



## Legislation Text

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**File #:** RES 15-2044, **Version:** 1

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Submitting a proposed zoning amendment to the Planning Commission regarding Alternative Financial Establishment.

WHEREAS, pursuant to Minn. Stat. § 462.357, Subd. 4, the Council of the City of Saint Paul desires to initiate the following amendments to the City's Zoning Code and hereby directs that the proposed amendments be referred to the Saint Paul Planning Commission so that it may study and prepare a report on the proposed amendments and deliver to the Council its recommendation regarding the proposed amendments; and

WHEREAS, the Council hereby proposes the following amendment to Leg. Code § 65.511 by adding new language clarifying the uses subject to the standards and conditions of section 65.511 to read as follows:

Sec. 65.511. Alternative financial establishment.

A person, firm, association, corporation or partnership engaged in the business or service of check-cashing or making loans to be repaid in one (1) lump sum or in installments over a set period of time, either collateralized or not, for which there is a fee or service charge, or interest received, including but not limited to loans collateralized by personal check, payroll check, wage assignment or personal property title, or collateralized with the promise to relinquish possession of any personal property upon default. Alternative financial establishment includes but is not limited to consumer small loan companies, currency exchanges, industrial loan and thrifts, and regulated loan companies, as defined and licensed by the Minnesota Department of Commerce. Alternative financial establishment does not include federal or state chartered banks, neighborhood loan offices defined under sec. 65.523 of this code, credit unions, or savings banks, nor does it include a person, firm, association, corporation or partnership that provides the service of cashing checks, drafts, money orders, or travelers checks for a fee, incidental to the person's primary business and the charge for cashing a check or draft does not exceed one dollar (\$1.00) or one (1) percent of the value of the check or draft, whichever is greater.

Standards and conditions:

- (a) The alternative financial establishment shall be located at least one hundred fifty (150) feet from any lot in a residential district or lot occupied with a one-, two-, or multiple-family dwelling, measured in a straight line from the closest point of the building in which the business is or is to be located to the closest point of the residential property line.
- (b) No alternative financial establishment shall be located within two thousand six hundred forty (2,640) feet of another alternative financial establishment, measured from the nearest building wall of the existing establishment to the nearest building wall of the proposed use, or if there is no building, to the nearest lot line of the proposed use.
- (c) No alternative financial establishment shall be located within one thousand three hundred twenty (1,320) feet of any pawnshop, measured from the nearest building wall of the existing establishment to the nearest building wall of the proposed use, or if there is no building, to the nearest lot line of the proposed use.

WHEREAS, the Council hereby proposes the following new use definition to be adopted as Leg. Code § 65.523 and entitled "Neighborhood loan office" to read as follows:

**Sec. 65.523. Neighborhood loan office**

A firm, association, corporation or partnership operating either as a for profit or not for profit organization which (a) engages in the business of assisting businesses or home owners in receiving financial assistance by the pass-through of government assistance or charitable programs, or (b) is a traditional installment lender that was approved by the Minnesota Department of Commerce prior to 1975 to operate in the City of Saint Paul with a Regulated Lender License. Neighborhood loan offices shall not engage in check cashing services, currency exchange services or provide so-called payday loans.

WHEREAS, the Council hereby proposes that table 66.421 under Leg. Code § 66.42, entitled "Principal uses," be amended to indicate that neighborhood loan offices are commercial office uses first permitted in the OS zoning district.

NOW, THEREFORE, BE IT RESOLVED, that the Council of the City of Saint Paul hereby submits the proposed zoning code amendments stated herein to the Planning Commission for its consideration pursuant to Minn. Stat. § 462.357, Subd. 4.