



July 23, 2016 - 9:05am

THE PUBLIC EYE

Taxes & Spending

Illinois' Cash-Strapped Public Golf Courses Turn To Video Gambling

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INVESTIGATION!



Money-losing courses add video poker and video slots, taking advantage of a state law aimed at boosting bar and restaurant owners.

Struggling municipal golf courses are turning to video poker and slot machines to make up for declining revenue.

More than a dozen taxpayer-funded golf courses in Illinois have turned to legal gambling in the past three years, though with mixed results.

The public courses are located in New Lenox, Elk Grove Village, Hoffman Estates, Joliet, Countryside, Blue Island, Glenwood, Worth and North Chicago and, outside the Chicago area, in Winnebago County, Streator, Cahokia and Moweaqua.



Map created by  [Jared Rutecki](#)

The municipal courses split any profit with the gaming-machine owners. Altogether, they took in a total of more than \$1 million from 55 machines located in their clubhouses, after taxes, records show.

“It’s just becoming part of the norm,” says Bob Schulz, director of golf at The Sanctuary, an 18-hole course owned by the New Lenox Community Park District. Still, two public golf courses — in Chicago Heights and University Park — didn’t bring in enough money to continue operating the gambling machines. Seven machines were removed from those courses after taking in a total of just \$17,268 after taxes in little more than 18 months.

Citing hundreds of thousands of dollars in losses overall, University Park closed its course earlier this year, then turned over management to a private company.

The gambling machines are allowed under a state law passed seven years ago to help bars and restaurants.

Since early 2013, gamblers spent a total of \$18.7 million on machines at municipal golf clubhouses, bringing in about \$450,000 in state and local taxes, records show.

Video gambling at public golf courses



One of the first local government agencies to offer video gambling was the Foss Park District in North Chicago, which installed five machines in April 2013 at its 18-hole Foss Golf Course. Since then, gamblers poured more than \$8.7 million into the machines there, won \$7.9 million back and netted the park district about \$254,000.

The Foss Park District board voted earlier this month to give its video-gambling machine contract to HyperActive Gaming, where Anthony Jones, a park board member, works as a compliance officer. Jones recused himself from voting on the contract.

Jones was appointed to the park board in May to fill a vacancy left by Susan Dixon, who was convicted of theft for stealing from a 2014 park district Toys for Tots charity event. HyperActive hired Jones in January 2014, months after he retired from the Illinois State Police, where he spent the previous 14 years overseeing licensing investigations for the Illinois Gaming Board.



The sign at the Foss Park Golf Course beckons players in North Chicago. (Photo by Casey Toner | BGA)

In Hoffman Estates, the park district's Bridges of Poplar Creek Country Club has struggled even after it began operating the machines in June 2014, taking in only \$5,946 since then. Last year, the park district lost more than \$65,000 on the course.

Brian Bechtold, the park district's director of golf, says the small amount of revenue may spur the video gaming operator, Gold Rush Amusements, to remove the machines.

Glenn Leonard, Gold Rush Amusements' compliance director, says, "If they are successful, we will be successful, and we won't remove the machines."



These gaming machines sit in a room at the Sanctuary Golf Course in New Lenox. (Photo by Doug Longhini | BGA)

The New Lenox Community Park District began operating five video gambling machines at its golf clubhouse last September, keeping them in a room that's closed during the district's youth golf league. They've brought in \$7,379 so far for the course so far, which loses \$50,000 to \$200,000 a year, according to Greg Lewis, the district's executive director.

"If you want people to keep coming out, you have to invest money into the course, or you will have a goat ranch," Lewis says. "You won't have something people will pay top dollar for."



This column — a regular feature called The Public Eye, appearing in the Chicago Sun-Times — was written and reported by the Better Government Association's Casey Toner, who can be reached at ctoner@bettergov.org or (312) 386-9201.

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TYPE: INVESTIGATIONS

AREAS: COLLAR COUNTIES, COOK COUNTY