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To: larry.herrera@longbeach.gov
From: Liana Molina <liana@calreinvest.org>
Date: 09/16/2013 10:20AM
Subject: One More Letter to Add to Record
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July 17, 2013

Long Beach City Council

Honorable Mayor and Council Members

Civic Center Plaza

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

Dear Mayor Foster and Members of the City Council:

I'm writing on behalf of The Long Beach Coalition for Good Jobs and a Healthy Community, a local community organization whose mission is to address the growing inequality and poverty in Long Beach by promoting living wages, responsible development, affordable housing and healthy communities. The Coalition engages in grassroots leadership development, political advocacy, civic participation, and public education to make a more livable Long Beach for everyone.

We are writing in regard to the Check Cashing, Payday Loan and other Financial Services Zoning Ordinance; tentatively scheduled to be heard by the Planning Commission on Thursday, August 1st. *We stand with

neighborhood groups and advocates in urging you to adopt an ordinance that will put a cap on the number of high cost, predatory lenders in the City, and set forth permitting and distance requirements for any new payday loan, check cashing, and auto title loan storefronts. We believe it is in the interest of Long Beach communities for the Planning Commission and 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. *

We're concerned about the predatory practices of these industries, and the hardships inflicted on residents who get caught up with these companies. We are especially concerned about the 459% APR interest rates on payday loans and the inescapable cycle of debt the loans create for consumers, which create an asset-stripping effect that impacts both the individual and the entire community. We are concerned that these businesses often target low and moderate-income communities, and that they tend to cluster in certain neighborhoods. Adopting a cap and developing a permitting process and zoning restrictions for these businesses would help address the latter issue, and would allow for communities to weigh in on any future proposals for new payday lenders.

*Working families in Long Beach are struggling to make ends meet, and, while 2000 hotel workers now make a Living Wage, thousands of Long Beach residents are still making poverty wages. Local leaders have the critical role of supporting policies that support a more livable Long Beach, which includes policies that protect residents such as this one. * In that spirit, we reiterate our support for this policy and respectfully ask the Council to approve a restrictive land use ordinance regarding payday lenders, check cashers, auto title lenders and other high cost financial service companies when it comes before you for a vote this fall.

Thank you for your time and consideration,

The Long Beach Coalition for Good Jobs and a Healthy Community

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The LONG BEACH COALITION FOR GOOD JOBS & A HEALTHY COMMUNITY