

ORDINANCE NO. 828

**“Regulation of Coin Operated Amusements”**

**AN ORDINANCE OF THE CITY OF GRANITE SHOALS, TEXAS, AMENDING CHAPTER 10 (BUSINESSES AND BUSINESS REGULATIONS), OF THE CITY OF GRANITE SHOALS CODE OF ORDINANCES TO ADD A NEW ARTICLE VII (COIN-OPERATED AMUSEMENTS); AND AMENDING CHAPTER 40 (ZONING) SECTIONS 40-12 (GENERAL BUSINESS DISTRICT ONE) AND 40-13 (GENERAL BUSINESS DISTRICT TWO) OF THE CITY OF GRANITE SHOALS CODE OF ORDINANCES TO REQUIRE A CONDITIONAL USE PERMIT FOR AN “AMUSEMENT CENTER” AND PROVIDING MINIMUM STANDARDS FOR THE CONDITIONAL USE; AND PROVIDING FOR THE FOLLOWING: FINDINGS OF FACT, SAVINGS, SEVERABILITY, REPEALER, EFFECTIVE DATE, AND PROPER NOTICE AND MEETING**

WHEREAS, the City of Granite Shoals, Texas (the “City”) is a Home Rule City as described in and defined by Section 5, Article XI of the Texas Constitution and Section 1.005 of the Texas Local Government Code; and

WHEREAS, Section 51.072, Chapter 211, and Chapter 215 of the Texas Local Government Code, Chapter 2153 of the Texas Occupations Code, and Sections 1.01, 2.01, and 2.04 of the City Charter authorize the City Council of the City (the “Council”) to adopt the provisions of this Ordinance; and

WHEREAS, section 215.074(4) of the Texas Local Government Code authorizes the City to regulate places of public amusements; and

WHEREAS, the City is concerned about new businesses in the city limits that may feature game rooms, amusement redemption machines, eight-liners, and related activity; and

WHEREAS, those businesses must properly apply for and obtain a certificate of occupancy or other necessary permits within the City; and

WHEREAS, issues that arise from these types of businesses include safety-related items such as traffic flow patterns, electrical wiring, fire escape access, parking configuration and spacing requirements, and an increased requirement for security detail, patrols, and other law enforcement resources; and

WHEREAS, there is documented evidence that amusement redemption machine or “eight-liner” game rooms have a damaging effect on both the existing businesses around them and the surrounding residential areas, potentially causing increased crime such as theft, criminal trespass, criminal mischief, and burglary; and

**WHEREAS**, amusement redemption machine game rooms have objectionable operational characteristics, particularly when they are located in close proximity to each other, which contributes to urban blight and negatively affects the quality of life in the adjacent area; and

**WHEREAS**, the City Council desires to minimize and to control these adverse effects and thereby protect the health, safety, and welfare of the citizens, protect the citizens from increased crime, preserve quality of life, and preserve the property values and character of surrounding neighborhoods; and

**WHEREAS**, the proposed ordinance has been reviewed by the Planning and Zoning Commission and the City Council, and all appropriate public hearings have been held in accordance with the Texas Local Government Code and the City's Zoning Ordinance to obtain public input regarding the proposed revisions to the City's zoning regulations; and

**WHEREAS**, the Planning and Zoning Commission of the City of Granite Shoals held a public hearing on \_\_\_\_\_ and voted to make a recommendation on these changes to the City's zoning regulations to the City Council of the City of Granite Shoals; and

**WHEREAS**, the City Council of the City of Granite Shoals held the required public hearing concerning this change on \_\_\_\_\_ and approved these changes; and

**WHEREAS**, after due consideration of the recommendation of the Planning and Zoning commission and any public comments regarding the proposed change to the City's zoning regulations, the Council finds that the following amendments to City's Code of Ordinances and the Zoning Ordinance are in the best interest of the health, safety and welfare of the citizens of the City and of the public generally;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GRANITE SHOALS, TEXAS, AS FOLLOWS:**

**SECTION I  
FINDINGS OF FACT**

All of the above premises are hereby found to be true and correct legislative and factual findings of the City of Granite Shoals and are hereby approved and incorporated into the body of this ordinance as if copied in their entirety.

**SECTION II  
AMENDMENTS**

A. Chapter 10 (Businesses and Business Regulations), of the City of Granite Shoals Code of Ordinances is hereby amended to add a new Article VII (Coin Operated Amusements) as follows:

**“ARTICLE VII. COIN-OPERATED AMUSEMENTS**

**Sec. 10-120 – Definitions.**

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Coin-operated amusement machine means any kind of machine or device operated by or with a coin or other United States currency, metal slug, token, electronic card, or check, that is used or is capable of being used to dispense or afford amusement, skill, or pleasure or is operated for any purpose, other than for dispensing only merchandise, music, or service. The term:

- (a) includes an amusement redemption machine, “8-liner,” video slot machine, video lottery terminal (VLT), or machine or device that dispenses merchandise or commodities or plays music in connection with or in addition to dispensing amusement, skill, or pleasure; and
- (b) does not include an amusement machine designed exclusively for a child.

Person means an individual, corporation, business trust, partnership, association, or other legal entity, and includes both the operator of a business that exhibits a coin-operated amusement machine and the owner of the property on which a coin-operated amusement machine is located.

Unruly gathering means a gathering of more than one person that is conducted on a premises within the City and by which, by reason of the conduct of those persons in attendance, results in the occurrence of one or more of the following conditions or events on public or private property: rioting; trespassing; the unlawful sale, furnishing, possession, or consumption of alcoholic beverages or drugs; the destruction of property; obstruction of roadways, driveways, or public ways by crowds or vehicles; excessive noise; disturbances, brawls, fights, or quarrels; public urination or defecation; indecent or obscene conduct or exposure; or any other occurrence that results in a call for service by a law enforcement agency.

**Sec. 10-121. – Prohibition against the exhibition of a coin-operated amusement machine within 300 feet of a church, school, or hospital.**

- (a) No person may exhibit a coin-operated amusement machine within 300 feet of a church, school, or hospital.
- (b) The measurement of the distance between the place of business where the coin-operated amusement machine is exhibited and the church, school, or hospital shall be in a direct line from the property line of the church, school, or hospital to the property line of the place of business, and in a direct line across intersections.

**Sec. 10-122. – Tax Authorized**

- (a) There is hereby imposed on each coin-operated amusement machine within the City an occupation tax at the rate of \$15 per year.



- (b) The City may seal a coin-operated amusement machine if the tax imposed is not paid.
- (c) There is hereby imposed a fee of \$5 for the release of a sealed coin-operated machine.

**Sec. 10-123. – Permits.**

- (a) Required. A person may not exhibit a coin-operated amusement machine without a permit issued by the City of Granite Shoals. A separate permit is required for each business address.
- (b) Transferability. Permits are not transferable from one person or corporation to another or from one location to another location.
- (c) Posting. A valid permit must be posted in a conspicuous location in or on every business that operates coin-operated amusement machines regulated by this article.
- (d) Unruly gatherings prohibited. It is a condition to a permit issued under this section that no unruly gatherings shall be permitted within a business that operates coin-operated amusement machines.
- (e) No illegal activity. The issuance of a permit under this article shall not be construed to authorize or condone gambling, gambling promotion, unauthorized sale, possession, or use of alcohol, or any other illegal activity on the permitted property.
- (f) Sale of alcohol. No permit shall be issued to an establishment that derives 50 percent or more of the establishment's gross revenue from the on-premise sale of alcoholic beverages.
- (g) Windows. It is a condition to a permit issued under this section that any room in which coin-operated amusement machines are exhibited shall have transparent unobstructed windows or open space on at least one (1) side so that the area is open to view by the general public passing by on a public street or using a corridor, lobby, or other room to which the public has access and is admitted without charge. The owner, manager or employee of a game room shall not permit any obstruction of such public view by the use of drawn shades, blinds, partitions, tinting that exceeds 20%, or other structures or obstructions.
- (h) Fire safety. It is a condition to a permit issued under this section that any premises on which coin-operated amusement machines are exhibited must have adequate fire exits as determined by the Chief of the City's Fire Department
- (i) Hours of operation. It is a condition to a permit issued under this section that the hours of operation of a permitted business may be no earlier than 12:00 PM and no later than 12:00 AM on the following day..

- (j) Security. It is a condition to a permit issued under this section that at least one state-licensed security guard shall be on duty at all times that a permitted business is open to the public.

**Sec. 10-124. – Application for permit.**

- (a) Form; contents. Any person desiring to operate a coin-operated amusement machine in the City of Granite Shoals must make a written application to the City Council for a permit on forms provided by the City. The application must contain the name and address of each applicant, the location of the business, the name and address of the property owner (if different from the applicant) and a copy of any applicable lease agreement, a description and the serial number of each coin-operated machine, proof of payment of all applicable state taxes, and the applicable permit fee. An incomplete application will not be accepted. Failure to provide all required information or falsifying information required may result in denial or revocation of the permit.
- (b) Term. The term of a permit shall be for one year from the date of issuance, and the permit shall expire at the end of the one-year term.
- (c) Renewal. A permit-holder may apply for renewal on an annual basis by making application to the City Council. The same information is required for a renewal permit as for an initial permit. The City reserves the right to obtain a criminal incident report for each renewal application and to submit the information to the City Council as part of its consideration of the renewal application.
- (d) Inspection to determine compliance. Prior to the approval of an initial permit or the renewal of an existing permit, the City shall inspect the permitted business to determine compliance with the state laws and rules, City ordinances, and the requirements of the permit. The City Council may deny an initial permit application or a renewal permit application to an establishment that does not comply with all applicable rules and regulations.
- (e) Fees. The fees schedule shall be as established from time to time by the City.

**Sec. 10-125. – Suspension of permit.**

- (a) The city may suspend any permit to operate a coin-operated amusement machine if the operation constitutes an imminent hazard to public health. Suspension is effective upon service of the notice required by subsection (b) of this section. When a permit is suspended, operations shall immediately cease. Whenever a permit is suspended, the holder of the permit shall be afforded an opportunity for a hearing within 20 days of receipt of a request for a hearing.
- (b) Whenever a permit is suspended, the holder of the permit or the operator under that permit shall be notified in writing that the permit is, upon service of the notice, immediately suspended and that an opportunity for a hearing will be provided if a written request for a hearing before the City Council is filed with the City by the holder of the permit within ten

days. If no written request for hearing is filed within ten days, the suspension is sustained. The City Council may end the suspension at any time if reasons for the suspension no longer exist.

**Sec. 10-126. – Revocation of permit.**

- (a) The City may, after providing opportunity for a hearing before the City Council, revoke a permit for serious or repeated violations of any of the requirements of these rules or for interference with the City in the performance of its duties. Prior to revocation, the City shall notify the holder of the permit or the operator, in writing, of the reason(s) for which the permit is subject to revocation and that the permit shall be revoked at the end of twenty days following service of such notice unless a written request for a hearing is filed with the City by the holder of the permit within such twenty-day period.
- (b) If no request for hearing is filed within the twenty-day period, the revocation of the permit becomes final.
- (c) In the event that the City revokes a permit under this subsection, the City shall not accept a new permit application for that property until the expiration of one year from the date of revocation.

**Sec. 10-127. – Administrative process.**

- (a) A notice as required in these rules is properly served when it is delivered to the holder of the permit or the operator, or when it is sent by registered or certified mail, return receipt requested, to the last known address of the holder of the permit. Copy of the notice shall be filed in the records of the City.
- (b) The hearings provided for in these rules shall be conducted by the City Council at a time and place designated by it. Based upon the recorded evidence of such hearing, the City Council shall make final findings, and shall sustain, modify, or rescind any notice or order considered in the hearing. A written report of the hearing decision shall be furnished to the holder of the permit by the City.”

B. Chapter 40 (Zoning), of the City of Granite Shoals Code of Ordinances, Sections 40-12 (General Business District One, GB-1) and 40-13 (General Business District Two, GB-2) are hereby amended to add a new Subsection (b-1)(2) (Additional Conditional Use Permit Requirements for Amusement Centers) as follows:

**“Sec. 40-12. – General Business District One, GB-1**

...

(b-1) Conditional uses. The following uses are permitted in the GB-1 district as conditional uses only if the property owner first obtains a conditional use permit as provided by this chapter:



- (1) New construction using new or used on-site storage containers as building material.
- (2) An amusement center, if the following additional conditions are met in addition to the conditions found in Section 40-28 of the Code:
  - a. Proximity to other businesses that exhibit coin-operated amusement machines. The minimum distance between a property that receives a conditional use permit under this subsection and any other business that exhibits a coin-operated amusement machine shall be 1,200 feet between property lines.
  - b. Adequate off-street paved parking and adequate lighting as required by the Code of Ordinances.”

**“Sec. 40-13. – General Business District Two, GB-2**

...

(b-1) Conditional uses. The following uses are permitted in the GB-2 district as conditional uses only if the property owner first obtains a conditional use permit as provided by this chapter:

- (1) New construction using new or used on-site storage containers as building material.
- (2) An amusement center, if the following additional conditions are met in addition to the conditions found in Section 40-28 of the Code:
  - a. Proximity to other businesses that exhibit coin-operated amusement machines. The minimum distance between a property that receives a conditional use permit under this subsection and any other business that exhibits a coin-operated amusement machine shall be 1,200 feet between property lines.
  - b. Adequate off-street paved parking and adequate lighting as required by the Code of Ordinances.”

C. Chapter 40 (Zoning), of the City of Granite Shoals Code of Ordinances, Section 40-2(b) (Definitions), is hereby amended to add the following:

**“Sec. 40-2. – Definitions.**

...

(b)

...

Amusement center means an establishment for which the principal use of the property is the exhibition of coin-operated amusement machines. The following conditions shall create a presumption that the principal use of the property is the exhibition of coin-operated amusement machines: (1) the offering of 5 (five) or more amusement devices, including, but not limited to,

coin-operated games, shooting galleries, table games and similar recreational diversions within an enclosed building; or (2) the establishment earns more than 50% of its income from the offering of coin-operated amusement machines.

...

Coin-operated amusement machine means any kind of machine or device operated by or with a coin or other United States currency, metal slug, token, electronic card, or check, that is used or is capable of being used to dispense or afford amusement, skill, or pleasure or is operated for any purpose, other than for dispensing only merchandise, music, or service. The term:

(a) includes an amusement redemption machine, "8-liner," video slot machine, video lottery terminal (VLT), or machine or device that dispenses merchandise or commodities or plays music in connection with or in addition to dispensing amusement, skill, or pleasure; and

(b) does not include an amusement machine designed exclusively for a child."

### **SECTION III SAVINGS**

Any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the City under any section or provisions of any ordinances at the time of passage of this ordinance.

### **SECTION IV SEVERABILITY**

If any provision, section, sentence, clause or phrase of this ordinance, or the application of the same to any person or set of circumstances is for any reason held to be unconstitutional, void, invalid, or unenforceable, the validity of the remaining portions of this ordinance or its application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council of the City of Granite Shoals in adopting, and of the Mayor in approving this ordinance, that no portion thereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality or invalidity of any portion, provision or regulation.

### **SECTION V REPEALER**

The provisions of this ordinance shall be cumulative of all other ordinances or parts of ordinances governing or regulating the same subject matter as that covered herein, provided, however, that all prior ordinance or parts of ordinances inconsistent or in conflict with any of the



provisions of this ordinance are hereby expressly repealed to the extent that such inconsistency is apparent. This ordinance shall not be construed to require or allow any act which is prohibited by any other ordinance.


**SECTION VI  
EFFECTIVE DATE**

This ordinance shall take effect immediately from and after its passage and publication as may be required by governing law.

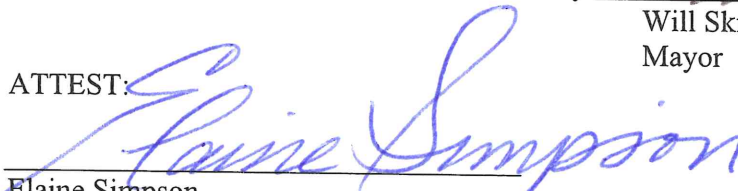
**SECTION VII  
PROPER NOTICE AND MEETING**

It is hereby officially found and determined that the meeting at which this Ordinance was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED, APPROVED, and ADOPTED on this the 26<sup>th</sup> day of April, 2022.

By:   
Will Skinner  
Mayor

ATTEST:

  
Elaine Simpson  
City Secretary

APPROVED AS TO FORM:

\_\_\_\_\_  
Joshua Katz  
City Attorney

