



June 25, 2018

Honorable Sam Liccardo, Mayor
Honorable City Council Members
200 E. Santa Clara
San Jose, CA 95112

Dearest Honorable Mayor and City Council Members,

Thank you for taking the time to read our letter and listen to our comments.

We are writing to each of you in the hopes that at a minimum the City Manager engage in discussions with our company and the other TPPPS company prior to providing options to the City Council. Options which involve extending the Cardroom Business Tax to the TPPPS companies will have significant effects on the opportunities and benefits that are provided to employees, future employees, and surrounding businesses. The effects ripple not just through the TPPPS companies but through the employees of the cardrooms and surrounding businesses.

As a representative of one of the TPPPS Companies and the Human Resources Manager, I have witnessed first hand how many lives we positively affect in the area. Over the past 2.5 years, we have provided the following:

- Full-time entry level job opportunities and career paths to over 350+ individuals at above minimum wage
- College students opportunities to support themselves while pursuing higher education with flexible hours
- Fully paid state and local licensing and permitting fees for all employees despite yearly increases
- Fully paid medical benefits for all employees and options to add on family members
- Revenue to surrounding businesses from employees and potential employees
- Revenue to surrounding businesses from benefits we provide to our employees
- Contributions to City of San Jose's Department of Gambling Control via licensing and permitting fees (among the highest in California) and increasing 183% since 2016.
- Contributions to the City of San Jose charitable organizations including STUK (Stand Up for Kids)
- Payments to the Cardroom for facilities which may include bettering the facility and all surrounding areas

The benefits we provide are not something that can withstand such a drastic and unplanned measure. At this point, we have already had to weather the 183% increase in licensing and permitting fees per person since 2016. Consideration of this tax will present significant challenges and very likely the inability to continue providing employees (both current and future ones) and the community of San Jose with all the benefits the TPPPS and Cardrooms can provide.

San Jose, CA 95110



We can provide contact information to start the discussions on process with the City Manager and the options that will be presented.

THAT

Michelle Fernandez
HR Manager