Checklist for Secondhand Goods Dealer License

1. Fill out the Business Information Form. (**Do this first.)**

2. If you haven't already done so, contact the MN Department of Revenue to register your business and obtain a tax ID number.

3. Read Crystal City Code Section 1175 (attached) regarding secondhand goods dealers.

4. If applicable, read Crystal City Code Section 1177 (attached) regarding pawnbrokers. If this applies to your business, a separate license application for pawnbrokers is required.

5. Complete the application and submit to the City Clerk. Include a site plan with the application (see Crystal City Code Section 1175.15 for details).

6. Pay the annual fees (place an "x" in the appropriate box):

   Investigation Fee:
   ☐ $500 if applicant has been a resident of Minnesota at least 10 years
   ☐ $1,000 if applicant has been a resident of Minnesota for less than 10 years

   Secondhand Goods Dealer Fee:
   ☐ $275 (pro-rated at $22.92/month) + $3,000 surety bond
   ☐ Multiple Sales Sites: $564 (pro-rated at $47/month) + $3,000 surety bond
   (a location where more than one secondhand goods dealer is engaged in business)

   Pawnbroker License Fee: (if applicable) – will require separate license application
   ☐ Initial License: $12,050 (pro-rated at $1,004.17/month) + $5,000 surety bond
   ☐ Renewal License: $6,000 (pro-rated at $500/month) + $5,000 surety bond

7. Submit Surety Bond (see amounts in #6 above)

8. The City Council must approve the license before it can be issued. Meetings are the first and third Tuesday of each month.

Mail the completed application and forms to:

City of Crystal
City Clerk
4141 Douglas Drive North
Crystal, MN 55422

APPLICATION FOR LICENSE

City of Crystal
4141 Douglas Drive N, Crystal, MN 55422
Telephone: (763) 531-1000 / Facsimile: (763) 531-1188
Deaf and hard of hearing callers may call Minnesota Relay at 711.

PLEASE PRINT CLEARLY

Applicant's Name:	Fee:* (0100-4105) (investigation fee: 0100-4605)	$ (including investigation fee)
Home Address:	Home Phone: ( )	
City/State/Zip:	Cell Phone: ( )	
Business Name:	Business Phone: ( )	
Doing Business As:	Fax Phone: ( )	
Business Address, including zip code:		
MN Tax ID #: **(NOTE: you must provide a copy of the confirmation letter from the State.)**	Federal Tax ID #:	
If a Minnesota Tax ID number is not required, please explain here and provide your social security number:		

I enclose the sum of _____ dollars to the City of Crystal as required by the Ordinances of said City and have complied with all the requirements of said Ordinances necessary for obtaining this License.

I hereby make application to **OPERATE AS A SECONDHAND GOODS DEALER** at the above business address for the period _____through December 31, 20_____, subject to all conditions and provisions of said Ordinance.

ADDITIONAL REQUIREMENTS

1. $3,000 Bond
2. Site plan drawn to scale, containing:
   a. legal description of the property upon which the proposed licensed premises is situated;
   b. a plot plan;
   c. exact location of licensed premises on the property, customer and employee parking areas, accesses onto the property, and entrances into the premises;
   d. location of and distance from the nearest church, school, hospital, and residence; and
   e. a floor plan of the licensed premises.
3. County license if dealing in precious metals and/or gems

The information in this Application For License is true and complete to the best of my knowledge.

_____ _____

Signature of Applicant ***Date***

*Fee: *If exempt, fill out Licensing Fee Exemption Form*
*Fee:**One sales site** = $275; pro-rated at $22.92/month ***OR*** **Multiple sales sites** = $564; pro-rated at $47/month ***PLUS*** **Investigation Fee** = $500/if MN resident for 10+ years or $1,000/if MN resident less than 10 years

APPLICATION FOR LICENSE INVOLVING PRIVATE OR CONFIDENTIAL INFORMATION
(Includes Tennessen Warning)

Under Minnesota law (M.S. 270.72), the agency issuing you this license is required to provide to the Minnesota Commissioner of Revenue your Minnesota business tax identification number or the Social Security number of each license applicant.

Under the Minnesota Government Data Practices Act and the Federal Privacy Act of 1974, we must advise you that:

- This information may be used to deny the issuance, renewal or transfer of your license if you owe the Minnesota Department of Revenue delinquent taxes, penalties, or interest;
- The licensing agency will supply this information only to the Minnesota Department of Revenue. However, under the Federal Exchange of Information Act, the Department of Revenue is allowed to supply this information to the Internal Revenue Service;
- Failure to supply this information may jeopardize or delay the issuance of your license or the processing of your renewal application.

City Use Only: JDE#_____ Date Entered: _____

PIMS ID#_____ Council Date: _____

Certificate of Compliance
Minnesota Workers' Compensation Law

THIS FORM MUST BE COMPLETED BY THE BUSINESS LICENSE APPLICANT

PRINT IN INK or TYPE.

Minnesota Statutes, Section 176.182 requires every state and local licensing agency to withhold the issuance or renewal of a license or permit to operate a business in Minnesota until the applicant presents acceptable evidence of compliance with the workers' compensation insurance coverage requirement of Minnesota Statutes, Chapter 176. If the required information is not provided or is falsely stated, it shall result in a $2,000 penalty assessed against the applicant by the commissioner of the Department of Labor and Industry.

A valid workers' compensation policy must be kept in effect at all times by employers as required by law.

LICENSE or CERTIFICATE NO (if applicable)	BUSINESS TELEPHONE NO.	FAX TELEPHONE NO.

BUSINESS NAME (Use the person(s) name if business structure is sole proprietor or partnership (i.e., John Doe, or John Doe and Jane Doe), otherwise it is the legal name of the business entity.)

DBA ("doing business as" or also known as an assumed name) (if applicable)

BUSINESS ADDRESS (must be physical street address, no PO boxes)	CITY	STATE	ZIP CODE

COUNTY	E-MAIL ADDRESS

YOUR LICENSE OR CERTIFICATE WILL NOT BE ISSUED WITHOUT THE FOLLOWING INFORMATION. *You must complete number 1 or 2 below.*

NUMBER 1 – Workers' compensation insurance policy information

INSURANCE COMPANY NAME (not the insurance agent)		NAIC Number
POLICY NO.	EFFECTIVE DATE	EXPIRATION DATE

NUMBER 2 – Reason for exemption from workers' compensation insurance

If you have questions regarding the need to obtain workers' compensation coverage, including exemptions, contact 651.284.5032 or 1-800-342-5354.

- ☐ I have no employees. (See Minn. Stat. § 176.011, subd. 9 for the definition of an employee.)
- ☐ I am self-insured for workers' compensation (attach a copy of the authorization to self-insure from the Minnesota Department of Commerce).
- ☐ I have employees but they are not covered by the workers' compensation law. (See Minn. Stat. § 176.041 for a list of excluded employees.) Explain why your employees are not covered: _____
- ☐ Other: _____

I certify that the information provided on this form is accurate and complete. If I am signing on behalf of a business, I certify that I am authorized to sign on behalf of the business.

PRINT NAME		
APPLICANT SIGNATURE (required)	**TITLE**	**DATE**

NOTE: You must notify us if there is any change to your Workers' Compensation Insurance Information or Employee Status Change by resubmitting this form. This material can be made available in different forms, such as large print, Braille or on a tape.

CITY of CRYSTAL

4141 Douglas Drive North • Crystal, Minnesota 55422-1696

Tel: (763) 531-1000 • Fax: (763) 531-1188 • www.crystalmn.gov

The following information is required per Crystal City Code Section 311.01, Subd. 3, which authorizes a Minnesota Computerized Criminal History background investigation for approval or denial of a city license or permit.

AUTHORIZATION AND RELEASE

The undersigned, having filed an application with the City of Crystal ("City") for a city license, does hereby authorize and request anyone having control of any documents or information pertaining to me to furnish copies of any such documents or information to representatives of the City, and to permit said representatives of the City to inspect and make copies of any such documents or information. I further authorize any such persons to answer any inquiries concerning the undersigned, which may be submitted to them by representatives of the City. I fully understand that the City may use this information in its evaluation of my city license application. I hereby release and exonerate any person who complies with this Authorization and Release from any and all liability pertaining to the furnishing or inspection of such documents or information.

Applicant's Signature:_____ Dated:_____, 20_____

PLEASE PRINT:

Applicant's Name:_____
First Middle Last Suffix

If known by previous name, provide:_____

Home Address:_____
City State Zip

Daytime Telephone Number: (_____)_____ Date of Birth:_____

Driver's License:_____
Number State Where Issued

Organization Associated With:_____

Type of City License Applied For:_____

I have lived in MN for _____ years. If less than 10 years, list previous addresses:

_____

_____

4141 Douglas Drive North • Crystal, Minnesota 55422-1696

Tel: (763) 531-1000 • Fax: (763) 531-1188 • www.crystalmn.gov

Certification of Financial Responsibility

This form must be completed and returned with a City license application.

To the best of my knowledge, based upon a review of the status of the property/business located in the City of Crystal at _____, I attest that the foregoing property/business is financially responsible as outlined in Crystal City Code 1005.29 (a), printed in full on the reverse of this form.

I hereby certify that I/we are current on the following financial obligations:

(Circle answers)

Yes	No	Property Taxes paid
Yes	No	Utility Bills paid
Yes	No	State Taxes paid
Yes	No	Federal Taxes paid
Yes	No	Other governmental obligations or claims concerning me or the business entity named on this license application

If "NO" is circled for any of the above, describe the payment plan or other agreement approved by the applicable governmental entity.

_____

_____

_____

_____

See entire Crystal City Code 1005.29 (a) on the reverse side of this form.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on:_____ (date)

_____ Print Name

_____ Signature

Note: Filing a false statement with a government agency is a criminal offense.

Staff use only:
__UB __PrevUB __UB Cert __Tax __PrevTax
Verified compliance _____<date>
Staff initials: _____

The City of Crystal has adopted the following ordinance:

Crystal City Code 1005.29 Financial responsibility; applicability. (a) Prior to the issuance of a license the applicant must file with the city clerk satisfactory evidence of financial responsibility. "Satisfactory evidence of financial responsibility" shall be shown by a certification under oath that the property taxes, public utility bills, and all state and federal taxes or other governmental obligations or claims concerning the business entity applying for the license are current, and that no notice of delinquency or default has been issued, or if any of the financial obligations stated in this subsection are delinquent or in default, that any such delinquency or default is subject to a payment plan or other agreement approved by the applicable governmental entity. "Satisfactory evidence of financial responsibility" as required by this subsection shall in addition be shown by any individual applicant and all individual owners and/or shareholders of the business entity. Operation of a business licensed under this section without having on-going evidence on file with the City of the financial responsibility required by this subsection is grounds for revocation or suspension of the license.

What does this mean for a City-issued business license?

Prior to issuance of a City-issued business license or renewal license, license holders are required to certify that the property taxes, utility bill, and all state and federal taxes for the property or the business entity applying are current. Also, the applicant must certify that no notice of delinquency or default has been issued or is subject to a payment plan.

What will happen if a license holder is not financially responsible?

A hearing is granted before the City Council. The Council may deny, suspend or revoke the City-issued business license. Upon providing satisfactory evidence of financial responsibility, the business owner may re-apply for the license.

PERSONAL STATEMENT

The application must be printed clearly. All questions must be answered, if applicable. If not, indicate with N/A. Incomplete and non-legible applications will not be considered. If the space provided is not sufficient, you may add information to additional sheets providing that you number the answers to correspond with the questions.

HISTORY

Full Name: _____
Last First Middle

List all other names you have used, including nicknames; if female, furnish maiden name. If you have ever legally changed your name, give date, place, and court.

_____

Birthdate: _____ Place of birth: _____

Are you a U.S Citizen? ☐ Yes ☐ No Naturalized? ☐ Yes ☐ No
Derivative? ☐ Yes ☐ No

Naturalization? _____
Place Date Court

Explain Derivative Citizenship: _____

_____

MARITAL STATUS

☐ Single ☐ Divorced ☐ Widowed ☐ Separated _____
Date

☐ Married _____
Give full name of spouse and include maiden name of wife, if applicable

Date of Marriage _____ Place of Marriage _____

RESIDENCES

Current Home Address _____
House Number Street Name

_____
City State Zip Code

Telephone Numbers _____ _____
(include area codes) Home Business

_____ _____
Cell Fax

List chronologically all your residences in the past 10 years:

Dates: From/To Street Address City State

_____

_____

_____

_____

EMPLOYMENT

List chronologically all employment in the past 10 years. If unemployed for a period of time, indicate by adding dates of unemployment.

Employer _____

Dates of employment _____ Salary $ _____
From To

Phone Number _____ Job Title _____

Reason for leaving _____

Major duties _____

Employer _____

Dates of employment _____ Salary $ _____
From To

Phone Number _____ Job Title _____

Reason for leaving _____

Major duties _____

Employer _____

Dates of employment _____ Salary $ _____
From To

Phone Number _____ Job Title _____

Reason for leaving _____

Major duties _____

EDUCATION

Have you graduated from high school or received a GED? ☐ Yes ☐ No

Name and location of College, University, Technical Trade School, or other	Number of credits completed *(Specify semester, quarter, or credit hours)*	Field of Study	Degree or certificate	Major/Minor

MILITARY RECORD

Have you ever served on active duty in the U. S. Armed Forces? ☐ Yes ☐ No

Branch of Military Service _____

Dates of Active Military Duty From: _____ To: _____

Date of Discharge _____

COURT

Have you ever been arrested or charged with a crime, other than a minor traffic offense? Include drunken driving offenses. List all such matters.

_____

_____

_____

Have you ever been denied a secondhand dealers or pawnbroker's license or had a license revoked by another community? If so, please state the date, location, and reason.

_____

_____

Have you ever filed bankruptcy? ☐ Yes ☐ No If yes, give date _____

REFERENCES

Give three references (not relatives) of those who have known you at least five years.

Complete Name _____

Home address _____

Business address _____

Telephone Number(s) _____

Number of years acquainted _____ Occupation _____

Complete Name _____

Home address _____

Business address _____

Telephone Number(s) _____

Number of years acquainted _____ Occupation _____

Complete Name _____

Home address _____

Business address _____

Telephone Number(s) _____

Number of years acquainted _____ Occupation _____

MISCELLANEOUS

Are you a licensed automobile operator? ☐ Yes ☐ No

Driver's License Number _____

Are you a registered voter? ☐ Yes ☐ No

If yes, which county are you registered in?_____

ASSETS

TYPE	*IN EVEN DOLLARS*
Cash on hand	
Marketable securities/stock & bonds	
Non-marketable securities	
Homestead	
Other real estate owned	
Mortgages, contracts, and notes owned	
Life insurance	
Automobiles & other motor vehicles	
Business interests	
Other personal property	
TOTAL ASSETS: $	

LIABILITIES

TYPE	*IN EVEN DOLLARS*
Notes payable to banks – secured	
Notes payable to banks – unsecured	
Amounts payable to others – secured	
Amounts payable to others – unsecured	
Mortgage on homestead	
Other real estate mortgages	
Unpaid income tax	
Other unpaid taxes and interest	
Accounts and bills payable monthly	
Other debts – itemize	
TOTAL LIABILITIES: $	**TOTAL ASSETS: $** ***(from chart above)***
TOTAL NET WORTH: $ ***(total assets minus total liabilities)***	

Do you have any contingent liabilities? ☐ Yes ☐ No

If yes, give details (include endorser, co-maker, guarantor, leases or contracts, legal claims, contested tax liens):

_____

_____

_____

ANNUAL SOURCE OF INCOME

TYPE	*IN EVEN DOLLARS*
Salary	
Bonus and commissions	
Dividends	
Real estate income	
Miscellaneous investment income	
Unemployment income	
Workers compensation	
Social security	
Veteran's benefits	
Pension	
Other income -- itemize	
TOTAL ANNUAL INCOME: $	

ESTIMATE OF ANNUAL EXPENSES

TYPE	*IN EVEN DOLLARS*
Income taxes	
Other taxes	
Insurance premiums	
Mortgage payments	
Rent on business property	
TOTAL ANNUAL EXPENSES: $	

In this secondhand goods and/or pawnbroker dealer's license investigation, the undersigned warrants that the above statements and information are furnished as a true and accurate statement of the financial condition of the undersigned.

_____ _____

Date of application Signature of applicant

Subscribed and sworn to before me this _____ day of _____, 20____.

_____

Notary Public

Section 1175 - Secondhand goods dealers: pawnbrokers
(Repealed, Ord. No. 2005-19, Sec. 1)
(Added, Ord. No. 2005-19, Sec. 2)

Section 1175-Secondhand goods dealers

1175.01. Definitions. For purposes of this section the terms defined in this subsection have the meanings given them.

Subd. 1. "Secondhand goods dealer" means a person whose regular business includes selling or receiving tangible personal property (excluding motor vehicles) previously used, rented, owned or leased.

1175.03. Exemptions. This section does not apply to or include the following:

a) The sale of secondhand goods where all of the following conditions are present:

1) the sale is held on property occupied as a dwelling by the seller, or owned, rented or leased by a charitable or political organization;

2) the items offered for sale are owned by the occupant;

3) the sale does not exceed a period of 72 consecutive hours;

4) not more than two sales are held either by the same person or on the same property in any 12 month period; and

5) none of the items offered for sale have been purchased for resale or received on consignment for purpose of resale.

b) sales by a person licensed under section 1110 as a motor vehicle dealer;

c) the sale of secondhand books or magazines;

d) the sale of goods at an auction held by a licensed auctioneer pursuant to section 1105;

e) the business of buying or selling only those secondhand goods taken as part or full payment for new goods, and where such business is incidental to and not the primary business of a person;

f) a bulk sale of property from a merchant, manufacturer or wholesaler having an established place of business or of goods sold at open sale from bankrupt stock;

g) goods sold at a public market;

h) goods sold at an exhibition;

i) the sale of secondhand clothing and personal clothing accessories including costume jewelry but excluding other jewelry; provided, however, that a license is required under subsection 1175.11 for which the annual fee is set by appendix IV; or

j) the sale of items that have been donated to the seller and not purchased or received on consignment for resale by the seller; provided, however, that a license is required under subsection 1175.11 for which the annual fee is set by appendix IV.

k) transactions involving coins, bullion, or ingots. (Amended Ord. 2011-12, Sec. 1)

1175.05. License required. Subdivision 1. Secondhand goods dealer. A person may not engage in the business of secondhand goods dealer without first obtaining a secondhand goods dealer license.

Subd. 2. Separate license required. A secondhand goods dealer may not conduct, operate or engage in the business of pawnbroker without having obtained a pawnbroker license as required by section 1177, in addition to a secondhand goods dealer license.

1175.07. Multiple dealers. Subdivision 1. Licenses. The owner of a business, at which two or more secondhand goods dealers are engaged in business by maintaining separate sales space and identifying themselves to the public as individual dealers, may obtain a multiple secondhand goods dealer license for that location. A multiple license may not be issued unless the following requirements are met:

a) the businesses must have a single name and address;

b) the businesses must operate in a compact and contiguous space;

c) the businesses must be under the unified control and supervision of the one person who holds the license; and

d) sales must be consummated at a central point or register operated by the owner of the business, and the owner must maintain a comprehensive account of all sales.

Subd. 2. Compliance. The holder of a secondhand goods dealer license under this section for a business with more than one dealer at the same location must comply with all of the requirements of this section, including the responsibility for police reporting and record keeping in the same manner as any other dealer licensed under this section. A dealer licensed under this subsection is responsible to its customers for stolen or misrepresented goods sold at its place of business in the same manner as any other dealer licensed under this section.

1175.09. License fee. Subdivision 1. Secondhand goods dealer. The annual license fee for a secondhand goods dealer, and a secondhand goods dealer also licensed as a pawnbroker, is set by appendix IV.

Subd. 2. Multiple sales. The annual license fee for a secondhand goods dealer for a location where more than one secondhand goods dealer is engaged in business, is set by appendix IV.

1175.11 Application required. Subdivision 1. Contents. An application form provided by the city clerk must be completed by every applicant for a new license or for renewal of an existing license. Every new applicant must provide all the following information: (Amended, Ord. No. 2012-01, Sec. 3)

a) If the applicant is a natural person:

1) The name, place and date of birth, street resident address, and phone number of applicant.

2) Whether the applicant is a citizen of the United States or resident alien.

3) 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.

4) 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 certificate as required by Minnesota Statutes, Section 333.01 as it may be amended.

5) The street address at which the applicant has lived during the preceding five years.

6) The type, name and location of every business or occupation in which the applicant has been engaged during the preceding five years and the name(s) and address(es) of the applicant's employer(s) and partner(s), if any, for the proceeding five years.

7) 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.

8) The physical description of the applicant.

9) Applicant's current personal financial statement and true copies of the applicant's federal and state tax returns for the two years prior to application.

10) 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 d) of subdivision 1 of subsection 1175.11.

b) If the applicant is a partnership:

1) 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.

2) The name(s) of the managing partner(s) and the interest of each partner in the licensed business.

3) 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, as it may be amended, a certified copy of such certificate must be attached to the application.

4) A true copy of the federal and state tax returns for partnership for the two years prior to application.

5) 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 d) of subdivision 1 of subsection 1175.11.

c) <u>If the applicant is a corporation or other organization</u>:

1) The name of the corporation or business form, and if incorporated, the state of incorporation.

2) 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 by Minnesota Statutes, section 303.06, as it may be amended, must be attached. Any proposed change in either the articles or the by-laws of the corporation must be reported to the city clerk 14 days prior to the date such change is to be adopted by the corporation. In the case of a corporate application the application must also describe fully the relationship of the corporation to any other corporation including the name, business address, state of incorporation, names of stockholders, directors and officers thereof as provided hereafter, but in the case of publicly held corporations the city manager may accept disclosure documents required by the Securities and Exchange Commission of the United States of America in lieu of such information.

3) 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 d) of subdivision 1 of subsection 1175.11.

4) A list of all persons who control or own an interest in excess of 5% 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. This subdivision c), however, shall not apply to a corporation whose stock is publicly traded on a stock exchange and is applying for a license to be owned and operated by it.

d) For all applicants:

1) Whether the applicant holds a business license from any other governmental unit.

2) Whether the applicant has previously been denied, or had revoked or suspended, a business license from any other governmental unit.

3) The location of the business premises.

4) If the applicant does not own the business premises, a true and complete copy of the executed lease.

5) The legal description of the premises to be licensed.

6) Whether all real estate and personal property taxes that are due and payable for the premises to be licensed have been paid, and if not paid, the years and amounts that are unpaid.

7) Whenever the application is for premises either planned or under construction or undergoing substantial alteration, the application must be accompanied by a set of preliminary plans showing the design of the proposed premises to be licensed.

8) Such other information as the city council or issuing authority may require.

Subd. 2. 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 within 14 days. The application must include all appropriate information required in this section. (Amended, Ord. No. 2012-01, Sec. 3)

Upon completion of an investigation of a new manager, the licensee must pay an amount equal to the cost of the investigation to assure compliance with this chapter. If the investigation process is conducted solely within the state of Minnesota, the fee shall be $500.00. If the investigation is conducted outside the state of Minnesota, the issuing authority may recover the actual investigation costs not exceeding $10,000.00.

Subd. 3. Application execution. All applications for a license under this chapter must be signed and certified by the applicant. If the application is that of a natural person, it must be signed and certified 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. (Added, Ord. No. 2012-01, Sec.3)

Subd. 4. Financial responsibility. Prior to the issuance of a license the applicant must file with the city clerk satisfactory evidence of financial responsibility. "Satisfactory evidence of financial responsibility" shall be shown by a certification under oath that the property taxes, public utility bills, and all state and federal taxes or other governmental obligations or claims concerning the business entity applying for the license are current, and that no notice of delinquency or default has been issued, or if any of the financial obligations stated in this subsection are delinquent or in default, that any such delinquency or default is subject to a payment plan or other agreement approved by the applicable governmental entity. "Satisfactory evidence of financial responsibility" as required by this subsection shall in addition be shown by any individual applicant and all individual owners and/or shareholders of the business entity. Operation of a business licensed under this section without having on-going evidence on file with the city of the financial responsibility required by this subdivision is grounds for revocation or suspension of the license. (Added, Ord. No. 2012-01, Sec.3)

Subd. 5. Fees. The application must be accompanied by the required license fee. The fee will be returned to the applicant if the application is rejected. (Amended, Ord. No. 2012-01, Sec.3)

Subd. 6. False statements. It is unlawful to knowingly make a false statement in the license application. In addition to all other penalties, the license may be subsequently revoked by the city council for a violation of this subsection. (Amended, Ord. No. 2012-01, Sec.3)

1175.13. Bond. A secondhand goods dealer license will not be issued unless the applicant files with the city clerk a bond with corporate surety, cash, or a United States government bond in the amount of $3,000. The bond must be conditioned on the licensee obeying the laws and ordinances governing the licensed business and paying all fees, taxes, penalties and other charges associated with the business. The bond must provide that it is forfeited to the city upon a violation of law or ordinance.

1175.15. Site plan. The application for a secondhand goods dealer license must be accompanied by a site plan drawn to scale. The site plan must contain:

a) a legal description of the property upon which the proposed licensed premises is situated;

b) a plot plan;

c) the exact location of the licensed premises on the property, customer and employee parking areas, accesses onto the property, and entrances into the premises;

d) the location of and distance from the nearest church, school, hospital, and residence; and

e) a floor plan of the licensed premises.

1175.17. Investigations. Subdivision 1. Duties of chief of police. A new or renewal application for a license as a secondhand goods dealer will be referred to the chief of police for a CCH Investigation as authorized by section 311 of the city code, of each individual. Every individual or person having any beneficial interest in the license must be so investigated. The chief must make necessary inquiry and list all violations of federal and state law or municipal ordinance including verified complaints that occurred at the establishment being investigated while under the same ownership. The chief must report the findings and comments to the manager who must order or conduct such additional investigations as the manager deems necessary or as the council directs. (Amended, Ord. No. 2007-11, Sec. 4, Amended, Ord. No. 2012-01, Sec. 4)

Subd. 2. Fee. The fee charged by the city to an applicant for the costs of investigation is set by appendix IV. The applicant will be notified of the investigation fee prior to the city council's final action on the license application. The investigation fee is payable upon terms established by the city clerk.

1175.19. Granting of license. After review of the license application, investigation report and public hearing if required, the city council may grant or refuse the application for a new or renewed secondhand goods dealer license. A license will not be effective unless the application fee and bond have been filed with the city clerk.

1175.21. Persons ineligible for license. A secondhand goods dealer license will not be issued to:

a) a person not a citizen of the United States or a resident alien;

b) a person under 18 years of age;

c) subject to the provisions of law, a person who within five years of the license application date has been convicted of receiving stolen property, sale of stolen property or controlled substance, burglary, robbery, damage or trespass to property, or any law or ordinance; regulating the business of pawnbroker or secondhand goods dealer;

d) a person who within five years of the license application date had a pawnbroker or secondhand goods dealer license revoked;

e) a person whom the city council determines not to be of sufficient good moral character and repute; or

f) when the city council determines, after investigation and public hearing, if required, that issuance or renewal of the license would adversely affect the public health, safety or welfare.

1175.23. Places ineligible for license. A license will not be issued or renewed under this section for any place or for any business:

a) if taxes, assessments or other financial claims of the city or the state of Minnesota on the licensee's business premises are delinquent and unpaid;

b) if the premises is located within 300 feet of a school or church;

c) where operation of a licensed premises would violate zoning ordinances; or

d) where the applicant's present license was issued conditioned upon the applicant making specified improvements to the licensed premises or the property of the licensed premises which improvements have not been completed.

1175.25. Conditional licenses. The council may grant an application for a new or renewed secondhand goods dealer license conditioned upon the applicant making reasonable improvements to the proposed business premises or the property upon which the business premises is situated. The council, in granting a conditional license, will specify when the modifications must be completed. Failure to comply with the conditions of the license is grounds for the city council to refuse to renew the license.

1175.27. License limitations. A license will be issued to the applicant only and only for the business premises as described in the application. The license is effective only for the premises specified in the approved license application.

1175.29. Term; expiration; pro rata fee. The license is issued for a period of one year beginning on January 1 except that if the application is made during the license year a license may be issued for the remainder of the licensed year for a monthly pro rata fee. An unexpired fraction of a month will be counted as a complete month. The license expires on December 31.

1175.31. Refunds. The city clerk will refund a pro rata share of the license fee for a license to the licensee or the licensee's estate if:

a) the business ceases to operate because of destruction or damage;

b) the licensee dies;

c) the business ceases to be lawful for a reason other than a license revocation; or

d) the licensee ceases to carry on the licensed business under the license.

1175.33. Death of licensee. In the case of the death of a licensee the personal representative of the licensee may continue operation of the business for not more than 90 days after the licensee's death.

1175.35. Records.

a) Requirements for preparation of reports by licensed secondhand goods dealers. A licensed secondhand goods dealer, at the time of receipt of an item, must immediately record, in ink or other indelible medium in a book or word processing unit, the following information:

1) an accurate description of the item including, but not limited to, any trademark, identification number, serial number, model number, brand name or other identifying mark on such item;

2) the purchase price;

3) date, time and place of receipt;

4) name, address and date of birth of the person from whom the item was received;

5) the identification number from any of the following forms of identification of the seller:

i) valid picture driver's license;

ii) picture identification;

iii) medicard.

b) Retention and inspection of records. The records as well as the goods received must be open for inspection by the police department at reasonable times. Records required by this subsection must be stored and maintained by the licensee for a period of at least three years.

1175.37. Daily reports.

a) Requirements for daily reports to police by secondhand goods dealers. For the following items, regardless of resale price, a secondhand goods dealer must make out, on forms approved by the police department, and send daily by mail to the police department a legible description of the goods received during the preceding day, together with the time received and a description of the person from whom the goods were received:

1) items with a serial number identification, or "operation identification" or similar program symbol;

2) cameras;

3) electronic audio or video equipment;

4) precious jewelry or gems, and precious metals;

5) artist-signed or artist-attributed works of art;

6) guns and firearms; and

7) items not included in the above, except furniture and kitchen or laundry appliances, which the secondhand goods dealer intends to sell for more than $200.

1175.39. Stolen goods. A licensed secondhand goods dealer must report to the police any article received, or sought to be received, if the licensee has reason to believe that the article was stolen or lost.

1175.41. Holding goods. An item received by a secondhand goods dealer for which a report to the police is required, may not be sold or otherwise transferred for a period of 30 days after the date of such report to the police.

1175.43. Receipt. A licensed secondhand goods dealer must provide a receipt to the seller or consignor of any items which includes:

a) the address and phone number of the business;

b) the date;

c) a description of the item purchased; and

d) the purchaser's signature.

1175.45. Police orders. If a city police officer notifies a dealer not to sell an item, the item may not be sold or removed from the licensed premises until authorized to be released by the police.

1175.47. Weapons. A licensed secondhand goods dealer may not receive as a pledge or otherwise accept for consignment or sale any revolver, pistol, sawed-off shotgun, automatic rifle, blackjack, switchblade knife, or other similar weapons or firearms.

1175.49. Prohibited acts. Subdivision 1. Minors. A person under the age of 18 ("minor") may not sell or consign, or attempt to sell or consign, goods with a secondhand goods dealer. A secondhand goods dealer may not receive goods from a minor.

Subd. 2. Others. A secondhand goods dealer may not receive any goods from a person of unsound mind or an intoxicated person.

Subd. 3. Identification. A secondhand goods dealer may not receive goods, unless the seller presents identification in the form of a valid driver's license or identification card issued by the State of Minnesota, another State or a province of Canada.

1175.51. License denial; suspension or revocation; penalties. Subdivision 1. License denial; suspension or revocation. A license under this section may be denied, suspended or revoked by the council, after a public hearing where the licensee is granted the opportunity to be heard, for one or more of the following reasons: (Amended Ord. No. 2012-01, Sec. 5)

a) the operating of the business is in conflict with any provision of this code;

b) the operation of the business is in conflict with any health, building, building maintenance, zoning, or any other provision of this code or law;

c) the licensee or the business premises fails to conform with the standards for license application contained in this section;

d) the licensee has failed to comply with one or more provisions of this section or any statute, rule or ordinance pertaining to the businesses of pawnbroker or secondhand goods dealer;

e) fraud, misrepresentation or bribery in securing a license;

f) fraud, misrepresentation or false statements made in the course of the applicant's business;

g) subject to the provisions of law, a violation within the preceding five years of any state or federal law relating to theft, receiving stolen property, burglary, robbery, forgery, damage or trespass to property, sale of a controlled substance or stolen good, or operation of a business.

Subd. 2. Fee. The fee charged by the city to an applicant for the costs of investigation is set by appendix IV. The applicant will be notified of the investigation fee prior to the city council's final action on the license application. The investigation fee is payable upon terms established by the city clerk. (Added, Ord. No. 2012-01, Sec. 5)

Subd. 3 Penalties. (Added, Ord. No. 2012-01, Sec. 5)

a) Misdemeanors. A person who violates this section is guilty of a misdemeanor unless otherwise provided by law.

b) Administrative civil penalties; licensee. If a licensee or an employee of a licensee is found to have violated this section, the city council may impose an administrative penalty as follows:

1) First violation: a civil fine in the amount of $500 and license suspension for a period of ten days.
2) Second violation within 24 months after the first violation: a civil fine in the amount of $750 and suspension of license for a period of 20 days.
3) Third violation within 36 months after the second violation: a civil fine in the amount of $1,000 and suspension of license for a period of 30 days.
4) Fourth violation within 36 months after the third violation: revocation of license.

Subd. 4. Presumptions regarding administrative penalties. The administrative penalties described in subdivision 3 of this section are the presumed sanctions for the violations indicated. In the event of any license suspension imposed under subdivision 3, the city council may select which days a suspension will be served. Notwithstanding the provisions of subdivision 3, a license may be revoked for any violation of this section when in the judgment of the council it is appropriate to do so. The city council may impose lesser penalties under subdivision 3 when in the judgment of the council it is appropriate to do so. The city council may by resolution revise the amount of the above civil penalties stated in subdivision 3 above, in Appendix IV. Other mandatory requirements may be made of the establishment, including but not limited to, meetings with the Police Department staff to present a plan of action to assure that the problem will not continue, mandatory education sessions with Crime Prevention staff, or other actions that the City Council deems appropriate. (Added, Ord. No. 2012-01, Sec. 5)

1175.53. Deleted, Ord. No. 2012-06, Sec.1)

1175.55. Inspections. A peace officer or any properly designated employee of the city or the state of Minnesota may enter, inspect and search business premises licensed under this section, during business hours, without a warrant.

1175.57. County license. Secondhand goods dealers dealing in precious metals and gems must be licensed by Hennepin County.