

California Gambling Control Commission
2399 GATEWAY OAKS DRIVE, SUITE 220
SACRAMENTO, CA 95833
(916) 263-0700 FAX (916) 263-0499
www.cgcc.ca.gov

**MINUTES OF MARCH 9, 2017
COMMISSION MEETING**

OPEN SESSION

1. Call to Order and Pledge of Allegiance.

Chairman Evans called the meeting to order at 10:00 a.m., and asked everyone to stand for the Pledge of Allegiance.

2. Roll Call of Commissioners.

Roll Call of Commissioners was taken with Chairman Jim Evans and Commissioners Lauren Hammond, Paula LaBrie, and Trang To present.

3. Approval of Commission Meeting Minutes for:
 - A. January 12, 2017
 - B. January 26, 2017

Commissioner To made a motion and Commissioner Hammond seconded. They both withdrew their motions as Commissioner LaBrie wanted to vote separately on Items 3.A. and 3.B. so that she could abstain from item 3.A.

Action:

Upon motion of Commissioner Hammond seconded by Commissioner To and carried in a vote by roll call with Chairman Evans and Commissioners Hammond and To voting yes, and Commissioner LaBrie abstaining; the Commission approved the minutes for January 12, 2017.

Action:

Upon motion of Commissioner To seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners LaBrie, Hammond and To voting yes; the Commission approved the minutes for January 26, 2017.

4. California Problem Gambling Treatment Services Program, Overview & Update:
Presenter: Terri Sue Canale-Dalman, Chief, Office of Problem Gambling, California Department of Public Health

Office of Problem Gambling Chief, Terri Sue Canale-Dalman, gave a presentation for the Problem Gambling Awareness Month and the theme is Make the Change which was inspired by their Betting on Our Future (BOOF) program. High Tech Middle School and High Tech High School in Chula Vista, California has a group of girls who created videos and posters for Break the Chains in middle school several years ago. Last year the students came back with a new program called Make the Change. Chief Canale-Dalman then stated that it has been incredible watching youth become involved and stay involved in problem gambling awareness. Ms. Canale-Dalman then showed a video from last year's High Tech Middle School. After the video was played, Chief Canale-Dalman noted that there was a training summit in Los Angeles with about 200 participants and gave awards to The Gardens Casino for their participation in the Responsible Gambling Program, and to Susanne Koch Eckenrode for her treatment.

Chief Canale-Dalman had a couple of things she wanted to share that were new in 2016. First, the Department of Problem Gambling expanded the motivational text messaging to affected family members (two times a week for 12 weeks). Both gamblers and affected family members can simply call 1-800-GAMBLER or text "SUPPORT" to 53342 to enroll in this service. Secondly, Chief Canale-Dalman, Indian Gaming and Law section and the Governor's office drafted a memorandum of understanding (MOU) that would allow Tribes to volunteer and participate in the statewide self-exclusion program and began preliminary discussions with the Tribes to find an effective and appropriate way to include tribal gaming facilities in the statewide self-exclusion program. Chief Canale-Dalman concluded by stating that preliminary discussions have been positive.

Chief Counsel Vlaanderen announced that a copy of the MOU for the Tribes and the California Gambling Education and Treatment Services for the fiscal year 2015-16 Treatment Report Fact Sheet is available on the back table and additional copies will be made available today upon request and that both documents will be attached to the official meeting minutes.

5. Consideration of Stock Purchase and Settlement Agreement and Membership Unit Purchase Agreement (Pursuant to Business and Professions Code sections 19824(c), 19900 and 19904):

The Tavern at Stones Gambling Hall &
The Saloon at Stones Gambling Hall:

King's Casino Management Corporation
Robert Lytle (Seller)
Ryan Stone (Buyer)

King's Casino, LLC
Robert Lytle (Seller)
Ryan Stone (Buyer)

For the record, Commissioner Hammond stated that she did not vote on the Stones settlement and did not sign the settlement at the September 9, 2016 Commission meeting.

Comments Received From:
Robert Lytle, in person

For the record, Commissioner To asked Robert Lytle if he was comfortable with the conditions that are being placed on his item. He responded that he was.

Action:

Upon motion of Commissioner To seconded by Commissioner Hammond and unanimously carried in a vote by roll call with Chairman Evans and Commissioners LaBrie, Hammond and To voting yes; the Commission approved the Stock Purchase Agreement and Membership Unit Purchase Agreement between Robert Lytle and Ryan Stone for the purchase of ownership interest in King's Casino Management Corporation and King's Casino, LLC, with the conditions noted below:

1. ***Legend on the Certificates Evidencing Membership Interest.***
Approval of the MPA should be conditioned upon Mr. Stone confirming to the Commission, with a copy to the Bureau, within 15 days after the closing that each and every certificate evidencing the membership interest transferred has been legended in accordance with the provisions of Business and Professions Code section 19892, subdivision (d).
2. ***Additional Legend on Certificates Evidencing Membership Interests.*** *Business and Professions Code Section 19892, subdivision (a) voids any purported sale or other disposition of an interest in a limited liability company that the Commission did not approve in advance. Approval of the MPA should be conditioned upon Mr. Stone confirming to the Commission, with a copy to the Bureau, within 15 days after the closing that each and every certificate evidencing the membership interests transferred includes the following legend :*

THIS CERTIFICATE REPRESENTS AN INTEREST IN A LIMITED LIABILITY COMPANY THAT HOLDS A GAMBLING LICENSE PURSUANT TO THE LAWS OF THE STATE OF CALIFORNIA. THE INTEREST MAY NOT BE TRANSFERRED, ASSIGNED, SOLD, PLEDGED, HYPOTHECATED, OR DISPOSED OF WITHOUT THE PRIOR APPROVAL OF THE CALIFORNIA GAMBLING CONTROL COMMISSION OR ITS SUCCESSOR.