



City of Blaine

City Council Workshop

October 20, 2025 | 5:30 PM
Blaine City Hall
10801 Town Square Drive NE
Blaine, MN 55449

AGENDA

NOTICE OF WORKSHOP MEETING

In accordance with the provisions of Section 3.01 of the Blaine City Charter, a Council Workshop meeting is scheduled for the following purpose:

- 1. Call to Order**
- 2. Roll Call**
- 3. New Business**
 - 3.1.** 2025-232 SBM Fire Department - Quarterly Update
Sponsors: Daniel Retka, Fire Chief
 - 3.2.** 2025-233 Charitable Gambling - 2026 Awards
Sponsors: Jason Zimmerman, Finance Director
- 4. Other Business**
- 5. Adjournment**



City of Blaine Staff Report

File Number: 2025-232

Agenda Date

October 20, 2025

Status

In Control

City Council

File Type

Workshop Item

New Business - Daniel Retka, Fire Chief

Agenda Item # 3.1

SBM Fire Department - Quarterly Update

Background

Chief Retka will provide City Council with a quarterly update.

Staff Recommendation

Questions for Council

Attachment List

None



City of Blaine Staff Report

File Number: 2025-233

Agenda Date	Status
October 20, 2025	
In Control	File Type
City Council	Workshop Item

New Business - Jason Zimmerman, Finance Director

Agenda Item # 3.2

Charitable Gambling - 2026 Awards

Background

The 2026 Charitable Gambling Fund budget and award process were presented at the [October 6 City Council Workshop](#), with the intent of remaining consistent with past practice based on Council feedback. On October 7, staff emailed Council scoring sheets and supplemental information for each of the 21 applications received to assist with allocating 2026 funds, which are set at \$193,790 based on 2024 actual revenues. In addition to the standard procedure of generating award scenarios structured on Council input using the application materials that were received, staff has also prepared an additional model that would allow the city to provide funding to Blaine Youth Hockey Association (BYHA) and Spring Lake Park Youth Hockey Association (SLPYHA) based on the request submitted in 2024.

Fund Background

The City's Charitable Gambling Fund was established in 1993 to account for the proceeds of a ten percent (10%) contribution that charitable gambling organizations operating within Blaine are required to submit to the city (Code Section 22-384). Organizations participating in charitable gambling as of 2025 are:

- Andover Football Association (new)
- Blaine Festival Committee
- Blaine Youth Basketball
- Blaine Youth Football
- Blaine Youth Hockey
- Centennial High School Football Boosters
- Community Charities of Minnesota (new)
- Ham Lake Chamber of Commerce
- Spring Lake Park Lions Club
- Spring Lake Park District #16 Youth Hockey

- VFW - Sgt. John Rice

Revenues

Actual charitable gambling contributions received were \$192,818 in 2023 and \$193,790 in 2024. For 2025, based on current year-to-date activity and historical trends, it's anticipated the final contributions will be close to the budgeted amount of \$175,000. Given the volatility of this funding source, the current budget for 2026 is presented to be consistent with the 2025 budget.

Expenditures

Expenditures from this fund are at the City Council's discretion, provided that they fall within the guidelines established by Minnesota Statute 349.12 subdivision 25. Specifically, allowable contributions include donations to:

- 501(c)(3) organizations; and 501(c)(4) festival organizations
- Relieve the effects of poverty, homelessness, or physical or mental disabilities
- Treatment of post-traumatic-stress syndrome or compulsive gambling
- Public or private accredited nonprofit educational institution
- Scholarship funds
- Recognition of humanitarian or military service
- Activities and facilities that benefit youth under the age of 21
- Support police, fire, or other public safety-related services, equipment, and training
- Wildlife management projects
- Maintenance of snowmobile and/or ATV trails
- Support nutritional and congregate dining programs, and food shelves
- Community arts programs

Blaine & Spring Lake Park Youth Hockey Financing Request

At the [July 1, 2024](#) and [August 5, 2024](#) City Council Workshops, city staff provided an overview of the proposed Super Rink improvements by the Minnesota Amateur Sports Commission (MASC). As part of the overall financing model, regardless of the state's willingness to contribute, and consistent with the construction of rinks 1-4 in 1998 and rinks 5-8 in 2006, the National Sports Center (NSC) is seeking financial participation from hockey organizations to guarantee the ability to purchase prime ice time in the form of a one-time payment. The ice rights guarantee would be 20 years, starting January 1, 2024, and ending December 31, 2044. While the ice time would need to be paid for annually, this structure has provided the NSC and priority organizations with the necessary long-term commitment needed to operate.

BYHA and SLPYHA approached city staff in March 2024 seeking assistance with their renovation contributions, which are proportionate to the annual ice hours guaranteed to each organization. General dialog from the youth associations have noted (*These were points offered by the associations; city staff has not performed additional research on any of these topics*):

- Tight finances of Spring Lake Park Youth Hockey, which is currently unable to meet the financial need with existing resources
- Complex scheduling and financing with two facilities in use by both youth associations (Super Rink and Fogerty Arena)

- Subsidies exist from other city or school district operated ice arenas in the metro-area for the many similarly sized associations
- The most recent direct contribution from the city to the Super Rink was \$500,000 for the construction of the first four rinks in 1998

Since the presentations in 2024, both associations have reduced their funding requests. BYHA is currently seeking \$600,000 and SLPYHA is asking for a \$300,000 contribution. At the July 1 workshop, both BYHA (\$750,000) and SLPYHA (\$600,000) were requesting the City of Blaine fully fund their contributions. The tentative payment schedule for priority partners calls for annual payments in 2025, 2026, and 2027. For clarity, *this funding request is directly from both youth hockey associations, not from the NSC.*

Due to the fiscal constraints of the city, staff have indicated to both groups that it would be unlikely that the Council would support the direct use of levy dollars to fund these requests. As both organizations have been established as a 501(c)(3) with a focus on youth recreation, the Council's most viable option is to reallocate charitable gambling proceeds. Given these proceeds total approximately \$190,000 annually, the \$900,000 requested cannot be covered immediately. Should the Council approve funding, staff recommends a 10-year installment plan to spread the cost. This financing structure has been communicated to both associations.

Local Affordable Housing Aid

As noted, based on 2024 revenues, the city has \$193,790 of funds to distribute to selected recipients. Should the city wish to reallocate \$90,000 for both hockey associations, the Council could choose to utilize Local Affordable Housing Aid (LAHA) sales tax funds to complete the funding requests.

The LAHA program, created by the 2023 Minnesota Legislature, provides a dedicated funding stream for affordable housing in the seven-county Twin Cities metropolitan area. Funded by a new 0.25% Metro sales tax, LAHA directs revenue to metropolitan counties and cities with populations over 10,000. Funds are distributed using a formula that targets areas with the highest number of "cost-burdened households" (those spending 30% or more of income on housing). LAHA offers broad flexibility, supporting projects like emergency rental assistance, nonprofit housing development, and gap financing for construction. To maintain compliance, local governments must use the aid to supplement (not replace) existing local funding, commit the money to projects within three years, and spend it within four years. Failure to meet these spending deadlines or submit mandated annual reports requires the recipient to repay the unspent funds to the state.

Within State Statute 477A.35, qualifying LAHA projects include "costs of operating emergency shelter facilities, including the costs of providing services." Rather than fulfilling funding requests for shelters using charitable gambling, the Council could approve using LAHA proceeds. This action would free up more restricted charitable gambling proceeds for redistribution to BYHA and SLPYHA.

The City of Blaine has received \$1,065,070.61 through the first two years of the program. Payments are distributed in July and December of each year, based on the prior calendar years' sales tax collections. Note that 2024 allocations were lower than that of 2025, as the tax was initiated on October 1, 2023. Blaine's LAHA fund currently has \$500,000 cash available as of September 30, with the 2025 second half

allocation of \$386,182 expected in December.

Year	Blaine LAHA Aid
2024	\$292,706.63
2025	\$772,363.98
Total	\$1,065,070.61

The administration of the LAHA program was transferred to the Economic Development Authority (EDA) on September 16, 2024; any disbursements would need to be formally approved through the EDA.

Direction for 2026 Allocations

In preparation for the October 20 workshop:

- Staff collected the Council member scoring sheets.
- Staff averaged the scoring sheet amounts provided by each Council member.
- Staff generated scenarios of potential award options for Council's consideration.
- Available funding is \$193,790, which is based on actual 2024 charitable gambling revenues.

Staff used Council feedback as a guide to develop three scenarios:

1. Based strictly on the averages from the scoring sheets.
2. Allocation amounts for similar organizations with an emphasis on local housing shelters and food shelves.
3. Including allocations to BYHA and SLPYA and utilizing LAHA for funding local housing shelters.

The Council will formally approve funding for each organization during the budget adoption on December 15, 2025. Because the authorized funding level directly impacts the services each entity can provide, staff will share the Council's intent with applicants as soon as direction is received. The awards will then be disbursed, and the benefiting non-profits recognized, at the February 2, 2026, City Council Meeting.

Annually, an expenditure report is submitted to the State of Minnesota, disclosing the recipients of funds along with the amount and purpose.

A copy of the presentation, fund summary, and allocation scenarios will be attached by the end of the day, October 17th.

Staff Recommendation

Questions for Council

Does Council support one of the 2026 Charitable Gambling award scenarios as presented?

Attachment List

1. 2026 Charitable Gambling Fund Presentation - Awarded Funding
2. 2026 Charitable Gambling Funds Score Sheet

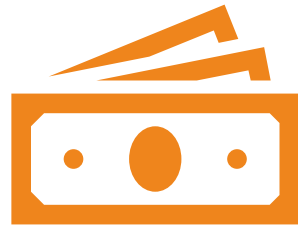


Charitable Gambling Fund

Council Workshop | Finance

10/20/2025

Charitable Gambling Fund Overview



Purpose

To account for the proceeds of the 10% Charitable Gambling contribution



Background

Fund created in 1993

Funding Sources: 10% Charitable Gambling

Expenses: Allocations to eligible organizations per state statute

Contributing Organizations

-  Andover Football Association (new)
-  Blaine Festival Committee
-  Blaine Youth Basketball
-  Blaine Youth Football
-  Blaine Youth Hockey
-  Centennial High School Football Boosters
-  Community Charities of Minnesota (new)
-  Ham Lake Chamber of Commerce
-  Spring Lake Park Lions Club
-  Spring Lake Park District #16 Youth Hockey
-  VFW – Sgt. John Rice

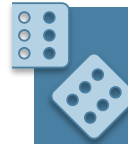
Eligible Uses (State Statute Section 349.12 subd. 25)



To a 501(c)(3) organization or a 501(c)(4) festival organization



To relieve effects of poverty, homelessness, or disability



For programs for education, prevention, or treatment of problem gambling



To a public or private nonprofit school



To a scholarship fund



For recognition of military service or support for active military personnel/immediate family members in need



For recreational activities and facilities for youth



For expenditures for police, fire, and other emergency or public safety-related services, equipment, and training



To a church



For citizen monitoring/data collection of surface water quality by individuals (PCA)



For wildlife management projects and activities that benefit the public-at-large (DNR)



For nutritional programs, food shelves, and congregate dining programs primarily for persons aged 62 or older or disabled



For community arts organizations, or sponsorship of community arts programs



For humanitarian service, recognizing volunteerism or philanthropy



For supplies and materials for DNR coordinated education programs/safety training



For trail grooming or maintenance on trails open to public use (DNR)

Annual Process

Allocate Funds

Scoring sheet with requesting organizations distributed to council

Applications provided to council

Council to submit recommended allocations for each organization

Average of Allocations Becomes Proposed Budget

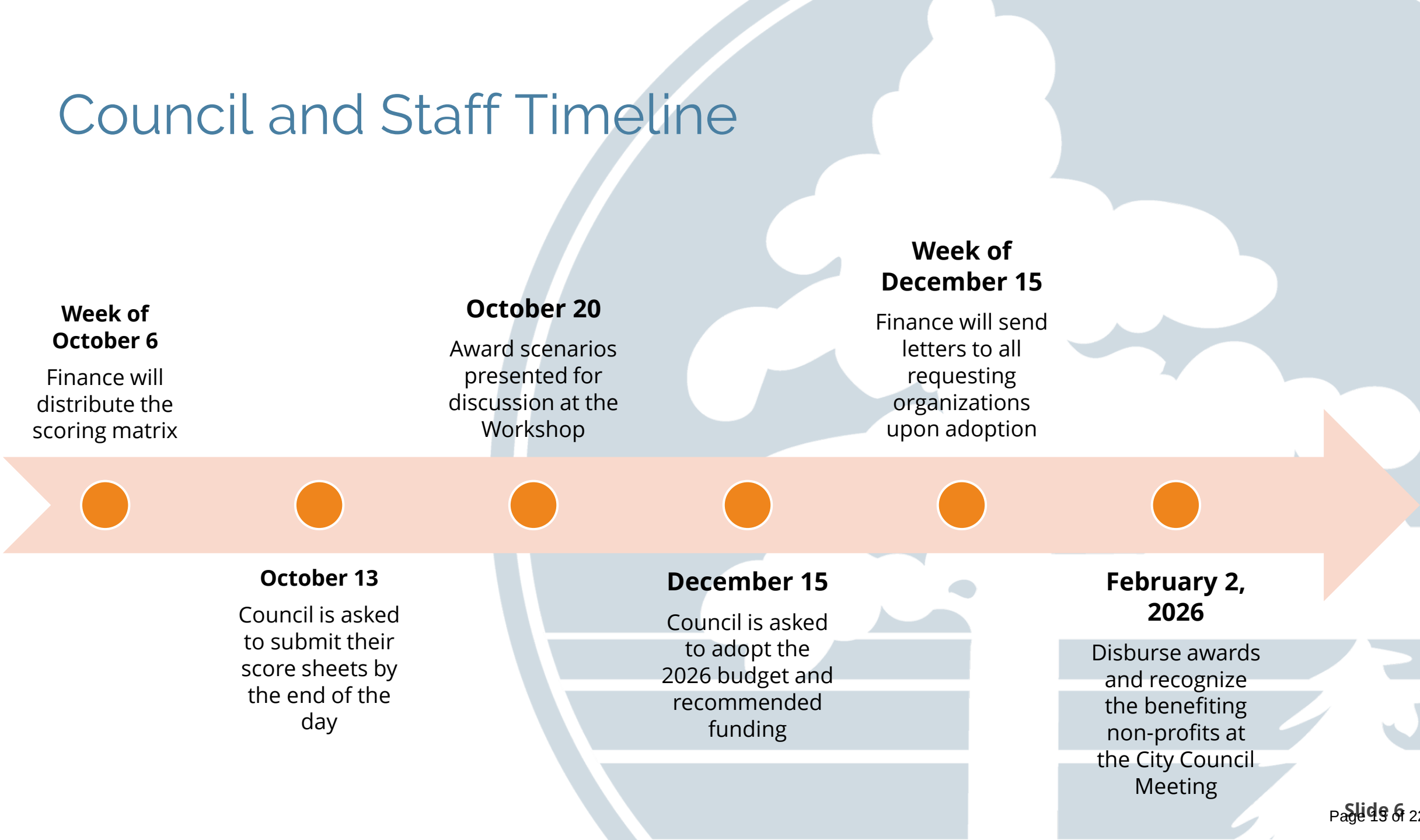
At least 3 councilmembers must allocate funds to an organization for it to receive funding

Staff to average councilmember allocations

Council to receive a tabulated score sheet:

- All councilmember allocations
- Recommended award options

Council and Staff Timeline



Councilmembers Scoring Sheets

	Organization	2025 Dollars Awarded	2026 Amount Requested	Councilmember #1	Councilmember #2	Councilmember #3	Councilmember #4	Councilmember #5	Councilmember #6	Councilmember #7
Prior Year Requests	Alexandra House Inc	72,000	75,000	75,000	75,000	50,000	70,000	75,000	75,000	72,000
	Anoka County Composite Squadron Civil Air Patrol	4,000	7,500	4,000	5,000	4,000	4,000	4,000	4,000	5,000
	Beyond the Yellow Ribbon	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
	Centennial Senior All Night Party	-	750	-	-	-	-	-	-	-
	Family Promise in Anoka County	10,000	12,500	10,000	10,000	10,000	10,000	10,000	10,000	10,000
	Hope 4 Youth	12,000	15,000	12,000	10,000	10,000	12,000	12,000	12,000	12,000
	Hope for the Community	11,500	15,000	11,500	15,000	12,000	13,000	11,500	11,500	12,500
	Impact Services Meals on Wheels & More	4,000	-	4,000	-	-	-	4,000	-	-
	Jam Hope Foundation	-	10,000	-	-	-	-	-	-	-
	Minnesota 100 Club	5,000	5,000	5,000	5,000	5,000	5,000	5,000	1,000	5,000
	Robert-Wilma Burbach Bike Foundation DBA Bike4Kids	-	4,350	2,790	-	-	2,500	1,290	4,350	-
	SBM Fire - Annual fireworks show	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
	Stepping Stone Emergency Housing	10,000	12,000	11,000	10,000	10,000	10,000	10,000	-	10,000
	Superman Sam's Survival Kit	-	3,000	-	-	-	-	-	-	-
	The Salvation Army Blaine Office	10,000	15,000	10,000	10,000	12,000	10,000	10,000	10,000	10,000
	Way of the Lord food shelf	11,500	11,500	-	10,000	12,000	10,000	11,500	11,500	11,000
New Requests	Anoka County Brotherhood Council Inc (ACBC Food Shelf)	-	2,000	2,000	-	2,000	1,000	-	2,000	-
	*Blaine Area Little League	-	12,000	-	-	12,000	2,000	-	2,000	1,790
	Blaine Police Federation	-	2,000	4,000	2,000	2,000	2,000	-	2,000	2,000
	Centennial Youth Cheerleading Association	-	1,000	-	-	-	-	-	1,000	-
	Foundations Christian Academy	-	135,000	-	-	10,000	-	-	5,000	-
	*Mediation Services for Anoka County (DBA Mediation and Restorative Services)	-	5,000	-	-	-	-	-	-	-
	Total	\$192,500	\$386,100	\$193,790	\$194,500	\$193,500	\$194,000	\$196,790	\$193,850	\$193,790
	Remaining to allocate			\$0	-\$710	\$290	-\$210	-\$3,000	-\$60	\$0

* Application received after final submission date; leaving Council the option to allocate funding

Available funding for 2026 is \$193,790

Blaine & Spring Lake Park Youth Hockey Request

- ▶ Presentations at the July 1, 2024 and August 5, 2024 City Council Workshops
- ▶ Proposed capital improvements at the Super Rink
 - ▶ Ice plant, rink configuration, dehumidification, geothermal, solar roof, etc.
- ▶ Consistent with previous capital investments, the NSC is requesting up front contributions from youth hockey associations in return for guaranteed prime ice time
 - ▶ 20-years of ice rights
 - ▶ Annual ice time would need to be paid for separately
- ▶ Both associations requested the City of Blaine provide funding on their behalf
 - ▶ BYHA = \$600,000 (initial request \$750,000)
 - ▶ SLPYHA = \$300,000 (initial request \$600,000)

Blaine & Spring Lake Park Youth Hockey Request

- ▶ Staff have indicated to both groups that it would be unlikely that the Council would support the direct use of levy dollars to fund these requests given the current spending environment
- ▶ Council could reallocate charitable gambling proceeds
 - ▶ Both organizations have been established as a 501(c)(3) with a focus on youth recreation
 - ▶ These proceeds total approximately \$190,000 annually
 - ▶ The \$900,000 requested cannot be covered immediately
 - ▶ Should council support funding, staff recommends a 10-year installment plan to spread the cost
 - ▶ This financing structure has been communicated to both associations

Local Affordable Housing Aid

- ▶ Created by the 2023 Minnesota Legislature
 - ▶ Provides a dedicated funding stream for affordable housing in the seven-county Twin Cities metropolitan area
 - ▶ Funded by a new 0.25% Metro sales tax
 - ▶ Directs revenue to metropolitan counties and cities with populations over 10,000
 - ▶ Funds are distributed using a formula that targets areas with the highest number of "cost-burdened households"
 - ▶ Offers broad flexibility
 - ▶ Emergency rental assistance, nonprofit housing development, and gap financing for construction
- ▶ To maintain compliance, local governments must
 - ▶ Use the aid to supplement (not replace) existing local funding
 - ▶ Commit the money to projects within three years of receipt
 - ▶ Spend it within four years of receipt
 - ▶ Failure to meet these spending deadlines or submit mandated annual reports requires the recipient to repay the unspent funds to the state

Local Affordable Housing Aid

- ▶ Within State Statute 477A.35, qualifying LAHA projects include *"costs of operating emergency shelter facilities, including the costs of providing services."*
 - ▶ Rather than fulfilling funding requests for shelters using charitable gambling proceeds, the Council could approve using LAHA proceeds
 - ▶ This action would free up more restricted charitable gambling proceeds for redistribution to BYHA and SLPYHA
- ▶ The administration of the LAHA program was transferred to the Economic Development Authority (EDA) on September 16, 2024
 - ▶ Any disbursements would need to be formally approved through the EDA

Year	Blaine LAHA Received
2024	\$ 292,706.63
2025	772,363.98
Total	\$ 1,065,070.61

Staff Developed Scenarios



Based strictly on the averages from the scoring sheets



Allocation amounts for similar organizations with an emphasis on local housing shelters and food shelves



Including allocations to BYHA and SLPYA and utilizing LAHA for funding local housing shelters

Award Amount Scenario Options

	Organization	2025 Dollars Awarded	2026 Amount Requested	Scenario 1 - Average Allocation	Scenario 2 - Shelter & Food Shelf Focused	Scenario 3 - Use of LAHA Funds
*	Alexandra House Inc	72,000	75,000	71,354	71,000	71,000
*	Family Promise in Anoka County	10,000	12,500	10,151	10,000	10,000
*	Hope 4 Youth	12,000	15,000	11,603	12,000	12,000
*	Stepping Stone Emergency Housing	10,000	12,000	8,842	10,000	10,000
	Blaine Police Federation	-	2,000	2,030	2,000	2,000
	Robert-Wilma Burbach Bike Foundation DBA Bike4Kids	-	4,350	1,584	2,000	2,000
	SBM Fire - Annual fireworks show	40,000	40,000	40,606	40,000	40,000
	Minnesota 100 Club	5,000	5,000	4,497	4,000	4,000
	Anoka County Brotherhood Council Inc (ACBC Food Shelf)	-	2,000	1,015	1,000	1,000
	Hope for the Community	11,500	15,000	12,618	11,500	11,500
	Impact Services Meals on Wheels & More	4,000	-	-	-	-
	The Salvation Army Blaine Office	10,000	15,000	10,446	10,000	10,000
	Way of the Lord food shelf	11,500	11,500	9,573	11,500	11,500
	Mediation Services for Anoka County (DBA Mediation and Restorative Services)	-	5,000	-	-	-
	Anoka County Composite Squadron Civil Air Patrol	4,000	7,500	4,355	4,000	4,000
	Superman Sam's Survival Kit	-	3,000	-	-	-
	Beyond the Yellow Ribbon	2,500	2,500	2,538	2,500	2,500
	Foundations Christian Academy	-	135,000	-	-	-
	Blaine Area Little League	-	12,000	2,578	2,000	2,000
	Centennial Senior All Night Party	-	750	-	-	-
	Centennial Youth Cheerleading Association	-	1,000	-	-	-
	Jam Hope Foundation	-	10,000	-	-	-
**	Blaine Youth Hockey Association	-	-	-	-	60,000
**	Spring Lake Park Hockey Association	-	-	-	-	30,000
	Total	\$192,500	\$386,100	\$193,790	\$193,500	\$180,500
	Remaining to allocate			\$0	\$290	\$13,290

Scenario 3 – LAHA Funding for:

- ▶ Alexandra House
- ▶ Family Promise
- ▶ Hope 4 Youth
- ▶ Stepping Stone

*Would be funded using LAHA under scenario 3; not figured in "Total" row

**No application, not included in initial scoring

Charitable Gambling Council Questions

- ▶ Does Council support one of the three 2026 Charitable Gambling award scenarios presented?

2026 Charitable Gambling Funds Score Sheet

	Organization	2025 Dollars Awarded	2026 Amount Requested	Scenario 1 - Average Allocation	Scenario 2 - Shelter & Food Shelf Focused	Scenario 3 - Use of LAHA Funds	Scenario 4 - Council Recommendations	Percent Funded
*	Alexandra House Inc	72,000	75,000	71,354	71,000	71,000	71,000	95%
*	Family Promise in Anoka County	10,000	12,500	10,151	10,000	10,000	10,000	80%
*	Hope 4 Youth	12,000	15,000	11,603	12,000	12,000	12,000	80%
*	Stepping Stone Emergency Housing	10,000	12,000	8,842	10,000	10,000	10,000	83%
	Blaine Police Federation	-	2,000	2,030	2,000	2,000	2,000	100%
	Robert-Wilma Burbach Bike Foundation DBA Bike4Kids	-	4,350	1,584	2,000	2,000	2,000	46%
	SBM Fire - Annual fireworks show	40,000	40,000	40,606	40,000	40,000	40,000	100%
	Minnesota 100 Club	5,000	5,000	4,497	4,000	4,000	4,000	80%
	Anoka County Brotherhood Council Inc (ACBC Food Shelf)	-	2,000	1,015	1,000	1,000	1,000	50%
	Hope for the Community	11,500	15,000	12,618	11,500	11,500	11,500	77%
	Impact Services Meals on Wheels & More	4,000	-	-	-	-	-	-
	The Salvation Army Blaine Office	10,000	15,000	10,446	10,000	10,000	10,000	67%
	Way of the Lord food shelf	11,500	11,500	9,573	11,500	11,500	11,500	100%
	Mediation Services for Anoka County (DBA Mediation and Restorative Services)	-	5,000	-	-	-	-	0%
	Anoka County Composite Squadron Civil Air Patrol	4,000	7,500	4,355	4,000	4,000	4,000	53%
	Superman Sam's Survival Kit	-	3,000	-	-	-	-	0%
	Beyond the Yellow Ribbon	2,500	2,500	2,538	2,500	2,500	2,500	100%
	Foundations Christian Academy	-	135,000	-	-	-	-	0%
	Blaine Area Little League	-	12,000	2,578	2,000	2,000	2,000	17%
	Centennial Senior All Night Party	-	750	-	-	-	-	0%
	Centennial Youth Cheerleading Association	-	1,000	-	-	-	-	0%
	Jam Hope Foundation	-	10,000	-	-	-	-	0%
**	Blaine Youth Hockey Association	-	-	-	-	60,000		
**	Spring Lake Park Hockey Association	-	-	-	-	30,000		
	Total	\$192,500	\$386,100	\$193,790	\$193,500	\$180,500	\$193,500	
	Remaining to allocate			\$0	\$290	\$13,290	\$290	

* Would be funded using LAHA under scenario 3; not figured in "Total" row

**No application, not included in initial scoring

\$193,790 is available to allocate among the organizations (2024 total revenues).

Organizations must receive allocations from at least 3 councilmembers to be considered for funding.

The recommended award will be the average of the councilmember allocations.