### FACT SHEET ON THE PROPOSAL TO AMEND THE CITY OF SACRAMENTO'S GAMING ORDINANCE

### 1. SACRAMENTO'S CURRENT GAMBLING ORDINANCE PROHIBITS:

- More than 4 card rooms total
- One person from owning more than 1 card room
- No more than 15 tables in a card room
- The creation of a "casino-like atmosphere" that would become "major industry or attraction" and a regional "community center" for gamblers because:
  - "Increased and unrestrained gambling creates great law enforcement problems"
  - o Diverts police resources from other law enforcement activities
  - o It is "detrimental to the development of this community.

# 2. TWO CARDROOM OWNERS (the owners of the Casino Royale and the Limelight) WANT TO AMEND SACRAMENTO'S GAMBLING ORDINANCE TO ALLOW:

- One person to own more than one card room in order to "combine" operations into one MEGA-CARDROOM.
- The MEGA-CARDROOM could have 30 gambling tables, and perhaps as many as 45 if the City approves the reactivation of the one eligible dormant license in the City.
- City Staff says such a proposal would provide for "regional" competition.
- The City would realize no additional revenue from this amendment.

# 3. THE IMPACT OF AMENDING SACRAMENTO'S ORDINANCE AS PROPOSED BY THE LIMELIGHT AND CASINO ROYALE

- It would tilt the current level playing field, which has 4 card rooms geographically dispersed throughout the City, in favor of the co-owned MEGA-CARD ROOM such that the two remaining card rooms (Capitol Casino and the Lotus Casino) would be put at a severe economic disadvantage.
  - San Jose used to have 10 card rooms. When they allowed the Garden City Casino to open with 40 tables, within one year, only two card rooms remained (Garden City and Bay 101) and all the "mom and pop" operations were out of business.

#### 4. WHY THIS IS UNFAIR

• The current ordinance prohibits "Casino-like atmospheres" and a "community center for gamblers". Legitimate community stakeholders and leaders have not

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been consulted as to whether or not they believe to clubs in one location is consistent with those principles.

- John Park bought the Silver Fox Card Room (now the Lotus) on Stockton Blvd. in August of 2010.
- He operates 8 gaming tables. He is in the last stages of getting his permits for a major remodel of the facility. He made his investment based on the level playing field currently provided.
- Governments should not pick winners. The laws should create a level playing field to promote competition, not "pick a winner" in order to create a monopoly.