CITY OF BALDWIN SHERBURNE COUNTY STATE OF MINNESOTA

ORDINANCE NO. 2024-10

AN ORDINANCE AUTHORIZING AND REGULATING THE CONDUCT OF LAWFUL GAMBLING WITHIN THE CITY OF BALDWIN, MINNESOTA

The City Council of the City of Baldwin, Minnesota ordains:

SECTION 1. ADOPTION OF STATE LAW BY REFERENCE

The provisions of Minnesota Statutes Chapter 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 City Council that all future amendments of Minnesota Statutes Chapter 349, are hereby adopted by reference or referenced as if they had been in existence at the time this ordinance was adopted.

SECTION 2. CITY MAY BE MORE RESTRICTIVE THAN STATE LAW

The City Council is authorized by the provisions of Minn. Stat. § 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 Minn. Stat. ch. 349, as it may be amended from time to time.

SECTION 3. PURPOSE

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

SECTION 4. DEFINITIONS

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

BOARD, as used in this ordinance, means the State of Minnesota Gambling Control Board.

CITY, as used in this ordinance, means the City of Baldwin.

CITY COUNCIL, as used in this ordinance, means the City Council of the City of Baldwin.

LICENSED ORGANIZATION, as used in this ordinance, means an organization licensed by the city and the Board.

LOCAL PERMIT, as used in this ordinance, means a permit issued by the City.

TRADE AREA, as used in this ordinance, means the Townships of Wyanett, Spencer Brook, Stanford, Livonia, Orrock, Blue Hill, and Greenbush and the City of Princeton.

SECTION 5. APPLICABILITY

This ordinance shall be construed to regulate all forms of lawful gambling within the City except for the following:

- (i) 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.
- (ii) Raffles conducted so as to meet the requirements to be considered exempt from state licensing requirements pursuant to Minn. Stat. § 349.166.

SECTION 6. 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.

SECTION 7. CITY COUNCIL APPROVAL

- **Subd. 1.** 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 City Council, subject to the provisions of this ordinance and state law.
- **Subd. 2.** No organization shall conduct lawful gambling excluded or exempted from state licensure requirements by Minn. Stat. § 349.166, as it may be amended from time to time, without a valid Local Permit from the City. This section shall not apply to lawful gambling exempted from local regulation by Section 5 of this ordinance.

SECTION 8. APPLICATION AND CITY APPROVAL OF PREMISES PERMITS

Subd. 1. Applications for issuance or renewal of a Local Permit from the City shall be on a form prescribed by the City. The application shall contain the following information:

- (i) Name and address of the organization requesting the permit.
- (ii) Name and address of the officers and person accounting for receipts, expenses, and profits for the event.
- (iii) Dates of gambling occasion for which permit is requested.
- (iv) Address of premises where event will occur.

- (v) Copy of rental or leasing arrangement, if any, connected with the event, including rent to be charged to the organization.
- (vi) Estimated value of prizes to be awarded.
- **Subd. 2.** The fee for a Local Permit shall be \$200 of which \$100 is a nonrefundable administrative fee and \$100 is an investigation fee. The fee shall be submitted with the application for a Local Permit. The \$100 investigation fee shall be refunded if the application is withdrawn before the investigation is commenced.
- **Subd. 3.** Upon receipt of an application for issuance of a premises permit, the City Clerk shall transmit the application to the Sherburne County Sheriff's Department for review and recommendation.
- **Subd. 4.** The County Sheriff shall investigate the matter and make the review and a recommendation to the City Council.
- **Subd. 5.** The applicant shall be notified in writing of the date on which the City Council will consider the recommendation.
- **Subd. 6.** The City Council shall receive the County Sheriff's report and consider the application within 60 days of the date the application was submitted to the City Clerk or the next regularly scheduled City Council meeting after receipt of the County Sheriff's report, whichever event occurs last.
- **Subd. 7.** The City Council shall by resolution approve or disapprove the application.
- **Subd. 8.** The City Council shall deny an application for issuance or renewal of a premises permit for any of the reasons listed below. **THE FOLLOWING REASONS WOULD BE GROUNDS FOR DENIAL:**
- (i) Violation by the gambling organization of any state statute, state rule, or City ordinance relating to gambling within the last three (3) years.
- (ii) 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.
- (iii) Lawful gambling would be conducted at premises other than those for which an on-sale liquor license has been issued.
- (iv) Lawful gambling would be conducted at more than three (3) premises within the City.

- (v) An organization would be permitted to conduct lawful gambling activities at more than one (1) premises in the City.
- (vi) More than one Licensed Organization would be permitted to conduct lawful gambling activities at one (1) premises.
- (vii) Failure of the applicant to pay the application fee provided by Subdivision 3 within the prescribed time limit.
- (viii) Operation of gambling at the site would be detrimental to health, safety, and welfare of the community.

Subd. 9. Local Permits shall be valid for one (1) year after the date of issuance unless suspended or revoked.

SECTION 9. 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 the permitted gambling is conducted.

SECTION 10. NOTIFICATION OF MATERIAL CHANGES TO APPLICATION

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

SECTION 11. CONTRIBUTION OF NET PROFITS TO FUND ADMINISTERED BY CITY

- **Subd. 1.** 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 a minimum of ten percent (10%) 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. Nothing in this ordinance shall prevent an organization licensed to conduct lawful gambling within the City from contributing more of its net profits derived from lawful gambling to the City than the minimum required by this subdivision.
- **Subd. 2.** Payment under this section shall be made quarterly on the following dates: January 1st, April 1st, July 1st, and October 1st.
- **Subd. 3.** 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.

SECTION 12. DESIGNATED TRADE AREA

Subd. 1. Each organization licensed to conduct gambling within the City shall expend ninety percent (90%) of its lawful purpose expenditures on lawful purposes conducted within the City's Trade Area.

Subd. 2. This section applies only to lawful purpose expenditures of gross profits derived from gambling conducted at a premises within the City's jurisdiction.

SECTION 13. RECORDS AND REPORTING

Subd. 1. 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.

Subd. 2. Organizations licensed by the City shall file a report with the City proving compliance with the contributions to the City and the trade area spending requirements imposed by Sections 11 and 12 of this ordinance. Such report shall be made on a form prescribed by the City and shall be submitted annually by December 31st of each year.

SECTION 14. HOURS OF OPERATION

Lawful gambling shall not be conducted between 2 a.m. and 8 a.m. on any day of the week.

SECTION 15. 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 pursuant to this ordinance.

SECTION 16. REVOCATION AND SUSPENSION OF LOCAL PERMIT

Subd. 1. A Local Permit may be revoked or temporarily suspended for a violation by the gambling organization of any state statute, state rule, or City ordinance relating to gambling.

Subd. 2. A license shall not be revoked or suspended until written notice and an opportunity for a hearing have first been given to the permitted person. The notice shall be personally served or sent by certified or registered mail. If the person refuses to accept notice, notice of the violation shall be served by posting it on the premises. Notice shall state the provision reasonably believed to be violated and shall also state that the permitted person may demand a hearing on the matter, in which case the permit will not be suspended until after the hearing is held. If the permitted

person requests a hearing, the City Council shall hold a hearing on the matter at least one week after the date on which the request is made. If, as a result of the hearing, the City Council finds that an ordinance violation exists, then the City Council may suspend or revoke the permit.

SECTION 17. SEVERABILITY

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 18. EFFECTIVE DATE

This ordinance becomes effective on the date of its publication, or upon the publication of a summary of the ordinance as provided by Minn. Stat. § 412.191, subd. 4, as it may be amended from time to time, which meets the requirements of Minn. Stat. § 331A.01, subd. 10, as it may be amended from time to time.

Passed by the Baldwin City Council this 2nd day of December 2024.

Jay Swanson, Mayot

Attested:

loan Heinen, City Clerk

CITY OF BALDWIN APPLICATION FOR LOCAL GAMBLING PERMIT

Date of Application:			Fee Paid: \$		
		Applicant Informa	tion		
Name:			Title:		
Name:(Last) ((First)	(Middle)			
Address:					
(Street)		(City)	(State)	(Zip Code)	
Telephone: ()	-				
Email Address:					
		Organization Inforn	nation		
Name:					
Address:					
(Street)		(City)	(State)	(Zip Code)	
Telephone ()					
		Proposed Location	on		
Address:		•			
(Street)		(City)	(State)	(Zip Code)	
If the Organization doo Property Owner:	es not own t	he facility:			
Address:					
Telephone: ()	-				
(Attach a copy of the r	ental or leas	sing arrangement to th	e application)		

Name and address of any officer/per the event:	rson who will account for receipts, expenses, and profits for
Description of the gambling activiti of prizes to be awarded):	es to be conducted (include days & hours and estimated value
· · · · · · · · · · · · · · · · · · ·	apporting the organization's exclusion or exemption from gibility for a local gambling permit (Minn. Stat. § 349.166):
my knowledge. I understand that an	made in this application are true and complete to the best of my misstatements or omissions may result in a denial of my neestigate the information provided and contact the persons cation.
The undersigned agrees that the gar and local regulations.	mbling event will, if approved, conform to all applicable state
Applicant (please print):	
Signature:	Date: