

**THE CITY OF LEXINGTON  
ANOKA COUNTY, MINNESOTA**

**ORDINANCE NO. 23-04**

**AN ORDINANCE TO REVISE CHAPTER 5 – LAWFUL GAMBLING**

The City Council of the City of Lexington hereby ordains:

Section 1. **That Chapter 5 shall be amended, as follows:**

***SECTION 5.110. LEGALIZED GAMBLING.***

**Subd. 1. Definitions.** The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

- A. **“Gambling”** - means any activity or device prohibited by Minn. Stat. §§ 609.75, 609.755 and 609.76, and shall further include any activity, event, or contrivance that simulates any such activity or device when in or on any commercial establishment or property, except as otherwise allowed pursuant to City ordinances or state statutes, or rules adopted pursuant to authority contained therein. Prohibited gambling and gambling simulations include, but are not limited to, sports bookmaking, poker, blackjack, slot machines, and other similar activities, events and contrivances normally associated with gambling and gambling locations.

The terms used in this article which are defined in Minn. Stat. §§ 349.11--349.60, inclusive, and are defined in rules adopted pursuant to the authority contained in such statutes shall have the meanings set forth in such statutes and rules.

***SECTION 5.111. LAWFUL GAMBLING.*** It is unlawful for any licensee to keep possess, or operate, or permit the keeping, possession, or operation licensed premises of dice or any other gambling device, or permit raffles to be conducted, except such as are authorized by Statute or the City Code. There shall be no gambling in the City of Lexington except the state lottery, bingo, raffle games, and pull-tabs, duly licensed or otherwise allowed pursuant to the provision of this article, Minn. Stat. §§ 349.11--349.60, inclusive, and rules adopted pursuant to the authority contained in said statutes, and the state lottery authorized pursuant to Minn. Stat. Ch. 349A, inclusive.

- A. No permit shall be required for the conduct of gambling exempt from licensing under Minn. Stat. § 349.166.
- B. Nothing in this Section of the Lexington Code shall be deemed to be an automatic approval of a premises permit or bingo license applied for with the gambling control

board. A licensed organization may not conduct lawful gambling in the City of Lexington unless a premises permit or bingo license is approved by City Council resolution. A premises permit shall be valid for a period of two years, unless revoked pursuant to this article or state statute.

**SECTION 5.112. ADDITIONAL REGULATIONS.** In addition to the requirements of Minn. Stat. §§ 349.11--349.60, inclusive, and rules adopted pursuant to the authority contained in the said statutes, lawful gambling shall be subject to the regulations set forth in the following paragraphs:

- A. It is unlawful to make side bets or other wagers in connection with the conduct of lawful gambling.
- B. A duly licensed pull-tab distribution, bingo or raffle game must be under the supervision of a gambling manager licensed under Minn. Stat. § 349.167. In order to qualify as a gambling manager, an individual must have been a member of the organization for at least two years.
- C. No person who is under the age of 21 years shall operate or assist in operating a pull-tab distribution or bingo or raffle game in Lexington.
- D. No organization may maintain more than four lawful gambling locations in the City at one time.
- E. No premises permit or bingo hall license will be approved for:

1) Any organization or its local subdivision to conduct lawful gambling on any premises other than:  
a. a church, the premises of a church, fraternal, veterans or other nonprofit organization,  
b. or the premises of an on-sale liquor licensee licensed pursuant to ~~the applicable sections~~ Chapter 5 of the Lexington Code, or  
a-c. the premises of a business licensee licensed pursuant to Section 6.34 of the Lexington Code.

2) Any organization or local subdivision thereof unless ~~oneall~~ of the following requirements are met:

(a) The activities of the organization or its local subdivision directly or primarily benefit citizens of Lexington, and:-

- i. The organization has at least 10 members or participants that are residents of the city; or,
- ii. The organization or the local subdivision must have had a principal business or operations location within the city ~~in Anoka County~~ for a

continuous period of at least two years immediately preceding the permit request and maintain such a location as long as the organization operates lawful gambling activities in the City. ~~The organization must have been in continuous existence holding meetings for at least two years prior to the approval of the license.~~

(b) The organization or ~~its~~the local subdivision may be granted a waiver of operational requirement stated above if the Council determines:

i. the premises permit or bingo hall license has first been offered to an organization meeting the requirements stated above in paragraph (2)(a) through a 60-day period of published public notice and either such an organization has rejected said permit or license, or no such organization has responded to the public notice; and,

~~iii.~~ii. the organization has significant community involvement and such a waiver would have to be granted per location-up to the four-location limit.

3) The simultaneous conducting of lawful gambling by more than one organization on authorized premises is not allowed.

F. It is unlawful to sell, give or otherwise transfer in the City of Lexington, any raffle ticket, paddle ticket or any other opportunity to participate in any gambling event not approved by the City of Lexington pursuant to the provisions of the Minnesota Statutes and rules adopted by reference herein.

G. Copies of the reports, which must be filed with the gambling control board, as required by Minn. Stat. § 349.19, shall be filed simultaneously with the City.

H. A licensed organization conducting lawful gambling within the City shall contribute ten percent of its net profits derived from lawful gambling to a fund administered and regulated by the City without cost to the fund, for disbursement by the City of the receipts for lawful purposes as defined in Minn. Stat. § 349.12. For the purposes of this requirement, "net profits" are defined as gross profit less sums actually expended for allowable expenses as reported to the Minnesota Department of Revenue. Such contributions shall be made to the City within 30 days of the end of each calendar quarter. This subsection shall be effective after adoption and upon issuance of a new license or renewed license for any licensed organization.

I. A premises permit or bingo hall license approved by the City may be suspended or revoked for violations of this chapter, or Minn. Stat. Ch. 349, or for failure to meet the qualifications set out in this chapter, or Minn. Stat. Ch. 349, or for the failure to comply, for any reason, with any provision, guaranty or claim made in the applicant's original license application to either the City or the State of Minnesota.

- J. No license or permit approved by the City, including any bingo hall license, grants the licensee a property right or entitlement to a license or permit. The City may refuse to issue, renew or may revoke the license or permit for any reason and will not incur liability for any damages including, but not limited to, direct, consequential or incidental damages, deprivation of property, loss of income, loss of profits, or loss of livelihood.

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Section 2. **Effective Date.** This ordinance takes effect upon its adoption and publication.

ADOPTED after a first reading, without a second reading, by a unanimous vote of the City Council of the City of Lexington, Minnesota, this on the 2nd day of November 2023.

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Gary Grote, Mayor

ATTEST:

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Bill Petracek, City Administrator

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