

ORDINANCE NO. 46

AN ORDINANCE ESTABLISHING GUIDELINES FOR
LICENSING OF LAWFUL GAMBLING IN THE CITY OF ROYALTON

WHEREAS, Minnesota Statutes Section 349.213 provides that a home rule charter or statutory City may adopt more stringent regulations for any form of lawful gambling within its jurisdiction; and

WHEREAS, Minnesota Statutes Section 349.213 provides that the City Council may, by resolution, disapprove such licenses and advise the Charitable Gambling Control Board of such disapproval after receiving notice of the pendency or issuance or renewal of a license for lawful gambling; and

WHEREAS, the City Council has determined that all applicants for licenses for lawful gambling shall be required to conform to certain standards.

NOW, THEREFORE, the City Council of Royalton, Minnesota hereby ordains as follows:

1. That applications for the conduct of lawful gambling proposed to be conducted within the City of Royalton shall meet the following guidelines:
 - a. No more than two licensed non-profit organizations shall be permitted to conduct any form of lawful gambling upon any premises on any one particular date.
 - b. No single licensed non-profit organization will have a license approved to conduct lawful gambling at more than one separate premise unless so authorized by the City Council.
 - c. Only those non-profit organizations which have maintained either their original registered office or a chapter office within the City for a period of at least three consecutive years prior to the date the City is advised of their application by the Charitable Gambling Control Board shall be approved for a lawful gambling license within the City.
 - d. If the City Council finds that there is no Royalton based Organization that wishes to apply and maintain a license, or does not qualify with State guidelines, it then can authorize the issuance of a license to other non-profit organizations.
 - e. The manager of such gambling activity shall submit to the City Clerk copies of all reports required by the State of Minnesota.
 - f. Each organization obtaining a State license to conduct lawful gambling in accord with Minnesota Statutes 349 within the City of Royalton shall annually contribute at least thirty percent (30%) of its lawful purpose expenditures, as per Minnesota State Statutes, of gross profits derived from lawful gambling conducted at premises within the City of Royalton, to the City, the School District, or other nonprofit organizations which substantially serve Royalton residents

An organization may apply to the City Council for a variance from the thirty percent (30%) requirement. The Council may grant a variance if, in its discretion, the applicant demonstrates that an extraordinarily high percentage of its lawful purpose expenditures, as per Minnesota State Statutes, have been contributed to the City, School District, or other non-profit organizations which substantially serve Royalton residents over the last two (2) years.

Whether or not an organization serves Royalton residents shall be determined solely by the Royalton City Council. At the time of application, each organization applying for local approval shall inform the City Council, in writing, to which local organizations it will contribute said thirty percent (30%), or evidence that in the immediately proceeding years the organization did satisfy the thirty percent (30%) requirement. A representative of the organization sponsoring the charitable gambling activity shall submit to the City Clerk copies of all checks paid to Royalton non-profit organizations and copies of all reports required by the State of Minnesota are due by the 25th day of the each month, or the next regular business day following a weekend or national/state holiday that is on the 25th day of the month.

Any money remitted to the City shall be held in a special Activity Fund, to be spent as allowed in MS 349.213. Said monies remitted to the City shall be paid semi-annually.

Exemption: Organizations that conduct lawful gambling on five occasions or less during the year, so as to be exempt from obtaining a State license, are exempt from these requirements.

2. The City Clerk shall advise the City Council whenever it appears that a lawful gambling license application does not meet these guidelines, so that the Council may adopt a resolution disapproving the license application within the time frame set forth in Minnesota Statutes 349.213.
3. No license or permittee shall have a vested right in any license and licenses may be revoked upon a showing that the licensee or permittee violated or caused to be violated any provision of this section or of State law regulating the licensee or conduct of lawful gambling. The license or permit may also be revoked in the event of any misrepresentation and the license or permit application or any reports required of the licensee.

THIS ORDINANCE SHALL SUPERSEDE AND REPEAL ALL PRIOR AND CONSISTENT ORDINANCES. THIS ORDINANCE SHALL BE EFFECTIVE UPON PASSAGE AND PUBLICATION REQUIRED BY LAW.

May 22, 2007

Andrea Lauer, Mayor

Carol Madsen, City Clerk/Treasurer