

**CITY OF HOPKINS
COUNTY OF HENNEPIN**

ORDINANCE 2016-1118

**AN INTERIM ORDINANCE REGARDING THE REGULATION OF PAWNSHOPS,
CURRENCY EXCHANGES, AND COIN DEALERSHIPS WITHIN THE CITY OF
HOPKINS, ADOPTED PURSUANT TO MINN. STAT. §462.355, SUBD. 4**

**THE COUNCIL OF THE CITY OF HOPKINS HEREBY ORDAINS AS
FOLLOWS:**

Section 1. Authority and Findings.

- A. Minn. Stat. §462.355, Subd. 4, provides that if a municipality is conducting studies or has authorized a study to be conducted for the purpose of considering adoption or amendment of a comprehensive plan or official control, the City Council may adopt an interim ordinance for the purpose of protecting the planning process and the health, safety and welfare of its citizens. An interim ordinance may regulate, restrict or prohibit any use, development or subdivision within the City for a period not to exceed one year from the effective date of the interim ordinance.
- B. The Metropolitan Council is currently in the process of extending light rail service through the City via the METRO Green Line. Engineering has commenced on the project and heavy construction is scheduled to begin soon. Light rail stations will be constructed in and around various zoning districts within the City and a significant transformation of the Hopkins downtown area is expected as a result of these developments.
- C. The Hopkins City Code currently contains certain provisions regarding pawnshops, currency exchanges, and coin dealerships. The City Council believes that regulation of pawnshops, currency exchanges, and coin dealerships deserves careful reconsideration because of the extension of the METRO Green Line through the City. These industries have the potential for the presence of stolen goods, as well as the possibility of questionable lending practices. In addition, the City Council has concerns regarding the potential for these businesses to develop into nuisance properties and create problems for law enforcement. Moreover, the City Council is aware of various business practices associated with pawnshops, currency exchanges, and coin dealerships that can take advantage of individuals who are vulnerable.
- D. The City Council believes that authorizing a study regarding pawnshops, currency exchanges, and coin dealerships is necessary to reevaluate various regulatory options available to the City, including maintaining current regulations or enacting amended or additional official controls.
- E. The City Council believes an interim ordinance is necessary and prudent to complete the study, to give the Council sufficient time to evaluate various options for regulation, and to protect the planning process and the health, safety and welfare of Hopkins' citizens.

Section 2. Study. The City Council hereby authorizes a study of the issues relating to City regulation of pawnshops, currency exchanges, and coin dealerships including, but not limited to, a review of the following:

- A. Public health, safety, and welfare issues relating to pawnshops, currency exchanges, and coin dealerships with specific emphasis on risks associated with stolen goods and other criminal activity, demands placed on law enforcement, risks to vulnerable individuals, inappropriate or predatory lending activities, consumer protection issues, and the effect of these businesses on surrounding properties and neighborhood vitality.
- B. Whether a continuation of the current regulations regarding pawnshops, currency exchanges, and coin dealerships within Hopkins is appropriate.
- C. Whether it would be appropriate to make changes to the current restrictions as to specific zoning districts within the City and, if so, which ones.
- D. The experience of other cities that regulate these industries in a manner similar to Hopkins, or that have used different regulatory approaches.
- E. The experience and preference of law enforcement personnel regarding these industries.
- F. Consideration of any other potential amendments to the current regulatory scheme which may be appropriate for the City Code.

Section 3. Moratorium. The following are hereby enacted in accordance with the above findings and authority:

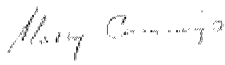
- A. No application for any permit, license or approval of any nature concerning a pawnshop shall be accepted by the City during the term of this interim ordinance. No additional review or other work on any previously accepted application concerning a pawnshop shall be conducted during the term of this interim ordinance. Previously received applications shall be withdrawn by the applicant or the application shall be acted upon by the City in accordance with this interim ordinance.
- B. No application for any permit or approval of any nature concerning currency exchanges shall be accepted by the City during the term of this interim ordinance. No additional review or other work on any previously accepted application concerning a currency exchange shall be conducted during the term of this interim ordinance. Previously received applications shall be withdrawn by the applicant or the application shall be acted upon by the City in accordance with this interim ordinance.
- C. Coin dealerships are no longer a permitted use in any of the City's zoning districts. This provision does not apply to coin dealerships that already exist and were appropriately licensed by the State of Minnesota on the date this ordinance takes effect.

Section 4. Enforcement. In addition to any criminal penalties allowed by law, the City may enforce this interim ordinance by injunction or any other appropriate civil remedy in any court of competent jurisdiction.

Section 5. Separability. Every section, subsection, provision or part of this interim ordinance is declared separable from every other section, subsection, provision or part. If any section, subsection, provision or part of this interim ordinance is adjudged to be invalid by a court of competent jurisdiction, such judgment shall not invalidate any other section, subsection, provision or part.

Section 6. Effective Date; Duration. This interim ordinance shall take effect immediately after its adoption and publication. It shall be effective as follows: (a) one year from the effective date of this ordinance, or (b) the date upon which Hopkins reaffirms, amends, or repeals its ordinances and official controls relating to pawnshops, currency exchanges, and coin dealerships. Amendments to ordinances or official controls relating to one or two of these industries but not the other(s) shall not affect this interim ordinance with respect to those other industries unrelated to such amendments.

First Reading:	December 20, 2016
Second Reading:	January 3, 2017
Publication Date:	January 12, 2017
Date Ordinance Takes Effect:	January 12, 2017

By: 
Molly Cummings, Mayor

ATTEST:


Amy Domeier, City Clerk

Section 1180 - Pawnshops

1180.01 Definitions: Subdivision 1. The following terms when used in this section shall have the following meanings unless the context clearly indicates otherwise:

Subd. 1. Issuing Authority: The City of Hopkins

Subd. 2. Pawnbroker: Any natural person, partnership or corporation, either as principal, or agent or employee thereof, who loans money on deposit or pledge of personal property, or other valuable thing, or who deals in the purchasing of personal property, or other valuable thing on condition of selling the same back again at a stipulated price, or who loans money secured by chattel mortgage on personal property, taking possession of the property or any part thereof so mortgaged. To the extent that a pawnbroker's business includes buying personal property previously used, rented or leased, or selling it on consignment, the provisions of this section shall be applicable.

Subd. 3. Pawnshop: Any business establishment used or operated by a pawnbroker.

Subd. 4. Reportable Transaction: Every transaction conducted by a pawnbroker in which merchandise is received through a pawn, purchase, consignment or trade, or in which a pawn is renewed, extended or redeemed, or for which a unique transaction number or identifier is generated by the point-of-sale software, is reportable except:

- a) The bulk purchase or consignment of new or used merchandise from a merchant, manufacturer or wholesaler having an established permanent place of business, and the retail sale of said merchandise provided the pawnbroker must maintain a record of such purchase or consignment which describes each item, and must mark each item in a manner which relates it to that transaction record.
- b) Retail and wholesale sales of merchandise originally received by pawn or purchase and for which all applicable hold and/or redemption periods have expired.

Subd. 5. Billable Transaction: Every reportable transaction conducted by a pawnbroker except renewals, redemptions or extensions of existing pawns on items previously reported and continuously in the licensee's possession is a billable transaction.

Subd. 6. Chief of Police or Police Officer: City of Hopkins Police Chief, police officer or designee.

Subd. 7. Minor: Any natural person under the age of eighteen (18) years.

Subd. 8. Licensee: The person to whom a license is issued under this Section including any agents or employees of the person.

1180.02 Location. No license will be issued to a location that is located less than 1000 feet from any adult business as regulated by section 1165 of this City Code, nor shall any license be issued to a location that is less than 350 feet from any off-sale liquor business. (Added by Ord. 2003-899)

1180.03 License Required. Subdivision 1. No person shall exercise, carry on, or be engaged in the trade or business of pawnbroker within the City unless such person is currently licensed under this Section.

Subd. 2. Application Content. Every application for a license under this Section shall be made on a form supplied by the City of Hopkins and be filed with the City Clerk. The application shall state whether the applicant is a natural person, corporation, partnership or other form of organization.

- 1) If the applicant is a natural person:
 - a) The name, place and date of birth, street resident address and phone number of the applicant.
 - b) Whether the applicant is a citizen of the United States or resident alien.
 - c) Whether the applicant has ever used or has been known by a name other than the applicant's name, and if so, the name or names used and information concerning dates and places used.
 - d) The name of the business if it is to be conducted under a designation, name, or style other than the name of the applicant and a certified copy of the certification as required by Minnesota Statutes, Section 333.01.
 - e) The street addresses at which the applicant has lived during the preceding five (5) years.
 - f) The type, name and location of every business or occupation in which the applicant has been engaged during the preceding five (5) years and the name(s) and address(es) of the applicant's employer(s) and partner(s), if any, for the preceding five (5) years.
 - g) Whether the applicant has ever been convicted of a felony, crime or violation of any ordinance other than a traffic ordinance. If so, the applicant must furnish information as to the time, place, and offense of all such convictions.
 - h) The physical description of the applicant
 - i) Applicant's current personal financial statement.
 - j) If the applicant does not manage the business, the name of the manager(s) or other person(s) in charge of the business and all information concerning each of them required in a) through h) of this Subdivision.
- 2) If applicant is a partnership:
 - a) The name(s) and address(es) of all general and limited partners and all information concerning each general partner required in Subdivision (1) of this section.
 - b) The name(s) of the managing partner(s) and the interest of each partner in the licensed business.
 - c) A true copy of the partnership agreement shall be submitted with the application. If the partnership is required to file a certificate as to a trade name pursuant to Minnesota Statutes, Section 333.01, a certified copy of such certificate must be attached to the application
 - d) If the applicant does not manage the business, the name of the manager(s) or other person(s) in charge of the business and all information concerning each of them required in a) through h) of Subdivision (1) of this section.

- 3) If applicant is a corporation or other organization:
 - a) The name of the corporation or business form, and if incorporated, the state of incorporation.
 - b) A true copy of the Certificate of Incorporation, Articles of Incorporation or Association Agreement, and By-laws shall be attached to the application. If the applicant is a foreign corporation, a Certificate of Authority as required in Minnesota Statutes, Section 303.06, shall be attached.
 - c) The name of the manager(s) or other person(s) in charge of the business and all information concerning each manager, proprietor, or agent required in a) through h) of Subdivision (1) of this section.
 - d) A list of all persons who control or own an interest in excess of five (5) percent in such organization or business form or who are officers of the corporation or business form and all information concerning said persons required in Subdivision (1) above.

- 4) For all applicants:
 - a) Whether the applicant holds a current pawnbroker license from any other governmental unit.
 - b) Whether the applicant has previously been denied, or had revoked or suspended a pawnbroker license from any other government unit.
 - c) The names, street resident addresses, and business addresses of three (3) character references, who are of good moral character and who are not related to the applicant or not holding any ownership in the premises or business.
 - d) The location of the business premises.
 - e) The legal description of the premises to be licensed, together with a plot plan of the area for which the license is sought showing dimensions, location of buildings, and street access parking facilities.
 - f) Such other information as the City Council or issuing authority may require.

Subd. 3. Application Execution. All applications for a license under this Section must be signed and sworn to under oath of affirmation by the applicant. If the application is that of a natural person, it must be signed and sworn to by such person; if that of a corporation, by an officer thereof; if that of a partnership, by one of the general partners; and if that of an unincorporated association, by the manager or managing officer thereof. If the applicant is a partnership, the application, license and bond shall be made and issued in the name of all partners.

Any false statement on an application shall result in denial of the application.

Subd. 4. Application Investigation. At the time of making an initial or renewal application, the applicant shall, in writing, authorize the Hopkins Police Department to investigate all facts set out in the application and do a personal background and criminal record check on the applicant. The applicant shall further authorize the Hopkins Police Department to release information received from such investigation to the City Council. The applicant shall have an opportunity to review such information before it is released to the City Council.

Subd. 5. New Manager. When a licensee places a manager in charge of a business, or if the named manager(s) in charge of a licensed business changes, the licensee must complete and submit the appropriate application on forms provided by the City within fourteen (14) days. The application must include all appropriate information required in Subdivision 3 of this Section.

1180.05 Vote Required. After such investigation, the City Council shall grant or refuse the applicant.

1180.07 Restrictions Regarding License Transfer. Subdivision 1. Each license under this Section shall be issued to the applicant only and shall not be transferable, except as allowed in the following statements regarding corporations, partnerships, or associations:

- a) Licenses issued to corporations shall be valid only so long as there is no change in the officers or ownership interest of the corporation unless such change is approved by the Council, in which event said license shall continue in force until the end of the then current license year.
- b) Licenses issued to partnerships or associations shall be valid only so long as there is no change in the partnership or association agreement or in the ownership of said partnership or association unless such change is approved by the Council, in which event said license shall continue in force until the end of the then current license year.
- c) Corporation, partnerships or associations shall submit written notice to the Clerk of any such changes described herein on or before sixty (60) days prior to the effective date of any such change and pay a fee required for an amendment to the license. In the case of a corporation, the licensee shall submit written notice to the Clerk when a person not listed in the initial application will be acquiring an interest and shall give all information about said person as is required of a person pursuant to the provisions of this Section.

Subd. 2. Each license shall be issued only for the premises described in the application and shall not be transferable to a different location. No licensee shall loan, sell, give, or assign a license to another person.

1180.09. Expiration of License. All licenses shall expire as of midnight on July 30th of the year of issuance.

1180.11. Renewal Application. Applications for renewal of an existing license shall be made to the City Clerk at least ninety (90) days prior to the expiration date of the license and shall be made on such forms as the City requires. The application shall state that the information in the prior application remains true and correct, except as otherwise indicated. The City will mail application forms to existing licensees approximately one hundred twenty (120) days prior to expiration of the licenses. If, in the judgment of the Council, good and sufficient cause is shown by any applicant for failure to file for a renewal within the time period provided, the Council may, if the other provisions of this Section are complied with, grant the application.

1180.13 Persons Ineligible for a License. No license under this Section shall be issued if the applicant, any general partner or managing partner of a partnership, or a manager, proprietor, or agent in charge of a corporation or other organization:

- a) Is a minor at the time the application is filed;
- b) Has been convicted of any crime directly related to the occupation licensed as prescribed by Minnesota Statute 364.03, Subd. 2, and has not shown competent evidence of sufficient rehabilitation and present fitness to perform the duties of a pawnbroker as prescribed by Minnesota Statutes 364.03, Subd.3.
- c) Is not a citizen of the United States or a resident alien;
- d) Holds an intoxicating liquor license under Chapter XII of this Code; or
- e) In the judgment of the Council, is not the real party in interest or beneficial owner of the business operated, or to be operated, under the license.

1180.15 Fees. Subdivision 1. The Hopkins City Council shall, by resolution, set the annual license fee, investigation fee, billable transaction fee and fee for an amendment to the license for pawnshops.

Subd. 2. License Fee: The annual license fee shall be paid in full before the application for a license is accepted. Upon rejection of any application for a license or upon withdrawal of an application before approval of the issuance by the Council, only the license fee shall be refunded to the applicant except where rejection is for a willful statement in the license application.

Subd. 3. Investigation Fee: An applicant for any license under this Section shall pay the City of Hopkins at the time an original application is submitted, a nonrefundable fee to cover the costs involved in verifying the license application and to cover the expense of any investigation needed to assure compliance with this Section.

Subd. 4. Billable Transaction Fee: The billable transaction fee shall reflect the cost of processing transactions and other related regulatory expenses as determined by the City Council. Billable transaction fees shall be billed monthly and are due and payable within thirty (30) days. Failure to do so is a violation of this Section.

Subd. 5. Renewal Fee: The annual license fee for renewal of a license shall be paid in full at the time the renewal application is filed with the Clerk.

1180.17 Bond Required. At the time of filing an application for a license, the applicant shall file a bond in the amount of five thousand dollars (\$5,000) with the City Clerk. The bond, with a duly licensed surety company as surety thereon, must be approved as to form by the City Attorney. Said bond must be conditioned that the licensee shall observe the ordinances of the city, in relation to the business of pawnbroker, and that the licensee will account for and deliver to any person legally entitled thereto any articles which may have come into the possession of the licensee as pawnbroker or in lieu thereof such licensee shall pay the person or persons the reasonable value thereof. This bond shall contain a provision that no bond may be canceled except upon thirty (30) days written notice to the city.

1180.19. Records Required. At the time of any reportable transaction other than renewals, extensions or redemptions, every licensee must immediately record in English the following information by using ink or other indelible medium on forms or in a computerized record approved by the police department:

- 1) A complete and accurate description of each item including, but not limited to, any trademark, identification number, serial number, model number, brand name, or other identifying mark on such an item.
- 2) The purchase price, amount of money loaned upon, or pledged therefore.
- 3) The maturity date of the transaction and the amount due, including monthly and annual interest rates and all pawn fees and charges.
- 4) Date, time and place the item of property was received by the licensee, and the unique alpha and/or numeric transaction identifier that distinguishes it from all other transactions in the licensee's records. The identifiers shall be consecutively numbered and for the purpose of the reporting requirements shall include any identifiers that may have been voided.
- 5) Full name, current residence address, current residence telephone number, date of birth and accurate description of the person from whom the item of property was received, including: sex, height, weight, race, color of eyes and color of hair.
- 6) The identification number and state of issue from any of the following forms of identification of the seller:
 - a) Current valid Minnesota driver's license.
 - b) Current valid Minnesota identification card.
 - c) Current valid photo identification issued by another state or province of Canada.
- 7) The signature of the person identified in the transaction.
- 8) Effective sixty (60) days from the date of notification by the police department of acceptable video standards, the licensee must also take a color photograph or color video recording of:
 - a) Each customer involved in a billable transaction.
 - b) Every item pawned or sold that does not have a unique serial or identification number permanently engraved or affixed.
 - c) If a photograph is taken, it must be at least two (2) inches in length by two (2) inches in width and must be maintained in such a manner that the photograph can be readily matched and correlated with all other records of the transaction so that they relate. Such photographs must be available to the Chief of Police, or the Chiefs designee, upon request. The major portion of the photograph must include an identifiable front facial close-up of the person who pawned or sold the item. Items photographed must be accurately depicted. The licensee must inform the person that he or she is being photographed by displaying a sign of sufficient size in a conspicuous place in the premises.
 - d) If a video photograph is taken, the video camera must zoom in on the person pawning or selling the item so as to include an identifiable close-up of that person's face. Items photographed by video must be accurately depicted. Video photographs must be electronically referenced by time and date so they can be readily matched and correlated with all other records of the transaction to which they relate. The licensee must inform the person that he or she is being videotaped orally and by displaying a sign of sufficient size in a conspicuous place on the premises. Licensee must keep the exposed videotape for three (3) months unless requested by the police department to keep the tape longer.

- 9) Digitized photographs. Effective sixty (60) days from the date of notification by the Police department, licensees must fulfill the color photograph requirements in Subd. 14, #8 by submitting them as digital images, in a format specified by the police department, electronically cross-referenced to the reportable transaction they are associated with. Notwithstanding the digital images may be captured from the required video recordings, this provision does not alter or amend the requirements in #8.
- 10) Renewals, extensions and redemptions. For renewals, extensions and redemptions, the licensee shall provide the original transaction identifier, the date of the current transaction, and the type of transaction.
- 11) Inspection of Records. The records must at all reasonable times be open to inspection by the Police Department. Data entries shall be retained for at least three (3) years from the date of transaction. Entries of required digital images shall be retained a minimum of three (3) months.

1180.21 Daily Reports to Police. Effective no later than sixty (60) days after the police department provides licensees with computerized records standards, licensees must submit every reportable transaction to the police department daily in the following manner:

- 1) Licensees must provide the police department all information required in Subd. 14 (1) through (6) and other required information, by transferring it from their computer to an automated pawn system via modem. All required records must be transmitted completely and accurately after the close of business each day in accordance with standards and procedures established by the City using procedures that address security concerns of the licensees and the City. The licensee must display a sign of sufficient size, in a conspicuous place on the premises, which informs all patrons that all transactions are reported to the Police Department daily.
- 2) Billable transaction fees. Licensees will be charged for each billable transaction reported to the Police Department.
- 3) If a licensee is unable to successfully transfer the required reports by modem, the licensee must provide the Police Department printed copies of all reportable transactions along with the videotape(s) for that date by 12:00 the next business day. If the problem is determined to be the licensee's system and is not corrected by the close of the first business day following the failure, the licensee must provide the required reports as provided for herein, but may be charged an additional fee as established by the City Council for each transaction submitted in this manner after the close of the first business day following the day of failure. If the problem is determined to be outside the licensee's system, the licensee must continue to provide the information as provided for herein and resubmit all such transactions via modem when the error is corrected, but shall not be subject to any additional charge.
- 4) If a licensee is unable to capture, digitize or transmit the photographs required in this subdivision, the licensee must immediately take all required photographs with a still camera, develop the pictures, cross-reference the photographs to the correct transaction, and make the pictures available to the Police Department upon request.
- 5) Regardless of the cause or origin of the technical problems that prevented the licensee from uploading their transactions, upon correction of the problem, the licensee shall upload every reportable transaction from every business day the problem had existed.
- 6) Notwithstanding any other provisions herein, the Police Chief, or the Chiefs designee, upon presentation of extenuating circumstances, may extend the period before any additional charges are imposed for the manual reporting of billable transactions.

1180.23 Receipt Required. Every licensee must provide a receipt to the party identified in every reportable transaction and must maintain a duplicate of that receipt for three (3) years. The receipt must include at least the following information:

- 1) The name, address and telephone number of the licensed business.
- 2) The date and time the item was received by the licensee.
- 3) Whether the item was pawned or sold, or the nature of the transaction.
- 4) An accurate description of each item received including, but not limited to, any trademark, identification number, serial number model number, brand name, or other identifying mark on such an item.
- 5) The signature or unique identifier of the licensee or employee that conducted the transaction.
- 6) The amount advanced or paid.
- 7) The monthly and annual interest rates, including all pawn fees and charges.
- 8) The last regular day of business by which the item must be redeemed by the pledger without risk that the item will be sold, and the amount necessary to redeem the pawned item on that date.
- 9) The full name, current residence address, current residence telephone number, and date of birth of the pledger or seller.
- 10) The identification number and state of issue from any of the following forms of identification of the seller:
 - a) Current valid Minnesota driver's license.
 - b) Current valid Minnesota identification card.
 - c) Current valid photo identification card issued by another state or a province of Canada.
- 11) Description of the pledger or seller including height, weight, sex, race, color of eyes and color of hair.
- 12) The signature of the pledger or seller.
- 13) All printed statements as required by State Statute 325J.04, Subdivision 2, or any other applicable statutes.

1180.25 Redemption Period. Any person pledging, pawning, or depositing an item for security must have sixty (60) days from the day of that transaction or any renewal or extension, to redeem the item before it may be forfeited and sold. Licensees are prohibited from redeeming any item to anyone other than the person to whom the receipt was issued or, to any person identified in a written and notarized authorization to redeem the property identified in the receipt, or to a person identified in writing by the pledger at the time of the initial transaction and signed by the pledger, or with the approval of the Police Department. Written authorization for release of property to persons other than the original pledger must be maintained along with original transaction record. (Amended Ord. 2011-1043)

1180.27 Holding Period. Any item purchased or accepted in trade by a licensee must not be sold or otherwise transferred for thirty (30) days from the date of the transaction. (Amended Ord. 2011-1043)

1180.29 Police Order to Hold Property. Subdivision 1. Investigative Hold. Whenever law enforcement official from any agency notifies a licensee not to sell an item, the item must not be sold or removed from the premises. The investigative hold shall be confirmed in writing by the originating agency within seventy-two (72) hours and will remain in effect for fifteen (15) days from the date of initial notification, or until the investigative order is canceled, or until an order to hold/confiscate is issued, pursuant to #2 and #3 of this subdivision, whichever comes first.

Subd. 2. Order to Hold. Whenever the Chief of Police, or the Chiefs designee, notifies a licensee not to sell an item, the item must not be sold or removed from the licensed premises until authorized to be released by the Chief or the Chiefs designee. The order to hold shall expire ninety (90) days from the date it is placed unless the Chief of Police or the Chiefs designee determines the hold is still necessary and notifies the licensee in writing.

Subd. 3. Order to Confiscate. If an item is identified as stolen or evidence in a criminal case, the Chief or Chiefs designee may:

- a) Physically confiscate and remove it from the shop, pursuant to written order from the Chief or the Chiefs designee, or
- b) Place the item on hold or extend the hold as provided in #2 of this subdivision, and leave the item in the shop.

Subd. 4. When an item is confiscated, the person doing so shall provide identification upon request of the licensee, and shall provide the licensee the name and phone number of the confiscating agency and investigator, and the case number related to the confiscation.

Subd. 5. When an order to hold/confiscate is no longer necessary, the Chief of Police or Chiefs designee shall so notify the licensee.

1180.31 Inspection of Items. At all times during the term of the license, the licensee must allow the Chief of Police or the Chiefs designee(s) to enter without notice the premises where the licensed business is located during normal business hours, except in an emergency, for the purpose of inspecting such premises and inspecting the items, ware and merchandise, and records therein to verify compliance with this Section or other applicable laws.

1180.33 Label Required. Licensees must attach a label to every item at the time it is pawned, purchased or received in inventory from any reportable transaction. Permanently recorded on this label must be the number or name that identifies the transaction in the shop's records. The transaction date, the name of the item and the description or the model and serial number of the item as reported to the Police Department, whichever is applicable, and the date the item is out of pawn or can be sold, if applicable. Labels shall not be re-used.

1180.35 Prohibited Acts. Subdivision 1. No person under the age of eighteen (18) years may pawn or sell or attempt to pawn or sell goods with any licensee, nor may any licensee receive any goods from a person under the age of eighteen (18) years.

Subd. 2. No licensee shall receive any goods from a person of unsound mind or an intoxicated person.

Subd. 3. No licensee may receive any goods, unless the seller presents identification in the form specified in #6 of Subd. 14.

Subd. 4. No licensee may receive any item of property that possesses an altered or obliterated serial number or operation identification number or any item of property that has had its serial number removed.

Subd. 5. No person may pawn, pledge, sell, consign, leave, or deposit any article of property not their own; nor shall any person pawn, pledge, sell, consign, leave, or deposit the property of another, whether with permission or without; nor shall any person pawn, pledge, sell, consign, leave, or deposit any article of property in which another has a security interest; with any licensee.

Subd. 6. All customers of a pawnshop will give their current residence address and current residence telephone number as part of their transaction.

1180.37 License Requirements. Subdivision 1. Hours of Operation. No licensee shall keep the establishment open for the transaction of business on any day of the week before 7:00 AM or after 10:00 PM.

Subd. 2. License Display. A license issued under this ordinance must be posted in a conspicuous place on the premises for which it is issued. The license issued is only effective for the complete and contiguous space specified in the approved license application.

Subd. 3. Maintenance of Order. A licensee under this ordinance shall be responsible for the conduct of the business being operated and shall maintain conditions of order.

Subd. 4. Method of Payment. When a pawnbroker accepts an item for purchase or as security for a loan, payment for any article deposited, left, pledged or pawned shall be made only by a check, draft, or other negotiable or non-negotiable instrument or order of withdrawal which is drawn against funds held by a financial institution. The licensee may cash the check.

Subd. 5. Inspection by Claimed Owner. All goods, ware or merchandise coming into the possession of any licensee, under the terms thereof, shall at all times be open to inspection and right of examination of any person claiming to have been the owner thereof or claiming to have had any interest therein when such person is accompanied by a police officer.

Subd. 6. Sign. Licensee shall post an adequate sign visible to customers. For the purpose of this section, an "adequate" sign shall be deemed to mean at the least one sign of not less than four (4) square feet in surface area, comprised of lettering of not less than three-quarters (3/4) of an inch in height, posted in a conspicuous place on the licensed premises and stating substantially the following:

TO PAWN OR SELL PROPERTY:

YOU MUST BE AT LEAST 18 YEARS OF AGE

YOU MUST GIVE YOUR CURRENT RESIDENCE ADDRESS AND TELEPHONE NUMBER

YOU CANNOT PAWN ANY PROPERTY FOR ANOTHER PERSON

YOU MUST BE THE TRUE OWNER OF THE PROPERTY

THE PROPERTY MUST BE FREE OF ALL CLAIMS AND LIENS

YOU MUST PRESENT VALID PHOTO IDENTIFICATION

VIOLATION OF ANY OF THESE REQUIREMENTS IS A CRIME!

1180.39. Denial, Suspension or Revocation. Any license under this section may be denied, suspended or revoked for one or more of the following reasons:

- 1) The proposed use does not comply with the City of Hopkins zoning code.
- 2) The proposed use does not comply with any health, building, building maintenance or other provisions of state or local laws or ordinances.
- 3) The applicant or licensee has failed to comply with one or more provisions of this section.
- 4) The applicant is not a citizen of the United States or a resident alien, or upon whom it is impractical or impossible to conduct a background or financial investigation due to the unavailability of information.
- 5) Fraud, misrepresentation or bribery in securing or renewing a license.
- 6) Fraud, misrepresentation or false statements made in the application and investigation for, or in the course of, the applicant's business.
- 7) Violation within the preceding five (5) years, of any law relating to theft, damage or trespass to property, sale of a controlled substance, or operation of a business.
- 8) The owner of the premises licensed or to be licensed would not qualify for a license under the terms of this section.

1180.41 Hearing Required. Except in the case of a suspension pending a hearing on revocation, a revocation or suspension of a license by the City Council shall be preceded by a public hearing conducted in accordance with Minnesota Statute 15.0418 to 15.0426. The City Council may appoint a hearing examiner or may conduct a hearing itself. The hearing notice shall be given at least ten (10) days prior to the hearing, including notice of the time and place of the hearing, and shall state the nature of the charges against the licensee.

1180.43 Separability Should any subdivision, subsection, clause or other provision of this ordinance be declared by a court of competent jurisdiction to be invalid such decision shall not effect the validity of the ordinance as a whole or any part other than the part so declared invalid.

1180.45 Adoption of the Pawnbroker Regulation Act. To the extent the requirements of this ordinance are less restrictive than the provisions of the Pawnbroker Regulation Act, the regulatory provisions of said Act, codified in Minnesota State Statutes, are hereby adopted and incorporated herein and made part of this code as completely as if set out in full.

Amended in its entirety by Ordinance 2002-865

Amended by Ordinance 2011-1043