

**California Gambling Control Commission**

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**MINUTES OF JANUARY 26, 2012  
COMMISSION MEETING**

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**OPEN SESSION**

1. Call to Order and Pledge of Allegiance.

Chairperson Stephanie Shimazu called the meeting to order at 10:01 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken, with Chairperson Stephanie Shimazu and Commissioners Tiffany Conklin, Lauren Hammond and Richard Schuetz present.

3. Approval of Commission Meeting Minutes for :  
December 8, 2011

Action:

Upon motion of Chairperson Shimazu seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the meeting minutes for December 8, 2011.

4. Request for Approval of Transfer of Ownership Interest (Pursuant to Business and Professions Code section 19892):

Casino 580:

Casino 580, LLC

John Park

Dale Common

Comments Received From:

David Tierney

Tracey Buck-Walsh

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin Hammond and Schuetz voting yes, the Commission approved the Omnibus

Amendment, in which Casino 580, LLC will issue an additional 2,666,667 of its class B units to John Park, Member.

5. State Gambling License Application Exemption Request (Pursuant to Business and Professions Code, sections 19850, 19852 and 19852.2):

Hollywood Park:

Hollywood Park Casino Co, Inc.

Comments Received From:

|                  |                   |   |
|------------------|-------------------|---|
| Rod Blonien      | James Butts       | Leo Chu                                 |
| Terrence Fancher | Ralph Franklin    | Harlan Goodson                          |
| Jerome Horton    | Christopher Meany | Dee Osgood, Bureau of Gambling Control  |
|                  |                   | Norm Pierce, Bureau of Gambling Control |

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission exercised its discretion pursuant to Business and professions Code, Section 19852.2 to exempt from licensing requirements, applicable limited partner applicants as denoted below and further required the three general partners and five entities to seek licensure as follows:

Exempted from Licensure:

- Stockbridge Real Estate Fund, LP
- Stockbridge Hollywood Park Co-Investors, LP
- Stockbridge Real Estate Fund II-A, LP
- Stockbridge Real Estate Fund II-B, LP
- Stockbridge Real Estate Fund II-C, LP
- Stockbridge Real Estate Fund II-D, LP
- Stockbridge Real Estate Fund II-E, LP
- Stockbridge Real Estate Fund II-T, LP

Required Entities for Licensure:

- Stockbridge Capital Group, LLC (Management Group)
- Stockbridge Capital Partners, LLC (General Partner for Fund I)
- Stockbridge Real Estate Partners II, LLC (General Partner for Fund II)

Required Individuals for Licensure:

- Terrence Fancher - *(Sole Member, Executive Managing Director and President of the Management Group and Member, President and Executive Managing Director of the General Partner for Fund I and II)*
- Stephen Pilch *(Managing Director and Chief Operating Officer of the Management Group and Managing Director of the General Partner for Fund II)*
- Kevin Cox *(Member and Managing Director of the General Partner for Fund I and Managing Director for the general Partner for Fund II)*
- Darren Drake *(Member and Managing Director of the General Partner for Fund I and Managing Director of the General Partner for Fund II)*
- Thomas Sullivan *(Member for the General Partner for Fund II)*

**BREAK 12:34 p.m.to 1:30 p.m.**

6. Applications for Approval of Renewal of State Gambling Licenses (Pursuant to Business and Professions Code section 19876):

- A. Cameo Club: Lewis and Lewis Inc.  
David and Margaret Lewis 1999 Family Trust,  
Shareholder  
Margaret Lewis, Trustee, Trustor and  
Beneficiary  
Natalie J. Lewis Survivor's Trust, Shareholder  
Stella Ross, Trustee

Comments Received From:

Rob McCaullay  
Maggie Lewis

Action:

Upon motion of Commissioner Conklin seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal application valid through January 31, 2014.

- B. Crystal Casino and Hotel: Celebrity Casino, Inc.  
Mark Kelegian, President, Shareholder  
Haig Kelegian, Jr., CFO, Secretary,  
Shareholder  
Haig Kelegian, Sr., Shareholder  
Walter Lack, Shareholder  
Leo Chu, Shareholder

Comments Received From

Haig Kelegian  
Frances Asuscion – Bureau of Gambling Control

Action:

Upon motion of Commissioner Hammond, seconded by Chairperson Shimazu and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the extension of the renewal state gambling license for two months through March 31, 2012 and continued the existing condition:

*Provide documentation to the California Gambling Control Commission and the Bureau of Gambling Control that substantiates the violations identified by the City of Compton Fire Department have been remedied, specific to the 3<sup>rd</sup> floor renovations.*

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C. Golden West Casino:

Kern County Associates, Limited Partnership\*

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal state gambling license through January 31, 2014, and continued the existing conditions:

- *Shirley Thomas, Trustor & Beneficiary of the John and Shirley Thomas Family Trust, may not take part in the management or control of Golden West Casino operations.*
- *No person may receive shares from the Estate of John Antonino's percentage of interest of JLJ2D, Inc., until that person has been licensed by the Commission as a shareholder.*

D. Kelly's:

Albert R. Cianfichi, Sole Proprietor  
Estelle Cianfichi, Community Property  
Interest Holder

Comments Received From:

Harlan Goodson

Jennifer Henderson, Department of Justice, Deputy Attorney General

Marty Horan - Bureau of Gambling Control

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission denied the renewal state gambling license based upon various alleged violations of the Gambling Control Act.

Mr. Goodson requested an Administrative hearing on behalf of Kelly's.

E. Palace Poker Casino, LLC:

Palace Poker Casino, LLC  
Estate of Katherine Bousson, Member  
Catherine Aganon, Member  
Pamela Roberts, Member

Action:

Upon motion of Commissioner Hammond, seconded by Chairperson Shimazu and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the renewal application through January 31, 2014.

7. Requests for Approval of Additional Permanent Authorized Tables (Pursuant to California Code of Regulations, Title 4, section 12359):

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- A. Lucky Lady Card Room: Stanley Penn, Sole Proprietor

Comments Received From:

Rod Blonien

Marty Horan, Bureau of Gambling Control

Action:

Upon motion of Commissioner Schuetz, seconded by Commissioner Conklin and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved two additional permanent tables as requested by Lucky Lady Card Room.

- B. Turlock Poker Room: Central Valley Gaming, LLC

Comments Received From:

Mario Alvarez

Action:

Upon motion of Commissioner Conklin, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved two additional permanent tables as requested by Turlock Poker Room.

8. Applications for Approval of Initial Key Employee Portable Personal Licenses (Pursuant to Business and Professions Code section 19854):

- A. Mario Alvarez

Action:

Upon motion of Chairperson Shimazu, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application for a licensure period valid through February 28, 2013.

- B. Xavier Antonio

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Scheutz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application for Mr. Antonio for a licensure period valid through March 31, 2013 with the following condition:

*Within 120 days of this approval, and every 90 days thereafter, Mr. Antonio must submit to the Commission written evidence of attempts to establish a settlement plan with the Small Claims Judgment listed in his background investigation report, and communication of their response.*

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### C. Brenda Hill

#### Action:

Upon motion of Chairperson Shimazu, seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application for a licensure period valid through November 30, 2012.

### D. Jeffrey Houston

#### Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application for a licensure period valid through February 28, 2013 with the following condition:

*Beginning February 1, 2012, and every 180 days thereafter, Mr. Houston must submit to the Commission a written update concerning the status of his judgment.*

### E. Brandon Stokes

#### Action:

Upon motion of Commissioner Hammond, seconded by Chairperson Shimazu and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the initial key employee application for a licensure period valid through July 31, 2012.

#### 9. Application for Approval of Conversion of Third-Party Providers of Proposition Player Services /Gambling Business Supervisor/Player Registrations to Licenses (Pursuant to Business and Professions Code section 19984 and CCR, Title 4, sections 12218 and 12233):

California Gaming Consultants:

Player: Russell Shironaka

#### Comments Received From:

Russell Shionaka

#### Action:

Upon motion of Commissioner Conklin, seconded by Chairperson Shimazu and carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond voting yes and Schuetz voting nay, the Commission approved the application to convert the player registration to a license for a licensure period valid through January 31, 2014.

**CONSENT CALENDAR ITEMS:**

10. Application for Approval of Renewal Key Employee Portable Personal License (Pursuant to Business and Professions Code section 19854):  
Becky Tam
11. Applications for Approval of Initial Work Permit (Pursuant to Business and Professions Code section 19912):
  - A. The Deuce Lounge & Casino: Michelle Escamilla
  - B. The 101 Casino: Leakhena Men
12. Applications for Approval of Renewal Work Permit (Pursuant to Business and Professions Code section 19912):
  - A. Lake Bowl Cardroom: William Johnson
  - B. Napa Valley Casino: Terry Mattos
13. Application for Approval of Renewal of Third Party Providers of Proposition Player Services/Gambling Business Supervisor/Player License (Pursuant to California CCR, Title 4, sections 12218.8 and 12238):  
Pacific Gaming Services, LLC:  
Player: Jimmy Trinh
14. Applications for Approval of Initial Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):
  - A. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:  
Falisha Matheny Annamari Rahn
  - B. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:  
Jeffery Serpa
  - C. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:  
Ervin Cruz
  - D. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:  
Steven Nishida Lonnie Webb
  - E. Elk Valley Casino – Elk Valley Rancheria:  
Chanh Saivong
  - F. Fantasy Springs Resort Casino – Cabazon Band of Mission Indians:  
Shawn Sande
  - G. Gold Country Casino & Hotel – Berry Creek Rancheria of Maidu Indians of California:  
Randall Smith
  - H. Harrah's Rincon Casino & Resort – Rincon Band of Luiseno Indians:

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Tommie Cunningham Jr.

- I. Mono Wind Casino – Big Sandy Rancheria Band of Western Mono Indians:  
Ricky Boothby
- J. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:  
Chester Thomas
- K. Pechanga Resort & Casino – Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation:  
Christopher Ng      Kevin Page
- L. Quechan Casino Resort – Quechan Tribe of the Fort Yuma Indian Reservation:  
Miriam Fillinger
- M. Red Hawk Casino – Shingle Springs Band of Miwok Indians:  
Amanda Garcia      Thomas Manz      Nicholas McDonnell  
Randy Ramos      Richard Schlaht      Wei Tan
- N. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:  
Isabel Brasil      Stephanie Jolley      Bruce Nelson
- O. Thunder Valley Casino Resort – United Auburn Indian Community of the Auburn Rancheria:  
Kathaleen Bakken      Julieta Fahrney      Wendy Saechao  
Chan Vann
- P. Win-River Casino – Redding Rancheria:  
Christi Hines

15. Applications for Approval of Renewal Tribal-State Compact Key Employee Findings of Suitability (Pursuant to the Tribal-State Gaming Compact, section 6.4.4):

- A. Agua Caliente Casino Resort Spa – Agua Caliente Band of Cahuilla Indians:  
Derek Fryer
- B. Barona Resort and Casino – Barona Band of Mission Indians:  
Michael Grund      Emily Leyva      Juan Morales  
Tamara Smith
- C. Bear River Casino – Bear River Band of the Rohnerville Rancheria:  
Michael Pires      Hector Sandoval
- D. Black Oak Casino – Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria:  
Adam Malloy
- E. Chukchansi Gold Resort and Casino – Picayune Rancheria of the Chukchansi Indians:  
Wagid Youset
- F. Chumash Casino Resort – Santa Ynez Band of Chumash Mission Indians of the Santa Ynez Reservation:  
Dave Abayan      Francisco Andrade      Letitia Flores  
Krisitina Lajda      Serhiy Petryshak      Milton Royster  
Jared Ruiz      Ruben Saldivar
- G. Colusa Casino Resort – Cachil Dehe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria:



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- Ricardo Cardona      Gloria Ramos      Philip Schaer  
Michael Thurman
- H. Coyote Valley Casino – Coyote Valley Band of Pomo Indians:  
Timothy Elmore
- I. Jackson Rancheria Casino & Hotel – Jackson Rancheria Band of Miwuk Indians:  
Kristen Mendes      William Thornton
- J. La Posta Casino – La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation:  
Alman Jackson      Michele Wilkins
- K. Lucky 7 Casino – Smith River Reservation:  
Candace Penney
- L. Morongo Casino Resort & Spa – Morongo Band of Cahuilla Indians of the Morongo Reservation:  
Jason Asher      William Hissam
- M. Red Earth Casino – Torres-Martinez Band of Cahuilla Mission Indians:  
Michael Gilligan
- N. River Rock Casino – Dry Creek Rancheria Band of Pomo Indians:  
Danny Gonsalves
- O. San Manuel Indian Bingo and Casino – San Manuel Band of Serrano Mission Indians of the San Manuel Reservation:  
James Aulgur      Jerry Berns      Regina Cardillo  
Papri Chakma      Myra Dotson      Jeffrey Durling  
Julian Gonzales      Alfredo Guzman      Jason Lim  
Kimberly Maya      Annie Ng      Ashwin Patel  
Frank Rodriguez      Javier Uribe
- P. Soboba Casino – Soboba Band of Luiseno Indians:  
Chris Cook
- Q. Table Mountain Casino – Table Mountain Rancheria:  
Julie Garcia      Antioan Tripp
- R. Tachi Palace Hotel and Casino – Santa Rosa Indian Community of the Santa Rosa Rancheria:  
Mandy Mei      Jack Nguyen      Shannon Smith  
Ann Marie Solorio      Ian Spencer      Maurice Taylor
- S. Valley View Casino & Hotel – San Pasqual Band of Diegueno Mission Indians:  
Gina Montesdeoca      Peter Sisombath
- T. Win-River Casino – Redding Rancheria:  
Indrick Wilson

Through consensus, the Commissioners removed Item 14.M., Nicholas McDowell, employed by Red Hawk Casino, from the consent calendar and requested this matter be heard at a future Commission meeting with Mr. McDowell present.

Action:

Upon motion of Commissioner Hammond, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Consent Calendar was approved.

17. Revenue Sharing Trust Fund Final Report for Distribution to Eligible Recipient Indian Tribes for Quarter Ending December 31, 2011 – Quarterly License Revenue Received and Shortfall

Comments Received From:

Anthony Cohen

Action:

Upon motion of Chairperson Shimazu, seconded by Commissioner Schuetz and unanimously carried in a vote by roll call with Chairperson Shimazu and Commissioners Conklin, Hammond and Schuetz voting yes, the Commission approved the distribution of fund to the eligible tribes as listed in the Revenue Sharing Trust Fund Report.

**PUBLIC COMMENT:**

None.

**There was not a Closed Session.**

**CLOSED SESSION:**

1. Litigation: (Government Code section 11126(e)):
  - A. *California Valley Miwok Tribe v. The California Gambling Control Commission*; San Diego County Superior Court (37-2008-00075326-CU-CO-CTL).
  - B. *Candace Cates v. Steve Westly, et al.*, San Diego County Superior Court (GIC 821775).
  - C. *San Pasqual Band of Mission Indians v. State of California, et al.*, U.S. Dist. Court, S.D. California (06CV0988 LAB AJB).
  - D. *Pauma Band of Luiseno Mission Indians v. Gambling Control Commission; and Arnold Schwarzenegger*, U.S. Dist Court S. D. California (09 CV01955 LAB AJB)
  - E. *Timothy Eugene Stroud v. California Gambling Control Commission*, San Luis Obispo County Superior Court (CV100082).
  - F. *Alturas Indian Rancheria, v. Kenneth L. Salazar, Secretary of the Interior et al.*, U.S. Dist. Court, E.D. California (2:10-cv-01197-LKK-EFB)
  - G. *San Pasqual Band of Mission Indians v. State of California, et al.*, Los Angeles County Superior Court (BC431469)

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The Commission did not convene a closed session.

### **RECONVENE TO OPEN SESSION (none)**

### **ADJOURNMENT**

Chairperson Shimazu adjourned the meeting at 2:42 p.m.