



**CITY OF RACINE
DEPARTMENT OF CITY DEVELOPMENT
STAFF REPORT**

(This report is an update to the report filed for the May 30, 2018 CPC meeting. Updated information can be found in *italicized* text.)

Meeting Date: 7/25/2018

To: Mayor and Plan Commission Members

From: City Development Department, Division of Planning and Redevelopment

Division Manager: Matt Sadowski – (262) 636-9152 matthew.sadowski@cityofracine.org

Case Manager: Jeff Hintz

Location: 2504 Douglas Avenue, located approximately located on the northwest corner of the intersection of Douglas Avenue and Romaine Avenue.

Applicant: Thomas Stout of GNT Jewelry and Loan

Property Owner: Anthony Merlo

Request: Consideration of a conditional use permit to operate a Pawnbroker Business and Convenient-Cash Business, in an existing building at 2504 Douglas Avenue for property located in a B-2 Community Shopping and I-1 Restricted Industrial Zone District as required in section [114-468](#) of the Municipal Code.

BACKGROUND AND SUMMARY: The applicant seeks to utilize a portion of the existing building to establish a Pawnbroker and Convenient Cash business in an existing building at 2504 Douglas Avenue. The operation would occupy approximately 6,720 square feet of the building. The applicant has proposed an operating schedule of 10:00 AM–7:00 PM Monday-Friday and would be open 10:00 AM–5:00 PM on Saturday, and be closed on Sunday. Four full-time employees would work at the establishment which purchases, sells, and provides small loans for a variety of goods. The establishment does not, and has no plans to, deal in vehicles, motorcycles, firearms, or ammunition.

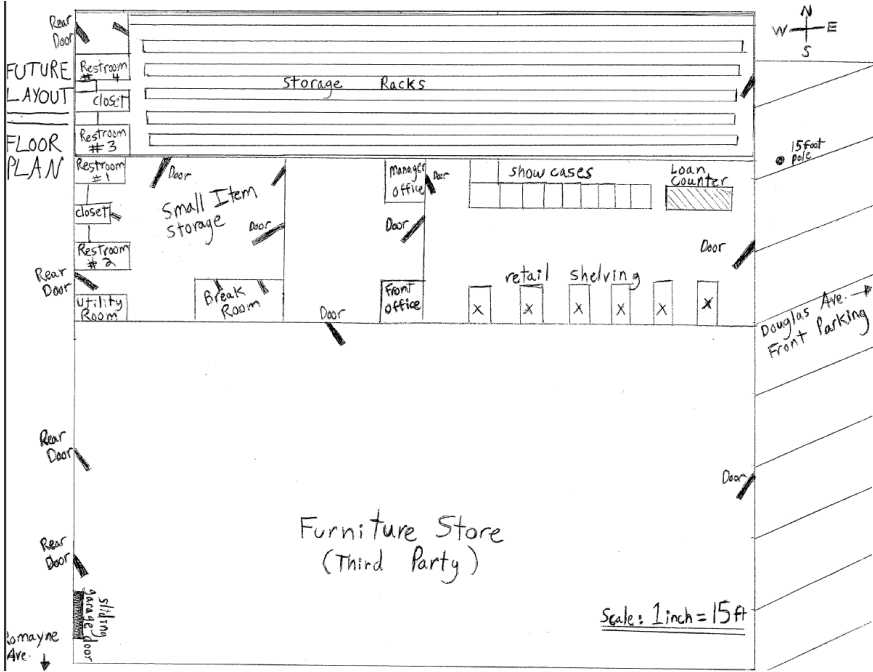
The Zoning Ordinance classifies a Pawnbroker business and Convenient Cash business as permissible in the B-2 Community Shopping Zone District upon the issuance of a conditional use permit (114-468) provided that these establishments be located at least 250 feet from residential districts and 2,500 feet from one another.

The Plan Commission recommended denial of this application at the May 30, 2018 meeting. This recommendation was forwarded to the Common Council for consideration at the June 5, 2018 meeting. The result of the [Common Council action](#) at the June 5 meeting was that the Conditional Use Permit be Referred Back to the City Plan Commission.

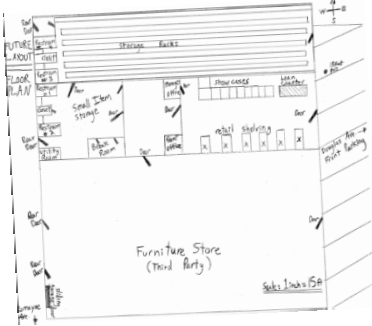
Since that time, City staff has been researching best practices from other communities and researching regulations pertaining to Pawnbrokers establishments. Based on regulations of other communities and best practices, City staff does not have any recommended changes to the current regulations related to Pawnbrokers in the City of Racine Zoning Ordinance. The intent of the current regulations and any proposed regulations would remain unchanged; the intent of this regulation is to restrict pawnbrokers and convenient cash establishments to areas which are surrounded by commercial development, not on an edge. As such, there are no recommended changes to the current regulations related to Pawnbroker establishments in the City of Racine.



Birdseye view of the property, indicated in red (image from City Pictometry).



Proposed Building Floor Plan, submitted by applicant.



Proposed site plan for the property, submitted by applicant.

GENERAL INFORMATION

Parcel Number: [20946001](#)

Property Size: 1.623 acres

Comprehensive Plan Map Designation: Commercial

Consistency with Adopted Plans:

The [Racine Comprehensive Plan](#) states that:

- The plan should encourage the redevelopment of older areas and commercial areas.
- Maintain and develop a land use pattern that strengthens the character and livability of the City's downtown core, commercial and industrial areas, and neighborhoods.
- Encourage development patterns that promote efficient and sustainable use of land, that can be readily linked by transportation systems and that utilize existing public utilities and services.
- Encourage efficient and sustainable growth that provides for the protection of natural systems and preserves the stability and diversity of the City's neighborhoods.
- Guide future growth in a manner that preserves and enhances the quality of life and character of the City.
- Promote the development of neighborhood identity.

The [Douglas Avenue Revitalization Plan](#) states that:

- Douglas Avenue will enhance the quality of life for area residents by providing businesses and services for neighborhood and north side residents.
- A goal of the central study area is to, "Reduce instances and perceptions of crime."

Corridor or Special Design District?: Douglas Avenue Corridor

Historic?: N/A

Current Zoning District: I-1 Restricted Industrial and B-2 Community Shopping

Purpose of Zone District: The B-2 community shopping district is intended to accommodate the needs of a much larger consumer population than is served by the neighborhood convenience district, thus a wider range of uses and structure sizes is permitted for both daily and occasional shopping.

Proposed Zoning: No change proposed

Existing Land Use: Communications facility at the rear of the property, furniture store and currently vacant tenant space.

Surrounding Zoning and Land Uses:

North	R-3 Limited General Residence	Single unit dwellings
East	R-3 Limited General Residence	Single unit dwellings and tavern
South	B-2 Community Shopping	Gas station and convenience store
West	I-1 Restricted Industrial	Bike trail and utility corridor

Operations: The applicant has proposed an operating schedule of 10:00 AM–7:00 PM Monday-Friday and would be open 10:00 AM–5:00 PM on Saturday, and be closed on Sunday. Four full-time employees would work at the establishment.

ANALYSIS:

Development Standards:

This parcel has split zoning, with the building generally occupying the B-2 portion and the remaining lot area being I-1. Generally the site development standards (lighting, parking, screening, yards, buffering and building design etc.) are the same in either zone. The bulk, density and signage standards vary by zone district; the analysis below for these development standards is based on the B-2 regulations since the building housing the business is within the B-2 portion of the lot.

Density ([114-Article V](#): Article VII, Div. 5 [Bulk Regulations](#) & 8 [Lots](#)): There are no changes planned to the exterior of the building as a result of this proposal.

Standard	Required	Provided
Lot Area	No minimum	70,698 sq. ft.
Lot Frontage	30 feet	192 feet

Floor Area Ratio	4.0 maximum	.26
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Setbacks ([114-Article V](#): Article VII, Div. 6 [Development Standards](#)):

Yard	Required	Provided
Front	0 feet	22 feet
Side (north)	6 feet	35 feet
Side (south)	0 feet	0 feet
Rear (west)	0 feet	181 feet

Building design standards (114-Secs. [735.5](#) & [736](#)): The two easternmost buildings on the parcel comply with the requirements of 114.735.5.b.1, the metal building at the rear (furthest west) does not. However, this request does not include any new buildings or modifications to the existing building.

Off-street parking and loading requirements (114- [Article XI](#)):

Use Type	Required	Provided
Mattress Store	18	18
Pawnbroker establishment	22	7*
Total	40	25

*While not shown on the site plan, the rear area could be striped to accommodate most, if not all of the required spaces for the site. The area along Romaine Avenue adjacent to the building would not count towards the off-street requirement, but can park five vehicles as well.

Buildings of this size require one loading space. The area at the rear of the building complies with this requirement, even when factoring in striping of additional parking.

Landscaping, screening and yard requirements ([114- Article V](#): Article VII, Div. 6 [Development Standards](#) & 7 [Fences and Walls](#)): 114-470 (b) requires screening to the north because this commercial building is within 100 feet of a residence district boundary line. At this time, the area immediately north of the parking lot is utilizing landscaping to meet the intent of this request. As the landscaping grows and matures, the screening will become of the density required by the ordinance. The additional plantings and fencing options provided by the applicant would meet the requirement of the ordinance.

Sign Regulations (114-[Article X](#)): Signage is not a part of this request, but signage does currently exist on the property for other tenants. Any future signage would need to follow the sizing requirements outlined below.

Sign Type	Allowable Sq. Ft.	Provided Sq. Ft.
Projecting/Wall	240	130
Window signs	50% of window area^	20

Alleyway Signage	N/A	N/A
Total	240 square feet*	150

*Total size determination would be made based on sizes and types of other signage on the lot. Once 4 or more signs are installed, the total is reduced by 20% with each subsequent sign.

^Each building is allowed two (2) window signs under four (4) square feet in total size, which do not count against the total allowable signage.

Outdoor lighting, signs ([114-Sec. 742](#)): At this time the south end of the building has lighting which appears to be focused towards Douglas Avenue as opposed to oriented onto the site. The plans submitted by the applicant do not include additional lighting fixtures. Regardless of the action taken by the Planning Commission, the lighting on the east façade of the southern portion of the building will need to be adjusted.

Rubbish and trash storage ([114-Article V](#) & [114-740](#)): A trash enclosure is not depicted on the site plan, prior to occupying the building one will need to be constructed. Regardless of the action taken by the Plan Commission, the enclosure is required. Alternatively, the applicant may store the dumpster and trash in one of the buildings, placing it out on collection day

Engineering, Utilities and Access:

Access ([114-1151](#)): Vehicular access to the site is provided from a driveway off of Douglas Avenue and two driveways off Romaine Avenue. The site plan submitted by the applicant does not contemplate any changes to access.

Surface drainage ([114-739](#) & Consult Engineering Dept.): Including a pawnbroker and convenient cash business in the building is not expected to impact the surface drainage of this lot.

Sewage disposal and water supply ([114-821](#) & Consult Engineering and S/W Utility): All utilities are available for this site and the applicant proposal is not expected to impact the ability to serve this area.

Police Department: City Development staff shared the details of this proposal with the Chief of Police for the City of Racine. While there is an appreciation for business growth in the City, from a law enforcement perspective, such growth must be healthy, without presenting a threat to public safety. For calendar year 2017, burglaries were at the lowest total since FBI UCR statistics were initiated in 1965.

The addition of new pawnbroker and/or convenient cash establishments within this area could upset the fragility of this recovering neighborhood. Even if the majority of goods that flow through this business were legitimate, with the existing pawn shop just blocks away, an additional location where stolen goods could be fenced would be harmful to the broader surrounding community. Given the hard work to reduce burglaries in the City of Racine to the lowest level in recorded history, this proposal presents a yellow flag to police officials. This is not to say this business will not be run legitimately, however this location does not meet the separation requirements in City ordinances.

Douglas Avenue Business Improvement District (BID): As with all proposed developments in the Douglas Access Corridor, City Development staff shared the details of this proposal with the BID. Two members of the BID wrote to state their objections to the proposal for this convenient cash and pawnbroker operation. Their statements *were* be read into the record during the **May 30, 2018** public hearing on this matter.

Exceptions to ordinance: This property cannot meet the 250 foot separation from residential property lines outlined for Pawnbrokers and Convenient Cash businesses established in 114-168 of the Zoning Ordinance. The subject property shares a northern boundary line with a residential zone district. A total exception of 250 feet would be required to grant this request.

Additional Planning and Zoning Comments:

REQUIRED FINDINGS OF FACT:

CONDITIONAL USE FINDINGS (Sec. 114-154. – Standards.)

No Conditional Use shall be recommended by the Plan Commission unless it is found that that:

- 1) The establishment, maintenance, or operation of the conditional use will not be detrimental to, or endanger, the public health, safety, morals, comfort, or general welfare.**

Staff Comments: There is some concern from City staff and the Douglas Avenue BID that this conditional use could be detrimental to the comfort and general welfare of the area. The intent of the separation requirement is to restrict pawnbrokers and convenient cash businesses to areas which are solely commercial. The mix of land uses here is not exclusively commercial and any pawnbroker and convenient cash operation would fail to meet the intent of the regulation at this property.

- 2) The conditional use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, nor substantially diminish and impair property values within the neighborhood.**

Staff Comments: The purpose and intent of the separation requirement from residential properties is to restrict the location of these operations to solely commercial areas. That being said, this location, given the plethora of housing units within 200 feet, would best be described as residential. The operation of a pawnbroker and convenient cash business was not intended to occur in this type of residential setting, be it here, or anywhere in the community. There are places in the City of Racine where this establishment could operate and meet this requirement. This is not to say this proposed business would not be operated in a professional manner; however, the perception of the establishment may impair property values and limit the interest in establishing other business in the Douglas Avenue Corridor. Two members of the Douglas BID cite hard work in planning and filling

vacant businesses along the corridor; there is a general concern that a pawnshop and convenient cash business will limit the interest of future business development and growth.

3) The establishment of the conditional use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.

Staff Comments: Going a bit further on the points in criterion two, above, limiting the interest in development in businesses in this area could impede the normal and orderly development of the general area. As properties remain vacant, improvements to other properties in this vicinity may decline. City staff are not saying this is what will happen, but staff does feel that granting an exception to allow for this business to locate on this property, the likelihood of it occurring may be elevated. The separation requirement in the Zoning Ordinance, on its face, guarantees that a convenient cash business or pawnbroker would not be allowed on this property. Other properties in this area and along the Douglas Avenue corridor have made investments into their properties with this regulation in place. Allowing this business to locate here may jeopardize normal and orderly development due to the fact this exception would need to be granted. The exception is not from a development standard like number of parking spaces, but to allow for a use that simply could not otherwise locate on this property.

4) Adequate utilities, access roads, drainage and/or necessary facilities have been or are being provided.

Staff Comments: The site plan submitted by the applicant does not propose any changes to the access, utilities or drainage for the site. The use of this site and existing building is not expected to impact the provision of utilities for the property or general area.

5) Adequate measures have been or will be taken to provide ingress and egress so designated as to minimize traffic congestion in the public streets.

Staff Comments: The applicant is not contemplating any changes to the access to this site. The ingress and egress from the site is expected to be appropriate to handle demand to the site. The applicant does need to provide some additional parking on the site, however, the access points to the site are anticipated to cause minimal congestion to this area.

6) The proposed conditional use is not contrary to the objectives of the current land use plan for the city.

Staff Comments: The Comprehensive Plan land use designation is commercial, from that regard of the plan, this proposal is not contrary. Goals from the plan include “Promote the development of neighborhood identity,” and “guide future growth in a manner that preserves and enhances the quality of life and character of the City.” Further, the Douglas Avenue Revitalization Plan central

study area has a stated goal of, “reduce instances and perceptions of crime.” The BID and City staff have some concerns that these goals of the adopted planning documents will not be met with this proposal, on this property, given the surrounding land uses and general residential character of the overall area.

- 7) The conditional use shall, in all other respects, conform to the applicable regulations of the district in which it is located, except as such regulations may, in each instance, be modified pursuant to the recommendations of the plan commission.**

Staff Comments: To legally establish, this conditional use request requires an exception from the 250 foot separation from residential zone district property lines. This corridor bisects what is overwhelming residential development. Throughout history, properties along Douglas Avenue have transitioned to commercial land uses; however, even today there are numerous residential properties fronting this street, even in this area. While the zoning district would allow for this use with a conditional use permit, City staff does not recommend making an exception from the separation requirements. The intent of this separation requirement is to restrict convenient cash and pawnbroker establishments to areas which are overwhelming commercial in nature.

POSSIBLE ACTIONS FOR THE PLANNING COMMISSION

1. Approve the request as submitted; or
2. Approve the request with conditions deemed necessary to mitigate any adverse impacts that could arise from the project; or
3. Deny the request; or
4. Defer the request to obtain more specific information about the request.

STAFF DOES NOT SUPPORT THE APPLICATION FOR THE FOLLOWING REASONS:

- The proposal does not meet all seven (7) required findings of fact necessary to grant the Conditional Use Permit.
- Proposal does not meet the spirit and intent of the Zoning Ordinance which seeks to restrict pawnbrokers and convenient cash establishments to areas from a land use perspective, solely commercial.
- The exception to allow this establishment to locate here is not from a development standard like number of parking spaces or size of yard setback, but an exception to allow for a use that simply could not otherwise locate on this property.

STAFF RECOMMENDATION: BASED ON THE FINDINGS OF FACT IN THIS REPORT, THAT THE REQUEST FROM THOMAS STOUT OF GNT JEWELRY AND LOAN, SEEKING A CONDITIONAL USE PERMIT TO ALLOW A PAWNBROKER BUSINESS AND CONVENIENT CASH BUSINESS AT 2504 DOUGLAS AVENUE BE DENIED.

ATTACHMENTS:

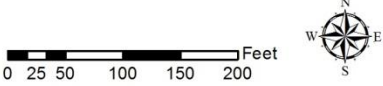
- 1) Property owner notification map indicating the subject property;
- 2) Aerial Photo indicating the subject property;
- 3) Zoning Map indicating the subject property;
- 4) Land Use Map from Comprehensive Plan, indicating the subject property;
- 5) Map from the Douglas Plan
- 6) Site photos of the property and general area; and
- 7) Submittal documents ([click to view](#)).



Conditional Use Request - 2504 Douglas Avenue

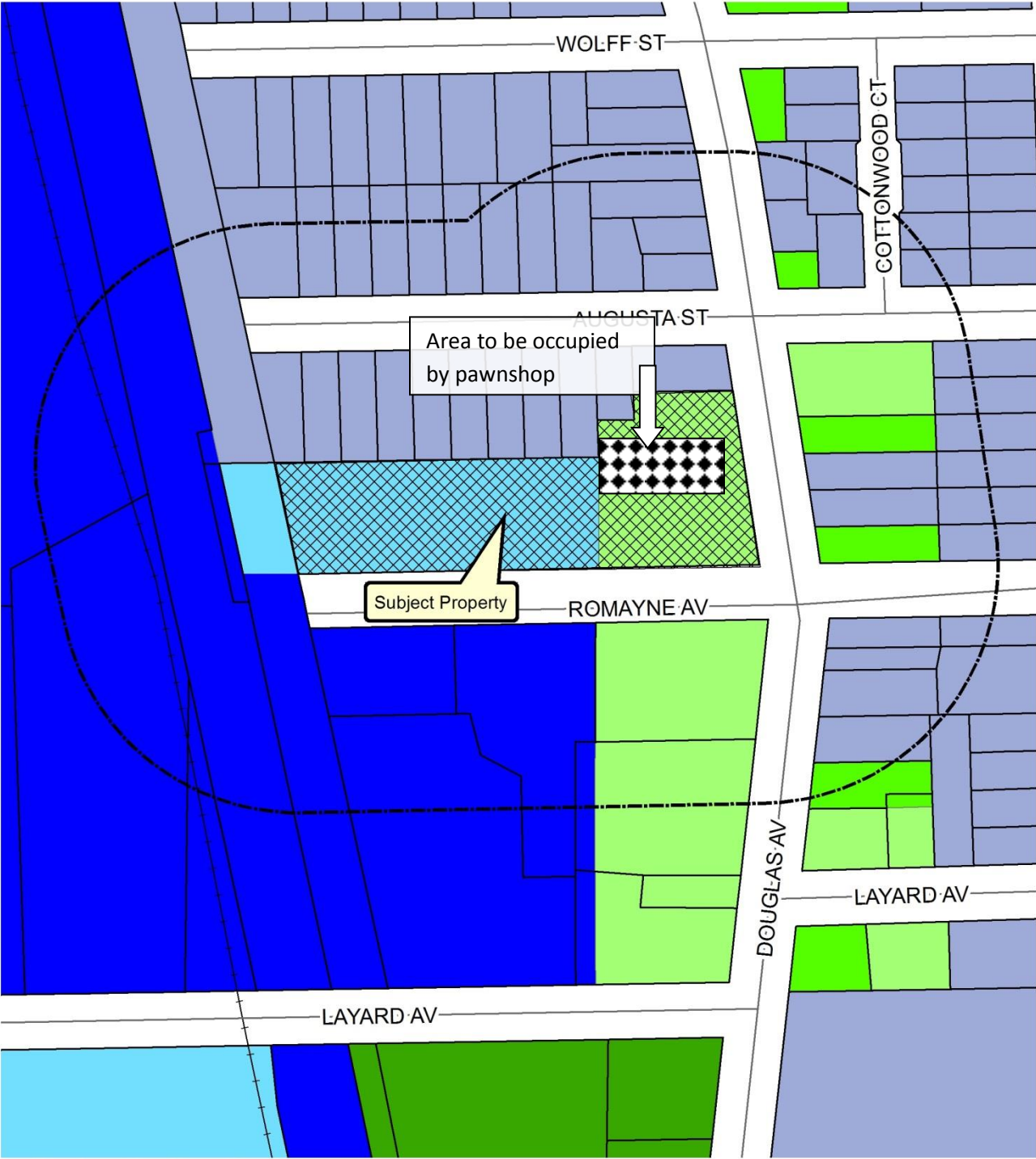


- Subject Property
- Notification Area
- Street Centerline
- Tax Parcel Boundary





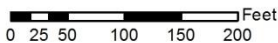
Conditional Use Request - 2504 Douglas Avenue



Zoning Designation

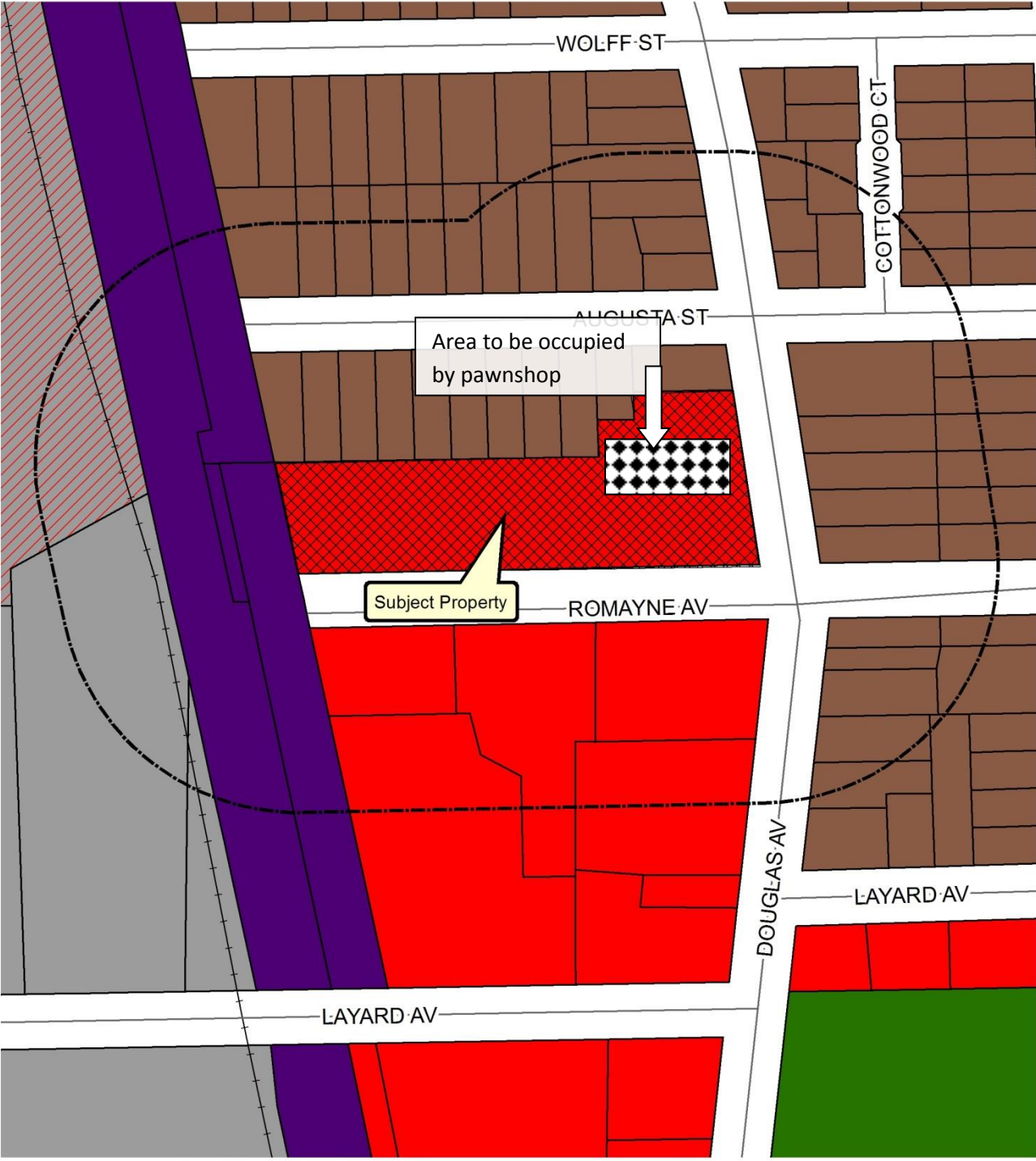
- R-3 (light blue)
- B-2 (light green)
- I-1 (medium blue)
- B-1 (bright green)
- B-3 (dark green)
- I-2 (dark blue)

- Subject Property (checkered pattern)
- Notification Area (dashed line)
- Street Centerline (thin line)
- Tax Parcel Boundary (thick line)





Conditional Use Request - 2504 Douglas Avenue



Land Use Designation

- High Density Residential
- Commercial
- Industrial
- Industrial/Business Park
- Recreational
- Transportation, Communication and Utilities

Subject Property
Notification Area
Street Centerline
Tax Parcel Boundary

DOUGLAS AVENUE REVITALIZATION PLAN MAP



- | | | |
|--------------------------|--------------------|---------------------------------|
| Existing Land Use | Industrial | Potential Redevelopment |
| Residential | Open Space | Community Facilities |
| Multi-Family Residential | Bike Route / Trail | Anchor / Destination Businesses |
| Commercial | Downtown | Improved Streetscape |
| Mixed-Use Commercial | | |

DOUGLAS AVENUE REVITALIZATION PLAN



Site Photos



Looking west at the subject property



Looking north along Douglas Avenue



Looking east across Douglas Avenue



Looking south along Douglas Avenue.
Subject property to the right



Looking north at rear of the property from
Romaine Avenue



Looking east on Romaine Avenue, subject
property on left