Subchapter Nine: Gambling Establishments

4.09.010 Findings and Purpose.

The City Council finds that the public health, safety and welfare require the establishment of regulations pursuant to, and in conformity with, the State California Gambling Control Act. The City council finds it necessary to regulate:

(a) The persons who will own, operate or be employed in gambling establishment;

(b) The number and location of gambling establishments in the City;

(c) The operation of gambling establishments in the City;

(d) The issuance of permits and licenses, including limitations on transfer and assignment, for gambling establishments.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.020 Definitions.

The following definitions shall apply for the purposes of this chapter:

(a) *Applicant* means every person who applies for a permit, renewal, or amendment.

(b) *Card game* means all games played with cards for money or any other thing of value, or for checks, credits or any other representation of value. For purposes of this chapter the term "card game" shall not mean bridge or whist

(c) *Gambling establishment* means any premises or places where, in return for any fee, charge or other compensation, any person or persons are permitted to play a game.

(d) *Card table* means any table or any other surface upon which any game is played.

(e) *Charitable organizations* shall be defined as organizations exempted from the payment of the bank and corporation tax by Sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g, 23701L of the Revenue and Taxation Code.

(f) *Employee* means every person who acts either as agent or employee of the permittee or under the direction of the permittee of any cardroom. A management corporation is an employee for purposes of this chapter.

(g) *Game* means any form of gambling for money or any other thing of value or for checks, credit or any other representative of value.

(h) *Owner* means any person having any interest whatever or at all in the ownership, division of profits, or revenues of any gambling establishment or gambling establishment permit, whether legal or equitable, direct or indirect. An *owner* shall be and is responsible for and every duty imposed upon the *Permittee* by state law, this Code, and each permit issued by the Town of Colma.

(i) *Permittee* means the holder of a gambling establishment permit. An *owner* shall be and is responsible for and every duty imposed upon the *Permittee* by state law, this Code, and each permit issued by the Town of Colma.

(j) *Proposition player* means a person employed by a gambling establishment to play in any game when a sufficient number of players are not available.

[*History*: ORD. 450, 2/10/93; Ord. 475, 1/11/1995; ORD. 526, 4/8/1998; ORD. 556, 7/14/1999; Re-numbered, ORD. 613, 4/14/2004]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.030 Gambling Establishment Permit - Required.

No person shall establish, maintain or operate any gambling establishment or suffer any gambling establishment to be established, maintained or operated, upon or within any property owned, occupied or controlled by such person unless the gambling establishment is maintained and operated pursuant to a valid gambling establishment permit.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.040 Limitation on Number of Gambling Establishments.

(a) The City Council finds and determines that it is in the interest of the public health, safety and welfare of the city to limit the number of gambling establishments operating in the city to one gambling establishment for each five thousand (5,000) persons residing in the city. For the purpose of determining the number of gambling establishments permissible, the population is determined by the latest estimate of the population made by the Department of Finance or as provided in sections 2107, 2107.1 and 2107.2 of the Streets and Highways Code.

(b) Multiple Applications. In the event that there are less gambling establishment permits available than there are applications, the permit shall be granted to the qualified applicant whom the City Council, in its sole discretion, determines best meets the following criteria:

(1) Least disruptive location;

(2) Best program for policing the operation;

(3) Greatest income potential for the Town of Colma;

(4) Greatest experience and financial ability of applicant;

(5) Best potential for quality operation; and

(6) Any other considerations that will protect the public interest.

In reaching its determination the City Council shall consider any staff recommendations, but the determination of the City Council shall be final.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.050 Location.

(a) A gambling establishment permit is valid only for the location provided in the permit. Relocation of a gambling establishment to a site other than the one permitted is prohibited and results in automatic termination, except as provided in subsection (b) of this section.

(b) Relocation of a gambling establishment to a location different from that described in the gambling establishment permit is permitted only after the City Council has duly granted an amendment to the gambling establishment permit in accordance with Section 4.09.110 of the Colma Municipal Code.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.060 Name Change.

(a) The permittee shall register any proposed change in the name of the permitted gambling establishment or of the corporate permittee with the City Manager ten (10) days before the new name can be advertised or otherwise made known to the public.

(b) The City Manager shall issue a new permit under the new name within ten (10) days after the permittee has registered the name with the City Manager.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.070 Permit Application.

(a) An applicant for a gambling establishment permit shall file a written application with the City Manager for a permit to operate a gambling establishment. The application shall state:

(1) The name and permanent address of the applicant and each person having an interest in the ownership, management, and supervision of the business;

(2) A description of the card games which will be played or offered for play;

(3) The days, hours and location of the gambling establishment;

(4) The name of each person having the management or supervision of the gambling establishment;

(5) The applicant's residence for the preceding five years;

(6) A statement of the nature and character of applicant's business to be carried on in conjunction with the gambling establishment, if any;

(7) Such other information as the City Manager considers necessary.

(b) An application fee shall be paid to the City Manager at the time the application is filed. The application shall not be deemed complete unless the applicant has paid the required fee.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.080 Investigation and Report.

(a) Upon receipt of an application for a gambling establishment permit, the City Manager, City Planner and Chief of Police shall each investigate and report to the council regarding the proposed location, the proposed use, and any other matters in the application, and the Chief of Police shall investigate and report to the council on the character of the applicant and all persons involved in ownership or management of the gambling establishment.

(b) The report or reports shall state:

(1) A summary of the relevant facts determined in the investigation;

(2) Recommendations as to whether the requested permit should be granted; and

(3) The reasons for the recommendations including, but not limited to, whether the particular proposed permit will substantially aggravate crime problems, or otherwise be detrimental to crime prevention, make law enforcement unduly difficult, or be detrimental to the public peace, health, safety or welfare;

(4) All recommended conditions, limitations, restrictions, and mitigation to which the requested permit, if granted, should be made subject; and

(5) Such other information and recommendations as the reporting party deems relevant to the Council's consideration of the application.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.090 Gambling Establishment Permit Application - Public Hearing and Notice.

(a) After receipt of all reports on the application, the City Manager shall set a time and place within a reasonable time thereafter at which the City Council will hold a public hearing on the application.

(b) Notice of a public hearing shall be given in the same manner as notice for a use permit application.

(c) At the time and place set for hearing of an application for a gambling establishment permit, the City Council shall consider the application, the reports of City departments, written objections and public testimony.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.100 Gambling Establishment Permit.

(a) Within a reasonable amount of time after the close of the hearing, the City Council shall either approve or disapprove the application for a gambling establishment permit. The Council may also attach such conditions, limitations, and restrictions on the permit as it deems reasonably necessary to protect the public peace, health, safety and welfare.

(b) The City Council may grant a Gambling Establishment Permit only if it determines that:

(1) The proposed gambling establishment use will not result in the substantial aggravation of crime problems or make law enforcement unduly difficult.

(2) The proposed gambling establishment use is not detrimental to the public peace, health, safety and welfare.

(3) The proposed gambling establishment use would not result in the violation of the City's zoning, fire, building or other ordinance; and

(4) The proposed gambling establishment use would be consistent with the purposes and provisions of this chapter and is not contrary to public interest.

(c) Only one Gambling Establishment Permit shall be issued for a gambling establishment, and the Permit may be issued in the names of all individuals owning an interest in the gambling establishment or in the name of the business entity owning the business. Each owner shall be and is responsible for and every duty imposed upon the Permittee by state law, this Code, and each permit issued by the Town of Colma.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.110 Permit Amendment.

(a) The terms and conditions of a gambling establishment permit may be amended by the City Council on application for amendment. Said application shall be subject to, and shall be processed in accordance with, the procedures set forth herein for an original application for gambling establishment permit.

(b) As used in this chapter, "terms and conditions" of a permit includes, but is not limited to, the location of a gambling establishment, the number of card tables the permittee is authorized to maintain, and any conditions placed on the permit by the City Council or this chapter.

(c) A permittee who seeks to amend his or her gambling establishment permit shall file an application with the City Manager stating the specific terms and conditions that the permittee desires to change and the reasons therefore.

(d) Amendment fees shall be paid to the City Manager at the time the application is filed. The application for amendment shall not be deemed complete unless the permittee has paid the required fee.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.120 Gambling Establishment Permit - Valid State Registration Required.

Each owner of a gambling establishment who is eligible to obtain a State Registration from the State of California must obtain and hold a valid registration from the State of California.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.130 Number of Tables.

(a) No gambling establishment permittee, owner or employee shall use, operate or permit the use or operation of more tables than the number authorized in a valid gambling establishment permit.

(b) No gambling establishment shall have more than the number of card tables for which the permittee has paid the appropriate fees.

(c) No gambling establishment shall be issued a permit for less than twenty (20) tables nor more than sixty (60) tables.

(d) Additional tables may be added within any gambling establishment over and above the number of tables on the original permit only in accordance with an amendment to the gambling establishment permit pursuant to the provisions of the section of this Subchapter entitled "Permit Application."

(e) If the permit amendment application is approved, the permittee shall deposit with the City Manager an additional table permit fee for each additional table in order for the amendment to become effective.

(f) A permittee may reduce the number of tables subject to table fees only by an amendment to the permit in accordance with the section of this Subchapter entitled "Permit Application." Unless and until such amendment is approved, table fees must be paid on all tables authorized in the permit.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.140 Permits Non-assignable Without City's Consent.

(a) No gambling establishment permit may be sold, transferred, hypothecated or assigned by the permittee, or by operation of law, to any other person or persons, and no interest of an owner in any gambling establishment or gambling establishment permit may be sold, transferred, hypothecated or assigned by an owner, or by operation of law, to any other person or persons, except upon consent as provided in Section 4.09.190 below or except as provided in subsection (b) of this section. Any such sale, transfer, hypothecation or assignment, or attempted sale, transfer, hypothecation or assignment of an owner's interest shall be null and void, and shall be grounds for revocation by the City Council of the gambling establishment permit.

(b) The following exceptions to the general rule stated in subsection (a) of this section shall be allowed:

(1) If the permittee is a partnership and one or more of the partners should die, one or more of the surviving partners may acquire, by purchase or otherwise, the interest of the deceased partner or partners without affecting a surrender or termination of such permit, and in such case the permittee shall thereafter be deemed to be the surviving partners.

(2) If the interest of an Owner is held as community or quasi-community property, apportionment or transfer of the interest shall be allowed pursuant to a marital dissolution or final judgment; provided, however, that the transfer shall be approved by the City Manager as provided in Section 4.09.190 below.

(3) If the proposed transfer is to another form of entity, such as a transfer from a partnership to a corporation, or from a corporation to a partnership, and the beneficial ownership of each of the owners remains substantially identical after such transfer, such transfer shall be allowed by the City Manager upon receipt of reasonable documentation that the transfer conforms to this subparagraph (3).

(4) If the permittee or owner is a publicly traded corporation with a class of securities registered under the Securities Exchange Act of 1934, as amended, transfer of the corporation's stock shall be permitted provided the transfer complies with state and federal security laws and the transfer does not create an equity interest of the transferee in the corporation of ten percent or greater.

(5) If the permittee is a corporation, transfer of the corporation's stock may be transferred, but only in accordance with Section 4.09.190 below or in accordance with subparagraph (4) above.

(6) If a gambling establishment permit or an owner's interest has been held for at least five years, or if the permittee or owner is an individual who has died or has been legally declared incompetent, or has become a debtor in bankruptcy, the transfer or assignment of the permit or ownership interest therein may be approved by the City Council upon application of the proposed transferee. A proposed transferee shall pay the same application fee as a new gambling establishment applicant and shall be subject to the same requirements and investigation.

(c) No permittee or owner shall knowingly permit any individual, partnership or other person or entity to make any investment whatever in, or in any manner whatever participate in, the profits of any licensed gambling establishment, or any portion thereof, except in accordance with this Subchapter Nine.

(d) No permittee or owner shall knowingly permit any investment in any licensed gambling establishment operation, or any portion thereof, or participation in the profits thereof, by any person acting as agent, trustee, or in any other representative capacity whatever for or on behalf of another person, and no person acting in any such representative capacity shall hold or acquire any such interest or participate unless all facts pertaining to such trust, agency, or representation have been fully disclosed in writing in connection with the application under this

Subchapter Nine for issuance or transfer of the permit or ownership interest held by such permittee or owner.

(e) It shall not be a violation of this section for a permittee or owner to enter into an agreement with a proposed transferee for a purchase, or option to purchase, an interest in a permit or ownership interest in a gambling establishment provided that such agreement provide in writing, executed by the proposed transferee, words to the effect, "The undersigned acknowledges that the sale, assignment or transfer of an interest in a gambling establishment or gambling establishment permit in the Town of Colma is subject to and conditioned upon approval by the Town of Colma pursuant to an application to the Town of Colma for approval under the Colma Municipal Code and compliance with the regulations of the California Gaming Commission."

[*History*: ORD. 450, 2/10/93; ORD. 475, 1/11/95; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.150 Registration of Employees.

(a) It shall be unlawful for any Permittee to employ any person to work in a gambling establishment without such employed person having been first registered with the Colma Police Department.

(b) Each prospective gambling establishment employee shall present himself or herself at the Colma Police Department during normal business hours, at least ten (10) days prior to commencement of any such employment, and apply to be registered.

(c) Each prospective employee shall:

(1) Complete an application;

(2) Be finger-printed;

(3) Be photographed;

(4) Provide any other information that the Colma Police Department may require; and

(5) Certify the contents of the application under penalty of perjury.

(d) The Colma Police Department is hereby authorized to obtain criminal history information for each employee seeking registration.

(e) A fee as set forth in this subchapter shall be paid together with the registration or renewal application.

(f) Within ten (10) days after receipt of a complete application containing the above information and the required fees, the Chief of Police shall render and mail to the applicant a written decision either granting or denying registration and explaining the reasons for denial.

(g) If the investigation is not complete within the ten-day period or if there are extraordinary circumstances beyond the reasonable control of the permittee warranting waiver of the ten-day period, the Chief of Police may grant a temporary registration for a definite period of time pending a final decision based upon completion of the investigation. A decision by the Chief of Police to deny temporary registration may be appealed by any interested party to the city council in accordance with the procedures set forth in section 1.02.140 of the Colma Municipal Code. A decision to grant temporary registration is not appealable to the city council.

(h) The Colma Police Department shall provide each registered employee with a permanent or, if appropriate, temporary identification card which shall be displayed in accordance with the requirements of section 4.09.370.

(i) Each registered employee shall renew his or her registration with the Colma Police Department on the second anniversary of the date of his or her initial registration and every two year anniversary thereafter. New cards will be issued as the City deems appropriate.

(j) The gambling establishment permittee shall inform the Colma Police Department of any change in employment status of a registered employee within ten (10) days of the effective date of the change in employment, leave of absence, or any promotion or other change in position or job title.

(k) A temporary identification card may be issued by a permittee to a registered employee for a three (3) day period in the event the employee loses his/her identification card. The permittee shall notify the Colma Police Department of the loss of the identification card within twenty-four (24) hours of the issuance of a temporary card. The Colma Police Department shall issue a new permanent identification card to the registered employee within three (3) days of being notified of the loss.

[*History*: ORD. 450, 2/10/93; ORD. 453, 5/12/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04; ORD. 626, 3/9/05]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.160 Owner Registration.

Each owner of a gambling establishment shall obtain an identification card from the Colma Police Department and shall comply with the requirements of subsections (b), (c), (e), (h), (i), and (j) of Section 4.09.150 of this Subchapter.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.170 Denial, Suspension and Revocation of Registration.

(a) If it appears at any time that good cause may exist for the Colma Police Department to deny registration of an employee, or to suspend or revoke an existing registration, the Colma Police Department shall provide the employee and the permittee with the opportunity for a hearing before the Colma Police Department to show cause why registration should not be denied, suspended or revoked.

(b) In the case of denial, suspension or revocation, the employee shall be given ten (10) days from the date of mailing of the notice of denial, suspension or revocation to request a show cause hearing before the Chief of Police. The employee shall be deemed to have waived the right to a show cause hearing if the Chief of Police does not receive the employee's request for a hearing within ten (10) days of the date of mailing of notice.

(c) The Chief of Police shall schedule the hearing within fifteen (15) days after receipt of the request for a show cause hearing. The Chief of Police shall mail notice of the time, place and date of the hearing to the applicant or employee and the employer within five (5) days after receipt of the request for hearing.

(d) Technical rules of evidence shall not apply to the show cause hearing.

(e) If the Chief of Police, on the basis of substantial evidence presented at the show cause hearing, finds good cause therefore, the Chief of Police may deny registration to the employee, or suspend or revoke the registration.

(f) The Chief of Police shall revoke the work registration of any employee upon receipt of notification, duly issued by the Division of Gambling Control

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.180 Grounds for Denial, Revocation or Suspension of Registration.

(a) The Chief of Police may revoke or suspend the registration of or deny registration to any applicant who is disqualified for any of the following reasons:

(1) Failure of the applicant to clearly establish eligibility and qualification in accordance with this ordinance and the California Gambling Control Act;

(2) Failure of the applicant to provide information, documentation, and assurances required by this ordinance and the California Gambling Control Act or requested by the Chief, or failure of the applicant to reveal any fact material to qualification, or the supplying of information that is untrue or misleading as to a material fact pertaining to the qualification criteria;

(3) Conviction of a felony, including a conviction by a federal court or a court in another state for a crime that would constitute a felony if committed in California;

(4) Conviction of the applicant for any misdemeanor involving dishonesty or moral turpitude within the 10-year period immediately preceding the submission of the application, unless the applicant has been granted relief pursuant to Section 1203.4, 1203.4a, or 1203.45 of the Penal Code, provided, however, that the granting of relief pursuant to Section 1203.4, 1203.4a, or 1203.45 of the Penal Code shall not constitute a limitation on the discretion of the division under Section 19847 or affect the applicant's burden under Section 19848;

(5) Association of the applicant with criminal profiteering activity or organized crime, as defined by Section 186.2 of the Penal Code;

(6) Contumacious defiance by the applicant of any legislative investigatory body, or other official investigatory body of any state or of the United States, when that body is engaged in the investigation of crimes relating to gambling; official corruption related to gambling activities; or criminal profiteering activity or organized crime, as defined by Section 186.2 of the Penal Code; or

(7) The applicant is less than 21 years of age.

(b) Notwithstanding the foregoing, the Division of Gambling Control may object to the issuance of a work registration or work permit for any cause deemed reasonable by the Division, and if the Division object to issuance of a work permit, the work permit shall be denied. Such denial may be reviewed in accordance with the California Gambling Control Act (Bus. & Prof. Code § 19801 et seq.)

(c) Conduct by an applicant described in paragraph 4.09.180(a)(2) shall disqualify the applicant for a period to be determined by the Chief of Police, which shall not be less than six months, provided that notice of such period is given at the time of giving notice of the denial, suspension, or revocation of registration.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04; ORD. 626, 3/9/2005]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.190 Transfer of Stock.

(a) In the case of a permittee that is a corporation, any sale, transfer or assignment of stock therein shall be subject to full compliance of the requirements of the Attorney General under the California Gambling Control Act, and must also be approved by the City Council. The purchasers, transferees or assignees shall file an application for approval of transfer with the City Manager or his or her designee along with the fee set forth in this Subchapter for each proposed purchaser, transferee or assignee.

(b) The application shall contain the name and address of each purchaser, transferee or assignee, and shall be accompanied by a set of clearly identifiable fingerprints, in the form and manner approved by the City Council.

(c) Upon receipt of a completed application and the applicable fee, the City Council shall have the Colma Police Department conduct an investigation. The Colma Police Department shall have the authority to obtain criminal history information for each person required to be named in the application for the purpose of determining whether any of them has been convicted or arrested for crimes involving lotteries, gambling, bookmaking, larceny, theft, perjury, bribery, extortion, fraud, or for crimes involving moral turpitude, or for prostitution, pimping or pandering, or sale or possession for sale of a controlled substance, or for crimes involving service or entertainment businesses and determining whether any of them has committed an act involving dishonesty, fraud or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another, or where the above-described criminal charges are pending.

(d) The City Council, with respect to each application, shall make a decision denying or approving the application for transfer, sale, or assignment of stock within a reasonable time after receipt of the necessary information. The City Council may consider:

(1) The criminal conviction and arrest history of each purchaser, transferee or assignee, and whether such person committed any act involving dishonesty, fraud or deceit with the intent to substantially benefit himself or herself, or another, or to substantially injure another;

(2) The license and permit history of each purchaser, transferee or assignee, whether such person, in previously operating in this or another state under a gambling, gaming or entertainment license or permit has had such license or permit revoked or suspended, the reasons therefore, and the actions of the applicant subsequent to such action;

(3) The business and credit history of each purchaser, transferee or assignee; and

(4) Other relevant information.

(e) Where a purchaser, transferee or assignee fails to comply with the procedure set forth in this section prior to sale, transfer or assignment, then the permit shall be deemed suspended upon the sale, transfer or assignment until such time as the requirements of this section are met.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.200 Grounds for Denial of Stock Transfer Application.

The City Manager may deny the application for a transfer of stock on any of the following grounds:

(a) Any of the purchasers, transferees or assignees has been convicted of crimes or have pending criminal charges involving lotteries, gambling, bookmaking, larceny, theft, perjury, bribery, extortion, fraud, moral turpitude, or prostitution, pimping or pandering, or sale or possession for sale of a controlled substance, or crimes involving service or entertainment businesses, or are currently pending criminal charges on the above-listed crimes;

(b) Any of the purchasers, transferees, or assignees has committed any act of dishonesty, fraud or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another;

(c) Any of the purchasers, transferees, or assignees has had a gambling or other entertainment license or permit revoked or suspended within the past five (5) years;

(d) Any of the purchasers, transferees or assignees have failed to comply with the requirements of this chapter; and

(e) Any of the purchasers, transferees, or assignees has knowingly made false statements on the application.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.210 Exclusion of Certain Persons from Gambling Establishment Premises.

Permittees may exclude or eject from the premises persons who have engaged in, or have been convicted of, bookmaking, sale of controlled substances, or illegal gambling, or who's presence in or about the premises would be inimical to the interests of legitimate gaming.

Permittee shall keep records of all exclusions or ejections and make them available upon reasonable demand to the Chief of Police of Colma.

Permittees shall have on file with the Chief of Police of Colma a reinstatement policy including but not limited to procedures for reinstatement. Permittees shall provide this reinstatement policy to all persons excluded or expelled from the premises.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.220 [Repealed]

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04; ORD. 673, 12/10/08]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.230 Permitting Minors on Premises Prohibited.

No gambling establishment permittee, owner or employee shall knowingly permit or allow any person under the age of twenty-one (21) years at any time to be in or upon the gambling establishment premises; provided, however, that minors may be allowed in the restaurant section of a gambling establishment operation if the restaurant is accessible from the outside without requiring passage through the gaming rooms, and the restaurant and such access are visually separate from the gaming rooms.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.240 Subletting to Persons Without Permits Prohibited.

No gambling establishment permittee, owner or employee shall permit the farming out, assigning, leasing, renting, or subletting of any games or card tables on premises lawfully permitted pursuant to the provisions of this chapter.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.250 Games to be Played on Ground Floor.

The playing of all games permitted under this chapter shall be confined to the ground floor of each permitted gambling establishment and no playing of any games shall be permitted at any other location except as specifically approved in the gambling establishment permit.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.260 Permissible Games.

(a) Each game conducted or operated in the Town of Colma pursuant to the provisions of this chapter shall be conducted and operated in full conformity with, and subject to, California Penal Code Section 330 and all other federal and state gambling laws.

(b) A permittee seeking approval of a new game, a new gaming activity or a change in games rules or game activity must submit an application with the Chief of Police accompanied by the applicable fee and the rules of the game.

(c) No game shall be played at any gambling establishment unless it was first approved by the Chief of Police as a Permissible Game and the game is played in strict conformity with the rules provided by the permittee to the Chief of Police.

(d) All other games of chance are hereby prohibited.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04; ORD. 673, 12/10/08]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.270 Permitting Intoxicated Persons to Play in Games Prohibited.

No gambling establishment permittee, owner or employee shall permit any person to play in any game at any time while such person is obviously under the influence of intoxicating beverage, narcotic or drug.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.280 Permitting Intoxicated Persons on Premises Prohibited.

No gambling establishment permittee, owner or employee shall permit any person to enter a gambling establishment while such person appears to be obviously under the influence of intoxicating beverage, narcotic or drug.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, Ord. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.290 Bets or Wagers.

(a) There shall be no limit on the amount permitted in a single bet or wager, or in the maximum amount permitted to be wagered in a game.

(b) Notwithstanding paragraph (a) of this Section, the City Council may, by resolution, establish specific wagering limits of an amount less than the limit amount set by paragraph (a) of this Section without approval by the voters of the Town. The City Council may amend such resolution from time to time to establish specific wagering limits of an amount less than the limit amount set by paragraph (a) of this Section without approval by the voters of the Town.

(c) No gambling establishment permittee, owner or employee shall allow any person playing in any game to make any bet or wager in excess of the betting or wagering limits set by paragraph (a) of this Section. No gambling establishment permittee, owner or employee shall allow any person playing in any game to make any bet or wager in excess of the betting or wagering limit set by resolution of the City Council pursuant to paragraph (b) of this Section.

(d) Nothing in this Section shall prevent a gambling establishment from establishing betting or wagering limits in an amount lower than permitted by paragraph (a) of this Section or set by resolution of the City Council pursuant to paragraph (b) of this Section.

[*History*: Ord. 450, 2/10/1003; ORD. 526, 4/8/1998; ORD. 530, 5/13/98; Ord. 532, 7/8/1998; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04; ORD. 640, 1/11/06]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.292 Bets or Wagers Prohibited

(a) Notwithstanding section 4.09.290, no cardroom permittee, owner or employee shall allow betting in excess of the limits set forth in this section unless and until one of the following conditions has been satisfied:

(1) A majority of the electors voting thereon have approved an amendment to Colma Municipal Code section 4.09.290 to allow unlimited wagering and the City Council has adopted a resolution declaring the results of the election; or

(2) A final judgment is entered by a court of competent jurisdiction declaring that section 4.09.290 is valid; or

(3) A statute has been enacted by the State, a regulation has been adopted by the California Gambling Control Commission, or a regulation has been adopted by the State Division of Gambling Control, which statute or regulation eliminates the prohibition against increased wagering limits currently set forth in the Gambling Control Act.

(b) Notwithstanding section 4.09.290, the following limits are placed on betting in any controlled game played in a cardroom:

(1) No cardroom permittee, owner or employee shall allow any person playing in any poker game to make any single bet or wager in excess of two hundred dollars ($200.00) or at any time during any poker game to permit an ante in excess of two hundred dollars ($200.00) total sum anted by players participating in the game.

(2) No cardroom permittee, owner or employee shall allow any person playing in any Asian game to make any single bet or wager per betting slot in excess of two hundred dollars ($200.00)

(c) Nothing herein shall prohibit a cardroom permittee from establishing lower betting limits.

(d) Each permittee shall be allowed to conduct "no limit" tournament play two times per year provided, however, that the permittee shall provide the Colma Police Department and City Manager with thirty (30) days advance notice of its intention to allow "no limit" tournament play.

(e) A cardroom permittee may allow betting on multiple betting spots and the stacking of multiple bets provided that the betting rules or protocols shall be submitted to the City Manager for prior approval.

(f) This section shall be and is hereby repealed as of the date of adoption of the resolution, and the occurrence of any one of the events described in paragraph (a) of this section.

[*History*: ORD. 640, 1/11/06]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.300 Identification Card Display.

(a) It shall be unlawful for any gambling establishment owner or employee, or any third party proposition player, to be physically present at any time upon said premises without having prominently displayed his or her own personal identification card issued by either the California Gambling Control Commission or the Colma Police Department pursuant to sections 4.09.150 and 4.09.160 identifying such person with the gambling establishment.

(b) The identification card shall be prominently displayed on the outermost garment at approximately chest height. Such identification card shall at all times be in good and readable condition.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; ORD. 612, 3/10/2004; Re-numbered, ORD. 613 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.310 Permittee, Owner or Employees Not to Play Cards - Exceptions.

It shall be unlawful for any gambling establishment permittee, owner or employee to play cards or purport to play cards in or upon the gambling establishment premises except as provided herein.

(a) An employee, including an employee described in the next subparagraph, may play cards in or upon the premises in which he or she is employed if he or she plays with his or her own personal money, and does not play as the house or use house money when playing.

(b) An employee who is an owner, shift manager, or department head, e.g., a Shift Manager, Cage Manager, Security and Safety Manager, Food & Beverage Manager, Facilities Manager, Chief Accountant, Purchasing Officer, Chief Financial Officer, Controller, Assistant Controller, Network Administrator, or Human Resources Manager, may not purchase chips with cash but must purchase chips with a personal check or a credit card, in order to play or purport to play cards in or upon the gambling establishment premises.

(c) This section shall not apply to a registered proposition player provided that he or she wears an identification badge as required by section 4.09.300.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; ORD. 597, 10/9/02; ORD. 612, 3/10/04; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.320 Employment of Persons to Stimulate Play Prohibited.

(a) It shall be unlawful for any gambling establishment permittee, owner or employee to engage or persuade any person to play cards for the purpose of stimulating play where such person is to receive any reward, whether financial or otherwise, present or promised; or where such reward or revenue is to be diverted to the gambling establishment permittee or owner except as allowed under subsection (b) of this section.

(b) The permittee may utilize proposition players. A proposition player must wear a badge at all times identifying the player as an employee of the permittee. Other than compensation for the time spent in acting in such activities as an employee of the permittee, no gifts, rewards or any other thing of value shall be given to the proposition player by the permittee or any owner or employee.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.330 Lending Money or Tokens of Value Prohibited. It is unlawful for any gambling establishment permittee, owner or employee to engage in the lending of money, chips, tokens or anything of value, either real or promised, to any person for the purpose of allowing that person to eat, drink or play cards.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.340 Use of Blank Personal Checks Prohibited. It is unlawful for the gambling establishment permittee, owner or employee to cash any personal check which does not state the amount on the face of the check.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.350 Operation of House Deposit or Player Bank System.

(a) It shall be unlawful for any gambling establishment permittee, owner or employee to operate, maintain or purport to maintain any house deposit or player bank system or any system similar thereto, whereby a person may deposit, draw or maintain any account or credit of money, checks or any other item or representation of value except that the permittee, through its agents, may maintain a player bank system if each of the following conditions shall be satisfied at all times:

(1) The permittee shall maintain adequate records that detail all bank transactions, including deposit cards which must be signed by the depositor and must designate a beneficiary or beneficiaries in case of the death of the depositor. The permittee shall make all banking records available for inspection and copying by the Chief of Police or any other person designated by the Chief of Police;

(2) The permittee shall maintain a separate specifically designated insured account with a licensed financial institution and/or cash in the cage in an amount no less than the total amount of the monies in the players bank as approved by the California Gambling Control Commission or a surety bond or bonds in a principal amount equal to one and one-half times the average daily balance of amounts in player banks. If a surety bond is used as security in lieu of maintaining a designated insured account, the permittee shall provide the Chief of Police with a certificate from an acceptable surety, in a form acceptable to the Chief of Police, which will not be unreasonably withheld; and

(3) The permittee shall not charge a fee for maintaining a player bank for any person.

(b) Notwithstanding the foregoing, the permittee is expressly permitted to have installed on the premises ATM/Credit Card machines of an outside financial institution.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; ORD 612, 3/10/2004; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.360 Gamblers Anonymous Literature.

All gambling establishment permittees shall make literature published by Gamblers Anonymous easily available in a visible location in the gambling establishment. If literature published by Gamblers Anonymous is available in English, Spanish, Tagalog, Vietnamese, Mandarin and/or Cantonese-Chinese, then the permittee shall be required to make such literature easily available.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.370 Inspection of Premises.

(a) All gambling establishments shall be open for inspection during normal business hours to the Chief of Police, the City Manager, or their duly authorized representatives, without search warrant.

(b) All gambling establishment records, including but not limited to papers, books of account, ledgers, audits, reports, personnel records, information stored in computers and on computer tape or disks, video tape, microfilm or microfiche, shall be available for inspection and copying during normal business hours to the Chief of Police, the City Manager or their duly authorized representatives without search warrant.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.380 Game Rules.

(a) The rules describing how each game conducted on the premises is to be played shall be posted on the premises of the gambling establishment in a conspicuous place. Printed copies of the rules shall also be easily available to the public.

(b) The rules which are posted and made available to the public shall be identical to the rules provided to the Colma Police Department pursuant to section 4.09.260(d) of this Subchapter.

(c) The rules shall be made available in English, Spanish, Tagalog, Vietnamese, Korean, and Mandarin and/or Cantonese- Chinese.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.390 Revocation, Suspension and Other Penalties.

(a) All permits issued under the provisions of this chapter shall be subject to revocation, suspension, or other appropriate penalties upon the occurrence of any of the following conditions:

(1) The permittee or owner has violated any provision of this chapter or failed to timely pay any fees due under this chapter; or

(2) The permittee or owner has violated any term or condition upon which such permit was issued; or

(3) The permittee, owner, or an employee has violated any statute or ordinance, which violation relates to the establishment, maintenance or operation of the gambling establishment authorized by such permit; or

(4) The permittee has transferred any stock without approval of the City Manager; or

(5) The permittee has failed or refused to make and file any statements as required by this Subchapter within the time required or to timely pay any sums due under the provisions of this Subchapter; or

(6) The permittee or owner has knowingly made false statements on any filing, registration or statement required under this chapter; or

(7) The operation of the gambling establishment violates the City's zoning, fire, building or other ordinances or regulations, or other applicable laws or regulations; or

(8) The operation of the gambling establishment substantially aggravates the crime problems in the area, makes law enforcement unduly difficult, or is otherwise detrimental to crime prevention or is detrimental to the public peace, health or safety in the area.

(b) In making the determination of whether to revoke or suspend a permit or to apply other appropriate penalties, the City Manager may consider, but is not limited to the following factors:

(1) Any criminal convictions of the permittee, the owners, or employees, involving lotteries, gambling, bookmaking, larceny, perjury, bribery, extortion, fraud, theft, embezzlement, or crimes involving moral turpitude, or convictions of the sale or possession for sale of a controlled substance, prostitution, pimping, or pandering, or convictions of any crime substantially related to service or entertainment businesses;

(2) The commission of any act by the gambling establishment permittee, owners, or employees involving dishonesty, fraud or deceit with the intent to substantially benefit himself or herself or another, or substantially injure another;

(3) Whether the gambling establishment permittee, owner, or employees has previously operated in this or another state under a gambling, gaming or similar license or permit that has been revoked or suspended, the reasons therefore, and the actions of such person thereafter;

(4) Whether the gambling establishment permittee, owner, or employee in this or another state has been denied a gambling, gaming or similar license or permit, the reasons therefore, and the actions of the person thereafter;

(5) The business and credit history of the gambling establishment permittee and owners;

(6) The nature of the conduct involved in the violations upheld;

(7) The duration of the conduct giving rise to the violations;

(8) The number of instances of violations involved, and whether or not the violations are part of a pattern of violations;

(9) Whether the violations were deliberate or inadvertent;

(10) The degree of injury to any victim, including the City, either financial or physical, caused by the violation;

(11) The motivation of the person(s) who committed the violations;

(12) Restitution provided to the victim; and

(13) Restitution provided to the City for the costs of enforcement.

(c) Where appropriate, in addition to or in lieu of a suspension or revocation penalty, the Administrative Hearing Officer may impose other appropriate penalties, including but not limited to monetary penalties, restitution to victims, including the City, and modifications and limitations on the terms and conditions of the permit.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.400 Notice of Decision to Revoke or Suspend.

(a) Upon determining the existence of any of the conditions stated in the section of this Subchapter entitled "Revocation, Suspension and Other Penalties", the City Manager shall issue a Notice of Decision to Revoke or Suspend the Gambling Establishment Permit to the permittee.

(b) The Notice of Decision to Revoke or Suspend shall state all the grounds and reasons upon which the suspension or revocation, or other penalty is based.

(c) The Notice of Decision shall be mailed to the permittee at the address stated on the permit.

(d) The Decision shall be effective twenty-one (21) calendar days after mailing of the Notice of Decision unless the permittee files a written Notice of Appeal and Request for Public Hearing with the City Clerk before the close of business on the twentieth (20th) day.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.410 Appeals.

(a) An aggrieved party may appeal to the City Council from a decision of the City Manager under this ordinance. The appeal shall be heard in accordance with the procedures set forth in section 1.02.120 of the Colma Municipal Code, except that notice shall not be required under section 1.02.120(b). The City Council may affirm, overrule, or modify the revocation or suspension.

(b) An aggrieved party may appeal to the City Manager from a decision of the Chief of Police under this ordinance. Notwithstanding the foregoing, the following decisions are not appealable: to grant registration, to grant temporary registration, or to deny temporary registration.

[*History*: ORD. 450, 2/10/93; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04; ORD. 626, 3/9/05]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.420 Fees.

(a) A gambling establishment application fee shall be an amount equal to $1,000 plus the City's actual cost of City staff and outside investigative and consulting services in connection with review of the application. The City Manager shall estimate the cost of City staff and outside services and that amount, together with $1,000, must be paid at the time of submitting the initial application for a gambling establishment permit. If the amount estimated is insufficient, the applicant will pay forthwith, upon notice from the City Manager, the additional costs incurred or to be incurred by the City. If the amount estimated is in excess of the cost incurred, the difference will be refunded to the applicant at the end of the City's review.

(b) A gambling establishment application fee of $500.00 must be paid at the time of submitting an application to amend a gambling establishment permit.

(c) A table permit fee must be paid at the time of granting of the permit and each annual anniversary thereof. The table permit fee shall be $500 per table per year.

(d) An employee registration fee of $100.00 must be paid at the time of submitting the initial application for registration of the employee.

(e) An employee registration fee of $50.00 must be paid at the time of submitting the application for renewal of the employee's registration.

(f) A gambling establishment stock transfer application fee of $500.00 must be paid at the time of submitting the application.

(g) In the event of denial, surrender, suspension, revocation or expiration of a permit, no portion of any permit, renewal or amendment fee or table permit fee shall be refunded.

(h) Except for the fees and taxes provided by this Subchapter Nine, no Colma business license tax shall be charged for the gambling establishment operation.

[*History*: ORD. 450, 2/10/93; ORD. 453, 5/12/93; ORD. 556, 7/14/99: Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.430 Permit Tax. A permit tax is hereby imposed on gambling establishment operations in the Town of Colma, which tax is declared by the City Council to be a general tax of the Town of Colma, and which tax shall be payable into the General Fund of the Town of Colma.

(a) Each person operating a gambling establishment shall, during the first year following issue of permit, pay a monthly tax equal to the percentage of gross monthly revenue as is set forth in the following schedule:

Total Monthly Gross Revenue:	*Monthly Tax:*
$0 to $800,000	5% of gross revenue
$800,000 to $1,000,000	$40,000 + 6% of gross revenue over $800,000
$1,000,000 to $1,200,000	$52,000 + 7% of gross revenue over $1,000,000
$1,200,000 to $1,400,000	$66,000 + 8% of gross revenue over $1,200,000
$1,400,000 to $1,600,000	$82,000 + 9% of gross revenue over $1,400,000
$1,600,000 to $1,800,000	$100,000 + 10% of gross revenue over $1,600,000
$1,800,000 to $2,000,000	$120,000 + 11% of gross revenue over $1,800,000
$2,000,000 to $2,200,000	$142,000 + 12% of gross revenue over $2,000,000
$2,200,000 to $2,400,000	$166,000 + 13% of gross revenue over $2,200,000
$2,400,000 to $2,600,000	$192,000 + 14% of gross revenue over $2,400,000
$2,600,000 to $3,000,000	$220,000 + 15% of gross revenue over $2,600,000
Over $3,000,000	$287,800 + 20% of gross revenue over $3,000,000

(b) Each person operating a gambling establishment shall, during the second year and all subsequent years under the permit, pay a monthly tax equal to the amount set forth in subparagraph (a) above, or $17,000.00, whichever is the greater.

(c) Gross revenue means the gross revenue of all merchandise or services sold or delivered at permittee's premises by permittee or any permitted subtenant, licensee, or concessionaire or permittee from any source whatsoever connected with the gambling establishment activity, except for revenue received from the sale of food or drink through the restaurant and bar operation. The restaurant and bar operation shall be subject to the Colma business license law applicable to restaurants and bar operations in Colma. Permitted credit transactions shall be treated as gross revenue for the full price at the time of the transaction irrespective of the time of payment. Gross revenue shall not include sales and use taxes imposed by entities other than the Town of Colma, but only if such taxes are added to the selling price separately stated, collected separately from the selling price of merchandise or services, and collected from customers.

(d) Permittee shall furnish to the Town of Colma a statement of permittee's gross revenues within fifteen (15) days after the end of each calendar month, and shall remit to City the monthly tax provided for in subparagraphs (a) and (b) above, based on the gross revenues shown in such statement. Each statement shall be signed and certified to be correct by permittee or its authorized representative, and if permittee is a corporation the statement shall be signed and certified to be correct by an officer of permittee. Permittee shall keep at the premises full and accurate books of account, records, cash receipts and other pertinent data showing its gross revenues. Permittee shall also furnish to the Town of Colma copies of its quarterly California Sales and Use Tax Returns at the time each is filed with the State of California. Such books of account, records, cash receipts and other pertinent data shall be kept for a period of three (3) years after the end of each year of operation. The receipt by the City of any statement or any payment of percentage gross revenue for any period shall not bind City as to the correctness of the statement or the payment.

(e) City shall be entitled, during the term of the permit and within two (2) years of the expiration of the termination of the permit, to inspect and examine all permittee's books of account, records, cash receipts, and other pertinent data, so that the City can ascertain permittee's gross revenues. Permittee shall cooperate fully with City in the inspection. City shall also be entitled, at reasonable times, to an independent audit of permittee's books of account, records, cash receipts, and other pertinent data, to determine permittee's gross revenues, by a certified public accountant to be designated by City. The audit shall be limited to the determination of gross revenues and shall be conducted during usual business hours at permittee's premises. If the audit shows that there is a deficiency in the payment of any percentage of gross monthly revenue provided for in subparagraph (b) above, the deficiency shall become immediately due and payable. The cost of the audit shall be paid for by City, unless the audit shows that the permittee understated gross revenues by more than five percent (5%), in which case permittee shall pay all City's cost of the audit. Upon request of the auditor, permittee shall provide to the auditor copies of permittee's state and federal income tax

returns, which returns shall be kept confidential and shall not be disclosed other than is necessary to carry out the purposes of this section.

[*History*: ORD. 450, 2/10/93; ORD. 477, 2/8/95; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.440 Gambling Establishment Security.

Every gambling establishment shall have in effect, and shall implement, a security plan which shall include measures to ensure the safety of patrons in and around the gambling establishment. The Plan and any amendments thereto, must be approved in advance by the Chief of Police or such other person designated by the city council. The Plan must provide that one or more persons charged with the task of patron security is on duty at all times while the gambling establishment is open. Notwithstanding anything to the contrary in any permit heretofore or hereafter granted by the Town or in any ordinance heretofore adopted by the Town, the city council reserves the right to require the gambling establishment operator to modify the Security Plan to the satisfaction of the Chief of Police or such other person designated by the city council, on reasonable notice to the gambling establishment operator.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.450 Hours of Operation.

A cardroom may operate twenty-four hours per day, seven days a week. Notwithstanding the foregoing, the City council may by resolution change the permissible hours of operation upon finding by the City Council, after a public hearing, that: (1) there has been an occurrence of any of the conditions set forth in section 4.09.390 for suspension or revocation of a cardroom permit; (2) the operation of the cardroom is detrimental to the public peace, health or safety in the area; or (3) the operation of the cardroom constitutes a public nuisance.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; ORD. 568, 2/9/00; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.460 Regulations.

The City Council may, by resolution, enact rules and regulations to carry out the purposes of this ordinance and the State Gaming Control Act.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.470 No Vested Right.

This ordinance does not create any vested or other property right of any kind in any licensee, permittee, employee, person or entity. The City reserves the right and power to, at any time, amend or modify the provisions of this chapter, and to otherwise regulate or prohibit any privilege exercised hereunder. This reservation includes but is not limited to the right of the City to enact or amend rules and regulations, and to amend, from time to time, a license issued pursuant to the terms of this chapter, by resolution of the City Council. The issuance of any such license shall not be deemed a waiver by the City of such right or power to amend such license or the provisions of this Chapter.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.480 Nonseverability With Respect to Taxes and Fees - Severability With Respect to Remaining Provisions.

(a) The provisions of this ordinance providing for the payment of a permit tax are not severable. Should the requirements of this ordinance relating to the payment of a permit tax, as herein set forth or as subsequently amended, be held to be invalid or unenforceable for any reason by the final judgment of a court of competent jurisdiction, then this ordinance in its entirety shall thereupon become null and void, any licenses or permits issued pursuant to this ordinance shall likewise become null and void, and the playing of such games within the City shall thereupon become unlawful to the same extent as such playing was unlawful prior to the adoption of this ordinance.

(b) Except as provided immediately hereinabove with respect to the permit tax, if any remaining section, subsection, paragraph, sentence, clause or phrase of this ordinance is for any reason held by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of the remaining portions of this ordinance.

[*History*: ORD. 450, 2/10/93; ORD. 526, 4/8/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]

4.09.490 Posting.

Every gambling establishment must post notice, in a clear and conspicuous manner, of the hours of operation for the gambling establishment, house and table wagering limits, and rules relating to wagering. Each gambling establishment must also make available to any patron a written explanation of the rules of each game that may be played in the gambling establishment.

[*History*: ORD. 450, 2/10/93; ORD. 531, 6/10/98; ORD. 556, 7/14/99; Re-numbered, ORD. 613, 4/14/04]

[*Reference*: BUS. & PROF. CODE § 19960-19964]