

OFFICE OF THE CIT : CLERN OAKLAND

AGENDA REPORT

2014 JUN 12 PM 2:25

TO: HENRY L. GARDNER INTERIM CITY ADMINISTRATOR

FROM: Gregory Minor Assistant to the City Administrator

SUBJECT: Amendments to Chapter 9.24 of the Oakland Municipal Code

DATE: June 2, 2014

and the second of the first state of the	\cap	 A set of the set of	
City Administrator	()	Date //	1.6
Approval	84	6/10/14	u da de

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends adoption of an ordinance amending Oakland Municipal Code (OMC) 9.24 "Gambling" to clarify prohibited gambling activities and to delete outdated provisions related to pinball machines.

EXECUTIVE SUMMARY

The proposed amendments to the OMC's gambling section and the attached Zoning Code Bulletin are offered to close a loophole revealed by an "internet sweepstakes café" operating in Oakland's Fruitvale District earlier this year. On January 14, 2014, the Public Safety Committee (PSC) of the Oakland City Council directed staff to prepare modifications to both the OMC and the Planning Code of the City of Oakland to prevent any further "sweepstakes" operators from opening under the pretense of uses that are permitted by the Planning Code and/or not specifically prohibited by OMC Chapter 9.24 "Gambling."

To implement the PSC's direction, staff issued the attached Zoning Code Bulletin (prepared by Planning staff) and is presenting proposed modifications to OMC Chapter 9.24. The modifications to OMC 9.24 specifically prohibit "internet sweepstakes cafés" and should enable successful enforcement against future operators of "internet sweepstakes cafés." Likewise, the Zoning Code Bulletin clarifies for planning staff what constitutes an illegal internet café and provides protocol for distinguishing legitimate internet cafes from those promoting or accommodating illegal gambling. Amendments to the Planning Code are not necessary to address illegal internet cafes, and no action is required by Council regarding the Zoning Code Bulletin; it is merely being provided for the purposes of informing Council about steps already taken by staff.

Finally, staff is taking this opportunity to delete outdated sections of OMC 9.24 related to pinball machines that are no longer needed.

OUTCOME

This ordinance will prohibit the ability for "internet cafés" or other similar operations to conduct a "sweepstakes" program whereby people play games on computers to win prizes and/or money. Deterring these operations would eliminate the nuisance activities that these operations serve as covers for, including illegal gambling operations, and any additional deleterious effects that gambling operations generate, such as check and credit card fraud, loan sharking, robbery, and money laundering.

BACKGROUND/LEGISLATIVE HISTORY

In their applications to the City, the operators of these types of illegal internet cafes present themselves as "Business, Communication and Media Service Commercial Activities" that rent computer time to patrons and provide facsimile, printer and copying for print production, communications, video editing and mailing services, but in reality these businesses operate as internet cafes that allow online gambling activities. Based on operators' inaccurate and misleading business description at the zoning counter, these types of internet cafes have sometimes been able to obtain a Zoning Clearance and operate for several months before becoming an enforcement issue that can be extremely costly to correct. Staff issued a Zoning Code Bulletin which clarifies that these types of illegal internet cafes are prohibited under the existing Planning Code, and provides direction to staff on how to best analyze applications in order to prevent the approval of misleading applications.

ANALYSIS

Staff has prepared this ordinance as a way of clarifying that internet sweepstakes cafes are illegal in Oakland due to their potential for abuse and illegal gambling nature. This will also assure that the operators who purport to conduct the illegal activities described above do not add activities that are not desired or which may circumvent state law.

Staff proposes the following modifications to OMC section 9.24.010 "Definitions" (language proposed to be added is underscored):

"Computerized Sweepstakes Device" shall mean any computer, machine, game, apparatus or similar device which upon insertion of a coin, token, access number, magnetic card or similar object, or upon payment of anything of value, may be operated by the public generally for use in a contest of skill, entertainment, amusement or chance whether or not registering a score, and which provides the user with a chance to win any cash payout or anything that could be redeemed, directly or indirectly for any cash payout or anything of value. However, pinball, skeeball, and other amusement machines or devices that afford the opportunity of additional chances, free plays or nominal payments are not included within the term "Computerized Sweepstakes Device."

"Internet sweepstakes café" means any premises upon which a computerized sweepstakes device is located for the use or entertainment of the public, whether or not such premises has other business purposes of any nature whatsoever.

Staff drafted the above language broadly enough to capture the activity that takes place in "internet sweepstakes cafes," which allegedly consists of both chance- and skill-based contests, while avoiding prohibiting public amusement devices that offer only nominal payments and thus less deleterious effects. Should any questions arise as to how to further distinguish prohibited "computerized sweepstakes device" from public amusement machines, the proposed ordinance authorizes the City Administrator in OMC 9.24.015 to adopt regulations to further the intent and purposes of the ordinance.

Staff believes these clarifying amendments along with the Zoning Code Bulletin should prevent illegal nuisance operators from opening. The amendments identify specific activities that are of concern to Council and this clarity will facilitate enforcement by the Oakland Police Department, the City Attorney's Office, and/or the Nuisance Abatement Division of the City Administrators Office.

Staff also recommends deleting OMC section 9.24.090 "Pinball machines," which makes it unlawful for any person to store or use certain pinball machines, as this prohibition is outdated and no longer necessary.

PUBLIC OUTREACH/INTEREST

This item did not require any additional public outreach other than the required posting on the City's website.

COORDINATION

This report was developed in consultation with staff in the Planning and Building Department, Budget Office, and the City Attorney's Office.

COST SUMMARY/IMPLICATIONS

There are no fiscal impacts to the City associated with the adoption of the proposed ordinance.

SUSTAINABLE OPPORTUNITIES

Economic: Adopting new regulations to prevent illegal nuisance activities from happening will ensure that the City only has lawful businesses operating. The amendment would also curb unfair business practices within the City.

Environmental: There are no environmental opportunities associated with this informational report.

Social Equity: Adopting new regulations will afford the City an opportunity to assure that only permitted and regulated businesses operate in the City, and will prevent illegal gaming activities from preying on working class communities.

CEQA

The adoption of proposed clarifying amendments to Chapter 9 of the Oakland Municipal Code is exempt from CEQA review pursuant to CEQA Guidelines sections 15061(b)(3) (general rule exemption) and 15183 (projects consistent with general plan and zoning).

For questions regarding this report, please contact Gregory Minor, Assistant to the City Administrator, at (510) 238-6370.

Respectfully submitted,

Gregory M. Minor Assistant to the City Administrator City Administrator's Office

Reviewed by: Robert Merkamp, Planner III Planning and Building

> Arturo M. Sanchez Interim Assistant City Administrator

Aubrey Rose Planner II Planning and Building

Encl: Zoning Code Bulletin Draft Ordinance



Planning and Building Department

ZONING CODE BULLETIN

Date Issued: April 17, 2014

Zoning Topic: Internet Cafes

Pertinent Code Sections:

9.24 Gambling

17.10.274 Limited service restaurant and café commercial activities

- 17.10.320 Mechanical or electronic games commercial activities
- 17.10.340 General retail sales commercial activities

17.10.400 Business, communication, and media service commercial activities

Question/Issue: How is an internet café recognized and regulated at the Zoning Counter, under the Municipal Code and Planning Code, so internet cafes promoting or accommodating illegal activities are prevented from operating while not burdening legitimate businesses that may share certain layout or operating characteristics?

Short Answer: An internet café that offers online sweepstakes gambling is prohibited under both the Planning and Municipal Codes, and should not be issued a Zoning Clearance. Therefore, <u>a floor plan should be required.</u>

Background

The City has recently received inquiries regarding the establishment and operation of internet cafes that most typically would conduct a "sweepstakes" program whereby people may play games on the computers there in the hopes of winning prizes. Similar businesses have been opening throughout California and the United States. The California Department of Justice, Bureau of Gambling Control, has considered that internet cafes offering these types of sweepstakes are illegal gambling operations, and some have come under investigation for this. This type of internet café has the potential to generate deleterious effects that legal gambling operations generate, such as check and credit card fraud, loan sharking, robbery, money laundering, and other nuisances, and it is within the City's police power authority to regulate gambling activities that are not regulated by state law.

Purpose

The purpose of this Zoning Code Bulletin is to clarify what constitutes an internet café and to provide protocol for distinguishing legitimate internet cafes from those promoting or accommodating illegal gambling. This will clarify when this type of activity is prohibited pursuant to Oakland Municipal Code section 9.24 [Gambling] and is not a permitted use under Planning Code section 17.10.320 [Mechanical or electronic games commercial activities], and, therefore, should not be issued a Zoning Clearance. A legitimate prospective business sharing certain layout or operating characteristics with internet cafes should be distinguished from illegal operations and reviewed pursuant to the Planning Code. The City is not seeking to restrict access to the internet in general; rather, the City is clarifying that online sweepstakes gambling is prohibited.

Internet Cafés That Allow Gambling Activities distinguished from Lawful Businesses

Internet cafes that allow gambling activities are prohibited under the Oakland Municipal Code and the Planning Code. These types of internet cafes are generally located in commercial locations and include numerous computer terminals or

April, 2014

stations installed with special software to offer online sweepstakes gambling for awards including cash prizes. Internet cafés purport to sell their customers time on computers that are connected to the internet. Based on the amount of computer time purchased, customers are provided a certain number of credits to play games on the computers. These games hold out the possibility of winning prizes including cash. Frequently, the games have the appearance of Vegas-style games of chance, such as slot machines, thus creating a casino-like atmosphere at these internet cafes.

In their applications to the City, the operators of these types of internet cafes have described themselves as business centers that rent computer time to patrons and provide facsimile and copy services, and/or cell phone/cell phone accessory shops, and then operate as internet cafes that allow online gambling activities. Such internet cafes sometimes locate in mini-malls containing several businesses. They generally do not offer or serve food or beverages. Based on the operators' inaccurate and misleading business description at the zoning counter, these types of internet cafes have sometimes been able to obtain a Zoning Clearance and operate for several months before becoming an enforcement issue that can be extremely costly to correct.

Submittal Requirements

Any applications for the following uses or combinations of uses must include a floor plan and description of <u>computer/internet options</u> to help ensure that illegal internet cafés do not establish:

- Business centers (such as various chains or independents) offering photocopying, faxing, photo processing and other services including a limited number of computers including for internet use are classified as "Business, communication, and media service commercial activities." (Planning Code section 17.10.400.)
- Cell phone and cell phone accessory stores (such as chains or various independents) offering cell phones and/or cell phone related accessories are classified as "General retail sales commercial activities." (Planning Code section 17.10.340.)
- 3. Internet cafés offering access to computer terminals or stations for internet use are classified as "Mechanical or electronic games commercial activities" where no online sweepstakes gambling is present (Planning Code section 17.10.320.) or "Limited service restaurant and café commercial activities" (Planning Code section 17.10.274) if food is served and no online sweepstakes gambling is present.

Such applications shall be taken in and evaluated for appropriate zoning conformity, and a determination shall be issued by the Zoning Manager.

-2-

REVIEWED AND APPROVED BY:

Scott Miller

ZONING MANAGER

April, 2014

REFERENCES

17.10.274 Limited service restaurant and cafe.

Restaurants that generally provide food or beverage services to patrons that order and pay before eating. Food and beverages may be served in disposable containers and may be consumed on the premises or taken out. Seating for on-premises consumption is usually available and table service may not be provided. Examples of these activities include, but are not limited to, cafes and restaurants that do not fall under <u>17.10.272</u> Full Service Restaurant or <u>17.10.280</u> Fast-food Restaurant Commercial Activities.

17.10.320 Mechanical or electronic games commercial activities.

Mechanical or Electronic Games Commercial Activities include the provision of pinball machines, video game devices, or other mechanical or electronic games, as defined in the Oakland Municipal Code, where the games can be played or operated by the public or by customers; but exclude the provision of such games in a pool or billiard room or bowling alley for which a permit is required pursuant to Chapter 5.02 of the Municipal Code and from which persons under eighteen (18) years of age are barred at all times by the owner or operator, or in premises which are licensed by the State Department of Alcoholic Beverage Control for on-sale consumption of alcoholic beverages and which do not lawfully allow minors.

17.10.340 General retail sales commercial activities.

General Retail Sales Commercial Activities include the sales of items generally for personal or household use, but excludes activities more specifically described in other classifications. This activity does not include establishment where more than five percent of net retail floor area is devoted to food products. Examples of activities in this classification include but are not limited to the following:

• Book and magazine, music, and video stores; Pharmacy that sells prescription and non-prescription drugs along with miscellaneous retail items; Florists; News stand; New and used clothing and shoes stores; Department stores; Electronics and appliance stores; Furniture and home furnishing stores; Gift shops; Hardware and paint stores; Hobby supply stores; Auto parts stores, excluding service or installation; Jewelry stores; Luggage and leather goods stores; Office supply and stationary stores; Sporting goods stores.

17.10.400 Business, communication, and media service commercial activities.

Business, Communication, and Media Service Commercial Activities include the provision of services of a clerical, goods brokerage, communication, or minor processing nature such as digital and print production, photocopying, audio and video editing, and mailing services.

-3-

OFFICE OF THE CIT + CLERI

APPROVED AS TO FORM AND LEGALITY

2014 JUN 12 PM 2: 26

Elico Delico

OAKLAND CITY COUNCIL

ORDINANCE NO. ____C.M.S.

ORDINANCE AMENDING OAKLAND MUNICIPAL CODE (OMC) CHAPTER 9.24 "GAMBLING" TO CLARIFY PROHIBITED GAMBLING ACTIVITIES AND TO DELETE OUTDATED PROVISIONS RELATED TO PINBALL MACHINES

WHEREAS, ambiguity in the definition of gambling has enabled the rise of "internet sweepstakes cafes" across the United States; and

WHEREAS, the City has received inquiries regarding the establishment and operation of "internet sweepstakes cafes" within the City; and

WHEREAS, "internet sweepstakes cafes" are operations that sell internet time on computer terminals and in conjunction therewith provide free entries into "sweepstakes", which permit customers to play gambling-themed games on computers to win cash prizes typically, but not always, distributed based on the results of customers' operation of games on the computer terminals; and

WHEREAS, operators of "internet sweepstakes cafes" assert that their operations do not violate state gambling laws because customers pay for the right to use computer terminals and not for the privilege of entering the sweepstakes; and

WHEREAS, the California Bureau of Gambling Control has issued a Law Enforcement Advisory stating that it considers internet cafes that offer these types of "sweepstakes" to be illegal gambling operations; and

WHEREAS, even if the operations of "internet sweepstakes cafes" do not constitute illegal gambling under state law, customers of "internet sweepstakes cafes" experience an atmosphere that is similar to the experience that is offered on slot machines and other electronic gambling devices legally operated in the State of Nevada, and the operations therefore do have the same potential to generate deleterious effects that legal gambling operations do; and

WHEREAS, it is within the City's police power authority to regulate gambling activities that are not regulated by state law; and

WHEREAS, the City Council finds that "internet sweepstakes cafes," like legal gambling operations, must be appropriately regulated to ensure both that the "internet sweepstakes cafes" do not cross the line between a legal sweepstakes program and an illegal lottery or gambling establishment and that the public can have confidence and trust in the credibility and integrity of the operations; and

WHEREAS, the City Council finds that the development, establishment, and operation of "internet sweepstakes cafes" without adequate regulation has the potential to result in associated crime such as check and credit card fraud, loan sharking, robbery and money laundering; and

WHEREAS, the City Council further finds that the City at present does not have the financial and technical resources to appropriately regulate "internet sweepstakes cafes;" and

WHEREAS, the City Council believes, for all the foregoing reasons, that it is in the public interest to prohibit the operation of "internet sweepstakes cafes" in the City; and

WHEREAS, the City of Oakland's ability to restrict or prohibit "sweepstakes cafes" is restrained by the City's existing gambling ordinance; and

WHEREAS, revising the City's gambling ordinance with unambiguous language that includes "internet sweepstakes cafes" will assist City staff and law enforcement in their enforcement and prevention efforts against these types of cafes; and

WHEREAS, the City's revision of its gambling ordinance will complement parallel efforts at the state level; and

WHEREAS, the City's past prohibition on pinball machines is deemed unnecessary; and

WHEREAS, each as a separate and independent basis, this action is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 15183 (projects consistent with General Plan and Zoning) and 15061(b)(3) (no significant effect on the environment); now, therefore,

THE COUNCIL OF THE CITY OF OAKLAND DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council finds and determines the foregoing recitals to be true and correct and hereby adopts and incorporates them into this Ordinance.

SECTION 2. Oakland Municipal Code ("OMC") Chapter 9.24 is hereby amended as follows. Additions to the OMC are shown as <u>underscore</u> and deletions are shown as <u>strike through</u>; portions of Chapter 9.24 not shown in underscore or strike-through are not changed.

Chapter 9.24 GAMBLING Sections:

9.24.010 Definitions.
9.24.020 Gambling and betting.
9.24.030 Betting tips.
9.24.040 Card games.
9.24.050 Barricaded rooms.
9.24.060 Permit for barricaded rooms.
9.24.070 Revocation of permit for barricaded rooms.—Appeals—Hearings.
9.24.080 Building permit—Barricaded rooms.
9.24.090 Pinball machines.

9.24.010 Definitions.

For the purposes of this chapter certain words and phrases are defined, and certain provisions shall be construed as herein set out, unless it shall be apparent from their context that a different meaning is intended:

"Bet" and "Betting" mean an agreement, expressed or implied, between two or more persons that money or some valuable thing contributed by those so agreeing shall become the property of one or some of them upon the happening or not happening in the future of an event which at the time is an uncertainty, or upon the ascertainment of the fact in dispute.

"Computerized Sweepstakes Device" shall mean any computer, machine, game, apparatus or similar device which upon insertion of a coin, token, access number, magnetic card or similar object, or upon payment of anything of value, may be operated by the public generally for use in a contest of skill, entertainment, amusement or chance whether or not registering a score, and which provides the user with a chance to win any cash payout or anything that could be redeemed, directly or indirectly for any cash payout or anything of value However, pinball, skeeball, and other amusement machines or devices that afford the opportunity of additional chances, free plays or nominal payments are not included within the term "Computerized Sweepstakes Device."

Gambling. "To Gamble" and "Gambling" mean the playing at a game, device or contrivance in which the element of chance is the controlling factor, for Stakes, or the Betting on the result of any game, device or contrivance, whether it be one of skill or chance.

"Internet Sweepstakes Café" means any premises upon which a Computerized Sweepstakes Device is located for the use or entertainment of the public, whether or not such premises has other business purposes of any nature whatsoever.

"Public Place" means any place or premises except a bona fide private dwelling or an apartment, suite or room which is used in good faith as the residence of one or more persons.

"Stake" means a fund or valuable thing or things contributed by two or more persons on an understanding, express or implied, that each one so contributing is to have a chance to gain a portion or all of such fund, thing or things, dependent upon the happening or not happening of some uncertain event.

(Prior code §§ 3-5.01-3-5.05)

9.24.015 Power to impose regulations on Computerized Sweepstakes Devices and Internet Sweepstakes Cafes.

The City Administrator shall have the power to adopt regulations to further the intent and purposes of this chapter in regards to Computerized Sweepstakes Devices and Internet Sweepstakes Cafes.

9.24.020 Gambling and betting.

<u>A.</u> It is unlawful for any person in any Public Place within the city to Gamble at cards, dice or any other game, device or contrivance, or to Bet money upon the result of any game, or upon the occurring of a future contingency; or to knowingly visit any Public Place where Gambling or Betting is being carried on or conducted; or to knowingly keep, maintain or conduct, or contribute to the support of, any Public Place where Gambling or Betting is being carried on or conducted; or to knowingly let, or sub-let, or transfer the possession of, any premises for use for said purposes; or to entice or persuade any person or persons to visit any Public Place known by the person so inviting or enticing or persuading to be a place where Gambling or Betting is being carried on or conducted; or to buy or sell anything of value won in any game, or as the result of any bet, or as the result of the determination of any uncertain event.

B. Internet Sweepstakes Cafes are prohibited within the City.

<u>C. It is unlawful for any person to establish, manage or otherwise engage in the business of operating an Internet Sweepstakes Café.</u>

D. It is unlawful for any person, either as owner, lessee, agent, employee, mortgagor, or otherwise, to permit any room, building or premises, or any furniture, fixtures, equipment or other article or anything of value to be used in the City for or in connection with any Internet Sweepstakes Café.

<u>E.</u> The operation, conduct, or maintenance of an Internet Sweepstakes Café is a public nuisance.

(Prior code § 3-5.06)

9.24.030 Betting tips.

It is unlawful for any person to print, publish, distribute, circulate, sell, or give away, in the city, any chart, table, list, sheet, circular, or publication of any kind, giving, or purporting to give, or represented as giving any list, or probable or possible list, of entries for any horse race thereafter anywhere to take place, if there be printed as part thereof, or in connection therewith, or in any other publication, printing or writing accompanying the same, or referring thereto, or connected therewith, any tip, information, prediction, or selection or advice, as to any key, cipher or cryptogram indicating, containing or giving a tip, information, publication or selection of, or advice as to the winner or probable winner, or loser or probable loser, or the result or probable result of any such race, or the standing or probable standing of any horse therein, or any statement as to, or comment upon, or reference to, the form, condition or standing of, or the actual, probable or possible standing, past, present or future of the Betting, wagering or odds upon or against any horse named in such list, or probable or possible list of entries, or to print, publish, distribute, circulate, sell or give away in the city any printed or written information, or pretended informational comment, tip, prediction, or reference, concerning any horse or horse race which will or may, or is designed to, aid, enable, encourage or assist any person to Bet or wager, or to establish odds, or to lay a basis upon which to bet or wager, at any time thereafter, against any horse or upon any horse race.

(Prior code § 3-5.08)

9.24.040 Card games.

It is unlawful for any person, or any social club or other club, in the city, to conduct or participate in any card game in any Public lace, or to which an admission fee is charged, unless such person, social club or other club shall have first obtained a permit from the Chief of Police of the city to conduct such card game. Such permit shall be granted by the Chief of Police only after an application therefor in writing has been made. Such permit shall be granted within seven days after such application is made unless it shall appear to said Chief of Police that the applicant is not a fit and proper person to hold such a permit, or the moral conditions associated with such applicant are detrimental to public morals. Such permit shall continue in full force and effect for a period of one year from and after the date it is issued unless within such period it shall be revoked for good cause by the Chief of Police; provided, further, that nothing herein shall prevent granting by the Chief of Police of a temporary permit to be effective for a period of seven days after the granting thereof.

(Prior code § 3-5.11)

9.24.050 Barricaded rooms.

It is unlawful for any person, whether as owner, agent, lessor, lessee or tenant, or otherwise, without first obtaining a permit so to do, to erect, construct or maintain any barred or barricaded house, or room, or a room or hall with double doors, or other place so built, constructed or protected as likely to be difficult of access or ingress to police officers or members of the Fire Department in the performance of their official duties, or to erect, hang or maintain, in or upon any building, any door made wholly of metal, or metal and wood, or any door composed of

wood, or of wood, nails and glass, over two inches in thickness. No door or room shall without a permit be fastened by any bar or bars, prop or props, behind or across the same, or be secured otherwise than by a lock or locks, bolt or bolts.

(Prior code § 3-5.12)

9.24.060 Permit for barricaded rooms.

Application for a permit provided for in Section 9.24.050 shall be in writing, specifying the purpose or reason for which it is sought, the location and character of, the premises involved, and the address of the applicant, and shall be filed with the City Clerk. Immediately upon filing, it shall be referred to the Chief of the Fire Department and the Chief of Police for investigation and report. Unless the Chief of the Fire Department or the Chief of Police shall within seven days after receipt of said application file with the City Clerk a written report that it should be denied on the grounds that such house or room or door by reason of its nature, location or purpose, specifying the objections thereto, has become or is likely to become a serious and needless or unreasonable obstruction or obstacle to members of the Fire Department or of the Police Department in extinguishing fires, making arrests or raids, or otherwise discharging their public duties, the permit shall be granted. Such permit may also be granted before the expiration of the seven-day period whenever the Chief of Police and the Chief of the Fire Department shall each file a written approval thereof.

(Prior code § 3-5.13)

9.24.070 Revocation of permit for barricaded rooms-Appeals-Hearings.

Whenever any barred or barricaded house, or room, or door referred to in Section 9.24.050 shall be erected, maintained, or kept, under the authority of or by a permit provided for in Section 9.24.060, and the Chief of the Fire Department, or the Chief of Police shall file a written report with the Council setting forth reasons for revocation of such permit, the Council shall fix a time for the hearing of the same, and shall send notice to the holder of such permit to appear at such time and show cause why the said permit should not be revoked.

Within seven days after the denial of any application in the manner set forth in Section 9.24.060, the applicant may renew the application by filing it with the City Council and the Council shall fix the time for the hearing of the same.

In revoking, confirming, denying or granting any permit, the Council shall consider the application, the reports of the Chief of the Fire Department and the Chief of Police, and other attending facts and circumstances, and shall exercise a reasonable and sound discretion in the premises.

(Prior code § 3-5.14)

9.24.080 Building permit-Barricaded rooms.

The permit provided for in Section 9.24.060 shall be in addition to any building permit which may be required under the building laws of the city. The granting of a permit by the Council to erect or maintain a public garage shall be understood to include authority to install necessary automatic fire doors of metal or of metal and other material.

(Prior code § 3-5.15)

9.24.090 Pinball machines.

- A. It is unlawful for any person to keep or use in any public place any pinball machine equipped with any device which cancels and records the cancellation of free games won without the actual playing of said free games by the player.
- B. It is unlawful for any person to keep or use in any public place any pinball machine game which permits the insertion of more than one coin per game.

(Prior code §§ 3-5.17, 3-5.18)

SECTION 3. Nothing in this Ordinance shall be interpreted or applied so as to create any requirement, power, or duty in conflict with any federal or state law.

SECTION 4. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of the Chapter. The City Council hereby declares that it would have passed this Ordinance and each section, subsection, clause or phrase thereof irrespective of the fact that one or more other sections, subsections, clauses or phrases may be declared invalid or unconstitutional.

SECTION 5. This Ordinance shall become effective immediately on final adoption if it receives six or more affirmative votes; otherwise it shall become effective upon the seventh day after final adoption.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, GALLO, GIBSON MCELHANEY, KALB, KAPLAN, REID, SCHAAF AND PRESIDENT KERNIGHAN

NOES -

ABSENT -

ATTEST:

ABSTENTION -

LATONDA SIMMONS

City Clerk and Clerk of the Council of the City of Oakland, California

Date of Attestation:

OAKLAND FILED

NOTICE AND DIGEST

2014 JUN 12 PM 200 CODE (OMC) CHAPTER 9.24 "GAMBLING" TO CLARIFY PROHIBITED ACTIVITES AND TO DELETE OUTDATED PROVISIONS RELATED TO PINBALL MACHINES

> This ordinance would amend OMC 9.24 to include "computerized sweepstakes devices" and "internet sweepstakes cafés" as prohibited items and activities within the City. This ordinance would make it unlawful for any person to establish, manage, or otherwise engage in the business of operating an internet sweepstakes café. This ordinance would make it unlawful to permit any room, building or premises, or any furniture, fixtures, equipment or other article or anything of value to be used in the City for or in connection with any internet sweepstakes café. This ordinance would make the operation, conduct, or maintenance of an internet sweepstakes café a public nuisance. This ordinance would also delete "pinball machines" from OMC 9.24.