



Roll Call Number

10-773

Agenda Item Number

3

Date May 17, 2010

RESOLUTION ESTABLISHING A 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.

WHEREAS, the proliferation of delayed deposit services businesses (commonly known as "payday lenders") and pawn businesses suggests a commercial corridor and the adjoining neighborhoods are in economic and social decline, negatively impacting reinvestment, economic development efforts and property values along the corridor and the adjoining neighborhoods; and,

WHEREAS, these businesses do not create much foot traffic for adjacent businesses and a proliferation of them at particular locations can overwhelm a neighborhood and can be a disincentive for the location of other neighborhood businesses in close proximity to them; and,

WHEREAS, it is reasonable and appropriate to regulate the placement and location of delayed deposit services businesses and pawn businesses so as to avoid the clustering of such businesses and to protect the surrounding neighborhoods from distress and the appearance of commercial districts in decline, and to avoid the adverse effects upon the overall business atmosphere of the City, which are likely to result from an over-concentration of such businesses within the commercial corridors; and,

WHEREAS, a temporary moratorium on the establishment of new or relocation of existing delayed deposit services businesses and pawn businesses is necessary and appropriate to prevent such businesses from locating at sites that are detrimental to the immediate area and the City as a whole, until appropriate regulations can be developed and implemented; NOW THEREFORE,

BE IT RESOLVED by the City Council for the City of Des Moines, Iowa, as follows:

1. The City Council hereby adopts the statements made in the preamble above as findings of fact.
2. No new delayed deposit services business or pawn business shall be established and no existing such business shall be relocated within the City of Des Moines. The City Staff shall not issue any permit for any use or development which is prohibited by this section.
3. This moratorium shall take effect immediately upon the adoption of this resolution and shall expire on November 9, 2010, unless repealed or extended by further action of the City Council.
4. Any party may by written application to the City Clerk request relief from the effect of this moratorium where necessary to avoid unnecessary hardship. The application shall identify the

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basis for the applicant's contention that the moratorium is causing unnecessary hardship. The application shall be considered by the City Council at the first regularly scheduled Council meeting more than ten days following the date such application is filed with the City Clerk. If the City Council determines that the application of this moratorium is causing the applicant unnecessary hardship, the City Council shall allow such relief from this moratorium as is necessary to remedy such unnecessary hardship.

5. The Community Development Department and Legal Department are hereby directed to diligently proceed to review and prepare recommendations to the Plan and Zoning Commission and City Council regarding whether additional or alternate regulation of delayed deposit services businesses and pawn businesses is needed and what the regulations should be, to prevent or minimize the detrimental impacts of such businesses upon the adjoining and neighboring properties.
6. The Community Development Department and Legal Department shall endeavor to make a report and recommendation to the City Council on the appropriate changes to the zoning regulations and map, site plan regulations and other City regulations applicable to delayed deposit services businesses and pawn businesses, and a schedule for the implementation of such changes prior to the expiration of the moratorium hereby imposed.

MOVED by Meyer to adopt; to approve the findings identified in the preamble above; 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.

FORM APPROVED:

Roger K. Brown
 Roger K. Brown, Assistant City Attorney

COUNCIL ACTION	YEAS	NAYS	PASS	ABSENT
COWNIE	✓			
COLEMAN	✓			
GRIESS				✓
HENSLEY	✓			
MAHAFFEY	✓			
MEYER	✓			
MOORE	✓			
TOTAL	6			1
MOTION CARRIED	APPROVED			

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

T. M. Franklin Mayor

Diane Rauh City Clerk