

ORDINANCE 13-030

AN ORDINANCE AMENDING SECTION 110 OF THE LOCKPORT MUNICIPAL CODE REGARDING RAFFLES CONDUCTED BY NON-PROFIT ORGANIZATIONS WITHIN THE CITY OF LOCKPORT, WILL COUNTY, ILLINOIS

WHEREAS, the Mayor and the Council of the City of Lockport, Will County, Illinois has the authority to adopt ordinances and to promulgate rules and regulations that pertain to its government and affairs and protect the public health, safety, and welfare of its citizens; and

WHEREAS, the General Assembly of the State of Illinois has enacted the Raffles Act (230 ILCS 15/0.01 et. seq.), which allows the governing body of a county or municipality in Illinois to establish a system for the licensing of organizations to operate raffles; and

WHEREAS, the Mayor and the City Council of the City of Lockport desire to exercise the power granted unto them by the General Assembly under the Raffles Act.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND MEMBERS OF THE CITY COUNCIL OF THE CITY OF LOCKPORT, WILL COUNTY, ILLINOIS that:

Section 1: That the City of Lockport Municipal Code is hereby amended by adding a new Chapter 110.40 entitled Raffles, which shall read as follows:

Sec 110.40.1 Raffles and Chances License

There is hereby established a "Raffles and Chances License," which license 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 the license as provided for in this subchapter and which have had during the entire five year period a bona fide membership engaged in carrying out their objectives and who have complied with the provisions of this subchapter and the provisions of the Raffles Act, 230 ILCS 15/0.01 et seq., as amended, or to a non-profit fundraising organization that the City determines 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.

Sec 110.41.2 Limitation on Value of Prize Awarded

A limitation in the amount of \$50,000.00 is hereby imposed upon the aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle. A limitation in the amount of \$50,000.00 is hereby imposed upon the maximum retail value of each prize awarded by a licensee in a single raffle. A limitation in the amount of \$125.00 is hereby imposed upon each raffle chance which is issued or sold in a single raffle. The number of days a licensee may sell chances for a single raffle is limited to one-hundred-twenty (120) days prior to such raffle.

Sec 110.41.3 Classification of Raffles and Fees

1. No license shall be granted to an applicant unless the designated fees are paid at the time the license application is submitted to the City. License fees once paid are not refundable.
2. **Classifications/Fee.** All raffle licenses shall be classified based upon the aggregate retail value of all prizes to be awarded and will pay the corresponding fee set forth below:
 - A. **Class A: Less than \$5,000.00: Automatically licensed without the necessity of an application; No fee**
 - B. **Class B: \$5,000.00 or greater: Fee: \$25.00.**

Sec 110.41.4 Time for Issuance

The City Clerk of the City of Lockport shall act upon any application for licenses submitted to and pursuant to the provisions of this subchapter within thirty (30) days from the date such application shall have been filed with the City Clerk.

Sec 110.41.5 Sale of Raffle Chances

Raffle chances authorized to be issued or sold pursuant to the provisions of this subchapter may be sold only within the boundaries specified on the license.

Sec 110.41.6 License Restrictions

A license issued pursuant to the provisions of this subchapter shall be subject to the following restrictions:

1. No person, firm or corporation shall conduct a raffle governed by the provisions of this subchapter without first having obtained a license therefor as provided for in this subchapter.
2. An application for a license pursuant to the provisions of this subchapter must specify the area or areas within the City within which raffle chances may be sold or issued, the time period during which raffle chances may be sold or issued, and the time and place for the determination of the winning chance.
3. The license issued pursuant to the provisions of this subchapter must specify the area or areas within the City within which raffle chances may be sold or issued, the time period during which raffle chances may be sold or issued, and the time and place for the determination of the winning chance or chances.
4. An application for a license pursuant to the provisions of this subchapter must contain a sworn statement attesting to the not-for-profit character of the prospective licensee organization and that the organization meets all the requirements of this subchapter and the Raffles Act, 230 ILCS 15/0.01 et seq., as amended, and must be signed by the presiding officer and secretary of such organization.

Sec 110.41.7 Denial of License

The following are ineligible for any license issued pursuant to this subchapter:

1. Any person who has been convicted of a felony;
2. Any person who 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 subparagraphs (1), (2) or (3) 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 subparagraphs (1), (2) or (3) is to participate in the management or operation of a raffle as defined in this subchapter; and
6. Any organization which fails to meet all the requirements of this subchapter and the Raffles Act, 230 ILCS 15/0.01 et seq., as amended.

Sec 110.41.8 Raffle Restrictions

Each raffle conducted pursuant to a Raffle and Chances License issued as provided for in this subchapter shall be 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 the raffle;
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 chances in a raffle only from an organization which is also licensed under the provisions of this subchapter;
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; and
6. No person under the age of 18 years may participate in the conducting of raffles or chances. A person under the age of 18 years may be within the area where winning chances are being determined only when accompanied by his parent or guardian.

Sec 110.41.9 Fidelity Bond Required

All operations of and the conduct of Class B raffles as provided for in this subchapter shall be under the supervision of a single manager designated by the organization. Such manager shall give a fidelity bond in the sum of \$5,000.00 or two times the aggregate value of prizes, whichever is less, in favor of the licensee conditioned upon his honesty in the performance of his duties. The bond shall provide that notice shall be given in writing to the City of Lockport not less than thirty (30) days prior to cancellation. Bonds as provided for in this Section may be waived by the City by the inclusion of a waiver provision in the license provided that a license containing such a waiver provision shall be granted only by unanimous vote of the members of the licensed organization.

Sec 110.41.10 Records To Be Kept

Each organization licensed pursuant to the provisions of this subchapter to conduct a raffle shall keep records of its gross receipts, expenses and net proceeds for each single raffle. All deductions from gross receipts for each single raffle shall be documented with receipts or other records indicating the amount, a description of the purchased items or service or other reason for deduction, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose, amount and date of payment.

Gross receipts from the operation of each single raffle shall be segregated from other revenues of the organization, including bingo gross receipts, if bingo games are also conducted by the same non-profit organization pursuant to license therefor issued by the Department of Revenue of the State of Illinois, and placed in a separate account. Each organization shall have separate records of each separate raffle. The person who accounts for gross receipts, expenses and net proceeds from the operation of each raffle shall not be the same person who accounts for other revenues of the organization.

Each organization licensed to conduct a raffle under the provisions of this subchapter shall report to its membership, and to the City of Lockport, its gross receipts, expenses and net proceeds from each raffle and the distribution of net proceeds itemized as required in this Section.

Records required by this Section shall be preserved for three (3) years, and organizations shall make available their records relating to operation of any raffle for public inspection and inspection by the City at reasonable times and places.

Sec 110.41.11 Scope of Regulations

Nothing contained in this subchapter shall be construed to authorize the conducting or operating of any gambling scheme, enterprise activity or device other than raffles as provided for in this subchapter.

Sec 110.41.12 Penalties

Any person, firm or corporation violating or failing to comply with any provision of this subchapter shall be fined not less than two hundred fifty dollars (\$250.00) and no more than seven hundred and fifty dollars (\$750.00) for each offense, and a separate offense shall be deemed committed on each day during or on which a violation occurs or continues.

Section 2:

This Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

Section 3:

That the City Clerk is hereby authorized and directed to publish this ordinance in pamphlet form.

PASSED THIS 4TH DAY OF DECEMBER, 2013, with:

8 ALDERMEN voting aye 0 ALDERMEN absent


0 ALDERMEN voting nay 0 ALDERMEN abstaining

the MAYOR voting aye _____ voting nay _____ not voting X

A COLARELLI A CAPADONA A TURNER A SMITH

A VANDERMEER A DESKIN A PERRETTA A MARYNOWSKI

MAYOR



Steven Streit, Mayor

ATTEST:


Alice Matteucci, City Clerk



Lockport: City of Historic Pride

City of Lockport

Steven Streit, Mayor
Alice Matteucci, City Clerk
David H. Palya, Treasurer
Ronald L. Caneva, Attorney
Benjamin J. Benson, City Administrator

Central Square Building, Suite 4, 222 E. Ninth Street, Lockport, Illinois 60441-3497 Phone (815)838-0549 Fax (815)838-9498

AFFIDAVIT

I, ALICE MATTEUCCI, CITY CLERK OF THE CITY OF LOCKPORT, IL, on oath state that on DECEMBER 4, 20 13, the Mayor and the City Council of the City of Lockport adopted Ordinance No. 13-030 and then on DECEMBER 17, 20 13, I published such Ordinance in pamphlet form by placing at least three copies thereof on file for examination by the general public at the Office of the City Clerk, 222 E. 9th Street, Lockport, IL.



City Clerk

Subscribed and sworn to me before this
17th day of DECEMBER, 20 13.



NOTARY PUBLIC





CITY OF LOCKPORT
WILL COUNTY, ILLINOIS
 222 E 9th Street
 Lockport, Illinois 60441

Please return completed application to:
 Deputy City Clerk, Lockport
 222 E. 9th Street
 Phone (815) 838-0549

APPLICATION FOR RAFFLE LICENSE

Note to Applicants: Pursuant to Illinois law, 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 5 years immediately before making application for a license and which have had during that entire 5 year period a bona fide membership engaged in carrying out their objects, or to a non-profit fundraising organization that the City of Lockport determines 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 illness, disability, accident or disaster.

1. Applicant Background Information [please print answers clearly]

a. Name of organization (applicant): Name of agent (if applicable):	
b. Address: Mailing Address (if different):	
c. Phone number:	d. Fax number:
e. Email address:	f. Website:
g. Has applicant organization existed continuously for at least 5 years? [circle one] YES / NO	
h. Date and place of organization's formation/incorporation:	
i. Is applicant a not-for-profit organization? [circle one] YES / NO	
j. Choose one category to describe applicant organization [refer to information sheet for category definitions]: (1) Religious (2) Charitable (3) Labor (4) Fraternal (5) Educational (6) Veteran's Organization	
k. Describe the activities and/or purpose of the applicant organization:	
l. List dates of any previous applications for a raffle license: Were the applications granted? [circle one] YES / NO If yes, list dates of previous licensed raffles:	

2. Scope of Raffle License

a. Applicant requests license to conduct [choose one]: <input type="checkbox"/> one raffle (Class B with an aggregate raffle value \$5,000.00 or greater) <input type="checkbox"/> multiple raffles (Class B)

3. Raffle Tickets [indicate if recurring event]

Note: The maximum price that may be charged for each raffle chance or ticket is \$125. The maximum number of days during which chances to win or "tickets" may be sold is 120 days. Tickets must be sold in Lockport. No person under the age of 18 may participate in the conducting of raffles.

a. Number of tickets to be sold:	b. Price per ticket (cannot be more than \$125):
c. Time period during which tickets will be sold [list date(s) and time(s)] (not more than 120 days):	
d. Area(s) or location(s) tickets will be sold (in Lockport):	

4. Raffle Prizes [indicate if recurring event]

Note: The aggregate retail value of all prizes or merchandise awarded by a single licensee in a single raffle is limited to \$50,000. No single prize may have a maximum retail value of more than \$50,000.

a. Number of prizes to be awarded:	b. Cash value of all prizes (total):			
c. Description of prizes:				
<u>Prize to be awarded</u>	<u>Cash value</u>	<u>Drawing date (or recurring event, i.e., 'Monday bingo')</u>	<u>Time</u>	<u>Location</u>
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

e. Does applicant own the premises at each location where raffle drawing is to be held? [circle one] YES / NO
(If yes, skip to question 5.)

f. If no, will applicant lease/rent/pay owner for use of the premises? [circle one] YES / NO

List premises to be rented, owner, and indicate whether owner has a valid raffle license or has applied for license:

<u>Location & type of location (i.e., 'church')</u>	<u>Owner</u>	<u>Owner's Address</u>
_____	_____	_____
_____	_____	_____

5. Raffle Manager

Note to applicant: Applicant must designate a "raffle manager" to supervise and control the raffle. The manager must post a fidelity bond unless waived by the Village board of trustees and approved by unanimous vote of the applicant's members.

a. Name of designated raffle manager:	b. Manager Address:
c. Manager Phone:	d. Manager Fax:
e. Choose one: _____ A copy of the manager's fidelity bond is attached _____ By unanimous vote of applicant organization's members, applicant requests waiver of bond	

6. Applicant Statement [must be signed by both presiding officer and secretary of organization]

The undersigned, under oath, hereby state as follows:

1. That the applicant organization is a not-for-profit organization that has been in continuous existence for the five years preceding this application date, and during that entire period it has maintained a bona fide membership actively engaged in carrying out its objectives;
2. That no officer, director or employee, whether compensated or not, of applicant organization, and no person who is to participate in the management or operation of applicant organization's raffle and if applicant is a firm or corporation, no person who has a proprietary, equitable or credit interest, or is employed by or active in applicant firm or corporation was ever convicted of a felony, was ever or is currently a professional gambler or gambling promoter, or is a person who is not of good moral character;
3. That should a raffle license be granted to applicant:
 - a. Each such license shall be valid for only one raffle or for a specific number of raffles to be conducted during a specified period not to exceed one year;
 - b. Such license may be suspended or revoked by the corporate authorities in the event of violation of the City of Lockport Municipal Code or applicable state law;
 - c. The entire net proceeds of the raffle will be exclusively devoted to the lawful purposes of the applicant organization;
 - d. No person except a bona fide member of the applicant organization will participate in the management or operation of the raffle;
 - e. No person will receive any profit for participating in the management or operation of the raffle;
 - f. No person under the age of 18 will participate in the raffle, including the raffle drawing, on behalf of the organization. Any person under 18 who is within the area where winning chances are being determined, or where the winning ticket drawing is taking place must be accompanied by his or her parent or guardian.

The undersigned upon oath state and represent that they have personal knowledge of all facts and statements made in the foregoing application and they are true and accurate and presented without reservation.

By: _____
Signature of President/Presiding Officer

Signature of Secretary

Printed Name of President/Presiding Officer

Printed Name of Secretary

Name of Applicant Organization

Date

Return completed application and \$25.00 license fee to:
Deputy City Clerk, Lockport, 222 E 9th Street, Lockport, Illinois 60441
Phone (815) 838-0549