

## Instructions- How to Apply for Video Gaming License

Here are the steps in opening a business which includes video gaming:

- 1) Obtain zoning approval through the Community Development Department. They can be reached at 630-554-3622. In some cases, a Special Use Permit may be required. Once you have the approval, in writing, you can proceed to step 2. A copy of the approval letter shall be provided to the Clerk's office.
  - a) Video gaming cafes are allowed in B-3 zoning; no special use needed
  - b) Video gaming cafes are not permitted in B-1 or B-2 zoning, and no special use is allowed
  - c) Restaurants allowed in B-2 zoning; must meet revenue requirements
- 2) Complete a Pre-Qualification and Video Gaming license application. The application will be reviewed by Village personnel, which may include an on-site visit of the premises.

If you do not currently hold a Village issued liquor license, you will need to complete a liquor license application and go through the background check process. A \$250 non-refundable application fee will apply. This part of the process can take 8-10 weeks due to the processing of documentation and background check process. Once your background check is cleared, you can move to step 3.

### Liquor License Classifications and Associated Fees

- A Class "A-1" Bar/Tavern authorizes the licensee to sell alcohol in package or by the drink for consumption on or off the specified premises. (\$1,800)
- A Class "A-2" Bar/Restaurant authorizes the retail sale of alcohol on the specified premises for consumption on the premises inside a bar or restaurant. (\$1,800)
- A Class "A-3" Video Gaming Café/Parlor authorizes the retail sale of alcohol on the specified premises for consumption on the premises inside a video gaming café or parlor. A video gaming café or parlor shall be considered an establishment whose main revenue is received through video gaming terminals. Other restrictions apply. Contact Village Clerk staff for further details. (\$1,800)
- A Class "B-2" Gas Station/Convenience Store authorizes the licensee to sell to the general public, alcohol in original packages for consumption off the premises and shall authorize beer and wine, in conjunction with video gaming, be sold for consumption on the specified premises. Other restrictions apply. Contact Village Clerk staff for further details. (\$1,800)
- A Class "C" Restaurant allows for the consumption of alcohol on premises inside a restaurant. A restaurant must receive more than 50% of its gross revenue from the sale of food. (\$1,500)
- A Class "D" Beer and Wine allows for the consumption of beer and wine only on premises. Premises must receive more than 50% of its gross revenue from the sale of food. (\$1,200)
- A Class "E" Fraternal Society/Club allows for the consumption of alcohol on premises inside a fraternal society or club. These are typically non-for-profit organizations. Business must provide proof of non-for-profit status. (\$750)
- A Class "F-2" Gas Station/Convenience Store (Beer and Wine Only) authorizes the licensee to sell to the public beer and wine only for consumption off the premises and shall authorize the licensee to sell beer and wine, in conjunction with video gaming, for consumption on the specified premises. Other restrictions apply. Contact Village Clerk staff for further details. (\$1,800)

- A Class “G” Golf Course/Clubhouse authorizes the licensee to sell alcohol for consumption on the golf course, clubhouse or on the premises of an indoor simulated golf course. (\$1,200)
- A Class “N-1” authorizes a winery or microbrewery to: a) manufacture/produce wine or beer only on the specified licensed premises, b) furnish samples of the manufactured/produced wine or beer for consumption on the premises, c) sell the manufactured/produced wine or beer by the glass for consumption on the premises, d) sell the manufactured/produced wine or beer in the original corked, capped or sealed and labeled container for consumption on or off the premises, e) permit a patron to remove one unsealed and partially consumed bottle of wine for off premises consumption. A partially consumed bottle of wine that is to be removed from the premises shall be securely sealed by the licensee or an agent of the licensee prior to removal from the premises and placed in a transparent onetime use tamperproof bag. The licensee or agent of the licensee shall provide a dated receipt for the bottle of wine to the patron. Class N license holders may also sell to the general public, alcoholic liquor in package or by the drink, for consumption on or off the specified premises, except, however, that sales made under a temporary permit authorized by section 3-7-4 shall be limited solely to sales by the drink for consumption on the premises.

Businesses will be required to provide a report of revenues every renewal year. The revenue reports will be compared to reports provided by the State Gaming Board and Illinois Department of Revenue.

- 3) As part of the approval process, your request for a video gaming license and liquor license, if applicable, will be placed on an agenda for Village Board review and approval. Our meetings are held the first and third Tuesday of every month. Please note, this process could take two meetings should the Village Board require additional information. Once you have received Village Board approval, you can proceed to step 4.
- 4) Apply for your State of Illinois liquor license (if applicable) and video gaming license. The following are the fees associated with video gaming:
  - Non-refundable license fee= \$750.00; due at time of first application and annually by December 31<sup>st</sup>
  - Non-refundable license fee (NFP)= \$200.00; due at time of first application and annually by December 31<sup>st</sup>
  - Non-refundable video gaming terminal fee= \$300.00 for each terminal; due at time of first application and annually by December 31<sup>st</sup>
  - Non-refundable video gaming terminal fee (NFP)= \$50.00 for each terminal; due at time of first application and annually by December 31<sup>st</sup>
  - Non-refundable redemption machine fee= \$50.00 for each redemption machine; due at time of first application and annually by December 31<sup>st</sup>
  - Non-refundable redemption machine fee (NFP)= \$50.00 for each redemption machine; due at time of first application and annually by December 31<sup>st</sup>
  - Distributor/Terminal Operator shall pay a non-refundable fee of \$1,000 due at time of first application and annually by December 31<sup>st</sup>
  - If the business or Distributor/Terminal Operator does not pay the fees and/or fails to obtain and renew their State licenses, your video gaming license will be suspended and possibly revoked through the Village

Proceed to step 5.

5) The Building Services Department requires you to obtain a certificate of occupancy which includes permits from the Village of Oswego, Oswego Fire Protection District and the Health Department. Your liquor and video gaming license will not be valid until a full occupancy permit is issued. We have seen this process take 6 months to a year depending on your buildout.

- No work can begin until an occupancy permit is applied for and issued, and all contractors or subcontractors have been registered with the Village.
- Any applicable applications, business registration, building permits, planning approvals, certificate of occupancy and State liquor and video gaming licenses must be applied for and approved prior to operating video gaming terminals.
- Any change in use, change in business, change of occupancy or construction will require an occupancy permit.
- All proposed construction or occupancy must meet Village, building and fire code requirements and any other applicable regulations related to the proposed use.

It is highly recommended that you DO NOT sign a lease until you have received your full liquor and video gaming license from both the Village of Oswego and the State of Illinois and a full certificate of occupancy. In some cases, we have seen the landlord/building owner include provisions/contingencies in the lease.

**Any questions, please contact the Village Clerk's Office at 630-554-3259, or at [license@oswegoil.org](mailto:license@oswegoil.org).**