

**CITY OF SAN MATEO
ORDINANCE NO. 2015-6**

**AMENDING TITLE 27, "ZONING," OF THE SAN MATEO MUNICIPAL CODE TO
ESTABLISH LOCATIONAL AND PERMITTING REQUIREMENTS FOR PAYDAY
LENDERS AND SIMILAR ALTERNATIVE FINANCIAL SERVICES**

WHEREAS, the City Council of the City of San Mateo wishes to regulate the location of alternative financial services such as check cashing, payday lending, and auto title lending; and

WHEREAS, the City Council of the City of San Mateo wishes to establish operational requirements for alternative financial services such as check cashing, payday lending, and auto title lending by requiring a special use permit;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN MATEO
ORDAINS AS FOLLOWS:

Section 1. Section 27.04.021, "Alternative Financial Services," is added to Chapter 27.04, "Definitions," of the San Mateo Municipal Code to read:

27.04.021 ALTERNATIVE FINANCIAL SERVICE

"Alternative Financial Service" means a use, other than a state or federally chartered bank, credit union, mortgage lender, savings and loan association, or industrial loan company, that offers deferred deposit transaction services or check cashing services and loans for payment of a percentage fee. The term "Alternative Financial Service" includes, but is not limited to, deferred deposit transaction (payday loan) businesses that make loans upon assignment of wages received, check cashing businesses that charge a percentage fee for cashing a check or negotiable instrument, and motor vehicle title lenders who offer a short-term loan secured by the title to a motor vehicle. Non-profit financial institutions are not encompassed by the term "Alternative Financial Service." The term "Alternative Financial Service" does not include retail sellers engaged primarily in the business of selling consumer goods to retail buyers and that cash checks for a minimum fee, not exceeding 5%, as a service to its customers that is incidental to its main purpose or business."

Section 2. Section 27.30.020, "Special Uses," of Chapter 27.30, "C1 Districts – Neighborhood Commercial," is amended to add a new subsection (b) to read as follows and the adjust the following lettered subsections so that they follow in alphabetical order:

"(b) Alternative Financial Services subject to the following requirements:

- (1) A maximum of four Alternative Financial Services may be located in the City of San Mateo.
- (2) No Alternative Financial Service may be located within a radius of 1000 feet from the nearest existing Alternative Financial Service.
- (3) Any Alternative Financial Service seeking to begin operations after the effective date of this Ordinance shall meet the following minimum standards of performance, which shall be included as conditions of approval for such uses:
 - (i) A lighting plan shall be reviewed and approved by the Police Department and the Building Division for conformance with the City's security ordinance prior to the issuance of building permits.

- (ii) Storefronts shall have glass or transparent glazing in the windows and doors. No more than ten percent of any window or door area shall be covered by signs, banners, or opaque coverings of any kind.
- (iii) Hours of operation shall be limited to 7:00 a.m. to 7:00 p.m.
- (iv) At least one uniformed security guard will be on duty at all times the business is open. The security guard shall patrol the interior and all exterior portions of the property under the control of the owner or operator of the Alternative Financial Service, including, but not limited to, parking lots and any open public spaces such as lobbies.”

Section 3. Section 27.44.030, “Special Uses,” of Chapter 27.44, “E1 Districts – Executive Park,” is amended to add a new subsection (c) to read as follows and to re-letter the existing following subsections in alphabetical order:

“(c) Alternative Financial Services, subject to the restrictions set forth in Section 27.30.020.”

Section 4. SEVERABILITY. The City Council of the City of San Mateo hereby declares that should any section, paragraph, sentence, phrase, term or word of this Ordinance, hereby adopted, be declared for any reason to be invalid, it is the intent of the City Council that it would have adopted all other portions of this ordinance irrespective of any such portioned declared invalid.

Section 5. ENVIRONMENTAL DETERMINATION. In accordance with California Environmental Quality Act (CEQA) Guidelines section 15061(b)(3), adoption of this ordinance is not a project subject to CEQA, because it can be seen with certainty that there is no possibility that the ordinance will have a significant impact on the environment.

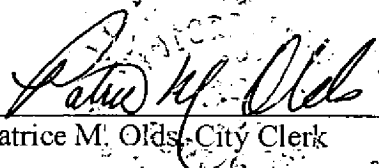
Section 6. EFFECTIVE DATE. This Ordinance shall take effect 30 days after adoption.

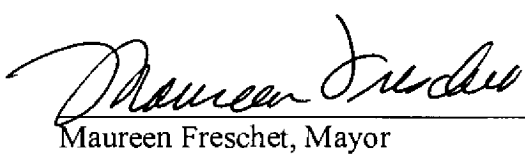
Section 7. PUBLICATION. This Ordinance shall be published in summary in the Examiner Peninsula Edition, posted in the City Clerk’s Office, and posted on the City’s website, all in accord with Section 2.15 of the Charter.

The foregoing ordinance was introduced on May 18, 2015, and adopted by the City Council of the City of San Mateo, State of California on the 1st day of June, 2015, by the following vote:

AYES: Council Members Freschet, Matthews, Bonilla, Goethals and Lim
NOES: None
ABSENT: None

ATTEST:


Patrice M. Olds, City Clerk


Maureen Freschet, Mayor