

ORDINANCE NO. ____

AN ORDINANCE REPEALING AND REPLACING CHAPTER 115: AMUSEMENTS AS IT RELATES TO AUTHORIZING AND REGULATING THE CONDUCT OF LAWFUL GAMBLING WITHIN THE CITY OF SPRING LAKE PARK

The City Council of the City of Spring Lake Park, Minnesota, ordains as follows:

Section 1. §115.01 through 115.09, inclusive, are hereby repealed.

Section 2. Replace Chapter 115 with the following:

§115.01 ADOPTION OF STATE LAW BY REFERENCE.

The provisions of M.S. Ch. 349, as they may be amended from time to time, with reference to the definition of terms, conditions of operation, provisions relating to sales, and all other matters pertaining to lawful gambling are hereby adopted by reference and are made a part of this ordinance as if set out in full. It is the intention of the Council that all future amendments of M.S. Ch. 349, are hereby adopted by reference or referenced as if they had been in existence at the time this ordinance was adopted.

§115.02 CITY MAY BE MORE RESTRICTIVE THAN STATE LAW.

The Council is authorized by the provisions of M.S. § 349.213, as it may be amended from time to time, to impose, and has imposed in this ordinance, additional restrictions on gambling within its limits beyond those contained in M.S. Ch. 349, as it may be amended from time to time.

§115.03 PURPOSE.

The purpose of this subchapter is to regulate lawful gambling within the city, to prevent its commercialization, to ensure the integrity of operations, and to provide for the use of net profits only for lawful purposes.

§115.04 DEFINITIONS.

In addition to the definitions contained in M.S. § 349.12, as it may be amended from time to time, the following terms are defined for purposes of this ordinance:

BOARD. The State of Minnesota Gambling Control Board.

CITY. City of Spring Lake Park

COUNCIL. City Council of the City of Spring Lake Park

LICENSED ORGANIZATION. An organization licensed by the Board.

LOCAL PERMIT. A permit issued by the city.

TRADE AREA. The City, Blaine, Fridley and Mounds View.

§115.05 APPLICABILITY.

This ordinance shall be construed to regulate all forms of lawful gambling within the city except bingo conducted within a nursing home or a senior citizen housing project or by a senior citizen organization if the prizes for a single bingo game do not exceed \$10, total prizes awarded at a single bingo occasion do not exceed \$200, only members of the organization, residents of the nursing home or housing project, and their guests, are allowed to play in a bingo game, no compensation is paid for any persons who conduct the bingo, and a manager is appointed to supervise the bingo.

§115.06 LAWFUL GAMBLING PERMITTED.

Lawful gambling is permitted within the city provided it is conducted in accordance with Minn. Stat. §§ 609.75-.763, inclusive, as they may be amended from time to time; Minn. Stat. §§ 349.11-.23, inclusive, as they may be amended from time to time; and this ordinance.

§115.07 COUNCIL APPROVAL.

Lawful gambling authorized by Minn. Stat. §§ 349.11-.23, inclusive, as they may be amended from time to time, shall not be conducted unless approved by the Council, subject to the provisions of this ordinance and state law.

§115.08 APPLICATION AND LOCAL APPROVAL OF PREMISES PERMITS.

(A) Any organization seeking to obtain a premises permit from the Board shall file with the city clerk an executed, complete duplicate application, together with all exhibits and documents accompanying the application as will be filed with the Board.

(B) Upon receipt of an application for issuance of a premises permit, the Administrator, Clerk/Treasurer, or his/her designee, shall transmit the application to the chief of police for review and recommendation.

(C) The chief of police shall investigate the matter and make the review and recommendation to the City Council as soon as possible, but in no event later than 30 days following receipt of the notification by the city.

(D) Organizations applying for a state-issued premises permit shall pay the city a \$100.00 investigation fee. This fee shall be refunded if the application is withdrawn before the investigation is commenced. If approved by the City Council and the Board, a licensed organization will be responsible for an annual investigative fee for conducting lawful gambling within the city.

(E) The applicant shall be notified in writing of the date on which the Council will consider the recommendation.

(F) The Council shall receive the police chief's report and consider the application within 45 days of the date the application was submitted to the Administrator, Clerk/Treasurer.

(G) The Council shall by resolution approve or disapprove the application within 60 days of receipt of the application.

(H) The Council shall deny an application for issuance or renewal of a premises permit for any of the following reasons:

(1) Violation by the gambling organization of any state statute, state rule, or city ordinance relating to gambling within the last three (3) years.

(2) Violation by the on-sale establishment or organization leasing its premises for gambling of any state statute, state rule, or city ordinance relating to the operation of the establishment, including, but not limited to, laws relating to alcoholic beverages, gambling, controlled substances, suppression of vice, and protection of public safety within the last three (3) years.

(3) Lawful gambling would be conducted at premises other than those for which an on-sale, off-sale or club liquor license has been issued.

(4) More than one licensed organization would be permitted to conduct lawful gambling activities at one (1) premises.

(5) Failure of the applicant to pay the investigation fee provided by Subdivision 4 within the prescribed time limit.

(6) Failure of the applicant to maintain an address within the city for at least three years prior to the application.

(7) Operation of gambling at the site would be detrimental to health, safety, and welfare of the community.

Otherwise, the Council shall pass a resolution approving the application.

§115.09 NOTIFICATION OF EXCLUDED OR EXEMPTED LAWFUL GAMBLING.

(A) An organization conducting lawful gambling excluded or exempted from state licensure requirements shall provide the following information prior to conducting said lawful gambling:

- (1) Name and address of the organization;
- (2) Dates of gambling occasion;
- (3) Address of premises where event will occur;
- (4) Estimated value of prizes to be awarded; and
- (5) Proof of state exemption or exclusion, if requested by the City.

(B) Within 30 days of filing any reports with the Board, the organization shall file a copy of those reports with the city.

§115.10 LICENSE AND PERMIT DISPLAY.

All permits issued under state law or this ordinance shall be prominently displayed during the permit year at the premises where gambling is conducted.

§115.11 NOTIFICATION OF MATERIAL CHANGES TO APPLICATION.

An organization holding a state-issued premises permit shall notify the city within ten (10) days in writing whenever any material change is made in the information submitted on the application.

§115.12 CONTRIBUTION OF NET PROFITS TO FUND ADMINISTERED BY CITY.

(A) Each organization licensed to conduct lawful gambling within the city pursuant to Minn. Stat. § 349.16, as it may be amended from time to time, shall contribute three percent (3%) of its net profits derived from lawful gambling in the city to a fund administered and regulated by the city without cost to the fund. The city shall disburse the funds for charitable contributions as defined by Minn. Stat. § 349.12, subd. 7a, as it may be amended from time to time.

(B) Payment under this section shall be made within 15 days of the end of each calendar month.

(C) The city's use of such funds shall be determined at the time of adoption of the city's annual budget or when the budget is amended.

§115.13 DESIGNATED TRADE AREA.

(A) Each organization licensed to conduct gambling within the city shall expend sixty percent (60%) of its lawful purpose expenditures on lawful purposes conducted within the city's trade area

(B) This section applies only to lawful purpose expenditures of gross profits derived from gambling conducted at a premises within the city's jurisdiction.

§115.14 RECORDS AND REPORTING.

(A) Organizations conducting lawful gambling shall file with the city clerk one copy of all records and reports required to be filed with the Board, pursuant to Minn. Stat. ch. 349, as it may be amended from time to time, and rules adopted pursuant thereto, as they may be amended from time to time. The records and reports shall be filed on or before the day they are required to be filed with the Board.

(B) Organizations licensed by the Board shall file a report with the city proving compliance with the trade area spending requirements imposed by §115.13. Such report shall be made on a form prescribed by the city and shall be submitted annually.

§115.15 HOURS OF OPERATION.

Lawful gambling shall not be conducted between one o'clock (1:00) A.M. (or two o'clock (2:00) A.M. if the premises is permitted for an extended closing time pursuant to M.S. 340A.504, subd. 7) and eight o'clock (8:00) A.M. on any day of the week.

§115.16 PENALTY.

Any person who violates any provision of this ordinance; Minn. Stat. §§ 609.75-609.763, inclusive, as they may be amended from time to time; or Minn. Stat. §§ 349.11-349.21, as they may be amended from time to time; or any rules promulgated under those sections, as they may be amended from time to time, shall be guilty of a misdemeanor and subject to a fine of not more than \$1,000 or imprisonment for a term not to exceed 90 days, or both, plus in either case the costs of prosecution. In addition, violations shall be reported to the Board and recommendation shall be made for suspension, revocation, or cancellation of an organization's license.

Section 3. SEVERABILITY CLAUSE. If any provision of this ordinance is found to be invalid for any reason by a court of competent jurisdiction, the validity of the remaining provisions shall not be affected.

Section 4. This Ordinance shall have full force and effect upon its passage and publication.

Passed by the City Council of the City of Spring Lake Park, Minnesota, this ____ day of _____ 2020.

Robert Nelson, Mayor

ATTEST:

Daniel R. Buchholtz, City Administrator/Clerk