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### Chapter 6: Alcoholic Beverages Licensing and Regulation

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## CHAPTER 6

### ALCOHOLIC BEVERAGES LICENSING AND REGULATION

#### SEC. 6.01. DEFINITIONS.

As used in this Chapter, unless otherwise stated in specific sections, the following words and terms shall have the meaning stated:

1. "Alcoholic Beverage" means any beverage containing more than one-half of one percent alcohol by volume, including, but not limited to, beer, wine, and liquor as defined in this Section.
2. "Applicant" means any person making an application for a license under this Chapter.
3. "Application" means a form with blanks or spaces thereon, to be filled in and completed by the applicant as his request for a license, furnished by the City and uniformly required as a prerequisite to the consideration of the issuance of a license for a business.
4. "Beer" means malt liquor containing not less than one-half of one percent alcohol by volume nor more than 3.2 percent alcohol by weight. (This definition includes so-called "malt coolers" with the alcoholic content limits stated herein.)
5. "Brewer" means a person who manufactures beer for sale.
6. "Club" means an incorporated organization organized under the laws of the state for civic, fraternal, social, or business purposes, for intellectual improvement, or for the promotion of sports, or a congressionally chartered veterans' organization, which: (1) has more than fifty members; (2) has owned or rented a building or space in a building for more than one year that is suitable and adequate for the accommodation of its members; (3) is directed by a board of directors, executive committee, or other similar body chosen by the members at a meeting held for that purpose. No member, officer, agent, or employee shall receive any profit from the distribution or sale of beverages to the members of the club, or their guests, beyond a reasonable salary or wages fixed and voted each year by the governing body. Such club or congressionally chartered veterans' organization must have been in existence for at least three years.
7. "Commissioner" means the Minnesota commissioner of Public Safety.
8. "Exclusive Liquor store" means an establishment used exclusively for the sale of liquor except for the incidental sale of ice, tobacco, beer, beverages for mixing with liquor, soft drinks, cork extraction devices, and books and videos on the use

- of alcoholic beverages in the preparation of food, and the establishment may offer recorded or live entertainment.
9. "Hotel" means an establishment where food and lodging are regularly furnished to transients and which has: (1) a resident proprietor or manager; (2) a dining room serving the general public at tables and having facilities for seating at least thirty guests at one time; and (3) at least ten guest rooms.
  10. "License" means a document, issued by the City, to an applicant permitting him to carry on and transact the business stated therein.
  11. "Licensee" means an applicant who, pursuant to his approved application, holds a valid, current, unexpired license, which has neither been revoked nor is then under suspension, from the City for carrying on the business stated therein.
  12. "License Fee" means the money paid to the city pursuant to an application and prior to issuance of a license to transact and carry on the business stated therein.
  13. "Licensed Premises" means the premises described in the issued license.
  14. "Liquor" means ethyl alcohol and distilled, fermented, spirituous, vinous and malt beverages containing in excess of 3.2 percent of alcohol by weight. (This definition includes so-called "wine coolers" and "malt coolers" with the alcoholic content limits stated herein.)
  15. "Malt Liquor" means any beer, ale, or other beverage made from malt by fermentation and containing not less than one-half of one percent alcohol by volume.
  16. "Manufacturer" means every person who, by any process of manufacture, fermenting, brewing, distilling, refining, rectifying, blending, or by the combination of different materials, prepares or produces alcoholic beverages for sale.
  17. "Minor" means any natural person who has not attained the age of twenty-one (21) years.
  18. "Off-Sale" means the sale of alcoholic beverages in original packages for consumption off the licensed premises only.
  19. "On-Sale" means the sale of alcoholic beverages for consumption on the licensed premises only.
  20. "Package" and "Original Package" mean any container or receptacle holding alcoholic beverages, which container or receptacle is corked, capped or sealed by a manufacturer or wholesaler.

21. "Restaurant" means an establishment, other than a hotel, under the control of a single proprietor or manager, where meals are regularly served at tables to the general public, and having seating capacity for at least thirty guests.
22. "Sale", "Sell" and "Sold" mean all barter and all manners or means of furnishing alcoholic beverages to persons, including such furnishing in violation or evasion of law.
23. "Wholesaler" means any person engaged in the business of selling alcoholic beverages to a licensee from a stock maintained in a warehouse.
24. "Wine" means a beverage made without rectification or fortification by the fermentation of sound ripe grapes, grape juice, other fruits, or honey, and also carbonated wine, wine made from condensed grape must, wine made from other agricultural products, imitation wine, compounds sold as wine, vermouth, cider, perry and sake, containing not less than one-half of one percent nor more than fourteen percent alcohol by volume. (This definition includes so-called "wine coolers" with the alcoholic content limits stated herein.)

## **SEC. 6.02. APPLICATIONS AND LICENSES UNDER THIS CHAPTER PROCEDURE AND ADMINISTRATION.**

**Subd. 1. Application.** All applications shall be made at the office of the Clerk Administrator upon forms prescribed by the city, or if by the Commissioner, then together with such additional information as the Council may desire. Information required may vary with the type of business organization making application. All questions asked or information required by the application forms shall be answered fully and completely by the applicant. Every application for the issuance or renewal of an alcoholic beverage license must include a copy of each summons received by the applicant during the preceding year under Minnesota Statutes, section 340A.802.

**Subd. 2. False Statements.** It is unlawful for any applicant to intentionally make a false statement or omission upon any application form. Any false statement in such application, or any willful omission to state any information called for on such application form shall, upon discovery of such falsehood, work an automatic refusal of license, or if already issued, shall render any license issued pursuant thereto void and of no effect to protect the applicant from prosecution for violation of this Chapter, or any part thereof.

**Subd. 3. Application and Investigation Fees.** At the time the initial or transfer application is made, an applicant for a license under this Chapter shall accompany such application with payment of a fee to be considered an application and investigation fee, not refundable to the applicant, to cover the cost of the City in processing the application and the investigation of the applicant. No such fee shall be required of an applicant for a temporary beer license.

#### **Subd. 4. Action.**

- A. Granting.** The Council may approve any application for the period of the remainder of the then current license year or for the entire ensuing license year. All applications including proposed license periods must be consistent with this Chapter. Prior to consideration of any application for a license, the applicant shall pay the license fee, and if applicable, pay the investigation fee. Upon rejection of any application for a license, or upon withdrawal of an application before consideration by the Council, the license fee shall be refunded to the applicant. Failure to pay any portion of a fee when due shall be cause for revocation.
- B. Issuing.** If an application is approved, the Clerk Administrator shall forthwith issue a license pursuant thereto in the form prescribed by the city or the Commissioner, as the case may be. Except as otherwise specifically provided, all licenses shall be on a fiscal year basis, January 1 to December 31. For licenses issued and which are to become effective other than on the first day of the licensed year, the fee to be paid with the application shall be a pro rata share of the annual license fee. Licenses shall be valid only at one location and on the premises therein described.
- C. Transfer.** No license shall be transferable between persons or to a different location unless approved by the council. Any change in individual ownership, incorporation, or substitution of partners is a transfer. It is unlawful to make any transfer in violation of this Subparagraph.
- D. Refusal and Termination.** The Council may, in its sole discretion and for any reasonable cause, refuse to grant any application. No license shall be granted to a person of questionable moral character or business reputation. Licenses shall terminate only by expiration or revocation.
- E. Public Interest.** No license under this Chapter may be issued, transferred, or renewed if the results of any investigation show, to the satisfaction of the Council, that such issuance, transfer, or renewal would not be in the public interest.
- F. Revocation or suspension.** The Council shall revoke or suspend, for a period not to exceed sixty days, a license granted under the provisions of this Chapter, or impose a civil fine not to exceed \$2,000.00, for each violation on a finding that the licensee has failed to comply with a statute, regulation or provision of the City Code relating to alcoholic beverages. The Council shall revoke the license upon conviction of any licensee or agent or employee of a licensee for violating any law relating to the sale or possession of beer, wine or liquor upon premises of the licensee, or if such revocation is mandatory by statute. If it shall be made to appear at the hearing thereon that such violation was not willful, the Council may order suspension, provided that revocation shall be ordered upon the third such violation or offense. No suspension or revocation shall take effect until the licensee has been afforded an opportunity for a hearing before the Council, a

committee of the council, or a hearing under the Administrative Procedures Act, as may be determined by the Council in action calling the hearing. Such hearing shall be called by the Council upon written notice to the licensee served in person or by certified mail not less than fifteen nor more than thirty days prior to the hearing date, stating the time, place and purpose thereof. As additional restrictions or regulations on licensees under this Chapter, and in addition to grounds for revocation or suspension stated in the City Code or statute, the following shall also be grounds for such action: (1) that the licensee suffered or permitted illegal acts upon licensed premises unrelated to the sale of beer, wine or liquor, (2) that the licensee had knowledge of such illegal acts upon licensed premises, but failed to report the same to police, (3) that the licensee failed or refused to cooperate fully with police in investigating such alleged illegal acts upon licensed premises; or, (4) that the activities of the licensee created a serious danger to public health, safety, or welfare.

**G. Corporate Applicants and Licensees.** A corporate applicant, at the time of application, shall furnish the City with a list of all persons that have an interest in such corporation and the extent of such interest. The list shall name all shareholders and show the number of shares held by each, either individually or beneficially for others. It is the duty of each corporate licensee to notify the Clerk Administrator in writing of any change in legal ownership, or beneficial interest in such corporation or in such shares. Any change in the ownership or beneficial interest in the shares entitled to be voted at a meeting of the shareholders of a corporate licensee, which results in the change of voting control of the corporation by the persons owning the shares therein, shall be deemed equivalent to a transfer of the license issued to the corporation, and any such license shall be revoked thirty days after any such change in ownership or beneficial interest of shares unless the Council has been notified of the change in writing and has approved it by appropriate action. The Council, or any officer of the City designated by it, may at any reasonable time examine the stock transfer records and minute books of any corporate licensee in order to verify and identify the shareholders, and the Council or its designated officer may examine the business records of any other licensee to the extent necessary to disclose the interest which persons other than the licensee have in the licensed business. The Council may revoke any license issued upon its determination that a change of ownership of shares in a corporate licensee or any change of ownership of any interest in the business of any other licensee has actually resulted in the change of control of the licensed business so as materially to affect the integrity and character of its management and its operation, but no such action shall be taken until after a hearing by the Council on notice to the licensee.

**Subd. 5. Duplicate Licenses.** Duplicates of all original licenses under this Chapter may be issued by the Clerk Administrator without action by the council, upon licensee's affidavit that the original has been lost, and upon payment of the fee adopted by resolution of the Council for issuance of the duplicate. All duplicate licenses shall be clearly marked DUPLICATE.

**Subd. 6. Posting.** All licensees shall conspicuously post their licenses in their places of business.

**Subd. 7. Resident Manager or Agent.** Before a license is issued under this Chapter to an individual who is a non-resident of the city, to more than one individual whether or not they are residents of the City, or to a corporation, partnership, or association, the applicant or applicants shall appoint in writing a natural person who is a resident of the City as its manager or agent. Such resident manager or agent shall, by the terms of his written consent, (1) take full responsibility for the conduct of the licensed premises, and, (2) serve as agent for service of notices and other process relating to the license. Such manager or agent must be a person who, by reason of age, character, reputation, and other attributes, could qualify individually as a licensee. If such manager or agent ceases to be a resident of the City or ceases to act in such capacity for the licensee without appointment of a successor, the license issued pursuant to such appointment shall be subject to revocation or suspension.

**Subd. 8. Persons Disqualified.**

- A. No license under this Chapter may be issued to: (1) a person not a citizen of the united states or a resident alien; (2) a person who within five years of the license application has been convicted of a willful violation of a Federal or State law, or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution, of alcoholic beverages; (3) a person who has had an alcoholic beverage license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporate licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; ( 4 ) a person under the age of twenty-one years; or, (5) a person not of good moral character and repute.
- B. No person holding a license from the Commissioner as a manufacturer, brewer or wholesaler may have any ownership, in whole or in part, in a business holding an alcoholic beverage license from the City.

**SEC. 6.03. RENEWAL LICENSE APPLICATIONS.**

Applications for renewal of all licenses under this chapter shall be made at least sixty (60) days prior to the date of expiration .of the license, and shall contain such information as is required by the City. This time requirement may be waived by the Council for good and sufficient cause.



**SEC. 6.04. DELINQUENT TAXES AND CHARGES.**

No license under this Chapter shall be granted for operation on any premises upon which taxes, assessments, or installments thereof, or other financial claims of the City, are owed and are delinquent and unpaid.

**SEC. 6.05. CONDITIONAL LICENSES.**

Notwithstanding any provision of law to the contrary, the Council may, upon a finding of the necessity therefore, place such special conditions and restrictions, in addition to those stated in this Chapter, upon any license as it, in its discretion, may deem reasonable and justified.

**SEC. 6.06. PREMISES LICENSED.**

Unless expressly stated therein, a license issued under the provisions of this Chapter shall be valid only in the compact and contiguous building or structure situated on the premises described in the license, and all transactions relating to a sale under such license must take place within such building or structure.

**SEC. 6.07. UNLAWFUL ACTS.**

**Subd. 1. Consumption.** It is unlawful for any person to consume, or any licensee to permit consumption of, beer, wine or liquor on licensed premises more than thirty (30) minutes after the hour when a sale thereof can legally be made.

**Subd. 2. Closing.** It is unlawful for any person, other than a licensee or his bona fide employee actually engaged in the performance of his duties, to be on premises licensed under this Chapter more than thirty (30) minutes after the legal time for making licensed sales, unless the licensed establishment is open to the public for serving food.

**SEC. 6.08. CONDUCT ON LICENSED PREMISES.**

Except as herein provided, every licensee under this Chapter shall be responsible for the conduct of his place of business and shall maintain conditions of sobriety and order therein.

**SEC. 6.09. SALE BY EMPLOYEE.**

Any sale of an alcoholic beverage in or from any premises licensed under this Chapter by any employee authorized to make such sale in or from such place is the act of the employer as well as of the person actually making the sale; and every such employer is liable to all of the penalties, except criminal penalties, provided by law for such sale, equally with the person actually making the sale.

**SEC. 6.10. LICENSE CONDITION AND UNLAWFUL ACT.**

**Subd. 1.** All premises licensed under this Chapter shall at all times be open to inspection by any police officer to determine whether or not this Chapter and all other laws are being observed. All persons, as a condition to being issued such license, consent to such inspection by such officers and without a warrant for searches or seizures.

**Subd. 2.** It is unlawful for any licensee, or agent or employee of a licensee, to hinder or prevent a police officer from making such inspection.

**SEC. 6.11. LICENSE FEES - FIXING AND REFUNDMENT.**

**Subd. 1. Fixing Fees.** Except as otherwise specifically provided, all fees for licenses provided for in this Chapter, including, but not by way of limitation, license fees, investigation and administration fees, shall be fixed and determined by the council, adopted by resolution, and uniformly enforced. Such fees may, from time-to-time, be amended by the Council by resolution. A copy of the resolution shall be kept on file in the office of the Clerk Administrator and open to inspection during regular business hours. For the purpose of fixing such fees, the council may categorize and classify, provided, that such categorization and classification shall be included in the resolution authorized by this section.

**Subd. 2. Refundment.** A pro-rata share of an annual license fee for a license to sell liquor or beer, either on-sale or off-sale, shall be refunded to the licensee, or to his estate, if: (1) the business ceases to operate because of destruction or damage; (2) the licensee dies; or, (3) the business ceases to be lawful for a reason other than a license revocation or suspension.

**SEC. 6.12. FINANCIAL RESPONSIBILITY OF LICENSEES.**

**Subd. 1. Proof.** No alcoholic beverage license shall be issued or renewed unless and until the applicant has provided proof of financial responsibility, imposed by statute, by filing with the city a certificate that there is in effect an insurance policy or pool providing minimum coverages of (1) \$50,000.00 because of bodily injury to anyone person in anyone occurrence, and, subject to the limit for one person, in the amount of \$100,000.00 because of bodily injury to two or more persons in anyone occurrence, and in the amount of \$10,000.00 because of injury to or destruction of property of others in anyone occurrence, and (2) \$50,000.00 for loss of means of support of anyone person in anyone occurrence, and, subject to the limit for one person, \$100,000.00 for loss of means of support of two or more persons in anyone occurrence; an annual aggregate of \$300,000.00 may be included in the insurance coverage.

**Subd. 2. Documents Submitted to commissioner.** All proofs of financial responsibility and exemption affidavits filed with the city under this section shall be submitted by the city to the Commissioner.

**SEC. 6.13. INSURANCE CERTIFICATE REQUIREMENTS.**

Whenever an insurance certificate is required by this Chapter the applicant shall file with the Clerk Administrator a certificate of insurance showing (1) that the limits are at least as high as required, (2) that coverage is effective for at least the license term approved, and (3) that such insurance will not be cancelled or terminated without thirty days' written notice served upon the Clerk Administrator. Cancellation or termination of such coverage shall be grounds for license revocation.

**SEC. 6.14. MINORS AS DEFINED IN SECTION 7.01 - UNLAWFUL ACTS.**

**Subd. 1. Consumption.** It is unlawful for any:

- A. Licensee to permit any minor to consume alcoholic beverages on licensed premises.
- B. Minor to consume alcoholic beverages except in the household of the minor's parent or guardian, and then only with the consent of such parent or guardian.

**Subd. 2. Purchasing.** It is unlawful for any:

- A. Person to sell, barter, furnish, or give alcoholic beverages to a minor unless such person is the parent or guardian of the minor, and then only for consumption in the household of such parent or guardian.
- B. Minor to purchase or attempt to purchase any alcoholic beverage.
- C. Person to induce a minor to purchase or procure any alcoholic beverage.

**Subd. 3. Possession.** It is unlawful for a minor to possess any alcoholic beverage with the intent to consume it at a place other than the household of the minor's parent or guardian. Possession of an alcoholic beverage by a minor at a place other than the household of the parent or guardian is prima facie evidence of intent to consume it at a place other than the household of his parent or guardian.

**Subd. 4. Entering Licensed Premises.** It is unlawful for any minor, as defined in this Chapter, to enter licensed premises for the purpose of purchasing or consuming any alcoholic beverage. It is not unlawful for any person who has attained the age of eighteen years to enter licensed premises for the following purposes: (1) to perform work for the establishment, including the serving of alcoholic beverages, unless otherwise prohibited by statute; (2) to consume meals; and (3) to attend social functions that are held in a portion of the establishment where liquor is not sold. It is unlawful for a licensee to permit a person under the age of eighteen years to enter licensed premises unless attending a social event at which alcoholic beverages are not served, or in the company of a parent or guardian.

**Subd. 5. Misrepresentation of Age.** It is unlawful for a minor to misrepresent his age for the purpose of purchasing an alcoholic beverage.

**Subd. 6. Proof of Age.** Proof of age for purchasing or consuming alcoholic beverages may be established only by a valid driver's license, a Minnesota identification card, or, in the case of a foreign national, by a valid passport.

**SEC. 6.15. GAMBLING PROHIBITED.**

It is unlawful for any licensee to keep, possess, or operate, or permit the keeping, possession, or operation on licensed premises of dice or any other gambling device, or permit raffles to be conducted, except such as are authorized by statute or the City Code.

**SEC. 6.16. CONSUMPTION AND POSSESSION OF ALCOHOLIC BEVERAGES ON STREETS, PUBLIC PROPERTY, AND PRIVATE PARKING LOTS TO WHICH THE PUBLIC HAS ACCESS.**

It is unlawful for any person to consume, or possess in an unsealed container, any alcoholic beverage on any (1) City park, (2) street, (3) public property, or (4) private parking lot to which the public has access, except on such premises when and where permission has been specifically granted or licensed by the Council. Provided, that this section shall not apply to the possession of an unsealed container in a motor vehicle when the container is kept in the trunk of such vehicle if it is equipped with a trunk, or kept in some other area of the vehicle not normally occupied by the driver or passengers, if the motor vehicle is not equipped with a trunk. For the purpose of this section, a utility or glove compartment shall be deemed to be within the area occupied by the driver or passengers.

**SEC. 6.17. ALCOHOLIC BEVERAGES IN CERTAIN BUILDINGS AND GROUNDS.**

It is unlawful for any person to introduce upon, or have in his possession upon, or in, any school ground, or any schoolhouse or school building, any alcoholic beverage, except for experiments in laboratories and except for those organizations that have been issued temporary licenses to sell beer, and for any person to possess beer as a result of a purchase from those organizations holding temporary licenses.

**SEC. 6.18. ALCOHOLIC BEVERAGES - CERTAIN UNLAWFUL ACTS.**

It is unlawful for any:

- A. Person to knowingly induce another to make an illegal sale or purchase of an alcoholic beverage.
- C. Licensee to sell or serve an alcoholic beverage to any person who is obviously intoxicated.

- D. Licensee to fail, where doubt could exist, to require adequate proof of age of a person upon licensed premises.
- E. Licensee to sell an alcoholic beverage on any day, or during any hour, when such sales are not permitted by law.
- F. Licensee to allow consumption of an alcoholic beverage on licensed premises on any day, or during any hour, when such consumption is not permitted by law.
- G. Person to purchase an alcoholic beverage on any day, or during any hour, when such sales are not permitted by law.

**SEC. 6.19. WORKER'S COMPENSATION.**

No license to operate a business shall be issued by the City until the applicant presents acceptable evidence of compliance with the worker's compensation insurance coverage requirement of Minnesota statutes by providing the name of the insurance company, the policy number, and dates of coverage, or the permit to self-insure.

(Sections 6.20 through 6.29, inclusive, reserved for future expansion.)

**SEC. 6.30. BEER LICENSE REQUIRED.**

It is unlawful for any person, directly or indirectly, on any pretense or by any device, to sell, barter, keep for sale, or otherwise dispose of beer, as part of a commercial transaction, without a license therefore from the City. This Section shall not apply to sales by manufacturers to wholesalers or to sales by wholesalers to persons holding beer licenses from the city. Annual on-sale beer licenses may be issued only to drug stores, restaurants, hotels, bowling centers, clubs, and establishments used exclusively for the sale of beer with the incidental sale of tobacco and soft drinks. Any person licensed to sell liquor on-sale shall not be required to obtain an on-sale beer license, and may sell beer on-sale without an additional license. Any person licensed to sell liquor off-sale shall not be required to obtain an off-sale beer license, and may sell beer off-sale without an additional license.

**SEC. 6.31. TEMPORARY BEER LICENSE.**

**Subd. 1. Applicant.** A club or charitable, religious, or non-profit organization shall qualify for a temporary on-sale beer license.

**Subd. 2. Conditions.**

- A. An application for a temporary license shall state the exact dates and place of proposed temporary sale.

- B. No applicant shall qualify for a temporary license for more than three (3) consecutive days.
- C. The Council may, but at no time shall it be under any obligation whatsoever to, grant a temporary beer license on premises owned or controlled by the City. Any such license may be conditioned, qualified or restricted as the Council sees fit. If the premises to be licensed are owned or under the control of the city, the applicant shall file with the city, prior to issuance of the license, a certificate of liability insurance coverage in such amount as the Council shall deem proper, naming the city as an insured during the license period.

**SEC. 6.32. HOURS AND DAYS OF BEER SALES.**

No sale of beer shall be made between the hours of 1:00 A.M. and 8:00 A.M. on the days of Monday through Saturday, nor between the hours of 1:00 A.M. and 12:00 P.M. on Sunday.

(Sections 6.33 through 6.39, inclusive, reserved for future expansion.)

**SEC. 6.40. LIQUOR LICENSE REQUIRED.**

It is unlawful for any person, directly or indirectly, on any pretense or by any device, to sell, barter, keep for sale, or otherwise dispose of liquor, as part of a commercial transaction, without a license therefore from the city. This section shall not apply (1) to such potable liquors as are intended for therapeutic purposes and hot as a beverage, (2) to industrial alcohol and its compounds not prepared or used for beverage purposes, (3) to wine in the possession of a person duly licensed under this Chapter as an on-sale wine licensee, (4) to sales by manufacturers to wholesalers duly licensed as such by the commissioner, or (5) to sales by wholesalers to persons holding liquor licenses from the City. Any person licensed to sell liquor on-sale shall not be required to obtain an on-sale beer license, and may sell beer on-sale without an additional license. Any person licensed to sell liquor off-sale shall not be required to obtain an off-sale beer license, and may sell beer off-sale without an additional license. The city may issue annual on-sale liquor licenses only to the following: (1) hotels; (2) restaurants; (3) bowling centers; (4) clubs or congressionally chartered veterans' organizations, provided that liquor sales will be made only to members and bona fide guests; and, (5) exclusive liquor stores. The City may issue annual off-sale liquor licenses to exclusive liquor stores and drug stores.

**SEC. 6.41. TEMPORARY LIQUOR LICENSE.**

**Subd. 1. License Authorized.** Notwithstanding any provision of the City Code to the contrary, the Council may issue a license for the temporary on-sale of liquor in connection with a social event sponsored by the licensee. Such license may provide that the licensee may contract with the holder of a full-year on-sale license, issued by the city, for liquor catering services.

**Subd. 2. Applicant.** The applicant for a license under this section must be a club or charitable, religious, or other nonprofit organization in existence for at least three years.

**Subd. 3. Terms and Conditions of License.**

- A. No license is valid until approved by the Commissioner.
- B. No license shall be issued for more than three consecutive days.
- C. All licenses and licensees are subject to all provisions of statutes and the City Code relating to liquor sale and licensing. The licensee shall provide proof of financial responsibility coverage and, in the case of catering by a full-year on-sale licensee, such caterer shall provide proof of the extension of such coverage to the licensed premises.
- D. Licenses may authorize sales on premises other than those owned or permanently occupied by the licensee.

**Subd. 4. Insurance Required.** The Council may, but at no time shall it be under any obligation whatsoever to, grant a temporary liquor license on premises owned or controlled by the City. Any such license may be conditioned, qualified or restricted as the Council sees fit. If the premises to be licensed are owned or under the control of the City, the applicant shall file with the City, prior to issuance of the license, a certificate of liability insurance coverage in such amount as the Council shall deem proper, naming the City as an insured during the license period.

**SEC. 6.42. HOURS AND DAYS OF LIQUOR SALES.**

No on-sale shall be made after 1:00 A.M. on Sunday, nor between 12:00 A.M. and 8:00 A.M. on Monday, nor between the hours of 1:00 A.M. and 8:00 A.M. on Tuesday through Saturday. No off-sale shall be made on Sunday nor before 8:00 A.M. or after 10:00 P.M. on Monday through Saturday, nor on Thanksgiving Day or Christmas Day. No sale of liquor shall be made after 8:00 P.M. on December 24.

(Sections 6.43 through 6.49, inclusive, reserved for future expansion.)

**SEC. 6.50. ON-SALE WINE LICENSE REQUIRED.**

It is unlawful for any person, directly or indirectly, on any pretense or by any device, to sell, barter, keep for sale, or otherwise dispose of wine on-sale, as part of a commercial transaction, without a license therefore from the City. This section shall not apply (1) to sales by manufacturers to wholesalers duly licensed as such by the Commissioner, (2) to sales by wholesalers to persons holding on-sale or off-sale liquor licenses from the City, (3) to sales by wholesalers to persons holding on-sale wine licenses from the city, or (4) to sales by on-sale liquor licensees on days and during hours when on-sale liquor sales are permitted.

**SEC. 6.51. HOURS AND DAYS OF SALES BY ON-SALE WINE LICENSEES.**

No on-sale of wine shall be made after 1:00 A.M. on Sunday, nor until 8:00 A.M. on Monday, nor between the hours of 1:00 A.M. and 8:00 A.M. on Tuesday through Saturday, nor between the hours of 8:00 P.M. on December 24 8:00 A.M. on December 25.

(Sections 6.52 through 6.59, inclusive, reserved for future expansion.)

**SEC. 6.60. LIQUOR AND ON-SALE WINE LICENSE RESTRICTIONS, REGULATIONS AND UNLAWFUL ACTS.**

**Subd. 1. Limitations on Issuance of Licenses to One Person or Place.** No off-sale liquor license may be issued to any one person for more than one place in the City. Any person holding an interest in two or more such licenses in the city shall be deemed to hold more than one license.

**Subd. 2. Licenses in connection with Premises of Another.** A license may not be issued to a person in connection with the premises of another to whom a license could not be issued under the provisions of this Chapter. This Subdivision does not prevent the granting of a license to a proper lessee because the person has leased the premises of a minor, a non-citizen who is not a resident alien, or a person who has been convicted of a crime other than a violation of this Chapter.

**Subd. 3. Off-Sale Licenses Where Beer is Sold.** An off-sale liquor license may not be issued to a place where beer is sold for consumption on the premises. This Subdivision does not apply to those places where both an on-sale and off-sale license, or a combination license, have been issued.

**Subd. 4. Employment of Minors.** No person under eighteen (18) years of age may sell or serve liquor or wine on licensed premises.

**Subd. 5. Premises Eligible.** On-sale wine licenses shall be granted only to restaurants as defined in this Chapter. Provided, however, for purposes of this Section, such restaurant shall have appropriate facilities for seating not less than twenty- five guests at one time.

**Subd. 6. Samples.** It is lawful for an off-sale licensee to provide samples of wine, liqueurs, and cordials which the licensee currently has in stock and is offering for sale to the general public without obtaining an additional license, provided the wine, liqueur, and cordial samples are dispensed at no charge and consumed on the licensed premises during the permitted hours of off-sale in a quantity less than 50 milliliters of wine per variety per customer and 25 milliliters of liqueur or cordial per variety per customer.

**Subd. 7. Drug stores.** No liquor license may be issued to a person operating a drug store unless the person has operated it for at least two years or has purchased a drug store that has been in continuous operation for two or more years.



**Subd. 8. Intoxicating Malt Liquor Sale without License.** The holder of an on-sale wine license issued pursuant to this Chapter who is also licensed to sell beer at on-sale, and whose gross receipts are at least 60% attributable to the sale of food, is authorized to sell intoxicating malt liquor at on-sale without an additional license.

(Sections 6.61 through 6.64, inclusive, reserved for future expansion.)

## **SECTION 6.65. SUNDAY "ON-SALE" LIQUOR SALES**

**Subdivision 1. Definitions.** Unless the context clearly indicates otherwise, the words, combinations of words, terms and phrases, as used in this Section shall have the following meanings:

1. "Restaurant" Defined. For purposes of this Section, "Restaurant" is an establishment, other than a hotel, under the control of a single proprietor or manager, where meals are regularly served at tables to the general public, and which has a seating capacity for guests of not less than thirty (30).
2. "Hotel" Defined. For purposes of this Section, a "Hotel" is defined as an establishment where food and lodging are regularly furnished to transients and which has:
  - a. A resident proprietor or manager;
  - b. A dining room serving the general public at tables and having facilities for seating at least thirty (30) guest at one time; and
  - c. Guest rooms in the following minimum numbers: Twenty-five (25).

A hotel is subject to the requirements of a restaurant.

3. "Club" Defined. For purposes of this Section, a "Club" is defined as an incorporated organization organized under the laws of the State for civic, fraternal, social or business purposes, for intellectual improvement, or for the promotion of sports, or a congressionally chartered veterans' organization, which:
  - a. Has more than thirty (30) members;
  - b. Has owned or rented a building or space in a building for more than one (1) year that is suitable and adequate for the accommodation of its members;
  - c. Is directed by a board of directors, executive committee, or other similar body chosen by the members at a meeting held for that purpose. No member, officer, agent or employee shall receive any profit from the distribution or sale of beverages to the members of the club, or their

guests, beyond a reasonable salary or wages fixed and voted each year by the governing body.

4. "Person" Defined. For purposes of this Section, a "person" is defined as any human being, any private corporation, any partnership, firm, association, or other organization any receiver, trustee, assignee, agent, or other legal representative of any of the foregoing, or any other legal entity.

**Subdivision 2. Sunday Liquor Sales.** The following requirements shall apply to Sunday liquor sales:

- A. A special license authorizing sales on Sunday in conjunction with the serving of food may be issued to any hotel, restaurant or club which has an "on-sale" license.
- B. For purposes of this subdivision, meals shall be served not less than five (5) days weekly, including Sundays.
- H. All personnel, preparation areas, service areas and equipment must comply with all applicable laws and Sections.
- I. Food service must be maintained from time of opening until at least 9:00 p.m.
- J. The menu must consist of not less than three (3) separate and distinct entrees all prepared on the premises.
- K. The establishment must be under the supervision and control of a single proprietor or manager or supervisory person who is available on the premises to the public and City officials during hours of operation.
- L. For private parties with the service of hors d'oeuvres rather than separate entrees, the licensee need not comply with paragraph f above, but must comply with the following:
  1. All private parties must be held in an enclosed room, rooms or area separated or restricted from public use, said area to be monitored; and
  2. Admission must be monitored by an employee of the licensee and be limited to invited guests only.
- M. Clubs may sell liquor on Sundays only in conjunction with the sales of food.

**Subdivision 3. Application for License.** Every application for a Sunday Liquor License to sell liquor on Sundays shall state the name of the applicant, his age, representation as to his character, with such references as the Council may request, the business in connection with which the proposed license will operate and its location, whether the

applicant is owner and operator of the business, how long he has been in that business at that place, and such other information as the Council may request from time to time. In addition to containing such information, the application shall be in the form prescribed by the City Council and shall be verified and filed with the City Clerk. No person shall make a false statement in an application. A copy of each application shall be forwarded to the Steele County Sheriff and he shall return a report of his objections, if any, to issuance of the license as requested.

**Subdivision 4. License Fee.**

- A. Fees. The annual fee for a Sunday liquor license for an "on-sale" license shall be as set by resolution of the City Council from time to time.
- B. Payment. Each application for a license shall be accompanied by a receipt from the City Clerk for payment of the prescribed license fee. All fees shall be paid into the General Fund. If an application for a license is rejected, the Treasurer shall refund the amount paid.
- C. Term: Pro Rata Fee. Each license shall be issued for a period of one (1) year except that if an initial application is made during the license year, a license may be issued for the remainder of the year on a pro rata basis; any fraction of a month is counted as one (1) month. Every license shall expire on the last day of June.
- D. Refunds. Refunds of license fees may be made to licensees of record, according to the following formula: Of the amount paid in, \$20.00 shall be retained to cover the costs of administration and processing. The balance shall be refunded on a pro rata basis.

**Subdivision 5. Conformance with Licensing Requirements.** An applicant for a Sunday Liquor License shall comply with all conditions of an on-sale liquor license, including eligibility requirements and conditions of a license.

**Subdivision 6. Time Limitations.** No sale of intoxicating liquor shall be made on any Sunday between the hours of 1:00 a.m. and 12:00 noon. A license holder may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sundays and 1:00 a.m. on Mondays.

**SEC. 665 WAS ADOPTED BY THE CLAREMONT CITY COUNCIL ON JANUARY 13, 2009.**

(Sections 6.66 through 6.69, inclusive, reserved for future expansion.)

**SEC. 6.70. CONSUMPTION AND DISPLAY.**

**Subd. 1. Consumption and Display License Required.** It is unlawful for any business establishment or club, not holding an on-sale liquor license to directly or indirectly, or on

any pretense or by any device, sell, barter, keep for sale, or otherwise dispose of any liquid for the purpose of mixing the same with liquor, or permit its members to bring and keep a personal supply of liquor in lockers assigned to such members, without a license therefore from the city.

**Subd. 2. Consumption and Display Restrictions and Regulations.**

- A. Eligible Licensees. If the applicant is otherwise eligible, licenses may be issued only to (1) persons who have not, within five years prior to application, been convicted of a felony or of violating provisions of this Chapter or other law relating to the sale or furnishing of alcoholic beverages; (2) a restaurant; (3) a hotel; (4) a beer licensee; (5) a resort as defined by statute; or, (6) a club or an unincorporated club otherwise meeting the definition of a club, provided, that no license may be issued to a club holding an on-sale liquor license.
- B. Unlawful Act. It is unlawful to sell liquor on licensed premises.
- C. License Expiration. In order to coordinate the expiration of a consumption and display license with a state permit, all licenses shall expire on March 31 of each year.
- D. State Permit Required. Licenses shall be issued only to holders of a consumption and display permit from the Commissioner.
- E. Lockers. A club to which a license is issued under this section may allow members to bring and keep a personal supply of liquor in lockers on the club's premises. All bottles kept on the premises must have attached labels signed by the member. No minor may keep a supply of liquor on club premises.
- F. Hours and Days. No licensee may permit a person to consume or display liquor, and no person may consume or display liquor, between 1:00 A.M. and 12:00 noon on Sundays, and between 1:00 A.M. and 8:00 A.M. on Monday through Saturday.

**SEC. 6.71. CONSUMPTION AND DISPLAY - ONE DAY LICENSE.**

**Subd. 1. License Required.** Any non-profit organization desiring to serve liquids for the purpose of mixing with liquor and permitting the consumption and display of liquor in conjunction with a social activity sponsored by it, shall first obtain a license therefore from the City. It is unlawful for any such organization to fail to obtain such license.

**Subd. 2. Term.** The term of such license shall be one day only.

**Subd. 3. Limitation on Number.** The City shall issue no more than ten licenses in any calendar year.

**Subd. 4. License Fee.** The fee for such one-day license is \$25.00

**Subd. 5. Approval.** In addition to Council approval, such license must be approved by the Commissioner of Public Safety.

(Sections 6.72 through 6.79, inclusive, reserved for future expansion.)

**SEC. 6.80. AN ORDINANCE RELATING TO THE LICENSING OF ADULT ESTABLISHMENTS**

**Subd. 1. Findings and Purpose.** The City Council has studied the impacts that adult establishments have in communities. The City Council concludes:

- A. Adult establishments have adverse secondary impacts, including increased crime rates, lower property values, increased transiency, neighborhood blight, and potential health risks.
- B. The adverse impacts caused by adult establishments tend to diminish if adult establishments are governed by geographic, licensing, and health requirements.
- C. It is not the intent of the City Council to prohibit adult establishments from having a reasonable opportunity to locate in the city.
- D. The public health, safety, morals, and general welfare will be promoted by the city adopting regulations governing adult establishments.

**Subd. 2. Definitions.** For purposes of this section, the following terms have the meanings given them.

- A. *Adult Establishment.* A business engaged in any of the following activities or which utilizes any of the following business procedures or practices:
  - a. Any business that has at least twenty-five percent (25%) of its inventory, stock and trade, or publicly displayed merchandise, or at least twenty-five percent (25%) of the floor area of the business, (not including storerooms, stock areas, bathrooms, basements, or any portion of the business not open to the public) devoted to items, merchandise, or other materials distinguished or characterized by an emphasis on material depicting, exposing, describing, discussing, or relating to Specified Sexual Activities or Specified Anatomical Areas.
  - b. Any business that involves any Adult Use as defined herein.
- B. *Adult Use.* An Adult Use is any of the following activities and businesses:

- a. *Adult Bookstore*: An establishment or business used for the barter, rental, or sale of items consisting of printed matter, pictures, slides, records, audio tape, videotape, DVDs or other Imaging Technology, motion picture film or other recorded material if such business is not open to the general public but only to one or more classes of the public, excluding any minor by reason of age, or if at least twenty-five percent (25%) of its inventory, stock and trade, or publicly displayed merchandise, or at least twenty-five percent (25%) of the floor area of the business, (not including storerooms, stock areas, bathrooms, basements, or any portion of the business not open to the public) is devoted to items, merchandise, or other material distinguished and characterized by an emphasis on the depiction or description of Specified Sexual Activities or Specified Anatomical Areas.
- b. *Adult Cabaret*: A business or establishment, at least a portion of which provides dancing, modeling, or other live entertainment to patrons if the dancing, modeling, or live entertainment is distinguished and characterized by an emphasis on the presentation, display, depiction, or description of nudity, sexual conduct, or sexual excitement for observation by patrons or that seeks to evoke, arouse, or excite the patrons' sexual or erotic feelings or desires.
- c. *Adult Companionship Establishment*: A business or establishment that excludes minors by reason of age, and which provides the service of engaging in or listening to conversation, talk, or discussion between an employee of the establishment and a customer, if such service is distinguished or characterized by an emphasis on Specified Sexual Activities or Specified Anatomical Areas.
- d. *Adult Massage Parlor, Health Club*: A massage parlor or health club which restricts minors by reason of age, and which provides the services of massage, if such service is distinguished and characterized by an emphasis on Specified Sexual Activities or Specified Anatomical Areas.
- e. *Adult Mini-Motion Picture Theater*: A business or establishment with a capacity for less than 50 persons used for presenting material if such material is distinguished and characterized by an emphasis on matter depicting, describing or relating to Specified Sexual Activities or Specified Anatomical Areas.
- f. *Adult Motion Picture Arcade*: Any place to which the public is permitted or invited where coin or slug-operated or electronically, electrically, or mechanically controlled or operated still or motion picture machines, projectors, or other image-producing devices are maintained to show images to five (5) or fewer persons per machine at anyone time, and where the image so displayed are distinguished and characterized by an emphasis on or

depicting or describing Specified Sexual Activities or Specified Anatomical Areas.

- g. *Adult Motion Picture Theater*: A motion picture theater with a capacity of fifty (50) or more persons used for presenting material if such theater, as a prevailing practice, excludes minors by reasons of age or if such material is distinguished or characterized by an emphasis on Specified Sexual Activities or Specified Anatomical Areas for observation by patrons.
- h. *Adult Novelty Business*: A business which has as a principal activity the sale of materials or devices which stimulate human genitals, which are designed for sexual stimulation, or which depict or relate to Specified Sexual Activities or Specified Anatomical Areas.

N. *Specified Anatomical Areas*. For the purposes of this Ordinance, Specific Anatomical Areas includes:

- a. Less than completely and opaquely covered human genitals, pubic region, buttock, anus, or female breast(s) below a point immediately above the top of the areola, or any combination of the foregoing; and
- b. Human male genitals in a discernibly turgid state, even if completely and opaquely covered.

O. *Specified Sexual Activities*. For the purposes of this Ordinance, specified Sexual Activities includes:

- a. Actual or simulated sexual intercourse, oral copulation, anal intercourse, oral-anal copulation, bestiality, direct physical stimulation of unclothed genitals, flagellation or torture in the context of a sexual relationship, or the use of excretory functions in the context of a sexual relationship, and any of the following acts or conduct: anilingus, buggery, coprophagy, coprophilia, cunnilingus, fellatio, necrophilia, pederasy, pedophilia, piquerism, sapphism, zooerastia; or
- b. Clearly depicted human genitals in the state of sexual stimulation, arousal, or tumescence; or
- c. Use of human or animal ejaculation, sodomy, oral copulation, coitus, or masturbation; or
- d. Fondling or touching of the nude human genitals, pubic buttocks, or female breast(s); or
- e. Situation involving a person or persons, any of whom are nude, clad in undergarments or in sexually revealing costumes, and who are engaged in

the activities involving the flagellation, torture, fettering, binding, or other physical restraint of any such persons; or

- f. Erotic or lewd touching, fondling or other sexually oriented contact with an animal by a human being; or Human excretion, urination, menstruation, vaginal or anal irrigation.

**Subd. 3. General Provisions.** Adult establishments as defined in this Ordinance shall be subject to the following general provisions.

- A. Adult Uses shall be restricted to the following zones: Agricultural.
- B. Adult Establishments shall be located at least 1,500 feet, as measured in a straight line, from the main public entrance of the adult establishment to the nearest boundary line of the following:
  - 1. Residentially zoned or used property;
  - 2. A licensed daycare center;
  - 3. Any school;
  - 4. Any church;
  - 5. Any hotel or motel;
  - 6. Any public park;
  - 7. Any cemetery;
  - 8. Any hospital;
  - 9. Any nursing home;
  - 10. Any youth facility;
  - 11. Another adult establishment.

In addition, an adult establishment shall be located only within that area beginning at the intersection of 630th Street and Elm Street, thence east along 630th Street a distance of 150 feet, thence north on a line parallel with Elm Street a distance of 150 feet, thence west on a line parallel to 630th Street a distance of 150 feet to Elm Street, thence south along Elm Street to the point of beginning.

- C. Adult Establishment signs shall be generic in nature and shall only identify the type of business which is being conducted. Signs shall not be pictorial.
- D. Each Adult Establishment is a separate use and no two Adult Establishments shall be located in the same building or upon the same property.
- E. Adult Establishments shall be prohibited in establishments where liquor is served.



- F. Adult Establishments shall be prohibited at any place or event where minors are permitted.

**Subd. 4. Hours of Operation.** An Adult Establishment may not be open between the hours of 10:00 p.m. and 9:00 a.m.

**Subd. 5. Additional Adult Cabaret Regulations.**

- A. No person, firm, partnership, corporation, or other entity shall advertise, or cause to be advertised, an adult cabaret without a valid adult establishment license.
- B. An adult cabaret licensee shall maintain and retain for a period of two (2) years the names, addresses, and ages of all persons engaged, hired, or employed as dancers or performers by the licensee.
- C. An adult cabaret shall be prohibited in establishments where liquor is served.
- D. No owner, operator, or manager of an adult cabaret shall permit or allow any dancer or other live entertainer to perform nude.
- E. No dancer, live entertainer, performer, patron, or other person shall be nude in an adult cabaret.
- F. No dancer, live entertainer, or performer shall be under 18 years old.
- G. All dancing shall occur on a platform intended for that purpose which is raised at least two (2) feet from the level of the floor.
- H. No dancer or performer shall perform or dance closer than ten (10) feet to any patron.
- I. No dancer or performer shall fondle or caress any patron and no patron shall fondle or caress any dancer or performer.
- J. No patron shall directly payor give any gratuity to any dancer or performer.
- K. No dancer or performer shall solicit any payor gratuity from any patron.
- L. No person under the age of eighteen (18) years shall be admitted to an adult cabaret.

### **Subd. 6. License Requirements.**

- A. No person shall own or operate an adult establishment without having first secured a license.
- B. Application. The application for an adult establishment license shall include:
  - a. If the applicant is an individual, the name, residence, phone number, and birth date of the applicant. If the applicant is a partnership, the name, residence, phone number, and birth date of each general and limited partner. If the applicant is a corporation, the names, residences, phone numbers, and birth dates of all those persons holding more than five percent (5%) of the issued and outstanding stock of the corporation.
  - b. The name, address, phone number, and birth date of the operator and manager of such operation, if different from the owners.
  - c. The address and legal description of the premises where the adult establishment is to be located.
  - d. A statement detailing any gross misdemeanor or felony convictions relating to sex offenses, obscenity, or the operation of an adult establishment or adult business by the applicant, operator, or manager and whether or not the applicant, operator, or manager has ever applied for or held a license to operate a similar type of business in other communities. In the case of a corporation, a statement detailing any felony convictions by the owners of more than five percent (5%) of the issued and outstanding stock of the corporation, and whether or not those owners have ever applied for or held a license to operate a similar type of business in other communities.
  - e. The activities and types of business to be conducted.
  - f. The hours of operation.
  - g. The provisions made to restrict access by minors.
  - h. A building plan of the premises detailing all internal operations and activities, and detailing all entrances and exits to the building, including the main entrance.
  - i. Expiration of License. All licenses shall expire on December 31 of the year in which it is issued.

C. License Fees:

- a. Each application for a license shall be submitted to the City Clerk. Each application for a license shall be accompanied by payment in full of the required fee for the license.
- b. Each license shall be issued for a period of one (1) year, except that if a portion of the license year has elapsed when the application is made, a license may be issued only for the remainder of the year.
- c. The annual fee for an adult establishment license shall be \$1,000.00.

D. Granting of License.

- a. The City shall investigate all facts set out in the application and hold a public hearing within thirty (30) days after the City Clerk receives the application. Opportunity shall be given to any person to be heard for or against the granting of the license.
- b. After such investigation and administrative hearing, the City Council shall grant or refuse the application. The City Council shall grant or refuse the application thirty (30) days after the public hearing has closed.
- c. Each license may be issued to the applicant only and shall not be transferable to another holder. Each license shall be issued only for the premises described in the application. No license may be transferred to another premises without the approval of the City Council.

E. Persons Ineligible for License. No license shall be granted to or held by any person:

- a. Under twenty-one (21) years of age.
- b. Who is overdue or whose spouse is overdue in payments to the city, county, state, or federal government of taxes, fees, fines, penalties, charges or liens for municipal services and utilities assessed against them or imposed upon them.
- c. Who has been convicted or whose spouse has been convicted of a gross misdemeanor or felony or of violating any law of this state or local ordinance relating to sex offenses, obscenity offenses or adult establishments.
- d. Who is not the proprietor of the establishment for which the license is issued or for which application is made.

- e. Who is residing with a person who has been denied a license by the city or any other Minnesota municipal corporation to operate an adult establishment, or residing with a person whose license to operate an adult establishment has been suspended or revoked within the preceding twelve (12) months.

F. Places ineligible for License.

- a. No license shall be granted for adult establishments on any premises where a licensee has violated this Ordinance, or where any license hereunder has been revoked for cause, until one (1) year has elapsed after such violation or revocation, whichever later occurs.
- b. No license shall be granted for any adult establishment which is not in compliance with the city's zoning regulations, fire, building and health and safety codes and all provisions of federal, state, and municipal law.

G. Conditions of License:

- a. All licensed premises shall *have* the license posted in a conspicuous place at all times.
- b. No minor shall be permitted on the licensed premises.
- c. Any designated inspection officer of the city or peace officer shall have the right to enter, inspect, and search the premises of a licensee during business hours.
- d. No adult goods or material services shall be offered, sold, transferred, conveyed, given displayed, or bartered to any minor.
- e. In granting a license for an adult establishment, the City Council may impose additional conditions to protect the best interests of the surrounding area or the city as a whole.
- f. The licensee must keep itemized written records of all transactions involving the sale or rental of all items or merchandise for at least one (1) year after the transaction. At a minimum, those records must contain a description of the transaction, the date of the transaction, the purchase price or rental price, and a detailed description of the item or merchandise that is being purchased or rented. This information must be provided to the city upon request.
- g. The licensee must cover or otherwise arrange all windows, doors, and apertures to prevent any person outside the licensed premises from

viewing any items or merchandise inside the premises depicting specified sexual activities or specified anatomical areas.

H. Penalty:

- a. Any violation of this Ordinance shall be a basis for the suspension or revocation of any license granted hereunder. In the event that the City Council proposes to revoke or suspend the license, the licensee shall be notified in writing of the basis for such proposed revocation or suspension. The City Council shall hold a public hearing for the purpose of determining whether to revoke or suspend the license, which public hearing shall be within forty-five (45) days of the date of the notice. The City Council shall determine whether to suspend or revoke the license within forty-five (45) days after the close of the hearing and shall notify the licensee of its decision within that forty-five (45) day period.
- b. Any person violating any provision of this Ordinance is guilty of a misdemeanor and upon conviction shall be punished by not more than the maximum penalty of a misdemeanor as prescribed by state law.

- I. Right of Appeal. Any applicant whose application for an adult establishment license is denied, or any licensee whose license is revoked or suspended, may appeal such denial, revocation, or suspension to a court of competent jurisdiction within thirty (30) days after the denial, revocation, or suspension of such license.

**Subd. 7. Separability.**

- A. If any section, subsection, sentence, clause, phrase or a portion of this ordinance is for any reason held invalid or unconstitutional by any Court of competent jurisdiction, such portion shall be deemed a separate portion and its invalidity shall not affect the remainder hereof.

**SEC. 6.80 WAS AMENDED AND ADOPTED BY THE CITY COUNCIL ON MARCH 9, 2004.**

(Sections 6.81 through 6.98, inclusive, reserved for future expansion.)

**SEC. 6.99. VIOLATION A MISDEMEANOR.**

Every person who violates a section, subdivision, paragraph or provision of this Chapter when he performs an act thereby prohibited or declared unlawful, or fails to act when such failure is thereby prohibited or declared unlawful, and upon conviction thereof, shall be punished as for a misdemeanor except as otherwise stated in specific provisions hereof.