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8 Gambling Control, Department of Justice*

10  
11 **BEFORE THE**  
12 **CALIFORNIA GAMBLING CONTROL COMMISSION**  
13 **STATE OF CALIFORNIA**

14  
15 **In the Matter of the Statement of Issues  
Against:**

16  
17 **GLORIA GUTIERREZ, Sole Proprietor  
GLORIA'S LOUNGE & CASINO  
18 30435 Road 68  
Visalia, CA 93227**

19  
20 **License Number GEGE-001162**

BGC Case No. \_\_\_\_\_

**STIPULATION AND PROPOSED  
DECISION AND ORDER**

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21 The parties to the above-captioned proceeding agree and stipulate as follows:

22 **PARTIES**

23 1. Respondent Gloria Gutierrez owns, as a sole proprietor, the gambling enterprise  
24 presently known and doing business as Gloria's Lounge & Casino, located at 30435 Road 68,  
25 Visalia, California 93227 (Cardroom). On or about December 19, 2008, Respondent Gutierrez  
26 submitted an application to renew her State Gambling License as the owner of the Cardroom.

27 2. Jacob A. Appelsmith (Complainant) is the Chief of the Bureau of Gambling Control,  
28 California Department of Justice (Bureau). He brought this action solely in his official capacity

1 and is represented in this matter by Edmund G. Brown Jr., Attorney General of the State of  
2 California, by William L. Williams, Jr., Deputy Attorney General.

3 **PROCEDURAL BACKGROUND**

4 3. On or about February 25, 2009, the California Gambling Control Commission  
5 (Commission) extended Respondent Gloria Gutierrez's State Gambling License for the Cardroom  
6 to April 30, 2009, on the condition that Respondent Gutierrez submit a chip account statement  
7 quarterly.

8 4. On or about April 8, 2009, the Commission removed the condition for license  
9 renewal cited in paragraph 3 above and extended Respondent Gutierrez's State Gambling License  
10 to October 31, 2009, on the following conditions:

11 a) Applicant [Respondent Gutierrez] will submit a copy(s) of the  
12 promissory note (or loan agreement) reflecting the mortgage information  
13 involving the gambling establishment.

14 b) Applicant [Respondent Gutierrez] will submit to the Bureau all  
15 transactional documents that will clearly establish the business  
16 relationship between the applicant and all property owners.

17 5. On or about October 22, 2009, the Commission extended Respondent Gutierrez's  
18 State Gambling License to November 30, 2009, to allow Commission staff to notify Respondent  
19 Gutierrez of the staff recommendation to the Commission to deny renewal of her State Gambling  
20 License.

21 6. On or about November 4, 2009, Commission staff sent to Respondent Gutierrez the  
22 staff recommendation to the Commission to deny the renewal of her State Gambling License.

23 7. On or about November 24, 2009, the Commission considered Respondent Gutierrez's  
24 application to renew her State Gambling License, and denied it. At that Commission meeting,  
25 counsel for Respondent Gutierrez requested a hearing, giving rise to the Statement of Issues to  
26 commence the hearing process.

27 **JURISDICTION**

28 8. On May 25 2010, Complainant filed the Statement of Issues with attachments,  
with the Commission and served it on Respondent Gloria Gutierrez. A copy of the Statement of

*included  
enclosed  
§ 12403  
§ 19857  
fms*

1 Issues with attachments is attached hereto and incorporated by reference herein as Exhibit A. A  
2 Notice of Defense on behalf of Respondent Gutierrez was filed with the Commission. This  
3 matter is now subject to an administrative hearing pursuant to Business and Professions Code  
4 sections 19870, 19871, and 19876.

5 9. The parties agree that the Commission has jurisdiction over this matter and has  
6 authority to approve this Stipulation and Proposed Decision and Order (Stipulation).

7 **PURPOSE**

8 10. Respondent Gloria Gutierrez has now determined not to proceed with an  
9 administrative hearing on the Statement of Issues, has entered into a sales agreement with  
10 Kirkland Messina, Inc. to buy Gloria's Lounge & Casino from her (which sales agreement  
11 Kirkland Messina, Inc. has assigned to GLCR, Inc.), and desires to settle this matter on the terms  
12 set forth in this Stipulation. Accordingly, the parties jointly request that the Commission, at its  
13 next regularly scheduled public meeting, or as soon thereafter as the Commission may consider  
14 the matter, approve the settlement of this matter as set forth herein.

15 11. The purpose of this Stipulation is to: (a) finally and completely settle the within  
16 matter on terms agreeable to the parties; (b) effect the denial of Respondent Gutierrez's  
17 application for renewal of her State Gambling license as the owner of the Cardroom based upon  
18 the Statement of Issues filed with the Commission on May 25, 2010; (c) allow the sale of the  
19 Cardroom to GLCR, Inc.; and (d) allow the application(s) of GLCR, Inc. and such associated  
20 persons as are appropriate for State Gambling License(s) as the new owners of the Cardroom to  
21 be considered for suitability in their own right under the Gambling Control Act.

22 **PRIMARY SETTLEMENT TERMS**

23 12. Subject to approval of this Stipulation by the Commission, Respondent Gutierrez:  
24 (a) waives her right to a hearing on the Statement of Issues filed with the Commission on May 25,  
25 2010, "In the Matter of the Statement of Issues Against: Gloria Gutierrez, Sole Proprietor,  
26 Gloria's Lounge & Casino" and any further right of judicial review; (b) accepts the allegations  
27 and causes for denial of her application for renewal of her State Gambling License contained in  
28

1 the Statement of Issues as true and accurate; and (c) agrees that the Commission may adopt the  
2 Statement of Issues as its findings of fact and law, and decision in this matter and deny  
3 Respondent Gutierrez's application for renewal of her State Gambling License.

4 13. Pursuant to Business and Professions Code section 19879 and subject to the  
5 effectuation of all of the other terms of this Stipulation, Respondent Gutierrez may sell the  
6 Cardroom to GLCR, Inc. The application(s) of GLCR, Inc. and such associated persons as are  
7 appropriate for State Gambling License(s) to own and/or operate the Cardroom will be lawfully  
8 reviewed in their own right based upon the filing of their applications with the Commission  
9 concurrent with Commission's consideration of the Stipulation. The application(s) of GLCR, Inc.  
10 and such associated persons as are appropriate will be determined on their own merits, based  
11 upon the applicants' suitability for licensure under the Gambling Control Act.

12 14. Respondent Gutierrez will have no involvement in the ownership and/or operation  
13 of the Cardroom.

14 15. Respondent Gutierrez will pay or cause to be paid to the Bureau the amount of  
15 Fourteen Thousand and No Cents (\$14,000.00) in costs and outstanding fees to the Bureau in full  
16 and final settlement of her obligations to pay licensing fees, and investigation and prosecution  
17 costs under the Gambling Control Act. A cashier's check in that amount, made payable to the  
18 "State of California Department of Justice Bureau of Gambling Control" is submitted with this  
19 Stipulation as full payment of these costs, and shall be held by the State of California Department  
20 of Justice until the Commission adopts this Stipulation and issues the within Decision and Order.  
21 In the event the Commission does not adopt this Stipulation, Decision and Order, within fifteen  
22 (15) business days after the Commission meeting at which the Stipulation, Decision and Order is  
23 considered, all payments tendered in connection with this Stipulation shall be returned or  
24 reimbursed to the payor in full. In the event the Commission does not adopt this Stipulation and  
25 an evidentiary hearing before an ALJ and/or the Commission becomes necessary, neither any  
26 member of the Commission, nor the Executive Director of the Commission, shall be disqualified  
27 because of prior consideration of this Stipulation.  
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**WAIVER AND ADVISEMENT**

16. This Stipulation has been fully discussed between Respondent Gloria Gutierrez and her attorney, Robert S. Tabor, and Respondent Gutierrez has been fully advised of the effect of this Stipulation as it waives any rights she may have to: (a) an administrative hearing on the Statement of Issues; (b) any judicial challenge to this Stipulation; and/or (c) collaterally challenge the terms of this Stipulation. Respondent Gutierrez enters into this Stipulation with the advice of counsel, voluntarily, knowingly, and intelligently, and agrees to be bound by this Stipulation and the terms of the Decision and Order upon adoption by the Commission.

17. This Stipulation may be considered by the Commission in closed session. Respondent Gutierrez also specifically agrees that counsel for the Bureau and/or Bureau staff may communicate directly with the Commission or its staff regarding this Stipulation prior to Commission action thereon, without notice to, or participation by, Respondent Gutierrez or her counsel, and that no such communications shall be deemed a prohibited ex parte communication.

18. The parties understand and agree that facsimile copies of this Stipulation, Decision and Order, including facsimile signatures thereto, shall have the same force and effect as the originals.

19. This Stipulation constitutes the entire understanding between the parties concerning the subject matter that it covers. Any oral representations or modifications made prior to or after execution of this Stipulation concerning the subject matter of this Stipulation shall have no force or effect.

20. In consideration of the foregoing stipulations, the parties agree that the Commission may, without further notice or formal proceeding, issue and enter the Decision and Order set forth below.

**DECISION AND ORDER**

25 The foregoing Stipulation of the parties "In the Matter of the Statement of Issues Against:  
26 Gloria Gutierrez, Sole Proprietor, Gloria's Lounge & Casino," Application for Renewal of State  
27 Gambling License Number GEGE-001162 is hereby approved. The allegations and causes for  
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1 denial of Respondent Gloria Gutierrez's application for renewal of her State Gambling License  
2 contained in the Statement of Issues with attachments, attached hereto as Exhibit A, are deemed  
3 to be true and accurate and are adopted as the Commission's findings of fact and law, and  
4 decision in this matter. Therefore, Gloria Gutierrez's Application for Renewal of State Gambling  
5 License Number GEGE-001162 is hereby denied, effective upon the final administrative decision  
6 by the Commission on the application by GLCR, Inc. for a state gambling license to operate a  
7 card room at 30435 Road 68, Visalia, California 93227.

8 **IT IS SO ORDERED.**

9  
10 Dated: \_\_\_\_\_, 2010

11  
12 DEAN SHELTON, CHAIRMAN  
Gambling Control Commission

13  
14 **ACCEPTANCE**

15 I have carefully read the foregoing Stipulation and Proposed Decision and Order and have  
16 fully discussed it with my attorney, Robert S. Tabor. I understand the Stipulation and Proposed  
17 Decision and Order and the effect it will have on State Gambling License Number GEGE-  
18 001162. I enter into this Stipulation and Proposed Decision and Order with the advice of counsel,  
19 voluntarily, knowingly, and intelligently, and agree to be bound by the Order of the Commission.

20  
21 Dated: September 15, 2010

22   
23 GLORIA GUTIERREZ  
Respondent


24  
25 **ENDORSEMENT**

26 I have read and fully discussed with Respondent the terms and conditions and other matters  
27 contained in the above Stipulation and Proposed Decision and Order. I approve its form and  
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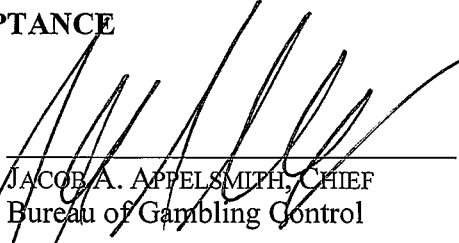
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Dated: September 20, 2010

  
\_\_\_\_\_  
ROBERT S. TABOR, ESQ.  
Attorney for Respondent

**COMPLAINANT'S ACCEPTANCE**

Dated: September 24, 2010

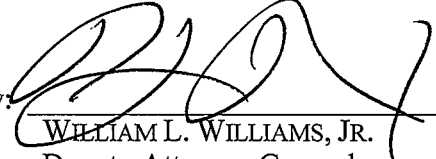
  
\_\_\_\_\_  
JACOB A. APPELSMITH, CHIEF  
Bureau of Gambling Control

**ENDORSEMENT**

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the California Gambling Control Commission.

Dated: September 20, 2010

EDMUND G. BROWN JR.  
Attorney General of the State of California

By:   
\_\_\_\_\_  
WILLIAM L. WILLIAMS, JR.  
Deputy Attorney General  
Attorneys for Complainant

DECISION AND ORDER

DECISION AND ORDER OF THE COMMISSION:

The foregoing Stipulation has been adopted by a majority vote of the Commission as its final decision and order in this matter and is effective upon execution below by the Commission members.

IT IS SO ORDERED

Dated: 12/9/10

Signature: Dean Shelton  
Dean Shelton, Commission Chair

Dated: 12/9/2010

Signature: Tiffany E. Conklin  
Tiffany E. Conklin, Commissioner

Dated: 12/9/2010

Signature: James Shelby  
James Shelby, Commissioner

Dated: 12/9/2010

Signature: Stephanie Shimazu  
Stephanie Shimazu, Commissioner