



CITY COUNCIL MEMORANDUM

TO: City Council

FROM: Matthew R. Schmitz, MPA - City Manager

DATE OF MEETING: June 23, 2025

ITEM TITLE: Renewal of Device Permits for Fiscal Year 2026

BACKGROUND:

In mid-May, the City Clerk mails out invoices and renewal forms to the identified businesses for Device Permits. Businesses have until approximately a week and a half before the last meeting in June to submit their payment.

Device Retailer Renewals \$1,500.00	
King Tobacco	The Spot #2

DISCUSSION:

Upon reviewing SF345, I requested that an Officer investigate to determine if these applicants were complying with the laws governing the sale of these devices. Officer Morris then checked at both locations and found that the devices were in display cases within the stores with signage that indicated a purchaser had to be 21 or older to purchase the devices. Officer Morris's report is attached for review.

Iowa Code 453E.Item 4a is clear that Cities **may** approve device retailer permit applications, but it does not state that Cities are required to do so.

Item 8b of the same code states, "A device retailer shall only display and sell devices in a location of a retail outlet where the device retailer ensures that the devices are not visible to a person younger than twenty-one years of age and where no person younger than twenty-one years of age is present or permitted to enter at any time."

Based on the above, the retailers listed on this document are not in compliance with the laws as written for their existing permit, so Staff sees no reason to renew these applications. The City Attorney was also contacted regarding this matter and agrees that they are not in compliance.

RESULTS:

The City has established priorities during strategic planning sessions. This item supports the Vision from that session of supporting high-quality City services. This item helps achieve that vision by supporting staff to enforce the laws of the State of Iowa.

FINANCIAL CONSIDERATION:

Denial of the permits would result in a \$3,000 reduction in revenues to the City.

RECOMMENDATION:

Staff recommends a motion to deny the renewal of applications for Device Permits for King Tobacco and The Spot #2 based on non-compliance with the requirements of the law.