

ORDINANCE AMENDMENT #19-03

AMENDING SECTION
9.08.020 "CARDROOMS"

BACKGROUND

- ▶ Cardroom Ordinance Amended in 2016 (Ordinance No. 2457 effective June 2, 2016).
- ▶ Increased the number of tables allowed from 4 to 16.
- ▶ Allowed cardrooms within a C-T and C-C zone to operate 24 hours a day, subject to CUP approval.
- ▶ Removed city-imposed wagering limits.
- ▶ The revised ordinance was submitted to the Department of Justice (DOJ) for review April 26, 2016.

EXISTING CARDROOMS

- At the time the ordinance was amended, there were two licensed cardrooms within the City:
 - Poker Flats Casino (now Golden Valley Casino) – 1714 Martin Luther King, Jr. Way
 - Merced Poker Room – 1445 Martin Luther King, Jr. Way


SUBSEQUENT TABLE INCREASE

Conditional Use Permit #1216 approved an increase from 4 tables to 8 tables for the Merced Poker Room.

Conditional Use Permit #1218 approved an increase from 4 tables to 8 tables for Poker Flats Casino (aka: Golden Valley Casino).

CUP's approved Feb. 22, 2017

DOJ REVIEW & COMMENTS

- ▶ City received a letter from DOJ in April 2017 (approximately one year after submittal).
 - ▶ DOJ advised the ordinance did not meet the requirements of the Business and Professions Codes related to cardrooms.
 - ▶ DOJ provided guidance on changes to bring the ordinance into compliance.
 - ▶ Refer to the letter at Attachment 2 of Administrative Report.
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- A decorative graphic consisting of several parallel white lines of varying lengths, slanted diagonally from the bottom right towards the top right, set against the orange background.

PROPOSED CHANGES & DOJ REVIEW

- ▶ City Attorney's office worked with the DOJ to make changes to the ordinance to bring it into compliance with the Business & Professions Code.
- ▶ The changes were submitted to the DOJ for review.
- ▶ The DOJ approved the proposed changes per the letter received dated May 6, 2019 (Attachment 5 of Administrative Report).

PROPOSED CHANGES

- ▶ Reduces the number of tables allowed from 16 to 12.
- ▶ Each existing cardroom may operate a maximum of 6 card tables at any given time.
- ▶ Additional tables may be on the premises, but no more than 6 may be in operation. Other tables must be covered and marked as “not in operation.”
- ▶ Allows cardrooms within a C-T or C-C zone to operate 24 hours per day without CUP approval.
- ▶ A no-limits wager amount was established (wording revised from original ordinance).

Refer to Attachment 4

City Council Action

- ❑ Open public hearing;
- ❑ Make a motion to introduce Ordinance No. 2503.
- ❑ Other options for Council action are listed on page 1 of the Administrative Report.

Questions....