
CITY OF FIFTY LAKES
SPECIAL CITY COUNCIL MEETING AGENDA
40447 TOWN HALL ROAD, FIFTY LAKES MN 56448
Wednesday, June 3rd 5:00 pm

- ❖ **Call to Order / Roll Call**

- ❖ **Pledge of Allegiance**

- ❖ **Review of the letter from the Fire Relief Association regarding changes to Gambling Operations**

- ❖ **Future of meat raffles, bingo and charitable gambling operations at the 50 Lakes Bar and Bottle Shop**

- ❖ **Lease agreement for lawful gambling with the Fifty Lakes Fire Relief Association**

- ❖ **Adjournment**

May 27, 2026

City of Fifty Lakes
Attn: Mayor, City Council & Clerk-Treasurer
40447 Town Hall Road
Fifty Lakes, MN 56448

RE: Changes to Gambling Operations

Hello,

Let this letter serve as notice of the Fifty Lakes Firefighters Relief Association License #01732 change in the gambling operations at Site #003 Fifty Lakes Bar & Bottle Shop. We want to recognize that we heard your concerns with regards to how our gambling organization is run. One of those concerns was what we pay our gambling employees to run Meat Raffle, Races, and Bingo. It was told multiple times to us that we should use volunteers to run these events as other organizations do. It was also stated that we should be supplying the advertising for these weekly events and not just the bar. We have had many discussions with the members about our options and have heard nothing from any of you as to how we can meet in the middle.

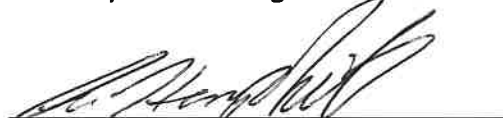
Charitable Gambling is a business and needs to be treated that way. We all agree that Meat Raffles, Races and Bingo are not big money makers for our Relief Association. In order for us to continue as a profitable business we need to make smart business decisions to avoid State sanctions and maintain the State's performance metrics. With that said, we will be eliminating Meat Raffles, Races and Bingo as weekly events. This will allow for us to focus on growing our business with Pull-tabs and eTabs so we can continue to benefit our community. We may choose to run these events in the future for special occasions pending availability of volunteers.

Our last regular Meat Raffle, Races and Bingo will be Thursday, May 28th. We plan to keep everything scheduled for Fifty Lakes Day as planned with Family Bingo and Mega Meat Raffle along with our big Raffle.

Thank you all for your understanding and we look forward to continuing to work with you and the bar staff.

Sincerely,

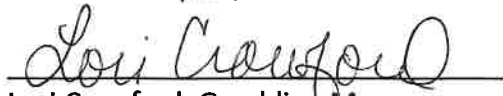
The Fifty Lakes Firefighters Relief Association



Andrew Hemphill, CEO

5/27/26

Date



Lori Crawford, Gambling Manager

5/27/26

Date

LG215 Lease for Lawful Gambling Activity

LEASE INFORMATION

Organization: Fifty Lakes Firefighter Relief Assn License/Site Number: 01732-003 Daytime Phone: 952 201 7976
 Address: Fifty Lakes City: Fifty Lakes State: MN

Name of Leased Premises: Fifty Lakes Bar & Bottle Shop Street Address: 40430 Cty Rd 3
 City: Fifty Lakes State: MN Zip: 56448 Daytime Phone: 218-763-2035

Name of Legal Owner: City of Fifty Lakes Business/Street Address: 40447 Town Hall Rd
 City: Fifty Lakes State: MN Zip: 56448 Daytime Phone: 218-763-3113

Name of Lessor (if same as legal owner, write "SAME"): SAME Address: _____
 City: _____ State: _____ Zip: _____ Daytime Phone: _____

Check applicable item:
 New or amended lease. Effective date: 4-7-22. Submit changes at least ten days **before** the effective date of the change.
 New owner. Effective date: _____. Submit new lease **within** ten days after new lessor assumes ownership.

CHECK ALL ACTIVITY THAT WILL BE CONDUCTED (no lease required for raffles)

Pull-Tabs (paper) Electronic Pull-Tabs
 Pull-Tabs (paper) with dispensing device Electronic Linked Bingo
 Bar Bingo Bingo
 Tipboards
 Paddlewheel Paddlewheel with table

Electronic games may only be conducted:
 1. at a premises licensed for the on-sale of intoxicating liquor or the on-sale of 3.2% malt beverages; or
 2. at a premises where bingo is conducted as the primary business and has a seating capacity of at least 100.

PULL-TAB, TIPBOARD, AND PADDLEWHEEL RENT (separate rent for booth and bar ops)

BOOTH OPERATION: Some or all sales of gambling equipment are conducted by an employee/volunteer of a licensed organization at the leased premises.

ALL GAMES, including electronic games: Monthly rent to be paid: _____%, not to exceed **10%** of gross profits for that month.
 • Total rent paid from all organizations for only booth operations at the leased premises **may not exceed \$1,750**.
 • The rent cap does not include BAR OPERATION rent for electronic games conducted by the lessor.

BAR OPERATION: All sales of gambling equipment conducted by the lessor or lessor's employee.

ELECTRONIC GAMES: Monthly rent to be paid: 15%, not to exceed **15%** of the gross profits for that month from electronic pull-tab games and electronic linked bingo games.

ALL OTHER GAMES: Monthly rent to be paid: 20%, not to exceed **20%** of gross profits from all other forms of lawful gambling.
 • If any booth sales conducted by a licensed organization at the premises, rent may not exceed **10%** of gross profits for that month and is subject to booth operation **\$1,750** cap.

BINGO RENT (for leased premises where bingo is the primary business conducted, such as bingo hall)

Bingo rent is limited to one of the following:
 • Rent to be paid: _____%, not to exceed **10%** of the monthly gross profit from all lawful gambling activities held during bingo occasions, excluding bar bingo.
 - OR -
 • Rate to be paid: \$ _____ per square foot, not to exceed 110% of a comparable cost per square foot for leased space, as approved by the director of the Gambling Control Board. The lessor must attach documentation, verified by the organization, to confirm the comparable rate and all applicable costs to be paid by the organization to the lessor.
 ⇒ **Rent may not be paid for bar bingo.**
 ⇒ Bar bingo does not include bingo games linked to other permitted premises.

LEASE TERMINATION CLAUSE (must be completed)

The lease may be terminated by either party with a written 30 day notice. Other terms: _____

COPY

LG215 Lease for Lawful Gambling Activity

Lease Term: The term of this agreement will be concurrent with the premises permit issued by the Gambling Control Board (Board).

Management: The owner of the premises or the lessor will not manage the conduct of lawful gambling at the premises. The organization may not conduct any activity on behalf of the lessor on the leased premises.

Participation as Players Prohibited: The lessor will not participate directly or indirectly as a player in any lawful gambling conducted on the premises. The lessor's immediate family and any agents or gambling employees of the lessor will not participate as players in the conduct of lawful gambling on the premises, except as authorized by Minnesota Statutes, Section 349.181.

Illegal Gambling: The lessor is aware of the prohibition against illegal gambling in Minnesota Statutes 609.75, and the penalties for illegal gambling violations in Minnesota Rules 7865.0220, Subpart 3. In addition, the Board may authorize the organization to withhold rent for a period of up to 90 days if the Board determines that illegal gambling occurred on the premises or that the lessor or its employees participated in the illegal gambling or knew of the gambling and did not take prompt action to stop the gambling. Continued tenancy of the organization is authorized without payment of rent during the time period determined by the Board for violations of this provision, as authorized by Minnesota Statutes, Section 349.18, Subd. 1(a).

To the best of the lessor's knowledge, the lessor affirms that any and all games or devices located on the premises are not being used, and are not capable of being used, in a manner that violates the prohibitions against illegal gambling in Minnesota Statutes, Section 609.75.

Notwithstanding Minnesota Rules 7865.0220, Subpart 3, an organization must continue making rent payments under the terms of this lease, if the organization or its agents are found to be solely responsible for any illegal gambling, conducted at this site, that is prohibited by Minnesota Rules 7861.0260, Subpart 1, item H, or Minnesota Statutes, Section 609.75, unless the organization's agents responsible for the illegal gambling activity are also agents or employees of the lessor.

The lessor must not modify or terminate the lease in whole or in part because the organization reported, to a state or local law enforcement authority or to the Board, the conduct of illegal gambling activity at this site in which the organization did not participate.

Other Prohibitions: The lessor will not impose restrictions on the organization with respect to providers (distributor or linked bingo game provider) of gambling-related equipment and services or in the use of net profits for lawful purposes.

The lessor, the lessor's immediate family, any person residing in the same residence as the lessor, and any agents or employees of the lessor will not require the organization to perform any action that would violate statute or rule. The lessor must not modify or terminate this lease in whole or in part due to the lessor's violation of this provision. If there is a dispute as to whether a violation occurred, the lease will remain in effect pending a final determination by the Compliance Review Group (CRG) of the Board. The lessor agrees to arbitration when a violation of this provision is alleged. The arbitrator shall be the CRG.

Access to Permitted Premises: Consent is given to the Board and its agents, the commissioners of revenue and public safety and their agents, and law enforcement personnel to enter and inspect the permitted premises at any reasonable time during the business hours of the lessor. The organization has access to the premises during any time reasonable and when necessary for the conduct of lawful gambling.

Lessor Records: The lessor must maintain a record of all money received from the organization, and make the record available to the Board and its agents, and the commissioners of revenue and public safety and their agents upon demand. The record must be maintained for 3-1/2 years.

Rent All-Inclusive: Amounts paid as rent by the organization to the lessor are all-inclusive. No other services or expenses provided or contracted by the lessor may be paid by the organization, including but not limited to:

- trash removal
- electricity, heat
- snow removal
- storage
- janitorial and cleaning services
- other utilities or services
- lawn services
- security, security monitoring
- cost of any communication network or service required to conduct electronic pull-tabs games or electronic bingo
- in the case of bar operations, cash shortages.

Any other expenditures made by an organization that is related to a leased premises must be approved by the director of the Board. Rent payments may not be made to an individual.

ACKNOWLEDGMENT OF LEASE TERMS

I affirm that this lease is the total and only agreement between the lessor and the organization, and that all obligations and agreements are contained in or attached to this lease and are subject to the approval of the director of the Gambling Control Board.

Other terms of the lease:
None

Signature of Lessor:	Date:	Signature of Organization Official (Lessor):	Date: <i>3-15-2022</i>
<i>Bill Bright</i>	<i>3/9/2022</i>	<i>Karen L. Stern</i>	

Print Name and Title of Lessor:	Print Name and Title of Lessor:
<i>Bill Bright, CEO/President</i>	<i>Karen L. Stern City Clerk-Treasurer</i>

Questions? Contact the Licensing Section, Gambling Control Board, at 651-539-1900. This publication will be made available in alternative format (i.e. large print, braille) upon request. **Data privacy notice:** The information requested on this form and any attachments will become public information when received by the Board, and will be used to determine your compliance with Minnesota statutes and rules governing lawful gambling activities.

Mail or fax lease to:
 Minnesota Gambling Control Board
 1711 W. County Road B, Suite 300 South
 Roseville, MN 55113
 Fax: 651-639-4032