

## RESOLUTION NO. 6532

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GARDENA, CALIFORNIA SUPPORTING THE CITIES GAMING INITIATIVE

WHEREAS, California's cities and counties are on the frontlines of service delivery and public policy formulation to address a whole host of challenges facing California and its people, including homelessness, lack of sufficient affordable housing, inadequate mental health service accessibility, underfunded public schools, and more;

WHEREAS, these challenges were already pulling at the seams of our social fabric prior to the breakout of the COVID 19 pandemic in 2020 with record numbers of homeless Californians and historically high home prices;

WHEREAS, the COVID-19 pandemic has wreaked havoc across society causing record levels of devastation to our economic, healthcare, and social systems as millions of Americans became ill and several hundred thousand perished;

WHEREAS, the COVID-19 devastation further strained local government's capacity to meet its existing challenges while simultaneously facing the added burdens generated by the pandemic and its effect of drawing down municipal treasuries;

WHEREAS, Federal efforts to backfill state and local coffers with stimulus funding will be depleted before the pandemic entirely recedes leaving local governments in need of additional funding sources;

WHEREAS, the People of the State of California have a vested interest in adequate funding for their governments to fulfill a social compact that includes robust public safety, life-saving public health programs, access to housing people can afford, among many other public goods;

WHEREAS, the right to legal, safe, and well-regulated wagering belongs to the public, and therefore, to the People of the State of California;

WHEREAS, Leisure activities, be they tourism, gaming, live entertainment gatherings, lodging, among many such examples, regularly serve as sources of revenue to public treasuries in order to pay for public goods to mitigate the impacts of those activities and/or to confer a public benefit to the communities where they occur;

WHEREAS, in May 2018, the United States Supreme Court held the federal prohibition on sports wagering to be unconstitutional. As a result, states now have the freedom to authorize sports wagering within their borders and to establish regulations, consumer protections, responsible gambling measures, and taxes on sports wagering.

WHEREAS, unregulated and untaxed sports wagering is happening throughout California without any consumer or responsible gambling protections. Experts estimate

that black market sports betting runs at least \$10 billion dollars annually in California with operators being unlicensed and unregulated, paying no taxes, are unaccountable to California consumers, and put the integrity of athletic contests at risk.

WHEREAS, the City of Gardena licenses, regulates and taxes gaming establishments within its jurisdiction and whose residents benefit from those revenues;

WHEREAS, the mission of the City of Gardena is to protect and promote the interests of all residents by licensing, regulating and taxing legal betting activities in cardrooms;

WHEREAS, City Council Members of California cities that seek the responsible regulation and taxation of wagering in California communities that allow such activities are proponents of a statewide initiative named the California Sports Wagering and Consumer Protection Act (hereafter called the **Cities Gaming Initiative**"), a measure aimed at conferring benefits on all Californians;

WHEREAS, the **Cities Gaming Initiative** grants rights to conduct sports wagering to all existing and licensed gaming entities in the State of California including horse racing tracks, Indian tribes and cardrooms and to entities currently unlicensed to offer gaming in the State of California including all professional sports teams from Major league baseball, National Hockey League, National Basketball Association, National Football League, Women's National Basketball Association and Major League Soccer and online or mobile sports wagering operators;

WHEREAS, the **Cities Gaming Initiative** imposes an obligation on all gaming entities to pay taxes to the State of California from their net sports wagering revenues that will generate billions of dollars in funding for California local governments to address current societal ills at unprecedented levels;

WHEREAS, the **Cities Gaming Initiative** directs the legislature to appropriate funding to homelessness, mental health services, public schools, and affordable housing programs at the local level;

WHEREAS, the **Cities Gaming Initiative** protects children and consumers through tight regulation, including limiting wagering only to adults 21 years of age or older, prohibiting advertising or marketing of sports wagering directed to children where none currently exist; and

WHEREAS, the California Cities may lawfully state their opinions about the impact of sports wagering initiatives on the people of the State of California and on the residents of California cities.

NOW, THEREFORE, BET IT RESOLVED AS FOLLOWS:

1. The City Council of the City of Gardena declares its support for the **Cities Gaming Initiative**; and
2. The City of Gardena encourages all California cities to take and publish a similar position.

Passed, approved, and adopted this 14<sup>th</sup> day of September 2021.

  
TASHA CERDA, Mayor

ATTEST:

  
for MINA SEMENZA, City Clerk

APPROVED AS TO FORM

  
CARMEN VASQUEZ, City Attorney

STATE OF CALIFORNIA            )  
COUNTY OF LOS ANGELES    ) SS:  
CITY OF GARDENA                )

I, **MINA SEMENZA**, City Clerk of the City of Gardena, do hereby certify that the whole number of members of the City Council of said City is five; that the foregoing Resolution, being **Resolution No. 6532** duly passed and adopted by the City Council of said City of Gardena, approved and signed by the Mayor of said City, and attested by the City Clerk, all at a regular meeting of said City Council held on the **14<sup>th</sup> day of September, 2021**, and that the same was so passed and adopted by the following roll call vote:

AYES:     MAYOR PRO TEM TANAKA, COUNCIL MEMBERS KASKANIAN, HENDERSON  
            AND FRANCIS, AND MAYOR CERDA  
  
NOES:     NONE  
  
ABSENT:   NONE

*for* Becky Romero  
City Clerk of the City of Gardena, California

(SEAL)