

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: January 10, 2011
	Agenda Item No. 55 Roll Call No. <u>11-0066</u> Communication No. <u>11-018</u> Submitted by: Phil Delafield, Community Development Director

AGENDA HEADING:

Receive and file report regarding relocation/expansion needs of existing pawnbroker license holders.

SYNOPSIS:

Staff recommends that no changes be made to the ordinance that was adopted on December 6, 2010 to regulate pawnbrokers. Staff recommends that any existing pawnbroker license holder who desires to relocate their business must choose a new site that complies with the proposed ordinance or seek a variance to the separation requirements from the Zoning Board of Adjustment. City Code requires that Council be notified of any decision by the Zoning Board of Adjustment to approve a variance to a separation requirement. Staff recommends that the City Council also request notification of any decision by the Zoning Board of Adjustment to deny a variance to a separation requirement for existing pawnbroker license holders.

FISCAL IMPACT: NONE

Amount: N/A

Funding Source: N/A

ADDITIONAL INFORMATION:

On December 6, 2010, the City Council approved final reading of the ordinance regulating pawnbrokers and payday lenders. The Council also directed that current pawn shop license holders work with the Community Development and Legal Departments to identify their relocation/expansion needs. The Legal Department was directed to prepare appropriate ordinance amendments, if necessary, to be presented at the January 10, 2011 Council meeting.

Staff has held discussions with Tom Friend, owner of A Quality Pawn and Jewelry currently located at 1135 Army Post Road. Mr. Friend desires an ordinance amendment that would allow relocation of his business to another site along Army Post Road within the next 12 -18 months by right (regardless of current separation requirements).

Staff believes there are potential unintended consequences of revising the current ordinance to address Mr. Friend's concerns. Therefore, before pursuing an ordinance amendment, staff recommends that Council direct the following action on January 10, 2011:

- Mr. Friend should be advised to obtain a purchase option or other interest in the property to which he desires to relocate. At a minimum, staff believes the agreement should provide for some purchase rights for a period of at least two years. This is a private agreement between Mr. Friend and the current owner of the prospective property.
- Mr. Friend should be advised to apply to the Board of Adjustment for a variance to the separation requirements for pawnbrokers.
- Any variance that is approved by the Board of Adjustment must be reviewed by the City Council. The Council has the option to return the decision back to the Board of Adjustment or take no action. If the variance is ultimately approved, Mr. Friend would have two years to commence pawnbroker use in accordance with the variance before it is expired.
- If the variance is denied by the Board of Adjustment, staff is directed to report that decision to the Council. The Council could then consider any additional directive for preparation of an ordinance amendment.

PREVIOUS COUNCIL ACTION(S):

Date: December 6, 2010

Roll Call Number: 10-2011

Action: [On](#) Zoning Text and Municipal Code amendments regulating pawnbrokers and delayed deposit service businesses. **Moved by Meyer that this ordinance do now pass. The current Pawn Shop License holders will work with the Community Development and Legal Departments regarding what their relocation/expansion needs are, and the Legal Department will then prepare appropriate ordinance amendments, if necessary, to be presented at the January 10, 2011 Council meeting, #14,979. Motion Carried 7-0.**

Date: November 22, 2010

Roll Call Number: 10-1953

Action: [On](#) Zoning Text and Municipal Code amendments regulating pawnbrokers and delayed deposit service businesses. ([Council Communication No. 10-709](#)) **Moved by Hensley that this ordinance be considered and given second vote for passage. Motion Carried 7-0.**

Date: November 8, 2010

Roll Call Number: 10-1889

Action: [On](#) Zoning Text and Municipal Code amendments regulating pawnbrokers and delayed deposit service businesses. ([Council Communication No. 10-681](#)) **Moved by Meyer to adopt and approve the text amendments to the Municipal Code, subject to final passage of the ordinance. Motion Carried 7-0.**

Date: October 25, 2010

Roll Call Number: 10-1730

Action: [On](#) Zoning Text and Municipal Code amendments regulating pawnbrokers and delayed deposit service businesses, (11-8-10). **Moved by Mahaffey to adopt. Motion Carried 7-0.**

Date: May 17, 2010

Roll Call Number: 10-773

Action: [Establishing](#) a 6-month temporary moratorium on the establishment of new or relocation of existing delayed deposit services businesses and pawn businesses, pending a comprehensive review of the applicable regulations. **Moved by Meyer to adopt; to approve the findings identified in the resolution; to direct the City Manager and City Attorney to review and report on possible City regulation of the interest rates and fees imposed by pawn brokers and on ways to implement such restrictions for consideration by the City Council at its meeting on May 24th; to schedule a public hearing by the City Council to be held at its meeting on June 14, 2010, to consider applications by Pawn America Iowa LLC, and by American Pawn Stars for relief from this moratorium, provided such applications are timely received; and, to receive and file the documents submitted to the City Council during the public comment on this item. Motion Carried 6-1.**

BOARD/COMMISSION ACTION(S):

Board: Plan and Zoning Commission

Date: October 21, 2010

Resolution Number: 10-2010-5.04

Action: The Plan and Zoning Commission voted 11-1 to recommend approval of the proposed ordinance subject to the following conditions:

- 1) The ordinance excludes pawnbrokers;
- 2) Delayed deposit service businesses be prohibited in the C-3R zoning district; and
- 3) Notice shall be mailed to all neighborhood associations at least 30 days prior to issuance of an administrative decision by the Zoning Enforcement Officer to authorize the establishment of any new delayed deposit service business that otherwise complies with the proposed regulations.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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