#### **ORDINANCE NO. 2529**

# AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REDWOOD CITY AMENDING CHAPTER 8A (BINGO GAMES) OF THE REDWOOD CITY MUNICIPAL CODE

**WHEREAS**, California Penal Code Section 326.5 regulates the conduct of bingo games and grants local authority to cities to authorize, regulate and license bingo games for charitable purposes; and

**WHEREAS**, the City of Redwood City ("City") has established an ordinance authorizing, licensing, and regulating bingo games for charitable purposes, codified in Redwood City Municipal Code Chapter 8A (the "Bingo Ordinance"); and

**WHEREAS**, the City now desires to amend the Bingo Ordinance.

### NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF REDWOOD CITY HEREBY ORDAINS AS FOLLOWS:

<u>Section 1</u>. The recitals set forth above are true and correct and are hereby incorporated herein by this reference as if fully set forth in their entirety.

<u>Section 2</u>. The City Council of the City of Redwood City amends the Bingo Ordinance as provided in <u>Exhibit "A"</u>, by adding the text shown in double underline (<u>example</u>) and deleting the text shown in strikeout (<u>example</u>), as shown below. Wording in brackets ([example]) is informational only and is not to be included in the published ordinance.

<u>Section 3</u>. If any section, subsection, clause or phrase of this ordinance is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion or sections of the ordinance. The City Council of the City of Redwood City hereby declares that it would have adopted the ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared unconstitutional.

<u>Section 4</u>. This ordinance has been reviewed with respect to applicability of the California Environmental Quality Act ("CEQA") and the CEQA Guidelines (California Code of Regulations, Title 14, Sections 15000 et seq.). The ordinance is not a project under CEQA Guidelines Section 15378 because it involves organizational or administrative activities that will not result in direct or indirect physical changes in the environment.

**Section 5**. The City Clerk is hereby directed to publish this ordinance in the manner provided by law.

**Section 6**. This ordinance shall be effective thirty (30) days from the date of its adoption.

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#### **EXHIBIT A**

### CHAPTER 8A BINGO GAMES

#### Sec. 8A.1. PURPOSE AND INTENT:

It is the purpose and intent of the Council in adopting this Chapter, pursuant to section 19 of article IV of the State Constitution, to enable nonprofit organizations <del>organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, and to enable senior citizen organizations(as defined in Section 8A.2 below) to conduct bingo games.</del>

#### Sec. 8A.2. DEFINITIONS:

For purposes of this Chapter, the following words shall have the meanings respectively ascribed to them in this Section:

BINGO GAME: Shall mean a game of chance in which a prize or prizes are awarded on the basis of a designated alignment of numbers or symbols on a card which conforms to numbers or symbols selected at random.

BINGO SESSION: Shall mean a single gathering or occasion at which a series of successive bingo games are played; provided that the duration of a session shall not exceed six (6) consecutive hours.

MINOR: Shall mean any individual under the age of eighteen (18) years old.

NONPROFIT ORGANIZATION: Shall mean those organizations exempted from payment of the bank and corporation tax by sections 23701(a), 23701(b), 23701(e), 23701(f) and 23701(l) of the California Revenue and Taxation Code, mobile home park associations, and senior citizen organizations.

PREMISES: Shall mean any room, hall, street address, enclosure, or area in which bingo is played.

SENIOR CITIZEN ORGANIZATION: Shall mean only those organizations which contain a minimum of twenty (20) members, each of which members must be at least fifty (50) years of age, and the purpose of which organization is to provide educational and recreational activities for its members.

#### Sec. 8A.3. PERMIT REQUIRED:

#### A. Permit Issuance.

Only a nonprofit organization <u>as defined in Section 8A.2</u> or a mobile home park association or senior citizen organization may obtain a permit to operate or conduct a bingo game, and no such organization shall operate or conduct a bingo game without first obtaining a permit therefor as herein provided. An application for a bingo game permit shall be made to the Chief of Police or their designee on a form provided, or in the manner prescribed, by the Chief of Police. The application shall contain the following information:

- A1. The name and address of the applicant organization;
- B2. The name and address of the person(s) authorized or required by the applicant organization to sign contracts, legal documents, or otherwise to bind or commit the organization, or act for or on behalf of the organization; and
- C3. A brief description of the nature or purpose of the applicant organization.

The application shall be signed by the person or persons designated in <u>Subsection 8A.3(A)(2)</u>, B above.

Upon submission of the application as in this Section required <u>under this Section</u>, the certifications specified in Section 8A.4, and the payment of the fee specified in Section 8A.5, a permit shall be issued <u>and</u> effective for a period of one year from the date of issuance.

#### B. Permit Renewal.

A permit may be renewed, or a new permit issued, upon compliance with the requirements of this Chapter pertaining to the issuance of an initial permit <u>under Subsection 8A.3(A)</u>, and <u>submittal of an annual report on a form provided</u>, or in the manner prescribed, by the Chief of Police including the following information:

- <u>1.</u> The total amount of money received from the operation of the bingo games in the previous permit year;
- 2. The total amount paid out in bingo game prizes in the previous permit year;
- 3. Detailed costs for the operation of the bingo game for the previous permit year; and
- 4. A detailed itemization of how and to what extent the bingo games and corresponding revenue generated by such bingo games benefit the Redwood City community.

<u>Upon submission of the application and the annual report required under this Section, the certifications specified in Section 8A.4, and the payment of the fee specified in Section 8A.5, a permit shall be renewed or re-issued and effective for a period of one year from the date of renewal or re-issuance.</u>

#### C. Appeal.

Any interested person may appeal the determination of the Chief of Police or their designee to the City Manager by filing a written appeal within fifteen (15) days of the date of the notice of decision on the permit issuance or renewal application, which appeal shall be filed, processed, and heard by the City Manager or their designee in accordance with the provisions on appeal in Chapter 1 of this Code.

## Sec. 8A.4. EVIDENCE OF TAX EXEMPTION NONPROFIT ORGANIZATION'S STATUS TO ACCOMPANY PERMIT APPLICATION:

#### A. Evidence of Tax Exemption Status.

Any organization, other than a mobile home park association or a senior citizen organization, applying for a bingo permit shall submit with its application therefor, a certificate from the franchise tax board of tax exempt status under California Revenue and Taxation Code section 23701 (d), and a certification from the U.S. Department of Internal Revenue that a contribution or gift to the applicant would be a charitable contribution under section 170(c)(2) of the U.S. Internal Revenue Code of 1954 as amended.

#### B. Evidence of Organizational Purpose.

Any mobile home park association or senior citizen organization applying for a bingo permit shall submit with its application therefor, a copy of their charter, constitution, articles of incorporation or bylaws in order to verify the organization's purpose.

#### Sec. 8A.5. PERMIT AND ENFORCEMENT FEES:

The permit fee for each permit issued, renewed, or reissued pursuant to the provisions of this Chapter <u>and</u> <u>any fee for law enforcement and public safety costs incurred by the City that are directly related to bingo <u>activities</u> shall be in an amount set by resolution of the City Council.</u>

#### Sec. 8A.6. RECORDS REQUIRED:

Every organization permitted to operate or conduct a bingo game under this Chapter shall keep separate and accurate books and records of all income and expenses related to the conduct of such game. Said books and records shall be open for inspection by the Chief of Police, or his their designee, at all times during ordinary hours of business, and shall not in any manner be concealed from said authorities.

#### Sec. 8A.7. PROFITS AND PROCEEDS:

- <u>A.</u> With respect to those nonprofit organizations permitted to conduct bingo games that are exempt from payment of the bank and corporation tax under Section 23701(d) of the Revenue and Taxation Code, aAll 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. Those profits shall be used only for charitable purposes.
- B. With respect to other nonprofit organizations permitted 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, and may be used only for charitable purposes, except as is provided in California Penal Code Section 326.5, as may be amended from time to time. No individual, corporation, partnership, or other legal entity, except the organization permitted to conduct a bingo game, shall hold a financial interest in the conduct of said bingo game.

#### Sec. 8A.8. LOCATION:

An organization permitted to conduct a bingo game shall only do so on property owned or leased by it, and which property is used by such organization for an office or for activities within the purposes for which the organization is organized. Such property owned or leased by such organization is not required to be used or leased exclusively by such organization.

#### Sec. 8A.9. FREQUENCY AND HOURS OF OPERATION:

- A. An organization permitted to operate or conduct a bingo game pursuant to this Chapter shall not conduct or operate any such game or games between the hours of one minute after twelve o'clock (12:01) midnight and eleven o'clock (11:00) A.M.
- B. No more than three <u>four</u> (<u>4</u>3) bingo sessions during any seven (7) day period shall be held at the same premises, nor shall a bingo session exceed six (6) consecutive hours.
- C. No organization granted a permit pursuant to this Section Chapter shall operate or conduct a bingo session more than four two (42) times during any seven (7) day period.

#### Sec. 8A.10. PARTICIPATION; MINORS:

Participation in all bingo games shall be open to the general public, and may not be limited to members of the organization permitted to conduct such games. No minors shall be allowed to participate in any bingo game. No person shall be allowed to participate in a bingo game, unless the person is physically present at the time and place in which said bingo game is being conducted.

#### Sec. 8A.11. NO ALCOHOL OR INTOXICATED PERSONS ON PREMISES:

No alcoholic beverages shall be served or stored on the premises during the hours of operation of a bingo game. There shall be no consumption or possession of alcohol, cannabis, or illicit substances on the premises, including the parking lots. Any person under the influence of alcohol, cannabis, or illicit substance shall not be permitted on the premises, including the parking lots.

#### **Sec. 8A.12.** PRIZES:

The total value of prizes, including cash, awarded during the conduct of <u>any one each separate</u> bingo game <u>which is held</u> shall not exceed <u>the greater of two-five</u> hundred-<u>fifty</u> dollars (\$2500.00) or the total value of prizes authorized under California Penal Code Section 326.5 as may be amended from time to time.

#### Sec. 8A.132. OPERATION:

A bingo game shall be operated and staffed only by members of the <u>nonprofit</u> organization permitted to conduct such game. Those <del>Such</del> members shall not receive a profit, wage, <del>commission,</del> or salary <del>or</del>

compensation of any kind in consideration for conducting or helping to conduct <u>from</u> any bingo game. Only the organization authorized to conduct a bingo game shall operate such game, or participate in the promotion, supervision or any other phase of such game. <u>This Section does not preclude the employment of security personnel who are not members of the nonprofit organization permitted to conduct the bingo game.</u> No individual, corporation, partnership, or other legal entity, except the organization permitted to conduct a bingo game, shall hold a financial interest in the conduct of said <u>bingo game</u>.

#### Sec. 8A.143. PENALTIES:

- A. It shall be unlawful for any person to receive a profit, wage, commission, salary or other compensation from any bingo game herein authorized. A violation of this Section 8A.143(A) shall constitute a misdemeanor, which, upon conviction thereof, shall be punishable by a fine not to exceed ten thousand dollars (\$10,000.00) which fine shall be deposited in the general fund of the City.
- B. Notwithstanding the provisions of Section 8A.143(A), it shall be unlawful, and an infraction under this Section 8A.143B, for any person to violate or cause the violation of any of the provisions of this Chapter not specified in Section 8A.143(A). A person violating or causing the violation of any such provision not specified in Section 8A.143(A) shall be guilty of an infraction, and upon conviction thereof, shall be punishable by the fines prescribed in Section 1.7B of this Code.

#### Sec. 8A.154. PREVAILING PROVISIONS:

The provisions of this Chapter shall supersede the provisions of Section 21.2 of this Code to the extent that Section 21.2 conflicts with, or is inconsistent with, the provisions of this Chapter.

#### ORDINANCE NO. 2529

At a Joint City Council/Successor Agency Board/Public Financing

Authority Meeting thereof held on the 2<sup>nd</sup>day of October 2023 by the following votes:

AYES, and in favor of the passage and adoption of the foregoing ordinance:

AYES: Aguirre, Howard, Martinez Saballos, Sturken, and Mayor Gee

NOES: None

ABSENT: Eakin, and Vice Mayor Espinoza-Garnica

ABSTAINED: None

RECUSED: None

Jeff Gee

Mayor of the City of Redwood City

Attest:

Yessika Castro, CMC, CPMC Interim City Clerk of Redwood City

I hereby approve the foregoing Ordinance this 3<sup>rd</sup> day of October 2023.

Jeff Gee

Mayor of the City of Redwood City