

Proposed ordinance calls for restrictions on locations, ownership and operations

Village of Grafton officials are taking steps to regulate pawn shops and check-cashing stores.

The Plan Commission last week completed its final review of a proposed ordinance that would restrict where those businesses can be located and establish guidelines for their operations.

If approved, the ordinance would allow pawn shops only in the central business district and check-cashing stores only in the south commercial district. In addition, both types of businesses would only be allowed if they receive conditional-use permits.

The village currently has no pawn shops and two check-cashing stores, one downtown and another in the freeway-corridor business district along Port Washington Road. Both stores would be allowed to continue operating as “grandfathered” businesses if the ordinance is adopted.

Village Administrator Darrell Hofland said the proposed ordinance is designed to give the village more control over businesses that might have objectionable operations and not be appropriate in certain areas.

“This was citizen-driven in terms of a request to limited the number of check-cashing places in the community,” Hofland said. “Upon further review, the village staff agreed.”

Under the village’s current zoning code, pawn shops — which loan money by accepting second-hand and used merchandise as security — are permitted as conditional uses in several commercial districts.

Check-cashing stores are currently permitted in several districts zoned for varying commercial uses and as conditional-use operations in other locations.

In a report to the Plan Commission, Village Planning Director Mike Rambousek recommended that conditional-use permits for both types of businesses should be required to:

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Written by Steve Ostermann

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- Pass background checks by the village police department.
- Install and maintain digital-imaging security systems.
- Make sure their customers do not create a public nuisance by gathering on sidewalks and streets outside the businesses, obstruct traffic or “act in a menacing or harassing manner.”
- Have trash receptacles in front of the stores and prevent outside litter from accumulating.
- Inform the village of any changes in ownership or operation, which would be subject to review by the commission.

Rambousek recommended that owners and employees of pawn shops be required to provide additional information to the village about their previous business and occupational backgrounds, places of residence and possible criminal records.

He recommended that pawn shops be required to give Grafton police a report of all weekly receipts that describe the items received and sold by the store, “including a copy of a photograph identification card of the customer pawning a given item.”

“Since pawn shops, in other communities, have been used to cash in stolen items or hide potential evidence, the requirements are very pertinent,” Rambousek said.

He also recommended that pawn-shop owners be required to post a bond that would cover the cost of items not returned if the business closes permanently. The bond should be valid for at least three months, he said.

The commission made no major changes in the proposed ordinance during last week’s review, Hofland said.

The commission will hold a public hearing on the proposal at its Tuesday, Dec. 22, meeting, during which it may also make a recommendation.

Final approval by the Village Board is expected at its Jan. 4, 2010, meeting.

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