

# City of Los Alamitos

## Agenda Report Discussion Items

May 19, 2014  
Item No: 10B

**To:** Mayor Gerri L. Graham-Mejia & Members of the City Council  
**Via:** Bret M. Plumlee, City Manager  
**From:** Steven A. Mendoza, Community Development/Public Works Director  
**Subject:** Consideration of Remote Caller Bingo

**Summary:** This item seeks direction from the City Council to direct Staff and City Attorney resources on code amendments necessary to facilitate Remote Caller Bingo.

### Recommendation:

1. Authorize the City Manager to process Municipal Code Amendment and Zoning Code Amendment as necessary;
2. Authorize the City Manager to accept a deposit/fee sufficient to process such a request;
3. Direct the Planning Commission to process necessary Zoning Ordinance Amendments; or,
4. Provide alternative direction.

### Background

In 2008, the Legislature passed and the Governor signed Senate Bill (SB) 1369 (Cedillo) Chapter 748 Statutes of 2008. SB 1369, also known as the California Remote Caller Bingo Act, permitting local governments to adopt an ordinance allowing remote caller bingo to set up regulations for remote caller bingo and specifying what type of non profits could operate remote caller bingo, among other regulations.

The City of Los Alamitos permits Bingo through Municipal Code Section 5.16. The Municipal Code does not permit remote caller bingo. In order for this use to be allowed in the City of Los Alamitos, a municipal code amendment and corresponding zoning code amendment would have to be processed. City staff has been approached by Ms. Shelley Green of Bingo Innovations of California, a charity management company that

works exclusively with California non-profits enable them to fundraise by participating in Remote Caller Bingo. She has contacted the City on behalf of St. Isidore Historical Plaza. Amendments to the Los Alamitos Municipal Code require review and approval by the City Council. Further, if this topic amends the Zoning Ordinance, the Planning Commission will have an advisory role.

Remote Caller Bingo is defined by the State of California as:

*"a game of bingo... in which the numbers or symbols on randomly drawn plastic balls are announced by a natural person present at the site at which the live game is conducted, and the organization conducting the bingo game uses audio and video technology to link any of its in-state facilities for the purpose of transmitting the remote calling of a live bingo game from a single location to multiple locations owned, leased, or rented by that organization... The audio or video technology used to link the facilities may include cable, Internet, satellite, broadband, or telephone technology, or any other means of electronic transmission that ensures the secure, accurate, and simultaneous transmission of the announcement of numbers or symbols in the game from the location at which the game is called by a natural person to the remote location or locations at which players may participate in the game."*

Remote Caller Bingo games allow several chapters of the same approved organization, or a limited number of approved different organizations, to join together through various communication mediums to hold larger Bingo games than can traditionally be held. In addition, Penal Code Section 326.3 allows Remote Caller Bingo Games to award prizes of up to 37% of the gross receipts from any Bingo game, and allows up to 750 players to participate in any single game. Because of the large number of players allowed to participate, and the larger prizes awarded, Remote Caller Bingo games allow organizations to raise significantly larger amounts of money for charitable purposes and individual players to win significantly larger prizes than is possible in traditional Bingo games.

The model ordinance in Penal Code Section 326.3 restricts the operation of Remote Caller Bingo games to the same organizations allowed to operate traditional Bingo games. In fact, the laws governing traditional Bingo games and Remote Caller Bingo games are largely identical, though there are a few differences as mentioned above.

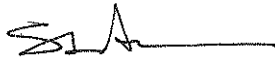
In light of the large number of players permitted by State law at a remote caller location at any one time Staff is recommending adding a category to the Zoning Table for Remote Caller Bingo that would limit such games to a yet to be determined zone of the city and require a Conditional Use Permit (CUP). Staff believes a CUP is important in order to condition such uses based on the location proposed and for consideration of impacts upon the site.

## Fiscal Impact

It is estimated that approximately 10 hours of Staff time and six hours of City Attorney would be needed. There would also be newspaper advertising and postage costs.

Item	Costs
10 Hours Staff @ 192.13 per hour	\$1,921.00
6 Hours Attorney @ \$250.00 per hour	\$1,500.00
Postage	TBD
Newspaper Advertising (Ordinance)	\$137.00
Newspaper Noticing (Public Hearing)	\$137.00
<b>Total</b>	<b>\$3,695.00</b>

Submitted By:



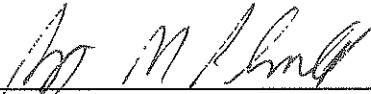
Steven A. Mendoza  
Community Development/  
Public Works Director

Fiscal Impact Reviewed By:



Glenn Steinbrink  
Interim Administrative  
Services Director

Approved By:



Bret M. Plumlee  
City Manager

- Attachments:
1. Request from Ms Shelly Green
  2. Municipal Code Section 5 16

Steven Mendoza

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**From:** Shelley Green [shelley@remotecallerbingo.com]  
**Sent:** Monday, April 28, 2014 2:35 PM  
**To:** Bret Plumlee  
**Cc:** Steven Mendoza; troy@troyedgar.com  
**Subject:** LINKED BINGO ORDINANCE IN LOS ALAMITOS  
**Attachments:** ordinance video.htm; California Cities with Remote Caller Bingo updated Model Ordinance.docx; our flier.jpg

Hello Mr. Plumlee,

My name is Shelley Green and I work for a Company called Bingo Innovations of California. We are a charity management company that works exclusively with California non-profits enabling them to fundraise by participating in Remote Caller Bingo, or as it is also known, Linked Bingo under California Penal Code 326.3. I am contacting you on behalf of St. Isadore Historical Plaza who have approached us with an interest in participating in Remote Caller Bingo. In order for any California non-profit to play Remote Caller Bingo, the city in which they reside must first amend their current bingo ordinance to allow Remote Caller Bingo.

We request that the issue be put up for consideration at and upcoming Council meeting for vote. I have attached a list of the over 100 California cities who have amended their bingo ordinance so far, a copy of the model amendment for your review, and a video from Rancho Mirage Council when they amended their local ordinance. This law is truly a gift to California non-profits as many of our charities on board have earned close to and into the 6 figure range with Linked Bingo. In this hard economy, this is a god send for non-profits.

I realize there may be many questions and I am happy to address any questions you or the Council may have regarding Remote Caller Bingo and the ordinance amendment. Please let me know how best to get the ball rolling forward so we can assist St Isadore and all non-profits in Los Alamitos.

Warm Regards,

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Shelley Green  
Account Executive  
Bingo Innovations of California  
Office-909-948-2088  
Cell-909-510-9872  
[shelley@remotecallerbingo.com](mailto:shelley@remotecallerbingo.com)

Web Sites:

[linkedbingo.com](http://linkedbingo.com)

[remotecallerbingo.com](http://remotecallerbingo.com)

Find us on Facebook as Bingo Innovations of California



Model Amendment to City Bingo Ordinance

# BINGO INNOVATIONS OF CALIFORNIA

A Charity Management Company

## Our Mission:

"Bingo Innovations of California provides charitable organizations the necessary resources to participate in remote caller bingo games and dramatically increase their fundraising."

Bingo Innovations of California, Inc. was founded because we believe we could provide an important service to the charitable bingo industry by allowing a solution to the many organizations chasing them for help. We offer the important service that they provide, but in a more convenient organizational structure that is at the heart of what we do.

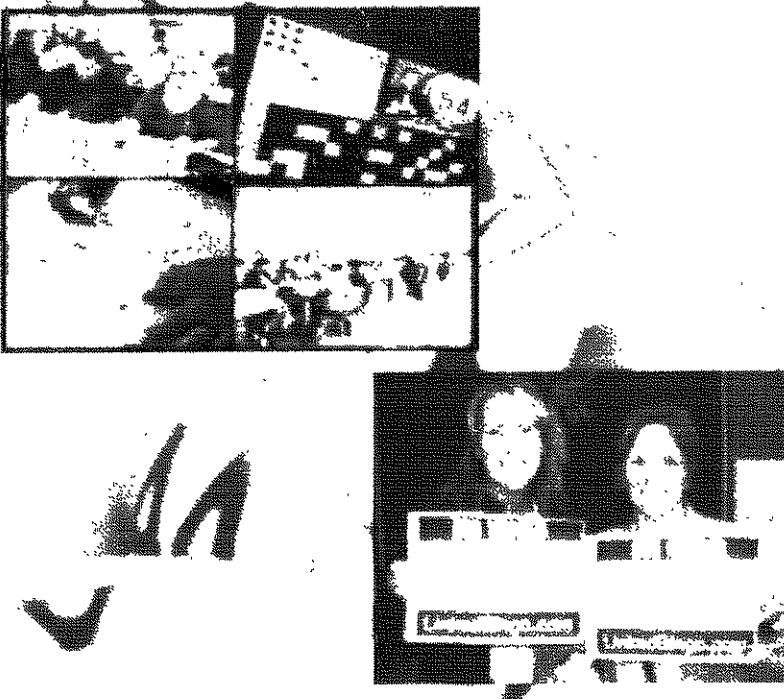
## How Much Money Can My Organization Make?

### Sample Scenario:

- Let's say you have 30 players show up per session with an average \$25 bingo card purchase.
- We play 3 sessions that night.
- As allowed by law, your organization plays 2 nights per week.  
 $30 \times \$25 = \$750.00$   
 $\$750 \times 3 \text{ (sessions)} = \$2250.00$   
 $\$2250 \times 43\% \text{ (organization proceeds)} = \$967.50$   
 $\$967.50 \times 2 \text{ (nights per week)} = \$1935.00 \text{ per week}$   
 $\$1935 \times 52 \text{ (weeks)} = \$100,620.00 \text{ annual revenue from card sales only}$

Remember that these numbers are extremely conservative and for sample purposes only. Obviously, if you have more than 30 players the revenue will go up substantially. These numbers also do not include your pull tab sales or food beverage sales which belong solely to the organization.

As the number of players increase and the number of host locations increase, so does your ability to raise funds.



## What Makes Remote Caller Bingo Different From Traditional Bingo?

A remote caller bingo game allows for multiple organizations to play. A remote caller may play the same bingo game simultaneously from a central location. The caller is responsible for calling the remote caller's numbers that of the game's total. The remote caller's share of 43% goes to the charity, 37% to the caller and 20% to the caller. BINGO derives its revenue from the 20% caller portion. Most importantly, California legislation allows for a remote caller to make more money. The maximum amount a remote caller may win is limited to only \$500 per bingo game per organization and will be the limit. This is because the limited amount of their money as a remote caller goes towards their individual organization's SWLTS for local sales only.

*For More Information or To Discuss How to Get Started:*

Bingo Innovations of California, Inc.  
2920 E. Inland Empire Blvd., Suite 120  
Ontario, CA 91764

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Email- [Info@remotecallerbingo.com](mailto:Info@remotecallerbingo.com)  
Website- [www.remotecallerbingo.com](http://www.remotecallerbingo.com)

# California Cities with Remote Caller Bingo updated Model Ordinance

Penal Code 326.3

Arleta	Garden Grove	Rialto
Arlington Heights	Glassel Park	San Clemente
Arroyo Grande	Granada Hills	Sawtelle
Atascadero	Greater Mid Wilshire Park	Shadow Hills
Azusa	Griffith Park	Sherman Oaks
Baldwin Hills	Harbor City	Silver Lake
Barstow	Harbor Gateway	South East La
Beaumont	Hemet	South La
Bel Air	Hollywood	Studio City
Bell Gardens	Hyde Park	Sun Valley
Beverly Crest	Indio	Sunland
Boyle Heights	Jefferson Park	Sylmar
Brea	Korea Town	Tarzana
Brentwood	Lake Balboa	Topanga
Burbank	Lake Elsinore	Tujunga
Calexico	Lakeview Terrace	Valley Glen
Canoga Park	Latuna Canyon	Valley Village
Century City	Lemet Park	Van Nuys
Chatsworth	Lincoln Park	Venice
Cherlot Hills	Los Angeles	Victorville
Chula Vista	Mar Vista	Watts
Claremont	Mid City	West Adams
Clearlake	Mission Hills	West Chester
Compton	Montebello	West Hills
Corona	North Hills	West La
Crenshaw	North Hollywood	Westlake
Crestview	Northridge	Wilmington
Cuenga Pass	Ontario	Wilshire Center
Cyprus Park	Pacific Palisades	Winetka
Del Ray	Pacomia	Woodland
Desert Hot Springs	Palms	Woodland Hills
Dixon	Panorama City	Yucaipa

**Eagle Rock  
East Hollywood  
Eastvale  
Echo Park  
El Sereno  
Encino  
Fair Fax Mid City West  
Folsom  
Fontana  
Fullerton**

**Pico Urban  
Placentia  
Playa Del Rey  
Pomona  
Porter Ranch  
Poway  
Rancho Cucamonga  
Rancho Mirage  
Rancho Park  
Redlands  
Reseda**

**Upland**  
  
**List of counties**  
  
**Riverside County  
Solano County  
San Bernardino County**

Title 5 BUSINESS LICENSES AND REGULATIONS

## **Chapter 5.16 BINGO**

### **5.16.010 Bingo defined.**

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. (See California Penal Code Section 326.5(o).)

### **5.16.020 Organizations eligible to conduct bingo games.**

Only organizations exempted from the payment of the bank and corporation tax by Sections 23701a, 23701b, 23701d, 23701e, 23701f, 23701g and 23701i, of the California Revenue and Taxation Code and mobilehome park associations and senior citizens organizations are eligible to apply to the city for a license to conduct bingo games in the city under the provisions of Section 326.5 of the California Penal Code and the provisions of this chapter, provided that the receipts of such games are used only for charitable purposes. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

### **5.16.030 License application.**

Eligible organizations desiring to obtain such annual license to conduct bingo games in the city shall file an application in writing therefor in the office of the city clerk on a form to be provided by the city clerk. The issuing authority shall be the city manager. No license shall be issued or become effective until at least thirty (30) days after the filing date of such application. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

### **5.16.040 License application—Restrictions.**

No license shall be issued to any organization unless such applicant is an eligible organization under Section 5.16.020 and its application conforms to the requirements, terms and conditions of this chapter. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

### **5.16.050 Contents of application.**

The application for an annual license shall contain the following:

- A. The name of the applicant organization and a statement that applicant is an eligible organization under Section 5.16.020;
- B. The name and signature of at least two officers, including the presiding officer, of the applicant corporation, association or other entity;
- C. The particular property within the city including the street number, owned or leased by the applicant, used by such 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 and the date the property was first occupied. The applicant may also be required to submit documentation which establishes the nature of such ownership or leasehold interest;
- D. Proposed day of week and hours of day for conduct of bingo games. (See Section 5.16.180);



E. A schedule of the games proposed;

F. 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 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 such provisions;

G. The signatures of the applicant shall be preceded by a declaration under penalty of perjury that the contents of the application are true and correct:

H. The annual license fee of fifty dollars (\$50.00) shall accompany the application, one-half of which will be refunded if the license is not issued.

I. The applicant shall also submit with its application a certificate or determination of exemption issued by the state of California Franchise Tax Board; or, in the case of a mobilehome park association or senior citizen organization, a copy of its Articles of Incorporation, Charter or Articles of Association certified by an officer of the organization as having been duly adopted by the organization, which Charter or Articles shall include a specific statement that all proceeds from the operation of bingo games shall be used only for charitable purposes except as permitted by Section 326.5 (k) (1) (2) (3) (4) of California Penal Code;

J. An acknowledgment that the applicant understands the financial record submittals required by Section 5.16.100 of this chapter. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.060 Investigation of applicant.**

Upon receipt of the completed application and the fee, the city clerk shall refer the same to interested departments of the city including, but not limited to, the city manager, director of public services, city attorney, police department and the fire department for investigation as to whether or not all the statements in the application are true, whether the applicant qualifies under this chapter and applicable state law, and whether the property of the applicant qualifies and the extent to which it qualifies, as property on which bingo games may lawfully be conducted as to fire, occupancy, zoning and other applicable restrictions. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.070 Contents of license.**

Upon being satisfied that the applicant is fully qualified under law to conduct bingo games in the city, 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 whom 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 the expiration of such license: which shall be one year from the date of issuance;

E. Such other information as may be necessary or desirable for the enforcement of the provisions of this chapter. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.080 Suspension of license— Revocation.**

A. Whenever it appears to the city manager that the licensee is conducting a bingo game in violation of any of the provisions of this chapter or that the license was issued as a result of misrepresentation by the applicant, the city manager shall have the authority to temporarily revoke the license in writing and order the licensee to immediately cease and desist any further operation of any bingo game. The administrative remedies set forth in this section shall thereafter be followed and shall be the exclusive remedies.

B. The order issued under subsection A of this section shall include notification to the licensee that it shall have ten days from the date of such order to request in writing a hearing before the city manager to determine whether such license shall be permanently revoked. Failure to request, in writing, such hearing before the city manager within the ten-day period, shall result in a permanent revocation of the license.

C. Upon such request by the licensee, whose license has been temporarily revoked under subsection A of this section, for a hearing to determine whether such license shall be permanently revoked, the city manager shall provide such hearing within ten days after receipt of such request at which hearing the licensee may appear before the city manager for the purpose of presenting evidence why the license should not be permanently revoked. No license shall be permanently revoked under this section unless notice of the time and place of such hearing shall have first been given at least five days before the hearing thereof by depositing in the United States mail a notice directed to the suspended licensee at the address given in the application. The notice shall set forth a summary of the grounds advanced as the basis of the suspension and revocation.

D. Any organization whose license is permanently revoked by the city manager under this section may appeal such permanent revocation to the city council by filing a written request therefor with the city clerk within twenty (20) days after the decision of the city manager. The appeal shall be heard by the city council within thirty (30) days of the receipt of the request, unless otherwise mutually agreed, and the appellant shall be given written notice of the time and date of such appeal hearing within the same time and in the same manner set forth in subsection C of this section.

E. Any person who conducts or continues to conduct a bingo game after any temporary or permanent revocation of the license shall be deemed guilty of a misdemeanor and upon conviction thereof, shall be punishable by a fine not exceeding five hundred dollars (\$500.00) or by imprisonment in jail for a period not exceeding six months, or by both such fine and imprisonment. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.090 Bingo game prizes—Maximum amount.**

The total value of prizes awarded during the conduct of any bingo games shall not exceed two hundred fifty dollars (\$250.00) in cash or kind, or both, for each separate game which is held. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.100 Proceeds and profits—Separate accounts—Records submittal.**

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 section, 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 not within subsection 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 twenty (20) percent of the proceeds before the deduction for prizes, or one thousand dollars (\$1,000.00) per month, whichever is less, may be used for rental of property, overhead, including the purchase of bingo equipment, and administrative expenses, security equipment and security personnel;
3. Such proceeds may be used to pay license fees.

C. The licensee shall keep full and accurate records of the income and expenses received and disbursed in connection with its operation, conduct, provision, supervision and any other phase of bingo games which are authorized by this chapter.

D. True and correct copies of such records shall be submitted to the city manager annually except that on the last day of the seventh month after the first license has been issued, such records shall be submitted covering the period from the issuance date to the last day of the sixth month following issuance; each set of annual records shall be submitted no later than the last day of the month next succeeding the expiration date of the license and shall cover the entire license period except that the first annual records shall cover the period commencing with the closing date of the last records submitted and end with the expiration date of the license. The city, by and through its authorized officers, shall also have the right to examine and audit such record at any reasonable time and licensee shall fully cooperate with the city by making such record available. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.110 Financial interest in licensee only.**

No individual, corporation, partnership or other legal entity except the licensee shall hold a financial interest in the conduct of such bingo game. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.120 Exclusive operation by licensee.**

A bingo game shall be operated and staffed only by members of the licensee organization. Such members shall not receive or pay 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 chapter does not preclude the employment of security personnel who are not members of the authorized organization at such bingo game by the organization conducting the game. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.130 Bingo games open to public.**

All bingo games shall be open to the public, not just to the members of the licensee organization. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.140 Attendance limited to occupancy capacity.**

Notwithstanding that bingo games are open to the public, attendance at any bingo game shall be limited to the occupancy capacity of the room in which such game is conducted as determined by the fire department and department of public services of the city in accordance with applicable laws and regulations. Licensee shall not reserve seats or space for any person. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

#### **5.16.150 Bingo games to be conducted only on licensee's property.**

A licensee 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 such organization for an office or for 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 and as a place for performance of the purposes for which the licensee is organized, 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 for an office or for performance of the purposes for which the organization is organized. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

**5.16.160 Minors not to participate.**

No person under the age of eighteen (18) years of age shall be allowed to participate in any bingo game. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

**5.16.170 Intoxicated persons not to participate.**

No person who is obviously intoxicated shall be allowed to participate in a bingo game or be allowed to remain on the licensed premises while such games are being conducted. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

**5.16.180 Hours and days of operation.**

No licensee shall conduct any bingo game for a period of more than five hours in any twenty-four (24) hour period and no licensee shall conduct a bingo game more frequently than once in any seven-day period. No bingo game shall be conducted before ten a.m. or after midnight of any day and no games shall be commenced before six p.m. in the C-O, C-G or P-M zoning districts, except on weekends or holidays.

Once in each calendar year and upon written notification to the city manager at least fourteen (14) days prior thereto, a licensee may conduct bingo games in two consecutive twenty-four (24) hour periods in addition to the licensee's regular schedule. (Ord. 505, 1988; Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

**5.16.190 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. 454 § 1, 1983; Ord. 365 § 1, 1977)

**5.16.200 Receipt of profit by a person— Misdemeanor.**

Any person who pays or receives a profit, wage or salary from any bingo game authorized under this chapter is guilty of a misdemeanor and upon conviction is 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. Security personnel employed by the organization conducting the bingo game may be paid from the revenues of bingo games as provided in Section 5.16.100. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

**5.16.210 City may enjoin violation.**

The city may bring an action in a court of competent jurisdiction to enjoin a violation of Section 326.5 of the Penal Code or of this chapter. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)

**5.16.220 Notice of application for license to surrounding property.**

At the time the city manager receives an application for a license under this chapter, he shall promptly notify the occupants and owners of all property as listed on the latest assessment roll, located within three hundred (300) feet of the property where the applicant proposes to conduct the bingo games. Such notice shall

include a description of the applicant's proposed schedule including number of days when games are to be conducted, the hours thereof, the maximum number of persons the facility will permit and the address where comments will be received. The city manager shall give due consideration to such comments and include such measures on the license as he deems necessary to preserve the peace, tranquility and safety of the area surrounding the location. Any applicant aggrieved by such measures may appeal to the city council by written notice to the city clerk within twenty (20) days of the city manager's action and the city council may take such action as it deems appropriate of such measures. (Ord. 454 § 1, 1983; Ord. 365 § 1, 1977)