ROLL CALL: Mueller, Gunn, Hull, Meehlhouse, Bergeron

PUBLIC COMMENT

Citizens may speak to issues not on tonight's agenda. Before speaking, please give your full name and address for the minutes. Also, please limit your comments to three minutes.

AGENDA ITEMS DISCUSSED BY CONSENSUS

1. Cable/Franchise Fee – Zikmund – Packet Materials
2. Rental Licensing Landlord Accountability – Report in Memo
3. Water Preservation Project – Zikmund - Packet Materials
5. SBM Budget Update – Zikmund – Report in Memo
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to: Mounds View City Council
from: Nyle Zikmund, City Administrator
re: August 5, 2019 Workshop
date: July 30, 2019

1. With resignation of our cable coordinator we have the option of backfilling the position or contracting with CTV. Attached is a quotation for services. Staff is recommending we contract for the two council meetings per month along with the P & Z for a total of 36 meetings. We can contract for additional meetings at a fee of $200 per meeting versus the group rate at $173. The new equipment allows live streaming thus the workshops, Charter Commission, and Park, Rec and Forestry can all be done by staff using the tablets. Jenny Nelson is also trained and qualified to operate the equipment. Along with this we recommend the Cable Casting and Web Streaming services and some allocation towards production of videos ($6,000 would allow for 12 a year or one a month). Total for above would be just over $18,000. If $20,000 was allocated we should be able to cover.

Approximately $78,000 was allocated to compensation for the Cable Coordinator position leaving a balance of $58,000. Department heads met to discuss options with consensus to allocate portion of remainder to fund Jenny Nelson’s and Rayla Ewald’s salary as they will take on more of the communication duties. The remaining unused portion will, at this time, accumulate in the fund.

Attached is an email from CTV Executive Director Dana Healy indicating the Commissions Attorney’s opinion that Franchise Fees can be placed into the General Fund for whatever purpose a city decides. This information is helpful as we go forward but as for now, Director Beer’s plan is to have the remainder reside.

Consensus Requested – Sign contract with CTV implementing recommendation above.

2. Rental Licensing Landlord Accountability. Jon and Jacob are working on this but the truly effective options are very limited to one ABSENT a written complaint. That option is to do immediate inspections of multiple units at random. This has the effect of putting landlords on notice that they will need to stay in compliance. We have limited staff availability for this; however that said, with the FD Part Time assistant program we have more ability and we are working on trying to extend that program beyond the summer (the cable money may be a source to continue)

3. Water Preservation Project – As Don and I have been working on implementing an INI program it became apparent a “larger/broader” approach would be needed. Included in your packets are draft documents for a H20PP pronounced Hop as in Hop on Board. Details are in the packet but policy decisions include consideration of a modest increase in the water fee to cover replacement of water meters and imposing a fee of $250 to fund the INI program which
would, with some internal re-allocation of water, storm and sewer funds – allow funding of anew Public Works position. While that person would be assigned to Parks, it provides enough overall staff to implement the HOPP program. Staff will have more details on the funding of the position and duties of that position. While indirect, the Parks position ties into council and community goals related to being a tree city as adding that position, enables our forester to allocate more of his time to forestry related issues.

Consensus Requested – Provide direction to staff on moving forward

4. Charitable Gaming – Included in the packet are copies of State Statute. Council has discretion to impose a regulation tax of up to 3% for enforcement and pass an ordinance requiring operators to share 10% of net profits with City.

Consensus Requested – Provide direction to staff on profit share and tax.

5. SBM Budget Update – Our quarterly meeting of the three cities was held this past Tuesday. Both Blaine and SLP shared with Chief Smith their support of the Mounds View Council’s position; move forward with the two positions but overall increase needs to be at 4.5% versus the current 6.5%. SLP will begin their budget process next week while Blaine will not engage substantially until mid-September when their new manager starts.

6. Rain Gardens - Held a strategy meeting last Tuesday with number of stakeholders and consultants. Working on assembling a plan to implement 5 identified strategies of which one is finalized; working with LMC and Board of Water and Soil on interaction with RCWS.

7. Charter Commission – Verbal Update by City Administrator on hearing
North Suburban Access NSAC
Professional and Technical Services Agreement

This contract is between the North Suburban Access Corporation, a Minnesota Municipal
Corporation, (herein “the NSAC”) and the City of Mounds View, Minnesota (herein
“the City”).

Recitals

1. Under Minnesota law, the NSAC is empowered to provide such professional and
technical services as are desired by the City.

2. The City desires to engage the NSAC for video webcasting services and archiving
services (herein “the Services”).

3. The City represents that it is empowered to engage the NSAC.

Agreement

1. Term of Contract

1.1. Duration. This Agreement will become effective August 1, 2019 and will
remain in effect for a period of seventeen (17) months. At the
expiration of the seventeen (17) month period, the Agreement will
automatically renew for another period of one (1) year, unless notice to
terminate this Agreement is provided no less than ninety (90) days
prior to the end of the current term. If this Agreement is terminated
prior to the completion of a one (1) year period, the NSAC will be
entitled to payment, determined on a pro rata basis, for Services
satisfactorily performed.

1.2. Survival of Terms. The following clauses will remain in effect after the
termination of the Agreement: Section 5. Liability, Section 6.
Governing Law, Jurisdiction, and Venue; and Section 9. Disclosure.

2. Services Provided

2.1. Services. The NSAC will provide the Services described in Schedule A
(attached).

2.2. Additional Services. The City may also request additional services during
the term of the Agreement (see Section 1.1. Duration). If accepted by
the NSAC, Schedule A will be amended to include a description of the
additional services and according compensation. Unless otherwise specified, all terms of this Agreement will apply to any amendments to Schedule A.

2.3. **Standard of Care.** To the extent any property, such as camera or computer equipment, is loaned by the NSAC to the City, the City will exhibit a standard of care consistent with Minnesota law.

2.4. **City Assistance.** Depending on the nature of the Services, the NSAC may from time to time require access to public and private lands or property. To the extent the City is legally and reasonably able, the City will provide access to and make provisions to enable the NSAC or its agents or employees to enter upon public and private land and property as required for the NSAC to perform the Services.

The City will furnish the NSAC with a copy of any special standards or criteria promulgated by the City relating to the Services, including, but not limited to, design and construction standards, that is necessary for the NSAC to prepare for its performance of the Services.

3. **Payment**

3.1. **Compensation.** The City will pay for all Services to be performed by the Contractor as specified in Schedule A (attached).

3.2. **Fee Adjustment.** The NSAC reserves the right to annually adjust the fees associated with the Services specified in Schedule A. Such adjustments, if any, will be enacted on January 1 of a given year. Prior to enacting any fee adjustments, the NSAC must provide written notice of such to the City at least ninety (90) calendar days prior to the effective date of the fee adjustment.

3.3. **Invoices.** The City must promptly pay the NSAC after the NSAC presents an invoice for those Services that have been actually performed. The NSAC must timely submit invoices.

4. **Assignment, Amendments, Waiver, and Completeness**

4.1. **Assignment.** The City may not assign, license, or transfer any rights or obligation under this Agreement without prior written consent of the NSAC and a fully executed Assignment Agreement, executed and approved by the same parties who executed and approved this Agreement, or their successors in office.

4.2. **Amendments.** Any amendments to this contract must be made in writing and will not be effective until executed and approved by the same
Hi Nyle,
Hope you are doing well. I researched and talked to Mike Bradley about the use of the franchise fees. That is wide open for general usage. It does not need to be slated for communication needs. Hopefully, that helps out your budgeting process.

Dana Healy
Executive Director, CTV North Suburbs
2670 Arthur Street, Roseville, MN 55113
651-792-7512 | dhealy@ctvnorthsuburbs.org
Follow Me on LinkedIn

Check Out Our Newly Designed Website
www.CTVNorthSuburbs.org

Join Our Email List to Stay Informed
parties who executed and approved this Agreement, or their successors in office.

4.3. **Waiver.** If the NSAC fails to enforce in a timely manner any provision of this Agreement, that failure does not waive the provision or the NSAC’s right to enforce the provision.

4.4. **Completeness.** This Agreement contains all negotiations and agreements between the NSAC and the City. No other understanding regarding this Agreement, whether written or oral, may be used to bind either party.

5. **Liability**

The City must indemnify and hold harmless the NSAC, its agents, and its employees from any claims or causes of action, including attorney’s fees incurred by the NSAC arising from performance of this Agreement by the City, its agents, or its employees. The clause must not be construed to preempt any legal remedies the NSAC may have for the City’s failure to fulfill its obligations under this Agreement.


6.1. **Government Data Practices.** To the extent applicable, the City and NSAC must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13. The civil remedies of Minn. Stat. § 13.08 apply to the release of the data referred to in this Clause by either the City or the NSAC.

Each Party shall notify the other of any Data Practices Act request for video recordings created pursuant to this Agreement. All requests for the release or sale of video recordings created pursuant to this Agreement shall be directed to and fulfilled by the NSAC.

7. **Endorsement**

The City must not claim that the NSAC endorses its products or services.

8. **Governing Law, Jurisdiction, and Venue**

Minnesota Law governs this Agreement. Venue for all legal proceedings arising from this Agreement shall be in the appropriate state or federal court with competent jurisdiction in Ramsey County, Minnesota.

9. **Disclosure**

The City consents to disclosure of its social security number, federal employer tax identification number, and Minnesota tax identification number, to the Commission as is necessary for compliance with Minnesota and other applicable law.
10. Severability

If any section or clause of this Agreement is held to be invalid or unenforceable, then the meaning of that section or clause shall be construed so as to render it enforceable to the extent feasible. If no feasible interpretation would save the section or clause, it shall be severed from this Agreement with respect to the matter in question, and the remainder of the Agreement shall remain in full force and effect. However, in the event that such a section or clause is essential or substantially alters the Agreement, the Parties shall negotiate a replacement section or clause that will achieve the intent of such unenforceable section or clause to the extent permitted by law.

11. Employment

Employees of the NSAC performing work pursuant to this Agreement shall remain at all times employees only of the NSAC. The NSAC will be responsible for worker’s compensation, salary, and training.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]
Dated: ________________

North Suburban Access Corporation

By: ____________________
Its: ____________________

Attest

By: ____________________
Its: ____________________

Mounds View, City Administrator

Dated: ________________

By: ____________________
Its: ____________________
Schedule A. Services (Sample).

<table>
<thead>
<tr>
<th>Service</th>
<th>Quote</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Municipal Production Services:</strong> The NSAC agrees to provide the following:</td>
<td></td>
</tr>
<tr>
<td>• Provide a municipal producer to record and broadcast LIVE City Council meetings, Planning and Zoning meetings, and EDA, not to exceed 45 meetings per year for 2020. Not to exceed 19 meetings per year for 2019.</td>
<td>Cost for 2019 - $3,287</td>
</tr>
<tr>
<td>• Additional services related to municipal production services will be billed at a flat rate of $200 per meeting;</td>
<td>Cost for 2020 - $7,785</td>
</tr>
<tr>
<td>• Equipment and meeting room preparation; and</td>
<td></td>
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<tr>
<td>• Provide the timing of the discussion and agenda items for web links.</td>
<td></td>
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<tr>
<td>• Provide backend support for closing, annotating, and posting the meeting for program for the following day;</td>
<td></td>
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<tr>
<td>• Provide master control services to ensure quality controls.</td>
<td></td>
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<tr>
<td>The City agrees to provide the following:</td>
<td></td>
</tr>
<tr>
<td>• Provide a weekly schedule of live and/or recorded events of shows at least one week in advance of first event/show on the schedule.</td>
<td>$2,271 for 2020 year</td>
</tr>
<tr>
<td>• Provide the NSAC with the name and telephone number and email address of an emergency contact who can answer questions about the cablecast and/or encoding of live events;</td>
<td></td>
</tr>
<tr>
<td><strong>Cablecasting Services:</strong> The NSAC agrees to provide the following:</td>
<td></td>
</tr>
<tr>
<td>• Live broadcasting of City Council meetings and applicable Advisory Commission meetings on appropriate channels;</td>
<td></td>
</tr>
<tr>
<td>• Schedule the City channel with up to 14 premiers of programming, and 63 reruns of programming per week, totaling 77 playbacks per week.</td>
<td></td>
</tr>
<tr>
<td>The City agrees to provide the following:</td>
<td></td>
</tr>
<tr>
<td>• Monthly schedule of cablecast playbacks.</td>
<td></td>
</tr>
<tr>
<td><strong>Web streaming Services:</strong> The NSAC agrees to provide the following:</td>
<td></td>
</tr>
<tr>
<td>• Live web streaming of City Council meetings and applicable Advisory Commission</td>
<td>$3,912 for 2020</td>
</tr>
</tbody>
</table>
Schedule A. Services (Sample).

- Encoded meetings and the accompanying agendas posted within 24 hours on the NSAC’s website;
- Post links between agenda items and their video discussion;
- Storage of recorded videos for up to 6 months;
- Encoding of recorded videos.

The City agrees to provide the following:
- Provide the NSAC with monthly schedule of all live meetings to be streamed and/or encoded for posting on the NSAC’s website;
- Notify the NSAC as soon as possible of the cancellation of a live event, including city meeting, which is scheduled for playback, of any change in the day or beginning time of any live event, including city meeting, or of any additions of special meeting to the schedule;
- Provide the NSAC with the name and telephone number for a main contact of the cablecast.
- Chapter marking information on the agenda will be provided by the City for meetings not utilizing the NSAC’s municipal producers.

<table>
<thead>
<tr>
<th>Consultation: The NSAC agrees to provide the following:</th>
<th>$80 per hour Proposal for projects will need a contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Audio/Visual equipment maintenance related to municipal meeting coverage and delivery; and Audio/Video equipment planning, and/or installation.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Video Production Services: The NSAC agrees to provide the following:</th>
<th>$464 per video</th>
</tr>
</thead>
<tbody>
<tr>
<td>- A one-person crew and rig for a field production with up to 2 interviews per piece, b-roll, and custom graphics package. Editing and packaging included. Execute on a provided timeline.</td>
<td>6 Videos for 2019 - $2784 20 Videos for 2020 - $9,280</td>
</tr>
</tbody>
</table>

The City agrees to provide the following:
- Submit to the NSAC monthly production requests, schedule, and contact information.

<table>
<thead>
<tr>
<th>Total</th>
<th>$29,319.00</th>
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WATER PRESERVATION PROJECT
Or Water (H2O) PRESERVATION PROJECT

H₂OPP
HOPP 2 It!
H₂OPP

It only works if we all H2OPP on Board
HOPP on Board and help save our most precious resource
HOPP on Board
We need you to HOPP on Board

Conserving and Protecting
Drinking Water – Storm Water – Sanitary Sewer Water
HOPP ON Board Goals, Vision, and Components

Conserving the clean water we do have

Protecting our ground water from contamination

While it seems like we have unlimited water, it is a finite source as we never make more water, rather it just moves around from liquid to gaseous then back to liquid (or for those of us in the tundra occasionally solid) state. Ensuring we preserve the water we have is best accomplished by conserving what we use and protecting every drop there is from contamination, and reducing the amount of clear water into the storm and sanitary sewer system.

Our HOPP on Board initiative will focus on our drinking water, which we pump from the ground, our storm sewer water, and our sanitary sewer water as all three are intertwined. All three components will have Education, Engineering and Enforcement Components.

Drinking Water Program:

Engineering Components

- Low volume fixtures
- Water Meter Replacement Program – 25 Years Residential; 10/15 Years Commercial
- Maintenance/Upgrades as needed to Municipal Water System Components – Existing
- Tiered Water Rates – Existing
- Energy Audits – Inspections – funding in place to do 60 year (low flow shower heads)

Enforcement Components

- Odd-Even Sprinkling - Existing

Education Components

- Social Media and Web
- Newsletters
Storm Water Program:
   Engineering Components
   • Storm Water Drainage System
   • Sump Pumps
   • Rain Gardens (65X?)
   • Storm Water Retention Ponds (47?)

   Enforcement Components
   • Sump Pump discharge

   Education
   • How each component works
   • Cost of INI
   • HOPP

Sanitary Sewer Water Program:
   Engineering
   • Sanitary Sewer System Components
   • Waste Water Treatment Plants

   Enforcement Components
   • Point of Purchase Sale – Inspection and Slip Lining of Lateral
   • Slip lining of main lines - Existing

   Education
   • Social Media and Web
   • HOPP Program
   • Newsletters and Flyers
   • Public Meetings & Forums
   • All Public Works employees have S-D or higher certificate

Funding Needs:
Drinking Water – Slight increase to fund meter replacement otherwise fee sufficiently funding program components.

Storm Water – Current fee along with grants funding program

Sanitary Sewer Water - $250 Fee on Point of Purchase sale and current fee schedule suffice along with Met Council grants for I & I. Additionally, MPSCA and Met Council has low interest loans.

Education for all three - $5,000 to $10,000 per year in the form of video production ($500 each), Flyers, Infographic, Benchmark reports, etc. Can come from cable fund or transfers for each of the three utility funds.
Benchmarks: Yellow currently occurring

Drinking Water

1. On a per capita basis, average yearly consumption declines
2. Positive test results (safe to drink) on regularly scheduled/required tests.
3. Reduction on the Inflow side of INI metering levels
4. Replacements of all water meters – 2% complete

Storm Water

1. 100% of all Sump pumps discharging into storm water system
2. Rain gardens maintained and working as designed
3. Storm Water retention ponds maintained and working as designed
4. Storm Water drainage components maintained and working as designed

Sanitary Sewer

1. Slip lining of a municipal lines – 47% completed
2. Slip lining of manhole structures – 2% done
3. Slip lining of all lateral lines – 0% complete
4. Sanitary Sewer components maintained and working as designed.
5. Reduction on the Infiltration side of INI metering levels
6. Large private systems outflow metering - Existing

Action Steps/Items needed:

1. Build web page
2. Steal or design infographics
3. Produce video about program
4. Adopt Ordinance on Point of Sale and amend fee schedule
5. Increase water rates fee
6. Produced education materials
7. Post/Hire new PW employee
8. Develop plan for water meter replacement (starting with commercial)
9. Develop contractor lists for scoping and repairing Lateral Sewer Lines
10. Develop, Issue and Award RFP for Scoping and repairing Lateral Sewer Lines
11. Research and apply for applicable grants to implement now or in the future
Implementation Plan:

Phase I – Completed by December 31, 2019
1. Ordinance adoption
2. Video Production
3. Web Page
4. Post/Hire new PW employee

Phase II – Launch Program – January 1, 2020 and complete below by March 1, 2020
5. Increase Water Rate Fees
6. Produce Educational Materials
7. Steal/Design Infographics
8. Develop plan for water meter replacement (starting with commercial)
9. Develop contractor lists for scoping and repairing Lateral Sewer Lines
10. Develop, Issue and Award RFP for Scoping and repairing Lateral Sewer Lines

Phase 3 – Research and apply for applicable grants – Ongoing

Video List
1. HOPP Program
2. Repair of Storm Water component
3. Upgrades to Well and Treatment Plant
4. How it all works (one each, water, sewer, storm)

Infographic List
1. Conservation
   a. Energy Audit
   b. Dripping Fixtures
   c. Cost of Municipal Water
2. Sanitary Sewer INI
   a. Slip Lining
   b. Where does it go
   c. Cost of Sewer system
   d. Point of Purchase Program
3. Storm Water
   a. System Components
   b. Rain Gardens
   c. Sump Pumps
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MEMORANDUM

TO: City Council Members
    Jim Ericson, City Administrator-Clerk
FROM: Scott Riggs, City Attorney
       Melissa Manderschied, Assistant City Attorney
DATE: August 28, 2009
RE: Proposed Gambling Ordinance

The City Administrator asked us to review and comment on the existing ordinances related to lawful gambling (City Code, Ch. 502 and 503) and to add a provision about donating funds to the City. Based on our review, a new Chapter 518 is proposed for your review and possible adoption along with some changes to Chapters 502 and 503 to simplify and streamline the existing ordinances. In consultation with the City Administrator, we decided to provide the Council with a comprehensive ordinance that largely reflects existing practices at the City as well as some additional optional provisions.

One such additional provision is a $100 investigation fee at Section 518.06, subd. 4. The City may assess this fee on an organization applying for or renewing the state-issued premises permit. If the City charges this investigative fee, it may not impose a local (up to) three percent gambling tax. If a City collects a gambling tax it must file an annual report with the state. The proposed gambling ordinance does not provide for the three percent tax.

The City may also require a local permit when lawful gambling that is otherwise exempt from state licensing requirements is conducted within the City. This local permit requirement is provided at Section 518.07. It is important to note that state law does not mandate that a city require a local permit; state law simply allows a city to require a local permit.

Another notable new provision is in Section 518.11. This provision requires each organization licensed to conduct lawful gambling within the City to contribute ten percent of its net profits derived from lawful gambling in the City to a fund administered and regulated by the City. In turn, the City disperses these funds as charitable contributions.

As indicated above, the ordinance provided for your review and consideration is comprehensive. However, every provision is not required by state law. In several instances, we have provided comments in brackets to assist in your discussion. We look forward to working with you to adopt an ordinance that meets the needs of the City.
Approval. Each premises permit must be approved by the city or county having jurisdiction over the location in advance of board consideration. A city or county can require that all or part of lawful purpose expenditures raised from gambling within its jurisdiction be spent on activities within the government’s trade area (as it defines the term). A city or county can require an organization within its jurisdiction to contribute up to 10 percent of its net gambling profits for lawful purposes that the city or county specifies.

Local taxes. Cities and counties may levy a tax of up to 3 percent of an organization’s gross gambling receipts, as long as the revenues are used for gambling regulation.

Local regulation. Cities and counties may adopt gambling regulations that are more stringent than state law, including the complete prohibition of gambling within their jurisdiction, but except in the case of paddlewheels, any local regulation must apply equally to all forms of gambling.

349.213 LOCAL AUTHORITY.

Subdivision 1. Local regulation.

(a) A statutory or home rule city or county has the authority to adopt more stringent regulation of lawful gambling within its jurisdiction, including the prohibition of lawful gambling.

(b) A statutory or home rule city or county may require a permit for the conduct of gambling exempt from licensing under section 349.166. The fee for a permit issued under section 349.166 may not exceed $100.

(c) The authority granted by this subdivision does not include the authority to require a license or fee for a license or permit to conduct gambling by organizations, gambling managers, gambling employees, or sales by distributors or linked bingo game providers licensed by or registered with the board.

(d) The authority granted by this subdivision does not include the authority to require an organization to make specific expenditures of more than ten percent per year from its net profits derived from lawful gambling.

(e) For the purposes of this subdivision, net profits are gross profits less amounts expended for allowable expenses and paid in taxes assessed on lawful gambling.

(f) A statutory or home rule charter city or a county may not require an organization conducting lawful gambling within its jurisdiction to make an expenditure to the city or county as a condition to operate within that city or county, except:

(1) as authorized under section 349.16, subdivision 8, or 297E.02; or

(2) by an ordinance requirement that such organizations must contribute ten percent per year of their net profits derived from lawful gambling conducted at premises within the city’s or county’s jurisdiction to a fund administered and regulated by the responsible local unit of government without cost to such fund. The funds must be disbursed by the local unit of government for (i) charitable contributions as
may not use money collected under this subdivision for any purpose other than to regulate lawful gambling. All documents pertaining to site inspections, fines, penalties, or other corrective action involving local lawful gambling regulation must be shared with the board within 30 days of filing at the city or county of jurisdiction. A tax imposed under this subdivision is in lieu of all other local taxes and local investigation fees on lawful gambling. A city or county that imposes a tax under this subdivision shall annually, by March 15, file a report with the board in a form prescribed by the board showing (1) the amount of revenue produced by the tax during the preceding calendar year, and (2) the use of the proceeds of the tax.

History:

1984 c 502 art 12 s 18; 1986 c 467 s 25; 1987 c 327 s 21; 1988 c 705 s 1; 1989 c 209 art 1 s 35; 1989 c 334 art 2 s 44,45; 1989 c 335 art 1 s 220; 1990 c 590 art 1 s 37; 1991 c 199 art 2 s 1; 1991 c 336 art 2 s 34; 1994 c 633 art 2 s 19; art 5 s 96; 1994 c 633 art 2 s 2; 1995 c 264 art 17 s 11; 1998 c 322 s 6; 2000 c 300 s 8; 2001 c 96 s 13; 2005 c 166 art 1 s 36; 2006 c 205 s 28; 2009 c 124 s 58,59; 2016 c 139 s 12
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(1) as authorized under section 349.16, subdivision 8, or 297E.02; or

(2) by an ordinance requirement that such organizations must contribute ten percent per year of their net profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction to a fund administered and regulated by the responsible local unit of government without cost to such fund. The funds must be disbursed by the local unit of government for (i) charitable contributions as defined in section 349.12, subdivision 7a, or (ii) police, fire, and other emergency or public safety-related services, equipment, and training, excluding pension obligations. A contribution made by an organization is not considered an expenditure to the city or county nor a tax under section 297E.02, and is valid and lawful. A city or county receiving and making expenditures authorized under this clause must by March 15 of each year file a report with the board, on a form the board prescribes, that lists all such revenues collected, interest received on fund balances, and expenditures for the previous calendar year. A home rule or statutory city or county making charitable contributions authorized under this clause must acknowledge financial contributions of organizations conducting lawful gambling to the community and to the recipients of the funds. This may occur in communications about the funds as well as in the distribution of funds.

(g) A statutory or home rule city or county may by ordinance require that a licensed organization conducting lawful gambling within its jurisdiction expend all or a portion of its expenditures for lawful purposes on lawful purposes conducted or located within the city's or county's trade area. Such an ordinance must be limited to lawful purpose expenditures of gross profits derived from lawful gambling conducted at premises within the city's or county's jurisdiction, must define the city's or county's trade area, and must specify the percentage of lawful purpose expenditures which must be expended within the trade area. A trade area defined by a city under this subdivision must include each city and township contiguous to the defining city.
(h) A more stringent regulation or prohibition of lawful gambling adopted by a political subdivision under this subdivision must apply equally to all forms of lawful gambling within the jurisdiction of the political subdivision, except a political subdivision may prohibit the use of paddlewheels.

Subd. 2. Local approval. The board may not issue an initial premises permit unless approval is received from:

(1) the city council of the statutory or home rule city in which the organization's premises is located; or

(2) the county board of the county where the premises is located.

The organization must submit a resolution from the city council or county board approving the premises permit. The resolution must have been adopted within 90 days of the date of application for the new permit.

Subd. 3. Local gambling tax. A statutory or home rule charter city that has one or more licensed organizations operating lawful gambling, and a county that has one or more licensed organizations outside incorporated areas operating lawful gambling, may impose a local gambling tax on each licensed organization within the city's or county's jurisdiction. The tax may be imposed only if the amount to be received by the city or county is necessary to cover the costs incurred by the city or county to regulate lawful gambling. The tax imposed by this subdivision may not exceed three percent per year of the gross receipts of a licensed organization from all lawful gambling less prizes actually paid out by the organization. A city or county may not use money collected under this subdivision for any purpose other than to regulate lawful gambling. All documents pertaining to site inspections, fines, penalties, or other corrective action involving local lawful gambling regulation must be shared with the board within 30 days of filing at the city or county of jurisdiction. A tax imposed under this subdivision is in lieu of all other local taxes and local investigation fees on lawful gambling. A city or county that imposes a tax under this subdivision shall annually, by March 15, file a report with the board in a form prescribed by the board showing (1) the amount of revenue produced by the tax during the preceding calendar year, and (2) the use of the proceeds of the tax.

History: 1984 c 502 art 12 s 18; 1986 c 467 s 25; 1987 c 327 s 21; 1988 c 705 s 1; 1989 c 209 art 1 s 35; 1989 c 334 art 2 s 44,45; 1989 c 335 art 1 s 220; 1990 c 590 art 1 s 37; 1991 c 199 art 2 s 1; 1991 c 336 art 2 s 34; 1994 c 633 art 2 s 19; art 5 s 96; 1994 c 633 art 2 s 2; 1995 c 264 art 17 s 11; 1998 c 322 s 6; 2000 c 300 s 8; 2001 c 96 s 13; 2005 c 166 art 1 s 36; 2006 c 205 s 28; 2009 c 124 s 58,59; 2016 c 139 s 12