

**..Number**

100121

**..Version**

PROPOSED SUBSTITUTE A

**..Reference**

**..Sponsor**

ALD. WITKOWSKI, DUDZIK, BOHL AND KOVAC

**..Title**

A substitute ordinance relating to a moratorium on the issuance of precious metal and gem dealer licenses.

**..Sections**

92-10-2.5 cr

**..Analysis**

This ordinance amends the city's precious metal and gem dealer license regulations to establish a 120 day moratorium on the issuance of new licenses in light of the proliferation of "cash for gold" license applications to give the city time to evaluate its licensing and reporting policies, and safeguard the health and safety of city residents.

**..Body**

Whereas, The market price of gold has increased significantly in recent years and there has been a proliferation of precious metal and gem dealer license applications for "cash for gold" type operations from parties anxious to exploit this market condition; and

Whereas, The presence of "cash for gold" type business in a neighborhood is linked by many to increased home burglaries in the region surrounding the "cash for gold" location, thereby depressing home values and threatening the health and safety of city residents; and

Whereas, The issuance of additional precious metal and gem dealer licenses and a corresponding significant increase in the number of "cash for gold" type storefront business in Milwaukee neighborhoods may not be consistent with the growth goals and quality of life sought by these neighborhoods and the City as a whole; and

Whereas, A concentration of business operations such as "cash for gold" operations, tattoo parlors, pawnshops, payday and title loan outlets, taverns and liquor retailers may be perceived by many City residents as having a deleterious affect on the surrounding neighborhood; and

Whereas, It is in the City's best interest to review and evaluate the City's Code of Ordinances relating to licensing and zoning, recordkeeping and reporting, and police activities relating to "cash for gold" establishments in light of the proliferation of "cash for gold" type license applications; and

Whereas, The City has no intention of permanently denying a precious metal and gem dealer license to any qualified person, but seeks only a brief and temporary interval in license issuance to consider if trends in the precious metal and gem marketplace threaten to undermine the health, safety and welfare of Milwaukee residents; and

Whereas, Because the timely assistance, analysis and input from various City departments is needed to effectively review and evaluate licensing policy, the Common Council directs formation of a group consisting of representatives from the Police Department, the Department of City Development and the Department of Neighborhood Services, and that all City departments are directed to cooperate and participate in this review and evaluation process: now, therefore

The Mayor and Common Council of the City of Milwaukee do ordain as follows:

Part 1. Section 92-10-2.5 of the code is created to read:

92-10. Precious Metal and Gem Dealers License.

2.5. A temporary moratorium on the issuance of new precious metal and gem licenses is established commencing on the effective date of this section [city clerk to insert date] and terminating 120 days after the effective date of this section [city clerk to insert date].

..LRB

APPROVED AS TO FORM

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Legislative Reference Bureau

Date: \_\_\_\_\_

..Attorney

IT IS OUR OPINION THAT THE ORDINANCE  
IS LEGAL AND ENFOCEABLE

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Office of the City Attorney

Date: \_\_\_\_\_

..Requestor

**..Drafter**

LRB #10210-1

ANC

06/02/10