



**CITY OF LODI
COUNCIL COMMUNICATION**

AGENDA TITLE: Discuss Lodi Municipal Code Title 5, Permits and Regulations, Chapter 5.12 Cardrooms, and Provide Direction to Staff Regarding Potential Revisions.

MEETING DATE: October 5, 2005 City Council Meeting

PREPARED BY: City Attorney

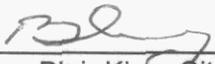
RECOMMENDED ACTION: Discuss existing card room ordinance and provide direction to staff regarding potential revisions to same

BACKGROUND INFORMATION: This item was put on the agenda for discussion and direction at the request of Councilman Johnson with concurrence from Councilman Hansen and Mayor Beckman. This is not on for action or actual revision of the ordinance but instead for discussion and direction to staff about council's desire for staff to return with a draft revision to the ordinance.

D. Stephen Schwabauer
City Attorney

FISCAL IMPACT: None.

FUNDING: N/A

APPROVED: 
Blair King, City Manager

Chapter 5.08

BINGO

Sections:

- 5.08.010 Statutory authority.
 5.08.020 Qualified organizations.
 5.08.030 Compliance with state law.
 5.08.040 Hours of operation.

5.08.010 Statutory authority.

This chapter is enacted pursuant to the authority of Section 326.5 of the Penal Code. (Prior code § 4B-1)

5.08.020 Qualified organizations.

All organizations qualified pursuant to section 326.5 of the Penal Code are authorized to conduct bingo games within the city. (Prior code § 4B-2)

5.08.030 Compliance with state law.

All authorized organizations shall conduct bingo games in strict compliance with Section 326.5 of the California Penal Code. (Prior code § 4B-3)

5.08.040 Hours of operation.

No authorized organization shall conduct any bingo game or games more than once a week, nor more than six hours in length. No bingo game or games shall be conducted prior to the hour of ten a.m. or after two a.m. (Prior code § 4B-4)

Chapter 5.12

CARDROOMS

Sections:

- 5.12.010 Definitions.
 5.12.020 Compliance with state law.
 5.12.030 License—Required.
 5.12.040 License—Application.
 5.12.050 License—Denial grounds.
 5.12.060 License—Appeal from denial.
 5.12.070 Work permit—Required.
 5.12.080 Work permit—Denial grounds.
 5.12.090 Work permit—Appeal from denial.
 5.12.100 Work permit—Fee—Term—Identification measures.
 5.12.110 Work permit—Renewal.
 5.12.120 Work permit—Failure to renew.
 5.12.130 Suspension or revocation.
 5.12.140 Rules and regulations.
 5.12.150 State-prohibited games.
 5.12.160 Business license required.

5.12.010 Definitions.

For the purpose of this chapter:

A. "Cardroom" means any space, room or enclosure, furnished or equipped with a table used or intended to be used as a cardtable for the playing of cards and similar games, and the use of which is available to the public, or any portion of the public; provided, however, that this section shall

5.12.010

not apply to any bona fide religious, non-profit society, club, fraternal, labor or other organization as defined in subsection B of this section, where the use of the cardroom tables are for the exclusive use of its members, no charges are made for the use of the facilities, and the operation of the cardroom is incidental to the main purpose of the religious, society, club, fraternal, labor or other organization.

B. A nonprofit religious, society, club, fraternal, labor or other organization shall mean an entity which:

1. Has adopted bylaws, and duly elected directors and members; and
2. Has received a certificate from the California Franchise Tax Board and the

United States Internal Revenue Service recognizing its tax-exempt status. (Prior code §§ 7-1, 7-2)

5.12.020 Compliance with state law.

Any person or persons wishing to apply for any license or permit authorized in this chapter must comply with not only this chapter, but with Sections 330 through 337 of the California Penal Code. In each case where a license is issued, it shall be non-transferable. (Prior code § 7-4)

5.12.030 License—Required.

It is unlawful for any person to engage in or carry on, or to maintain or conduct, or cause to be engaged in, carried on, maintained or conducted, any card room in the city without first having secured a license to do so, or without complying with each regulation contained in this chapter pertaining to such cardroom. (Prior code § 7-3)

5.12.040 License—Application.

A. Any applicant for a cardroom license shall submit his application to the chief of police, which application shall be under oath, and shall include, among other things, the true names and addresses of all persons financially interested in the business. The term "persons financially interested" includes all persons who share in the profits of the business, on the basis of gross or net revenue. The past criminal record, if any of the applicant and of all persons financially interested in the business shall be shown on such application. The application shall also be accompanied by fingerprints of the applicant and of persons financially interested in the business.

B. The applicant shall pay a fee to the finance department of the city to defray the cost of investigation in an amount as may be fixed and established from time to time by resolution of the city council. (Prior code § 7-5)

5.12.050 License—Denial grounds.

The chief of police shall deny any applicant for a cardroom license, a license to operate such room if:

A. The applicant has previously been convicted of a felony and a period of five years has not expired from date of termination of confinement, parole and/or probation; or

B. The applicant has previously been convicted of one of the following misdemeanor violations and a period of three years has not elapsed from the date of termination of confinement, parole and/or probation:

1. Any theft from a person,
2. Any theft involving cheating,
3. Any series of petty thefts,
4. Any crime involving pimping, pandering or prostitution,
5. Any crime involving bookmaking or gaming,
6. Any crime involving narcotics or dangerous drugs. (Prior code § 7-6)

5.12.060 License—Appeal from denial.

The action of the chief of police in denying such a license shall be subject to an appeal to the city council. Notice of such appeal shall be filed with the city clerk within ten days after the denial of the license. Upon failure to file such notice within the ten-day period, the action of the chief

5.12.060

of police in denying such license shall be final and conclusive. (Prior code § 7-7)

5.12.070 Work permit—Required.

A. Each cardroom employee must obtain and possess a valid work permit issued by the chief of police. "Cardroom employees" for the purpose set forth in this section, means dealers, overseers and others directly connected with the operation and supervision of the cardtables excluding waitresses, bartenders, culinary workers and others not connected with such operation and supervision. Applications for such work permits shall be submitted under oath and contain the past criminal record, if any, of the applicant and such information as may be necessary to determine whether the applicant is a proper person to be employed in a cardroom. Fingerprints of the applicant shall accompany the application. A work permit shall be issued only to persons twenty-one years of age or older.

B. Any application for a work permit shall be subject to objection by the state division. If the division objects to the issuance of a work permit it shall be denied. Such a denial may be reviewed in accordance with the Gambling Control Act (Business and Professions Code Section 19801 et seq.). (Ord. 1671 § 1, 1999)

5.12.080 Work permit—Denial grounds.

The chief of police shall deny to such applicant a work permit if:

A. The applicant has previously been convicted of a felony, and a period of five years has not elapsed from the date of termination of confinement, parole and/or probation; or

B. The applicant has previously been convicted of one of the following misdemeanor violations and a period of two years has not elapsed from the date of termination of confinement, parole and/or probation:

1. Any theft from a person,
2. Any theft involving cheating,
3. Any series of petty thefts,
4. Any crime involving pimping, pandering or prostitution,
5. Any crime involving bookmaking or gaming,
6. Any crime involving narcotics or dangerous drugs. (Prior code § 7-9)

5.12.090 Work permit—Appeal from denial.

The action of the chief of police in denying such work permit shall be subject to an appeal to the city manager. Notice of such appeal shall be filed with the city clerk within ten days after the denial of the work permit. Upon failure to file such notice within the ten-day period, the action of the chief of police in denying such work permit shall be final and conclusive. (Prior code § 7-10)

5.12.100 Work permit—Fee—Term—Identification measures.

A. Each application for a work permit shall be accompanied by an application fee, to be paid to the finance department, in an amount as may be fixed and established from time to time by resolution of the city council. The fee shall not be returned in the event that such work permit is refused, revoked or suspended as provided in this chapter.

B. The work permit shall be valid even though the holder of the permit may change

his place of employment within the city. Upon approval of a work permit, the work permit shall be valid, unless suspended or revoked, for a period of one year from date of issuance.

C. In order that the chief of police may investigate the applicant's qualifications and fitness to receive a cardroom employee work permit, every applicant shall be photographed and fingerprinted. (Prior code § 7-11)

5.12.110 Work permit—Renewal.

Any person who holds a valid cardroom employee work permit may obtain a new permit for the succeeding year by applying for the new permit during the month preceding the expiration date of the current permit. Cost for the new permit, which shall include the cost of a new identification card, shall be paid to the finance department, and shall be an amount as fixed and established from time to time by resolution of the city council. (Prior code § 7-12)

5.12.120 Work permit—Failure to renew.

If the holder of a cardroom employee work permit fails to renew the permit, his permit shall cease to be valid and he must make application for a new permit, if desired, as provided in this chapter. (Prior code § 7-13)

5.12.130 Suspension or revocation—Procedure.

A. The chief of police has the right for cause to revoke or suspend any cardroom license or card room work permit issued under this chapter and to take possession of such permits.

B. Any of the grounds upon which the chief of police is required to refuse to issue an initial cardroom license or cardroom work permit also constitutes grounds for such revocation or suspension. In addition, the failure of a holder of a cardroom license or cardroom work permit to comply with the provisions set forth in this chapter also constitutes grounds for revocation or suspension of such license or work permit.

C. Suspension or revocation of a cardroom work permit shall be made only after a hearing granted to the holder of such permit before the chief of police, after five days' notice to the permit holder, setting forth the grounds of the complaint against him and stating the time and place where such hearing will be held. The action of the chief of police in this respect is subject to an appeal to the city manager. Notice of such appeal shall be filed with the city clerk within ten days after the revocation or suspension. Upon failure to file such notice within the ten-day period, the action of the chief of police in revoking or suspending the license or work permit shall be final and conclusive. (Prior code § 7-14)

5.12.140 Rules and regulations.

It is unlawful to operate a cardroom in violation of any of the following regulations and rules:

A. Not more than one cardroom shall be located at any one address.

B. No game except lowball, draw poker, without variations as defined by Hoyle, pinochle, pangini, rummy and contract or auction bridge shall be played in any cardroom.

C. Not more than six tables shall be permitted in any cardroom. No more than

six tables shall be permitted to operate within the city.

D. Not more than seven players shall be permitted at any one cardtable.

E. Cardrooms shall be located on the ground floor, and so arranged that cardtables and the players at the tables shall be plainly visible from the front door opening when the door is opened. No wall, partition, screen or similar structure between the front door opening on the street and any cardtable located in the cardroom shall be permitted if it interferes with the visibility.

No gambling establishment may be located in any zone which has not been specifically approved for such a business. Additionally none may be located near any of the unsuitable areas, as specified in Business and Professions Code Section 19852 (a) (3).

F. No minor shall be permitted at any cardtable, nor shall any minor be permitted to participate in any game played thereat.

G. All cardrooms shall be closed at two a.m. and shall remain closed until ten a.m. of the following day. Cardrooms may be operated seven days a week. A cardroom shall adopt a schedule of hours of operation before it shall be allowed to operate. Such schedule shall be approved by the city. Such approved schedule of hours shall be clearly posted at the cardroom in order to provide adequate notice of its hours of operation.

H. All cardrooms shall be open to police inspection during all hours of operation.

I. Only table stakes shall be permitted.

J. The cashing of bank checks for players shall not be permitted in any cardroom.

K. Each cardtable shall have assigned to it a person whose duty shall be to supervise the game to see to it that it is played strictly

in accordance with the terms of this chapter, and with the provisions of the Penal Code of the state. This person may have more than one table under his supervision. He shall not, however, participate in the game.

L. No signs or other insignia advertising or relative to cardrooms shall be permitted upon the exterior of any premises occupied as a cardroom.

M. There shall be posted in every cardroom in letters plainly visible from all parts thereof, signs stating that no game except lowball, draw poker without variations as defined by Hoyle, pinochle, pangini, rummy and contract or auction bridge shall be played in the cardroom. These signs shall also contain such other information relating to the regulations contained in this chapter as the chief of police may require.

N. No person who is in a state of intoxication shall be permitted in any cardroom.

O. The sale, purchase, transfer, assignment or pledge of any property, or of any document evidencing title to the same, is prohibited in any cardroom.

P. The operator or his employees shall not extend credit to a player, nor shall he accept IOU's or other notes, loan money to any person on any ring, watch or other article of personal property for the purpose of securing tokens, chips or other representatives of money as an ante.

Q. No shills shall engage in card games. This prohibition shall not apply to house players, provided they wear a badge in a conspicuous place, which badge identifies them as employees of the licensee.

R. Patron Security and Safety. Each cardroom license shall be responsible and liable for its patrons safety and security in and around the cardroom establishment. Before it shall be allowed to operate, each

cardroom shall adopt a plan, to be approved by the city, to provide for the safety and security of its patrons. (Ord. 1671 §§ 2, 3, 1999; prior code § 7-16)

5.12.150 State-prohibited games.

The city council declares that it is not the intention of this chapter to permit the licensing of any cardroom for the playing of any game prohibited by the laws of the state, including but not limited to those games enumerated in Section 330 of the Penal Code of the state, which section includes banking and percentage games. (Prior code § 7-17)

5.12.160 Business license required.

Operators of cardrooms shall be required to obtain a business license pursuant to Chapter 5.04 of this code. (Prior code § 7-18)