

LONG BEACH CENTRAL PROJECT

AREA COUNCIL, INC.

(LB CPAC)

A Non-Profit Corporation

p.o. Box 16325

Long Beach, CA 90806

September 17, 2013

Long Beach City Council
333 West Ocean Blvd., 14th floor
Long Beach, CA 90802

Re: 13-0791 Agenda Item 2

Recommendation to receive supporting documentation into the record, conclude the public hearing, and declare the ordinance amending and restating the City's regulation of check cashing and other financial services (Chapter 21.52), as well as amendments related to check cashing and other financial service definitions (Chapter 21.15), and addition of special development standards for check cashing and other financial services (Chapter 21.45) read the first time and laid over to the next regular meeting of the City Council for final reading; and Accept Categorical Exemption CE 13-074. (Citywide)

Dear Members of the City Council:

I'm writing on behalf of the Long Beach Central Project Area Council, which has as its members various businesses, residents, community organizations representing over 100 members. We are in favor of the new ordinance that will regulate the current proliferation of Payday Lenders, Check Cashing, and Title Loan Lenders often described as "predatory lenders". We are in favor of this ordinance with the most

stringent and limiting controls by CUP, Capping, and limiting the clustering of these entities as defined by the ordinance.

Prior to the dismantling of Redevelopment in the State of California, the Central Project Area Committee had worked as volunteers for over 20 years to remove blight and revitalize the CPAC target area.

We are writing in regard to the "Financial Services Zoning Ordinance" tentatively scheduled for a 1st reading by the Council on Tuesday, September 17th. We stand with neighborhood groups and advocates in urging you to adopt an ordinance that would put a cap on the number of high cost, predatory lenders in the City, specifically in low-income neighborhoods, and set forth distancing requirements for any new payday loan, check cashing, auto title loan or other high cost financial services storefronts. We believe it is in the interest of Long Beach communities for the City Council to adopt these strong yet reasonable policies to control the growth of the fringe financial services industry in our city, consistent with other cities across the state.

These businesses will never locate in the most affluent neighborhoods. We're concerned about the practices and locations of these businesses, and the hardships inflicted on residents who get caught up with these companies. We are especially concerned that most of these businesses are located in low-income neighborhoods, and strip much needed assets from already struggling individuals and communities and create blight. We are also in favor of adding an amendment to the ordinance including CCA or CCA/CCN zones to the not allowed list.

We would also like to suggest including a 500 foot buffer zone between fringe financial outlets and residential areas, similar to the cities of Sacramento and Oakland.

For every positive instance, there are at least 10 others who have suffered at the hands of these predatory lenders throughout this great country.

Long Beach has a responsibility to the taxpayer to seek best practices for their land use and regulate any business that gives the appearance of being either a nuisance or whom singles out a demographic that may, based on income, intolerance or understanding while using that land for business. Don't let them bully you or threaten you with lawsuits.

Please remember, in Jan. 2012, the membership of CPAC made a decision to continue in our effort to revitalize and remove blight in every way possible. Our new name is Long Beach Central Project Area Council, Inc. (LB CPAC) and we are now a 501-C3 Non Profit Corporation.

In that spirit, we reiterate our support for this policy and respectfully ask the Council to approve the most restrictive land use ordinance possible pertaining to payday lenders, check cashers, auto title lenders and other high cost financial service companies. The community will stand behind our elected officials in the granting of the most stringent ordinance possible.

Thank you for your time and consideration,

Sincerely,

/s/

Annie Greenfeld, President

LONG BEACH CENTRAL PROJECT AREA COUNCIL (LB CPAC)