



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: February 1, 2022

TO: Christine Daniel, City Manager

FROM: Jeff Jennings, Chief of Police

SUBJECT: Resolution Of The City Council Of The City Of Emeryville Granting An Annual Card Room License To The Oaks Card Club For Calendar Year 2022

RECOMMENDATION

Staff recommends the City Council adopt the attached resolution approving the Oaks Card Club application to renew its annual Card Room License.

BACKGROUND

The premise listed below currently holds an active Card Club license.

Oaks Card Club (Mr. John Tibbetts, et al, Partner and CEO)
4097 San Pablo Avenue, Emeryville, CA 94608

DISCUSSION

Applicable Law

Chapter 5 of the Emeryville Municipal Code (hereinafter "EMC") governs all aspects of the Oaks Card Club rooms in the City.

The State of California Department of Justice - Division of Gambling Control, requires anyone who owns, manages, or holds a financial interest in a gaming room to register with the State Attorney General. The Division of Gambling Control provides for concurrent jurisdiction with local governments and does not preempt the authority of local governments from imposing any valid local control over card rooms. The Division of Gambling Control is responsible for licensing card room owners and employees and conducts its own independent investigation. Any disqualifying information is forwarded to the City of Emeryville Police Department.

Per Section 5-5.25 EMC, Permitted Games Designated, lists currently authorized games as follows:

1. Draw Poker
2. Lowball Draw Poker

3. Seven Card Stud Poker (High)
4. Seven Card Stud Poker (Low)
5. Texas Hold'em Poker
6. Panguingue (PAN)
7. Pai Gow
8. Double Hand Poker
9. Super Pan 9
10. Pure 21.5 Blackjack
11. 21st Century Blackjack
12. Omaha Poker
13. 14 Three Card Poker
14. ZOOBAC

The rules of play for the above permitted games are on file at the Police Department as required by ordinance. No other games may be played or permitted to be played in a licensed Emeryville card room. By revision of the ordinance, additional games may be added, but all games of mere chance are prohibited (that is, State Penal Code Section 330 requires there be some level of skill involved in the game).

The Police Department carefully monitors informational bulletins published by the Division of Gambling Control concerning gaming regulations. From time-to-time DOJ provides changes in guidelines to registered businesses and to the local police agency to insure that violations of the State Penal Code can be avoided.

Additionally, the State Attorney General has reminded local law enforcement officials that if any of the aforementioned games are played in a fashion that constitutes a "banking" or a "percentage" game, participants are in violation of State Penal Code Section 330, and State gaming permits are subject to revocation. Moreover, the State appellate court held that jackpot arrangements are illegal.

The Oaks Card Club is in compliance with all of the above.

Authorized Number of Tables. Section 5-5.16 EMC requires approval of the City Council concerning the number of designated tables which sets the monthly per table license fee charged by the City of Emeryville.

The Oaks Card Club has applied for permission to operate forty (40) tables.

Authorized Number of Tables

Oaks Card Club - 40 Tables

Investigation Concerning the Oaks Card Club: During 2021, the Emeryville Police Department, made several unannounced card room inspections. Employees and customers were monitored during these inspections and no unusual or remarkable events occurred.

For the Calendar year of 2021, there were one hundred and forty-one (141) events

documented by the Police Department at the Oaks Card Club. Of the calls for events; five (5) involved subjects causing a disturbance and refusing to leave but eventually complied with The Oaks Card Club staff, two (2) calls involved individuals attempting to pass fraudulent money and a majority of the remaining calls involved Officers conducting security checks. (See Attachment 1)

There has been no change in the number of uniformed security personnel employed by the Oaks Card Club. The total number of uniformed security personnel employed by the Oaks Card Club is twenty-six (26). The security personnel are deployed in the following manner: five officers on day shift, seven on swing shift, and seven on the midnight shift.

The following is the breakdown in ownership of the card room. The percentages are as follows:

- John Tibbetts 51%
- Kathleen Tibbetts Henry 12.25%
- Nora Ernst 12.25%
- Dorothy Leroux 12.25%
- Janet Heger 4.083%
- Steven Heger 4.083%
- Suzy Stevens 4.083%

FISCAL IMPACT

The annual card room license fee of \$3,182.00 was paid October 06, 2021. This fee is to recover the cost of reviewing the annual application and determining compliance with the Municipal Code.

CONFLICT OF INTEREST

None

CONCLUSION

Since the Department of Justice (DOJ) conducted their investigation in 2010, the Oaks Card Club management has been responsible in its obligation to report crimes and suspicious activity in and around the licensed property. Part of their agreement with DOJ is to send a copy of an incident to the DOJ as well as file a report with the Emeryville Police Department. The Emeryville Police Department has not received any negative information from the Department of Justice regarding the Oaks Card Club and failure to comply with any of the sanctions related to the 2010 investigation.

The Police Department investigation has revealed no significant information which would warrant a recommendation for denial of the 2022 renewal application of the current card room permit for the Oaks Card Club. Mr. John Tibbetts has been transparent and cooperative with the Police Department in the review of this application and in adherence of the ordinance of the EMC and State law.

Staff is recommending the City Council approve the application and resolution granting a Card Room License to the Oaks Card Club for the calendar year 2022.

STAFF COMMUNICATION WITH THE PUBLIC

None to date.

PREPARED BY: Oliver Collins, Captain
Jeff Jennings, Chief of Police

**APPROVED AND FORWARDED TO THE
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



Christine Daniel, City Manager

ATTACHMENTS

1. Draft Resolution