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CITY OF MILWAUKEE

JUN 18 PM 3:45

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June 18, 2007

**VIA MESSENGER**

Mr. Ronald Leonhardt  
City Clerk  
Attn. Ms. Linda Elmer  
Room 205 - City Hall  
200 East Wells Street  
Milwaukee, WI 53202

Re: Common Council File No. 060537...A substitute ordinance relating to zoning regulations for payday loan agencies and other short-term loan establishments

Dear Ms. Elmer:

The purpose of this correspondence is to provide a second supplement to the official record in the above-referenced matter. I apologize for doing this piecemeal and not submitting the enclosed documents with the materials that we filed on Friday, June 15, 2007, but we received this from our client over the weekend.

First, a number of individuals commented at the Zoning, Neighborhoods and Development Committee (the "Committee") meeting on Tuesday, June 12, 2007, that they believed installment loan businesses will be a detriment to the neighborhood in which they are located. Exhibit 5 (letters A and B) from the Committee meeting depict what is actually an attractive, office appearance of such installment loan businesses (9228 W. Capitol Drive in the 5<sup>th</sup> Aldermanic District).

By contrast, please find the enclosed photograph of the same premises prior to the installment loan business taking occupancy. In addition to replacing an unsightly vacant retail space with an active and renovated office use, please note the weathered and outdated facade shown on the enclosed picture for the neighboring carry out pizza establishment as compared to the upgraded facade for the entire building shown in Exhibit 5.A. of the record. First Rate Financial negotiated for the landlord to completely update the facade as part of its lease for the premises.

Thus, contrary to some of the unsubstantiated comments at the Committee hearing, this shows that the installment loan uses actually enhance the surrounding neighborhood.

Second, other individuals explained to the Committee that they are concerned about "predatory lending practices," although they failed to identify any evidence specifically related to the installment loan industry. Please find the enclosed demographic map of the City of Milwaukee depicting the

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area's average household income as it relates to the locations of First Rate Financial's installment loan offices.

This color shaded demographic map shows that the installment loan offices are located within regions where the average household income is between \$40,001-\$50,000 and \$50,001-\$60,000, with much higher income areas in very close proximity to the installment loan offices.

Again, contrary to the anecdotal comments before the Committee, this demographic map clearly illustrates the facts behind the installment loan industry, whose products are intended to serve, and in fact do by virtue of the application requirements and the office locations, those who are in the pre-middle class with full-time employment and who have either a checking or savings account.

We are again taking the liberty of providing a courtesy copy of this correspondence and its enclosures to Assistant City Attorney Stuart Mukamal who is assigned to review the proposed legislation prior to tomorrow's Common Council meeting. We are also forwarding copies of all of this to the Committee Chairman, Alderman Michael D'Amato.

Kindly acknowledge receipt of this communication and these materials for the record on the enclosed copy of this letter and return it to the waiting messenger.

Please do not hesitate to contact me should you have any immediate questions or comments. Thank you for your consideration of this request.

Very truly yours,

FRIEBERT, FINERTY & ST. JOHN, S.C.



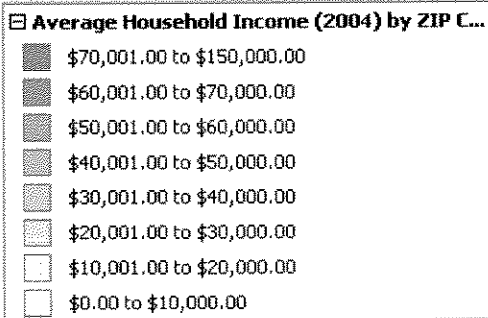
John D. Finerty  
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JDF/bcr  
Enclosures

cc: Mr. Stuart S. Mukamal, Assistant City Attorney (w/Encs. – via Messenger)  
Ald. Michael S. D'Amato, Chairman of the Zoning, Neighborhoods and Development  
Committee (w/Encs. – via Messenger)



Legend and Overview



**Pushpins**

- First Rate Financial Milwaukee locations

