

RESOLUTION 2012-21
RESOLUTION ESTABLISHING THE FAIR MARKET VALUE OF ON-SALE FULL SERVICE RESTAURANT LICENSES

WHEREAS, the City of Sturgis has adopted an Ordinances that create a comprehensive regulatory scheme for the sale and consumption of alcoholic beverages, and

WHEREAS, the South Dakota Legislature has enacted SDCL 35-4-111 which authorized the issuance of additional on-sale licenses to full service restaurants subject to certain conditions; and

WHEREAS, pursuant to the authority established by SDCL 35-4-111 the City of Sturgis City adopted Ordinance No. 2012-8 to implement the provisions of the on-sale full service restaurants license; and

WHEREAS, SDCL 35-4-117 requires any municipality intending to authorize the issuance of such licenses to establish the fair market value of the on-sale full service restaurant license by using the documented value of the arms length transactions between January 1, 2003 and January 1, 2008: and

WHEREAS, a review of the records of such sales occurring during that period have been made available to the Sturgis City Finance Office shows the most recent such arms length transfer took place in March of 2007 and was subsequently approved by the Sturgis City Council; and

WHEREAS, the City of Sturgis has received confidential documentation indicating the value attributed to the sale of the on-sale license by the parties involved in that transaction, and

WHEREAS, the City of Sturgis is required by state law to use that transaction to establish the minimum fair market value for an on-sale full service restaurant license to be issued by the City of Sturgis.

NOW THEREFORE, BE IT RESOLVED by the City of Sturgis that the fee for a full service on-sale restaurant license is hereby established, pursuant to SDCL 35-4-117, at \$600,000.

Dated this 4th day of June, 2012.

CITY OF STURGIS

Mayor Mark Carstensen

ATTEST:

Fay Bueno, Finance Officer

Published: June 13, 2012

Effective: July 4, 2012