

**ORDINANCE NO. 26-10**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RICHMOND  
AMENDING RICHMOND MUNICIPAL CODE CHAPTER 11.86 REGULATING  
CHARITABLE BINGO**

---

**THE CITY COUNCIL OF THE CITY OF RICHMOND** does ordain as follows:

**SECTION 1.** Richmond Municipal Code Chapter 11.86 (Bingo Games) is hereby amended to read as follows:

Chapter 11.86  
BINGO GAMES

Sections:

- 11.86.010 Bingo defined.
- 11.86.020 Organizations eligible to conduct bingo games.
- 11.86.030 Application for license.
- 11.86.040 Issuance of license and fee.
- 11.86.045 Denial, suspension and revocation of license.
- 11.86.050 Location of bingo games.
- 11.86.060 Conduct of bingo games.
- 11.86.070 Security personnel or monthly fee.
- 11.86.080 Financial interest.
- 11.86.090 Limitations on use of funds.
- 11.86.110 Minors.
- 11.86.120 Prizes.
- 11.86.125 Recordkeeping--Right of inspection.
- 11.86.130 Penalty.
- 11.86.140 Injunction.

**11.86.010 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.

**11.86.020 Organizations eligible to conduct bingo games.**

Any nonprofit organization exempted from the payment of bank and corporation tax by Sections 23701(a), 23701(b), 23701(d), 23701(e), 23701(f), 23701(g) and 23701(l) of the Revenue and Taxation Code; any mobilehome park association; and any senior citizens organization may apply to the City of Richmond for a license to conduct bingo games in the city, provided that the proceeds of such games are used only for charitable purposes in accordance with California Penal Code Section 326.5.

**11.86.030 Application for license.**

- (a) Any charitable organization desiring a license to conduct bingo games in the City of Richmond shall file an application with the Director of Finance of the City of Richmond. Organizations must file with the Director of Finance certificates of the California Franchise Tax Board and the United States Internal Revenue Service that show that the organization is currently exempted from payment of the bank and corporation tax by one of the sections of the California Revenue and Taxation Code enumerated in Section 11.86.020, above.
- (b) In addition, the applicant shall provide the following:
  - i. A summary criminal history of the organization’s chief executive officer, chief financial officer, secretary, and all bingo managers prepared not more than two weeks prior to the date of application and demonstrating that there are no pending charges nor convictions for crimes of moral turpitude (such as theft, fraud, or assault) within the previous ten years.
  - ii. A business plan demonstrating that the organization shall provide training to all bingo managers and volunteer bingo operators on safety and theft prevention; shall incorporate security measures to protect players, employees, and volunteers; and shall maintain accounting records in accordance with the requirements of this Chapter.
- (c) The Director of Finance may also require additional information deemed necessary to verify that the organization will conduct games only for charitable purposes and in accordance with California law before issuing a license to conduct bingo games in the City of Richmond.

**11.86.040 Issuance of license and fee.**

Upon submission of all information as required by Section 11.86.030 and payment of a fifty-dollar annual license fee, the Director of Finance shall issue to the organization a license to conduct bingo games in the city for a period of one year. Unless a previous license was revoked in accordance with Section 11.86.045(b), an organization may renew its bingo license annually by providing all of the information required by Section 11.86.030 and an independent audit of its financial records detailing the revenue and expenditures of its bingo-related activities for the past year.

**11.86.045 Denial, suspension and revocation of license.**

- (a) The Director of Finance may deny an application for a bingo license if the Director of Finance determines that the organization applying for the license does not meet the requirements set forth in Section 11.86.020, fails to provide any information required by Section 11.86.030 or does not pay the license fee. Any organization denied a license shall be notified in writing of the reasons for such denial. The organization may appeal the denial to the City Manager. Such appeal shall be in writing and shall be filed with the City Manager within five (5) days after the denial by the Director of Finance. The City Manager shall conduct a hearing regarding the appeal, written notice of which shall be at least five (5) days prior to the hearing. The decision of the City Manager shall be final.
- (b) The Director of Finance may suspend or revoke a bingo license if the licensee, or any of its directors, officers, employees, agents or representatives, violates any of the provisions of this chapter or of California Penal Code Section 326.5. Prior to suspending or revoking a license, the

Director of Finance shall give the licensee prior written notice of the proposed action. The licensee may appeal the proposed action to the City Manager. Such appeal shall be in writing and shall be filed with the City Manager within five (5) days after the license is suspended or revoked. The City Manager shall conduct a hearing regarding the appeal, written notice of which shall be at least five (5) days prior to the hearing. The decision of the City Manager shall be final. No organization whose bingo license has been revoked may reapply for a bingo license within three (3) years after such license has been revoked.

**11.86.050 Location of bingo games.**

- (a) An organization authorized to conduct bingo games pursuant to Section 11.86.020 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. Nothing in this section shall be construed to require that the property owned or leased by or whose use is donated to the organization be used or leased exclusively by or donated exclusively to such organization.
- (b) Bingo games shall not be conducted in any location where alcohol is served.

**11.86.060 Conduct of bingo games.**

- (a) All bingo games allowed by this chapter shall be open to the public, not just to the members of the authorized organization.
- (b) A bingo game shall be operated and staffed only by members of an organization holding a bingo license. Those members shall not receive a profit, wage, or salary from any bingo game.
- (c) Two or more organizations holding bingo licenses may conduct joint bingo games. All organizations participating in joint games shall maintain records in accordance with Section 11.86.125.
- (d) All persons playing bingo must be physically present at the time and place in which the bingo game is being conducted.
- (e) Persons playing bingo may use electronic devices in accordance with Penal Code Section 326.5(p) to monitor their cards.

**11.86.070 Security Personnel or Monthly Fee**

An organization conducting bingo games shall either employ security personnel (who are not required to be members of the authorized organization) at every bingo game or shall pay a monthly fee to the City as determined by resolution of the Council to cover the costs of law enforcement and public safety.

**11.86.080 Financial interest.**

It is unlawful for any individual, corporation, partnership, or other legal entity except the organization authorized to conduct a bingo game to hold a financial interest in the conduct of such bingo game.

**11.86.090 Limitations on Use of Funds.**

- (a) With respect to organizations exempt from payment of the bank and corporation tax by Section 23701(d) 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. For the purpose of this paragraph, “profits” means all income remaining after the deduction of expenses, including but not limited to payment of prizes, fees, security personnel, and rental costs.
- (b) With respect to other organizations authorized to conduct bingo games pursuant to this chapter, all proceeds from a bingo game shall be kept in a special fund or account. 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 after the deduction for prizes, or two thousand dollars (\$2,000) per month, whichever is less, may be used for rental of property, overhead, and administrative expenses.
  - (3) The proceeds may be used to pay license fees.
  - (4) If the monthly gross receipts from bingo games exceed five thousand dollars (\$5,000), no less than twenty percent (20%) of the proceeds shall be used only for the organization’s stated charitable purpose.

**11.86.110 Minors.**

It is unlawful for any minor to participate in any bingo game.

**11.86.120 Prizes.**

The total value of prizes awarded during the conduct of any bingo game shall not exceed five hundred dollars in cash or kind, or both, for each separate game which is held.

**11.86.125 Recordkeeping--Right of inspection.**

- (a) All organizations conducting bingo games shall maintain records of gross receipts and prizes that shall be available for inspection by the City within one business day after the end of the day on which a game or games were conducted.
- (b) All organizations conducting bingo games shall keep and maintain for a period of at least five years full records and accountings detailing the amount of money obtained from players, the amount of money or value of prizes given for each game played, and the disposition of any funds generated by the conduct of bingo games.
- (c) Authorized organizations shall also keep a record of the names, addresses and telephone numbers of all members of the organization who staff the game and all security personnel
- (d) The Director of Finance and the Chief of Police shall have the right to inspect such records at any reasonable time, however such records shall not be available to the public.

**11.86.130 Penalty.**

It shall be a misdemeanor for any person to receive or pay a profit, wage or salary from any bingo game authorized under this chapter, a violation of which is punishable by a fine not to exceed ten thousand dollars, which fine shall be deposited in the general fund of the city.

**11.86.140 Injunction.**

The City of Richmond may bring an action to enjoin a violation of this chapter.

**SECTION 2. Severability.**

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Ordinance is for any reason held to be unconstitutional or invalid, such a decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase of this ordinance irrespective of the unconstitutionality or invalidity of any section, subsection, subdivision, paragraph, sentence, clause or phrase.

**SECTION 3. Effective Date.**

This Ordinance becomes effective 30 days after its final passage and adoption.

First reading at a regular meeting of the Council of the City of Richmond held July 20, 2010 and finally passed and adopted at a regular meeting thereof held August 2, 2010 by the following vote:

AYES: Councilmembers Butt, Lopez, Ritterman, Rogers, Viramontes, and Mayor McLaughlin

NOES: None

ABSTENTIONS: None

ABSENT: Councilmember Bates

DIANE HOLMES  
Clerk of the City of Richmond

[SEAL]

Approved:

GAYLE MCLAUGHLIN  
Mayor

Approved as to form:

RANDY RIDDLE  
City Attorney

I certify that the foregoing is a true copy of **Resolution No. 26-10**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on August 2, 2010.