



City of Chicago



SO2022-1316

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	5/9/2022
Sponsor(s):	Lightfoot (Mayor)
Type:	Ordinance
Title:	Amendment of Municipal Code Titles 2, 4, 8 and 17 regarding casino in Chicago
Committee(s) Assignment:	Special Committee on the Chicago Casino

**REVISED
SUBSTITUTE
ORDINANCE**

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

SECTION 1. Section 2-32-031 of the Municipal Code of Chicago is hereby amended by inserting the underscored language as follows:

2-32-031 Debt management policies; retention of rebate calculation agents, financial advisors, consultants, dissemination agents and qualified independent representatives.

(Omitted text is unaffected by this ordinance)

(h) (1) In connection with revenues from operation of any casino located within the City pursuant to a temporary operator permit or owners license issued by the Illinois Gaming Board, the Chief Financial Officer shall have authority to enter into agreements, instruments and other documents and provide consents, waivers or approvals as contemplated under the Host Community Agreement referenced in Section 13 of this ordinance (the "Host Community Agreement"), and perform any other ministerial acts necessary for the administration of the Host Community Agreement.

(2) Notwithstanding subparagraph (h)(1), no material amendment or change to: (i) the Host Community Agreement; or (ii) any such agreement, instrument or other document referenced in subparagraph (h)(1), shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this subsection (h) means any deviation in terms which operates to cancel or otherwise reduce any developmental, construction, sourcing or job-creating obligations of the casino developer by more than ten percent (10%) or materially changes the casino project sites or character of the casino project or the activities undertaken by the casino developer affecting the casino project sites, the casino project, or both, or increases any time agreed for performance by the casino developer by more than ninety (90) days.

(3) The Chief Financial Officer shall have the authority to retain financial advisors, consultants and services firms to provide the City advice and services in connection with administering, or otherwise relating to any activities contemplated by or arising from, any such Host Community Agreement.

(4) Any City revenues from operation of a casino within the City shall be subject to appropriation by the City Council.

SECTION 2. Section 4-4-313 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

4-4-313 Businesses that are or cause a nuisance.

(Omitted text is unaffected by this ordinance)

(h) For purposes of this section:

(Omitted text is unaffected by this ordinance)

(3) "Objectionable conditions" include, but are not limited to, disturbance of the peace, public drunkenness, drinking in public, harassment of passersby, illegal gambling, prostitution, loitering, public urination, lewd conduct, drug trafficking, or excessive loud noise.

SECTION 3. Section 4-6-180 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

4-6-180 Hotel.

(Omitted text is unaffected by this ordinance)

(f) Prohibited acts. It shall be unlawful for any licensee engaged in the business of hotel to:

(Omitted text is unaffected by this ordinance)

(2) knowingly permit prostitution, pimping, gambling or illegal possession or delivery of, or trafficking in, controlled substances or other drugs, including cannabis, to occur on or immediately adjacent to the licensed establishment; or to fail to discover such illegal acts on or immediately adjacent to the licensed establishment under circumstances in which a reasonable person, exercising ordinary care and diligence, would infer that such activity is taking place; or to fail to report to the police in a timely manner any criminal activity occurring on or immediately adjacent to the licensed establishment, if such criminal activity is observed by or reported to the licensee. Provided, however, that it shall be an affirmative defense to any prosecution under this subsection if the licensee immediately notified the police of the public nuisance occurring on or immediately adjacent to the licensed establishment. For purposes of this subsection, the term "licensee" also includes employees and agents of the licensee. Nothing in this section shall be construed to prohibit or regulate any conduct authorized by the Illinois Gambling Act, or the Sports Wagering Act, each as in effect on May 4, 2022.

(Omitted text is unaffected by this ordinance)

SECTION 4. Section 4-14-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

4-14-010 Definitions.

As used in this chapter:

(Omitted text is unaffected by this ordinance)

"Objectionable condition(s)" means any disturbance of the peace, public drunkenness, drinking in public, harassment of passersby, loitering, public urination, unlawful garbage or waste disposal, illegal gambling, lewd conduct or excessive loud noise.

(Omitted text is unaffected by this ordinance)

SECTION 5. Chapter 4-60 of the Municipal Code of Chicago is hereby amended by adding the language underscored, by deleting the language struck through; and by adding a new Section 4-60-072, as follows:

4-60-021 Ordinance prohibiting issuance of additional liquor licenses – Requirements – Procedure.

(Omitted text is unaffected by this ordinance)

(c) No ordinance to prohibit the issuance of additional liquor licenses in a specified area may:

(1) prohibit additional licenses for sale of liquor on the premises of any of the following: sports stadiums with a seating capacity of more than 3,000 persons; restaurants; hotels; casinos, as that term is defined in 230 ILCS 10/4; banquet halls licensed for incidental service of liquor only and where the principal activity is the service of food, theaters whose premises are licensed for incidental service of liquor only, that provide live stage performances and are equipped with fixed seating; any ice rink for which a valid public place of amusement license and a valid retail food license have been issued, and where the sale of alcoholic liquor is incidental to those activities; or facilities operated by the metropolitan pier and exposition authority; or Sports Plazas, as that term is defined in ~~section~~ Section 4-60-075;

(Omitted text is unaffected by this ordinance)

4-60-024 Lapse of license – Transfer of interest.

Whenever the liquor license for a premises located within an area described in Section 4-60-022 or Section 4-60-023 lapses for failure to renew or is revoked for cause, no new license shall be issued for that premises, unless the premises is a sports stadium with a seating capacity greater than 3,000 persons, a casino, as that term is defined in 230 ILCS 10/4, a restaurant, or a hotel, or is operated by the metropolitan pier and exhibition authority. If the premises is any of the foregoing, any new license shall be limited to sale of alcoholic liquor for consumption on the premises. Nothing in Section 4-60-022 or Section 4-60-023 prevents or prohibits the issuance of an additional license to allow continued operation of an existing business within an area specified in either section by a new licensee, if the license is of the same type and if the successor licensee is any of the following: (a) the legal spouse of the prior licensee at the time of application for the new license; or (b) a parent, natural or adopted child of the prior licensee; or (c) an heir of the prior licensee by intestate succession, or a testamentary devisee of the prior licensee, and, after the death of the prior licensee, has thereby received the prior owner's interest in the licensed business; or (d) any other person who already shares ownership in the licensed business, or is acquiring less than five percent of the shares of a corporate licensee; or (e) any other person who is acquiring the licensed business by purchase.

(Omitted text is unaffected by this ordinance)

4-60-072 Liquor licenses in a casino.

A liquor licensee in a casino, as that term is defined in 230 ILCS 10/4, shall be subject to all provisions of this chapter, except for subsections (e) and (f) of Section 4-60-040; the 35-day review period of subsection (h) of Section 4-60-040; Section 4-60-050; Section 4-60-130; and any provision of this Code regarding hours for the sale and consumption of alcoholic liquor.

SECTION 6. Chapter 4-156 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

4-156-010 Definitions.

For purposes of this chapter:

"Amusement" means: (1) any exhibition, performance, presentation or show for entertainment purposes, including, but not limited to, any theatrical, dramatic, musical or spectacular performance, promotional show, motion picture show, flower, poultry or animal show, animal act, circus, rodeo, athletic contest, sport, game or similar exhibition such as boxing, wrestling, skating, dancing, swimming, racing, or riding on animals or vehicles, baseball, basketball, softball, football, tennis, golf, hockey, track and field games, bowling or billiard or pool games; (2) any entertainment or recreational activity offered for public participation or on a membership or other basis including, but not limited to, carnivals, amusement park rides and games, bowling, billiards and pool games, dancing, tennis, racquetball, swimming, weightlifting, bodybuilding or similar activities; or (3) any paid television programming, whether transmitted by wire, cable, fiber optics, laser, microwave, radio, satellite or similar means. "Amusement" does not include lawful gambling at a casino, as that term is defined in 230 ILCS 10/4.

(Omitted text is unaffected by this ordinance)

4-156-150 Definitions.

As used in this chapter:

"Automatic amusement device" means any machine, which, upon the insertion of a coin, slug, token, card or similar object, or upon any other payment method, may be operated by the public generally for use as a game, entertainment or amusement, whether or not registering a score, and includes but is not limited to such devices as jukeboxes, marble machines, pinball machines, movie and video booths or stands and all games, operations or transactions similar thereto under whatever name by which they may be indicated. Bingo devices are deemed gambling devices and are therefore prohibited for use except as provided by state law. If a machine consists of more than one game monitor which permits individuals to play separate games simultaneously, each separate game monitor shall be deemed an automatic amusement device. An "automatic amusement device" does not include a machine used for lawful gambling at a casino, as that term is defined in 230 ILCS 10/4.

(Omitted text is unaffected by this ordinance)

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. or the Illinois Gambling Act, 230 ILCS 10/1, et seq., each as in effect on May 4, 2022.

4-156-160 Tax imposed.

An annual tax in the amount of \$150.00 for each calendar year is imposed upon all automatic amusement devices operated for gain or profit per device. This section does not apply to a casino, as that term is defined in 230 ILCS 10/4.

SECTION 7. Section 8-12-010 of the Municipal Code of Chicago is hereby amended by adding the language underscored and by deleting the language struck through, as follows:

8-12-010 Gambling prohibited.

No person shall play or engage in faro, roulette, or gambling for money or other valuable thing, or in any other device or game of chance, hazard, or skill, either as bookmaker, dealer, keeper, player, or otherwise, for the purpose of gaming or gambling for money or other valuable thing. Nothing in this chapter shall be construed to prohibit any conduct authorized by the following statutes, each as in effect on May 4, 2022: the Illinois Lottery Law, the Illinois Horse Racing Act, the Raffles and Poker Runs Act, the Illinois Pull Tabs and Jar Games Act, the Bingo License and Tax Act, the Charitable Games Act, the Illinois Gambling Act, or the Illinois Sports Wagering Act.

SECTION 8. Section 17-4-0200 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by 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 approval req'd		
					- = not allowed		
COMMERCIAL							
<i>(Omitted text is unaffected by this ordinance)</i>							
RR. Sports and Recreation, Participant							
<i>(Omitted text is unaffected by this ordinance)</i>							
3.	Indoor	P	P	-	P	<u>17-9-0120</u>	17-10-0208
<i>(Omitted text is unaffected by this ordinance)</i>							

SECTION 9. Section 17-8-0500 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by inserting the underscored language, as follows:

17-8-0500 Mandatory Planned Development Thresholds.

(Omitted text is unaffected by this ordinance)

17-8-0510-E Planned Development review and approval is required for any casino use and such use may only be established in a DX zoning district.

(Omitted text is unaffected by this ordinance)

SECTION 10. Section 17-9-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by inserting the underscored language, as follows:

17-9-0100 Use Standards.

(Omitted text is unaffected by this ordinance)

17-9-0120 Casino. All such uses must be:

1. conducted within completely enclosed buildings;
2. located in a DX zoning district; and
3. established pursuant to the planned development standards of Section 17-8-0500.

SECTION 11. Section 17-13-200 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by inserting new subsection 17-13-0205, as follows:

17-13-0200 Zoning Ordinance text amendments.

(Omitted text is unaffected by this ordinance)

17-13-0205 Exception. Any proposed text amendment involving the establishment of a casino in the City of Chicago which is referred to the City Council Special Committee on the Chicago Casino is excepted from the procedures outlined in Sections 17-13-0201, 17-13-0202, and 17-13-0203.

(Omitted text is unaffected by this ordinance)

SECTION 12. Section 17-7-0100 of Title 17 of the Municipal Code of Chicago, the Chicago Zoning Ordinance, is hereby amended by deleting the language struck through and by inserting the underscored language, as follows:

17-17-0100 Use Group and Category Descriptions.

(Omitted text is unaffected by this ordinance)

17-17-0104-AA Sports and Recreation, Participant. Provision of sports or recreation primarily by and for participants. (Spectators would be incidental and on a nonrecurring basis). The following are participant sports and recreation use types (for either general or personal use):

(Omitted text is unaffected by this ordinance)

3. Indoor. Participant sport and recreation uses conducted within an enclosed building, other than arcades and *entertainment cabarets*. Typical uses include bowling alleys, billiard parlors, shooting range facilities, and physical fitness centers, and casinos.

(Omitted text is unaffected by this ordinance)

17-17-0200 General Terms.

(Omitted text is unaffected by this ordinance)

17-17-0234 Reserved-Casino. A facility at which gambling is authorized as provided in the Illinois Gambling Act as in effect on May 4, 2022.

(Omitted text is unaffected by this ordinance)

SECTION 13. The Mayor is authorized to negotiate and enter into a Host Community Agreement with Bally's Corporation or a subsidiary thereof whose obligations to the City are guaranteed by Bally's Corporation (the "Selected Applicant"), substantially in the form attached as Exhibit A, (the "Host Community Agreement"), to the casino resolution accompanying this ordinance, for the purpose of memorializing the details concerning the development and operation of a casino in the City of Chicago by the Selected Applicant.

SECTION 14. The Selected Applicant shall pay to the City \$40 million upfront payment for the benefit of developing and operating a casino in the City of Chicago (the "Fixed Incentive Payment") as provided in the Host Community Agreement upon the signing of the Host Community Agreement. Subject to appropriation, the City intends to allocate the entirety of the Fixed Incentive Payment for payment towards the City's annual required pension contribution for any City of Chicago annuity and benefit fund created under the Illinois Pension Code (40 ILCS 5/1-101, et. seq.).

SECTION 15.

(a) The Chief Financial Officer, in consultation with the Commissioners of Planning and Development, Transportation, and Housing, and the Chief Procurement Officer, shall provide a quarterly report to the City Council Committee on Contracting Oversight and Equity detailing compliance with construction contracting goals, vendor goals, aggregate construction job numbers and aggregate operating job numbers that are required under Section 2.c. and Section 3.b. of Exhibit A-2 of the Host Community Agreement; and Section 2.a. and Section 2.b. of the Exhibit A-3 of the Host Community Agreement (including data broken down by ethnicity).

(b) The Chief Financial Officer, the Commissioners of Planning and Development, Transportation, and Housing, and the Chief Procurement Officer shall appear annually during the construction of a casino in the City of Chicago at a public hearing before the City Council Committee on Contracting Oversight and Equity to provide a report regarding compliance with the construction contracting goals, vendor goals, aggregate construction job numbers and aggregate operating job numbers that are required under Section 2.c. and Section 3.b. of Exhibit A-2 of the Host Community Agreement; and Section 2.a. and Section 2.b. of the Exhibit A-3 of the Host Community Agreement (including data broken down by ethnicity).

SECTION 16. Any liquidated damages paid to the City under Exhibit A-2 of the Host Community Agreement shall be placed into a fund, pursuant to the Budget Director's direction and subject to appropriation, to be utilized for support of the City's contracting equity and workforce development programs and related uses.

SECTION 17. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 18. This ordinance shall be in full force and effect upon due passage and approval.



CITY COUNCIL
CITY OF CHICAGO

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CITY HALL-THIRD FLOOR - ROOM 304
121 NORTH LA SALLE STREET
TELEPHONE: 312-744-6845

COMMITTEE MEMBERSHIPS

ZONING, LANDMARKS AND BUILDING STANDARDS
(CHAIRMAN)
BUDGET AND GOVERNMENT OPERATIONS
COMMITTEES, RULES
ECONOMIC, CAPITAL AND TECHNOLOGY DEVELOPMENT
FINANCE
LICENSE AND CONSUMER PROTECTION
PUBLIC SAFETY
SPECIAL EVENTS, CULTURAL AFFAIRS AND RECREATION
WORKFORCE DEVELOPMENT

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MAY 23, 2022

REPORT OF THE SPECIAL COMMITTEE ON THE CHICAGO CASINO

MADAME PRESIDENT AND MEMBERS OF THE CITY COUNCIL, PRESENTING A REPORT FOR YOUR SPECIAL COMMITTEE ON THE CHICAGO CASINO, WHICH HELD SUBJECT MATTER HEARINGS ON APRIL 24 AND MAY 9, 2022, AND WHICH HELD A MEETING ON MAY 20, 2022, WHICH RECESSED AND RECONVENED ON MAY 23, 2022. THE FOLLOWING 2 ITEMS PERTINENT TO THE ESTABLISHMENT OF A CHICAGO CASINO RECEIVED A "DO PASS" RECOMMENDATION BY A MAJORITY OF THE MEMBERS PRESENT.

FIRST, A REVISED SUBSTITUTE ORDINANCE AMENDING TITLES 2, 4, 8 AND 17 OF THE MUNICIPAL CODE REGARDING A CASINO IN THE CITY OF CHICAGO.

SECOND, A SUBSTITUTE RESOLUTION CONCERNING THE DEVELOPMENT AND OPERATION OF A CASINO IN THE CITY OF CHICAGO.

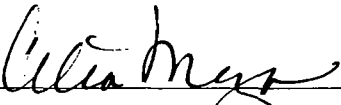
CHAIRMAN ERVIN AND I MOVE TO DEFER AND PUBLISH THESE 2 ITEMS.

MADAME PRESIDENT, THAT CONCLUDES MY REPORT.

Sincerely,

Thomas M. Tunney
Alderman, 44th Ward

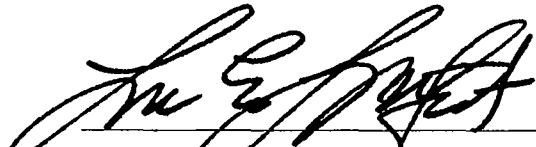
APPROVED



CORPORATION COUNSEL

DATED: 6/9/2022

APPROVED



MAYOR

DATED: 9 June 2022