



CITY of NOVI CITY COUNCIL

**Agenda Item 4
March 26, 2012**

SUBJECT: Consideration of a new Pawnbroker License for Gold Buy and Jewelry, Inc., 41490 Grand River Avenue, Suite D, following determination whether such use is permitted in the Gateway Village pursuant to Consent Judgment dated May 16, 2001.

SUBMITTING DEPARTMENT: City Clerk *cd*

CITY MANAGER APPROVAL: *[Signature]*

BACKGROUND INFORMATION:

This is the first application for a Pawnbroker License by Joseph Haddad on behalf of Gold Buy and Jewelry, Inc. The business currently holds a Precious Metal and Gem Dealer Certificate of Registration with the State of Michigan. The license is not a requirement of the City's ordinances. By state statute, MCL 446.201, *et seq.*, the "chief executive officer" of a municipality must approve issuance of a Pawnbroker License. Novi has brought the issue to the City Council for the only other licensed entity in the City.

Typically, the City would evaluate this request against (among other considerations) the requirements of the zoning ordinance as a retail use. **However**, the property at issue, 41490 Grand River Avenue, Suite D, is within the Gateway Village, which is the subject of a Consent Judgment between the developer of the Village and the City of Novi. (See attached.) The Consent Judgment, at paragraph 3 (beginning on page 4), lists the land use activities that are allowed within the development. Pawnbrokers are not listed. On the other hand, Item DD lists "uses similar to those listed above" as permitted uses.

The applicant has submitted information regarding the proposed business, which would allow customers to buy, sell, or trade any type of precious metal or gem, and allow customers to seek a loan in exchange for jewelry or other valuables, in addition to offering sale of jewelry to customers.

The Planning Staff has determined initially that it does not believe that the use would be permitted under the Consent Judgment. However, the decision is ultimately for the City Council, given the existence of the Judgment.

If the City Council determines that the use is "similar to those listed" in the Consent Judgment, then the Police Department, Fire Department, and Building Department have reviewed the request and have no objections to the issuance of this license. The City Council could therefore issue the license if appropriate.

If, however, the City Council does **not** believe that the use would fit with or is otherwise permitted under the terms of the Consent Judgment, then that finding would be the basis for the denial of the Pawnbroker License.

Based on the foregoing, the City Council should review this in a two-step process. The **first step** would be to determine whether the proposed use is a "similar use" under the terms of the Consent Judgment. The **second step** depends on the first. If Council finds the use to be permitted, then the Council can grant the Pawnbroker License if appropriate. If council finds the use not to be permitted, then the motion would be to deny the license based on the fact that the use is not permitted on the property.

RECOMMENDED ACTION: (1) Determination whether the Pawnbroker use proposed by Gold Buy and Jewelry, Inc., 41490 Grand River Avenue, Suite D is permitted in the Gateway Village pursuant to Consent Judgment dated May 16, 2001; and (2) grant or denial of a new Pawnbroker License.

	1	2	Y	N
Mayor Gatt				
Mayor Pro Tem Staudt				
Council Member Casey				
Council Member Fischer				

	1	2	Y	N
Council Member Margolis				
Council Member Mutch				
Council Member Wrobel				