

CHAPTER 11 – LICENSES, TAXATION AND MISCELLANEOUS
BUSINESS REGULATIONS

Sec. 11-109. Sexually oriented businesses; revocation; licenses; permits

(a) The Deputy City Manager for Development Services or designee shall file a Notice of Revocation of License by serving personally or sending in first class United States Mail to the licensee's address on file with the City if a cause of suspension in Section 11-108 and the license has been suspended within the preceding twelve (12) months.

(b) The Deputy City Manager for Development Services or designee shall file a Notice of Revocation of License if they or their designee determines that:

- (1) A licensee gave false or misleading information in the application.
- (2) A licensee, manager or an employee has knowingly allowed possession, use, or sale of controlled substances on the premises;
- (3) A licensee, manager or an employee has knowingly allowed prostitution; indecent exposure; public sexual indecency or lewd and lascivious acts on the premises as defined in Chapter 14, Title 13, Arizona Revised Statutes;
- (4) A licensee, manager or an employee knowingly operated the sexually oriented business during a period of time when the licensee's license was suspended.
- (5) A licensee has been convicted of an offense listed in Section 11-103(a)(7)a. for which the time period required in Section 11-103(a)(7)b. has not elapsed;
- (6) On two (2) or more occasions within a twelve (12) month period, a person or persons while in or on the licensed premises committed an offense listed in section 11-103(a)(7)a., for which a conviction has been obtained, and the person or persons were managers or employees of the sexually oriented business at the time the offenses were committed;
- (7) A licensee, manager or an employee has knowingly allowed any act of sexual intercourse, oral sexual contact or sexual contact, including masturbation to occur in or on the licensed premises. The terms "sexual intercourse", "oral sexual contact" and "sexual contact" shall have the same meanings as defined in A.R.S. § 13-1401; or
- (8) A licensee is delinquent in payment to the City of taxes or fees related to the sexually oriented business or arising out of any other business activity owned or operated by the licensee and licensed by the City.

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(c) The Deputy City Manager or their Designee shall file Notice of Revocation of Permit by serving personally or by first class United States mail to the Permittee's address on file with the City if they or their designee determines that:

- (1) A permittee gave false or misleading information in the application; or
- (2) A permittee has been convicted of an offense listed in section 11-103(a)(7)a. for which the time period required in Section 11-103(a)(7).b has not elapsed; or
- (3) A permittee has violated a provision of sections 11-100 through 11-118 of this code.

(d) When the City revokes a license, the revocation shall continue for one (1) year from the date the revocation became final and not subject to further appeal and the licensee shall not be issued a sexually oriented business license for one (1) year from the date revocation becomes final and effective. If, subsequent to revocation, the City finds that the basis for the revocation has been corrected or abated, the applicant shall be granted a license if at least Ninety (90) days have elapsed since the date the revocation became effective if the license was revoked under subsection (b)(5) of this section, an applicant will not be granted another license until the appropriate number of years required under Section 11-103(a)(7)b. has elapsed.

(e) Upon issuance of Notice of Revocation of Permit, the Revocation shall become effective immediately upon service of the Notice. If the Licensee or Permittee requests a hearing within 10 days after the date of service of the Notice of Revocation in accordance with section 11-110 of this code, the Notice of Revocation of License or Permit shall be stayed until issuance of the decision by the hearing officer. If the City revokes a permit, the revocation shall continue for one (1) year and the permittee shall not be issued a permit for one (1) year from the date the revocation becomes effective. If the applicant's permit was revoked under subsection (c)(2) of this section, the applicant may not be granted another permit until the appropriate number of years required by section 11-103(a)(7).b has elapsed.

(f) The fact that a conviction is being appealed shall have no effect on the revocation of the license.

(g) Subsection (b)(7) of this section does not apply to adult motels as a ground for revoking the license unless the licensee or employee knowingly allowed the act of sexual intercourse, oral sexual contact or sexual contact to occur in a public place or within public view. (Ord. No. 98-16, 3/17/98, Enacted)