

June 4, 2007

To the Honorable Common Council  
Zoning, Neighborhoods and  
Development Committee  
City of Milwaukee

Dear Committee Members:

File No. 060537 relates to zoning regulations for payday loan agencies.

This file defines a "short term loan establishment" as an establishment engaged in the business of providing personal loans of up to \$1,000 that have terms of one year or less and are customarily repaid through wage assignments, post-dated checks or automatic checking account withdrawals. This term includes, but is not limited to, a payday loan establishment or installment loan establishment. Since the new term includes payday loan establishments, this ordinance also repeals the existing definition of "payday loan agency" and replaces that term with the new term throughout the zoning code.

On June 4, 2007 a public hearing was held at the City Plan Commission. Alderman Bohl spoke in favor of the proposed ordinance and one person spoke in opposition. In addition, the City Plan Commission was informed that the legislative record needed to provide a "rational basis" for the provisions of the ordinance would be developed by Alderman Bohl at the Zoning Neighborhood and Development Committee meeting; and at that time the City Attorney could determine the legality and enforceability of the proposed ordinance. Since there was confusion as to what was being proposed by the ordinance and without a determination by the City Attorney, the City Plan Commission at its regular meeting on June 4, 2007, referred the file to Zoning, Neighborhoods and Development Committee without a recommendation. Once the legislative record has been provided and the City Attorney's Office has made its determination, this matter was recommended to be reconsidered by the City Plan Commission.

Sincerely,

Rocky Marcoux  
Executive Secretary  
City Plan Commission of Milwaukee

c: E. Richardson