

VILLAGE OF LIBERTYVILLE

LICENSE & PERMITS COMMITTEE

November 13, 2018
Village Hall Board Room
118 W. Cook Avenue
7:00 p.m.

AGENDA

- 1) Approval of Minutes – December 13, 2016
- 2) Request for Raffle Requirements Change – American Legion
- 3) Adjournment

Any individual who would like to attend this meeting but because of disability needs some accommodation to participate should contact the ADA Coordinator at 118 West Cook Avenue, Libertyville, Illinois 60048 (847) 362-2430. Assistive listening devices are available.

Village of Libertyville
License and Permits Committee

December 13, 2016
Minutes

A meeting of the License and Permits Committee was held at 7:00 p.m. on Tuesday, December 13, 2016 at the Libertyville Village Hall. Those in attendance included Chairperson/Trustee Jay Justice, and Committee Members Scott Adams and Pete Garrity. Also in attendance were Mayor Terry Weppler, Trustee Rich Moras, Trustee Pat Carey, Police Chief Clint Herdegen, Community Development Director John Spoden, Building Commissioner David Fischer, Deputy Village Administrator Kelly Amidei, and Village Administrator Kevin J. Bowens.

Trustee Adams moved and Trustee Garrity seconded to approve the minutes of the July 19, 2016 meeting. Motion carried unanimously.

Bob Helle of Grayslake was in attendance and discussed his proposal for a Bar and Music/Entertainment venue in the Manchester Square building located at 601 North Milwaukee Avenue; tentatively called Mak's Tavern. Mr. Helle reviewed a draft floorplan, and indicated that the venue would be open around 5:00 p.m. Wednesday through Sunday, would not serve food, and would not sell tickets but would have a cover charge for the entertainment. Access to the venue would be off of the pedestrian walkway connecting Milwaukee Avenue to the parking area to the west. Mr. Helle indicated he has met with the Mayor and Village Staff and knows that there is a concern regarding noise, however he and the building owner both will have acoustical engineers who will design the facility in order to meet Village noise requirements. Mr. Helle indicated that the entertainment will focus on jazz, blues and other acoustical music with occasional comedy, and will target middle-aged adults and families. Helle indicated that he is agreeable to earlier closing hours such as midnight during the week and 1 o'clock on the weekends; may be interested in having a Sunday brunch type event, is looking at area restaurants to provide small plates or appetizers, and is also willing to limit the opening time of the facility to an hour or two before the entertainment begins. Finally, Mr. Helle indicated that he anticipates using local entertainers and comedians for the facility.

The Mayor and Committee Members asked a number of questions with regard to the proposed use, and the Mayor indicated that he would only consider a new Liquor License category that would be tied to the music and entertainment venue, but not specifically as a bar. A discussion also took place with regard to signage. Mr. Helle indicated that while he would like to do something at each end of the alleyway, a hanging wall sign and window sign may be the only options to meet Village code. Mr. Helle indicated if the Committee and Village Board are agreeable, they would like to move forward and can take possession of the space January 1 and hopes to open in the spring of 2017.

The Committee agreed to recommend to the Village Board that a new Liquor License category be created which will emphasize the facility as a music and entertainment venue, with the sale of alcohol secondary, and Mr. Helle agreed he will not utilize the reference to “tavern or bar” in the name. The committee requested that the staff work with Mr. Helle to develop a proposed Liquor License category which can be considered at a Village Board meeting in January 2017.

Committee meeting was adjourned at 7:30 p.m.

Respectfully submitted,

Kevin J. Bowens
Village Administrator

Memorandum

To: License & Permits Committee Members
From: Kelly Amidei, Village Administrator
Date: November 8, 2018
Subject: Request for Raffle Licensing Change

The American Legion contacted Mayor Weppler to indicate their plans to conduct a "Queen of Hearts" raffle. As a result, they have requested a change to the Village's Municipal Code to increase the maximum raffle limit and the raffle time limit. Currently, the Village allows for a maximum raffle prize of \$20,000 and a maximum of 180 days for the raffle sales. The American Legion has requested a change to a maximum prize of \$2,000,000 and 365 days for the raffle time period.

A review of neighboring communities did demonstrate that a higher maximum prize value of \$250,000 is common. The highest determined through the research was McHenry with a maximum limit of \$1,000,000.

The Village supports the efforts of the American Legion, however also has a responsibility to ensure that its ordinances are enforceable and fair. The main concern staff has in increasing the limit to \$2,000,000 is the amount of traffic that could be generated for raffle ticket purchases to the Legion building which has very limited parking and is located on Milwaukee Ave.

The Gurnee American Legion currently runs a Queen of Hearts raffle with the Gurnee limits of \$250,000. Staff recommends \$250,000 be the maximum for the change to the maximum raffle prize limit. In the event this needs to be re-evaluated in the future, the American Legion may approach the Village for a review. Since the raffle is new, Staff would like to review the impact on traffic and parking prior to granting the large-scale \$2,000,000 limit. Therefore, the only recommended change would be to increase the limit to \$250,000 at this time.

Attachments:

Request from the American Legion
Gurnee Legion rules for QOH raffle
Village's existing code
Village's raffle application



license &
permits
comm.

AMERICAN LEGION POST 329 LIBERTYVILLE

715 N. Milwaukee Avenue

Libertyville, IL, 60048

847-367-9880

E-mail: americanlegion@post329.org

Terry Wepler

Village President

118 W. Cook Ave.

Libertyville, IL. 60048

Oct. 5, 2018

Dear Mayor Wepler,

The American Legion Post #329, Libertyville would like to begin a Queen of Hearts game.

In order to do so, we request that the Village of Libertyville modify it's regulations on raffles. It is my understanding that the current regulations limit the maximum payout of a raffle is \$20,000 and the duration is 120 days. In order for us to conduct a Queen of Hearts game, we request that those limits be raised to two million dollars and 365 days.

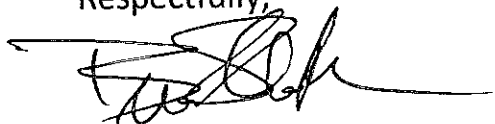
We plan to change our game so that the kind of mania that occurred in McHenry, would not happen in Libertyville. Our game would be more modest in it's grand prize , but more generous in it's weekly prizes. We would also limit the cards to 52 cards versus 54 as was done in McHenry. We would also not have any restarts.

We anticipate a slow beginning as we would begin with no large rollover pot and I believe that McHenry's new Queen of Hearts game beginning in January will begin with a \$30 million dollar pot.

We are trying to devise procedures to prevent fraud and handle crowds should our game get to the half million or million dollar level.

We hope you would strongly consider our request, as it may be a substantial source of income for our Post and further raise the visibility of the Village of Libertyville as it did for McHenry. Not that Libertyville needs more visibility, as we believe our town is already very popular due to your continued great planning.

Respectfully,

A handwritten signature in black ink, appearing to read 'Bruce S. Matsunaga', with a long horizontal flourish extending to the left.

Bruce S. Matsunaga

Commander

American Legion Post 329 Libertyville



[_https://gurneeamericanlegion.org/](https://gurneeamericanlegion.org/)

QUEEN OF HEARTS RULES

American Legion Post 771

Gurnee, IL

THIS IS A WEEKLY PROGRESSIVE RAFFLE

DRAWING EACH THURSDAY AT 6:30 PM

Post 771 holds a weekly Queen of Hearts drawing. For a quick explanation of how this weekly event works here's how it works:

- Throughout the week patrons may purchase tickets at the bar.
On every THURSDAY evening starting at 6:30 pm (ticket sales stop for a said week at 6:15 pm) and a drawing is held. Winner of the drawing then escorted to the locked card case and picks
- from a wall of numbered cards.
Winner chooses a card from the Queen of Hearts board and the playing card pulled out,
- dictates monetary value for the winner.
- If the Queen of Hearts is chosen, the winner takes the prize stated on rule 9.

QUEEN OF HEARTS-RULES AND PROCEDURES

1. Purchase of raffle tickets implies agreement to all rules, as below.

The QUEEN OF HEARTS game will be run by a committee of three (3) administrators, as
2. appointed by the Post Commander. The committee will be responsible to set up a commercially certified Queen of Hearts game board

in public location in the bar. The committee will also conduct the weekly drawing and report all ticket sales to the Post Finance Officer. The committee members are PROHIBITED from playing the game. Prior committee members are eligible to play the game, if and only if, they have NOT been involved in running the current game board. Once the Queen of Hearts is drawn, that will constitute the end of the current game/board

3. and a new game/board will be established as set forth in these rules.

The Queen of Hearts game board will be displayed in the bar area and will remain locked

4. at all times except during the drawing.

5. To be eligible to play, you MUST be 21 years of age or older. **If your name is drawn, you must present your half of the winning ticket number, prior to selecting a card. If you do not have your half of the winning ticket, then another name will be drawn. If you are not present, the prize amount of the card chosen on your behalf, as set forth in these rules, will be held until you present your half of the winning ticket to any game administrator or Post Officer. In this case, if you do not have your half of the winning ticket, the prize money will be placed back into the jackpot.**

All raffle tickets are sold as one (3) ticket for \$5.00 or (15) tickets for \$20.00 with no limit on the number of tickets that may be purchased. Tickets may be purchased from any bartender on duty or game administrator only. Tickets may be purchased immediately following the weekly drawing and up to 30 minutes prior to the next weekly drawing. All

6. ticket purchases are FINAL and there will be NO REFUNDS.

The jackpot will continue to accumulate and will be updated weekly in the Bar until the

7. Queen of Hearts is drawn.

PLEASE, write your name legibly on the half of each ticket you purchase to turn into the

8. raffle

. There can be only one name per ticket and please no nicknames or abbreviations

. If you think that you will not be present during the weekly drawing,

it is HIGHLY RECOMMENDED that you write your phone number and the card number you wish selected, that you would like drawn on the half of each ticket you turn in

. The other half of the ticket MUST be retained by the player for verification purposes to draw a card and receive the cash prize associated with the revealed card. If you are not present for the weekly drawing, and there is no card number written on your winning ticket is drawn, a game administrator will choose the card number at their random discretion and reveal the card. If you are not present, YOU WILL RECEIVE 50% of the prize associated with the revealed card.

- **Prizes:**

- QUEEN OF HEARTS: 60 % of the announced pot at the time of drawing
- ANY OTHER QUEEN: \$100.00
- JOKER \$50.00
- ANY OTHER CARD \$25 (whether present or not)
- THE JACKPOT ROLLS IF QUEEN OF HEARTS NOT DRAWN EACH WEEK.

Every THURSDAY (unless otherwise posted) at 6:30 PM, a name will be drawn from the tickets purchased that week and announced three (3) times. If you show up at any time after 7 PM and your name was announced three (3) times, you will be considered as not present. The bar clock is the official clock used. On certain holidays the drawing may be moved to a different day and time, this will be announced at the end of the preceding drawing and posted on this board as well.

If your ticket is drawn and you are present, you will get to choose a card from the board. Once you announce a card to a game administrator, that card is final, you may not announce a different card. You will then be awarded a cash prize as set forth in the current payout schedule posted. In the case of drawing the Queen of Hearts \$500.00 in cash will be immediately paid to the winner. The remainder of the prize will be paid in the form of a check as set forth in rule number 13.

Once a card is selected, it will be removed from play and shown face up on the board until the end of the current game/board.

Each week after the drawing, all tickets from that week's drawing will be removed from the Queen of Hearts drum and placed in a second chance drum for prizes to be determined by the Post Queen of Hearts Committee. Drawing from the second chance drum will be at the discretion of the Committee.

AFTER THE QUEEN OF HEARTS IS DRAWN, A NEW GAMES WILL START WITH A \$1000 POT OR 10% OF THE PROCEEDING QUEEN OF HEARTS AWARDED PRIZE, WHICHEVER IS GREATER.

All eligible winning players are responsible for any and all taxes. A W-2G will be issued for prizes of \$600.00 and over. As well, 25% of the winnings may be withheld and reported to the IRS, if a prize is over \$5000.00. NO prize \$600.00 and over, will be paid either by cash, check, or combined cash and check, until form W-9 completely filled out. A government-issued photo I.D. along with another form of I.D. (social security card, voter i.d., etc.) will be required as well. If an eligible player is unwilling or unable to provide W-9 information within four (4) weeks of winning the said prize, your prize winnings will be subject to current backup withholding percentage as set forth by the I.R.S., before any prize money will be released. IRS Rules

6. (https://www.irs.gov/pub/irs-tege/notice_1340.pdf)

THE GURNEE AMERICAN LEGION POST 771 WILL BE ADMINISTERED IN ACCORDANCE WITH THE VILLAGE OF GURNEE RAFFLE ORDINANCE 2002- 17 AND THE STATE OF ILLINOIS (230 ILCS 15/) RAFFLES AND POKE RUNS ACT. THE MAXIMUM AWARDED JACKPOT IN ACCORDANCE WITH VILLAGE OF GURNEE RAFFLE RULES TO ANY PERSON IS \$200,000. ONCE THE TOTAL JACKPOT REACHES \$333,333.00, RAFFLE TICKETS WILL BE DRAWN UNTIL THE QUEEN OF HEARTS IS DRAWN AND A WINNER IS ANNOUNCED. MAXIMUM TOTAL PRIZES TO BE AWARDED WILL BE \$250,000 IN ACCORDANCE WITH THE VILLAGE OF GURNEE RAFFLE RULES.

Gurnee American Legion Post 771

Queen of Hearts Committee

Theme by Tesseract (<https://tesseracttheme.com>) **(<https://tesseracttheme.com>)**



RAFFLE LICENSE APPLICATION – FEE \$60.00

Applicant (organization)
Applicant representative
Address

The type of organization applying for the raffle license.

Please indicate: () Religious () Labor () Charitable () Other
() Educational () Fraternal () Veterans'

Purpose of raffle _____

Area within Village where raffle will be conducted _____

Chances will be sold from _____, 20__ to _____, 20__ (maximum 180 days)

Winning chances determined at _____ on _____, 20__.
(Place of drawing)

Aggregate retail value of all prizes or merchandise to be awarded in this raffle. \$ _____.

NOTE: The maximum retail value of a single prize awarded in a raffle is \$20,000.

The maximum amount which may be charged for each raffle is \$200.

We, the undersigned, state that we are the presiding officers of the above applicant and that said applicant is a not-for-profit organization. The undersigned further depose that the raffle be conducted in accordance with the applicable provisions of local ordinance and State statute, whichever may be applicable.

ATTEST:

Date _____

Secretary

Presiding Officer

ARTICLE VI. - RAFFLES^[5]

DIVISION 1. - GENERALLY

Sec. 13-116. - Definitions; conflicts.

All definitions contained in the Raffles Act [230 ILCS 15/0.01 et seq.] shall apply to this article, and in case of any conflict between the provisions of such act and the provisions of this article the provisions of such act as same may be amended, if at all, shall govern.

(Code 1977, § 21.11.2(b))

Sec. 13-117. - Limitations.

Conditions and limitations on the conduct of raffles in the village are placed as follows, except as may be otherwise approved by the board of trustees:

- (1) Aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle is twenty thousand dollars (\$20,000.00).
- (2) The maximum retail value of each prize awarded by a licensee in a single raffle is twenty thousand dollars (\$20,000.00).
- (3) The maximum which may be charged for each raffle chance issued or sold is two hundred dollars (\$200.00).
- (4) The maximum number of days during which chances may be issued or sold is one hundred eighty (180).

(Code 1977, § 21.11.4(a)—(d); Ord. No. 94-0-04, § 2, 1-25-94)

Sec. 13-118. - Restrictions.

The conduct of raffles in the village is subject to the following restrictions:

- (1) The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the organization permitted to conduct that game.
- (2) No person except a bona fide member of the sponsoring organization may participate in the management or operation of the raffle.
- (3) No person may receive any remuneration or profit for participating in the

management or operation of the raffle.

- (4) A licensee may rent a premises on which to determine the winning chance or chances in a raffle only from an organization which is also licensed under this article.
- (5) Raffle chances may be sold or issued only within the area specified on the license and winning chances may be determined only at those locations specified on the license.
- (6) No person under the age of eighteen (18) years may participate in the conducting of raffles or chances. A person under the age of eighteen (18) years may be within the area where winning chances are being determined only when accompanied by his parent or guardian.
- (7) The location of the premises on which to determine the winning chance or chances in a raffle shall be restricted to a B-1, B-2, or B-4 commercial zone or where a special use permit has been granted for a school, church, governmental or similar institution.

(Code 1977, § 21.11.5)

State Law reference— Similar provisions, 230 ILCS 15/4.

Sec. 13-119. - Manager; bond.

All operation of and the conduct of raffles shall be under the supervision of a single raffles manager designated by the organization. The manager shall give a fidelity bond in an amount to be determined by the corporate authorities in favor of the organization conditioned upon his honesty in the performance of his duties. Terms of the bond shall provide that notice shall be given in writing to the corporate authorities not less than thirty (30) days prior to its cancellation. The corporate authorities may waive this bond requirement by including a waiver provision in the license issued to an organization under this article, provided that a license containing such waiver provision shall be granted only by unanimous vote of the members of the licensed organization.

(Code 1977, § 21.11.6)

State Law reference— Similar provisions, 230 ILCS 15/5.

Sec. 13-120. - Records.

- (a) Each organization licensed to conduct raffles and chances shall keep records of its gross receipts, expenses and net proceeds for each single gathering or occasion at which winning chances are determined. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose, amount and date of payment.
- (b) Gross receipts from the operation of raffles programs shall be segregated from other revenues of the organization, including bingo gross receipts, if bingo games are also conducted by the same nonprofit organization pursuant to license therefor issued by the state department of revenue and placed in a separate account. Each organization shall have separate records of its raffles. The person who accounts for gross receipts, expenses and net proceeds from the operation of raffles shall not be the same person who accounts for other revenues of the organization.
- (c) Each organization licensed to conduct raffles shall report monthly to its membership, and to the corporate authorities, its gross receipts, expenses and net proceeds from raffles, and the distribution of net proceeds itemized as required in this article.
- (d) Records required by this article shall be preserved for three (3) years, and organizations shall make available their records relating to operation of raffles for public inspection at reasonable times and places.

(Code 1977, § 21.11.7)

State Law reference— Similar provisions, 230 ILCS 15/6.

Secs. 13-121—13-135. - Reserved.

DIVISION 2. - LICENSE

Sec. 13-136. - Required.

No person shall conduct a raffle within the corporate limits of the village without first having obtained a license from the corporate authorities.

(Code 1977, § 21.11.1)

State Law reference— Authority to license raffles, 230 ILCS 15/2.

Sec. 13-137. - Application; fee.

Applications for licenses under this division must contain the following information:

- (1) Name of applicant.
- (2) Address.
- (3) Purpose of raffle.
- (4) Area within the village where raffle is to be conducted.
- (5) Time period during which chances will be sold or issued.
- (6) Sworn statement attesting to not-for-profit character of the prospective licensee organization, signed by presiding officer and secretary of organization.
- (7) Time and location at which winning chances will be determined (see section 13-118 for permissible location).
- (8) The license fee shall be as established by the annual fee ordinance.
- (9) The aggregate retail value of all prizes or merchandise to be awarded by a single raffle.
- (10) The maximum retail value of each prize or each specific type of prize to be awarded by a licensee in a single raffle.
- (11) The maximum to be charged for each raffle chance and the number of chances to be issued for each raffle.

(Code 1977, § 21.11.4(e); Ord. No. 84-0-47, § 1, 10-9-84)

State Law reference— License applications, 230 ILCS 15/3(4).

Sec. 13-138. - Eligibility.

- (a) Licenses shall be issued only to bona fide religious, charitable, labor, business, fraternal, educational or veterans' organizations that operate without profit to their members and which have been in existence continuously for a period of five (5) years immediately before making application for a license and which have had during that entire five-year period a bona fide membership engaged in carrying out their objects, or to a nonprofit fundraising organization that the corporate

authorities determine is organized for the sole purpose of providing financial assistance to an identified individual or group of individuals suffering extreme financial hardship as the result of an illness, disability, accident or disaster.

(b) The following are ineligible for any license under this division:

- (1) Any person who has been convicted of a felony.
- (2) Any person who is or has been a professional gambler or gambling promoter.
- (3) Any person who is not of good moral character.
- (4) Any firm or corporation in which a person defined in paragraph (1), (2), or (3) above has a proprietary, equitable or credit interest, or in which such a person is active or employed.
- (5) Any organization in which a person defined in paragraph (1), (2), or (3) above is an officer, director, or employee, whether compensated or not.
- (6) Any organization in which a person defined in paragraph (1), (2), or (3) above is to participate in the management or operation of a raffle as defined in this article.

(Code 1977, § 21.11.3)

State Law reference— Eligibility for license, 230 ILCS 15/2, 15/3.

Secs. 13-139—13-167. - Reserved.