



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Planning Division

m e m o r a n d u m

TO: Urbana Plan Commission

FROM: Jeff Engstrom, AICP, Planner II

DATE: November 2, 2012

SUBJECT: Plan Case 2192-T-12: An amendment to Table V-1 of the Urbana Zoning Ordinance to permit “Pawn or Consignment Shop” in the B-3, General Business district, Urbana Zoning Administrator, applicant.

Introduction

The Zoning Administrator is requesting an amendment to Table V-1, Table of Uses, of the Zoning Ordinance in order to revise districts in which a “Pawn or Consignment Shop” is permitted. Currently, “Pawn or Consignment Shop” is a permitted use only in the B-4, Central Business and B-4E, Central Business Expansion zoning districts, where it is permitted by right. The Zoning Administrator is proposing to allow “Pawn or Consignment Shop” in the B-3, General Business district as permitted by right.

Discussion

The proposed text amendment involves two specific retail uses that involve secondhand merchandise. Pawn shops are businesses which specialize in lending relatively small sums of money on a short-term basis with the loans being secured by personal property. Once the loan is repaid the property is returned to the borrower. If the loan is not repaid according to the agreed upon terms, the pawnbroker may sell the merchandise to recoup the loan. Additionally, other customers will often sell items to pawn shops for resale without a loan being involved. On the other hand, consignment shops are retail stores which display and sell merchandise owned by other parties for a portion of the sales proceeds. Consignment shops are distinct from other used merchandise stores in that they sell merchandise that they do not own. For example a Goodwill store sells merchandise that has been donated to the store, and a used book store sells merchandise that the store owners have purchased. In Urbana, secondhand merchandise stores do not have their own use category, but fall under the use category of the types of goods they sell.

Pawn shops and consignment stores have been gaining popularity over the last decade. This is due to both economic and cultural factors. As the national economy recovers from the recession, people have been supplementing their income by selling un-needed items. Sometimes people who cannot qualify for traditional loans will pawn items to make ends meet. Additionally, reality TV shows have brought pawnshops and secondhand sales into the mainstream. From an environmental perspective, encouraging re-use and re-sale of existing goods serves to reduce the pace of resource depletion and emissions from manufacturing new goods.

Pawnshops in Illinois are regulated by the State of Illinois Department of Financial and Professional Regulation. According to the state, as of August 2011, there were five pawn shops in Champaign County: three in Champaign, one in Rantoul, and one in Urbana. State law has strict requirements for pawn shops designed to reduce sales of stolen goods and place limits on interest charges. Pawn shops must obtain identification from anyone wishing to pawn or sell items, and must send the County Sheriff a list of all items that have been bought or pawned.

Currently, the Urbana Zoning Ordinance (Table V-1) permits pawn shops only in the B-4 (Central Business District) and B-4E (Central Business District Extended) zoning districts. Consequently, pawn shops are now only allowed in Urbana's downtown and in Schnuck's Plaza. City staff is aware of one pawn shop in the City, the Gold and Diamond Exchange (1004 West University Avenue), which is located in the B-3 district. This pawnshop has operated successfully at this location for over 25 years. The owner is now in the process of selling the store so that he can retire from the business. The future owner of the pawn shop has recently approached the City with plans to expand by 1,750 square feet. Since pawn shops are non-conforming uses in the B-3 District, the City cannot approve plans to expand the pawn shop unless the table of uses is amended as proposed. There is one known consignment shop in Urbana, Ella's Consignment Shop. This store is located in the B-4, Central Business district and will not be affected by the proposed text amendment.

In researching the proposed text amendment, staff found that other cities generally do not have a specific use category for pawn or consignment shops. Some cities do not permit them at all. Many cities, such as Champaign, treat them as a general retail use in terms of which districts they are allowed to operate in. Some cities address pawn shops separately in their city code in terms of what identification is needed to pawn an item and how long it must be held.

Because there does not appear to be a strong land use basis for restricting pawn shops to only B-4 and B-4E districts, City staff is proposing to amend the Zoning Ordinance's Table of Uses to permit pawn shops and consignment shops in the B-3 (General Business District). Pawn shops sell a variety of goods, including electronics, jewelry, musical instruments and furs. These types of goods are allowed to be sold in other districts in the City. Expanding pawn shops and consignment shops to be allowed in the B-3, General Business district will be consistent with the general retail nature of these stores and will correct a nonconforming use at the Gold and Diamond Exchange.

While staff recommends allowance of pawn and consignment shops in the B-3 district, allowing these uses in other business districts would not be appropriate. Neighborhood business districts, B-1

and B-2 are designed for businesses that provide a service to a smaller area, while pawn shops attract business from across the entire city. The other business districts in the City, B-3U and CCD, are focused on the University of Illinois area and are aimed at providing mixed-use developments, with multi-family housing and limited retail to serve residents and students. This type of development would not be consistent with pawn shops, which are generally stand-alone stores or in auto-oriented retail strips.

Text Changes

The proposed changes are listed below, using a strikethrough and underline notation system. A strikethrough is used to indicate ~~deleted language~~, while an underline is used to indicate added language.

Principal Uses	R-1	R-2	R-3	R-4	R-5	R-6	R-6B	R-7	AG	B-1	B-2	B-3	B-3U	B-4	B-4E	CCD	CRE	MOR	IN-1	IN-2
Business												P		P	P					
Pawn or Consignment Shop																				

The proposed changes only affect Table V-1, Table of Uses. There are no additional regulations in the Zoning Ordinance regarding pawn or consignment shops.

Summary of Staff Findings

1. The proposed amendment will modify Table V-1, Table of Uses in the Urbana Zoning Ordinance to allow “Pawn or Consignment Shop” as permitted by right in the B-3, General Business District.
2. The proposed amendment will allow for “Pawn or Consignment Shop” uses to expand from only being allowed in the Downtown zoning districts to areas zoned B-3 throughout the City.
3. Urbana’s only pawn shop, the Gold and Diamond Exchange, has been operating successfully for over 25 years.
4. The proposed amendment will allow for investment in and expansion of the only pawn shop in Urbana.
5. The proposed amendment is consistent with the goals and objectives of the 2005 Urbana Comprehensive Plan regarding updating various sections of the Zoning Ordinance.

6. The proposed amendment conforms to notification and other requirements for the Zoning Ordinances as required by the State Zoning Act (65 ILCS 5/11-13-14).

Options

The Plan Commission has the following options for recommendation to the Urbana City Council regarding Plan Case 2192-T-12:

- a. forward this case to City Council with a recommendation for approval as presented herein;
- b. forward this case to City Council with a recommendation for approval as modified by specific suggested changes; or
- c. forward this case to City Council with a recommendation for denial.

Staff Recommendation

Based on the evidence presented in the discussion above, and without the benefit of considering additional evidence that may be presented at the public hearing, staff recommends that the Plan Commission recommend **APPROVAL** of the proposed text amendment to the Zoning Ordinance as presented herein.

cc: Bruce Hunter, B & H Real Estate Ventures, LLC.
Bob Rigdon, Gold and Diamond Exchange

ORDINANCE NO. 2012-11-106

An Ordinance Amending the Zoning Ordinance of the City of Urbana, Illinois
(Revision to Table V-1 to Permit "Pawn or Consignment Shop" in the B-3,
General Business District - Plan Case No. 2192-T-12)

WHEREAS, the City Council of the City of Urbana, Illinois adopted Ordinance #9293-124 on June 21, 1993 which adopted the 1993 Comprehensive Amendment to replace the 1979 Comprehensive Amendment to the 1950 Zoning Ordinance of the City of Urbana which is also known as the Urbana Zoning Ordinance; and,

WHEREAS, the Zoning Administrator has applied to revise Table V-1, Table of Uses in order to permit "Pawn or Consignment Shop" by right in the B-3, General Business District; and

WHEREAS, said text amendment is consistent with the goals and objectives of the Urbana Comprehensive Plan; and

WHEREAS, after due publication in accordance with Section XI-7 of the Urbana Zoning Ordinance and with Chapter 65, Section 11-13-14 of the Illinois Revised Statutes, the Urbana Plan Commission held a public hearing on this application at their November 8th, 2012 meeting; and

WHEREAS, the Urbana Plan Commission on November 8th, 2012 voted 7 ayes to 0 nays to forward this application to the Urbana City Council with a recommendation for approval;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, that the Urbana Zoning Ordinance shall be amended as follows:

Section 1. That Table V-1, Table of Uses, of Urbana Zoning Ordinance is hereby amended to list the following permissions for "Pawn or Consignment Shop":

Table V-1. Table of Uses

Principal Uses	R-1	R-2	R-3	R-4	R-5	R-6	R-6B	R-7	AG	B-1	B-2	B-3	B-3U	B-4	B-4E	CCD	CRE	MOR	IN-1	IN-2
Pawn or Consignment Shop												P		P	P					

Section 2. The City Clerk is directed to publish this Ordinance in pamphlet form by authority of the corporate authorities. This Ordinance shall be in full force and effect from and after its passage and publication in accordance with the terms of Chapter 65, Section 1-2-4 of the Illinois Compiled Statutes (65 ILCS 5/1-2-4).

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called of a majority of the members of the City Council of the City of Urbana, Illinois, at a regular meeting of said Council on the 19th day of November, 2012.

PASSED by the City Council this _____ day of _____, 2012.

AYES:

NAYS:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____, 2012.

Laurel Lunt Prussing, Mayor

CERTIFICATE OF PUBLICATION IN PAMPHLET FORM

I, Phyllis D. Clark, certify that I am the duly elected and acting Municipal Clerk of the City of Urbana, Champaign County, Illinois. I certify that on the ____ day of _____, 2012, the corporate authorities of the City of Urbana passed and approved Ordinance No. _____, entitled "An Ordinance Amending the Zoning Ordinance of the City of Urbana, Illinois -- (Revision to Table V-1 to Permit "Pawn or Consignment Shop" in the B-3, General Business District - Plan Case No. 2192-T-12)" which provided by its terms that it should be published in pamphlet form. The pamphlet form of Ordinance No. _____, including all of its attachments, was prepared, and a copy of such Ordinance was posted in the Urbana City Building commencing on the _____ day of _____, 2012, and continuing for at least ten (10) days thereafter. Copies of such Ordinance were also available for public inspection upon request at the Office of the City Clerk.

DATED at Urbana, Illinois, this _____ day of _____, 2012.

MINUTES OF A REGULAR MEETING

URBANA PLAN COMMISSION

DRAFT

DATE: November 8, 2012

TIME: 7:30 P.M.

PLACE: Urbana City Building – City Council Chambers
400 South Vine Street
Urbana, IL 61801

MEMBERS PRESENT: Carey Hawkins-Ash, Andrew Fell, Tyler Fitch, Lew Hopkins, Dannie Otto, Michael Pollock, Bernadine Stake, Mary Tompkins, Marilyn Upah-Bant

MEMBERS EXCUSED: Dannie Otto, Marilyn Upah-Bant

STAFF PRESENT: Robert Myers, Planning Manager; Teri Andel, Planning Secretary

OTHERS PRESENT: Edward Anderson, Judy Conerly, Bruce Hunter, Carol McKusick, Robert Riedon, Susan Taylor, Howard Wakeland

Plan Case No. 2192-T-12: A request by the Urbana Zoning Administrator to amend Table V-1 of the Urbana Zoning Ordinance to permit “Pawn or Consignment Shop” in the B-3, General Business Zoning District.

Robert Myers, Planning Manager, presented this case to the Plan Commission. He explained that the Table of Uses in the Zoning Ordinance currently only permit “Pawn Shop” and “Consignment Shop” in the B-4, Central Business, and B-4E, Central Business-Expansion, Zoning Districts. The City of Urbana now has only one pawn shop, which is located at 1004 W. University Avenue in the B-3, General Business Zoning District. It is a legally non-conforming use. A potential buyer of 1004 W. University Avenue wants to invest in the property and expand the building. However, since it is a non-conforming use, his plans cannot be approved. This issue prompted City staff to review which zoning districts would be suitable for pawn or consignment shops. There does not appear to be a strong planning or zoning basis for limiting pawn shops to downtown Urbana. City staff is asking for approval of an amendment to the Table of Uses to allow pawn shops in the B-3, General Business District, as well as downtown districts.

There were no questions for City staff, and there was no public input. Chair Pollock closed the public hearing and opened it for Plan Commission discussion and/or motion(s).

Mr. Fitch moved that the Plan Commission forward Plan Case No. 2192-T-12 to the City Council with a recommendation for approval. Ms. Tompkins seconded the motion. Roll call was as follows:

Mr. Fell	-	Yes	Mr. Fitch	-	Yes
Mr. Hopkins	-	Yes	Mr. Pollock	-	Yes
Ms. Stake	-	Yes	Ms. Tompkins	-	Yes
Mr. Ash	-	Yes			

The motion passed by unanimous vote. Mr. Myers noted that this case would be forwarded to the City Council on Monday, November 19, 2012.

Respectfully submitted,

Robert Myers, AICP, Secretary
Urbana Plan Commission