

**City of Sachse, Texas**  
Planning and Zoning Commission

Minutes of the Regular Meeting of April 27, 2009

Time: 7:00 PM      Place: Sachse City Hall

---

**Members Present:**

Warren Becker  
David Hock  
Scott Everett  
Jared Patterson  
Robert Corbin  
Jeanie Marten  
Wally Sparks

**Members Absent:**

**Staff Present:**

Barry Shelton, Community Development Director  
Michael Spencer, Building Official  
Charlotte Youngblood, Secretary

Chairperson Scott Everett opened the regular meeting of the Planning and Zoning Commission at 7:00 p.m. and a quorum was declared.

**Consent Agenda**

- 1. Consider approval of the minutes for the April 13, 2009 regular Planning and Zoning Commission meeting.**

David Hock made a motion to approve the minutes for the April 13, 2009 Planning and Zoning Commission meeting. Jared Patterson seconded the motion with all voting in favor the item passed unanimously.

**Regular Agenda**

- 2. Conduct a Public Hearing to consider an ordinance of the City of Sachse, Texas, amending the Sachse Code of Ordinances by amending Chapter 11, Zoning, Article 2 by adding definitions for car title loan business, check cashing business, and payday advance / loan business; by amending Schedule I to require a special use permit for check cashing businesses, payday advance / loan businesses, and car title loan businesses; amending Chapter 11, Article 3, Section 11 to provide regulations for the location of car title loan businesses, check cashing businesses, and payday advance / loan businesses:** Barry Shelton, Community Development Director, introduced the item. He explained City Council has requested him to look in to the regulation of these types of businesses with the recent growth in the number of them. Mr. Shelton said that the State of Texas does regulate the operations of such businesses; however, the laws are limited.

Jeanie Marten arrived at 7:04 p.m.

Mr. Shelton stated that currently in the State of Texas only three cities have passed a similar ordinance that regulate loan businesses these cities being Mesquite, Richardson, and Farmers Branch. He stated that our city attorney is the one who wrote the ordinance for the City of Richardson so he is very familiar with the regulation of such businesses. He said that while they do serve a niche market they do have secondary negative effects. One of those effects being lower property values. The other statistic of increased crime rate is inconclusive at this time. Mr. Shelton stated that he had also attached an article from Texas Business Review titled "The Hidden Costs of Payday Lending" which will provide some more information about the practices of such loans.

Mr. Shelton stated for the record that the following uses are to be regulated under the proposed ordinance:

A Car Title Loan Business which is an establishment that makes small consumer loans that leverage the equity value of a car or other vehicle as collateral where the title is owned free and clear by the loan applicant. Such loans are often for thirty-day terms and failure to pay allows the lender to take possession of the vehicle.

A Check Cashing Business which provides the customer an amount of money that is equal to the face of the check or the amount specified in the written authorization for an electronic 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 specific period of time; that is in the business of cashing checks, warrants, drafts, money orders, or other commercial paper serving the same purpose for compensation; other than a retail seller engaged primarily in the business of selling consumer goods, including consumables to retail buyers, that cashes checks or money orders or issues money orders or money transfers for a minimum flat fee as a service that is incidental to its main purpose or business, provided that they do not cash more than (100) checks in any calendar month. This excludes banks, savings, and loans association or credit union, pawn shop or grocery store.

A Payday Advance / Loan Business makes small consumer loans, usually backed by a post dated 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 applicant's next payday and then cashed unless the customer repays the loan to reclaim such person's check.

Mr. Shelton said by separating these uses out by definition it would allow the city to regulate them. These uses would be allowed by SUP in C-2, I-1, and I-2 zoning districts. These types of businesses would have to meet the location requirements before coming to Planning and Zoning for approval. These businesses could not be located within 1,000 feet of another check cashing business, payday advance / loan business or a car title loan business or within 500 feet of the right-of-way of the upcoming George Bush Turnpike or State Highway 78 or within 500 feet of the Sachse city limits line. Mr. Shelton stated that this is to prevent clusters of the same type of business in one area and to keep the city's main thoroughfares free of these types of businesses. He said this ordinance would not have an impact on banks and that existing businesses would become a legal non-conforming use. This would mean they could continue to operate however, would not be allowed to expand their current business or if they were to close for six months they would not be able to reopen and if for some reason that more than 70% of their business was destroyed that it could not be rebuilt. Mr. Shelton stated that there is a market for these types of loans generally for people who typically do not have banking resources available to them and limiting these businesses would limit services to citizens who do not have access to other forms of credit. Scott Everett asked what if one of these businesses attached themselves to a gas station for example would it be allowed. Barry said a business could for example cash checks in addition to selling consumer goods such as the case with grocery stores. However, they could not open up a payday loan business within their store. Wally Sparks inquired as to why there are not more requirements or certain criteria for the special use permit. Mr. Shelton said it is like any other special use permit it gives the commission discretionary approval and the ability to accept or decline the request. He stated that the city does not have to spell out in our ordinance all the specifics of a SUP. Robert Corbin asked if the existing businesses could transfer ownership. Mr. Shelton said they could change ownership and keep their legal nonconforming use.

Chairperson Scott Everett opened the Public Hearing at 7:25 p.m. No one spoke at the Public Hearing. Jeanie Marten made a motion to close the Public Hearing. Robert Corbin seconded the motion with all voting in favor the Public Hearing was closed at 7:25 p.m.

Jeanie Marten recommended approval of the proposed changes to Chapter 11 of the Code of Ordinances. Warren Becker seconded the motion with all voting in favor the motion passed unanimously.

There being no further business, Jeanie Marten made a motion to adjourn. Wally Sparks seconded the motion. The motion passed with all voting in favor.

The meeting adjourned at 7:28 p.m.

---

*Original Signed by Secretary*

---

*Original Signed by Chairperson*