CITY OF BROWNTON ORDINANCE NO. 74 COUNTY OF MCLEOD, STATE OF MINNESOTA

AN ORDINANCE FOR THE LICENSING AND REGULATING OF LAWFUL GAMBLING.

THE CITY COUNCIL OF THE CITY OF BROWNTON DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. Adoption of State Law. Lawful gambling shall be allowed to be conducted within the limits of the City of Brownton pursuant with Minnesota Statue Chapter 349 and the conditions of this ordinance, and all other applicable ordinances of the City of Brownton. The City hereby reserves all rights to regulate lawful gambling as provided in Chapter 349.

Section 2. Lawful Gambling Licensure Required. Unless exempt under Minnesota Statue Chapter 349, all organizations must be licensed by the Minnesota Gambling Control Board and approved by the City Council of the City of Brownton in order to conduct lawful gambling within the limits of the City.

Section 3. Resolution of Pending Application. The Minnesota Gambling Control Board must notify the City Council in writing as to each pending application for issuing or renewing a lawful gambling license whose premises are located within the City pursuant to Minnesota Statue Section 349.213. The City Council shall adopt a resolution as to whether it approves or disapproves of the license within 45 days of being notified of the pending application.

Section 4. Qualifications for Lawful Gambling License. In order to qualify for a lawful gambling license, an organization must be comprised of at least fifteen (15) active members, be a religious, fraternal, veterans, or other non-profit organization, have been in existence for at least three years preceding the application, have a principle office or meeting place located within the City, and hold regular meetings. The existence of the organization must not be for the sole purpose of gambling.

The City Council reserves the right to disapprove the issuing or renewing of a lawful gambling license on the grounds that the above qualifying criteria are not met or on any grounds they deem sufficient.

Section 5. License and Renewal. All copies of the applications submitted to the Minnesota Gambling Control Board for licensure or renewal shall be submitted to the City Clerk within seven (7) days along with a hundred dollar (\$100.00) investigation fee. The investigation fee is only refundable if the application is withdrawn prior to the investigation being commenced. When the copy of the application is received, the City Clerk may request additional documentation to be submitted if it is deemed necessary to meet the requirements of this section.

Section 6. Premises. Lawful gambling, including pull tab gambling, but with the exception of raffles, may only be conducted on the premises that the organization owns or leases.

Section 7. Limitation of License. No organization shall be permitted to conduct gambling in more than three (3) establishments within the City of Brownton. There may

only be three (3) licenses authorizing pull tab gambling within the City at any one time. Gambling licenses shall be limited to one licensed gambling organization at any one time on any licensed premises. For purposes of this section, any property having a property identification number for real estate tax purposes shall be a single premise.

Section 8. Trade Area. For the purpose of this ordinance, the trade area for the City of Brownton is defined as those areas within the City of Brownton and those townships and service area of the Brownton Fire Department.

Section 9. Expenditures for Lawful Purposes. Each organization shall be required to contribute at least fifty percent (50%) of all net profits from each gambling site operated within the City of Brownton by the end of each license year. The contributions are to be used for that of lawful purpose expenditures within the City's trade area.

Lawful purpose expenditure spending shall be done pursuant to Minnesota Statue Section 349.12, Subdivision 25.

Section 10. Report for Lawful Purposes Expenditures. Each organization shall be required to submit annually a summary report of all lawful purpose expenditures of gambling profits.

Section 11. Records and Reports. All organizations conducting lawful gambling within the City of Brownton shall submit to the City Clerk annually all copies of records and reports it provides to the Minnesota Gambling Control Board. Failure to do so are grounds for the City Council to disapprove the organization's lawful gambling license at the time of renewal. The City Clerk may request additional documentation deemed necessary to meet the requirements of this section.

Section 12. Penalty. Any person who violates the provisions set forth in this ordinance shall be guilty of a misdemeanor.

Section 13. Effect. This ordinance shall take effect and be in force from and after its passage and publication as provided by law.

Passed and adopted by the City Council of the City of Brownton, McLeod County, Minnesota, this 4th day of November, 1997. Amendment of Ordinance No. 74 adopted by the City Council of the City of Brownton, McLeod County. Minnesota, this 2nd day of October, 2007.

CITY OF BROWNTON By: Chas. H. Warner, Mayor

Attest:

By: Cynthia Lindeman, City Clerk Published in The Bulletin Jan 7, 1998