COUNCIL WORK SESSION

Tuesday, September 8, 2026
6:30 p.m.
Coon Rapids City Center
Conference Room 1

Call to Order

Pursuant to Minnesota Statute 13D.04, subd. 2, the City Council will meet in work session to discuss the following:

1. Discuss 2050 Comprehensive Plan Update

2. Discuss Rental Licensing Ordinance Update

3. Discuss 2027 Proposed Budget and Preliminary Levy

4. Discuss Creation of Community Support Program Utilizing Charitable Gambling Proceeds

Other Business

Adjourn

City Council Work Session **1.**

Meeting Date: 09/08/2026
Subject: Discuss 2050 Comprehensive Plan Update
From: Matt Brown, Community Development Director

INTRODUCTION

Staff will provide a presentation on the 2050 Comprehensive Plan update process with a focus on the Land Use, Housing, and Climate elements.

DISCUSSION

Minnesota State law requires that the Metropolitan Council create regional plans and policies to guide growth and manage regional systems for transportation, water resources, and regional parks. State law also requires local governments to create and update comprehensive plans. Under State law, the Met Council reviews local comprehensive plans to ensure they are consistent with the overall framework provided by regional plans. The next deadline for local governments to submit a draft comprehensive plan update to the Met Council is December 31, 2028.

Coon Rapids' current Comprehensive Plan was adopted by the Council in 2019. Staff has begun updating the plan, which is required to include sections on land use, housing, transportation, water resources, parks and trail, climate, natural systems, and implementation. Because most of the work will be completed in-house, Staff has started work on the Land Use, Housing, and Climate chapters this year and intends to move on to the infrastructure-related chapters in 2027.

At the work session, Staff will provide an overview of progress on the plan update, focusing on a few topics that represent changes in Met Council requirements from the previous round of plan updates. While Staff expects many 2040 Plan policies to carry over to the 2050 Plan, a few areas where changes are required include:

Requirement for more than one type of housing allowed in all land use categories.
Staff will provide some options and recommendations for addressing this policy at the work session. Options include an allowance for Accessory Dwelling Units (ADUs) or allowing two-family dwellings or townhouses in certain areas.

Increase of minimum residential densities for development areas from 5 to 7 units per acre for suburban communities.
Staff is updating which areas of the City are considered redevelopment areas, as well as adjusting density ranges for those areas. Staff feels that the increase in average density could be achieved without a substantial deviation from existing land use policy.

Guilding land at a density of at least 10 units per acre to accommodate future affordable housing need of 300 units.
Sufficient land must be guided at a minimum density to accommodate these units and the City must have policies and tools in place to assist in development of affordable housing. Overall, accommodating this requirement would not involve changes to 2040 Plan policies, since the City largely has these policies and tools in place.

New climate mitigation and adaptation provisions
Several new policy requirements address greenhouse gas reduction and vulnerabilities to climate hazards. Staff has developed some ideas for policies to address these requirements.

RECOMMENDATION

Staff requests any Council feedback as work on the 2050 Comprehensive Plan continues.

City Council Work Session **2.**

Meeting Date: 09/08/2026
Subject: Discuss Rental Licensing Ordinance Update
From: Matt Brown, Community Development Director

INTRODUCTION

Staff seeks Council feedback on updates to the City's rental licensing ordinance.

DISCUSSION

Staff has been working on several primarily housekeeping-related updates to the City's rental licensing ordinance. Currently, Coon Rapids is home to over 6,000 rental units. The City began licensing and inspecting rental dwellings in the late 1990s. The most recent major update to the ordinance occurred in about 2009. At that time, provisions related to "crime-free rental housing" were added to the ordinance, primarily at the urging of property management advocates. Changes in the legal landscape since 2009 and in how the City operates suggest that this is an appropriate time to update/modernize the rental licensing ordinance.

In conjunction with the 2009 changes, the Coon Rapids Police Department developed strong systems to work with both property owners and tenants on criminal activity that occurs at residential properties following other best practices for crime prevention. The existing ordinance requires license holders to attend a "crime-free rental housing" training course. However, after the national organization offering that course disbanded, the City recently developed its own rental property owner training course with a broader focus. This change makes the existing training requirement obsolete, requiring further updates to the ordinance to match current practices.

Staff will be available to provide additional context during the work session. A redlined draft ordinance is attached to this memo.

RECOMMENDATION

Staff seeks Council input on the revised ordinance, which could be formally considered by the Council later this year.

Attachments

Draft Ordinance Redline

CHAPTER 12-900 LICENSING OF RENTAL DWELLINGS[1]

12-901 Purpose.

It is the purpose of this Chapter to protect the public health, safety and welfare of citizens of the City by adopting a rental dwelling licensing, inspection and maintenance program that corrects substandard conditions, maintains a standard for existing and newly constructed rental dwellings, and ensures neighborhood stability in the City. The operation of rental properties is a business enterprise that includes certain responsibilities. Rental dwelling Owners and Managers are responsible to take such reasonable steps as are necessary to ensure that the citizens who occupy such rental units, as well as neighboring properties, may pursue the quiet enjoyment of the normal activities of life in surroundings that are safe, secure, and sanitary, free from noise, nuisances and annoyances, and free from unreasonable fears about safety of persons and property.

Further, The City finds that short-term rentals located in residential zoning districts constitute commercial use of residential property, conflict with the residential nature of the zoning districts, disrupt the residential nature of neighborhoods, and have a negative impact on the livability of residential neighborhoods. The City has received complaints from residents regarding short-term rentals including complaints related to noise, over occupancy and illegal parking. Therefore, in order to ensure adequate housing options for residents, preserve the residential character of the City's residential districts, and provide for the health, safety and welfare of its residents, the City determines that it is appropriate to limit short-term rentals to hotels, motels and similar accommodations which are appropriately zoned and have the appropriate infrastructure and services for short-term use.

(Ord. No. 2289, 10-17-23)

12-902 Definitions.

Words used in this Chapter shall have the following meanings unless otherwise defined in this Chapter.

(1) "Apartment" means a community, complex or building having a common Owner and containing at least one rental dwelling unit.

(2) "City Approved Inspector's Report" or "Inspection Report" means a rental dwelling inspection report prepared and signed by a City rental housing inspector or inspector contracted by the City to conduct an inspection and provide a report to the City.

(3) "City Manager" means the City of Coon Rapids City Manager or his or her designee.

(4) "Dwelling" means a building or one or more portions of a building occupied or intended to be occupied for residential purposes of a continued nature.

(5) "Let for Occupancy" or to "Let" or to "Rent" means to permit possession or occupancy of a dwelling or rental dwelling unit by a person who is not the legal Owner of record thereof, pursuant to the terms of a written or unwritten lease.

[1]Editor's note(s)—Ord. No. 2289, § 1, adopted Oct. 17, 2023, amended the former Ch. 12-900, §§ 12-901—12-922, in its entirety and enacted a new Ch. 12-900 as set out herein. The former Ch. 12-900 pertained to similar subject matter and derived from Ord. No. 2008, Apr. 28, 2009; Ord. No. 2066, Apr. 5, 2011; Ord. No. 2191, Jul. 5, 2017; Ord. No. 2197, Oct. 17, 2017; Ord. No. 2221, Jun. 4, 2019.

(6) "Occupant" means any person occupying, living, or sleeping or having possession of a space within any dwelling.

(7) "Operate" means to charge a rental charge, fee or other form of monetary or non-monetary compensation for the use of a rental dwelling unit.

(8) "Manager" means any person who has charge, care or control of a dwelling that is required to be licensed under this Chapter.

(9) "Owner" or "Licensee" means any person having a legal or equitable interest in a dwelling that is required to be licensed under this Chapter as recorded in the official State, County or City records as holding title to the property or otherwise having control of the property.

(10) "Person" may be an individual, corporation, firm, association, company, partnership, organization or any other group acting as a unit.

(11) "Rental Dwelling" means any dwelling used for residential occupancy by one or more Persons who are not the Owner or a member of the Owner's immediate family.

(12) "Rental Dwelling Inspection Certificate" means a certificate issued by the City Manager after the rental dwelling or rental dwelling unit has passed a rental dwelling inspection.

(l3) "Rental Dwelling Unit" means any room or rooms, or space, in any rental dwelling designed or used for residential occupancy by one or more Persons who are not the Owner or the Owner's qualifying relative. Qualifying relative is defined as: parent, stepparent, child, stepchild, grandparent, grandchild, brother, sister, uncle, aunt, nephew or niece. This relationship may be either by blood or by marriage.

(14) "Tenant" means any person occupying a dwelling unit or having possession of a space within a dwelling unit who pays, in any manner, for the right to occupy such space or who has a leasehold right to occupy the dwelling unit.

(Ord. No. 2289, 10-17-23)

12-903 License Required.

(1) General Rule. No Person may operate a rental dwelling or rental dwelling unit in the City without a license for each building in which a rental dwelling or rental dwelling unit is located.

(2) Exceptions.

(a) These rental licensing requirements do not apply to residential property that has been sold on a contract for deed so long as the Vendee occupies the property and the sale document used to memorialize the sale is a Minnesota uniform conveyancing blank or is recorded with the Anoka County Recorder's office and a copy is provided to the City upon request.

(b) These rental licensing requirements do not apply to residential property that is occupied by the Owner or the Owner's qualifying relative and two or less tenants where the Owner and the tenants share all living space within the dwelling.

(c) These rental licensing requirements do not apply to residential property that is owned by a person commonly referred to as a "Snowbird" when the property is rented to another person for a period of less than 120 consecutive days while the Owner is residing out of the State of Minnesota. The Owner must occupy the property during the remainder of the year.

(d) Rental licensing fees and conversion fees do not apply to a dwelling owned by a member of the United States armed services who is on active duty and the property is rented to another person during the

time of active duty. The Owner must provide the City with a copy of the owner's military orders and must occupy the property when not on active duty as the owner's primary residence.

(3) Application Requirements. An Owner of a rental dwelling or rental dwelling unit must complete an application on an official application form provided by the City and submit the required application fee. Renewal applications may be submitted by an Owner or Manager on a ~~simplified~~ renewal form provided by the City. The City ~~Manager~~ must be notified in writing within 30 days of any changes to the information provided on the application. Applications must include the following information at a minimum:

(a) The name, address, telephone number, e-mail address, and date of birth of the Property Owner.

(b) The name, address, telephone number, e-mail address, and date of birth of a designated local Manager if the Owner resides outside of the Twin Cities metropolitan service area.

(c) The name, address, telephone number, e-mail address, and date of birth of the vendee and vendor if the property is in the possession of a vendee under a contract for deed when the contract has not been recorded with the Anoka County Recorder's Office.

(d) The local address of the rental dwelling

(e) ~~and~~ The number of rental dwelling units and types of units (condominium, apartment, townhome, etc) within the dwelling.

(4) Property Contact Information. For single-family residential dwellings, the license applicant must provide 24 hour contact information for one person in any of the following categories. For all other types of dwellings, the license applicant must provide 24 hour contact information for two people in any of the following categories:

(a) At least one Owner of the rental dwelling or rental dwelling unit;

(b) At least one Person, if different from the Owner, who is responsible for managing the property in compliance with this and any other Code requirement pertaining to the rental dwelling or rental dwelling unit who must reside in the Twin Cities metropolitan service area;

(c) If the Owner uses a property management company for management of the rental dwelling or rental dwelling unit, the name and contact information of the person at the property management company responsible for managing the rental dwelling or rental dwelling unit; or

(d) Any vendors and all vendees, if the rental dwelling or rental dwelling unit is being sold pursuant to a contract for deed that is not recorded with the Anoka County Recorder's Office.

~~(5) Number and Type of Units. The license application must contain the number of units and types of units (condominium, apartment, townhome, etc.) within the rental dwelling.~~

(6) Rental Dwelling Inspection Certificate. The license application must be accompanied by a rental dwelling inspection certificate including an applicable inspection fee before a rental license will be issued. Rental dwellings with four or more units will be inspected on a schedule between one and four years as determined by the City Manager. Rental dwellings with less than four units will be inspected on a schedule between one and three years as determined by the City Manager. The City Manager will adopt an inspection policy for rental dwellings taking into account the property's inspection history, history of compliance with Federal, State and Local Law, and the history of inspections, property maintenance violations, and other code enforcement violations at the property.

(7) Written Tenant Application and Lease Agreement Required. The Licensee must screen all potential tenants using a written tenant application. The Licensee must use a written lease agreement for all tenants. ~~The Licensee must have all tenants execute a Minnesota Crime Free Housing Lease Addendum.~~ The written tenant application must include sufficient information so that the Licensee can conduct appropriate ~~criminal~~ background ~~and credit~~ checks on prospective tenants. The written tenant application and written lease

agreement ~~and the Minnesota Crime Free Housing Lease Addendum~~ for each tenant must be part of the Licensee's files. Upon request the Licensee must show proof, satisfactory to the City, that the Licensee is maintaining the documents required by this section. Failure to use, maintain, or provide these documents to the City upon request is a violation of this Chapter.

(Ord. No. 2289, 10-17-23)

12-904 Short term rentals prohibited.

Short-term rental of any dwelling or dwelling unit for less than 30 consecutive days in a residential zoning district is prohibited. State licensed hotels, motels and lodging establishments located outside residential districts or residential planned unit development districts are allowed, pursuant to applicable city Codes.

(Ord. No. 2289, 10-17-23)

12-905 Criminal Background Investigations.

(1) A criminal background investigation will be conducted on the Owner listed on the application. If the dwelling is owned by more than one individual the City may request additional information from the license applicant regarding all Owners. If the dwelling is owned by a business entity the City may request additional information regarding all officers, managers, or directors, and may conduct additional background investigations as it deems necessary. The applicant shall pay a background investigation fee for each background investigation conducted. The applicant shall obtain any necessary signature on a release provided by the City authorizing the City to conduct the investigation.

(2) Criminal background investigations are not required for renewal applications and no background investigation fee shall be required; however, the Police Department or other City Staff may conduct a background investigation at its sole discretion.

(Ord. No. 2289, 10-17-23)

12-906 Changes in Ownership.

A license is non-transferable. If there is a change in the ownership of the rental dwelling or rental dwelling unit the license automatically expires. The new owner must apply for a license under this Chapter prior to the change in ownership.

(Ord. No. 2289, 10-17-23)

12-907 Changes in the Rental Dwelling or Rental Dwelling Unit.

(1) If changes are made in the number or type of units within the licensed premises, the Licensee shall file an application to amend the rental license. Depending on the nature of the changes, the City may require a new property inspection.

(2) Single Family Conversion to Rental. A single family home that is converted to a rental property shall pay a conversion fee. The conversion fee shall be established by resolution of the City Council. The conversion fee includes the rental license application fee and inspection fee for the first year and includes fees for monitoring the property during the first year of operation as a rental property. Monitoring will be conducted on a schedule to be determined by the City Manager. Fees charged for required educational training are not included in the conversion fee.

(Ord. No. 2289, 10-17-23)

12-908 Annual License.

Licenses are valid for one year from the date of issuance.

(Ord. No. 2289, 10-17-23)

12-909 Tenant Background Checks and Roster.

~~As a condition of the license, t~~The Licensee ~~must~~is recommended, ~~as a continuing obligation,~~ to conduct criminal background checks and credit history checks on all prospective tenants. The Licensee must ~~and~~ maintain a current roster of tenants and other persons who have a lawful right to occupy the rental dwelling or rental dwelling units. The Licensee must designate the name of the person or persons who will have possession of the roster and must promptly notify the City Manager of any change in the identity, address or telephone numbers of the designee. The roster must be available for inspection by City officials upon request. If a person under investigation by the City claims a lawful right to occupy a rental dwelling unit or be present on the rental property, the City Manager may request to inspect the lease for the unit in which the person claims to reside. Upon such request, the Licensee shall provide the lease for inspection.

(Ord. No. 2289, 10-17-23)

12-910 Notification Requirements for Public Hearings.

The Licensee must, as a continuing obligation of the license, provide written notice to tenants or in the alternative, post the written notice in the lobby or common area of the rental dwelling for any public hearing notice received by the Licensee that pertains to the rental dwelling, the rental dwelling unit, the property on which the rental dwelling is located or any adjacent rights-of-way.

(Ord. No. 2289, 10-17-23)

12-911 Display of License Certificate.

For dwellings containing four or more dwelling units, the rental license certificate must be displayed in the lobby or other common area visibly accessible to all tenants of the licensed dwelling. ~~The license certificate must be encased in a frame with a clear glass or plastic surface over the certificate and must be mounted securely to a wall~~. For dwellings containing less than four dwelling units, the Licensee must provide a copy of the rental license certificate to each tenant by attaching the copy to the Tenant's copy of the executed lease agreement.

(Ord. No. 2289, 10-17-23)

12-912 Compliance with Minn. Stat. §211B.20.

Licensee must comply with the requirements of Minn. Stat. §211B.20 and allow access to candidates who have filed for election to public office and seek admittance to the rental dwelling solely for the purpose of campaigning.

(Ord. No. 2289, 10-17-23)

12-913 ~~Crime-Free Rental Housing Phase I~~Rental Property Owner~~?~~ Training Required.

The Licensee or the Manager with control over the rental dwellings and rental dwelling units must attend, ~~at a minimum,~~ the ~~Phase I crime-free~~City of Coon Rapids' rental housing educational course or similar course as approved by the City Manager as a condition of receiving or renewing a license. The cost of attending the educational requirements under this section shall be paid in addition to any license and inspection fees. Course attendance will be required on a schedule to be determined by the City Manager.

(Ord. No. 2289, 10-17-23)

12-914 Responsibility for Acts of Manager.

Licensees are responsible for the acts or omissions of their Managers as it pertains to the rental dwelling.

(Ord. No. 2289, 10-17-23)

12-915 Maintenance Standards.

(1) It is the responsibility of the Licensee to assure that every rental dwelling and rental dwelling unit is maintained in compliance with all City Ordinances and State and Federal laws. Repairs, maintenance work, alterations or installations shall be executed and installed in a workmanlike manner and installed in accordance with the manufacturer's instructions. A violation of any of the following City Code Titles or Chapters constitutes a public nuisance and may be abated under the provisions of the Public Nuisance Chapter or Administrative Penalties Chapter of City Code:

   (a) Building Code (City Code Chapters 12-200 and 12-300),

   (b) Land Development Regulations (City Code Title 11),

   (c) Animal Control (City Code Title 6),

   (d) Fire Prevention Code (City Code Chapter 12-400),

   (e) Health, Safety and Sanitation (City Code Title 8).

(2) Snow and Ice Removal. Rental dwellings containing four or more dwelling units must remove snowfalls of one inch or more, or successive snowfalls accumulating to a depth of one inch or more, and all ice from all walkways, sidewalks and steps within 12 hours of cessation of the snowfall. Rental dwellings containing four or more dwelling units must remove snowfalls of three inches or more, or successive snowfalls accumulating to a depth of three inches or more and all ice from parking aisles, parking areas, and drives within 72 hours of cessation of the snowfall.

(3) Inspections. The Chief Building Official, Building Inspector, Fire Inspector, Police Chief and their respective representatives are authorized to make inspections reasonably necessary to enforce this Chapter. All authorized inspectors have the authority to enter any rental dwelling or rental dwelling unit at all reasonable times. Pursuant to Minn. Stat. §504B.211, the Licensee is responsible for scheduling the inspection and notifying any existing tenant of the inspection. The Licensee must provide access to the requesting City Official at the date and time of the scheduled inspection. Failure to provide access for any reason may result in a re-inspection fee, in addition to any other sanctions imposed for noncompliance.

(4) Access by Occupant. Each occupant of a rental dwelling or rental dwelling unit shall give the Licensee or Manager or authorized City Official access to any part of such rental dwelling or rental dwelling unit at reasonable times for the purpose of inspection, maintenance, repairs or alterations as are necessary to comply with the provisions of this Chapter.

(5) Recycling. In addition to garbage pickup, rental dwellings must have recycling containers available for all occupants. Rental dwellings with four or more dwelling units must provide recycling service as required by City Code Chapter 8-200.

(6) Smoke Detectors and Carbon Monoxide Alarms. Smoke Alarms and Carbon Monoxide Alarms shall be installed in accordance with the Minnesota State Building Code regardless of the age of the dwelling or dwelling unit or history of alterations, repairs or additions.

(Ord. No. 2289, 10-17-23)

~~12-916 Crime-Free Rental Housing Program.~~

~~The Licensee or Manager is required to complete the Phase One educational course of the Crime-Free Rental Housing Program, or similar course as approved by the City Manager. Certification as a rental property manager may also be considered by the City Manager to satisfy this requirement. To promote the benefits of the program, the City encourages Licensees to fully participate in the Crime-Free Rental Housing Program. The Licensee must provide proof that the Licensee or Manager has either successfully completed the Phase One educational course or the Licensee or Manager has registered to attend a Phase One educational course before a rental license will be issued.~~

~~(1) Phase One Participant (Required for licensure).~~

~~(a) The Licensee and/or Manager must attend an eight-hour crime-free housing course presented by police, fire, public housing and others.~~

~~(b) Use a written lease including the Minnesota Crime Free Housing Lease Addendum.~~

~~(c) Check the criminal background and credit score of all prospective tenants.~~

~~(d) Actively pursue the eviction of tenants who violate the terms of the lease and/or the crime free lease addendum.~~

~~(2) Phase Two Participant (Includes Phase One plus the following).~~

~~(a) Complete a security assessment and complete the security improvements recommended. This phase will certify that the rental dwelling has met the security requirements for the tenant's safety.~~

~~(b) For rental dwellings with four or more units, attend a minimum of 25 percent of Owners/Managers Association meetings.~~

~~(c) For rental dwellings with less than four units, attend Licensee/Manager refresher training at least once every three years and conduct an exterior inspection of the property at least once every six months.~~

~~(3) Phase Three Participant (Includes Phase One and Two plus the following).~~

~~(a) For rental dwellings with four or more units, conduct resident training annually for the residents where crime watch and crime prevention techniques are discussed.~~

~~(b) For rental dwellings with four or more units, hold regular resident meetings.~~

~~(c) For rental dwellings with four or more units attend a minimum of 50 percent of Licensee/Managers Association Meetings.~~

~~(d) Have no unresolved City Code violations within the past year.~~

~~(c) For rental dwellings with less than four units, attend annual refresher training approved by the City Manager at least one time per year and verify attendance.~~

~~(f) For rental dwellings with less than four units, meet with tenants at least one time per year, inspect the exterior of the dwelling at least quarterly, and inspect the interior of the dwelling unit at least one time per year and provide written verification on a form provided by the City.~~

~~(Ord. No. 2289, 10-17-23)~~

12-917 License Denial, Suspension, or Revocation.

(1) Grounds for Denial, Suspension or Revocation. The City Manager may deny or not renew a license and the City Council may revoke or suspend a license for any of the following reasons that shall also constitute a violation of this Chapter:

(a) The property does not conform to City Code Title 11, Land Development Regulations;

(b) The property does not comply with a health, building, maintenance, or other provisions of the City Code or State Law;

(c) The Licensee has failed to pay the license fee, inspection fees, the investigation fee, or a fine that has been imposed;

(d) The Licensee has made fraudulent statements, misrepresentations, or false statements in the application or investigation or in any information required by this Chapter;

(e) ~~C~~conviction of a background check crime as defined in Minnesota Statutes Section 299C.67, subd.2, as may be amended from time to time; or any crime related to the business licensed and failure to show, by competent evidence, rehabilitation and present fitness to perform the duties of the business;

(f) Operating or allowing the rental property to be used in such a manner as to constitute a breach of the peace, a menace to the health, safety, and welfare of the public, or a disturbance of the peace or comfort of the residents of the City, upon recommendation of the Chief of Police;

(g) Actions unauthorized or beyond the scope of the license granted;

(h) The Licensee's rental license to operate a rental dwelling in the City or another jurisdiction has been denied, revoked, or suspended;

(i) Failure to schedule and/or allow rental or building inspections of the licensed premises, for the purpose of ensuring compliance with rental licensing requirements, City Code requirements, State building codes, or other applicable State or Federal law;

(j) Failure to continuously comply with all conditions required as precedent to the approval of the license;

(k) Real estate or personal property taxes have become delinquent and the property owner and the Licensee are the same person or entity, or have any common ownership where they are a different person or entity;

(l) Violation of any regulation or provision of the City Code applicable to the activity for which the license has been granted, or any regulation or State or Federal law that may be applicable;

(m) Excessive calls for service as determined by the Chief of Police based on the number and nature of the calls compared to the number of dwelling units on the property when the Licensee has been notified of the calls by the Chief of Police and the Licensee has failed to supply an appropriate written action plan for reducing the calls for service, or when the calls for service exceed an established threshold a second time within 12 months of completing an action plan for previously exceeding the threshold.

~~(n) Failure to actively pursue the eviction of tenants who have violated the provisions of the crime free lease addendum or who have otherwise created a nuisance in violation of the provisions of the written lease; and~~

(o) Other good cause as determined by the City Council after conducting a public hearing.

The City Council may revoke a license or suspend a license for a set period of time or until violations of City Code, or State or Federal law are corrected and, in addition, impose a civil penalty for each violation or impose a combination of these sanctions.

(2) Temporary Suspension. The City Council may temporarily suspend a license pending a hearing on the suspension or revocation when, in its judgment, the public health, safety, and welfare is endangered by the continuance of the licensed activity.

(3) Notice. Before the suspension or revocation of the rental license, the City must provide written notice informing the Licensee of the right to a hearing. The notice must provide at least 20 calendar days notice of the time and place of the hearing and must state the grounds for the proposed suspension or revocation of the license. The notice may be served upon the Licensee personally, by leaving the notice at the licensed premises with the designated Manager, or by certified mail to the address listed on the license application.

(4) Hearing. A hearing will be conducted before the City Council at a public meeting. The Licensee shall have the right to be represented by Counsel, the right to respond to the charged violations, and the right to present evidence through witnesses. The rules of evidence do not apply to the hearing and the City Council may rely on all evidence it determines to be reasonably credible. The determination to suspend or revoke the license shall be made upon a preponderance of the evidence. It is not necessary that criminal charges be brought in order to support a suspension or revocation of a license violation nor does the dismissal or acquittal of such a criminal charge operate as a bar to suspension or revocation.

(5) Final Decision. Following the hearing, the Council may revoke or suspend the license for all or any part of the licensed premises, may stay the revocation or suspension upon such terms and conditions as it deems reasonable and necessary to accomplish the purposes of this Chapter, or grant or continue the license. If the Council suspends or revokes the rental license, the Council may also order that any rent payable during the suspension or revocation period be paid into an escrow account to be maintained by the City. The City may use the escrowed funds to pay for the cost of abating violations at the property. Funds that remain in the escrow account after paying for abatement items shall be returned to the Licensee upon the Licensee receiving a valid rental license or upon the sale of the rental to an unrelated purchaser and after the rental dwelling has been brought into full compliance with City Code. The decision by the City Council following a hearing is final. Upon a decision to suspend a license, no new application from the current Licensee for the same rental dwelling will be accepted for a period of time specified in the Council's decision, not exceeding one year. A decision to revoke a license will result in no new application being accepted from the same Licensee for a minimum of one year.

(6) Appeal of Decision to Deny or not Renew License. If the City Manager denies or does not renew a license, the Licensee shall be notified in writing, specifying the reasons for denying or not renewing the license. If the Licensee corrects the conditions leading to the denial or non-renewal within seven days, the City Manager shall issue the license. A Licensee whose license has been denied or not renewed by the City Manager may appeal the decision by filing with the City Manager a written notice of appeal within seven days of receiving notice of the City Manager's decision. The hearing will be conducted pursuant to 12-917(4).

(7) Notification to Tenants. Upon denial, suspension, revocation or other enforcement action of a license, the City will notify all affected tenants of the action against the license. If the license is revoked or suspended the Licensee may not let, rent or allow to be occupied any vacant dwelling units, or dwelling units that become vacant during the revocation or suspension period.

(Ord. No. 2289, 10-17-23)

~~12-918 Minimum Penalties.~~

~~The following are minimum penalties for a Licensee's failure to comply with applicable Federal or State law or the requirements of this Chapter relating to the license. However, the level and order of the penalties will be at the sole discretion of the City Council, based upon the nature of the infraction. When appropriate, the City may impose penalties exceeding those stated below based on the history of compliance and the severity of the violation, up to a maximum amount of $10,000 per violation:~~

Violation	Phase 3 Participant	Phase 2 Participant	Phase 1 Participant
1st Violation	$200 Fine	$300 Fine	$500 Fine
2nd Violation within 12 months	$500 Fine	$600 Fine	$1,000 Fine
3rd and subsequent Violation within 12 months	$1,000 Fine	$1,200 Fine	$2,000 Fine

(Ord. No. 2289, 10-17-23)

12-919 Summary Action.

(1) Emergency. When the conduct of any Licensee, Manager, or Tenant, or the condition of the rental dwelling or rental dwelling unit, or the property in or on which it is located, is detrimental to the public health, sanitation, safety and general welfare of the community, or residents of the rental dwelling or rental dwelling unit so as to constitute a nuisance, fire hazard, or other unsafe or dangerous condition and thus give rise to an emergency, the Chief Building Official has the authority to summarily condemn or close individual rental dwelling units or areas of the rental dwelling as the Chief Building Official deems necessary, or may take other action to protect the residents and general public as deemed necessary.

(2) Notice. Notice of summary action will be mailed to the Licensee via first class mail, postage prepaid and posted at the dwelling units or areas affected and will describe the dwelling units or areas affected. No person shall remove the posted notice other than the Chief Building Official or a designated representative.

(3) Costs. If the dwelling or dwelling unit is not condemned or closed pursuant to this section, the costs of any services performed by the City to prevent the condemnation or closure of the dwelling or dwelling unit may be levied against the property as a special assessment.

(4) Appeal. Any person aggrieved by a summary action of the Chief Building Official shall be entitled to appeal to the City Council by filing a notice of appeal with the City Manager within five days of the summary action. The City Manager must schedule a date for hearing before the City Council and notify the aggrieved person of the date. The hearing will be conducted pursuant to Section 12-916(4).

(Ord. No. 2289, 10-17-23)

12-920 Posted to Prevent Occupancy.

Whenever any rental dwelling or rental dwelling unit is found to be hazardous or unfit for human habitation, it shall be posted by the Chief Building Official or designee on the door of the rental dwelling or rental dwelling unit, whichever the case may be, to prevent further occupancy. No person, other than the Chief Building Official or designee, shall remove or alter any posting. The Chief Building Official or designee will post the date the rental dwelling or rental dwelling unit shall be vacated and no person shall reside in, occupy or cause to be occupied that rental dwelling or rental dwelling unit until the Chief Building Official or City Council permits it.

(Ord. No. 2289, 10-17-23)

12-921 Falsely Reporting Violations.

No person shall report a violation of this Chapter knowing or having reason to know that the report is false with the intent to affect the licensing status or inspection schedule of the rental dwelling.

(Ord. No. 2289, 10-17-23)

12-922 Violations.

In addition to any other sanctions or administrative penalties imposed, any violation of this Chapter shall constitute a misdemeanor offense, punishable as defined by State law. Each day of violation constitutes a separate offense.

The City may exercise any and all remedies at law or in equity to ensure compliance with this Chapter. All unpaid costs, charges and penalties may be certified as a special assessment levy against the property.

(Ord. No. 2289, 10-17-23)

12-923 No Warranty by City.

By enacting and undertaking to enforce this Chapter, neither the City nor its Council, agents or employees warrant or guaranty the safety, fitness or suitability of any rental dwelling or rental dwelling unit in the City. Licensees and occupants should take appropriate steps to protect their interests, health, safety and welfare.

(Ord. No. 2289, 10-17-23)

City Council Work Session **3.**

Meeting Date: 09/08/2026
Subject: Discuss 2027 Proposed Budget and Preliminary Levy
From: Ashley Hansen, Finance Director

INTRODUCTION

City Staff will present additional scenarios for the 2027 Proposed Budget to the City Council and will seek direction on the budget and setting the preliminary levy.

DISCUSSION

The City must certify a proposed levy and truth-in-taxation hearing date to Anoka County by September 30. The preliminary levy can be reduced before final adoption but cannot be increased. A preliminary levy for 2027 will need to be set at the regular City Council meeting scheduled for September 15.

Following the budget discussion at the August 10th work session, staff will present additional levy scenarios related to increased public safety staffing.

Additionally, staff will provide an update on funding options for the police station renovation & expansion, civic center campus, and recreation center projects to consider ahead of the next State legislative session.

Staff will present the information and answer any questions at the work session.

RECOMMENDATION

Staff recommend City Council discuss the proposed budget and provide direction on the preliminary tax levy.

City Council Work Session **4.**

Meeting Date: 09/08/2026

Subject: Discuss Creation of Community Support Program Utilizing Charitable Gambling Proceeds

From: Joan Lenzmeier, City Clerk

INTRODUCTION

Council is asked to discuss and consider the creation of a Community Support Program utilizing charitable gambling funds beginning in 2027.

DISCUSSION

The City of Coon Rapids has six (6) organizations that operate charitable gambling at 17 locations in the City (see attached list). Those organizations are the Coon Rapids Lions Club, Coon Rapids Mat Bandits, Coon Rapids Cardinals Little League, Coon Rapids Youth Hockey, VFW Post 9625, and Midwest Cheer Association. These organizations operate charitable gambling activities and utilize the proceeds to further support their programming and activities.

The City collects 7% of the gambling profits from our licensed organizations and those funds are accounted for in the general fund under committed fund balance. This fund is used to account for the amounts received and any expenditures made related to charitable gambling proceeds. These funds may only be used for expenditures identified in Minnesota Statute Section 349.12, Subd. 25. See lawful purposes here: https://www.revisor.mn.gov/statutes/2009/cite/349.12

Historically, the City has contributed most of these charitable gambling funds to the Community Strength Foundation which are used to support the Fourth of July celebration and other community events planned and hosted by the Community Strength Foundation.

With the change in percent contribution in July of 2024 (from 5% to 7%), Council made the determination to contribute 5% of the collected charitable gambling proceeds to the Community Strength Foundation and retain 2% for future uses as allowed by Statute. The current balance in the Charitable Gambling Fund is $113,288.45 as of year ended 2025. The amount collected for the first half of 2026 is $77,179.84 (full 7%).

Financial History of the Charitable Gambling Fund:

For Year	Date Collected	Funds Received	Funds Disbursed		Interest	Balance		Cumulative Fund Balance
Summary:								Balance
2009		6,767.83	0.00		15.44	6,783.27		6,783.27
2010		19,964.18	0.00		277.39	20,241.57		27,024.84
2011		21,142.12	7,092.00		704.73	14,754.85		41,779.69
2012		30,528.44	64,179.52		482.35	(33,168.73)		8,610.96
2013		36,503.00	32,852.70		389.63	4,039.93		12,650.89
2014		40,716.39	36,644.75		374.95	4,446.59		17,097.48
2015		38,843.22	34,958.90		601.64	4,485.96		21,583.44

2016		43,768.23	39,391.41		587.52	4,964.34	26,547.78
2017		57,967.81	61,285.93		758.43	(2,559.69)	23,988.09
2018		69,171.92	62,254.99		814.85	7,731.78	31,719.87
2019		54,697.82	51,010.08		913.60	4,601.34	36,321.21
2020		47,022.92	76,320.63		589.46	(28,708.25)	7,612.96
2021		121,147.74	109,032.97		552.59	12,667.36	20,280.33
2022		88,436.91	79,593.22		435.36	9,279.05	29,559.38
2023		104,383.58	93,945.22		836.15	11,274.51	40,833.89
2024		127,877.30	99,141.64		1,279.34	30,015.00	70,848.89
2025		141,770.54	101,264.67		1,933.69	42,439.56	113,288.45
Total		1,050,709.95	948,968.62		11,547.12	113,288.45	

Note that the expenditures have mainly been to the Community Strength Foundation, but there have been some expenditures of the fund balance, most recently COVID relief type expenditures in 2020 but no consistent expenditures outside the Community Strength expenditure.

As part of the research for this recommendation, staff reached out to surrounding communities and any cities known to have a same or similar program and requested they share information on their programs.

As Council is aware, the City of Blaine operates a program, the specifics of which can be viewed here: https://www.blainemn.gov/3714/Charitable-Gambling. Additionally, staff received information on the Community Support Program recently approved (September 2025) in the City of Little Canada. View that program here: https://www.littlecanadamn.org/807/Community-Support-Program While it is a smaller city and has a limited number of charitable gambling entities and locations, its structure is solid and staff believes a program similar in nature to that one would be an appropriate way to utilize the City's charitable grant funds. Note that their fund balance was $104,106 at the end of 2024 as they collect 10% so it is a similar comparison. As part of the research done by the City of Little Canada while developing the program, they determined that surrounding cities did not provide grants but utilized a community support program type of structure that, through an application process, provides funding for charitable organizations for assistance with their ongoing programming that benefits the residents of the city, rather than a grant program that would require applicants to apply based on specific projects or new programming requests.

While the two programs are similar in that they utilize charitable gambling proceeds, there are differences in that Blaine has not made a determination as to the types of expenditures they wish to support (other than it must meet the lawful purpose statute) leaving it open to interpretation based on the request on a case-by-case basis, whereas Little Canada has established Council policy on the types of missions/activities/programming it wishes to support with the charitable gambling proceeds which include food support/shelf/bank, youth recreational programming, and senior program services 501c(3) organizations.

Staff recommends a program based on established Council direction for the mission/missions Councilmembers wish to support with charitable gambling proceeds rather than a grant process that pits all organizations against one another each year for available funding. Staff believes this would be a cleaner process that would allow the City to support 501(c)(3) organizations within the City or the City's defined trade area that benefit the residents of Coon Rapids. Depending upon the dollar limit of the allowed contributions, it could be possible to provide yearly assistance through this program to those non-profit groups assisting our residents.

Minn. Stat. 349.12, Subd. 25 outlines and governs how charitable gambling funds can be spent.
Some examples of allowable expenses that the City has historically funded include:

- Any expenditure by or contribution to a 501(c)(3) or festival organization, as defined in Subdivision 15a, provided that the organization and expenditure or contribution are in conformity with standards prescribed by the Board under 349.154, which standards must apply to both types of organizations in the same manner and extent.

- Any expenditure or contribution for activities and facilities benefiting persons under 21 (Hope for Youth).

RECOMMENDATION

Staff recommends Council consider creation of a Community Support Program to be funded on an annual basis, discussed as part of the annual budgeting process. For 2027, Council would discuss and recommend the total amount of the fund balance to be expended through the program and the size of the contribution to be allowed per organization. City Staff would be responsible for the administration of the fund's budget, and the budget would be balanced in a way that current expenditures will not exceed revenues and will be presented to Council on an annual basis for approval. The expenditures from the charitable gambling fund will only be used for expenditures identified in Minnesota Statutes, Section 349.12, Subd. 7a.

Eligible organizations would be required to complete an online application and meet certain requirements. Applying organizations must be registered and in compliance 501(c)(3) organizations, whose mission includes work that provides:

- Food support/shelf/bank;
- Youth recreational programming;
- Senior program services 501c(3);
- Other Council directed mission provided it meets lawful purpose standard.

To create an equitable process, those receiving funds the prior year will be placed on a list in the order received for future years, should they wish to reapply.

Other requirements could include:

- Organization must meet one of the missions selected by Council (listed above);
- Organization is a registered 501(c)(3) in compliance;
- Organization must follow Minnesota State Statutes for "lawful purposes, including Section 349.154":
    - Operating standards for the organization, including a maximum percentage or percentages of the organization's total expenditures that may be expended for the organization's administration and operation;
    - Any expenditure by the organization of net profits from lawful gambling, including a requirement that the expenditure be related to the primary purpose of the organization;
    - If related to recreation programming: the organization may not deny a reasonable request for funding of a facility or activity for the underrepresented gender if the request is for funding for a facility or activity that is a lawful purpose under that clause.
- Organization must have a business address registered in the City of Coon Rapids or the City's defined Trade Area;
- Organization must serve the residents of the City of Coon Rapids; and
- A completed application must be received (submitted online).

Once approved by Council, the program would be marketed to reach as many eligible organizations as possible, staff will get the information out through our newsletter, the city website, and social media postings, and an online application will be created and posted to the city's website.

Attachments

Guide for Cities on Spending Charitable Gambling Contributions

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Minnesota Gambling Control Board
1711 West County Road B, Suite 300 South
Roseville, MN 55113
651-539-1900
www.mn.gov/gcb

Guide for Cities
How Cities May Spend 10% Lawful Gambling Contributions Required from Charities

Minnesota Statutes, section 349.213, subdivision 1, paragraph (f)(2), allows a local unit of government to require, by ordinance, a licensed organization to contribute up to 10% of the organization's net profits derived from lawful gambling to a fund administered by the local unit of government. Net profits are gross profits less sums actually expended for allowable expenses and amounts paid in taxes assessed on lawful gambling.

The funds must be disbursed by the city for charitable contributions as defined by section 349.12, subdivision 7a:

- A city may donate 10% lawful gambling funds:
  - √ For activities and facilities for youth under age 21.
  - √ To a 501(c)(3) organization provided that the city does not retain control of these funds.
  - √ To a scholarship fund.
  - √ To relieve the effects of poverty, homelessness, or disability (for example, a homeless shelter).
  - √ To a program for the education, prevention, or treatment of problem gambling.
  - √ For recognition of military service (free and open to the public) or support for active military personnel and their immediate family members in need.
  - √ To a church.
  - √ With Minnesota Pollution Control Agency (PCA) approval, for citizen monitoring of surface water quality by individuals (requires submitting data to the PCA).
  - √ With Minnesota Department of Natural Resources (DNR) approval, for wildlife management projects or activities that benefit the public-at-large; grooming or maintaining snowmobile or ATV trails, or other trails open to public use; supplies and materials for DNR-coordinated safety training and education programs.
  - √ For nutritional programs, food shelves, and congregate dining programs primarily for persons age 62 or older or disabled.
  - √ For community arts organizations, or sponsorship of community arts programs that are free and open to the public.
  - √ For humanitarian service, recognizing volunteerism or philanthropy.

Cities that collect funds from charitable gambling proceeds must spend the money the same way as charities do—for defined charitable purposes.

- A city may not transfer 10% lawful gambling funds to other city accounts (for example, its own parks and recreation department, or police or fire department). A city may, however, purchase equipment and pay for services to train police, fire, or other public safety-related services, and payment must be written directly to the vendor. Examples include purchasing a police car, a fire truck, playground equipment, and training courses for police and firefighters.

- If a city contracts out for law enforcement services or other emergency services, it may spend 10% lawful gambling funds for those services (excluding pension obligations). The check must be written directly to the outside entity providing those law enforcement services.

- While a city may not donate 10% lawful gambling funds to its city parks and recreation department, it may donate 10% funds for playground equipment within a city park (allowed under activities and facilities for youth under age 21), or for construction or maintenance of a veterans memorial within a city park (recognition of military service). The checks must be written directly to the vendor. (Also, playground equipment and veterans memorials need not be located in a city park.)

The city must submit form LG510 City or County Annual Report, 10% Lawful Gambling Contribution Fund, to the Minnesota Gambling Control Board by March 15 of each year describing the amount collected, details for disbursement, and any balance. The LG510 is available at *www.mn.gov/gcb*.

The Board will continue to monitor the receipt, proper disbursement, and fund balances. If you have any questions about what is or is not allowed, please call the Minnesota Gambling Control Board at 651-539-1900.