



Dee Andrews
City of Long Beach
Councilmember, Sixth District

R-10

Date: July 16, 2013

To: Honorable Mayor and Members of the City Council

From: Vice Mayor Robert Garcia, First District *RG*
Councilmember Dee Andrews, Sixth District *DA*
Councilmember Steven Neal, Ninth District *SN*

Subject: Regulating Cash for Gold

RECOMMENDATION:

Request the City Council to request the City Attorney to amend Long Beach City Ordinance Chapter 5.64.010 C, relating to pawn brokers and second-hand dealers, to include "cash for gold" businesses, as well as directing staff to prepare any necessary amendments to Title 21 of the Municipal Code to be consistent, and report back to the City Council with an Ordinance within 90 days.

DISCUSSION:

Over the past year Long Beach has seen an increase in property crimes, and in many of those crimes jewelry has been one of the primary losses. In addition, there have been many incidents of "necklace snatch" street robberies. One of the possible reasons that jewelry, specifically gold, is being targeted in these crimes is the relative ease with which it is sold.

Police suspect stolen jewelry is being sold to "cash for gold" dealers, as well as other secondhand businesses, that have set up shop at jewelry stores and other locations, sometimes temporary, looking to make a fast profit. Some of these dealers operate without a business license, and most of these unlicensed businesses do not document the items they purchase or identify the persons selling them as required of secondhand dealers. Most of the unlicensed businesses also do not hold the purchased jewelry for 30 days as required by law.

To help in deterring criminals from stealing and selling of stolen jewelry, the City should consider stricter regulation of businesses buying gold, silver and other precious metals. The regulation would come by amending the City's ordinance related to pawn brokers and secondhand dealers.

Stricter regulations would give police additional capability to locate stolen goods that are bought by secondhand dealers. The ordinance amendment is directed at secondhand dealers that are also temporarily located in Long Beach. Some of the temporary businesses are operating out of kiosks, gas stations and grocery stores.

FISCAL IMPACT:

There is no significant cost for this item.