



City Council Agenda – Worksession
Monday, February 23, 2026
Council Worksession Room, 5:00 p.m.
(meeting will not be cablecast)

1. CALL TO ORDER

2. ROLL CALL

3. COUNCIL BUSINESS and/or DISCUSSION ITEMS

- 3.1 Discussion; Retail Sales of Low Potency Hemp Products in the City.
- 3.2 Presentation; Anoka County Emergency Communications Messaging Application – Citizen Alerts.
- 3.3 Discussion; Chpt 10, Article IV, Charitable and Legalized Gambling.
- 3.4 Discussion; Policy on Charitable and Legalized Gambling Contribution of Net Profits to City Administered Fund.
- 3.5 Discussion; Green Haven Renovations.

4. UPDATES/REPORTS/COUNCIL SUGGESTIONS FOR FUTURE AGENDA ITEMS

5. ADJOURNMENT

Members of the Anoka City Council may participate remotely in City Council meetings by interactive technology rather than by being physically present. The Zoom Webinar link will be posted prior to the meeting on the City of Anoka's website calendar at: <https://www.anokaminnesota.com/calendar.aspx?CID=14>. To access the link, from the online calendar, find the correct meeting date and click "More Details."

Meetings by telephone or other electronic means in accordance with Minnesota Statute 13D.021.

COUNCIL WORKSESSION MEMO

Agenda Item # 3.1

Meeting Date: February 23, 2026
Agenda Section: Council Business and/or Discussion Items
Item Description: Discussion; Retail Sales of Low Potency Hemp Products in the City.
Submitted By: Clark Palmer, Senior City Planner

BACKGROUND INFORMATION

At Tuesday's City Council meeting, item 6.6 (Issuance of Lower-Potency Hemp Products (LPHE) Registration & Renewal Applications for Anoka Smokes LLC, 2010 2nd Ave.) was tabled because of questions concerning compliance with local regulations. Below I've provided some background. In summary, the City does NOT currently prohibit the business from sale of lower-potency hemp products. While licensing and registration are similar to establishments that sell adult-use cannabis, there are some key differences:

1. There are no limitations on the number of registrations in the city.
2. There are no buffering requirements from certain uses.
3. Zoning does not prohibit businesses in the downtown from selling these products.

In 2022, MN law was changed to allow the sale of lower-potency hemp derived products (this was prior to adult-use cannabis being legalized). The law did not limit cities' authority to prohibit the sale of such products within the city. Options for the city at that time:

1. Do nothing (i.e., allow sale of products with no local restrictions)
2. License establishments and/or buffer (prohibit) establishments up to 1000' from schools, daycares, churches, and residential treatment facilities
3. Prohibit the sale of products within the city

At the regular meeting of the City Council on September 19, 2022, the City Council was presented an ordinance that proposed to regulate lower-potency hemp products and decided to table the first reading, directing staff to bring the topic back for further discussion at a work session. One of the main items of concern was the proposed distance restrictions of establishments selling cannabinoid products in relation to their distance from schools, churches, parks, etc. The City Council held a work session on October 24, 2022, where licensing, buffering, and types of establishments that may sell these products were discussed. The City Council decided to regulate lower-potency hemp products and license businesses similar to tobacco, which included no limit on the number of licenses or buffering. The ordinance allowed any permitted "retail establishment" to sell products including but not limited to "CBD specialty shop, smoke shops, bars, restaurants, grocery and convenience stores." Since 2022, the City of Anoka has licensed several establishments including:

- Anoka Smoke Zone (500 W. Main St)
- Anoka Smokes LLC (2010 2nd Ave)
- Better Values Liquor
- Billy's Bar and Grill
- BP Food and Gas
- Ibiza West
- Kwip Trip (2 locations)
- Main Street Gas

2025 Ordinance Amendment:

Recent changes to MN statute now require lower-potency retailers to obtain a license from the State of Minnesota. In late 2025, by ordinance, the City of Anoka changed its licensing process to a registration process, consistent with the licensing and registration process for adult-use cannabis. **This change does not mean low-potency hemp products are regulated the same as adult-use cannabis.** Adult-use cannabis retailers are subject to licenses limitations (2 private), 500' buffering from schools, daycares, residential treatments facilities, and attractions within parks where children may

congregate. Adult-use cannabis retailers are also prohibited in the downtown by zoning. An establishment that sells lower-potency hemp products is NOT defined by MN statute or City Code as a “Cannabis retail business.” Consistent with direction from City Council in 2022, for licensing/registration and zoning purposes, establishments that may sell lower-potency hemp products include but are not limited to the following uses:

- CBD specialty shop
- Smoke shops
- Bars
- Restaurants
- Grocery
- Convenience stores

Cannabis Paraphernalia Ordinance (Amended 2024):

Concerning the sale of cannabis paraphernalia, the City has an ordinance that says only adult-use cannabis retailers may sell cannabis paraphernalia. Staff recently conducted an inspection and investigation of the smoke shop located at 2010 2nd Ave and found the business selling glass pipes and water pipes (i.e., bongs). These products are considered by ordinance as cannabis paraphernalia. This location is not licensed or registered to sell adult-use cannabis, nor would it be allowed as a prohibited use in the downtown. The business was notified of this matter, has been cooperative, and since removed all cannabis paraphernalia from the store. Low potency hemp products are not considered paraphernalia. At this time staff believes the property is in compliance but will conduct another thorough compliance inspection prior to consideration of approval by City Council.

Staff recommendation:

- Discuss topic at February 23rd work session including questions or changes to local regulations for the sale of low-potency hemp derived products
- Staff recommends approval of the “Issuance of Lower-Potency Hemp Products (LPHE) Registration & Renewal Applications for Anoka Smokes LLC, 2010 2nd Ave.”

FINANCIAL IMPACT

n/a

COUNCIL DIRECTION REQUESTED

Provide direction to staff on changes to local regulations for the sale of low-potency hemp derived products.

COUNCIL WORKSESSION MEMO

Agenda Item # 3.2

Meeting Date: February 23, 2023
Agenda Section: Council Business and/or Discussion Items
Item Description: Presentation; Anoka County Emergency Communication Messaging Application – Citizen Alerts
Submitted By: Amy Oehlers, Assistant City Manager

BACKGROUND INFORMATION

The Police Chief has invited Anoka County Emergency Communications (ECC) 911 Director Kari Morrissey to this worksession to describe a FREE public messaging system available to residents of the City of Anoka. This messaging system is a resident elected service that will push out non-urgent public messages via text to a determined geofenced area that might be impacted. See the below for a written explanation of what ECC is offer to our residents with Council's approval.

Subject: Enhancing Emergency Communications with Everbridge Resident Connect

To whom it may concern,

I'm reaching out to share an important enhancement to our emergency communications capabilities: Everbridge Resident Connect. As you know, timely and accurate communication is critical during emergencies. Resident Connect significantly expands our ability to reach residents and businesses-even those who have not opted in to receive alerts.

We currently use Everbridge to send FEMA Integrated Public Alert Warnings System (IPAWS) Wireless Emergency Alerts (WEA). An IPAWS WEA must meet strict requirements to be sent as a mass notification. Resident Connect offers another means of alerting citizens when IPAWS requirements aren't met.

What is Resident Connect?

Resident Connect is an integrated feature within the Everbridge Mass Notification platform that provides access to a national database of more than 265 million verified contact records. This includes mobile, landline, and VoIP numbers for both residential and commercial entities.

Key Benefits:

- Expanded Reach: Communicate with individuals who haven't registered for alerts, helping us close the gap left by declining landline usage.
- Geo-Targeted Messaging: Send alerts to specific neighborhoods, streets, or zones using GIS-based targeting.
- Up-to-Date Data: Contact information is refreshed monthly to ensure accuracy.
- Emergency-First Focus: Designed for life safety communications, with safeguards in place to prevent misuse.
- Community Alerts: These alerts can be tailored to meet your needs. Alerts can be sent 24/7, so they may be of use after hours. Examples of potential opt-in alerts:
- Neighborhood notifications near a juvenile facility if there is a need to alert the nearby community of a runaway.

- Community event cancellations/postponements such as fireworks due to bad weather.
- Water boil alerts.

This tool enhances our ability to notify the public during critical incidents such as severe weather, evacuations, missing persons, and other emergencies. It also supports non-emergency outreach when appropriate and is compliant with FCC guidelines. The goal of alerting for you is to lessen non-emergency phone calls to Emergency Communications inquiring about these events.

We believe this capability will strengthen our collective response efforts and improve public safety outcomes across our jurisdictions.

If you have any questions or would like a demonstration of how Resident Connect works within our system, please don't hesitate to reach out

Thank you for your continued partnership and commitment to public safety.
Warm regards,

Kari Morrissey
Department Director, Anoka County Emergency Communications

NO FORMAL ACTION MAY BE TAKEN AT A WORKSESSION.



Emergency Dispatching for Sheriff, Police and Fire Departments in Anoka County

Subject: Enhancing Emergency Communications with Everbridge Resident Connect

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Anoka County Emergency Communications ▲ Respectful, Innovative, Fiscally Responsible.

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Affirmative Action / Equal Opportunity Employer

to lessen non-emergency phone calls to Emergency Communications inquiring about these events.

We believe this capability will strengthen our collective response efforts and improve public safety outcomes across our jurisdictions.

If you have any questions or would like a demonstration of how Resident Connect works within our system, please don't hesitate to reach out.

Thank you for your continued partnership and commitment to public safety.

Warm regards,

A handwritten signature in black ink that reads "Kari Morrissey". The signature is written in a cursive, flowing style.

Kari Morrissey

Department Director, Anoka County Emergency Communications

O:763-324-5801 / C:612-271-9441

COUNCIL WORKSESSION MEMO

Agenda Item # 3.3

Meeting Date: 02.23.2026

Council Business/Discussion

Item Description: Discussion; Chpt 10, Article IV, Charitable and Legalized Gambling

Submitted By: Amy Oehlers, Assistant City Manager

BACKGROUND INFORMATION

At your January Worksession, the City Council reviewed proposed amendments to the Charitable and Legalized Gambling section of our City Code.

From that discussion, the Council directed the following amendments:

Sec. 10-90. Organizations eligible.

Added text in Section 10-90 (d), that residential addresses do not qualify as a main physical office. (this is a First Priority level).

Added in Section 10-90 (d) (2), that Second Priority level would be for organizations whose main physical office location is located in the “trade area” and whose main office location is within a city that allows an Anoka-based organization to hold a premises permit in their corporate limits. Residential addresses do not qualify as a main office location.

Deleted the Third Priority, which would have allowed all other organizations to be granted a waiver.

The attached draft code changes are **highlighted in yellow** for the sections that need further discussion.

Sec. 10-97. Contribution of Net Profits to City Administered Fund.

Current draft of the code amendments for this section require that the organizations contribute 10% of their net profits (from gambling activity in the City of Anoka) be contributed to a City Administered Fund. The draft requires that the contribution be made to the City of December 31 of each year. Further discussion on this will also occur during the discussion on the next agenda item.

THINGS TO BE ADDRESSED AND DETERMINED AT WORKSESSION

1. **Council requested input and guidance on this from Attorney Scott Lepak specifically regarding the definition of a main physical office location. The Council wants to make sure that there are no loopholes that an outside organization can use to circumvent our code requirements.**
2. **Code requirements of the contribution of 10% of organizations be made to the City by December 31 of each year.**
 - Gambling activities occur in the month of December. **Should this date be changed to January 31 of each year?**
 - Should language be included in this section that states that the contributions shall be made according to the City policy on Contributions to the City Administered Fund, so that organization are aware that the policy exists and that there are other parameters required for this contribution?

The next worksession item will be a discussion on the policy on contributions to the City Administered Fund. At that time, the Council will be discussing other factors on the City Administered Fund policy, such as:

- Refunding some or all of the contribution to an organization if they can show documentation that they contributed a certain percentage to organizations that directly benefit the residents of the City of Anoka; and
- Whether or not the contributions to the fund can be delayed until after the Council reviews an organizations contributions and makes a decision on whether or not to refund some or all of the contribution.

Documents attached to this memo:

1. Draft of City Code amendments relative to this chapter.
2. Response and comments from Attorney Scott Lepak

SPECIFIC DIRECTION FROM COUNCIL IS NEEDED TO PREPARE AN ORDINANCE FOR A FIRST READING.

NO FORMAL ACTION MAY BE TAKEN AT A WORKSESSION.

Amy Oehlers

From: AOehlers@ci.anoka.mn.us
Subject: Feb 23rd Council Worksession - GAMBLING

FROM ATTORNEY SCOTT LEPAK:

As I understand it, we are down to 2 issues: 1) the eligibility definition; and 2) the fund.

Eligibility

On the eligibility issue, my understanding is that the narrow issue is how to reference a nonresidential location for first priority purposes. Third priority is now gone. Removing the third priority makes this a more straightforward process.

As I interpret the existing draft, "first priority is given to organizations whose main office location is within the corporate limits of the city, as described in Sec 10-90 (d)". (Section 10-90 e(1)). That definition is narrowed by the reference to Sec. 10-90 so that it only applies to:

(d) Organizations eligible to conduct gambling activities in the city shall be limited to organizations that have their main physical office located in the city (residential addresses do not qualify as a main physical office located in the city), which has been located within the city, at other than a residential address, for at least two years immediately preceding the application and who holds the majority of their actual meetings at a location in the City of Anoka. A listing of meeting dates and locations shall be submitted to the City by December 31st of each year. Existing organizations and their premises permit locations that have been approved by the city council prior to August 1, 2007, are exempt from this requirement as long as there is no lapse in their premises permit.

As a result, someone with a residential address as the location would not get first priority. An individual with a residential address in Anoka would then fall into the second priority. If the City wanted to clarify that in order to make it more specific, the second priority in Section 10-90(2) could be revised as follows:

(2) Second priority is given to organizations listing a residential address in Anoka or whose main office location is located within the trade area and whose main office location is within a city that allows an Anoka-based organization to hold a premises permit within their corporate limits, and who is eligible to be granted a waiver from the eligibility requirements by the city council.

City Fund

Given the lack of consensus on this issue, the easiest option is to simply not have a City Fund. If the practical effect of putting in a contribution where the money goes back to the organization, then there is not a significant gain for the City. The second option is to utilize the drafted language as you have – it is consistent with the League of MN Cities model policy and other city ordinances. Other options related to collecting and then paying the organization back or crediting it prior to collecting it are not found in any other ordinances that I have been able to review. As a result, I am not able to provide an opinion that this

is a permissible option. The organizations' obligations to the State on expenses and income under these scenarios may also create accounting/reporting problems.

Scott M. Lepak

Attorney at Law



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ARTICLE IV. CHARITABLE AND LEGALIZED GAMBLING¹

Sec. 10-85. Purpose.

The purpose of this article is to closely regulate and control the conduct of gambling and to ensure that profits derived from gambling activities in the city provide, to the extent authorized by law, direct benefit to the citizens of the city.

(Prior Code, § 14-181)

Sec. 10-86. 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:

Board means state gambling control board.

Lawful gambling means the operation of gambling activities by an organization eligible for a license from the board to conduct such activities.

Lawful purpose means as provided in M.S.A. Ch. 349, as may be amended from time to time.

Main physical office location means the physical site for the organization headquarters as defined in Section 10-90(d) or the registered business office of the organization, which is located within the city and has been located within the city for at least two years immediately preceding the application, and which is the physical site where the organization regularly holds its meetings and conducts its activities, other than lawful gambling and fundraising. Post office box numbers do not qualify as the main physical office location. Address will be verified through the Minnesota Secretary of State's office.

Net profits, lawful purpose, and allowable expenses mean as provided in M.S.A. ch. 349, as may be amended from time to time.

Premises permits means the authorization given by the board, after passage of a resolution of recommendation and support by the city council, for a named organization to operate lawful gambling activities at a specified location in the city.

Trade area means the cities of Anoka, Andover, Champlin, Coon Rapids, Dayton and Ramsey, Minnesota.

Sec. 10-87. State law incorporated.

The applicable provisions of M.S.A. Ch. 349 are adopted and made a part of this article as if set out in full.

Sec. 10-88. State license or permit required.

No organization shall directly or indirectly conduct gambling activities in the city without obtaining the necessary approval, license or permit from the board.

¹State law reference(s)—Legalized gambling, M.S.A. Ch. 349; local regulation of gambling and approval of licenses, M.S.A. § 349.213, subd. 2; local investigation fees, M.S.A. § 349.16, subd. 8.

Sec. 10-89. Process for consideration.

A copy of the application to be submitted to the board, which describes the gambling activity and states where the gambling activity will be conducted, shall be supplied to the city clerk at least ~~30 days prior to the start date of the requested activity~~ **60 days prior to City Council consideration**. The application shall be verified by a duly authorized officer of the organization or the designated gambling manager.

Sec. 10-90. Organizations eligible.

- (a) Organizations eligible to conduct gambling activities in the city shall be limited to fraternal, religious, veteran, or other nonprofit organizations, which have been in existence for at least three years.
- (b) Organizations must meet all qualifications for a gambling license issued by the board.
- (c) Organizations may pay rent only up to the maximum rent allowed in leases to charitable organizations which is in compliance with what is set forth in state law.
- (d) Organizations eligible to conduct gambling activities in the city shall be limited to organizations that have their main physical office located in the city (**residential addresses do not qualify as a main physical office located in the city**), which has been located within the city, at other than a residential address, for at least two years immediately preceding the application and who holds the majority of their actual meetings at a location in the City of Anoka. A listing of meeting dates and locations shall be submitted to the City by **December 31st of each year**. Existing organizations and their premises permit locations that have been approved by the city council prior to August 1, 2007, are exempt from this requirement as long as there is no lapse in their premises permit.
- (e) Organizations that are not eligible due to the main physical office location requirement **as described in Sec. 10-90 (d) and who do not hold the majority of their actual meetings at a location in the City of Anoka** may be granted a waiver from the city council. If an otherwise ineligible organization submits an application for a premise permit to the city based upon the main physical office location and majority of meeting requirements, staff will make a public post of the opportunity to conduct lawful gambling activities at the location listed in the application and will send a letter to known organizations that hold a State issued Permit who have their main physical office located in the City of Anoka advising them of this lawful gambling activity opportunity. Thirty (30) days will be given for other organizations to contact the City and inform them of their desire to be considered for a premise permit at the establishment listed in the application. If within **after those thirty (30) days**, no eligible organization meeting the physical office location requirement has expressed to the city a desire to operate gambling activities at the premises applied for by the ineligible organization, **the original ineligible organization's application will be submitted to the City Council at their next regularly scheduled meeting**. The waiver would be granted only for the specific location set forth in the premises permit application and would remain in effect for **three years of operation as an otherwise ineligible organization**. Upon the need for renewal of a premises permit location, a **noneligible organization would follow the same process of approval as stated herein**. The priority set by the city council for granting approval of a premises permit application and its location shall be as follows:
 - (1) First priority is given to organizations whose main office location is within the corporate limits of the city, **as described in Sec 10-90 (d)**.
 - (2) Second priority is given to organizations whose main office location is located within the **trade area** and whose main office location is within a city that allows an Anoka-based organization to hold a premises permit within their corporate limits, and who is eligible to be granted a waiver from the eligibility requirements by the city council. **Residential addresses do not qualify as a main office location**.
 - (3) ~~Third priority is given to all other organizations that are eligible to be granted a waiver from the eligibility requirements by the city council.~~

Sec. 10-91. Disapproval of premises permit issuance.

The city shall recommend disapproval of an application for a premises from the board if:

- (1) The city's investigation indicates that the organization or gambling manager failed to comply with the terms or conditions of any gambling license or indicates a history of noncompliance with state or local law regulating gambling activities;
- (2) The premises on which the gambling is to be conducted are unsuitable for that purpose or the proposed activity reasonably can be expected to disrupt other activities in the neighborhood;
- (3) The premises upon which the activity is to be conducted lies within a zoning district where such activity would be prohibited;
- (4) The organization does not meet the eligibility requirements as stated in this article.

Sec. 10-92. Grounds for revocation of authority to conduct gambling activities.

No organization shall have a vested right in conducting any gambling activities in the city and any authority granted for such activities may be revoked by council at any time upon a showing that:

- (1) Any misrepresentation has been made to the city or the board by the organization;
- (2) The organization has violated any provision of this article or applicable state law;
- (3) The organization failed to comply with any regulation as set forth in this article.

A business where gambling activities are occurring pursuant to Section 10-90(e) may not allow said organization to operate for a period in excess of three years on the premises unless the organization applies for and receives a subsequent waiver from the City pursuant to Section 10-90(e) for an additional three years. A subsequent waiver application is not required if the incumbent organization is eligible to conduct gambling activities pursuant to Section 10-90(d) at the end of the three-year period.

Sec. 10-93. Process for revocation of authority to conduct gambling activities.

Upon determination by the city that there is sufficient grounds for revocation of an organization's authority to conduct gambling activities:

- (1) The city shall notify the organization, in writing, that a public hearing will be held by the city council, to consider the revocation of the organization's authority to conduct gambling activities in the city.
 - a. Notification in writing must be sent to the organization at least ten days prior to the date the public hearing is held.
 - b. The notice shall state the date, time and location of the public hearing and the nature of the charges against the organization.
- (2) The city council shall revoke an organization's authority to conduct gambling activities in the city, through adoption of a resolution declaring the revocation and listing the grounds for the revocation. The date of revocation shall be immediately upon adoption of the resolution. The city shall forward a copy of the resolution to the board.

Sec. 10-94. Re-application after revocation.

Any organization that has had their authority to conduct gambling activities in the city revoked by either the city or the board, shall be prohibited from conducting any gambling activities in the city for one full year from the effective date of the revocation.

Sec. 10-95. Reporting requirements for premises permit holders.

Each organization which holds a state-issued premises permit and is licensed to conduct lawful gambling activities in the city shall report ~~monthly~~ **quarterly (January 1, April 1, July 1, and October 1 of each year)** to the city its gross receipts, expenses and profits from those activities and the distribution of those profits, itemized as to payee, purpose, amount and date of payment. This requirement ~~may~~ **shall** be satisfied by submission of copies of the **following reports: monthly reports required by the board.**

- (1) Gambling Control Board form LG 100A Gross Receipts & Expenses, for establishments in the City of Anoka.
- (2) Gambling Control Board form LG 100C Lawful Purpose Expenditures.
- (3) City form of Detailed Itemization of Lawful Purpose Expenditures spent in the Trade Area.

Sec. 10-96. Expenditures for lawful purposes.

During any year that an eligible organization is licensed to conduct gambling events, not less than ~~50~~ **75** percent of its lawful purpose expenditures will be for lawful purposes conducted or located within the trade area. **Payments made to the City of Anoka for utilities, i.e. electricity, water and sewer, may be used in the calculation of lawful purpose expenditures.** ~~A report of the expenditures for lawful purposes within the trade area shall be provided to the city each month after the date of the adoption of this requirement. Additional reports may be required as determined by the city.~~

Sec. 10-97. Contribution of Net Profits to City Administered Fund.

Each licensed organization conducting lawful gambling within the City shall contribute 10% of its net profits derived from lawful gambling conducted in the City of Anoka to a fund administered and regulated by the City without cost to the fund. The City shall disburse the funds for lawful purposes as defined by Minnesota Statutes. Such contributions shall be made to the City on the last day of each month by December 31 of each year.

Sec. 10-98. Local Gambling Tax.

- (1) A local gambling tax of 0.10% per year is imposed on the gross receipts of a licensed organization for all lawful gambling less prizes actually paid out by the organization.
- (2) The tax shall be paid by the organization on a monthly basis and shall be reported on a copy of the monthly gambling activity summary and tax return filed with the Minnesota Department of Revenue. The report shall be an exact duplicate of the report filed with the Department, without deletions or additions, and must contain the signatures of organization officials as required on the report form.
- (3) The tax return and payment of the tax due must be postmarked, or if hand-delivered, received in the office of the Finance Director, on or before the last business day of the month following the month for which the report is made.
- (4) An incomplete tax return will not be considered timely filed unless corrected and returned by the due date for the filing.
- (5) Interest shall be charged at a rate of eight percent (8%) on all overdue taxes owed by the organization under this Article.

Secs 10-99—10-120. Reserved.

COUNCIL WORKSESSION MEMO

Agenda Item # 3.4

Meeting Date: 02.23.2026

Council Business/Discussion

Item Description: Discussion; Policy on Charitable and Legalized Gambling Contribution of Net Profits to City Administered Fund

Submitted By: Amy Oehlers, Assistant City Manager

BACKGROUND INFORMATION

At your January Worksession, the City Council reviewed the draft policy on Charitable and Legalized Gambling Contributions of Net Profits to City Administered Fund.

From that discussion, the Council directed the following amendments:

Section VI. Request for Reimbursement of Contribution to City Administered Fund.

- Indicate that if an if the organization can show they contributed **50%** or more of their net profits derived from lawful gambling to worth-while activities, organizations and community projects that directly benefit the citizens of the City of Anoka, they can request reimbursement of some or all of their required 10% contribution.
- Indicate that if the City Council determines that the organization's contributions and purposes of the contributions meets as a qualifying contribution directly benefiting the citizens of the City of Anoka, the City will refund **100%** of the 10% contribution made to the City Administered Fund to the organization

THINGS TO BE ADDRESSED AND DETERMINED AT WORKSESSION.

1. Does Council agree with the above 2 changes to the policy?
2. The draft policy requires that the contribution be paid by December 31 of each year. Since gambling activities occur in December, should that date change to January 31 of each year?
3. Staff has been asked if the City could postpone collecting the organizations 10% contribution until after the Council determines whether or not the organizations contributions qualify for a reimbursement. **Attorney Scott Lepak has provided a comment on this, which is included in your packet.**

Documents attached to this memo:

1. **Response and comments from Attorney Scott Lepak on the draft policy.**
2. **Draft policy on contributions to a City Administered Fund.**

SPECIFIC DIRECTION FROM COUNCIL IS NEEDED TO PREPARE A FINAL DRAFT POLICY FOR COUNCIL CONSIDERATION.

NO FORMAL ACTION MAY BE TAKEN AT A WORKSESSION.

Amy Oehlers

From: AOehlers@ci.anoka.mn.us
Subject: Feb 23rd Council Worksession - GAMBLING

FROM ATTORNEY SCOTT LEPAK:

As I understand it, we are down to 2 issues: 1) the eligibility definition; and 2) the fund.

Eligibility

On the eligibility issue, my understanding is that the narrow issue is how to reference a nonresidential location for first priority purposes. Third priority is now gone. Removing the third priority makes this a more straightforward process.

As I interpret the existing draft, "first priority is given to organizations whose main office location is within the corporate limits of the city, as described in Sec 10-90 (d)". (Section 10-90 e(1)). That definition is narrowed by the reference to Sec. 10-90 so that it only applies to:

(d) Organizations eligible to conduct gambling activities in the city shall be limited to organizations that have their main physical office located in the city (residential addresses do not qualify as a main physical office located in the city), which has been located within the city, at other than a residential address, for at least two years immediately preceding the application and who holds the majority of their actual meetings at a location in the City of Anoka. A listing of meeting dates and locations shall be submitted to the City by December 31st of each year. Existing organizations and their premises permit locations that have been approved by the city council prior to August 1, 2007, are exempt from this requirement as long as there is no lapse in their premises permit.

As a result, someone with a residential address as the location would not get first priority. An individual with a residential address in Anoka would then fall into the second priority. If the City wanted to clarify that in order to make it more specific, the second priority in Section 10-90(2) could be revised as follows:

(2) Second priority is given to organizations listing a residential address in Anoka or whose main office location is located within the trade area and whose main office location is within a city that allows an Anoka-based organization to hold a premises permit within their corporate limits, and who is eligible to be granted a waiver from the eligibility requirements by the city council.

City Fund

Given the lack of consensus on this issue, the easiest option is to simply not have a City Fund. If the practical effect of putting in a contribution where the money goes back to the organization, then there is not a significant gain for the City. The second option is to utilize the drafted language as you have – it is consistent with the League of MN Cities model policy and other city ordinances. Other options related to collecting and then paying the organization back or crediting it prior to collecting it are not found in any other ordinances that I have been able to review. As a result, I am not able to provide an opinion that this

is a permissible option. The organizations' obligations to the State on expenses and income under these scenarios may also create accounting/reporting problems.

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Barna, Guzy & Steffen, Ltd.



CHARITABLE & LAWFUL GAMBLING

CONTRIBUTION OF NET PROFITS TO CITY ADMINISTERED FUND

I. PURPOSE/INTRODUCTION

The purpose of this policy is to set forth a guide to be followed by the City of Anoka in the management of the Charitable & Lawful Gambling Contribution of Net Profits to a City Administered Fund. These contributions are used to provide financial assistance to worth-while activities, organizations and community projects that improve the lives of families, children and seniors and that benefit the **citizens of the City of Anoka**.

II. PARTICIPATION

Participation in this program is required by Anoka City Code, Chapter 10, Article IV for all organizations that hold a State issued Premise Permit to allow them to operate lawful gambling activities in the City of Anoka.

III. CONTRIBUTION REQUIREMENT

Each organization conducting lawful gambling, through a State issued Premise Permit, within the City of Anoka shall contribute 10% of its net profits derived from lawful gambling conducted in the City of Anoka to a fund administered by the City without cost to the fund.

IV. USE OF FUNDS

Disbursement of these funds shall be for charitable contributions as defined by Minn. Stat § 349.12, Subd 7a, for a Lawful Purpose as defined in Minn. Stat § 349.12, Subd 25. The City may also expend these funds for police, fire, and other emergency or public-safety related services, equipment and training, excluding pension obligations.

V.. REPORTING OF USE OF FUNDS.

Expenditures authorized from the City Administered Fund must be reported by the City, by March 15 of each year by filing a report with the Minnesota Gambling Control Board ("Board"), on a form prescribed by the Board. The report must list all such revenues collected and expenditures for the previous calendar year.

VI. **REQUEST FOR REIMBURSEMENT OF CONTRIBUTIONS TO CITY ADMINISTERED FUND.**

An Organization may request reimbursement of a portion of their 10% contribution as described in Section III Contribution Requirement, if the organization can show they contributed 50% or more of their net profits derived from lawful gambling to worth-while activities, organizations and community projects that directly benefit the **citizens of the City of Anoka**.

The request must be submitted annually by December 31st, along with payment of the 10% contribution requirement to the City Administered Fund.

The request must include the following information on the 10% contributions they would like considered for reimbursement:

- Date the contribution was made.
- The amount of the contribution.
- Who the contribution was paid to.
- A description of what the contribution will be used for.

The City Council will review the request and determine if the contributions listed qualify as a contribution that **directly benefits the citizens of the City of Anoka**.

If the City Council determines that the organization's contributions and purposes of the contributions meets as a qualifying contribution **directly benefiting the citizens of the City of Anoka**, the City will refund 100% of the 10% contribution made to the City Administered Fund to the organization.

Qualifying refunds will be remitted to the organization no later than March 1st of each year.

Policy History

Initially Adopted: XX.XX.XXXX

COUNCIL WORKSESSION MEMO

Agenda Item # 3.5

Meeting Date: February 23, 2026
Agenda Section: Council Business and/or Discussion Items
Item Description: Discussion Green Haven Golf Renovations
Submitted By: Kevin Morelli, Enterprise Operations Director

BACKGROUND INFORMATION

On November 24, 2025 at the City Council Worksession meeting there was a discussion regarding the future vision for Green Haven Golf Course where city staff shared three different phases including course improvements only which includes new bunkers, cart paths and tee boxes, construction of a driving range and two holes to be placed on the former Buldoc and Northstar Fence properties and total golf course improvements that would combine both options.

The city council consensus was to move forward with Phase #1 and the new public trail and continue to explore Phase #2. Staff was directed to bring back the plan for the construction of the two new holes on the former Buldoc and North Star Fence properties along with the costs associated separate from the proposed driving range.

Staff are also bringing back to the city council a revised driving range concept to consider. This concept utilizes holes #1 and #5 rather than holes #5 and #6 which would move the driving range considerably closer to the clubhouse and patio area. Staff is proposing these new options for council's consideration:

- Option #1 – **MASTER RENOVATION**. The relocation of two new holes on the former Buldoc and Northstar Fence properties. Course improvements including renovations to the following; tee boxes, cart paths, bunkers, and irrigation, along with a new driving range.
- Option #2 – **COURSE IMPROVEMENTS ONLY**. This includes renovations to the following: tee boxes, cart paths, bunkers, and irrigation.
- Option #3 – **BUILD TWO NEW HOLES ONLY**. The relocation and construction of two new holes on the former Buldoc and North Star Fence properties.

FINANCIAL IMPACT

Below is the cost associated to each of the options.

- Option #1 - Total cost for all improvements: \$8,664,900 (Less efficiency savings \$560,000) \$8,100,000 Bond finance cost \$425,000 **annual debt service \$599,000**. It should be understood; the efficiency savings are comprised of one project which is saving of the contractor re-mobilization and bond fees for separate projects over numerous years.
- Option #2 - Cost to complete course improvements: (new tee boxes, cart paths and bunkers): \$4,872,300 Bond finance cost \$282,800 **annual debt service \$363,000**. As mentioned above, council's consensus from the November worksession meeting was to move forward with these improvements at minimal.

- Option #3 - Cost to construct two new holes on the former Buldoc and North Star fence companies: \$1,408,900. Bond finance cost \$116,000 **annual debt service \$110,000.** (*Annual cost to maintain the two new holes: \$10,000*)

Completing any of the above options would be financed by issuing General Obligation Revenue Bonds, the debt service payments would be paid with the collection of increased green fees and/or driving range revenue. Projections show that by 2030 with the addition of the driving the course would generate an additional revenue of \$690,000 to cover the debt service payments.

Council shall be aware; the repayment of the general obligation bonds will be funded by the revenues generated by the golf course; there is NO financial impact to the tax payers of Anoka.

COUNCIL DIRECTION REQUESTED

Discuss phase options and provide direction on the future improvements at Green Haven Golf Course.

GREEN HAVEN GOLF & EVENT CENTER

Monday February 23rd, 2026



OPTIONS FOR COUNCIL

➤ OPTION #1 MASTER RENOVATION

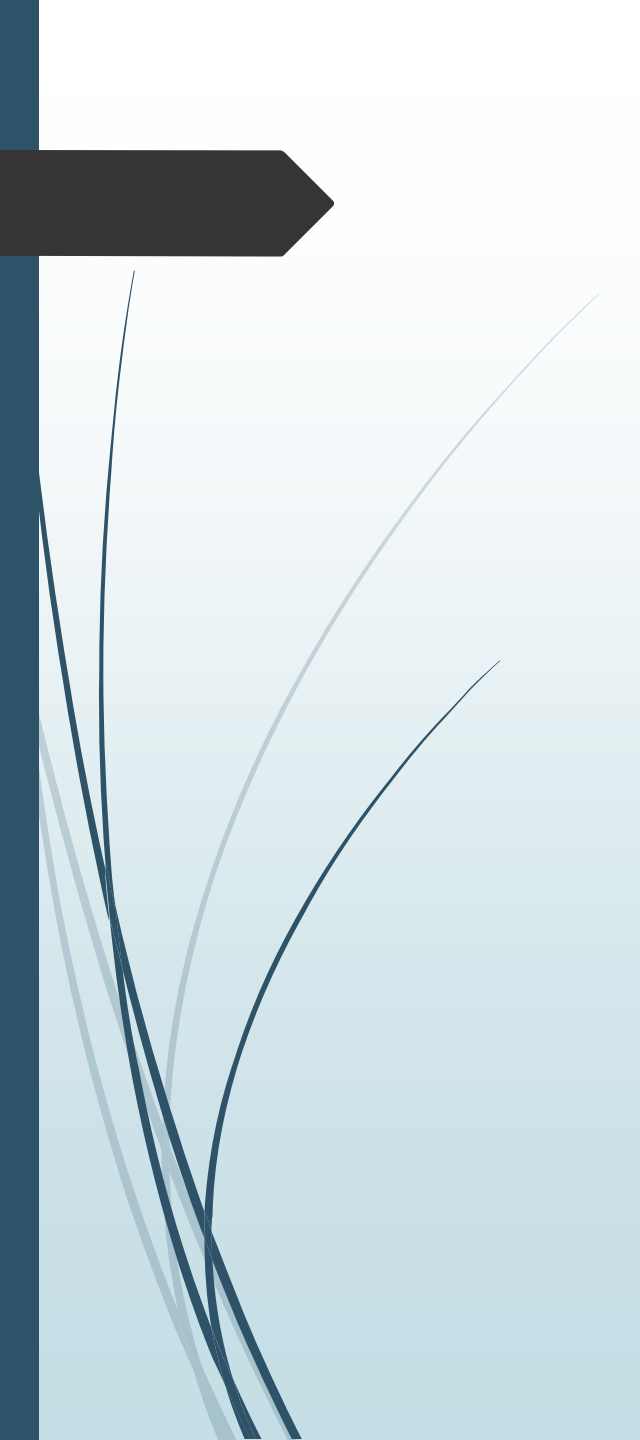
- Two holes relocated to Buldoc & Northstar property
- Course Improvements of tee boxes, cart paths, bunkers & irrigation
- Driving Range

➤ OPTION #2 COURSE IMPROVEMENTS **ONLY**

- Course Improvements of tee boxes, cart paths, bunkers & irrigation

➤ OPTION #3 BUILD TWO HOLES **ONLY**

- Build two holes at Buldoc & Northstar property



OPTION #1 MASTER RENOVATION

Cost for master renovation	\$8,665,000
Full project efficiency savings	<u>(565,000)</u>
Bond amount	\$8,100,000
Financing Cost (included in debt service amt)	\$425,000
Annual Debt Service Payment	\$599,000 (20 yrs, 3.5% est)

HOW IS THE MASTER RENOVATION FUNDED?

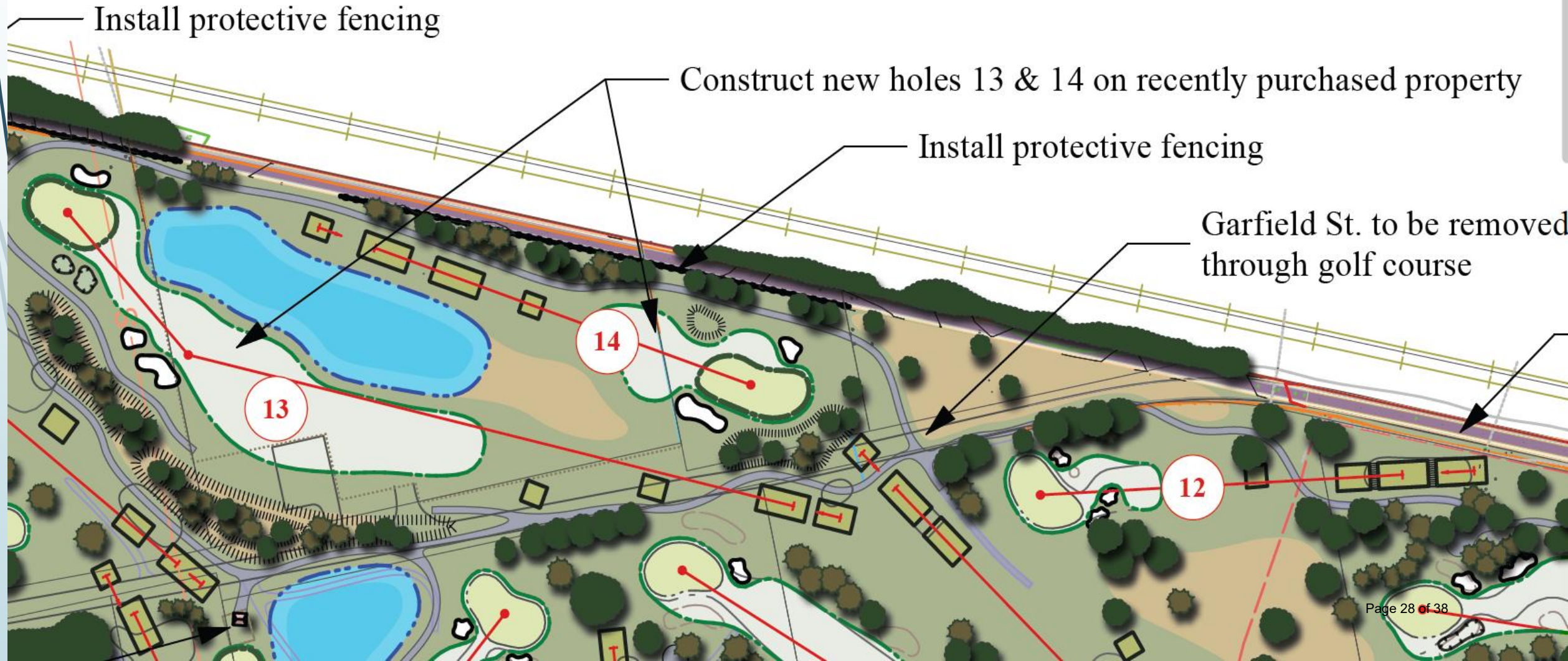
Rough Projections									
Based on 25,000 18-Hole Rounds and 10,000 9-Hole Rounds									
Minus 1,300 18-Hole Rounds and 700 9-Hole Rounds for Twilight									
23,700 18 Hole Rounds & 9,300 9 Hole Rounds									
		2025	2026		2027	2028	2029	2030	
Weekday Green fee 18 hole	\$1	\$39.00	\$40.00	\$2	\$42.00	\$44.00	\$46.00	\$48.00	
Weekend Green Fee 18 hole	\$1	\$46.00	\$47.00	\$2	\$49.00	\$51.00	\$53.00	\$55.00	
Weekday Green Fee 9 hole	\$1	\$26.00	\$27.00	\$1	\$28.00	\$29.00	\$30.00	\$31.00	
Weekend Gren Fee 9 hole	\$1	\$32.00	\$33.00	\$1	\$34.00	\$35.00	\$36.00	\$37.00	
Weekday Rounds 18 hole	5%	14,220	14,931		15,678	16,461	16,461	17,284	
Weekend Rounds 18 hole	5%	9,480	9,954		10,452	10,974	10,974	11,523	
Weekday Rounds 9 hole	5%	5,580	5,859		6,152	6,460	6,460	6,783	
Weekend Rounds 9 hole	5%	3,720	3,906		4,101	4,306	4,306	4,522	
Total Annual Rounds		33,000	34,650		36,383	38,202	38,202	40,112	
18 Hole Green Fee Revenue		\$564,106	\$607,241		\$668,958	\$735,328	\$768,253	\$841,234	
9 Hole Green Fee Revenue		\$264,120	\$287,091		\$311,699	\$338,050	\$348,816	\$377,561	
Total Revenue		\$828,226	\$894,332		\$980,657	\$1,073,378	\$1,117,069	\$1,218,794	
Difference			\$66,106		\$86,325	\$92,721	\$43,691	\$101,726	
Difference Cumulative					\$152,431	\$245,152	\$288,843	\$390,568	
Driving Range			\$0		\$0	\$0	\$225,000	\$300,000	
Total Revenue			\$0		\$152,430.60	\$245,151.75	\$513,842.52	\$690,568.50	

MASTER RENOVATION PLAN



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OPTION #1 TWO NEW HOLES



OPTION #1 COURSE IMPROVEMENTS

TEE BOXES



CART PATHS



BUNKERS

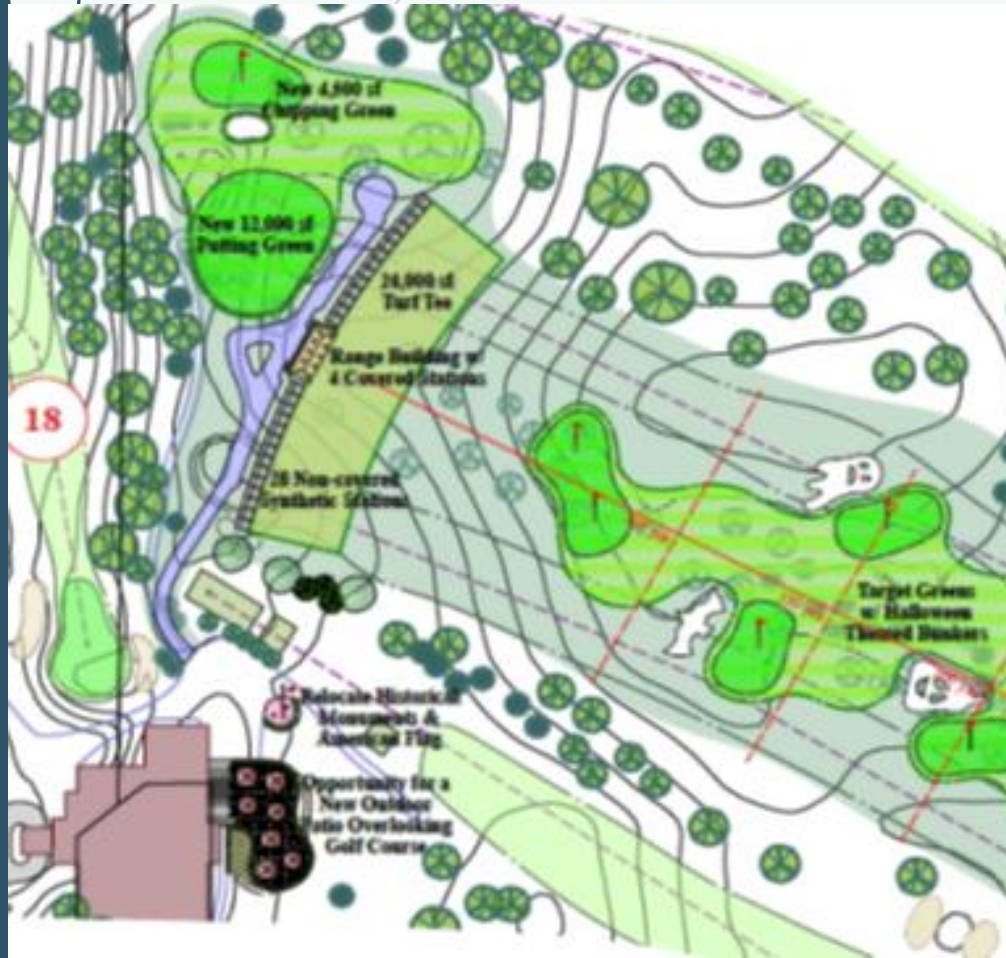


IRRIGATION



OPTION #1 NEW DRIVING RANGE

PRIOR PLACEMENT



NEW PLACEMENT



WHAT THE PLAYERS WOULD SEE WALKING UP THE NEW 18TH HOLE



OPTION #2 COURSE IMPROVEMENTS ONLY

Bond amount for course improvements \$4,872,300

Financing Cost (included in debt service amt) \$282,800

Annual Debt Service Payment \$363,000 (20 yrs, 3.5% est)

		2025	2026		2027	2028	2029	2030
Weekday Green fee 18 hole	\$1	\$39.00	\$40.00	\$2	\$42.00	\$44.00	\$46.00	\$48.00
Weekend Green Fee 18 hole	\$1	\$46.00	\$47.00	\$2	\$49.00	\$51.00	\$53.00	\$55.00
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Weekend Gren Fee 9 hole	\$1	\$32.00	\$33.00	\$1	\$34.00	\$35.00	\$36.00	\$37.00
Weekday Rounds 18 hole	5%	14,220	14,931		15,678	16,461	16,461	17,284
Weekend Rounds 18 hole	5%	9,480	9,954		10,452	10,974	10,974	11,523
Weekday Rounds 9 hole	5%	5,580	5,859		6,152	6,460	6,460	6,783
Weekend Rounds 9 hole	5%	3,720	3,906		4,101	4,306	4,306	4,522
Total Annual Rounds		33,000	34,650		36,383	38,202	38,202	40,112
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9 Hole Green Fee Revenue		\$264,120	\$287,091		\$311,699	\$338,050	\$348,816	\$377,561
Total Revenue		\$828,226	\$894,332		\$980,657	\$1,073,378	\$1,117,069	\$1,218,794
	Difference		\$66,106		\$86,325	\$92,721	\$43,691	\$101,726
	Difference Cumulative				\$152,431	\$245,152	\$288,843	\$390,568

OPTION #2 COURSE IMPROVEMENTS

TEE BOXES



CART PATHS



BUNKERS



IRRIGATION



OPTION #3 BUILD TWO HOLES ONLY (not recommended by staff)

Bond amount for course improvements \$1,408,900

Financing Cost (included in debt service amt) \$116,000

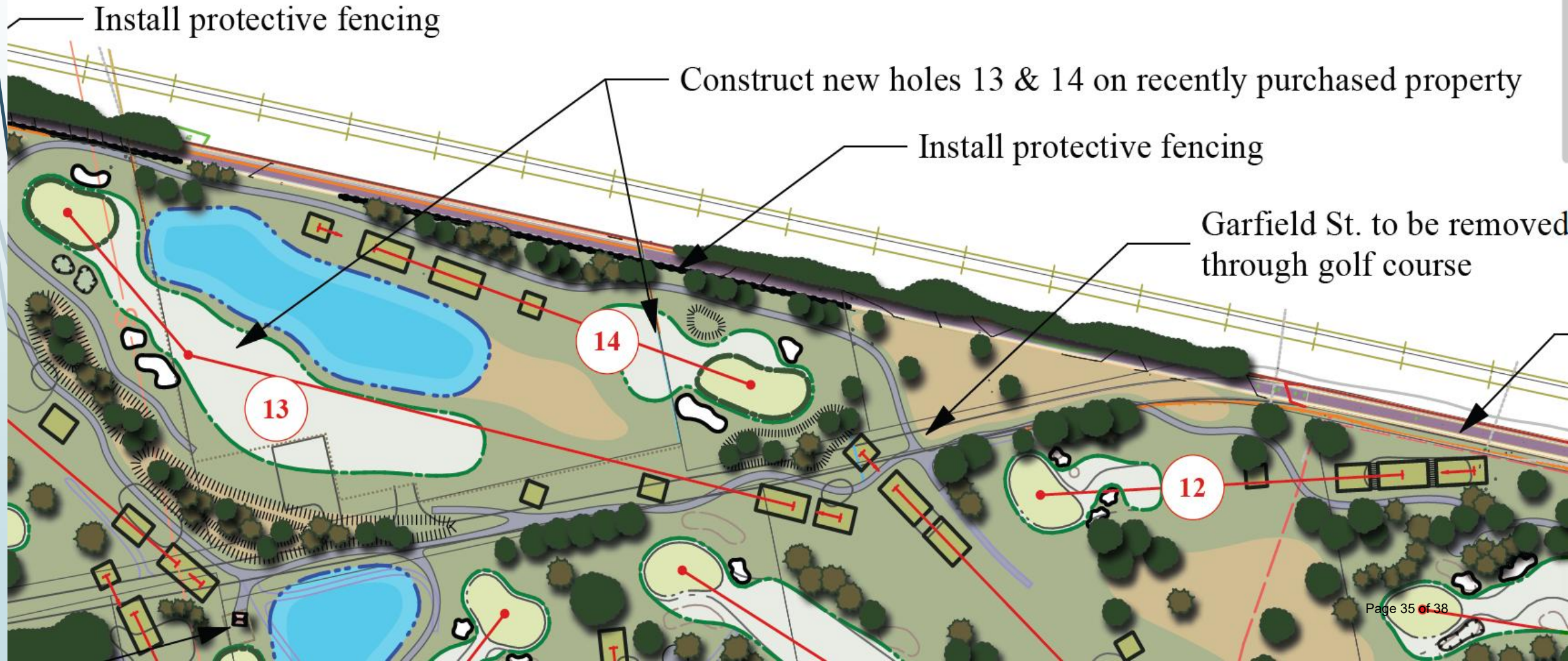
Annual Debt Service Payment \$110,000 (20 yrs, 3.5% est)

		2025	2026		2027
Weekday Green fee 18 hole	\$1	\$39.00	\$40.00	\$2	\$42.00
Weekend Green Fee 18 hole	\$1	\$46.00	\$47.00	\$2	\$49.00
Weekday Green Fee 9 hole	\$1	\$26.00	\$27.00	\$1	\$28.00
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18 Hole Green Fee Revenue		\$564,106	\$607,241		\$668,958
9 Hole Green Fee Revenue		\$264,120	\$287,091		\$311,699
Total Revenue		\$828,226	\$894,332		\$980,657
Difference			\$66,106		\$86,325
Difference Cumulative					\$152,431

Annual
cost to
maintain
two new
holes
\$10,000

20 hole
golf
course

OPTION #3 TWO NEW HOLES



KEY POINTS

Every dollar made at Green Haven stays at Green Haven. Nothing goes to the general fund.

Green Haven would be able to sustain itself and would not be subsidized by the citizens of Anoka.

All recommendations from city staff are for the long-term future of the course and to keep Green Haven viable for the next 50-80 years.

POTENTIAL CONSTRUCTION SCHEDULE

- **Spring 2026**: Seed and grade former Buldoc & North Star Fence properties.
- **Spring 2026**: Build new tee box on hole #14 to accommodate public trail.
- **Spring 2026**: Construct new public trail.
- **Summer 2026**: Prepare construction documents and bid project.
- **Early Summer 2027**: Construct new holes, irrigation ponds, new pump station and new nursery green.
- **Fall 2027**: Begin construction of new bunkers, tee boxes and cart paths.
- **Late Summer 2028**: Open and utilize the two new holes and begin driving range construction.
- **Summer 2029**: Open driving range



QUESTIONS/COMMENTS?

At this time, we would be happy to answer any questions you may have.