

The Board of Trustees of Colerain Township, County of Hamilton, State of Ohio, met in regular session at 5:00 p.m., on the 28th day of October, 2014, at the Colerain Township Administration Building, 4200 Springdale Road, Cincinnati, Ohio 45251, with the following members present:

Dennis P. Deters, Jeffrey F. Ritter, Melinda Rinehart

Mr./Ms. Jeffrey F. Ritter introduced the following resolution and moved its adoption:

RESOLUTION NO.: 61 -14

**RESOLUTION APPROVING MORATORIUM ON
ALTERNATIVE FINANCIAL SERVICES PROVIDERS**

WHEREAS, Alternative Financial Services Providers shall be defined as check cashing businesses, payday advance or loan businesses, pawn businesses, money transfer businesses or car title loan businesses; and

WHEREAS, as it relates to this resolution, the following definitions shall be used for Alternative Financial Services Providers:

1. **Car Title Loan Business** shall mean an establishment that makes or facilitates short term consumer loans that leverage the equity value of a car or other vehicle as collateral. This excludes state or federally-chartered banks, savings and loan associations, or credit unions engaged primarily in the business of making longer term loans and which make loans that leverage the total equity value of a car or vehicle as collateral.
2. **Check Cashing Business** shall mean an establishment that provides or facilitates the provision of an amount of money that is equal to the face of the check or the amount specified in the written authorization for an electric transfer of money, less any fee charged for the transaction, and where there is an agreement not to cash the check or execute an electronic transfer of money for a specified period of time. This definition excludes a state or federally-charted bank, savings and loan association, credit union, pawnshop, grocery store or gas station so long as the gas station does not conduct more than 100 such transactions with in a calendar month.
3. **Money Transfer Business** shall mean an establishment, other than a bank or financial institution, that engages in or facilitates the transmission of funds to or from a location outside the United States and its territories for a fee.
4. **Payday Advance or Loan Business** shall mean an establishment that makes or facilitates consumer loans, usually backed by postdated check or authorization to make an electronic debit against an existing financial account, where the check or debit is held for an agreed-upon term or until an applicant's next payday, and then cashed unless the customer repays the loan to reclaim such person's check.

5. **Pawn business** shall mean an establishment that makes or facilitates short-term loans collateralized by tangible personal property, such as jewelry, consumer electronics, tools, musical instruments or firearms.

WHEREAS, Alternative Financial Services Providers (AFSPs) are widely perceived as markers of urban decline and disinvestment, and research shows they can impair neighborhood character, aesthetics, property values and economic development activities¹; and

WHEREAS, studies have found that AFSPs may have a negative impact on economic development and the economic well-being of a community²³; and

WHEREAS, the Colerain Township Comprehensive Plan "recognizes the importance of economic development in helping to pay for necessary services as well as creating jobs"; and

WHEREAS, the Colerain Township Zoning Resolution is a legal tool used to implement the comprehensive plan; and

WHEREAS, Colerain Township has experienced an increase in applications for change-of-use zoning certificates for AFSPs; and

WHEREAS, the AFSPs have clustered along the Colerain Avenue corridor, the township's main commercial thoroughfare; and

WHEREAS, one of the most basic functions of zoning is to separate uses that may have adverse impacts on each other; and

WHEREAS, The Colerain Township Comprehensive Plan specifically identifies development policies for the Colerain Avenue character area that include "strengthen(ing) development standards for the entire corridor to include appropriate levels of buffering between land uses..."; and

WHEREAS, AFSPs have recently been found to be in violation of the Colerain Township Zoning Resolution; and

WHEREAS, local governments have important reasons for considering special regulation of AFSPs due to the potential for adverse impacts on neighboring property owners and the health, safety, morals and welfare of the township as a whole; and

WHEREAS, in light of the foregoing, a one-year moratorium allowing the township to study the impacts of AFSPs and ways to mitigate any negative impacts is rationally related to valid public purposes as articulated in the Colerain Township Comprehensive Plan and is in furtherance of the health, safety, morals and welfare of the Township.

¹ See, for example, Griffith, Kelly, Linda Hilton and Lynn Drysdale. 2010. "Controlling the Growth of Payday Lending Through Local Ordinances and Resolutions: A Guide for Advocacy Groups and Governmental Officials" Tuscon, AZ: Southwest Center for Economic Integrity.

² Blank, Rebecca M. 2008., *Public Policies to Alter the Use of Alternative Financial Services Among Low-Income Households*, Brookings Institution

³ Stegman, Michael A. 2007. "Payday Lending." *Journal of Economic Perspectives*, 21(7): 169-190

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of Colerain Township, Hamilton County, Ohio, as follows:

1. The Township hereby declares a one year moratorium during which no zoning certificates will be issued to any AFSP; and
2. That it is hereby found and determined that all formal actions of this Board concerning and relating to the passage of this Resolution were taken in an open meeting of this Board, and that all deliberations of this Board and any of its committees that resulted in such formal action were taken in meetings open to the public, in compliance with all legal requirements including §121.22 of the Ohio Revised Code; and
3. That the Board by a majority vote hereby dispenses with the requirement that this Resolution be read on two separate days and hereby authorizes the adoption of the Resolution upon its first reading.
4. This resolution is hereby declared to be an emergency measure pursuant to RC 504.11, necessary for the immediate preservation of the public peace, health, safety, or welfare of the residents of Colerain Township.
5. That this Resolution shall be effective immediately.

Mr./Ms. Deters seconded the Resolution, and the roll being called upon the question of its adoption, the vote resulted as follows:

Vote Record: Mr. Deters aye, Mr. Ritter aye, Ms. Rinehart aye

ADOPTED this 28th day of October, 2014.

BOARD OF TRUSTEES:



Dennis P. Deters, Trustee




Jeffrey F. Ritter, Trustee



Melinda Rinehart, Trustee

ATTEST:



Heather E. Harlow,
Fiscal Officer

Resolution prepared by and approved as to form:



Lawrence E. Barbieri (0027106)
5300 Socialville Foster Rd., Suite 200
Mason, OH 45040
(513) 583-4200
Colerain Township Law Director

AUTHENTICATION

This is to certify that this Resolution was duly passed and filed with the Colerain Township Fiscal Officer this 28th day of October, 2014.



Heather E. Harlow,
Colerain Township Fiscal Officer