(29)

CITY OF SACRAMENTO

DEPARTMENT OF FINANCE
REVENUE DIVISION
915 I STREET
ROOM 104
SACRAMENTO, CA 95814-2696
TELEPHONE (916) 449-5454

July 12, 1983
RD:831200-ADM:MLM:mm

City Council
Sacramento, California

Honorable Members in Session

PASSED FOR
PUBLICATION
& CONTINUED
TO 7-26-83

SUBJECT: REVISION TO CITY CODE CHAPTER 18 (BINGO)

SUMMARY

This report recommends the City Council adopt a modified version of the Law and Legislation Committee's recommended revision to City Code Chapter 18 (BINGO).

BACKGROUND

Briefly, this report evolved from the followings actions:

1. A City Council moratorium on bingo operations pending a staff review imposed on February 22, 1983.
2. Two staff discussions with the interested bingo operators to develop a consensus position to present for City Council consideration.
3. Law and Legislation Committee hearings on May 26 and July 7, 1983 with lengthy public discussion of the issues.

As a result of the preceding, the Committee, voting 2 to 1, adopted the staff recommendations made to the Committee on May 26, 1983.

DISCUSSION

The original staff report (Appendix A) did not restrict the number of days an existing operator could operate as the Committee was led to believe on July 7, 1983. Therefore, the Committee's action to adopt the original staff report is not entirely consistent with the Committee's expressed intent during the July 7, 1983 discussion of the action.

As a result of the discussions of May 26 and July 7, staff believes the Committee shares a common interest to prevent "professional bingo" operations within the City. The problem causing disagreement is the method or restrictions necessary to reach this goal. Staff has reviewed the reports of May 26 and July 7 along with the public testimony in an effort to propose a commonly agreeable solution to the problem.

It is now staff's opinion that if the City Council adopts a limit of one bingo operator per separate location, no limit on the number of days of operation by any bingo operator is necessary. The one operator per separate location will effectively eliminate professional bingo parlors. This solution eliminates the need to adopt "grandfather" exceptions for present operators. This will not entirely prevent a private business from benefiting from a bingo operation. However, the potential for substantial abuse is removed and therefore this presents the best compromise staff can develop. These changes are incorporated in Appendix B. Due to the expiration of the present moratorium staff recommends adoption of Appendix B prior to August 1, 1983.

RECOMMENDATION

It is recommended that the City Council:

1. Approve Appendix B to be passed for publication on July 19, 1983.

2. Adopt Appendix B relating to changes in the City Code Chapter 18 (bingo) as an emergency measure on July 26, 1983.

Respectfully submitted,

Michael L. Medema
Revenue Officer

Recommendation Approved:

Walter J. Slipe
City Manager

Attachments

All Districts
July 19, 1983

APPENDIX A

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CITY OF SACRAMENTO

DEPARTMENT OF FINANCE
REVENUE DIVISION
915 I STREET
ROOM 104
SACRAMENTO, CA 95814-2695
TELEPHONE (916) 449-5454

May 26, 1983

Law & Legislation Committee
Sacramento, CA 95814

SUBJECT: Proposed Revision to the City Code Chapter 18 Gambling (Bingo)

SUMMARY

This report discusses proposed revisions to City Code Chapter 18 relating to bingo operations.

BACKGROUND

On February 22, 1983, the City Council adopted Ordinance No. 83-029 establishing a sixty day moratorium on the issuance of bingo licenses. The moratorium was extended to June 15, 1983 by Ordinance No 83-049 adopted April 19, 1983. The purpose of the moratorium was to allow staff to examine certain proposed amendments to the County of Sacramento Bingo Ordinance (since enacted) and to review the City Code relating to bingo operations. Staff was to consider the appropriateness of incorporating the County amendments into the City Code, recommend any amendments necessary to maintain our code's conformance with state law and point out any other changes which might be desirable.

Staff review has included consideration of bingo regulations in the County of Sacramento and the City of Los Angeles, review of the applicable state law and two meetings with current bingo licensees.

Bingo operations, as currently authorized and conducted pursuant to Chapter 18 of the City Code, began in 1977. Chapter 18 is based upon California Penal Code Section 326.5, which permits bingo games by local option. Penal Code §326.5 was enacted to implement a constitutional amendment permitting bingo to be played in California which was approved by the voters in June, 1976.

According to the annual bingo game financial reports filed by the operators with the City Finance Department, bingo had grown to a $4,194,277 industry in Sacramento by 1982. Attachments I, II and III detail, by organization, the reported results of the bingo operations for 1980, 1981, and 1982 respectively.

In actual practice, the City has not been able to monitor bingo operations for compliance with the City Code. Even though a good deal of staff time is now being expended by the Finance Department, City Attorney and City Manager's office, it is believed that some violations of the Code are occurring. In part, this is due to a lack of City resources to monitor compliance. Staff believes that the current lack of enforcement permits non-compliance with the City Code and the state mandated restrictions on bingo activities.

PROPOSED REVISIONS

Attachment IV is a detailed analysis of the proposed revisions. The significant changes are:

1. Fee on Gross Receipts. Proposed Section 18.106 would impose a 1% fee on gross receipts from bingo games in excess of $5,000 per month. This fee is specifically authorized by state law and is the only fee which the City may impose other than a $50 annual license fee.

Based on 1982 bingo receipts, staff estimates that the 1% fee on gross receipts over $5,000 per month would yield $28,000 annually. The City should conduct an audit or review of each licensee at least every four years. Based upon recent experience, the annual cost to the City for retention of independent certified public accountants to conduct such audits is estimated at $14,000 annually. Staff recommends the City engage independent auditors to maintain control of the scope of the audit or review and due to a lack of staff expertise in this audit area. Taking into consideration increased review of the bingo operations by the police department and the costs associated with administering the review by the City Manager, City Attorney and Finance Department, staff judges that the imposition of the 1% fee would allow the City to "break even" on its enforcement effort.

The authority for imposing a 1% fee was added to the state bingo laws effective January 1, 1980, and is imposed and collected by other jurisdictions, including the County of Sacramento and the City of Los Angeles.

In our meetings with operators, several operators questioned the imposition of a fee on their gross receipts, rather than net proceeds. However, the state statute is clear, and the practices of the County of Sacramento and the City of Los Angeles confirm, that the fee is to be imposed upon gross receipts. Staff concludes that concession receipts are not subject to the 1% fee.

The fee would be imposed beginning with the first full month after the effective date of the ordinance.

2. Authorized Days of Operation. Proposed Section 18.126 adopts the Sacramento County scheme which limits bingo operations to one day per week unless the organization meets certain local longevity and fund-raising requirements. Because the City Code currently contains no limitation on the number of days of operation, the staff recommendation provides that licensees who were operating more than one game as of February 22, 1983 may continue to do so for two years.

3. Limit on Licenses per Location. Proposed Section 18.110(i) prohibits issuance of a license for any premises if a license to play bingo on those same premises is held by another organization. Staff feels that this provision is necessary to prevent the establishment of bingo parlors.

4. Technical Changes. Amendments to Sections 18.101, 18.102, 18.105(c), 18.116(b), 18.119, and 18.122(a) and (b) are proposed to bring our ordinance into conformance with state law. The changes include a revised definition of bingo, authorization to operate in donated property, a change in the amount of proceeds which can be used by certain categories of licensees for rental, overhead and license fees, and authorization to employ security personnel.

5. Enforcement Changes. Amendments to Section 18.103, 18.105(b), 18.110, 18.113, 18.116(c) and 18.123 are proposed to facilitate enforcement of the Code by the City. Included are minor changes in application requirements, application review procedures, and audit procedures.

6. Parking Requirements. Amendments to Sections 18.108 and 18.110(i) are proposed to permit the city manager to consider the adequacy of off-street parking when evaluating a proposed bingo location.

It will not be possible to present the proposed amendments to the City Council prior to the expiration of the moratorium, because the City Clerk has advised that no additional non-consent items will be accepted for the agendas of June 14, 21 and 28.

Therefore, it is recommended that an additional moratorium of 60 days' duration be enacted by the City Council at their June 14 meeting.

RECOMMENDATION

Staff recommends that the Law and Legislation Committee review and approve for City Council consideration the following:

1. Amendments to City Code Chapter 18 relating to bingo operations, as set forth in the attached ordinance draft,

2. An additional moratorium of 60 days' duration on the issuance of bingo licenses.

Respectfully submitted,

MICHAEL L. MEDEMA
Revenue Officer

RECOMMENDATION APPROVED:

SOLON WISHAM, JR.
Assistant City Manager

SUMMARY BINGO AUDIT
1-1-80 to 12-31-80

Attachment I

Permit No.	Organization Name	Revenues	Expenses (Includes Prizes)	Variance	Charitable Donations	Card Sales	Prizes
34	American Legion Hall	$ 25,119.75	$ 21,419.75	$ 3,700.00	$ 3,700.00	$ 25,119.75	$ 14,648.75
4	All Hallows Social Group	33,792.00	9,376.00	24,416.00	23,000.00	15,208.00	No Record
29	Fraternal Order of Eagles	116,619.49	115,898.53	720.96	1,000.00	116,619.49	104,612.14
11	Garden West Mobile Park Club	3,607.00	3,607.00	-0-	-0-	3,607.00	3,607.00
37	Gent Check Social Club	-0-	-0-	-0-	-0-	-0-	-0-
10	Grant Bingo Club	87,543.64	70,778.26	16,765.38	12,657.02	87,130.99	66,705.20
15	Green Fair Recreation Club	5,560.00	5,500.00	60.00	-0-	5,560.00	5,405.00
14	Green Fair Tower II	18,101.45	17,984.75	116.70	-0-	18,131.45	17,458.95
36	Hiroshima Nikkeijin Kai	2,340.00(1)	2,340.00(1)	-0-	-0-	2,340.00(1)	1,960.00(1)
3	Immaculate Conception Holy Name	135,653.00	126,356.22	9,296.78	11,200.00	135,653.00	109,923.45
26	John F Kennedy Band Supporters Inc.	578,813.77	438,956.75	139,857.02	129,159.00	459,559.80	347,756.00
30/40	Legal Institute	708,484.40	563,252.29	144,800.00	144,800.00	708,484.40	515,522.94
20	Lt. Lansdale Post #67 Vetrans FW	40,321.00	36,252.69	4,068.31	965.00	24,510.00	32,516.00
31	Norte Del Rio High School Booster	72,721.02	52,931.85	19,789.17	18,676.15	72,418.02	49,147.00
12	Our Lady of Lourdes Social Club	43,475.45	38,330.61	5,144.84	5,000.00	43,314.15	37,041.47
32	Our Merciful Savior Church	36,186.25	26,379.75	9,806.50	9,806.50	11,700.00	23,138.75
16	Pioneer House (2)						
13	Pioneer Towers (2)						
21	Sacto. Lodge of Loyal Order Moose	8,496.60	8,000.38	496.22	562.55	8,496.60	6,405.20
9	Sacto. Manor Activities Comm.	3,801.00	3,738.00	63.00	-0-	3,801.00	3,738.00
7	Sacto. Society For the Blind	66,816.44	55,263.68	11,552.76	11,552.76	59,030.75	52,896.08
19	Southgate Activities Club	11,518.35	11,478.60	39.75	-0-	11,518.35	11,288.60
22	Southwinds Apartments	5,712.85	5,587.00	125.85	-0-	5,712.85	5,582.00
18	St. Joseph's Social Club	94,601.89	66,709.14	27,892.75	21,000.00	88,317.17	58,103.33
2	St. Mary's Catholic Church	220,246.09	176,746.55	43,499.54	43,499.54	220,246.09	169,795.00
33	St. Peters Social Club	34,449.10	28,266.78	6,182.32	6,182.32	10,304.00	26,103.75
6	Trinity House (2)						
28	Wong Center	25.00(1)	25.00(1)	-0-	-0-	25.00(1)	25.00(1)
	TOTAL	$2,354,005.54	$1,885,179.58	$460,393.85	$442,760.84	$2,136,827.86	$1,663,369.61

(1) Estimated Figures
(2) No Figures Letter in File

Permit No.	Did Not File
27	Alcoholism Program
35	Resourses for Independent Living
1	Stanford Settlement Inc.
5	St. Pat's Social Club
25	Womens Civic Improvement Club

SUMMARY OF
BINGO REVENUE AND EXPENSE STATEMENTS
1-1-81 through 12-31-81

Attachment II

Permit No.	Organization Name	Revenues	Expenses (Includes Prizes)	Variance	Charitable Donations	Card Sales	Prizes
34	American Legion Post #61	$ 17,355.63	$ 15,535.63	$ 1,820.00	$ 1,820.00	$ 17,355.63	$ 10,064.00
4	All Hallows Social Club	140,375.00	111,090.00	29,285.00	29,000.00	124,775.00	103,467.00
29	Fraternal Order of Eagles Aerie #9	111,429.00	105,331.05	6,097.95	3,000.00	111,429.00	100,716.61
11	Garden West Mobile Park Club	3,587.00	3,587.00	-0-	-0-	3,537.00	3,587.00
37	Gents Club	-0-	-0-	-0-	-0-	-0-	-0-
10	Grant Bingo Club	88,828.32	81,517.74	7,310.58	8,648.14	88,425.36	75,725.71
15	Greenfair Recreation Club	1,335.50	1,439.50	(104.00)	-0-	1,335.50	1,335.50
14	Greenfair Tower II Club	17,466.95	17,429.00	37.95	-0-	17,456.95	17,314.50
36	Hiroshima Nikkeijin Kai	2,700.00(1)	2,700.00	-0-	-0-	2,700.00	2,165.00
3	Immaculate Conception Social Club	123,953.60	111,038.21	12,915.39	22,000.00	123,953.60	105,157.10
26	John F. Kennedy Band Supporters	1,062,064.14	750,621.23	311,442.91	302,568.95	847,111.35	621,410.00
30	Legal Institute for Social Equality	798,120.00	664,296.00	133,824.00	131,900.00	798,120.00	637,787.00
20	Lt. Landsdale Post #67	43,840.00	42,296.01	1,543.99	1,060.00	25,220.00	36,154.13
31	Norte Del Rio Boosters	58,120.80	51,410.13	6,710.67	6,150.00	58,120.80	48,555.17
12	Our Lady of Lourdes Social Club	46,640.94	39,385.99	7,254.95	7,000.00	46,459.49	38,060.16
32	Our Merciful Savior Episcopal Church	32,688.00	19,870.50	12,817.50	12,817.50	15,977.00	17,705.50
16	Pioneer House	252.00	252.00	-0-	-0-	252.00	252.00
13	Pioneer Towers	-0-	-0-	-0-	-0-	-0-	-0-
35	Resources for Independent Living	450.00	270.05	179.95	179.95	450.00	270.05
21	Loyal Order of Moose #1020	9,429.95	7,022.97	2,406.98	2,303.00	9,429.95	2,892.80
9	Sacramento Manor Activities Committee	3,718.00	3,749.00	(31.00)	-0-	3,718.00	3,749.00
17	Sacramento Senior Citizen Club	577.10	580.29	(3.10)	-0-	577.00	372.85
7	Sacramento Society for the Blind	80,547.75	63,478.50	17,069.25	17,069.75	61,467.75	60,644.75
19	Southgate Activities Club	12,120.80	12,022.80	98.00	-0-	12,044.10	11,936.60
22	South Winds Mobile Estates	6,024.00	6,024.00	-0-	-0-	6,024.00	5,975.00
18	St. Joseph's Social Club	84,054.93	60,185.39	23,869.54	23,500.00	77,327.15	49,683.21
2	St. Mary's Catholic Church	223,644.03	187,619.95	36,024.88	36,024.08	223,644.03	184,556.75
5	St. Pat's Social Club	481,214.25	434,218.17	46,996.08	46,996.08	450,341.25	382,748.20
33	St. Peter's Church	14,972.30	11,690.32	3,281.98	3,281.98	4,103.00	11,067.80
1	Stanford Settlement, Inc.	726.50	-0-	726.50	726.50	726.50	-0-
6	Trinity House	187.36	187.36	-0-	-0-	137.36	187.36
8	United Cerebral Palsy Assoc. (2)	--	--	--	--	--	--
28	The Wong Center	25.00	25.00	-0-	-0-	25.00	25.00
	TOTAL	$3,466,440.85	$2,804,873.79	$661,575.15	$656,046.73	$3,132,353.77	$2,533,606.75

(1) Estimate
(2) Did not file

SUMMARY OF
BINGO REVENUE AND EXPENSE STATENTS
1-1-82 through 12-31-82

Attachment III

Permit No.	Organization Name	Revenues	Expenses (Includes Prizes)	Variance	Charitable Donations	Card Sales	Prizes
34	American Legion Post #61	$ Ø	$ Ø	$ Ø	$ Ø	$ Ø	$ Ø
4	All Hallows Social Club	169,906	134,083	35,823	35,000	153,385	107,502
35	Florin Church of Religious Science	17,145	15,310	1,835	1,900	11,254	11,081
29	Fraternal Order of Eagles Aerie #9	145,200	137,870	7,330	1,460	145,200	128,244
11	Garden West Mobile Park Club	3,776	3,776	Ø	Ø	3,776	3,776
37	Gents Club	22,152	26,594	(4,442)	Ø	20,686	18,603
10	Grant Bingo Club	112,023	102,743	9,280	10,557	111,677	98,227
15	Greenfair Recreation Club	5,445	5,444	1	Ø	5,445	5,377
14	Greenfair Tower II Club	19,430	19,359	71	Ø	19,430	19,129
36	Hiroshima Nikkeijin Kai	1,450	1,492	(42)	Ø	1,450	1,075
3	Immaculate Conception Social Club	126,279	102,178	24,101	23,500	126,279	92,009
26	JFK Band Supporters	1,695,413	1,158,657	536,756	538,918	1,383,903	998,261
30	Legal Institute for Social Equality	782,848	683,002	99,846	93,171	782,848	652,465
20	Lt. Landsdale Post #67	35,821	31,196	4,625	1,437	15,501	24,875
21	Loyal Order of Moose #1020	6,782	4,727	2,055	1,730	6,782	522
27	Lulac Services Agency, Inc.	535	317	218	267	535	267
38	Norte Jr. High School Boosters	36,013	32,664	3,349	1,111	36,013	29,695
12	Our Lady of Lourdes Social Club	47,227	37,633	9,594	10,000	47,055	36,168
32	Our Merciful Savior Episcopal Church	39,124	26,368	12,736	12,735	32,563	23,673
41	Pi Kappa Alpha Pledge Class	Ø	Ø	Ø	Ø	Ø	Ø
16	Pioneer House	364	364	Ø	Ø	364	364
13	Pioneer Towers	Ø	Ø	Ø	Ø	Ø	Ø
9	Sacramento Manor Activities Committee	4,039	4,039	Ø	Ø	4,039	4,039
17	Sacramento Senior Citizen Club	1,588	1,586	2	Ø	1,588	1,022
39	Sacramento Senior Citiznes for the Deaf	133	128	5	5	133	118
7	Sacramento Society for the Blind	90,207	90,086	121	121	73,872	85,230
40	Sierra-Curtis Neighborhood Association	Ø	Ø	Ø	Ø	Ø	Ø
19	Southgate Activities Club	12,089	12,027	62	Ø	11,991	11,965
22	South Winds Mobil Estates	7,392	7,392	Ø	Ø	7,392	7,341
23	St. George's Church IOHHB, Inc.	Ø	Ø	Ø	Ø	Ø	Ø
18	St. Joseph's Social Club	108,522	72,192	36,330	40,500	101,025	61,093
2	St. Mary's Catholic Church	217,999	185,485	32,514	32,514	217,999	183,827
33	St. Peter's Church	Ø	Ø	Ø	Ø	Ø	Ø
5	St. Pat's Social Club	484,432	440,380	44,052	45,288	440,856	389,603
1	Stanford Settlement, Inc.	670	50	620	620	670	Ø
6	Trinity House	223	223	Ø	Ø	223	223
8	United Cerebral Palsy Association	Ø	Ø	Ø	Ø	Ø	Ø
28	The Wong Center	Ø	Ø	Ø	Ø	Ø	Ø
	TOTAL	$4,194,227	$3,337,385	$856,842	$850,834	$3,763,934	$2,995,774

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Attachment IV

City of Sacramento
City Code Chapter 18 - Gambling (Bingo)
Analysis of Present and Staff Proposed Provisions

Present	Staff Proposal	Comments
18.100 - Prohibits Bingo except as permitted by State Law and City ordinance.	No Change.	
18.101 - Defines Bingo	Technical amendments to conform with State Law.	
18.102 - Defines organizations eligible for license.	Technical amendments to conform with State Law.	
18.103 - Describes license application procedure.	Adds a sixty day period from application to the Bingo game starting date and allows licenses to be issued for less than a one year period.	This allows sufficent lead time to process applications. Additionally the provision for issuing a license for less than one year reduces reporting requirement for short term operators.
18.104 - States applicants must be qualified.	No change.	
18.105 - Defines contents of application.	Adds naming the Bingo manager as a requirement for the application. Technical amendment re donated property.	This establishes the identity of the Bingo game manager.
18.106 - License Fees	Adds a City 1% fee on gross receipts in excess of $5,000 each month from the Bingo games.	These funds provides the resource for monitoring the Bingo game licenses and their operations.
18.107 - States a certificate of exemption must be filed with the application.	No change.	
18.108 - Defines investigative measures to be followed.	Adds a review by the Planning Director for zoning and land use.	This requirement will assure adequate parking and compliance with zoning.

Present	Staff Proposal	Comments
18.109 - Contents of license.	No Change	
18.110 - Defines grounds for denial of license.	Adds provisions allowing denial if inadequate volunteer staff is available to operate the games, if another license exists for the same premises, if inadequate parking exists or if the building or fire codes are violated	These additions increase the City's ability to assure the games are legally staffed and that public safety and convenience measures are followed, and prevent the establishment of bingo parlors.
18,111 - Requires the posting of the license.	No change.	
18.112 - Establishes the grounds for suspension or revocation of the license.	No change.	
18.113 - Defines the appeal process in the event a license is denied, suspended, or revoked.	Adds a $100 appeal fee and deletes a 30 day decision rendering requirement, and adds reference to 18.112(a).	The $100 appeal fee is intended to prevent frivolous appeals. Elimination of the 30 day decision rendering period allows for a reasonable decision period. The City's hearing officers usually respond within a 30 day period but this is not assured. Clarifies standards to be applied on appeal.
18.114 - Effect of a denial or revocation.	Removes provision on additional application for new location within one year.	Permits re-application if license denied only because location not suitable.
18.115 - States license can not be transferred.	No change.	
18.116 - Defines the accounting procedures for the Bingo game operations.	Increases the monthly operating cost expenditures from $500 to $1,000. Adds a provision allowing the City Manager to prescribe fiscal procedures and controls for the Bingo operations. Technical amendments to conform with State Law in Section B.	The $500 increase is permitted by State Law and permits the licensees to pay additional operating costs. The provision relating to the financial records will allow for uniform accounting and reporting for the operations.

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Present	Staff Proposal	Comments
18.109 - Contents of license.	No Change	
18.110 - Defines grounds for denial of license.	Adds provisions allowing denial if inadequate volunteer staff is available to operate the games, if another license exists for the same premises, if inadequate parking exists or if the building or fire codes are violated	These additions increase the City's ability to assure the games are legally staffed and that public safety and convenience measures are followed, and prevent the establishment of bingo parlors.
18,111 - Requires the posting of the license.	No change.	
18.112 - Establishes the grounds for suspension or revocation of the license.	No change.	
18.113 - Defines the appeal process in the event a license is denied, suspended, or revoked.	Adds a $100 appeal fee and deletes a 30 day decision rendering requirement, and adds reference to 18.112(a).	The $100 appeal fee is intended to prevent frivolous appeals. Elimination of the 30 day decision rendering period allows for a reasonable decision period. The City's hearing officers usually respond within a 30 day period but this is not assured. Clarifies standards to be applied on appeal.
18.114 - Effect of a denial or revocation.	Removes provision on additional application for new location within one year.	Permits re-application if license denied only because location not suitable.
18.115 - States license can not be transferred.	No change.	
18.116 - Defines the accounting procedures for the Bingo game operations.	Increases the monthly operating cost expenditures from $500 to $1,000. Adds a provision allowing the City Manager to prescribe fiscal procedures and controls for the Bingo operations. Technical amendments to conform with State Law in Section B.	The $500 increase is permitted by State Law and permits the licensees to pay additional operating costs. The provision relating to the financial records will allow for uniform accounting and reporting for the operations.

Present	Staff Proposal	Comments
18.117 - Limits the maximum prize.	No change.	
18.118 - Limits the financial interest in the game to the licensee.	No change.	
18.119 - Prohibits paid staff to operate the game.	Adds a provision allowing for paid security staff.	This is permitted by State Law and provides for public safety.
18.120 - Requires the games to be open to the public.	No change.	
18.121 - Limits attendence to the room's capacity.	No change.	
18.122 - Requires the Bingo games to be held on the licensee's premises.	Adds a provision revoking the license if the licensee ceases to use the property authorized for the Bingo operations. Technical amendment re donated property.	Provides clarification.
18.123 - Requires the house rules to be posted conspicuously at the bingo location.	Requires the Bingo licensee to post the house rules and to file these rules with the City. Additionally, this section requires the appointment of a Bingo manager or assistant who must be present during all games. All volunteers must wear identification during the games.	Requiring the posting and filing of house rules provides for consumer protection. The requirement that a Bingo manager be appointed and present at the games will help assume the games are conducted properly according to the City Code. The requirement for volunteer identification will assist City monitoring of the games operations.
18.124 - Prohibits minors from participating in the games.	No change.	

Present	Staff Proposal	Comments
18.125 - Prohibits intoxicated persons from participating in the game.	No change.	
18.126 - Restricts the hours of operation.	Adds provisions prohibiting an organization from conducting more than 1 Bingo session each week unless certain conditions are met.	Assures that a bingo licensee raising charitable proceeds from more than one day of bingo per week is an organization established in the community whose fund raising is not limited to bingo operations
18.127 - Prohibits participation in the game unless present.	No change.	
18.128 - Defines penalities for violations.	No change.	
18.129 - States the City's right to bring action against violators.	No change.	

Present	Staff Proposal	Comments
18.125 - Prohibits intoxicated persons from participating in the game.	No change.	
18.126 - Restricts the hours of operation.	Adds provisions prohibiting an organization from conducting more than 1 Bingo session each week unless certain conditions are met.	Assures that a bingo licensee raising charitable proceeds from more than one day of bingo per week is an organization established in the community whose fund raising is not limited to bingo operations
18.127 - Prohibits participation in the game unless present.	No change.	
18.128 - Defines penalities for violations.	No change.	
18.129 - States the City's right to bring action against violators.	No change.	

SACRAMENTO CITY CODE

CHAPTER 18

GAMBLING

Article I. Bingo Games

Sec. 18.100 Bingo prohibition.

No person shall operate a bingo game in the City of Sacramento except in conformance with state law, this chapter, and any other applicable city laws. (Ord. 3850, S1)

Sec. 18.101 Definition of "bingo".

As used in this chapter, "bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols on a card which conform to numbers or symbols selected at random. ~~and shall also~~ The game of bingo shall include cards having numbers or symbols which are concealed and preprinted in a manner providing for distribution of prizes. The winning cards shall not be known prior to the game by any person participating in the playing or operation of the bingo game. All such preprinted cards shall bear the legend "for sale or use only in a bingo game authorized under California law and pursuant to local ordinance." ~~This definition is not intended to apply~~ Bingo as defined in this section applies exclusively to this chapter and shall not be applied in the construction or enforcement of any other provision of law. (Ord. 4437, S1)#

Sec. 18.102 Organizations eligible for license.

Organizations which are exempted from the payment of the bank and corporation tax by sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, and 23701 1 of the Revenue and Taxation Code and mobilehome park associations and senior citizens organizations are eligible to apply for a license to conduct bingo games in the city under the provisions of the California Constitution, section 326.5 of the Penal Code and provisions of this chapter; provided that the ~~proceeds~~ receipts of such games are used only for charitable purposes. (Ord. 3850, S1; Ord. 3966, S1)

Sec. 18.103 Application for license.

The license issuing authority shall be the city manager or his designee. An eligible organization desiring to obtain a license to conduct bingo games shall file an application in writing therefor with the city manager not less than 60 days before the date on which bingo is to commence on a form to be provided by the city manager. The license issued shall be for a term of one year from the date of issuance, or for such shorter period as the city manager may determine, and shall be subject to renewal ~~and~~ upon payment in advance of the annual fee. An applicant may request a license with a term of less than one year, but shall nevertheless pay the full annual license fee. (Ord. 3850, S1)

Sec. 18.104 Applicant must be qualified.

No license shall be issued to any organization unless such applicant is an eligible organization under Section 18.102 and its application conforms to the requirements, terms and conditions of this chapter. (Ord. 3850, S1)

Sec. 18.105 Contents of application.

An application for a license shall contain the following:

(a) The name of the applicant organization and a statement that the applicant is an eligible organization under Section 18.102.

(b) The names, ~~and~~ addresses and signatures of at least two officers, including the presiding officer of the organization and the names, addresses and signatures of the members of the organization who will be primarily responsible for conducting bingo games (the "Bingo Manager" and the "Assistant Bingo Managers").

(c) A description of the property, including the street number, owned or leased by the applicant, or whose use is donated to the applicant, used by the applicant for an office or for performance of the purposes for which the applicant is organized, on which property bingo games will be conducted, together with the occupancy capacity of such place.

(d) Proposed days of week and hours of day for conduct of bingo games.

(e) A statement that the applicant agrees to conduct bingo games in strict accordance with the provisions of Section 326.5 of the Penal Code and this chapter, as they may be amended from time to time, and agrees that the license to conduct bingo games may be revoked by the city manager upon violation of any of such provisions.

(f) The application shall be executed under penalty of perjury. (Ord. 3850, S1)

Sec. 18.106 License fee.

~~The annual license fee fixed by the city council by resolution shall accompany the application. Unless otherwise provided by resolution, the license fee shall be $50.00. If an application for a license is denied, one half of the fee shall be refunded to the organization. Nothing in this section shall be construed to require any refund of license fee paid in the event a bingo license is revoked under the provisions of this chapter. (Ord. 3850, S1; Ord. 3966, S2)~~
An annual license fee of $50 shall accompany the application. If an application for a license is denied, one-half of the application fee shall be refunded to the organization. In addition to the $50 annual fee, a fee of one percent (1%) of the monthly gross receipts over $5,000 derived from bingo games shall be paid monthly by the organization to the City. Said fee shall be paid to the City within 15 days after the end of the month for which the fee is due, and shall be accompanied by a completed Monthly Income and Expense Statement on a form provided by the city manager.

Nothing in this section shall be construed to require any refund of license fee paid in the event a bingo license is revoked under the provisions of this

article.

Sec. 18.107 Certificate of exemption.

An applicant basing eligibility for a bingo license on an exemption from payment of the bank and corporation tax shall also submit, with its application, a certificate of determination of exemption under the applicable section of the Revenue and Taxation Code, or a letter of good standing from the Exemption Division of the Franchise Tax Board in Sacramento showing such exemption. (Ord. 3850, S1; Ord. 3966, S3)

Sec. 18.108 Investigation of applicant.

Upon receipt of the completed application and fee, the city manager shall refer the application to the chief of police for investigation and report under Section 18.110(b) and shall otherwise make or cause to be made such investigation as will enable the city manager to determine whether the applicant qualifies for a license under the provisions of this chapter. The chief of police may require the driver's license number and take the fingerprints of any person whose name is included in the license application where he determines it to be necessary in order to carry out his duties under this chapter. In addition, the city manager shall refer the application to the planning director to investigate whether the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood, and whether there is adequate off-street parking. The city manager may require such additional information from the applicant as he deems relevant to consideration of the application. (Ord. 3850, S1; Ord. 3966, S4)

Sec. 18.109 Contents of license.

Upon being satisfied that the applicant is fully qualified under law to conduct bingo games, the city manager shall issue a license to the applicant, which shall contain the following information:

(a) The name and nature of the organization to which the license is issued.

(b) The address where bingo games are authorized to be conducted.

(c) The occupancy capacity of the room in which bingo games are to be conducted.

(d) The date of expiration of the license.

(e) Such other conditions as may be necessary or desirable for the enforcement of the provisions of this chapter. (Ord. 3850, S1)

Sec. 18.110 Denial of license.

If the city manager determines that the applicant does not qualify under this chapter or other city or state laws for issuance of a license, he shall deny the license application. The city manager shall not issue a license unless it appears:

(a) That all of the statements made in the application are true;

(b) That no person whose name is required to be contained in the license application and no other manager of the applicant has been convicted of any felony or misdemeanor involving moral turpitude, or any provision of this chapter;

(c) That the applicant has not engaged in any fraudulent transactionsor enterprises which the city manager deems relevant to the application;

(d) That the bingo games will not be a fraud on the public;

(e) That the bingo games will ~~not be conducted~~ be conducted for charitable purposes and not for private profit;

(f) That the proposed method or methods of conducting bingo games will not be contrary to the provisions of this chapter;

(g) That the applicant organization has a membership capable of supplying adequate volunteer personnel to operate and staff the bingo games;

~~(g)~~(h) That the applicant is maintaining an adequate system of record keeping and accounting, which will be available to the city manager or his designee for inspection;

(i) That no license to play bingo on the same premises is held by any other organization;

~~(h)~~(j) That the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood~~.~~, and that there is adequate off-street parking. (Ord. 3850, S1)

(k) That the conduct of bingo games on the premises does not violate any provision of Chapter 9 (Building Code) or Chapter 15 (Fire Protection) of the Sacramento City Code.

Sec. 18.111 Posting of license.

A copy of the license shall be conspicuously posted at the location of the bingo games. (Ord. 3850, S1)

Sec. 18.112 Suspension or revocation of license.

(a) Any license issued under the terms of this chapter may be suspended or revoked by the city manager if he determines that the activity authorized by the license has been or is being conducted, maintained or carried out in a manner contrary to or in violation of any law of the state, city or federal government, or any provision of this chapter. The city manager may also suspend or revoke the license upon any grounds which would justify a denial of a license.

(b) No license shall be revoked or suspended until a hearing has been held by the city manager or his designated representative. Written notice of the time and place of such hearing shall be served upon the organization to which the license was granted at least five days prior to the date set for such

hearing. Such notice shall contain a brief statement of the grounds to be relied on for revoking or suspending the license. Notice may be given either by personal delivery or by depositing the notice in the U. S. mail in a sealed envelope postage prepaid, addressed to the organization to be notified at its address and as it appears on its application for the license. (Ord. 3850, S1)

Sec. 18.113 Appeal from denial or revocation of license - judicial review.

(a) Any licensee or applicant aggrieved by the decision of the city manager in denying, suspending, or revoking a license may, within ten days after such decision is delivered or sent to the licensee in writing, appeal to the city council by filing a written notice of appeal with the city clerk~~,~~ and paying an appeal fee of $100.00. During the pendency of an appeal of a suspension or revocation, the license shall remain in effect.

(b) If such appeal is not taken within ten days, the decision of the city manager shall be final. If a timely appeal is filed, the city council shall thereupon hold a hearing on the appeal, ~~and render its decision within thirty days.~~ The decision may deny, suspend or revoke the permit, if the city council finds any of the grounds specified in section 18.110 or section 18.112(a). The city council's decision shall be final forthwith.

(c) Judicial review may be had by filing a petition for a writ of mandate in accordance with the provisions of the code of civil procedure. Any such petition shall be filed within thirty days after the day the decision of the city council becomes final. (Ord. 3850, S1)

Sec. 18.114 Effect of denial or revocation.

When the city manager has denied or revoked any license as provided for herein and the time for appeal to the city council has elapsed or if after appeal to the city council the decision of the manager has been affirmed by such body, no application for the same type of license at the same location shall be accepted from the applicant or license holder ~~and no such license shall be issued to such organization~~ for a period of one year after the action by the city manager in denying or revoking the license. (Ord. 3850, S1)

Sec. 18.115 Transferability of license; return upon expiration.

Any license issued under this chapter shall be non-transferable and shall be returned to the city manager within seven days of its expiration. (Ord. 3850, S1)

Sec. 18.116 Profits to be kept in separate fund or account; use.

(a) With respect to organizations exempt from payment of the bank and corporation tax by section 23701d of the Revenue and Taxation Code, all profits derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Such profits shall be used only for charitable purposes.

(b) With respect to other organizations authorized to conduct bingo games pursuant to this chapter, all proceeds derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other

fund or account. Proceeds are the receipts of bingo games conducted by organizations which are not within subdivision (a) of this section. Such proceeds shall be used only for charitable purposes, except as follows:

(1) Such proceeds may be used for prizes.

(2) A portion of such proceeds not to exceed ~~10~~ 20 percent of the proceeds after the deduction for prizes, or ~~five hundred dollars ($500)~~ $1,000 per month, whichever is less, may be used for rental of property, overhead, ~~and~~ including the purchase of bingo equipment, administrative expenses~~,~~ ,security equipment, and security personnel.

(3) Such proceeds may be used to pay license fees.

(c) Any licensee under this chapter shall keep full and accurate records of the income and expenses received and disbursed in connection with its operation, conduct, promotion, supervision and any other phase of bingo games which are authorized by this chapter. The city manager or his designee shall have the right to examine and audit such records ~~at any reasonable time~~ and the license holder shall fully cooperate with the city manager by making such records available upon request. The city manager or his designee shall have the authority to prescribe the keeping of any records which he deems necessary, and licensees shall compile and maintain such records and make them available to the city manager for examination and audit. (Ord. 3850, S1; Ord. 3966, S5*)

Sec. 18.117 Maximum prize.

The total value of prizes awarded during the conduct of any bingo games shall not exceed $250.00 in cash or kind, or both, for each separate game which is held. (Ord. 3850, S1)

Sec. 18.118 Financial interest in license holder only.

No individual, corporation, partnership, or other entity except the licensee shall hold a financial interest in the conduct of any bingo game. (Ord. 3850, S1)

Sec. 18.119 Exclusive operation by licensee.

A bingo game shall be operated and staffed only by members of the license holding organization. Such members shall neither pay nor receive a profit, wage, or salary from any bingo game. Only the licensee shall operate such game, or participate in the promotion, supervision or any other phase of such game. This section does not preclude the employment of security personnel who are not members of the license-holding organization at such bingo game by the organization conducting the game. (Ord. 3850, S1; Ord. 3966, S6*)

Sec. 18.120 Bingo games open to public.

All bingo games shall be open to the public, not just to the members of the license-holding organization. (Ord. 3850, S1)

Sec. 18.121 Attendance limited to occupancy capacity.

Notwithstanding the bingo games are open to the public, attendance at any bingo

game shall be limited to the occupancy capacity of the room in which the game is conducted as determined by the fire department in accordance with applicable laws and regulations. The licensee shall not reserve seats or space for any person. (Ord. 3850, S1)

Sec. 18.122 Bingo only on licensee's property.

(a) The organization which holds a bingo license shall conduct a bingo game only on property owned or leased by it, or property whose use is donated to the organization and which property is used by the organization for an office or for the performance of the purposes for which the organization is organized. The license issued under this chapter shall authorize the holder thereof to conduct bingo games only on such property, the address of which is stated in the application. In the event the described property ceases to be used as an office by the licensee or as a place for performance of the purposes for which the licensee is organized, the license shall have no further force or effect. In addition, in the event the described property ceases to be used for the conduct by the licensee of bingo games, the license shall have no further force or effect. A new license may be obtained by an eligible organization, upon application under this chapter, when it again owns or leases property used by it or occupies property whose use is donated to the organization for an office or for performance of the purpose for which the organization is organized.

(b) Nothing in this section shall be construed to require that the property owned or leased by the organization, or whose use is donated to the organization, be used or leased exclusively by such organization. (Ord. 3850, S1; Ord. 3966, S7*)

~~Sec. 18.123 Posting of rules.~~

~~The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. (Ord. 3850, S1)~~

Sec. 18.123 Posting and filing of rules; conduct of games.

The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. A copy of the rules shall be filed with the city manager, and any amendment to the rules shall be filed with the city manager within 30 days after the amendment goes into effect.

A member of the licensee organization shall be designated as "Bingo Manager." The Bingo Manager shall be responsible for the conduct and operation of the bingo games and for the compliance with all applicable laws, rules and regulations promulgated thereunder. The organization may designate no more than two "Assistant Bingo Managers."

The Bingo Manager or a designated Assistant Bingo Manager shall be present at all times during the playing of any bingo game.

All staff members of a bingo game shall wear on their outside clothing an identification insignia or badge, no less than 2 1/2" x 3 1/2" in dimension, indicating the name of the organization and the name and title of the staff member.

Sec. 18.124 Minors not to participate.

No person under the age of 18 years shall be allowed to participate in any bingo games. (Ord. 3850, S1)

Sec. 18.125 Intoxicated persons not to participate.

No person who is obviously intoxicated shall be allowed to participate in a bingo game. (Ord. 3850, S1)

~~Sec. 18.126 Hours of operation.~~

~~Except as otherwise provided in the bingo license, no bingo game shall be conducted between the hours of 2:00 a.m. and 10:00 a.m. of any day unless permission therefor is received from the city manager. (Ord. 3850, S1)~~

Sec. 18.126 Hours and days of operation.

(a) No bingo games shall be conducted between the hours of 2:00 a.m. and 10:00 a.m. of any day.

(b) Except as provided in this section, no organization shall conduct bingo games more than one day of each calendar week.

(c) The city manager shall, upon written application and the provision of such information as he may require, issue a special license authorizing the conduct of as many bingo games per week as the special licensee, in its discretion, may desire to sponsor, if the manager finds that the applicant:

(1) Holds a license issued pursuant to Section 18.109;

(2) Has existed within either the incorporated or unincorporated area of the county as an organization meeting the definition contained in Section 18.102 for at least two continuous years immediately preceding filing of the application for the special license; and

(3) Has, during said immediately preceding two-year period, raised at least $25,000 each year through public and private solicitations (including publicly-funded grants and recreational and other fund-raising activities, but exclusive of any revenue from the sponsorship of bingo games), and has expended at least $16,000 during each of said preceding two years for charitable purposes.

(d) Organizations which hold licenses issued under this chapter prior to the effective date of this ordinance and which were conducting more than one day of bingo in each calendar week as of February 22, 1983, may continue to conduct for a period of two years from the effective date of this ordinance the same number of sessions they were conducting as of February 22, 1983. However, subsections (b) and (c) of this section shall apply to new licensees approved after the effective date of this ordinance and shall apply to any existing licensee which desires to increase the number of days of bingo operation beyond that being operated by the licensee as of February 22, 1983.

Sec. 18.127 Participant must be present.

No person shall be allowed to participate in a bingo game unless the person is physically present at the time and place in which the bingo game is being conducted. (Ord. 3850, S1)

Sec. 18.128 Violations.

(a) It is a misdemeanor under Section 326.5(b) of the Penal Code of the State of California for any person to pay or receive a profit, wage or salary from any bingo game authorized under this chapter, a violation of which is punishable by a fine not to exceed ten thousand dollars, which fine shall be deposited in the general fund of the City of Sacramento.

(b) Except as provided in subdivision (a) of this section, a violation of any provision of this chapter is an infraction and shall be punishable by (1) a fine not exceeding fifty dollars for a first violation; (2) a fine not exceeding one hundred dollars for a second violation within one year; (3) a fine not exceeding two hundred and fifty dollars for each additional violation within one year. (Ord. 3850, S1; Ord. 3966, S8*)

Sec. 18.129 City may enjoin violation.

The City of Sacramento may bring an action in a court of competent jurisdiction to enjoin a violation of Section 326.5 of the Penal Code or any provision of this chapter. (Ord. 3850, S1)

ORDINANCE NO. 83-089

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE AMENDING ARTICLE I OF CHAPTER 18 OF THE SACRAMENTO CITY CODE, RELATING TO BINGO, AND DECLARING THIS ORDINANCE AN EMERGENCY ORDINANCE TO TAKE EFFECT ON AUGUST 1, 1983.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Article I of Chapter 18 of the Sacramento City Code, relating to bingo games, is hereby amended to read as follows:

Article I. Bingo Games

Sec. 18.100 Bingo prohibition.

No person shall operate a bingo game in the City of Sacramento except in conformance with state law, this chapter, and any other applicable city laws.

Sec. 18.101 Definition of "bingo".

As used in this chapter, "bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols on a card which conform to numbers or symbols selected at random. The game of bingo shall include cards having numbers or symbols which are concealed and preprinted in a manner providing for distribution of prizes. The winning cards shall not be known prior to the game by any person participating in the playing or operation of the bingo game. All such preprinted cards shall bear the legend "for sale or use only in a bingo game authorized under California law and pursuant to local ordinance." Bingo as defined in this section applies exclusively to this chapter and shall not be applied in the construction or enforcement of any other provision of law.

Sec. 18.102 Organizations eligible for license.

Organizations which are exempted from the payment of the bank and corporation tax by sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, and 237011 of the Revenue and Taxation Code and mobilehome park associations and senior citizens organizations are eligible to apply for a license to conduct bingo games in the city under the provisions of the California Constitution, section 326.5 of the Penal Code and provisions of this chapter; provided that the receipts of such games are used only for charitable purposes.

APPROVED BY THE CITY COUNCIL

JUL 26 1983

OFFICE OF THE CITY CLERK

Sec. 18.103 Application for license.

The license issuing authority shall be the city manager or his designee. An eligible organization desiring to obtain a license to conduct bingo games shall file an application in writing therefor with the city manager not less than 60 days before the date on which bingo is to commence on a form to be provided by the city manager. The license issued shall be for a term of one year from the date of issuance, or for such shorter period as the city manager may determine, and shall be subject to renewal upon payment in advance of the annual fee. An applicant may request a license with a term of less than one year, but shall nevertheless pay the full annual license fee.

Sec. 18.104 Applicant must be qualified.

No license shall be issued to any organization unless such applicant is an eligible organization under Section 18.102 and its application conforms to the requirements, terms and conditions of this chapter.

Sec. 18.105 Contents of application.

An application for a license shall contain the following:

(a) The name of the applicant organization and a statement that the applicant is an eligible organization under Section 18.102.

(b) The names, addresses and signatures of at least two officers, including the presiding officer of the organization and the names, addresses and signatures of the members of the organization who will be primarily responsible for conducting bingo games (the "Bingo Manager" and the "Assistant Bingo Managers").

(c) A description of the property, including the street number, owned or leased by the applicant, or whose use is donated to the applicant, used by the applicant for an office or for performance of the purposes for which the applicant is organized, on which property bingo games will be conducted, together with the occupancy capacity of such place.

(d) Proposed days of week and hours of day for conduct of bingo games.

(e) A statement that the applicant agrees to conduct bingo games in strict accordance with the provisions of Section 326.5 of the Penal Code and this chapter, as they may be amended from time to time, and agrees that the license to conduct bingo games may be revoked by the city manager upon violation of any of such provisions.

(f) The application shall be executed under penalty of perjury.

Sec. 18.106 License fee.

An annual license fee of $50 shall accompany the application. If an application for a license is denied, one-half of the application fee shall be refunded to the organization. In addition to the $50 annual fee, a fee of one percent (1%) of the monthly gross receipts over $5,000 derived from bingo games shall be paid

monthly by the organization to the City. Said fee shall be paid to the City within 15 days after the end of the month for which the fee is due, and shall be accompanied by a completed Monthly Income and Expense Statement on a form provided by the city manager.

Nothing in this section shall be construed to require any refund of license fee paid in the event a bingo license is revoked under the provisions of this article.

Sec. 18.107 Certificate of exemption.

An applicant basing eligibility for a bingo license on an exemption from payment of the bank and corporation tax shall also submit, with its application, a certificate of determination of exemption under the applicable section of the Revenue and Taxation Code, or a letter of good standing from the Exemption Division of the Franchise Tax Board in Sacramento showing such exemption.

Sec. 18.108 Investigation of applicant.

Upon receipt of the completed application and fee, the city manager shall refer the application to the chief of police for investigation and report under Section 18.110(b) and shall otherwise make or cause to be made such investigation as will enable the city manager to determine whether the applicant qualifies for a license under the provisions of this chapter. The chief of police may require the driver's license number and take the fingerprints of any person whose name is included in the license application where he determines it to be necessary in order to carry out his duties under this chapter. In addition, the city manager shall refer the application to the planning director to investigate whether the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood, and whether there is adequate off-street parking. The city manager may require such additional information from the applicant as he deems relevant to consideration of the application.

Sec. 18.109 Contents of license.

Upon being satisfied that the applicant is fully qualified under law to conduct bingo games, the city manager shall issue a license to the applicant, which shall contain the following information:

(a) The name and nature of the organization to which the license is issued.

(b) The address where bingo games are authorized to be conducted.

(c) The occupancy capacity of the room in which bingo games are to be conducted.

(d) The date of expiration of the license.

(e) Such other conditions as may be necessary or desirable for the enforcement of the provisions of this chapter.

Sec. 18.110 Denial of license.

If the city manager determines that the applicant does not qualify under this chapter or other city or state laws for issuance of a license, he shall deny the license application. The city manager shall not issue a license unless it appears:

(a) That all of the statements made in the application are true;

(b) That no person whose name is required to be contained in the license application and no other manager of the applicant has been convicted of any felony or misdemeanor involving moral turpitude, or any provision of this chapter;

(c) That the applicant has not engaged in any fraudulent transactions or enterprises which the city manager deems relevant to the application;

(d) That the bingo games will not be a fraud on the public;

(e) That the bingo games will be conducted for charitable purposes and not for private profit;

(f) That the proposed method or methods of conducting bingo games will not be contrary to the provisions of this chapter;

(g) That the applicant organization has a membership capable of supplying adequate volunteer personnel to operate and staff the bingo games;

(h) That the applicant is maintaining an adequate system of record keeping and accounting, which will be available to the city manager or his designee for inspection;

(i) That no license to play bingo on the same premises is held by any other organization;

(j) That the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood, and that there is adequate off-street parking.

(k) That the conduct of bingo games on the premises does not violate any provision of Chapter 9 (Building Code) or Chapter 15 (Fire Protection) of the Sacramento City Code.

Sec. 18.111 Posting of license.

A copy of the license shall be conspicuously posted at the location of the bingo games.

Sec. 18.112 Suspension or revocation of license.

(a) Any license issued under the terms of this chapter may be suspended or revoked by the city manager if he determines that the activity authorized by the license has been or is being conducted, maintained or carried out in a

manner contrary to or in violation of any law of the state, city or federal government, or any provision of this chapter. The city manager may also suspend or revoke the license upon any grounds which would justify a denial of a license.

(b) No license shall be revoked or suspended until a hearing has been held by the city manager or his designated representative. Written notice of the time and place of such hearing shall be served upon the organization to which the license was granted at least five days prior to the date set for such hearing. Such notice shall contain a brief statement of the grounds to be relied on for revoking or suspending the license. Notice may be given either by personal delivery or by depositing the notice in the U. S. mail in a sealed envelope postage prepaid, addressed to the organization to be notified at its address and as it appears on its application for the license.

Sec. 18.113 Appeal from denial or revocation of license - judicial review.

(a) Any licensee or applicant aggrieved by the decision of the city manager in denying, suspending, or revoking a license may, within ten days after such decision is delivered or sent to the licensee in writing, appeal to the city council by filing a written notice of appeal with the city clerk and paying an appeal fee of $100.00. During the pendency of an appeal of a suspension or revocation, the license shall remain in effect.

(b) If such appeal is not taken within ten days, the decision of the city manager shall be final. If a timely appeal is filed, the city council shall thereupon hold a hearing on the appeal. The decision may deny, suspend or revoke the permit, if the city council finds any of the grounds specified in section 18.110 or section 18.112(a). The city council's decision shall be final forthwith.

(c) Judicial review may be had by filing a petition for a writ of mandate in accordance with the provisions of the code of civil procedure. Any such petition shall be filed within thirty days after the day the decision of the city council becomes final.

Sec. 18.114 Effect of denial or revocation.

When the city manager has denied or revoked any license as provided for herein and the time for appeal to the city council has elapsed or if after appeal to the city council the decision of the manager has been affirmed by such body, no application for the same type of license at the same location shall be accepted from the applicant or license holder for a period of one year after the action by the city manager in denying or revoking the license.

Sec. 18.115 Transferability of license; return upon expiration.

Any license issued under this chapter shall be non-transferable and shall be returned to the city manager within seven days of its expiration.

Sec. 18.116 Profits to be kept in separate fund or account; use.

(a) With respect to organizations exempt from payment of the bank and

corporation tax by section 23701d of the Revenue and Taxation Code, all profits derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Such profits shall be used only for charitable purposes.

(b) With respect to other organizations authorized to conduct bingo games pursuant to this chapter, all proceeds derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Proceeds are the receipts of bingo games conducted by organizations which are not within subdivision (a) of this section. Such proceeds shall be used only for charitable purposes, except as follows:

(1) Such proceeds may be used for prizes.

(2) A portion of such proceeds not to exceed 20 percent of the proceeds after the deduction for prizes, or $1,000 per month, whichever is less, may be used for rental of property, overhead, including the purchase of bingo equipment, administrative expenses, security equipment, and security personnel.

(3) Such proceeds may be used to pay license fees.

(c) Any licensee under this chapter shall keep full and accurate records of the income and expenses received and disbursed in connection with its operation, conduct, promotion, supervision and any other phase of bingo games which are authorized by this chapter. The city manager or his designee shall have the right to examine and audit such records and the license holder shall fully cooperate with the city manager by making such records available upon request. The city manager or his designee shall have the authority to prescribe the keeping of any records which he deems necessary, and licensees shall compile and maintain such records and make them available to the city manager for examination and audit.

Sec. 18.117 Maximum prize.

The total value of prizes awarded during the conduct of any bingo games shall not exceed $250.00 in cash or kind, or both, for each separate game which is held.

Sec. 18.118 Financial interest in license holder only.

No individual, corporation, partnership, or other entity except the licensee shall hold a financial interest in the conduct of any bingo game.

Sec. 18.119 Exclusive operation by licensee.

A bingo game shall be operated and staffed only by members of the license holding organization. Such members shall neither pay nor receive a profit, wage, or salary from any bingo game. Only the licensee shall operate such game, or participate in the promotion, supervision or any other phase of such game. This section does not preclude the employment of security personnel who are not members of the license-holding organization at such bingo game by the organization conducting the game.

Sec. 18.120 Bingo games open to public.

All bingo games shall be open to the public, not just to the members of the license-holding organization.

Sec. 18.121 Attendance limited to occupancy capacity.

Notwithstanding the bingo games are open to the public, attendance at any bingo game shall be limited to the occupancy capacity of the room in which the game is conducted as determined by the fire department in accordance with applicable laws and regulations. The licensee shall not reserve seats or space for any person.

Sec. 18.122 Bingo only on licensee's property.

(a) The organization which holds a bingo license shall conduct a bingo game only on property owned or leased by it, or property whose use is donated to the organization and which property is used by the organization for an office or for the performance of the purposes for which the organization is organized. The license issued under this chapter shall authorize the holder thereof to conduct bingo games only on such property, the address of which is stated in the application. In the event the described property ceases to be used as an office by the licensee or as a place for performance of the purposes for which the licensee is organized, the license shall have no further force or effect. In addition, in the event the described property ceases to be used for the conduct by the licensee of bingo games, the license shall have no further force or effect. A new license may be obtained by an eligible organization, upon application under this chapter, when it again owns or leases property used by it or occupies property whose use is donated to the organization for an office or for performance of the purpose for which the organization is organized.

(b) Nothing in this section shall be construed to require that the property owned or leased by the organization, or whose use is donated to the organization, be used or leased exclusively by such organization.

Sec. 18.123 Posting and filing of rules; conduct of games.

The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. A copy of the rules shall be filed with the city manager, and any amendment to the rules shall be filed with the city manager within 30 days after the amendment goes into effect.

A member of the licensee organization shall be designated as "Bingo Manager." The Bingo Manager shall be responsible for the conduct and operation of the bingo games and for the compliance with all applicable laws, rules and regulations promulgated thereunder. The organization may designate no more than two "Assistant Bingo Managers."

The Bingo Manager or a designated Assistant Bingo Manager shall be present at all times during the playing of any bingo game.

All staff members of a bingo game shall wear on their outside clothing an

identification insignia or badge, no less than 2 1/2" x 3 1/2" in dimension, indicating the name of the organization and the name and title of the staff member.

Sec. 18.124 Minors not to participate.

No person under the age of 18 years shall be allowed to participate in any bingo games.

Sec. 18.125 Intoxicated persons not to participate.

No person who is obviously intoxicated shall be allowed to participate in a bingo game.

Sec. 18.126 Hours of operation.

Except as otherwise provided in the bingo license, no bingo game shall be conducted between the hours of 2:00 a.m. and 10:00 a.m. of any day unless permission therefor is received from the city manager.

Sec. 18.127 Participant must be present.

No person shall be allowed to participate in a bingo game unless the person is physically present at the time and place in which the bingo game is being conducted.

Sec. 18.128 Violations.

(a) It is a misdemeanor under Section 326.5(b) of the Penal Code of the State of California for any person to pay or receive a profit, wage or salary from any bingo game authorized under this chapter, a violation of which is punishable by a fine not to exceed ten thousand dollars, which fine shall be deposited in the general fund of the City of Sacramento.

(b) Except as provided in subdivision (a) of this section, a violation of any provision of this chapter is an infraction and shall be punishable by (1) a fine not exceeding fifty dollars for a first violation; (2) a fine not exceeding one hundred dollars for a second violation within one year; (3) a fine not exceeding two hundred and fifty dollars for each additional violation within one year.

Sec. 18.129 City may enjoin violation.

The City of Sacramento may bring an action in a court of competent jurisdiction to enjoin a violation of Section 326.5 of the Penal Code or any provision of this chapter.

SECTION 2.

This ordinance is an emergency measure to take effect on August 1, 1983. The reasons for the emergency are that the ordinance is necessary to bring our bingo regulations into conformance with state law, the existing moratorium expires on July 31, 1983, and it is necessary to commence imposition of the new fee on

gross receipts as soon as possible to provide funds for administering the bingo regulations.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

_____

MAYOR

ATTEST:

_____

CITY CLERK

Appendix B

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE AMENDING ARTICLE I OF CHAPTER 18 OF THE SACRAMENTO CITY CODE, RELATING TO BINGO, AND DECLARING THIS ORDINANCE AN EMERGENCY ORDINANCE TO TAKE EFFECT ON AUGUST 1, 1983.

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Article I of Chapter 18 of the Sacramento City Code, relating to bingo games, is hereby amended to read as follows:

Article I. Bingo Games

Sec. 18.100 Bingo prohibition.

No person shall operate a bingo game in the City of Sacramento except in conformance with state law, this chapter, and any other applicable city laws.

Sec. 18.101 Definition of "bingo".

As used in this chapter, "bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols on a card which conform to numbers or symbols selected at random. ~~and shall also~~ The game of bingo shall include cards having numbers or symbols which are concealed and preprinted in a manner providing for distribution of prizes. The winning cards shall not be known prior to the game by any person participating in the playing or operation of the bingo game. All such preprinted cards shall bear the legend "for sale or use only in a bingo game authorized under California law and pursuant to local ordinance." ~~This definition is not intended to apply~~ Bingo as defined in this section applies exclusively to this chapter and shall not be applied in the construction or enforcement of any other provision of law.

Sec. 18.102 Organizations eligible for license.

Organizations which are exempted from the payment of the bank and corporation tax by sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, and 237011 of the Revenue and Taxation Code and mobilehome park associations and senior citizens organizations are eligible to apply for a license to conduct bingo games in the city under the provisions of the California Constitution, section 326.5 of the Penal Code and provisions of this chapter; provided that the ~~proceeds~~ receipts of such games are used only for charitable purposes.

Sec. 18.103 Application for license.

The license issuing authority shall be the city manager or his designee. An eligible organization desiring to obtain a license to conduct bingo games shall file an application in writing therefor with the city manager not less than 60 days before the date on which bingo is to commence on a form to be provided by the city manager. The license issued shall be for a term of one year from the date of issuance, or for such shorter period as the city manager may determine, and shall be subject to renewal ~~and~~ upon payment in advance of the annual fee. An applicant may request a license with a term of less than one year, but shall nevertheless pay the full annual license fee.

Sec. 18.104 Applicant must be qualified.

No license shall be issued to any organization unless such applicant is an eligible organization under Section 18.102 and its application conforms to the requirements, terms and conditions of this chapter.

Sec. 18.105 Contents of application.

An application for a license shall contain the following:

(a) The name of the applicant organization and a statement that the applicant is an eligible organization under Section 18.102.

(b) The names, ~~and~~ addresses and signatures of at least two officers, including the presiding officer of the organization and the names, addresses and signatures of the members of the organization who will be primarily responsible for conducting bingo games (the "Bingo Manager" and the "Assistant Bingo Managers").

(c) A description of the property, including the street number, owned or leased by the applicant, or whose use is donated to the applicant, used by the applicant for an office or for performance of the purposes for which the applicant is organized, on which property bingo games will be conducted, together with the occupancy capacity of such place.

(d) Proposed days of week and hours of day for conduct of bingo games.

(e) A statement that the applicant agrees to conduct bingo games in strict accordance with the provisions of Section 326.5 of the Penal Code and this chapter, as they may be amended from time to time, and agrees that the license to conduct bingo games may be revoked by the city manager upon violation of any of such provisions.

(f) The application shall be executed under penalty of perjury.

Sec. 18.106 License fee.

~~The annual license fee fixed by the city council by resolution shall accompany the application. Unless otherwise provided by resolution, the license fee shall be $50.00. If an application for a license is denied, one half of the fee shall be refunded to the organization. Nothing in this section shall be construed to~~

Sec. 18.103 Application for license.

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(a) The name of the applicant organization and a statement that the applicant is an eligible organization under Section 18.102.

(b) The names, ~~and~~ addresses and signatures of at least two officers, including the presiding officer of the organization and the names, addresses and signatures of the members of the organization who will be primarily responsible for conducting bingo games (the "Bingo Manager" and the "Assistant Bingo Managers").

(c) A description of the property, including the street number, owned or leased by the applicant, or whose use is donated to the applicant, used by the applicant for an office or for performance of the purposes for which the applicant is organized, on which property bingo games will be conducted, together with the occupancy capacity of such place.

(d) Proposed days of week and hours of day for conduct of bingo games.

(e) A statement that the applicant agrees to conduct bingo games in strict accordance with the provisions of Section 326.5 of the Penal Code and this chapter, as they may be amended from time to time, and agrees that the license to conduct bingo games may be revoked by the city manager upon violation of any of such provisions.

(f) The application shall be executed under penalty of perjury.

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~~The annual license fee fixed by the city council by resolution shall accompany the application. Unless otherwise provided by resolution, the license fee shall be $50.00. If an application for a license is denied, one half of the fee shall be refunded to the organization. Nothing in this section shall be construed to~~

~~require any refund of license fee paid in the event a bingo license is revoked under the provisions of this chapter. (Ord. 3850, §4; Ord. 3966, §2)~~
An annual license fee of $50 shall accompany the application. If an application for a license is denied, one-half of the application fee shall be refunded to the organization. In addition to the $50 annual fee, a fee of one percent (1%) of the monthly gross receipts over $5,000 derived from bingo games shall be paid monthly by the organization to the City. Said fee shall be paid to the City within 15 days after the end of the month for which the fee is due, and shall be accompanied by a completed Monthly Income and Expense Statement on a form provided by the city manager.

Nothing in this section shall be construed to require any refund of license fee paid in the event a bingo license is revoked under the provisions of this article.

Sec. 18.107 Certificate of exemption.

An applicant basing eligibility for a bingo license on an exemption from payment of the bank and corporation tax shall also submit, with its application, a certificate of determination of exemption under the applicable section of the Revenue and Taxation Code, or a letter of good standing from the Exemption Division of the Franchise Tax Board in Sacramento showing such exemption.

Sec. 18.108 Investigation of applicant.

Upon receipt of the completed application and fee, the city manager shall refer the application to the chief of police for investigation and report under Section 18.110(b) and shall otherwise make or cause to be made such investigation as will enable the city manager to determine whether the applicant qualifies for a license under the provisions of this chapter. The chief of police may require the driver's license number and take the fingerprints of any person whose name is included in the license application where he determines it to be necessary in order to carry out his duties under this chapter. In addition, the city manager shall refer the application to the planning director to investigate whether the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood, and whether there is adequate off-street parking. The city manager may require such additional information from the applicant as he deems relevant to consideration of the application.

Sec. 18.109 Contents of license.

Upon being satisfied that the applicant is fully qualified under law to conduct bingo games, the city manager shall issue a license to the applicant, which shall contain the following information:

(a) The name and nature of the organization to which the license is issued.

(b) The address where bingo games are authorized to be conducted.

(c) The occupancy capacity of the room in which bingo games are to be conducted.

(d) The date of expiration of the license.

(e) Such other conditions as may be necessary or desirable for the enforcement of the provisions of this chapter.

Sec. 18.110 Denial of license.

If the city manager determines that the applicant does not qualify under this chapter or other city or state laws for issuance of a license, he shall deny the license application. The city manager shall not issue a license unless it appears:

(a) That all of the statements made in the application are true;

(b) That no person whose name is required to be contained in the license application and no other manager of the applicant has been convicted of any felony or misdemeanor involving moral turpitude, or any provision of this chapter;

(c) That the applicant has not engaged in any fraudulent transactions or enterprises which the city manager deems relevant to the application;

(d) That the bingo games will not be a fraud on the public;

(e) That the bingo games will ~~not be conducted~~ be conducted for charitable purposes and not for private profit;

(f) That the proposed method or methods of conducting bingo games will not be contrary to the provisions of this chapter;

(g) That the applicant organization has a membership capable of supplying adequate volunteer personnel to operate and staff the bingo games;

~~(g)~~(h) That the applicant is maintaining an adequate system of record keeping and accounting, which will be available to the city manager or his designee for inspection;

(i) That no license to play bingo on the same premises is held by any other organization;

~~(h)~~(j) That the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood~~.~~, and that there is adequate off-street parking.

(k) That the conduct of bingo games on the premises does not violate any provision of Chapter 9 (Building Code) or Chapter 15 (Fire Protection) of the Sacramento City Code.

Sec. 18.111 Posting of license.

A copy of the license shall be conspicuously posted at the location of the bingo games.

Sec. 18.112 Suspension or revocation of license.

(a) Any license issued under the terms of this chapter may be suspended or revoked by the city manager if he determines that the activity authorized by the license has been or is being conducted, maintained or carried out in a manner contrary to or in violation of any law of the state, city or federal government, or any provision of this chapter. The city manager may also suspend or revoke the license upon any grounds which would justify a denial of a license.

(b) No license shall be revoked or suspended until a hearing has been held by the city manager or his designated representative. Written notice of the time and place of such hearing shall be served upon the organization to which the license was granted at least five days prior to the date set for such hearing. Such notice shall contain a brief statement of the grounds to be relied on for revoking or suspending the license. Notice may be given either by personal delivery or by depositing the notice in the U. S. mail in a sealed envelope postage prepaid, addressed to the organization to be notified at its address and as it appears on its application for the license.

Sec. 18.113 Appeal from denial or revocation of license - judicial review.

(a) Any licensee or applicant aggrieved by the decision of the city manager in denying, suspending, or revoking a license may, within ten days after such decision is delivered or sent to the licensee in writing, appeal to the city council by filing a written notice of appeal with the city clerk~~.~~ and paying an appeal fee of $100.00. During the pendency of an appeal of a suspension or revocation, the license shall remain in effect.

(b) If such appeal is not taken within ten days, the decision of the city manager shall be final. If a timely appeal is filed, the city council shall thereupon hold a hearing on the appeal, ~~and render its decision within thirty days.~~ The decision may deny, suspend or revoke the permit, if the city council finds any of the grounds specified in section 18.110 or section 18.112(a). The city council's decision shall be final forthwith.

(c) Judicial review may be had by filing a petition for a writ of mandate in accordance with the provisions of the code of civil procedure. Any such petition shall be filed within thirty days after the day the decision of the city council becomes final.

Sec. 18.114 Effect of denial or revocation.

When the city manager has denied or revoked any license as provided for herein and the time for appeal to the city council has elapsed or if after appeal to the city council the decision of the manager has been affirmed by such body, no application for the same type of license at the same location shall be accepted from the applicant or license holder ~~and no such license shall be issued to such organization~~ for a period of one year after the action by the city manager in denying or revoking the license.

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returned to the city manager within seven days of its expiration.

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(a) With respect to organizations exempt from payment of the bank and corporation tax by section 23701d of the Revenue and Taxation Code, all profits derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Such profits shall be used only for charitable purposes.

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~~Sec. 18.123 Posting of rules.~~

~~The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. (Ord. 3850, §1)~~

Sec. 18.123 Posting and filing of rules; conduct of games.

The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. A copy of the rules shall be filed with the city manager, and any amendment to the rules shall be filed with the city manager within 30 days after the amendment goes into effect.

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The City of Sacramento may bring an action in a court of competent jurisdiction to enjoin a violation of Section 326.5 of the Penal Code or any provision of this chapter.

29-15

SECTION 2.

This ordinance is an emergency measure to take effect on August 1, 1983. The reasons for the emergency are that the ordinance is necessary to bring our bingo regulations into conformance with state law, the existing moratorium expires on July 31, 1983, and it is necessary to commence imposition of the new fee on gross receipts as soon as possible to provide funds for administering the bingo regulations.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

29

CITY OF SACRAMENTO

DEPARTMENT OF FINANCE
REVENUE DIVISION
915 I STREET
ROOM 104
SACRAMENTO, CA 95814-2696
TELEPHONE (916) 449-5454

July 12, 1983
RD:831200-ADM:MLM:mm

City Council
Sacramento, California

Honorable Members in Session

SUBJECT: REVISION TO CITY CODE CHAPTER 18 (BINGO)

SUMMARY

This report recommends the City Council adopt a modified version of the Law and Legislation Committee's recommended revision to City Code Chapter 18 (BINGO).

BACKGROUND

Briefly, this report evolved from the followings actions:

1. A City Council moratorium on bingo operations pending a staff review imposed on February 22, 1983.
2. Two staff discussions with the interested bingo operators to develop a consensus position to present for City Council consideration.
3. Law and Legislation Committee hearings on May 26 and July 7, 1983 with lengthy public discussion of the issues.

As a result of the preceding, the Committee, voting 2 to 1, adopted the staff recommendations made to the Committee on May 26, 1983.

DISCUSSION

The original staff report (Appendix A) did not restrict the number of days an existing operator could operate as the Committee was led to believe on July 7, 1983. Therefore, the Committee's action to adopt the original staff report is not entirely consistent with the Committee's expressed intent during the July 7, 1983 discussion of the action.

As a result of the discussions of May 26 and July 7, staff believes the Committee shares a common interest to prevent "professional bingo" operations within the City. The problem causing disagreement is the method or restrictions necessary to reach this goal. Staff has reviewed the reports of May 26 and July 7 along with the public testimony in an effort to propose a commonly agreeable solution to the problem.

It is now staff's opinion that if the City Council adopts a limit of one bingo operator per separate location, no limit on the number of days of operation by any bingo operator is necessary. The one operator per separate location will effectively eliminate professional bingo parlors. This solution eliminates the need to adopt "grandfather" exceptions for present operators. This will not entirely prevent a private business from benefiting from a bingo operation. However, the potential for substantial abuse is removed and therefore this presents the best compromise staff can develop. These changes are incorporated in Appendix B. Due to the expiration of the present moratorium staff recommends adoption of Appendix B prior to August 1, 1983.

RECOMMENDATION

It is recommended that the City Council:

1. Approve Appendix B to be passed for publication on July 19, 1983.

2. Adopt Appendix B relating to changes in the City Code Chapter 18 (bingo) as an emergency measure on July 26, 1983.

Respectfully submitted,

Michael L. Medema
Revenue Officer

Recommendation Approved:

Walter J. Slipe
City Manager

Attachments

All Districts
July 19, 1983

APPENDIX A

CITY OF SACRAMENTO

DEPARTMENT OF FINANCE
REVENUE DIVISION
915 I STREET
ROOM 104
SACRAMENTO, CA 95814-2694
TELEPHONE (916) 449-5454

May 26, 1983

Law & Legislation Committee
Sacramento, CA 95814

SUBJECT: Proposed Revision to the City Code Chapter 18 Gambling (Bingo)

SUMMARY

This report discusses proposed revisions to City Code Chapter 18 relating to bingo operations.

BACKGROUND

On February 22, 1983, the City Council adopted Ordinance No. 83-029 establishing a sixty day moratorium on the issuance of bingo licenses. The moratorium was extended to June 15, 1983 by Ordinance No 83-049 adopted April 19, 1983. The purpose of the moratorium was to allow staff to examine certain proposed amendments to the County of Sacramento Bingo Ordinance (since enacted) and to review the City Code relating to bingo operations. Staff was to consider the appropriateness of incorporating the County amendments into the City Code, recommend any amendments necessary to maintain our code's conformance with state law and point out any other changes which might be desirable.

Staff review has included consideration of bingo regulations in the County of Sacramento and the City of Los Angeles, review of the applicable state law and two meetings with current bingo licensees.

Bingo operations, as currently authorized and conducted pursuant to Chapter 18 of the City Code, began in 1977. Chapter 18 is based upon California Penal Code Section 326.5, which permits bingo games by local option. Penal Code §326.5 was enacted to implement a constitutional amendment permitting bingo games to be played in California which was approved by the voters in June, 1976.

According to the annual bingo game financial reports filed by the operators with the City Finance Department, bingo had grown to a $4,194,277 industry in Sacramento by 1982. Attachments I, II and III detail, by organization, the reported results of the bingo operations for 1980, 1981, and 1982 respectively.

In actual practice, the City has not been able to monitor bingo operations for compliance with the City Code. Even though a good deal of staff time is now being expended by the Finance Department, City Attorney and City Manager's office, it is believed that some violations of the Code are occurring. In part, this is due to a lack of City resources to monitor compliance. Staff believes that the current lack of enforcement permits non-compliance with the City Code and the state mandated restrictions on bingo activities.

PROPOSED REVISIONS

Attachment IV is a detailed analysis of the proposed revisions. The significant changes are:

1. Fee on Gross Receipts. Proposed Section 18.106 would impose a 1% fee on gross receipts from bingo games in excess of $5,000 per month. This fee is specifically authorized by state law and is the only fee which the City may impose other than a $50 annual license fee.

Based on 1982 bingo receipts, staff estimates that the 1% fee on gross receipts over $5,000 per month would yield $23,000 annually. The City should conduct an audit or review of each licensee at least every four years. Based upon recent experience, the annual cost to the City for retention of independent certified public accountants to conduct such audits is estimated at $14,000 annually. Staff recommends the City engage independent auditors to maintain control of the scope of the audit or review and due to a lack of staff expertise in this audit area. Taking into consideration increased review of the bingo operations by the police department and the costs associated with administering the review by the City Manager, City Attorney and Finance Department, staff judges that the imposition of the 1% fee would allow the City to "break even" on its enforcement effort.

The authority for imposing a 1% fee was added to the state bingo laws effective January 1, 1980, and is imposed and collected by other jurisdictions, including the County of Sacramento and the City of Los Angeles.

In our meetings with operators, several operators questioned the imposition of a fee on their gross receipts, rather than net proceeds. However, the state statute is clear, and the practices of the County of Sacramento and the City of Los Angeles confirm, that the fee is to be imposed upon gross receipts. Staff concludes that concession receipts are not subject to the 1% fee.

The fee would be imposed beginning with the first full month after the effective date of the ordinance.

2. Authorized Days of Operation. Proposed Section 18.126 adopts the Sacramento County scheme which limits bingo operations to one day per week unless the organization meets certain local longevity and fund-raising requirements. Because the City Code currently contains no limitation on the number of days of operation, the staff recommendation provides that licensees who were operating more than one game as of February 22, 1983 may continue to do so for two years.

3. Limit on Licenses per Location. Proposed Section 18.110(i) prohibits issuance of a license for any premises if a license to play bingo on those same premises is held by another organization. Staff feels that this provision is necessary to prevent the establishment of bingo parlors.

4. Technical Changes. Amendments to Sections 18.101, 18.102, 18.105(c), 18.116(b), 18.119, and 18.122(a) and (b) are proposed to bring our ordinance into conformance with state law. The changes include a revised definition of bingo, authorization to operate in donated property, a change in the amount of proceeds which can be used by certain categories of licensees for rental, overhead and license fees, and authorization to employ security personnel.

5. Enforcement Changes. Amendments to Section 18.103, 18.105(b), 18.110, 18.113, 18.116(c) and 18.123 are proposed to facilitate enforcement of the Code by the City. Included are minor changes in application requirements, application review procedures, and audit procedures.

6. Parking Requirements. Amendments to Sections 18.108 and 18.110(i) are proposed to permit the city manager to consider the adequacy of off-street parking when evaluating a proposed bingo location.

It will not be possible to present the proposed amendments to the City Council prior to the expiration of the moratorium, because the City Clerk has advised that no additional non-consent items will be accepted for the agendas of June 14, 21 and 28.

Therefore, it is recommended that an additional moratorium of 60 days' duration be enacted by the City Council at their June 14 meeting.

RECOMMENDATION

Staff recommends that the Law and Legislation Committee review and approve for City Council consideration the following:

1. Amendments to City Code Chapter 18 relating to bingo operations, as set forth in the attached ordinance draft,

2. An additional moratorium of 60 days' duration on the issuance of bingo licenses.

Respectfully submitted,

MICHAEL L. MEDEMA
Revenue Officer

RECOMMENDATION APPROVED:

SOLON WISHAM, JR.
Assistant City Manager

SUMMARY BINGO AUDIT
1-1-00 to 12-31-00

Attachment I

Permit No.	Organization Name	Revenues	Expenses (Includes Prizes)	Variance	Charitable Donations	Card Sales	Prizes
34	American Legion Hall	$ 25,119.75	$ 21,419.75	$ 3,700.00	$ 3,700.00	$ 25,119.75	$ 14,648.75
4	All Hallows Social Group	33,792.00	9,376.00	24,416.00	23,000.00	15,208.00	No Record
29	Fraternal Order of Eagles	116,619.49	115,898.53	720.96	1,000.00	116,619.49	104,612.14
11	Garden West Mobile Park Club	3,607.00	3,607.00	-0-	-0-	3,607.00	3,607.00
37	Gent Check Social Club	-0-	-0-	-0-	-0-	-0-	-0-
10	Grant Bingo Club	87,543.64	70,778.26	16,765.38	12,657.02	87,130.99	66,[illegible]5.20
15	Green Fair Recreation Club	5,560.00	5,500.00	60.00	-0-	5,550.00	5,415.00
14	Green Fair Tower II	18,101.45	17,984.75	116.70	-0-	18,131.45	17,458.95
36	Hiroshima Nikkeijin Kai	2,340.00(1)	2,340.00(1)	-0-	-0-	2,340.00(1)	1,900.00(1)
3	Immaculate Conception Holy Name	135,653.00	126,356.22	9,296.78	11,200.00	135,653.00	109,9[illegible]3.45
26	John F Kennedy Band Supporters Inc.	578,813.77	438,956.75	139,857.02	129,159.00	459,559.80	347,756.00
30/40	Legal Institute	708,484.40	563,252.29	144,000.00	144,800.00	708,484.40	515,5[illegible]2.94
20	Lt. Lansdale Post #67 Vetrans FW	40,321.00	36,252.69	4,068.31	965.00	24,510.00	32,516.00
31	Norte Del Rio High School Booster	72,721.02	52,931.85	19,789.17	18,676.15	72,418.02	49,117.00
12	Our Lady of Lourdes Social Club	43,475.45	38,330.61	5,144.84	5,000.00	43,314.15	37,641.47
42	Our Merciful Savior Church	36,186.25	26,379.75	9,806.50	9,806.50	11,700.00	23,138.75
16	Pioneer House (2)						
13	Pioneer Towers (2)						
21	Sacto. Lodge of Loyal Order Moose	8,496.60	8,000.38	496.22	562.55	8,496.60	6,405.20
9	Sacto. Manor Activities Comm.	3,801.00	3,738.00	63.00	-0-	3,801.00	3,738.00
7	Sacto. Society for the Blind	66,016.44	55,263.68	11,552.76	11,552.76	59,030.75	52,896.08
19	Southgate Activities Club	11,518.35	11,478.60	39.75	-0-	11,518.35	11,298.60
22	Southwinds Apartments	5,712.05	5,587.00	125.05	-0-	5,712.05	5,582.00
18	St. Joseph's Social Club	94,601.89	66,709.14	27,892.75	21,000.00	88,317.17	58,103.33
2	St. Mary's Catholic Church	220,246.09	176,746.55	43,499.54	43,499.54	220,246.09	169,795.00
33	St. Peters Social Club	34,449.10	28,266.78	6,182.32	6,182.32	10,304.00	26,103.75
6	Trinity House (2)						
28	Wong Center	25.00(1)	25.00(1)	-0-	-0-	25.00(1)	25.00(1)
	TOTAL	$2,354,005.54	$1,885,179.50	$469,393.85	$442,760.04	$2,136,827.86	$1,663,369.61

(1) Estimated Figures
(2) No Figures Letter In File

Permit No.	Did Not File
27	Alcoholism Program
35	Resourses for Independent Living
1	Standard Settlement Inc.
5	St. Pat's Social Club
25	Womens Civic Improvement Club

SUMMARY OF
BINGO REVENUE AND EXPENSE STATEMENTS
1-1-81 through 12-31-81

Attachment II

Permit No.	Organization Name	Revenues	Expenses (Includes Prizes)	Variance	Charitable Donations	Card Sales	Prizes
34	American Legion Post #61	$ 17,355.63	$ 15,535.63	$ 1,820.00	$ 1,820.00	$ 17,355.63	$ 10,064.00
4	All Hallows Social Club	140,375.00	111,090.00	29,285.00	29,000.00	124,775.00	103,467.00
29	Fraternal Order of Eagles Aerie #9	111,429.00	105,331.05	6,097.95	3,000.00	111,429.00	100,716.61
11	Garden West Mobile Park Club	3,587.00	3,587.00	-0-	-0-	3,537.00	3,587.00
37	Gents Club	-0-	-0-	-0-	-0-	-0-	-0-
10	Grant Bingo Club	88,828.32	81,517.74	7,310.50	8,648.14	88,425.36	75,775.71
15	Greenfair Recreation Club	1,335.50	1,439.50	(104.00)	-0-	1,335.50	1,335.50
14	Greenfair Tower II Club	17,466.95	17,429.00	37.95	-0-	17,436.95	17,314.50
36	Hiroshima Nikkeijin Kai	2,700.00(1)	2,700.00	-0-	-0-	2,700.00	2,165.00
3	Immaculate Conception Social Club	123,953.60	111,038.21	12,915.39	22,000.00	123,953.60	105,157.10
26	John F. Kennedy Band Supporters	1,062,064.14	750,621.23	311,442.91	302,568.95	847,111.35	621,410.00
30	Legal Institute for Social Equality	798,120.00	664,296.00	133,824.00	131,900.00	798,120.00	637,787.00
20	L.L. Landsdale Post #67	43,840.00	42,296.01	1,543.99	1,060.00	25,220.00	36,154.13
31	Norte Del Rio Boosters	58,120.80	51,410.13	6,710.67	6,150.00	50,120.80	48,956.17
12	Our Lady of Lourdes Social Club	46,640.94	39,385.99	7,254.95	7,000.00	46,459.49	38,060.16
32	Our Merciful Savior Episcopal Church	32,688.00	19,870.50	12,817.50	12,817.50	15,977.00	17,765.50
16	Pioneer House	252.00	252.00	-0-	-0-	252.00	252.00
13	Pioneer Towers	-0-	-0-	-0-	-0-	-0-	-0-
35	Resources for Independent Living	450.00	270.05	179.95	179.95	450.00	270.05
21	Loyal Order of Moose #1020	9,429.95	7,022.97	2,406.98	2,303.00	9,429.95	2,882.80
9	Sacramento Manor Activities Committee	3,718.00	3,749.00	(31.00)	-0-	3,718.00	3,749.00
17	Sacramento Senior Citizen Club	577.10	580.29	(3.10)	-0-	577.00	372.85
7	Sacramento Society for the Blind	80,547.75	63,478.50	17,069.25	17,069.75	61,467.75	60,644.75
19	Southgate Activities Club	12,120.80	12,022.80	98.00	-0-	12,044.10	11,936.60
22	South Winds Mobile Estates	6,024.00	6,024.00	-0-	-0-	6,024.00	5,975.00
18	St. Joseph's Social Club	84,054.93	60,185.39	23,869.54	23,500.00	77,327.15	49,683.21
2	St. Mary's Catholic Church	223,644.03	187,619.95	36,024.08	36,024.08	223,644.03	184,556.75
5	St. Pat's Social Club	481,214.25	434,218.17	46,996.08	46,996.08	450,341.25	382,748.20
33	St. Peter's Church	14,972.30	11,690.32	3,281.98	3,281.90	4,133.00	11,087.80
1	Stanford Settlement, Inc.	726.50	-0-	726.50	726.50	726.50	-0-
6	Trinity House	187.36	187.36	-0-	-0-	137.36	187.36
8	United Cerebral Palsy Assoc. (2)	--	--	--	--	--	--
28	The Wong Center	25.00	25.00	-0-	-0-	25.00	25.00
	TOTAL	$3,466,440.85	$2,804,873.79	$661,575.15	$656,046.73	$3,132,353.77	$2,533,606.75

(1) Estimate
(2) Did not file

SUMMARY OF
BINGO REVENUE AND EXPENSE STATENTS
1-1-82 through 12-31-82

Attachment III

Permit No.	Organization Name	Revenues	Expenses (Includes Prizes)	Variance	Charitable Donations	Card Sales	Prizes
34	American Legion Post #61	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
4	All Hallows Social Club	169,906	134,083	35,823	35,000	153,385	107,502
35	Florin Church of Religious Science	17,145	15,310	1,835	1,900	11,254	11,081
29	Fraternal Order of Eagles Aerie #9	145,200	137,870	7,330	1,460	145,200	128,244
11	Garden West Mobile Park Club	3,776	3,776	0	0	3,776	3,776
37	Gents Club	22,152	26,594	(4,442)	0	20,696	18,603
10	Grant Bingo Club	112,023	102,743	9,280	10,557	111,677	98,227
15	Greenfair Recreation Club	5,445	5,444	1	0	5,445	5,377
14	Greenfair Tower II Club	19,430	19,359	71	0	19,430	19,129
36	Hiroshima Nikkeijin Kai	1,450	1,492	(42)	0	1,450	1,075
3	Immaculate Conception Social Club	126,279	102,178	24,101	23,500	126,279	92,009
26	JFK Band Supporters	1,695,413	1,158,657	536,756	538,918	1,383,903	998,261
30	Legal Institute for Social Equality	782,848	683,002	99,846	93,171	782,848	652,465
20	Lt. Landsdale Post #67	35,821	31,196	4,625	1,437	15,501	24,875
21	Loyal Order of Moose #1020	6,782	4,727	2,055	1,730	6,782	522
27	Lulac Services Agency, Inc.	535	317	218	267	535	267
38	Norte Jr. High School Boosters	36,013	32,664	3,349	1,111	36,013	29,695
12	Our Lady of Lourdes Social Club	47,227	37,633	9,594	10,000	47,055	36,168
32	Our Merciful Savior Episcopal Church	39,124	26,368	12,736	12,735	32,563	23,673
41	Pi Kappa Alpha Pledge Class	0	0	0	0	0	0
16	Pioneer House	364	364	0	0	364	364
13	Pioneer Towers	0	0	0	0	0	0
9	Sacramento Manor Activities Committee	4,039	4,039	0	0	4,039	4,039
17	Sacramento Senior Citizen Club	1,588	1,586	2	0	1,588	1,022
39	Sacramento Senior Citizens for the Deaf	133	128	5	5	133	118
7	Sacramento Society for the Blind	90,207	90,086	121	121	73,872	85,230
40	Sierra-Curtis Neighborhood Association	0	0	0	0	0	0
19	Southgate Activities Club	12,089	12,027	62	0	11,991	11,965
22	South Winds Mobil Estates	7,392	7,392	0	0	7,392	7,341
23	St. George's Church IDHHB, Inc.	0	0	0	0	0	0
18	St. Joseph's Social Club	108,522	72,192	36,330	40,500	101,025	61,093
2	St. Mary's Catholic Church	217,999	185,485	32,514	32,514	217,999	183,827
33	St. Peter's Church	0	0	0	0	0	0
5	St. Pat's Social Club	484,432	440,380	44,052	45,280	440,856	389,603
1	Stanford Settlement, Inc.	670	50	620	620	670	0
6	Trinity House	223	223	0	0	223	223
8	United Cerebral Palsy Association	0	0	0	0	0	0
28	The Wong Center	0	0	0	0	0	0
	TOTAL	$4,194,227	$3,337,385	$856,842	$850,834	$3,763,934	$2,995,774

City of Sacramento
City Code Chapter 18 - Gambling (Bingo)
Analysis of Present and Staff Proposed Provisions

Present	Staff Proposal	Comments
18.100 - Prohibits Bingo except as permitted by State Law and City ordinance.	No Change.	
18.101 - Defines Bingo	Technical amendments to conform with State Law.	
18.102 - Defines organizations eligible for license.	Technical amendments to conform with State Law.	
18.103 - Describes license application procedure.	Adds a sixty day period from application to the Bingo game starting date and allows licenses to be issued for less than a one year period.	This allows sufficent lead time to process applications. Additionally the provision for issuing a license for less than one year reduces reporting requirement for short term operators.
18.104 - States applicants must be qualified.	No change.	
18.105 - Defines contents of application.	Adds naming the Bingo manager as a requirement for the application. Technical amendment re donated property.	This establishes the identity of the Bingo game manager.
18.106 - License Fees	Adds a City 1% fee on gross receipts in excess of $5,000 each month from the Bingo games.	These funds provides the resource for monitoring the Bingo game licenses and their operations.
18.107 - States a certificate of exemption must be filed with the application.	No change.	
18.108 - Defines investigative measures to be followed.	Adds a review by the Planning Director for zoning and land use.	This requirement will assure adequate parking and compliance with zoning.

Present	Staff Proposal	Comments
18.109 - Contents of license.	No Change	
18.110 - Defines grounds for denial of license.	Adds provisions allowing denial if inadequate volunteer staff is available to operate the games, if another license exists for the same premises, if inadequate parking exists or if the building or fire codes are violated	These additions increase the City's ability to assure the games are legally staffed and that public safety and convenience measures are followed, and prevent the establishment of bingo parlors.
18.111 - Requires the posting of the license.	No change.	
18.112 - Establishes the grounds for suspension or revocation of the license.	No change.	
18.113 - Defines the appeal process in the event a license is denied, suspended, or revoked.	Adds a $100 appeal fee and deletes a 30 day decision rendering requirement, and adds reference to 18.112(a).	The $100 appeal fee is intended to prevent frivolous appeals. Elimination of the 30 day decision rendering period allows for a reasonable decision period. The City's hearing officers usually respond within a 30 day period but this is not assured. Clarifies standards to be applied on appeal.
18.114 - Effect of a denial or revocation.	Removes provision on additional application for new location within one year.	Permits re-application if license denied only because location not suitable.
18.115 - States license can not be transferred.	No change.	
18.116 - Defines the accounting procedures for the Bingo game operations.	Increases the monthly operating cost expenditures from $500 to $1,000. Adds a provision allowing the City Manager to prescribe fiscal procedures and controls for the Bingo operations. Technical amendments to conform with State Law in Section B.	The $500 increase is permitted by State Law and permits the licensees to pay additional operating costs. The provision relating to the financial records will allow for uniform accounting and reporting for the operations.

Present	Staff Proposal	Comments
18.117 - Limits the maximum prize.	No change.	
18.118 - Limits the financial interest in the game to the licensee.	No change.	
18.119 - Prohibits paid staff to operate the game.	Adds a provision allowing for paid security staff.	This is permitted by State Law and provides for public safety.
18.120 - Requires the games to be open to the public.	No change.	
18.121 - Limits attendence to the room's capacity.	No change.	
18.122 - Requires the Bingo games to be held on the licensee's premises.	Adds a provision revoking the license if the licensee ceases to use the property authorized for the Bingo operations. Technical amendment re donated property.	Provides clarification.
18.123 - Requires the house rules to be posted conspicuously at the bingo location.	Requires the Bingo licensee to post the house rules and to file these rules with the City. Additionally, this section requires the appointment of a Bingo manager or assistant who must be present during all games. All volunteers must wear identification during the games.	Requiring the posting and filing of house rules provides for consumer protection. The requirement that a Bingo manager be appointed and present at the games will help assume the games are conducted properly according to the City Code. The requirement for volunteer identification will assist City monitoring of the games operations.
18.124 - Prohibits minors from participating in the games.	No change.	

Present	Staff Proposal	Comments
18.125 - Prohibits intoxicated persons from participating in the game.	No change.	
18.126 - Restricts the hours of operation.	Adds provisions prohibiting an organization from conducting more than 1 Bingo session each week unless certain conditions are met.	Assures that a bingo licensee raising charitable proceeds from more than one day of bingo per week is an organization established in the community whose fund raising is not limited to bingo operations
18.127 - Prohibits participation in the game unless present.	No change.	
18.128 - Defines penalities for violations.	No change.	
18.129 - States the City's right to bring action against violators.	No change.	

SACRAMENTO CITY CODE

CHAPTER 18

GAMBLING

Article I. Bingo Games

Sec. 18.100 Bingo prohibition.

No person shall operate a bingo game in the City of Sacramento except in conformance with state law, this chapter, and any other applicable city laws. (Ord. 3850, S1)

Sec. 18.101 Definition of "bingo".

As used in this chapter, "bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols on a card which conform to numbers or symbols selected at random. ~~and shall also~~ The game of bingo shall include cards having numbers or symbols which are concealed and preprinted in a manner providing for distribution of prizes. The winning cards shall not be known prior to the game by any person participating in the playing or operation of the bingo game. All such preprinted cards shall bear the legend "for sale or use only in a bingo game authorized under California law and pursuant to local ordinance." ~~This definition is not intended to apply~~ Bingo as defined in this section applies exclusively to this chapter and shall not be applied in the construction or enforcement of any other provision of law. (Ord. 4437, S1)*

Sec. 18.102 Organizations eligible for license.

Organizations which are exempted from the payment of the bank and corporation tax by sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, and 23701 1 of the Revenue and Taxation Code and mobilehome park associations and senior citizens organizations are eligible to apply for a license to conduct bingo games in the city under the provisions of the California Constitution, section 326.5 of the Penal Code and provisions of this chapter; provided that the ~~proceeds~~ receipts of such games are used only for charitable purposes. (Ord. 3850, S1; Ord. 3966, S1)

Sec. 18.103 Application for license.

The license issuing authority shall be the city manager or his designee. An eligible organization desiring to obtain a license to conduct bingo games shall file an application in writing therefor with the city manager not less than 60 days before the date on which bingo is to commence on a form to be provided by the city manager. The license issued shall be for a term of one year from the date of issuance, or for such shorter period as the city manager may determine, and shall be subject to renewal ~~and~~ upon payment in advance of the annual fee. An applicant may request a license with a term of less than one year, but shall nevertheless pay the full annual license fee. (Ord. 3850, S1)

Sec. 18.104 Applicant must be qualified.

No license shall be issued to any organization unless such applicant is an eligible organization under Section 18.102 and its application conforms to the requirements, terms and conditions of this chapter. (Ord. 3850, S1)

Sec. 18.105 Contents of application.

An application for a license shall contain the following:

(a) The name of the applicant organization and a statement that the applicant is an eligible organization under Section 18.102.

(b) The names, ~~and~~ addresses and signatures of at least two officers, including the presiding officer of the organization and the names, addresses and signatures of the members of the organization who will be primarily responsible for conducting bingo games (the "Bingo Manager" and the "Assistant Bingo Managers").

(c) A description of the property, including the street number, owned or leased by the applicant, or whose use is donated to the applicant, used by the applicant for an office or for performance of the purposes for which the applicant is organized, on which property bingo games will be conducted, together with the occupancy capacity of such place.

(d) Proposed days of week and hours of day for conduct of bingo games.

(e) A statement that the applicant agrees to conduct bingo games in strict accordance with the provisions of Section 326.5 of the Penal Code and this chapter, as they may be amended from time to time, and agrees that the license to conduct bingo games may be revoked by the city manager upon violation of any of such provisions.

(f) The application shall be executed under penalty of perjury. (Ord. 3850, S1)

Sec. 18.106 License fee.

~~The annual license fee fixed by the city council by resolution shall accompany the application. Unless otherwise provided by resolution, the license fee shall be $50.00. If an application for a license is denied, one half of the fee shall be refunded to the organization. Nothing in this section shall be construed to require any refund of license fee paid in the event a bingo license is revoked under the provisions of this chapter. (Ord. 3850, S1; Ord. 3966, S2)~~
An annual license fee of $50 shall accompany the application. If an application for a license is denied, one-half of the application fee shall be refunded to the organization. In addition to the $50 annual fee, a fee of one percent (1%) of the monthly gross receipts over $5,000 derived from bingo games shall be paid monthly by the organization to the City. Said fee shall be paid to the City within 15 days after the end of the month for which the fee is due, and shall be accompanied by a completed Monthly Income and Expense Statement on a form provided by the city manager.

Nothing in this section shall be construed to require any refund of license fee paid in the event a bingo license is revoked under the provisions of this

article.

Sec. 18.107 Certificate of exemption.

An applicant basing eligibility for a bingo license on an exemption from payment of the bank and corporation tax shall also submit, with its application, a certificate of determination of exemption under the applicable section of the Revenue and Taxation Code, or a letter of good standing from the Exemption Division of the Franchise Tax Board in Sacramento showing such exemption. (Ord. 3850, S1; Ord. 3966, S3)

Sec. 18.108 Investigation of applicant.

Upon receipt of the completed application and fee, the city manager shall refer the application to the chief of police for investigation and report under Section 18.110(b) and shall otherwise make or cause to be made such investigation as will enable the city manager to determine whether the applicant qualifies for a license under the provisions of this chapter. The chief of police may require the driver's license number and take the fingerprints of any person whose name is included in the license application where he determines it to be necessary in order to carry out his duties under this chapter. In addition, the city manager shall refer the application to the planning director to investigate whether the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood, and whether there is adequate off-street parking. The city manager may require such additional information from the applicant as he deems relevant to consideration of the application. (Ord. 3850, S1; Ord. 3966, S4)

Sec. 18.109 Contents of license.

Upon being satisfied that the applicant is fully qualified under law to conduct bingo games, the city manager shall issue a license to the applicant, which shall contain the following information:

(a) The name and nature of the organization to which the license is issued.

(b) The address where bingo games are authorized to be conducted.

(c) The occupancy capacity of the room in which bingo games are to be conducted.

(d) The date of expiration of the license.

(e) Such other conditions as may be necessary or desirable for the enforcement of the provisions of this chapter. (Ord. 3850, S1)

Sec. 18.110 Denial of license.

If the city manager determines that the applicant does not qualify under this chapter or other city or state laws for issuance of a license, he shall deny the license application. The city manager shall not issue a license unless it appears:

(a) That all of the statements made in the application are true;

(b) That no person whose name is required to be contained in the license application and no other manager of the applicant has been convicted of any felony or misdemeanor involving moral turpitude, or any provision of this chapter;

(c) That the applicant has not engaged in any fraudulent transactionsor enterprises which the city manager deems relevant to the application;

(d) That the bingo games will not be a fraud on the public;

(e) That the bingo games will ~~not be conducted~~ be conducted for charitable purposes and not for private profit;

(f) That the proposed method or methods of conducting bingo games will not be contrary to the provisions of this chapter;

(g) That the applicant organization has a membership capable of supplying adequate volunteer personnel to operate and staff the bingo games;

~~(g)~~(h) That the applicant is maintaining an adequate system of record keeping and accounting, which will be available to the city manager or his designee for inspection;

(i) That no license to play bingo on the same premises is held by any other organization;

~~(h)~~(j) That the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood~~.~~, and that there is adequate off-street parking. (Ord. 3850, S1)

(k) That the conduct of bingo games on the premises does not violate any provision of Chapter 9 (Building Code) or Chapter 15 (Fire Protection) of the Sacramento City Code.

Sec. 18.111 Posting of license.

A copy of the license shall be conspicuously posted at the location of the bingo games. (Ord. 3850, S1)

Sec. 18.112 Suspension or revocation of license.

(a) Any license issued under the terms of this chapter may be suspended or revoked by the city manager if he determines that the activity authorized by the license has been or is being conducted, maintained or carried out in a manner contrary to or in violation of any law of the state, city or federal government, or any provision of this chapter. The city manager may also suspend or revoke the license upon any grounds which would justify a denial of a license.

(b) No license shall be revoked or suspended until a hearing has been held by the city manager or his designated representative. Written notice of the time and place of such hearing shall be served upon the organization to which the license was granted at least five days prior to the date set for such

hearing. Such notice shall contain a brief statement of the grounds to be relied on for revoking or suspending the license. Notice may be given either by personal delivery or by depositing the notice in the U. S. mail in a sealed envelope postage prepaid, addressed to the organization to be notified at its address and as it appears on its application for the license. (Ord. 3850, S1)

Sec. 18.113 Appeal from denial or revocation of license - judicial review.

(a) Any licensee or applicant aggrieved by the decision of the city manager in denying, suspending, or revoking a license may, within ten days after such decision is delivered or sent to the licensee in writing, appeal to the city council by filing a written notice of appeal with the city clerk~~,~~ and paying an appeal fee of $100.00. During the pendency of an appeal of a suspension or revocation, the license shall remain in effect.

(b) If such appeal is not taken within ten days, the decision of the city manager shall be final. If a timely appeal is filed, the city council shall thereupon hold a hearing on the appeal, ~~and render its decision within thirty days.~~ The decision may deny, suspend or revoke the permit, if the city council finds any of the grounds specified in section 18.110 or section 18.112(a). The city council's decision shall be final forthwith.

(c) Judicial review may be had by filing a petition for a writ of mandate in accordance with the provisions of the code of civil procedure. Any such petition shall be filed within thirty days after the day the decision of the city council becomes final. (Ord. 3850, S1)

Sec. 18.114 Effect of denial or revocation.

When the city manager has denied or revoked any license as provided for herein and the time for appeal to the city council has elapsed or if after appeal to the city council the decision of the manager has been affirmed by such body, no application for the same type of license at the same location shall be accepted from the applicant or license holder ~~and no such license shall be issued to such organization~~ for a period of one year after the action by the city manager in denying or revoking the license. (Ord. 3850, S1)

Sec. 18.115 Transferability of license; return upon expiration.

Any license issued under this chapter shall be non-transferable and shall be returned to the city manager within seven days of its expiration. (Ord. 3850, S1)

Sec. 18.116 Profits to be kept in separate fund or account; use.

(a) With respect to organizations exempt from payment of the bank and corporation tax by section 23701d of the Revenue and Taxation Code, all profits derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Such profits shall be used only for charitable purposes.

(b) With respect to other organizations authorized to conduct bingo games pursuant to this chapter, all proceeds derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other

fund or account. Proceeds are the receipts of bingo games conducted by organizations which are not within subdivision (a) of this section. Such proceeds shall be used only for charitable purposes, except as follows:

(1) Such proceeds may be used for prizes.

(2) A portion of such proceeds not to exceed ~~10~~ 20 percent of the proceeds after the deduction for prizes, or ~~five hundred dollars ($500)~~ $1,000 per month, whichever is less, may be used for rental of property, overhead, ~~and~~ including the purchase of bingo equipment, administrative expenses~~.~~ ,security equipment, and security personnel.

(3) Such proceeds may be used to pay license fees.

(c) Any licensee under this chapter shall keep full and accurate records of the income and expenses received and disbursed in connection with its operation, conduct, promotion, supervision and any other phase of bingo games which are authorized by this chapter. The city manager or his designee shall have the right to examine and audit such records ~~at any reasonable time~~ and the license holder shall fully cooperate with the city manager by making such records available upon request. The city manager or his designee shall have the authority to prescribe the keeping of any records which he deems necessary, and licensees shall compile and maintain such records and make them available to the city manager for examination and audit. (Ord. 3850, S1; Ord. 3966, S5*)

Sec. 18.117 Maximum prize.

The total value of prizes awarded during the conduct of any bingo games shall not exceed $250.00 in cash or kind, or both, for each separate game which is held. (Ord. 3850, S1)

Sec. 18.118 Financial interest in license holder only.

No individual, corporation, partnership, or other entity except the licensee shall hold a financial interest in the conduct of any bingo game. (Ord. 3850, S1)

Sec. 18.119 Exclusive operation by licensee.

A bingo game shall be operated and staffed only by members of the license holding organization. Such members shall neither pay nor receive a profit, wage, or salary from any bingo game. Only the licensee shall operate such game, or participate in the promotion, supervision or any other phase of such game. This section does not preclude the employment of security personnel who are not members of the license-holding organization at such bingo game by the organization conducting the game. (Ord. 3850, S1; Ord. 3966, S6*)

Sec. 18.120 Bingo games open to public.

All bingo games shall be open to the public, not just to the members of the license-holding organization. (Ord. 3850, S1)

Sec. 18.121 Attendance limited to occupancy capacity.

Notwithstanding the bingo games are open to the public, attendance at any bingo

game shall be limited to the occupancy capacity of the room in which the game is conducted as determined by the fire department in accordance with applicable laws and regulations. The licensee shall not reserve seats or space for any person. (Ord. 3850, S1)

Sec. 18.122 Bingo only on licensee's property.

(a) The organization which holds a bingo license shall conduct a bingo game only on property owned or leased by it, or property whose use is donated to the organization and which property is used by the organization for an office or for the performance of the purposes for which the organization is organized. The license issued under this chapter shall authorize the holder thereof to conduct bingo games only on such property, the address of which is stated in the application. In the event the described property ceases to be used as an office by the licensee or as a place for performance of the purposes for which the licensee is organized, the license shall have no further force or effect. In addition, in the event the described property ceases to be used for the conduct by the licensee of bingo games, the license shall have no further force or effect. A new license may be obtained by an eligible organization, upon application under this chapter, when it again owns or leases property used by it or occupies property whose use is donated to the organization for an office or for performance of the purpose for which the organization is organized.

(b) Nothing in this section shall be construed to require that the property owned or leased by the organization, or whose use is donated to the organization, be used or leased exclusively by such organization. (Ord. 3850, S1; Ord. 3966, S7*)

~~Sec. 18.123 Posting of rules.~~

~~The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. (Ord. 3850, S1)~~

Sec. 18.123 Posting and filing of rules; conduct of games.

The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. A copy of the rules shall be filed with the city manager, and any amendment to the rules shall be filed with the city manager within 30 days after the amendment goes into effect.

A member of the licensee organization shall be designated as "Bingo Manager." The Bingo Manager shall be responsible for the conduct and operation of the bingo games and for the compliance with all applicable laws, rules and regulations promulgated thereunder. The organization may designate no more than two "Assistant Bingo Managers."

The Bingo Manager or a designated Assistant Bingo Manager shall be present at all times during the playing of any bingo game.

All staff members of a bingo game shall wear on their outside clothing an identification insignia or badge, no less than 2 1/2" x 3 1/2" in dimension, indicating the name of the organization and the name and title of the staff member.

Sec. 18.124 Minors not to participate.

No person under the age of 18 years shall be allowed to participate in any bingo games. (Ord. 3850, S1)

Sec. 18.125 Intoxicated persons not to participate.

No person who is obviously intoxicated shall be allowed to participate in a bingo game. (Ord. 3850, S1)

~~Sec. 18.126 Hours of operation.~~

~~Except as otherwise provided in the bingo license, no bingo game shall be conducted between the hours of 2:00 a.m. and 10:00 a.m. of any day unless permission therefor is received from the city manager. (Ord. 3850, S1)~~

Sec. 18.126 Hours and days of operation.

(a) No bingo games shall be conducted between the hours of 2:00 a.m. and 10:00 a.m. of any day.

(b) Except as provided in this section, no organization shall conduct bingo games more than one day of each calendar week.

(c) The city manager shall, upon written application and the provision of such information as he may require, issue a special license authorizing the conduct of as many bingo games per week as the special licensee, in its discretion, may desire to sponsor, if the manager finds that the applicant:

(1) Holds a license issued pursuant to Section 18.109;

(2) Has existed within either the incorporated or unincorporated area of the county as an organization meeting the definition contained in Section 18.102 for at least two continuous years immediately preceding filing of the application for the special license; and

(3) Has, during said immediately preceding two-year period, raised at least $25,000 each year through public and private solicitations (including publicly-funded grants and recreational and other fund-raising activities, but exclusive of any revenue from the sponsorship of bingo games), and has expended at least $16,000 during each of said preceding two years for charitable purposes.

(d) Organizations which hold licenses issued under this chapter prior to the effective date of this ordinance and which were conducting more than one day of bingo in each calendar week as of February 22, 1983, may continue to conduct for a period of two years from the effective date of this ordinance the same number of sessions they were conducting as of February 22, 1983. However, subsections (b) and (c) of this section shall apply to new licensees approved after the effective date of this ordinance and shall apply to any existing licensee which desires to increase the number of days of bingo operation beyond that being operated by the licensee as of February 22, 1983.

Sec. 18.127 Participant must be present.

No person shall be allowed to participate in a bingo game unless the person is physically present at the time and place in which the bingo game is being conducted. (Ord. 3850, S1)

Sec. 18.128 Violations.

(a) It is a misdemeanor under Section 326.5(b) of the Penal Code of the State of California for any person to pay or receive a profit, wage or salary from any bingo game authorized under this chapter, a violation of which is punishable by a fine not to exceed ten thousand dollars, which fine shall be deposited in the general fund of the City of Sacramento.

(b) Except as provided in subdivision (a) of this section, a violation of any provision of this chapter is an infraction and shall be punishable by (1) a fine not exceeding fifty dollars for a first violation; (2) a fine not exceeding one hundred dollars for a second violation within one year; (3) a fine not exceeding two hundred and fifty dollars for each additional violation within one year. (Ord. 3850, S1; Ord. 3966, S8*)

Sec. 18.129 City may enjoin violation.

The City of Sacramento may bring an action in a court of competent jurisdiction to enjoin a violation of Section 326.5 of the Penal Code or any provision of this chapter. (Ord. 3850, S1)

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

AN ORDINANCE AMENDING ARTICLE I OF CHAPTER 18 OF THE SACRAMENTO CITY CODE, RELATING TO BINGO, AND DECLARING THIS ORDINANCE TO TAKE EFFECT ON AUGUST 1, 1983

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Article I of Chapter 18 of the Sacramento City Code, relating to bingo games, is hereby amended to read as follows:

Article I. Bingo Games

Sec. 18.100 Bingo prohibition.

No person shall operate a bingo game in the City of Sacramento except in conformance with state law, this chapter, and any other applicable city laws.

Sec. 18.101 Definition of "bingo".

As used in this chapter, "bingo" means a game of chance in which prizes are awarded on the basis of designated numbers or symbols on a card which conform to numbers or symbols selected at random. ~~and shall also~~ The game of bingo shall include cards having numbers or symbols which are concealed and preprinted in a manner providing for distribution of prizes. The winning cards shall not be known prior to the game by any person participating in the playing or operation of the bingo game. All such preprinted cards shall bear the legend "for sale or use only in a bingo game authorized under California law and pursuant to local ordinance." ~~This definition is not intended to apply~~ Bingo as defined in this section applies exclusively to this chapter and shall not be applied in the construction or enforcement of any other provision of law.

Sec. 18.102 Organizations eligible for license.

Organizations which are exempted from the payment of the bank and corporation tax by sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, and 237011 of the Revenue and Taxation Code and mobilehome park associations and senior citizens organizations are eligible to apply for a license to conduct bingo games in the city under the provisions of the California Constitution, section 326.5 of the Penal Code and provisions of this chapter; provided that the ~~proceeds~~ receipts of such games are used only for charitable purposes.

Sec. 18.103 Application for license.

The license issuing authority shall be the city manager or his designee. An eligible organization desiring to obtain a license to conduct bingo games shall file an application in writing therefor with the city manager not less than 60 days before the date on which bingo is to commence on a form to be provided by the city manager. The license issued shall be for a term of one year from the date of issuance, or for such shorter period as the city manager may determine, and shall be subject to renewal ~~and~~ upon payment in advance of the annual fee. An applicant may request a license with a term of less than one year, but shall nevertheless pay the full annual license fee.

Sec. 18.104 Applicant must be qualified.

No license shall be issued to any organization unless such applicant is an eligible organization under Section 18.102 and its application conforms to the requirements, terms and conditions of this chapter.

Sec. 18.105 Contents of application.

An application for a license shall contain the following:

(a) The name of the applicant organization and a statement that the applicant is an eligible organization under Section 18.102.

(b) The names, ~~and~~ addresses and signatures of at least two officers, including the presiding officer of the organization and the names, addresses and signatures of the members of the organization who will be primarily responsible for conducting bingo games (the "Bingo Manager" and the "Assistant Bingo Managers").

(c) A description of the property, including the street number, owned or leased by the applicant, or whose use is donated to the applicant, used by the applicant for an office or for performance of the purposes for which the applicant is organized, on which property bingo games will be conducted, together with the occupancy capacity of such place.

(d) Proposed days of week and hours of day for conduct of bingo games.

(e) A statement that the applicant agrees to conduct bingo games in strict accordance with the provisions of Section 326.5 of the Penal Code and this chapter, as they may be amended from time to time, and agrees that the license to conduct bingo games may be revoked by the city manager upon violation of any of such provisions.

(f) The application shall be executed under penalty of perjury.

Sec. 18.106 License fee.

~~The annual license fee fixed by the city council by resolution shall accompany the application. Unless otherwise provided by resolution, the license fee shall be $50.00. If an application for a license is denied, one half of the fee shall be refunded to the organization. Nothing in this section shall be construed to~~

~~require any refund of license fee paid in the event a bingo license is revoked under the provisions of this chapter. (Ord. 3850, §1; Ord. 3966, §2)~~
An annual license fee of $50 shall accompany the application. If an application for a license is denied, one-half of the application fee shall be refunded to the organization. In addition to the $50 annual fee, a fee of one percent (1%) of the monthly gross receipts over $5,000 derived from bingo games shall be paid monthly by the organization to the City. Said fee shall be paid to the City within 15 days after the end of the month for which the fee is due, and shall be accompanied by a completed Monthly Income and Expense Statement on a form provided by the city manager.

Nothing in this section shall be construed to require any refund of license fee paid in the event a bingo license is revoked under the provisions of this article.

Sec. 18.107 Certificate of exemption.

An applicant basing eligibility for a bingo license on an exemption from payment of the bank and corporation tax shall also submit, with its application, a certificate of determination of exemption under the applicable section of the Revenue and Taxation Code, or a letter of good standing from the Exemption Division of the Franchise Tax Board in Sacramento showing such exemption.

Sec. 18.108 Investigation of applicant.

Upon receipt of the completed application and fee, the city manager shall refer the application to the chief of police for investigation and report under Section 18.110(b) and shall otherwise make or cause to be made such investigation as will enable the city manager to determine whether the applicant qualifies for a license under the provisions of this chapter. The chief of police may require the driver's license number and take the fingerprints of any person whose name is included in the license application where he determines it to be necessary in order to carry out his duties under this chapter. In addition, the city manager shall refer the application to the planning director to investigate whether the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood, and whether there is adequate off-street parking. The city manager may require such additional information from the applicant as he deems relevant to consideration of the application.

Sec. 18.109 Contents of license.

Upon being satisfied that the applicant is fully qualified under law to conduct bingo games, the city manager shall issue a license to the applicant, which shall contain the following information:

(a) The name and nature of the organization to which the license is issued.

(b) The address where bingo games are authorized to be conducted.

(c) The occupancy capacity of the room in which bingo games are to be conducted.

(d) The date of expiration of the license.

(e) Such other conditions as may be necessary or desirable for the enforcement of the provisions of this chapter.

Sec. 18.110 Denial of license.

If the city manager determines that the applicant does not qualify under this chapter or other city or state laws for issuance of a license, he shall deny the license application. The city manager shall not issue a license unless it appears:

(a) That all of the statements made in the application are true;

(b) That no person whose name is required to be contained in the license application and no other manager of the applicant has been convicted of any felony or misdemeanor involving moral turpitude, or any provision of this chapter;

(c) That the applicant has not engaged in any fraudulent transactions or enterprises which the city manager deems relevant to the application;

(d) That the bingo games will not be a fraud on the public;

(e) That the bingo games will ~~not be conducted~~ be conducted for charitable purposes and not for private profit;

(f) That the proposed method or methods of conducting bingo games will not be contrary to the provisions of this chapter;

(g) That the applicant organization has a membership capable of supplying adequate volunteer personnel to operate and staff the bingo games;

~~(g)~~(h) That the applicant is maintaining an adequate system of record keeping and accounting, which will be available to the city manager or his designee for inspection;

(i) That no license to play bingo on the same premises is held by any other organization;

~~(h)~~(j) That the conduct of bingo games on the premises will be compatible with the existing zoning and land uses in the neighborhood~~.~~, and that there is adequate off-street parking.

(k) That the conduct of bingo games on the premises does not violate any provision of Chapter 9 (Building Code) or Chapter 15 (Fire Protection) of the Sacramento City Code.

Sec. 18.111 Posting of license.

A copy of the license shall be conspicuously posted at the location of the bingo games.

Sec. 18.112 Suspension or revocation of license.

(a) Any license issued under the terms of this chapter may be suspended or revoked by the city manager if he determines that the activity authorized by the license has been or is being conducted, maintained or carried out in a manner contrary to or in violation of any law of the state, city or federal government, or any provision of this chapter. The city manager may also suspend or revoke the license upon any grounds which would justify a denial of a license.

(b) No license shall be revoked or suspended until a hearing has been held by the city manager or his designated representative. Written notice of the time and place of such hearing shall be served upon the organization to which the license was granted at least five days prior to the date set for such hearing. Such notice shall contain a brief statement of the grounds to be relied on for revoking or suspending the license. Notice may be given either by personal delivery or by depositing the notice in the U. S. mail in a sealed envelope postage prepaid, addressed to the organization to be notified at its address and as it appears on its application for the license.

Sec. 18.113 Appeal from denial or revocation of license - judicial review.

(a) Any licensee or applicant aggrieved by the decision of the city manager in denying, suspending, or revoking a license may, within ten days after such decision is delivered or sent to the licensee in writing, appeal to the city council by filing a written notice of appeal with the city clerk~~.~~ and paying an appeal fee of $100.00. During the pendency of an appeal of a suspension or revocation, the license shall remain in effect.

(b) If such appeal is not taken within ten days, the decision of the city manager shall be final. If a timely appeal is filed, the city council shall thereupon hold a hearing on the appeal, ~~and render its decision within thirty days.~~ The decision may deny, suspend or revoke the permit, if the city council finds any of the grounds specified in section 18.110 or section 18.112(a). The city council's decision shall be final forthwith.

(c) Judicial review may be had by filing a petition for a writ of mandate in accordance with the provisions of the code of civil procedure. Any such petition shall be filed within thirty days after the day the decision of the city council becomes final.

Sec. 18.114 Effect of denial or revocation.

When the city manager has denied or revoked any license as provided for herein and the time for appeal to the city council has elapsed or if after appeal to the city council the decision of the manager has been affirmed by such body, no application for the same type of license at the same location shall be accepted from the applicant or license holder ~~and no such license shall be issued to such organization~~ for a period of one year after the action by the city manager in denying or revoking the license.

Sec. 18.115 Transferability of license; return upon expiration.

Any license issued under this chapter shall be non-transferable and shall be

returned to the city manager within seven days of its expiration.

Sec. 18.116 Profits to be kept in separate fund or account; use.

(a) With respect to organizations exempt from payment of the bank and corporation tax by section 23701d of the Revenue and Taxation Code, all profits derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Such profits shall be used only for charitable purposes.

(b) With respect to other organizations authorized to conduct bingo games pursuant to this chapter, all proceeds derived from a bingo game shall be kept in a special fund or account and shall not be commingled with any other fund or account. Proceeds are the receipts of bingo games conducted by organizations which are not within subdivision (a) of this section. Such proceeds shall be used only for charitable purposes, except as follows:

(1) Such proceeds may be used for prizes.

(2) A portion of such proceeds not to exceed ~~10~~ 20 percent of the proceeds after the deduction for prizes, or ~~five hundred dollars ($500)~~ $1,000 per month, whichever is less, may be used for rental of property, overhead, ~~and~~ including the purchase of bingo equipment, administrative expenses~~,~~ ,security equipment, and security personnel.

(3) Such proceeds may be used to pay license fees.

(c) Any licensee under this chapter shall keep full and accurate records of the income and expenses received and disbursed in connection with its operation, conduct, promotion, supervision and any other phase of bingo games which are authorized by this chapter. The city manager or his designee shall have the right to examine and audit such records ~~at any reasonable time~~ and the license holder shall fully cooperate with the city manager by making such records available upon request. The city manager or his designee shall have the authority to prescribe the keeping of any records which he deems necessary, and licensees shall compile and maintain such records and make them available to the city manager for examination and audit.

Sec. 18.117 Maximum prize.

The total value of prizes awarded during the conduct of any bingo games shall not exceed $250.00 in cash or kind, or both, for each separate game which is held.

Sec. 18.118 Financial interest in license holder only.

No individual, corporation, partnership, or other entity except the licensee shall hold a financial interest in the conduct of any bingo game.

Sec. 18.119 Exclusive operation by licensee.

A bingo game shall be operated and staffed only by members of the license holding organization. Such members shall neither pay nor receive a profit, wage, or salary from any bingo game. Only the licensee shall operate such game, or participate in the promotion, supervision or any other phase of such game.

This section does not preclude the employment of security personnel who are not members of the license-holding organization at such bingo game by the organization conducting the game.

Sec. 18.120 Bingo games open to public.

All bingo games shall be open to the public, not just to the members of the license-holding organization.

Sec. 18.121 Attendance limited to occupancy capacity.

Notwithstanding the bingo games are open to the public, attendance at any bingo game shall be limited to the occupancy capacity of the room in which the game is conducted as determined by the fire department in accordance with applicable laws and regulations. The licensee shall not reserve seats or space for any person.

Sec. 18.122 Bingo only on licensee's property.

(a) The organization which holds a bingo license shall conduct a bingo game only on property owned or leased by it, or property whose use is donated to the organization and which property is used by the organization for an office or for the performance of the purposes for which the organization is organized. The license issued under this chapter shall authorize the holder thereof to conduct bingo games only on such property, the address of which is stated in the application. In the event the described property ceases to be used as an office by the licensee or as a place for performance of the purposes for which the licensee is organized, the license shall have no further force or effect. In addition, in the event the described property ceases to be used for the conduct by the licensee of bingo games, the license shall have no further force or effect. A new license may be obtained by an eligible organization, upon application under this chapter, when it again owns or leases property used by it or occupies property whose use is donated to the organization for an office or for performance of the purpose for which the organization is organized.

(b) Nothing in this section shall be construed to require that the property owned or leased by the organization, or whose use is donated to the organization, be used or leased exclusively by such organization.

~~Sec. 18.123 Posting of rules.~~

~~The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. (Ord. 3850, §1)~~

Sec. 18.123 Posting and filing of rules; conduct of games.

The rules for the bingo games conducted by the licensee shall be posted by the licensee in a conspicuous place at the location of the bingo games. A copy of the rules shall be filed with the city manager, and any amendment to the rules shall be filed with the city manager within 30 days after the amendment goes into effect.

A member of the licensee organization shall be designated as "Bingo Manager."

Sec. 18.172 Brace only or licensed or leased.

(a) [illegible]

The Bingo Manager shall be responsible for the conduct and operation of the bingo games and for the compliance with all applicable laws, rules and regulations promulgated thereunder. The organization may designate no more than two "Assistant Bingo Managers."

The Bingo Manager or a designated Assistant Bingo Manager shall be present at all times during the playing of any bingo game.

All staff members of a bingo game shall wear on their outside clothing an identification insignia or badge, no less than 2 1/2" x 3 1/2" in dimension, indicating the name of the organization and the name and title of the staff member.

Sec. 18.124 Minors not to participate.

No person under the age of 18 years shall be allowed to participate in any bingo games.

Sec. 18.125 Intoxicated persons not to participate.

No person who is obviously intoxicated shall be allowed to participate in a bingo game.

Sec. 18.126 Hours of operation.

Except as otherwise provided in the bingo license, no bingo game shall be conducted between the hours of 2:00 a.m. and 10:00 a.m. of any day unless permission therefor is received from the city manager.

Sec. 18.127 Participant must be present.

No person shall be allowed to participate in a bingo game unless the person is physically present at the time and place in which the bingo game is being conducted.

Sec. 18.128 Violations.

(a) It is a misdemeanor under Section 326.5(b) of the Penal Code of the State of California for any person to pay or receive a profit, wage or salary from any bingo game authorized under this chapter, a violation of which is punishable by a fine not to exceed ten thousand dollars, which fine shall be deposited in the general fund of the City of Sacramento.

(b) Except as provided in subdivision (a) of this section, a violation of any provision of this chapter is an infraction and shall be punishable by (1) a fine not exceeding fifty dollars for a first violation; (2) a fine not exceeding one hundred dollars for a second violation within one year; (3) a fine not exceeding two hundred and fifty dollars for each additional violation within one year.

Sec. 18.129 City may enjoin violation.

The City of Sacramento may bring an action in a court of competent jurisdiction to enjoin a violation of Section 326.5 of the Penal Code or any provision of this chapter.

SECTION 2.

This ordinance is an emergency measure to take effect on August 1, 1983. The reasons for the emergency are that the ordinance is necessary to bring our bingo regulations into conformance with state law, the existing moratorium expires on July 31, 1983, and it is necessary to commence imposition of the new fee on gross receipts as soon as possible to provide funds for administering the bingo regulations.

PASSED FOR PUBLICATION:

ENACTED:

EFFECTIVE:

_____

MAYOR

ATTEST:

_____

CITY CLERK