



# Memorandum

**TO:** PUBLIC SAFETY, FINANCE, AND  
STRATEGIC SUPPORT COMMITTEE

**FROM:** Edgardo Garcia

**SUBJECT:** SEE BELOW

**DATE:** September 5, 2018

Approved

Date

9-11-18

**SUBJECT: IMPACT OF CARDROOM GAMBLING ON CRIME ANNUAL REPORT**

## RECOMMENDATION

Accept the annual report on the impact of cardroom gambling on crime in the San José metropolitan area.

## EXECUTIVE SUMMARY

In comparison to Fiscal Year 2016-2017, calls for service and reported incidents at both of San José's permitted cardrooms increased during the current reporting period (July 1, 2017 through June 30, 2018). Reported incidents involving arrests at both cardrooms also increased in 2017-2018 compared to the previous year. However, across these major categories, numbers remained lower than in 2015-2016.

To determine fully whether gambling activity has had a direct impact on crime in the City, the Department would have to conduct a more comprehensive inquiry into each incident listed in this report. This report does not do that. Rather, this report provides information about the types of incidents that have occurred at each cardroom in the past fiscal year and attempts to identify those incidents that are gambling in nature (e.g., cheating, underage gambling, etc.).

To provide the City Council and public with an update regarding the cardrooms' operations and whether they are complying with the City's gaming regulations, the Department separately issues the "Cardroom Compliance with Title 16 of the San Jose Municipal Code Annual Report." The Police Department presents these two reports concurrently to the Public Safety, Finance and Strategic Support Committee.

## **BACKGROUND**

Two permitted cardrooms operate in the City of San Jose: Sutter's Place, dba Bay 101 Cardroom ("Bay 101") and Garden City, Inc., dba Casino M8trix ("Casino M8trix"). The San José Municipal Code requires that the Chief of Police prepare an Annual Report evaluating the impact of cardroom gambling on crime in the San José metropolitan area.<sup>1</sup> The City Council first adopted this Code section in 1996 with a goal of documenting and understanding what, if any, impact gaming activity was having on overall crime in the City. Since then, the Police Department's Crime Analysis Unit has provided crime statistics for all incidents occurring each year at the cardrooms.

Beginning with fiscal year 2012-2013, the Annual Report has distinguished between crimes that are gaming in nature (crimes occurring at the cardroom premises with a direct nexus to gambling) and those incidents that are not gaming related (incidents that occurred at the cardroom premises with no direct nexus to gambling). Of note, while the Department acknowledges that incidents occurring at locations other than on the cardroom premises could be related to gambling (for example, a burglary, robbery, or domestic violence incident could involve gambling losses or gambling addictions) the Department is unable to tie such incidents directly to any particular cardroom without information from the complaining parties. As a result, incidents occurring off-site from the cardroom properties are not included in this report.

## **Crime/Incident Statistics for Bay 101 and Casino M8trix for Fiscal Year 2017-2018**

The San Jose Police Department maintains records of all calls for service and reported incidents. Calls for service are calls made to the San Jose Police Dispatch Center requesting or requiring dispatch of a patrol unit. Reported incidents are incidents in which a police officer or member of the public generates a report. Not all calls for service result in a reported incident and not all reported incidents result in an arrest. In addition, for a call for service or reported incident to be specifically linked to a cardroom, the dispatch system must reference the cardroom address, or the police report for the incident must note the cardroom as the location where the incident occurred. Only those statistics which can be directly related to the cardrooms during Fiscal Year 2017-2018 are included in this report.

## **Calls for Service**

Gambling Crimes (crimes occurring at the cardroom premises with a direct nexus to gambling):

EVENT TYPE	Calls for Service 2015-2016		Calls for Service 2016-2017		Calls for Service 2017-2018	
	BAY 101	CASINO M8TRIX	BAY101	CASINO M8TRIX	BAY101	CASINO M8TRIX
CHEATING	1	0	1	1	5	0
UNDERAGE GAMING	0	0	0	0	0	0
Sub-Total	1	0	1	1	5	0

<sup>1</sup> San José Municipal Code Section 16.04.050, Subsection (A).



Other Incidents (incidents occurring at the cardroom premises with no direct nexus to gambling):

EVENT TYPE	Calls for Service 2015-2016		Calls for Service 2016-2017		Calls for Service 2017-2018	
	CARDROOM	CASINO M8TRIX	CARDROOM	CASINO M8TRIX	CARDROOM	CASINO M8TRIX
AID	0	1	0	0	0	0
ANNOYING / HARASSING TELEPHONE CALLS	0	0	0	0	0	0
ASSAULT	0	0	0	0	0	0
ASSAULT WITH DEADLY WEAPON	1	1	0	2	0	
ATTEMPT TO LOCATE	0	1	1	2	0	0
BAD CHECKS	0	0	0	0	0	0
BATTERY	5	11	2	6	3	8
BATTERY & EMS RESPONSE	1	0	0	0	0	1
BOMB THREAT	0	0	0	0	0	0
BRANDISHING/WEAPON	0	0	0	0	0	0
CAR JACKING	0	0	0	1	1	0
CHILD ABUSE	0	0	0	0	0	0
CHILD NEGLECT	0	0	0	0	0	0
CITIZEN FLAG DOWN	0	0	0	0	0	2
CIVIL MATTER	0	0	0	0	0	0
CIVIL STANDBY	0	1	0	0	0	0
COMMUNITY POLICING FOOT PATROL	0	0	0	0	0	0
POSSIBLE DEAD BODY/CORONERS CASE	0	1	0	0	0	0
COUNTERFEIT CURRENCY	68	67	40	48	48	37
CRIMINAL THREATS	0	0	2	0	1	0
CRUELTY TO ANIMALS	0	0	0	0	0	0
DOMESTIC VIOLENCE	0	0	0	1	0	0
DEFRAUDING AN INNKEEPER	7	3	3	0	3	1
DISTURBANCE	11	34	18	21	18	28
DISTURBANCE "JUVENILES"	0	0	0	0	0	0
DISTURBANCE FAMILY	0	3	2	4	2	2
DISTURBANCE FIGHT	3	3	2	3	4	3
DISTURBANCE UNKNOWN	1	1	1	0	1	0
DISTURBANCE WEAPON	0	0	0	0	1	0
DRUNK IN PUBLIC	1	3	0	0	0	0
DUI	0	0	0	1	1	12
EMBEZZLEMENT	0	2	1	2	1	0
EXTORTION	0	0	1	0	0	0
HIT / RUN (FELONY)	0	0	1	0	0	0

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HIT/RUN (MISD)	5	2	4	5	0	8
FALSE IMPRISONMENT	0	0	0	0	0	0
FIRE DEPARTMENT AID	2	0	0	0	0	0
FOLLOW UP	4	0	2	0	7	2
FOUND MISSING ADULT	0	0	0	0	0	0
FOUND MISSING JUVENILE	0	0	0	0	0	0
FOUND PROPERTY	2	2	0	1	2	0
FRAUD / FORGERY	11	14	5	7	7	6
GRAND THEFT	1	0	0	0	0	0
HANDICAPPED PARKING	0	0	0	0	0	0
INDECENT EXPOSURE	0	0	0	0	0	0
INFORMATION	4	6	3	2	8	6
MALICIOUS MISCHIEF	2	2	1	1	5	2
MEET THE CITIZEN	7	6	13	3	3	12
MENTALLY DISTURBED	2	0	1	1	0	0
MISSING PERSON, MENTAL Handicap	0	0	0	0	0	0
MISSING PERSON	0	0	0	0	0	1
MUNICIPAL CODE VIOLATIONS	1	0	0	0	0	0
NARCOTIC VIOLATIONS	1	2	1	0	0	1
OBSTRUCTING AN OFFICER	0	0	0	0	0	0
PARKING VIOLATION	1	0	0	0	2	0
PARKING VIOLATION/EXPIRED REGISTRATION	0	0	0	0	0	0
PAROLE VIOLATION	0	0	0	0	1	1
PATROL CHECK	0	0	0	0	0	1
PAY TELEPHONE "9-1-1"	1	0	0	0	0	0
PHONE YOUR OFFICE	0	0	1	0	0	0
PEDESTRIAN STOP	0	0	1	0	0	0
PERSON DOWN	1	0	1	0	0	0
PETTY THEFT	1	0	0	0	1	0
PREMISE CHECK	0	0	0	0	0	0
PROSTITUTION	0	0	0	0	0	0
RECIEIVING STOLEN PROP.	1	0	0	0	0	0
RECKLESS DRIVING	0	0	0	2	0	0
SEXUAL BATTERY	1	0	0	1	0	1
SICK PERSON	0	0	0	0	0	0
STAKE OUT	4	3	0	0	1	0
STALKING	0	0	0	0	0	0
STOLEN VEHICLE	2	3	8	6	4	3
STOLEN VEHICLE RECOVERED	1	1	2	2	2	2
SUSPICIOUS CIRCUMSTANCES	6	4	1	2	4	6



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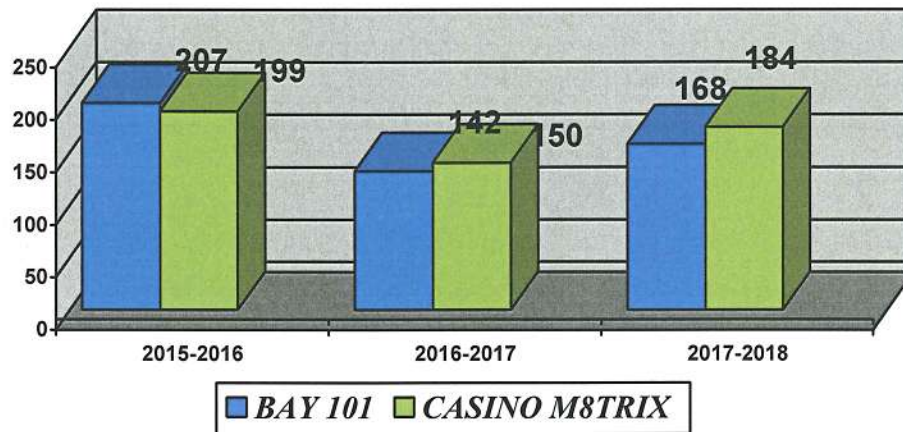
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SUSPICIOUS PACKAGE	0	0	0	0	0	1
SUSPICIOUS PERSON	4	2	2	1	3	4
SUSPICIOUS VEHICLE	4	0	0	1	1	1
THEFT	19	10	5	8	5	14
THEFT OF RECYCLABLES	0	0	0	0	0	0
TRAFFIC HAZARD	0	0	0	0	0	0
TRESPASSING	3	2	2	1	1	4
UNKNOWN CIRCUMSTANCE	0	0	0	0	0	0
VEHICLE ACCIDENT PROPERTY/NON-INJURY	4	0	1	1	3	4
VEHICLE ACCIDENT, UNKNOWN INJURIES	0	0	0	0	0	0
VEHICLE ACCIDENT, AMB DISPATCHED	0	0	0	1	0	1
VEHICLE BURGLARY	4	5	4	4	6	3
VEHICLE STOP	1	0	1	1	5	1
VEHICLE TAMPERING	0	0	0	0	0	0
VIOLATION OF COURT ORDER	0	0	0	0	0	0
WARRANT / FELONY	1	0	1	0	0	0
WARRANT / MISDEMEANOR	0	0	1	0	0	0
GARBAGE COMPLAINT	0	0	0	0	0	1
ROBBERY	1	1	1	2	1	1
WELFARE CHECK	5	1	5	5	5	3
RESISTING ARREST	0	1	0	0	0	0
ATTEMPT TO CONTACT	1	0	0	0	0	0
ALARM CALL	0	0	0	0	1	0
SEARCH	0	0	0	0	1	0
<b>Sub-Total</b>	<b>206</b>	<b>199</b>	<b>141</b>	<b>149</b>	<b>163</b>	<b>184</b>

Comparison of total calls for service from 2015-2016 through 2017-2018:

EVENT TYPE	Calls for Service 2015-2016		Calls for Service 2016-2017		Calls for Service 2017-2018	
	BAY 101	CASINO M8TRIX	BAY 101	CASINO M8TRIX	BAY101	CASINO M8TRIX
Gambling Crimes	1	0	1	1	5	0
Other Incidents	206	199	141	149	163	184
<b>Total Calls for Service</b>	<b>207</b>	<b>199</b>	<b>142</b>	<b>150</b>	<b>168</b>	<b>184</b>

### ***CALLS FOR SERVICE***



As shown above, in Fiscal Year 2017-2018, Bay 101 had 168 calls for service. Of those calls for service, 10 resulted in arrests with five being a gambling crime.

In Fiscal Year 2017-2018, Casino M8trix had 184 calls for service. Of those calls for service, 11 resulted in arrests with none being a gambling crime.

### **Reported Incidents**

Gambling Crimes (crimes occurring at the cardroom premises with a direct nexus to gambling):

EVENT TYPE	Reported Incidents 2015-2016		Reported Incidents 2016-2017		Reported Incidents 2017-2018	
	BAY 101	CASINO M8TRIX	BAY101	CASINO M8TRIX	BAY 101	CASINO M8TRIX
CHEATING	1	0	0	0	1	0
UNDERAGE GAMING	0	0	0	0	0	0
<b>Sub-Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>



Other Incidents (incidents occurring at the cardroom premises with no direct nexus to gambling):

EVENT TYPE	Reported Incidents 2015-2016		Reported Incidents 2016-2017		Reported Incidents 2017-2018	
	CARDROOM	CASINO M8TRIX	CARDROOM	CASINO M8TRIX	CARDROOM	CASINO M8TRIX
AGGRAVATED ASSAULT	1	4	1	4	0	2
AUTO BURGLARY	3	10	4	6	8	4
AUTO RECOVERY	1	1	0	0	0	0
AUTO THEFT	2	6	8	5	1	2
BATTERY	0	0	0	0	3	3
CHECK OFFENSES	2	0	4	1	0	0
CHILD ABUSE	0	0	0	0	0	0
CHILD NEGLECT	0	0	0	0	0	0
FEDERAL VIOLATIONS	0	0	0	0	0	0
COUNTERFEIT MONEY	6	7	2	1	2	1
COURTESY REPORT	0	0	0	0	0	0
CREDIT CARD FRAUD	0	0	0	0	1	1
DEATH	0	0	0	0	0	0
DISORDERLY CONDUCT	0	0	0	0	1	0
DISTURBING THE PEACE	0	1	0	0	0	1
DRIVING UNDER THE INFLUENCE	0	0	0	0	1	1
DRUNK IN PUBLIC	1	3	0	1	1	0
EMBEZZLEMENT	0	4	1	2	1	1
EVENT ONLY	0	0	0	0	0	0
EXTORTION	0	0	0	0	0	0
FORGERY	0	0	0	1	2	2
GRAND THEFT	2	2	1	0	0	1
HIT & RUN	2	4	4	4	0	3
INFORMATION ONLY	3	2	3	1	5	11
LIQUOR OFFENSES	0	0	0	0	0	0
MENTAL CASES	1	0	1	1	1	0
MISSING ADULT	0	1	0	0	0	0
MISSING JUVENILE	0	0	0	0	0	0
NARCOTICS	0	2	1	0	1	0

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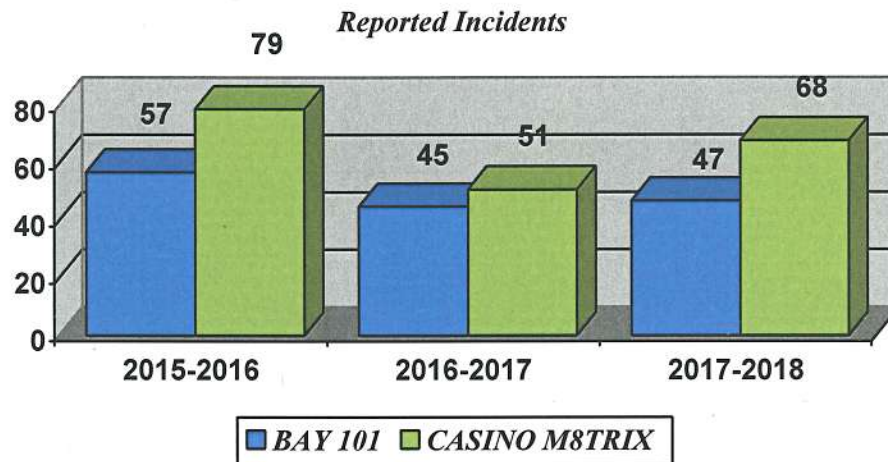
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NON-CRIMINAL OFFENSES	0	0	0	0	0	0
OTHER FELONY	1	1	0	1	2	4
OTHER MISDEMEANOR	3	9	5	1	7	7
PETTY THEFT	8	5	2	6	4	6
PROPERTY LOST OR FOUND	6	8	5	8	2	10
PROSTITUTION	0	0	0	0	0	0
RECEIVING STOLEN PROPERTY	1	1	0	0	0	1
ROBBERY - ATTEMPTED	0	0	0	0	0	0
ROBBERY - STRONG ARM	0	0	1	0	0	1
ROBBERY - ARMED	0	0	0	2	0	1
SEX CRIME	1	0	0	2	0	1
SIMPLE ASSAULT	0	0	0	0	0	0
STOLEN LICENSE PLATE(S)	1	0	0	0	0	0
SUSPICIOUS CIRCUMSTANCES	4	0	1	1	0	2
SUSPICIOUS VEHICLE	0	0	0	0	0	0
TRAFFIC ACCIDENTS	0	0	0	0	0	0
TRAFFIC/DRIVING VIOLATIONS		0	0	0	0	0
VANDALISM	3	5	1	3	3	2
WARRANTS	1	1	0	0	0	0
WEAPONS OFFENSES	0	2	0	0	0	0
WELFARE CHECK	0	0	0	0	0	0
<b>Sub-Total</b>	<b>56</b>	<b>79</b>	<b>45</b>	<b>51</b>	<b>46</b>	<b>68</b>



Comparison of total reported incidents from 2015-2016 to 2017-2018:

EVENT TYPE	Reported Incidents 2015-2016		Reported Incidents 2016-2017		Reported Incidents 2017-2018	
	BAY 101	CASINO M8TRIX	BAY 101	CASINO M8TRIX	BAY 101	CASINO M8TRIX
Gambling Crimes	1	0	0	0	1	0
Other Incidents	56	79	45	51	46	68
<b>Total Reported Incidents</b>	<b>57</b>	<b>79</b>	<b>45</b>	<b>51</b>	<b>47</b>	<b>68</b>



In Fiscal Year 2017-2018, Bay 101 experienced an increase of two reported incidents from the prior fiscal year (from 45 to 47). Casino M8trix experienced an increase of 17 reported incidents in Fiscal Year 2017-2018 (from 51 to 68).

### Reported Incidents Involving Arrests

Gambling Crimes (crimes occurring at the cardroom premises with a direct nexus to gambling):

EVENT TYPE	Reported Arrests 2015-2016		Reported Arrests 2016-2017		Reported Arrests 2017-2018	
	BAY 101	CASINO M8TRIX	BAY 101	CASINO M8TRIX	BAY101	CASINO M8TRIX
CHEATING	1	0	0	0	2	0
UNDERAGE GAMING	0	0	0	0	0	0
<b>Sub-Total</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>

Other Incidents (incidents occurring at the cardroom premises with no direct nexus to gambling):

EVENT TYPE	Reported Arrests 2015-2016		Reported Arrests 2016-2017		Reported Arrests 2017-2018	
	CARDROOM	CASINO M8TRIX	CARDROOM	CASINO M8TRIX	CARDROOM	CASINO M8TRIX
ASSAULT W/ DEADLY WEAPON	0	1	0	1	0	1
BURGLARY AUTO	0	0	0	0	1	0
BATTERY	0	1	0	1	1	2
CHILD ABUSE	0	0	0	0	0	0
CHILD ENDANGERMENT	0	0	0	0	0	0
CHILD NEGLECT	0	0	0	0	0	0
CRIMINAL THREATS	0	0	0	0	0	0
DEFRAUDING INNKEEPER	1	1	0	0	0	0
DISTURBANCE	0	2	0	1	0	0
DISTURBANCE – WEAPON	0	0	0	0	0	0
DOMESTIC VIOLENCE	0	0	0	0	0	0
DRUNK IN PUBLIC	0	2	0	0	1	0
DUI	0	0	0	0	1	1
EMBEZZLEMENT	0	2	0	2	1	0
EXTORTION	0	0	0	0	0	0
FALSE IMPRISONMENT	0	0	0	0	0	0
FRAUD	0	0	0	0	0	0
FORGERY	0	0	0	0	0	0
GRAND THEFT	0	0	0	0	0	0
IDENTITY THEFT	0	0	0	0	0	0
INDECENT EXPOSURE	0	0	0	0	0	0
MENTALLY DISTURBED	0	0	0	0	0	0
MINOR POSS. FALSE ID	0	0	0	0	0	0
MUNI	0	0	0	0	0	0
NARCOTICS	0	1	1	0	0	1
PAROLE VIOLATION	0	0	0	0	0	0
PETTY THEFT	2	0	0	0	1	0
RAPE	0		0	0	0	1
ROBBERY	0	0	0	0	0	2



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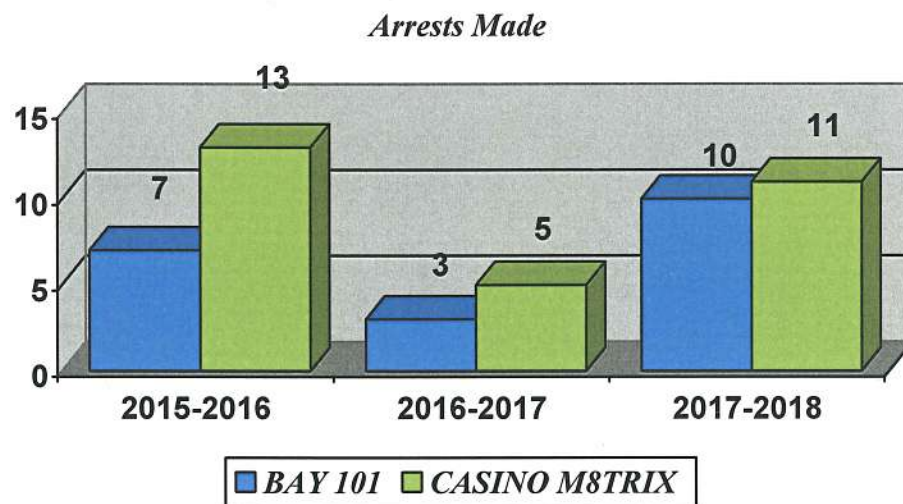
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TRESPASSING	1	1	0	0	1	1
WARRANTS	1	0	2	0	0	0
OTHER	1	2	0	0	1	2
<b>Sub-Total</b>	<b>6</b>	<b>13</b>	<b>3</b>	<b>5</b>	<b>8</b>	<b>11</b>

Comparison of total reported incidents that resulted in arrests from 2015-2016 to 2016-2017:

EVENT TYPE	Reported Arrests 2015-2016		Reported Arrests 2016-2017		Reported Arrests 2017-2018	
	BAY 101	CASINO M8TRIX	BAY 101	CASINO M8TRIX	BAY101	CASINO M8TRIX
Gambling Crimes	1	0	0	0	2	0
Other Incidents	6	13	3	5	8	11
<b>Total Reported Arrests</b>	<b>7</b>	<b>13</b>	<b>3</b>	<b>5</b>	<b>10</b>	<b>11</b>



In Fiscal Year 2017-2018, there were a total of 10 arrests made at Bay 101, with two being a gambling crime (refer to the chart above); at Casino M8trix, a total of 11 arrests were made with none being a gambling crime.

## **ANALYSIS**

Overall, a review of Bay 101's statistics revealed that during Fiscal Year 2017-2018, there were 168 calls for service, with five being for a gambling crime. This was an increase of 24 more calls for service over 2016-2017, however, the total number of calls for service remained lower than in 2015-2016.

In addition, in 2017-2018, there were 47 reported incidents at Bay 101, an increase of two incidents over the prior year. One reported incident was for a gambling crime. The final analysis shows there were 10 reported incidents that resulted in an arrest, with two being a for gambling crime.

A review of Casino M8trix's statistics revealed that during Fiscal Year 2017-2018, there were 184 calls for service, none of which were for gambling crimes. This was an increase of 34 more calls for service over 2016-2017, however, the total number of calls for service remained lower than in 2015-2016.

In addition, there were 68 reported incidents at Casino M8trix, an increase of 17 incidents over the prior year. None of these were for gambling crimes. The final analysis shows there were 11 reported incidents that resulted in an arrest, with none being for a gambling crime.

The number of incidents resulting in arrests at both cardrooms remained low, with 10 arrests at Bay 101 and 11 at Casino M8trix.

## **COORDINATION**

This report was coordinated with the City Attorney's Office.

/s/

Edgardo Garcia  
Chief of Police

For questions, please contact Kirill Yermanov, Interim Gaming Administrator, in the Division of Gaming Control at 408-794-1474.