ORDINANCE NO. 5443

AN ORDINANCE TO PROVIDE FOR ADMINISTRATIVE APPROVAL OF CERTAIN BUSINESS LICENSES BY AMENDING VARIOUS SECTIONS OF TITLE 5 OF THE RAPID CITY MUNICIPAL CODE

WHEREAS, the City of Rapid City has adopted ordinances requiring business licenses for certain businesses or enterprises; and

WHEREAS, the ordinances currently require approval of the Common Council of the City of Rapid City before a business license is issued; and

WHEREAS the Common Council of the City of Rapid City, in the interests of economy and efficiency, desires to delegate the authority to approve certain business licenses to various city departments; and

WHEREAS, the Common Council of the City of Rapid City finds that it is in the best interests of the City to adopt the Legal Finance Committee's recommendation by amending Title 5 of the Rapid City Municipal Code.

NOW THEREFORE, BE IT ORDAINED by the City of Rapid City that Section 5.04.550 be added to Chapter 5.04 of the Rapid City Municipal Code, which Section shall read as follows:

5.04.055 Appeal.

<u>Unless an appeal process is otherwise provided, if the licensing authority does not approve</u> the application, the applicant may appeal the licensing authority's denial, cancelation or revocation to the Common Council within fifteen days after notice of the denial is sent by first class mail to the applicant at the address provided on the application.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.20.020 of the Rapid City Municipal Code is hereby amended to read as follows:

5.20.020 Compliance with provisions required–Authority to conduct–Application.

No bingo game or lottery exempt from the general prohibition of gambling in the state pursuant to SDCL § 22-25-25 may be conducted within the city unless the provisions of this chapter have been fully complied with and the Common Council authorizes or fails to object to the Finance Officer or his designee has issued a license to conduct of any such bingo game or lottery. Any organization applying for authorization to conduct a bingo game or lottery within the city shall provide 30-days written notice of intent to the office of the City Attorney Finance Office pursuant to SDCL § 22-25-25(6), together with the following information:

A. The full legal name of the organization and place and date of incorporation or formation;

B. The authority and office held by the person applying on behalf of the organization;

C. Mailing address of the organization and its principal place of business for the preceding 3 years;

D. The class of exemption describing the organization as follows:

- 1. Veterans;
- 2. Religious;
- 3. Charitable;
- 4. Educational;
- 5. Fraternal;
- 6. Local civic or service club;
- 7. Political party;
- 8. Volunteer fire department; and
- 9. Political committee.

E. A statement of facts which establish that the applicant is an organization of the class indicated in subsection D. of this section, together with copies of applicable charters or other documents showing the bona fide nature of the organization and operation of the applicant;

F. A description of the educational, charitable, patriotic, religious or other public spirited uses for which the entire net proceeds of any bingo game or lottery will be devoted;

G. The place(s) or location(s) the organization intends to conduct any bingo game or lottery;

H. A statement of the date(s) and time(s) the organization intends to conduct any bingo game or lottery at each of the location(s) stated in subsection G. of this section;

I. A list of all persons who shall conduct any bingo game or lottery or assist therein on behalf of the organization;

J. A complete itemization of all intended compensation for any and all services rendered in connection with the conduct of any bingo game or in consideration of any lottery, except for bingo games and lotteries conducted in connection with county and state fairs or civic celebrations pursuant to SDCL § 22-25-25(4);

K. Certification, under oath by an authorized officer, director or agent of the organization, that the proceeds from any bingo game or lottery shall not inure to the benefit of any individual other than as provided by SDCL § 22-25-25(4) for compensation for services rendered;

L. Certification under oath by an authorized officer, director or agent of the organization of any of the following conditions shall exempt the organization from compliance with the additional requirements contained in subsections M. through P. of this section:

1. That the organization will not conduct more than 2 bingo sessions and/or lotteries within 1 year of authorization;

2. That the aggregate of the proceeds from more than 2 bingo sessions and/or lotteries conducted by the organization within 1 year of authorization will not exceed \$75,000; or

3. That conduct of any bingo game or lottery at location(s) off the premises of the principal place of business of the applicant organization, or at a separate eligible organization, will meet the conditions set forth in subsection L.1. or 2. of this section;

M. A complete itemization of intended prizes, the value thereof, and the manner and time of award;

N. Each person listed in subsection I. of this section shall submit additional information as the Rapid City Police Department may reasonably request with respect to their identity and personal history, together with fingerprints and a recent photograph meeting police specification;

O. The method of bookkeeping shall be described and the books shall be intended to accurately and fairly reflect each day's transactions including, but not limited to handling of lottery tickets or pull tabs at off-premises locations, expenses and all other transactions involving bingo or lottery funds necessary so as to permit preparation of daily financial statements in conformity with generally accepted accounting principles and to maintain daily accountability. In the event the common Council authorizes an organization to conduct any bingo game or lottery, the organization shall provide monthly written reports to the city's Finance Officer no later than the fifteenth day of each month for the preceding month's operation. The reports shall indicate monthly gross proceeds, prizes paid, expenses incurred and total net profit. An annual report shall also be provided no later than April 1 indicating specifically the amounts, place(s) and purpose(s) of each and every disbursement of every manner of the gross proceeds, net proceeds, expenses and profits for the preceding 12 months of operation;

P. 1. A copy of any off-premises lease, rental or other contract between any other organization or establishment and the applicant organization shall be submitted for off-premises pull tab sales which lease, rental or other compensation shall not exceed \$150 per month per location.

2. The place(s) or location(s) identified in subsection G. of this section for any offpremises pull tab sales not exempt pursuant to subsection L. of this section, shall be limited to establishments having an on-sale liquor license, not to exceed 2 such locations at the same time within the city. The conduct of any pull tab sales at such an on-sale liquor establishment shall be clearly designated to customers by signage as to the identification of the organization conducting the lottery.

3. With respect to such locations, any pull tab sales conducted thereon shall be at times to coincide with the hours that alcoholic beverages may be dispensed in accordance with applicable law.

4. Any person engaged in conducting such an off-premises pull tab sale shall be 21 years of age or older and shall be required to wear a photo-identification badge or card conspicuously displayed on his or her person at all times while conducting the off-premises pull tab sale or assisting therein on behalf of the organization. The badge or card shall meet police specifications and shall be obtained at the organization's expense. No person conducting such an off-premises pull tab sale shall consume alcoholic beverages while so engaged, nor shall the person allow any other person under 21 years of age to purchase pull tabs.

5. The organization conducting the off-premises application for authority as of June 1, 1989.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.20.030 of the Rapid City Municipal Code is hereby amended to read as follows:

5.20.030 Authority to conduct– Application– Determination.

The Common Council Finance Officer or his designee shall determine within 30 days of the written notice provided by Section 5.20.020 whether to authorize or object issue a license to the applicant authorizing the conduct of any bingo game or lottery by an organization within the city based upon the consideration of the information submitted in compliance with the provisions herein.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.20.040 of the Rapid City Municipal Code is hereby amended to read as follows:

5.20.040 Authority to conduct–Term– Revocation.

Authority granted to conduct any bingo game or lottery shall be for a period of 1 year unless earlier terminated or repealed as provided for herein. The Common Council Finance Officer or his designee shall have the power to cancel and revoke previous authorization to conduct any bingo game or lottery for failure of the applicant to comply with any city, state or federal ordinance, statute or regulation respecting the bingo game or lottery, or the manner of exercise thereof, or for other good cause after hearing upon notice to the organization. Upon conviction of any violation of any city, state or federal ordinance or statute by the organization relating to the conduct of any bingo game or lottery, the court in addition to other penalties imposed, may enter its judgment canceling or revoking the authority.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.20.050 of the Rapid City Municipal Code is hereby amended to read as follows:

5.20.050 Records-Inspection.

The organization shall make available on request to the Common Council, its agents or representatives, for examination to the Finance Officer or his designee upon request any and all books and records related to any transaction connected with the conduct of any bingo game or lottery.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.24.030 of the Rapid City Municipal Code is hereby amended to read as follows:

5.24.030 Permit–Fee–Terms.

Each person, firm, corporation or other entity operating a central station service shall, prior to the issuance of a permit therefor, pay to the city <u>Finance Office</u> the sum of \$50 as a fee for the issuance of the permit and make such application as is required by Chapter 5.04. The Finance Office will refer the application for a police alarm system to the Police Department and will refer the application for a fire alarm system to the Fire Department for approval. The permit shall lapse and be of no further force and effect on December 31 of the year for which is issued.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.60.050 of the Rapid City Municipal Code is hereby amended to read as follows:

5.60.050 Application.

Every person desiring a license to operate a taxicab business in the city shall make application in writing to the Common Council <u>Finance Office</u> in the general form required for all applications for licenses and shall also give the following additional information:

- A. Previous experience in the business, if the applicant has not been licensed before; and
- B. Number of taxicabs to be operated.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.60.060 of the Rapid City Municipal Code is hereby amended to read as follows:

5.60.060 Issuance–Required findings.

The Common Council <u>Finance Officer or his designee</u> shall approve the issuance of a license applied for under this article, if it is satisfied that the applicant has met the following requirements:

A. That he or she is a fit person to engage in the business; and

B. That his or her vehicles and equipment are such as are consistent with the safety of the public.

BE IT FURTHER ORDAINED by the City of Rapid City that Section 5.60.090 of the Rapid City Municipal Code is hereby amended to read as follows:

5.60.090 Required.

No person shall drive, or be engaged or employed in the business of driving, upon the public streets of the city, any taxicab, without first having procured a license therefor from the City Auditor Finance Office.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer

(SEAL)

First Reading: Second Reading: Published: Effective: