



City of Palos Heights  
License, Permits, & Franchises Committee  
Special Meeting  
Monday, March 7, 2022  
7:00 p.m.  
MINUTES

**CALL TO ORDER**

Chairman Lewandowski called the License, Permits, and Franchises Committee special meeting to order at 7:01 p.m at the Recreation Center. In attendance were Alderman McGovern, Alderman McGrogan, Alderman Basso, Alderman Begley, Alderman Clifford, City Administrator David Strohl, and recording secretary Tayler Swiedals.

**OPENING STATEMENTS**

Alderman Lewandowski welcomed and expressed gratitude to the residents and business owners in attendance for the meeting. Alderman Lewandowski explained that video gaming is currently prohibited in Palos Heights. This matter was brought to referendum on November 6, 2018 with a 43.21% of voters in favor of video gaming and 56.79% of voters against. This was a non-binding referendum, which would allow City Council to pass or reject the ordinance regardless of the results of the vote. Ultimately, this matter does not need to go back to referendum. The committee scheduled this meeting to revisit the issue of video gaming, and wanted to solicit feedback from the residents of Palos Heights once again. Alderman McGovern has done extensive research on video gaming, and has brought the matter to City Council for consideration with a draft ordinance. Alderman Lewandowski asked that anyone wishing to speak during public comment introduce themselves by name and address and keep their time to 5 minutes or less.

Alderman Lewandowski read the following statement from Mayor Straz:

“I opposed video gaming in Palos Heights. To me, it is a matter of image. As Palos Heights has become known for its fine restaurants, such as Capri, Harvest Room, Franklin’s, Kefi’s and in some pizza circles Joe’s Italian Villa; why would we want to add video gaming to that image? Restaurants have been successfully delivering their main product, food. I also feel that it is not truly representing the people when not more than one full election cycle we are looking to go against a 57-43 % referendum vote not to approve. The comments that only 47% of registered voters voted is not germane, considering that 47% is more than 3 times the highest turnout in the past 3 municipal elections. Those results are not disputed. The fact that this ordinance comes with additional restrictions, makes me feel that we are just trying to just get something approved; not for the residents, since we know their thoughts.”

## **DISCUSSION REGARDING VIDEO GAMING IN THE CITY OF PALOS HEIGHTS**

Alderman McGovern thanked everyone for taking the time to come out to the meeting to have an open discussion about the issue of video gaming once again, and presented his research on the issue. Video gaming was put into effect in Illinois in 2009, and Palos Heights created an ordinance to ban it within 2 months. There have been many adjustments to the state gaming law since the 2009 adoption. Alderman McGovern explained that only class A and F licenses would be allowed in the ordinance, and that the owners of the businesses would have the choice to apply for the license or not. Alderman McGovern used the Freedom of Information Act to obtain the ordinances and data concerning video gaming for 10 surrounding municipalities and used this information to draft an ordinance to be considered for Palos Heights. This ordinance includes no outdoor advertising or signage, video gaming must be in its own separate area, it must be recorded and monitored by a person at all times, and absolutely no video gaming cafes. There are 20 casinos in the State of Illinois, with 4 more being added in the future. The casino that will be located in East Hazel Crest will provide a percentage of revenue to Palos Heights and other surrounding municipalities. Gambling is a 1 billion dollar business in Illinois and is the 4<sup>th</sup> largest state for video gaming terminals with over 46,000 in use. Alderman McGovern discussed the fact that Palos Heights has no chain restaurants. He expressed his support for the small businesses of Palos Heights and asked the residents to consider the loss of business and revenue for the business owners due to video gaming being prohibited. The revenue the City will receive from video gaming will be put back in to the business district.

## **PUBLIC COMMENT**

Many residents of Palos Heights came forward to voice their continued opposition to the issue of video gaming. These residents expressed many of the same sentiments such as the highly addictive nature of gambling, concern for the aesthetic video gaming would bring to Palos Heights businesses, and the contradictory nature to the values of the community. Many of the residents stated that they were disappointed in the decision to revisit the issue of video gaming after it had been voted down previously. The following residents expressed opposition to the issue of video gaming: Karen Hayes, Sharon Robson, Patty Muller, Barbara Pasquinelli, Terry Moeller, Kathy Lachowicz, Paula Somers, Bill Moran, Steve Rhodes, Elaine Sullivan, and Nancy Rode.

Some residents and business owners of Palos Heights voiced their support for going forward with a video gaming ordinance. Those in support of the ordinance expressed the importance of the revenue video gaming could bring to the businesses of Palos Heights. The residents and business owners pointed out that any resident can go within a few blocks of the City limits and gamble in a neighboring town which would drive business out of Palos Heights. It was also noted that each business would have the choice to apply for the licenses for video gaming or not, and stressed the fact that no advertising or signage would be allowed on the outside of businesses. The following individuals expressed support for the issue of video gaming: Brendan Caffrey, Gino Maira (owner of Mama Vesuvio's East), Frank Costa (owner of Rooftop Tap), John Hanley, and Linda Herman.

A few residents were neutral on the issue and took this opportunity to ask questions to further their consideration on the topic. Lauren Kirkner asked the committee to clarify what positive outcomes video gaming could bring to the Palos Heights community. Bob Eberhardt stressed that each business would

have the choice to adopt the license or not, and that each patron has the choice to partake or not. Harry Zirbes inquired about the number of emails Alderman Lewandowski received prior to the meeting.

Alderman Lewandowski informed those present that he received approximately 30 emails prior to the meeting, with the ratio being about 3:1 in opposition to video gaming. Most of the emails that expressed support for the issue were focused on supporting local businesses. The majority of emails expressed opposition, and were heavily focused on the sacrifices the City would make to adopt this ordinance.

#### **NEW BUSINESS**

Alderman Clifford expressed his support for the people of Ukraine during this time. He informed the public that they can drop off supplies to be sent to Ukraine at various places around the City including City Hall and churches to aid in the relief effort.

#### **OLD BUSINESS**

NONE.

#### **ADJOURNMENT**

There being no further business, Alderman Lewandowski made a motion to adjourn at 8:30 pm, seconded by Alderman McGovern. All in favor.

Meeting adjourned at 8:30 p.m.

Respectfully submitted,

Tayler Swiedals, Recording Secretary