION 10. Section 17-6-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-6-0200 POS, Parks and Open Space District.

(Omitted text is unaffected by this ordinance)

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17-6-0203-E Use Table

POS-3 Open Space/Natural Areas

**POS-1 Region
al or Commu
nity Parks**

Park/Open Space Facility Type Use Standard

POS-4 Cemeteries

**POS-2 Neighbor
hood, Mini- and
Playlot**

Parks

P = permitted by right S = special use approval req'd PD = planned development
approval req'd - = not allowed

OTHER

T~e~T

(Omitted text is unaffected by this ordinance)

17-9-0110

(Omitted text is unaffected by this ordinance)

17-6-0400 PMD, Planned Manufacturing Districts.

(Omitted text is unaffected by this ordinance) 17-6-

0403-F Use Table and Standards

17-9-0110-B Sports. Sports wagering facilities must be established pursuant to Section 17-13-1405 and shall be deemed permitted by-right, if established as a clearly incidental and accessory use to, and fully contained:

1. inside an inter-track wagering facility; or
2. inside a casino, as such term may be defined, or as a facility meeting such definition may be authorized to be established, pursuant to the Chicago Municipal Code: or
3. at a single location either (i) inside of, or (ii) inside of a permanent structure located within a five-block radius of, any of the following entertainment and spectator sport large venues as named currently (or as may be re-named in the future) so long as each remains a "sports facility" as defined under the Sports Wagering Act:

- a. Wrigley Field
- bi Guaranteed Rate Field
- a Soldier Field
- g\ United Center
- §i Wintrust Arena

f. all entertainment and spectator sport large venues identified in Section 17-9-0110-B.3 are allowed only one primary sports license.

(Omitted text is unaffected by this ordinance)

SECTION 12. Section 17-13-1405 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language, as follows:

17-13-1405 totter-Track Wagering Facility.

17-13-1405-A Upon receipt of an application for the establishment of an ~~inter-track~~ wagering facility, the Zoning Administrator must:

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1. make a determination of the capacity in persons of such a facility; said capacity may not exceed that established by the Commissioner of the Department of Buildings ~~fire commissioner~~;
2. require that the applicant provide documentation that parking facilities having the capacity to provide spaces equal to 20% of that capacity (or an appropriate number as adjusted by other provisions of this Zoning Ordinance) exist within 1,000 feet of the site and are accessible to patrons of the facility (not leased or committed to other specific uses);
3. require that the applicant provide written notice, return receipt requested, to all registered voters residing within 500 feet of the proposed use; and

4. upon determination that the use applied for is permitted only as a special use in the applicable district must provide findings regarding compliance with these provisions in writing to the applicant and directly to the Chairman of the Zoning Board of Appeals.

(Omitted text is unaffected by this ordinance)

SECTION 13. Section 17-17-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the struck-through language and inserting the underscored language, as follows:

17-17-0101 General.

(Omitted text is unaffected by this ordinance)

17-17-0104-L Entertainment and Spectator Sports. Provision of cultural, entertainment, athletic and other events to spectators. The following are spectator sports and entertainment use types:

1. Inter-Track or Sports Wagering Facility. A facility other than a race track at which pari-mutuel wagering is conducted: (i) with respect to the outcome of a simultaneously televised horse race taking place at an Illinois race track or horse races of national or international interest held at race tracks in other states or countries, or (ii) with respect to the outcome of a professional sport or athletic event, a collegiate sport or athletic event, a motor race event, or other event or competition of skill upon which wagering is permitted under the Sports Wagering Act.

(Omitted text is unaffected by this ordinance)

SECTION 14. This ordinance shall be in full force and effect ten days following due passage and publication.