

INTRODUCTION

On April 19, 2017, Urban Planning Committee directed Administration to amend Zoning Bylaw 12800 to add new regulations for pawn stores and to conduct research into the socio-economic impact pawn stores have on surrounding communities. To achieve this mandate, Administration undertook a review of existing regulations, best practices from other municipalities and hosted several engagement opportunities to help inform our project.

The purpose of this document is to showcase the feedback we received from the various stakeholders regarding their experiences with pawn stores. Our

methods for gathering feedback on the perceptions and impacts of pawn stores included following engagement opportunities:

- A survey as part of the November Mixed-Topic Insight Community survey;
- A stand-alone survey hosted on the project website that was advertised through postcards distributed during engagement events;
- Paper copies of the survey provided at pawn stores to be filled out and returned to the city through prepaid envelopes;
- Stand-alone business perspectives survey hosted on the project website that was advertised through a randomized paper mailout to businesses in Business Improvement Areas, commercial zones throughout Edmonton, and surrounding pawn stores;
- Display boards and information at five Engage Edmonton events; and
- Face-to-face interviews with key stakeholder groups, including pawn store operators, Business Improvement Areas, social service providers for low income Edmontonian and those making use of their services.

Through these engagement activities, we received over 1700 responses to our survey and hosted conversations with four key stakeholder groups who have a vested but varied interest in pawn stores.

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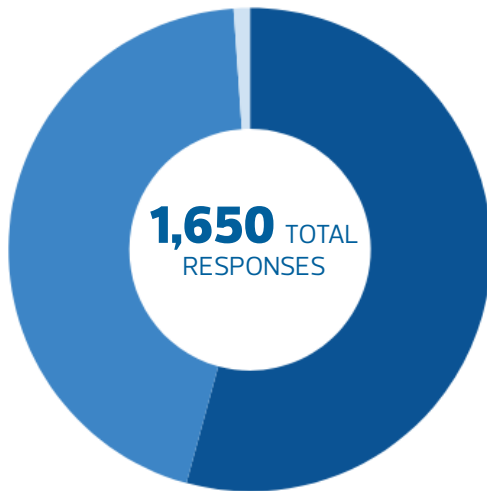
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SUMMARY OF INSIGHT SURVEY

The Insight Community Mixed Topic survey ran from November 21 to the 28, 2017. The purpose of this survey was to gather insight into the public's perceptions of pawn stores and to understand if the presence of pawn stores (either singular or multiple) would have an impact on the respondents' behaviours.

Of the 1,650 individuals who responded to the mixed topic insight survey, 54% of them had visited a pawn store whereas 45% of respondents have not.

Have you ever visited a pawn shop?

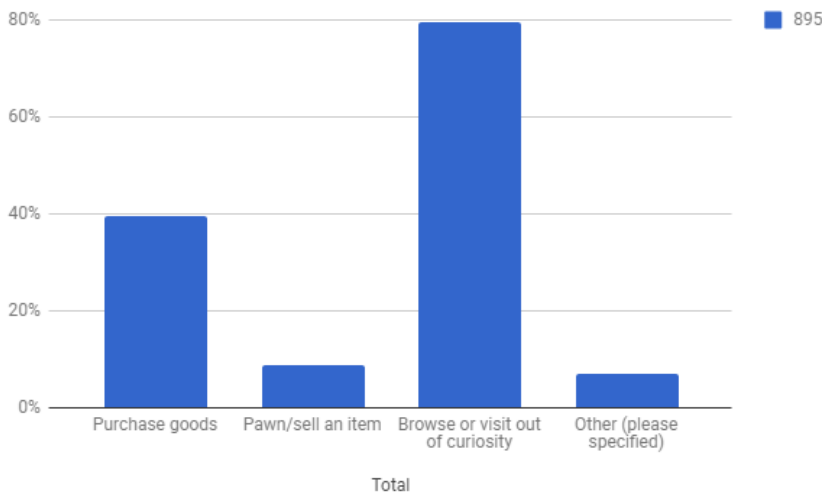


- Yes
- No
- I don't know

	Responses
Yes	54%
No	45%
I don't know	1%

The highest reason given for why they visited a pawn store was to browse the items that were out for sale. The option to select "to pawn an item" was selected 9% of the times.

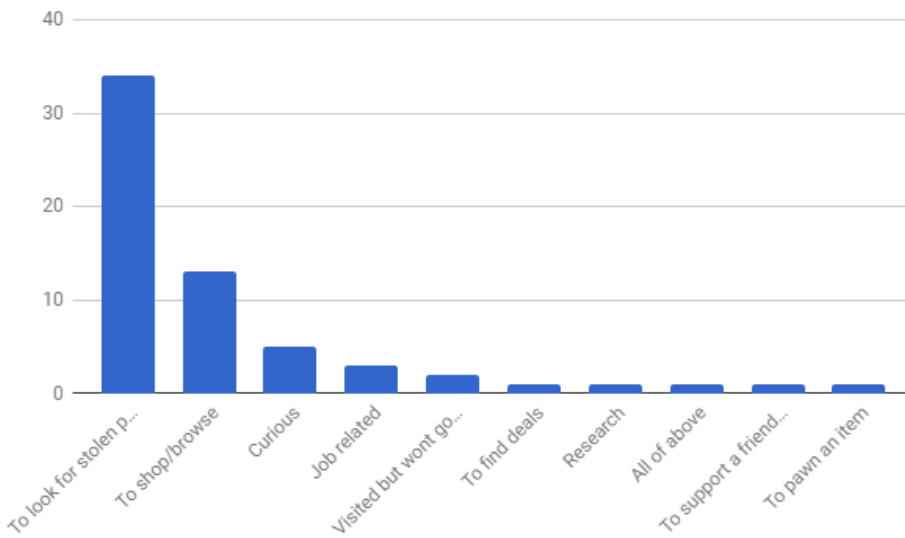
When you visit pawn shops, do you...?



	Responses
Purchase goods	39%
Pawn/sell an item	9%
Browse or visit out of curiosity	79%
Other (please specified)	7%

Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

Of the 62 responses received for the Category "Other", when asked why they visited a pawn store, the primary reason was to look for stolen property. The full set of responses are illustrated in the graph below.

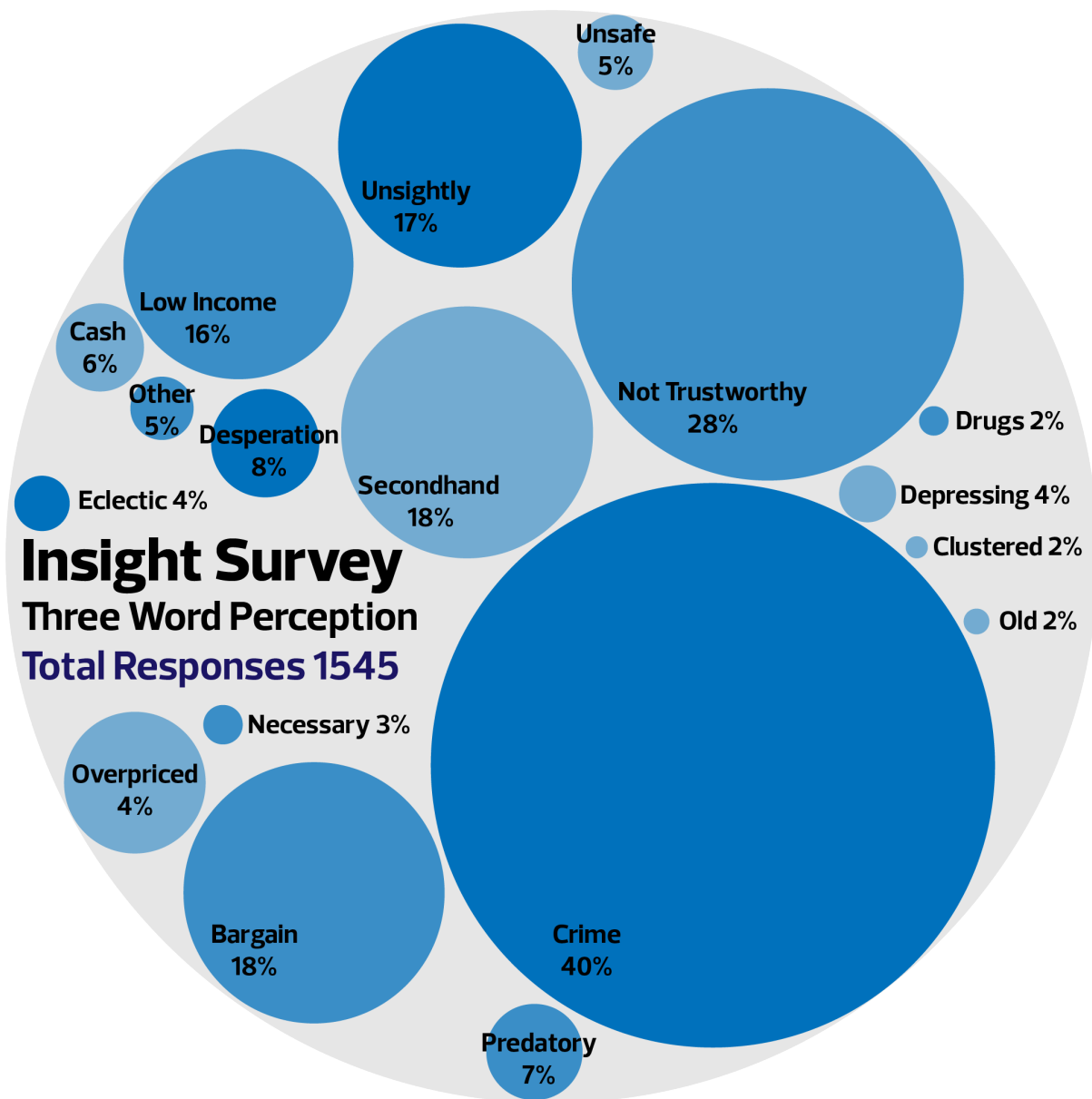


	Responses
To look for stolen property	34
To shop/browse	13
Curious	5
Job related	3
Visited but wont go back	2
To find deals	1
Research	1
All of above	1
To support a friend in getting collateral back	1
To pawn an item	1

Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

What are the first three words that come to mind when you think of pawn shops?

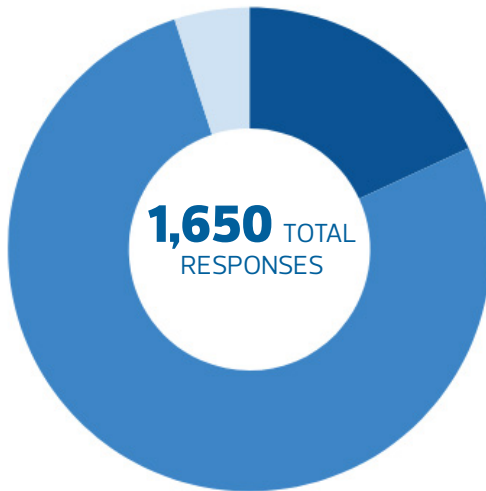
Respondents were then asked to provide the first three words that came to mind when thinking of pawn stores. Thousands of unique responses were received, which were coded into 18 categories. The primary association with pawn stores was crime (40% of all respondents). This included pawn stores as either the attractors of crime or the locations where criminal activity takes place. The next prevalent reaction to pawn stores was that they are not trustworthy (28%) and an unsavory business. Thirdly, pawn stores are thought of as being affordable or a place to go to get a bargain (18%). The full set of responses are illustrated below.



Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

The majority of the insight community members did not live near a pawn store (77%) nor did they travel or work in areas where pawn stores are present (47%). Eighteen percent indicated that they lived near a pawn store and 48% travelled and/or worked in areas where a pawn store was present.

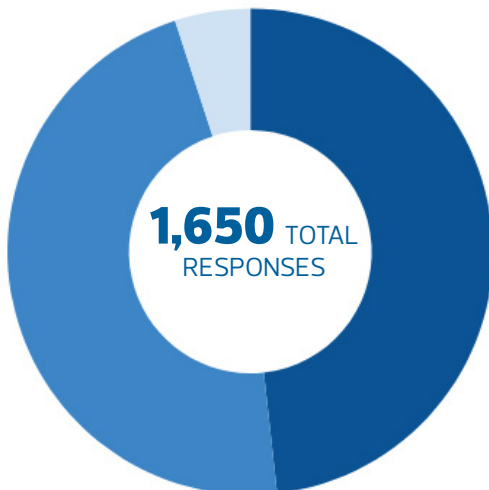
Do you live near a pawn shop?



- Yes
- No
- I don't know

	Responses
Yes	18%
No	77%
I don't know	5%

Do you frequently travel through or work in areas where pawn shops are present?



- Yes
- No
- I don't know

	Responses
Yes	48%
No	47%
I don't know	5%

Public Consultation Summary

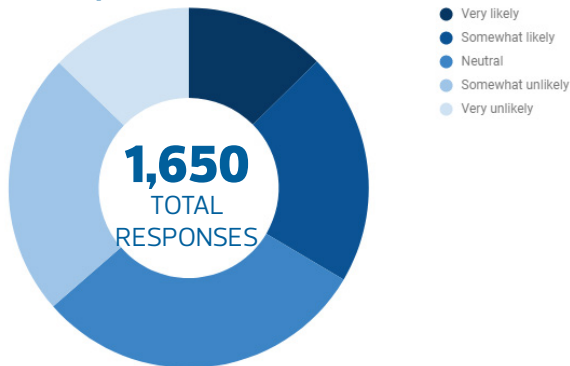
What We Heard: Pawn Stores

When asked how likely they would be to visit, shop or dine out in a commercial area or shopping street had one or more pawn stores of poor quality design, the likelihood declined with the growing number of pawn stores. The **very likely** and **somewhat likely** responses declined from 34% for one pawn store to 10% for three or more pawn stores within a block of each other.

Think of a commercial area or shopping street you visit regularly. If all pawn shops looked like this image, how likely would you be to visit, shop or dine out in that area if it had...

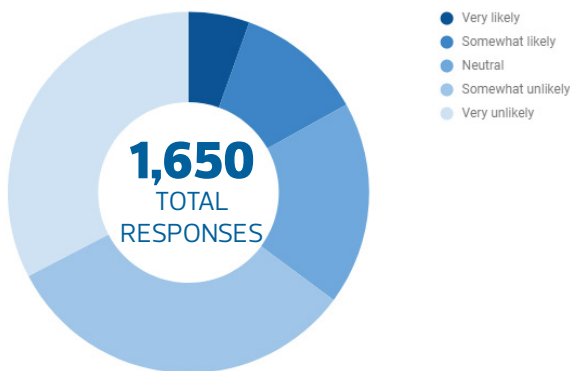


One pawn shop?



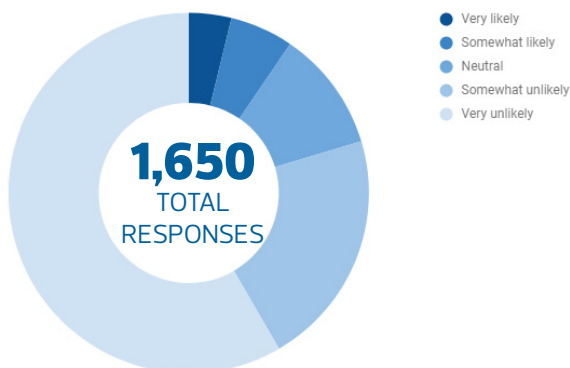
	Responses
Very likely	13%
Somewhat likely	21%
Neutral	30%
Somewhat unlikely	24%
Very unlikely	13%

Two pawn shops within a block of each other?



	Responses
Very likely	5%
Somewhat likely	11%
Neutral	18%
Somewhat unlikely	32%
Very unlikely	33%

Three or more pawn shops within a block of one another?



	Responses
Very likely	4%
Somewhat likely	6%
Neutral	11%
Somewhat unlikely	21%
Very unlikely	58%

Public Consultation Summary

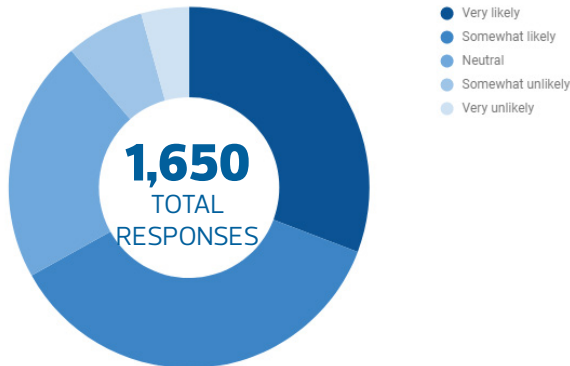
What We Heard: Pawn Stores

Respondents were asked to reimagine the same commercial strip, except this time they were given another image of a more aesthetically pleasing pawn store. They were asked, again, what is the likelihood of them patroning the same commercial strip. The **very likely** and **somewhat likely** responses declined less steeply, from 67% for a single pawn store to 26% for three or more pawn stores within a block of one another.

Think of that same commercial area or shopping street you visit regularly again. If all pawn shops looked like this image, how likely would you be to visit, shop or dine out in that area if it had...

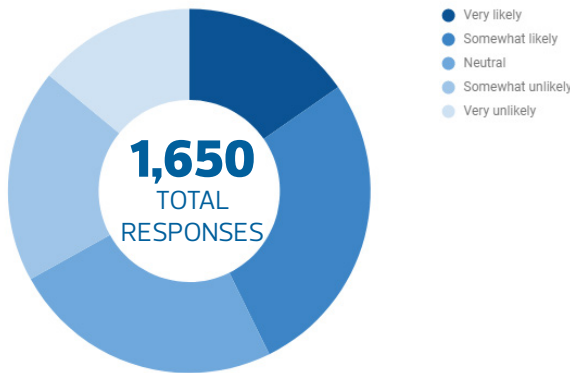


One pawn shop?



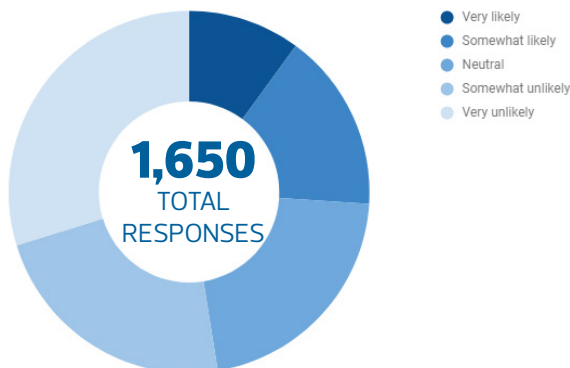
	Responses
Very likely	31%
Somewhat likely	36%
Neutral	22%
Somewhat unlikely	7%
Very unlikely	4%

Two pawn shops within a block of each other?



	Responses
Very likely	15%
Somewhat likely	27%
Neutral	24%
Somewhat unlikely	19%
Very unlikely	14%

Three or more pawn shops within a block of one another?

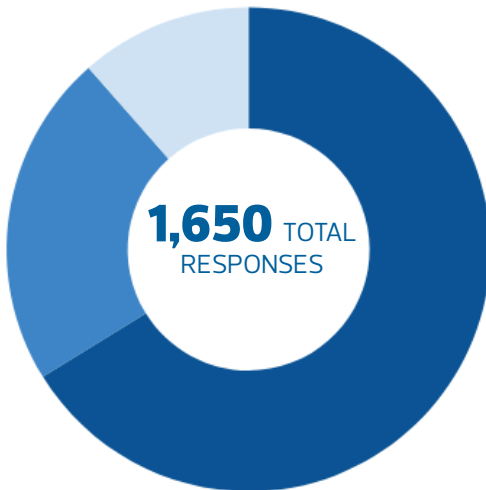


	Responses
Very likely	10%
Somewhat likely	16%
Neutral	21%
Somewhat unlikely	23%
Very unlikely	30%

Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

In regards to notification, respondents were asked if and when they would like to be notified of a new permit application for a pawn store in their neighbourhood. Sixty six percent indicated that they would like to be notified, 85% of respondents wanted to receive that notification prior to the decision being made by the Development Officer.

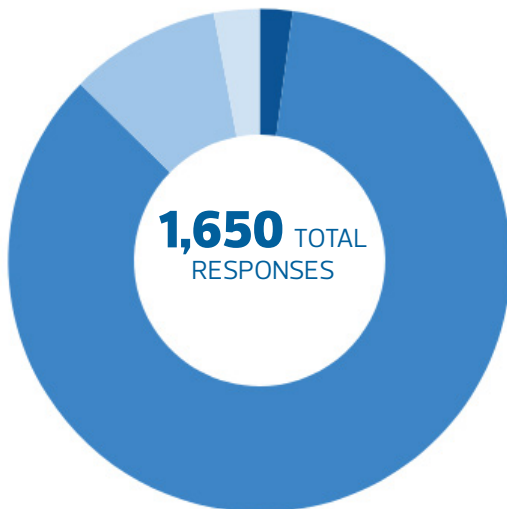
Would you want to be notified if a pawn shop was opening up in your neighbourhood?



- Yes
- No
- I don't know

	Responses
Yes	66%
No	22%
I don't know	12%

When would you want to be notified?



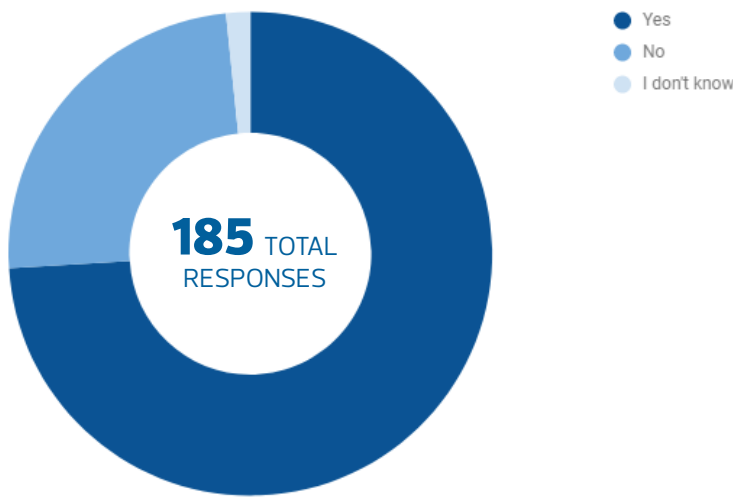
- When the decision is made
- Prior to the decision being made
- Only if the Pawn Shop is within two blocks
- Other (please specify)

	Responses
When the decision is made	2%
Prior to the decision being made	85%
Only if the pawn shop is within two blocks	10%
Other (please specify)	3%

SUMMARY OF STANDALONE SURVEY

From December 1, 2017 to January 19th, 2018, Administration hosted the same questions from the Insight Community survey as a stand alone survey on the project website. The purpose was to give individuals who may not be part of the Insight Community, but interested in pawn stores, to provide their feedback. Administration also sent 560 paper copies of the survey with stamped return envelopes to all pawn stores on record, and to identified social service providers who showed interest in the project. To date we received 251 responses to the stand alone survey, 185 completed online and 66 paper surveys were returned to Administration.

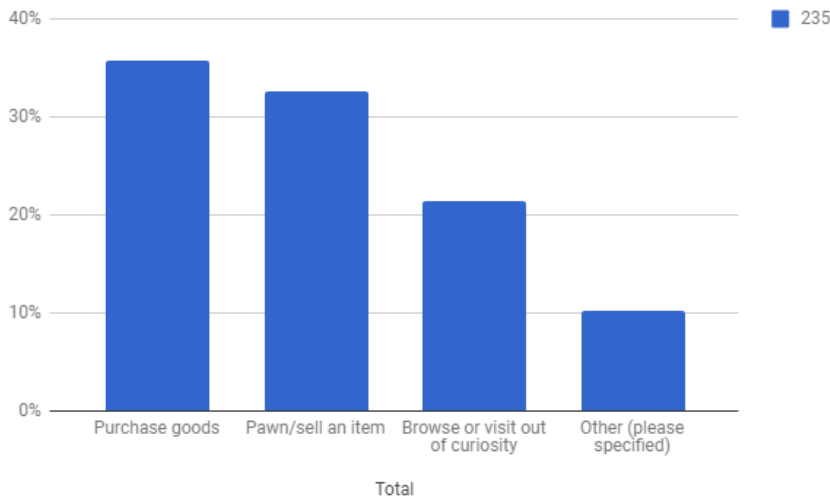
Have you ever visited a pawn shop?



	Responses
Yes	74%
No	24%
I don't know	2%
*results from online survey only	

Of the 251 individuals who responded to the stand alone and paper surveys, 36% of them had visited a pawn store to purchase an item, 33% had gone to pawn an item, and 21% went out of curiosity. Ten percent of respondents have never visited a pawn store.

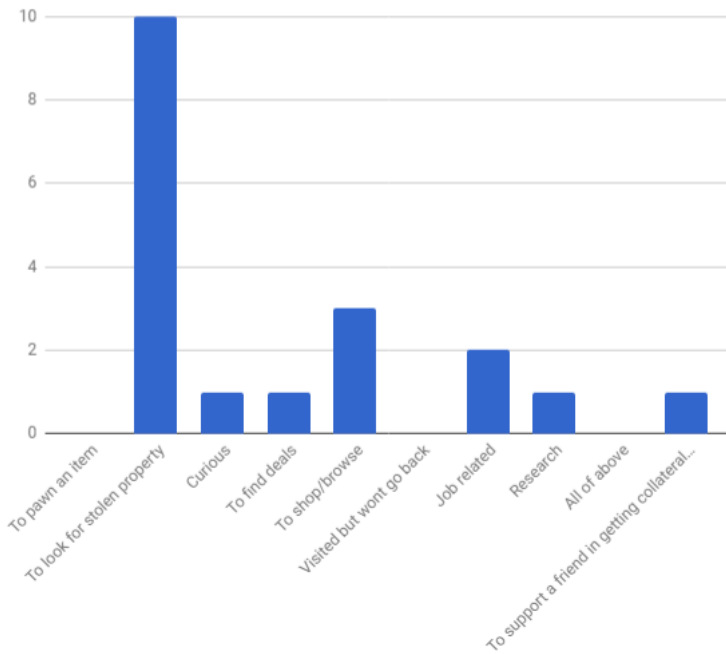
When you visit pawn shops, do you...?



	Responses
Purchase goods	36%
Pawn/sell an item	33%
Browse or visit out of curiosity	21%
Other (please specified)	10%

Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

Of the 19 responses received for the Category "Other", when asked why they visited a pawn store, the primary reason was to look for stolen property. The full set of responses are illustrated in the graph below.

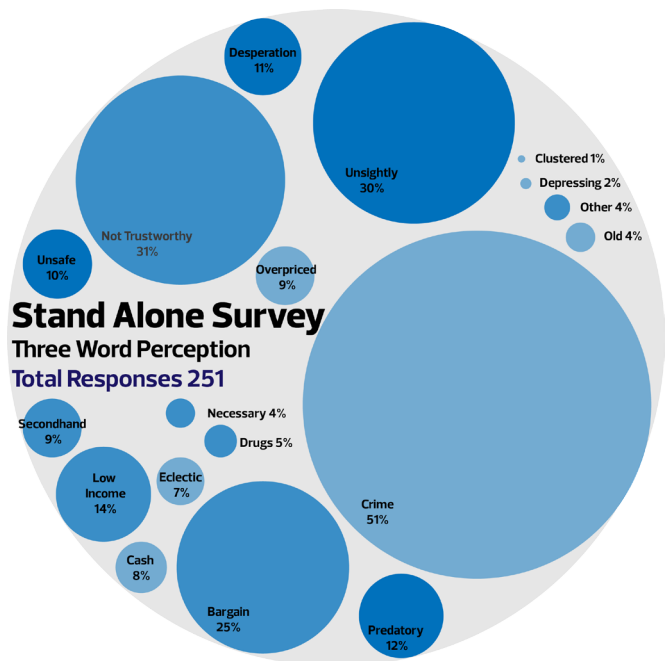


	Responses
To pawn an item	0
To look for stolen property	10
Curious	1
To find deals	1
To shop/browse	3
Visited but wont go back	0
Job related	2
Research	1
All of above	0
To support a friend in getting collateral back	1

What are the first three words that come to mind when you think of pawn shops?

Respondents were then asked to provide the first three words that came to mind when thinking of pawn stores. The intent of this question was to understand how respondents felt about pawn stores. It speaks to the collective perception of pawn stores in Edmonton.

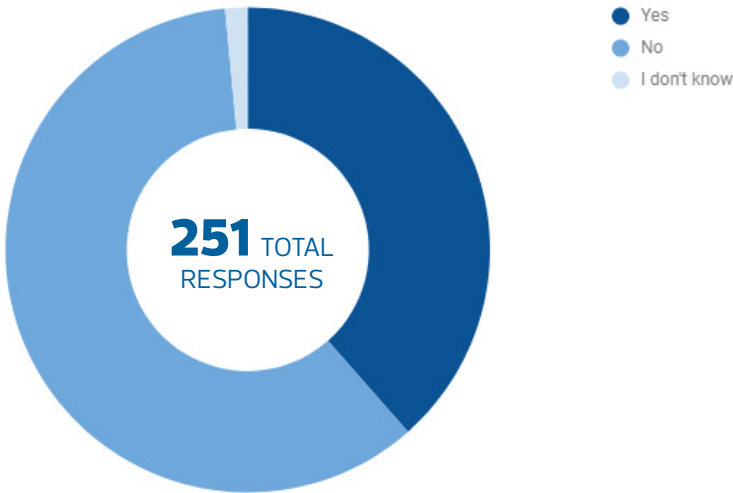
Hundreds of unique responses were received when asked to provide the first three words that come to mind when you think of pawn stores. Eighteen categories also emerged when coding the stand alone survey data. The primary association with pawn stores was crime (51% of all respondents). This included pawn stores as either as the attractors of crime or the locations where criminal activity takes place. The next prevalent reaction to pawn stores was that they are not trustworthy (31%). Thirdly, pawn stores were thought of as unsightly (30%). The full set of responses are illustrated to the right.



Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

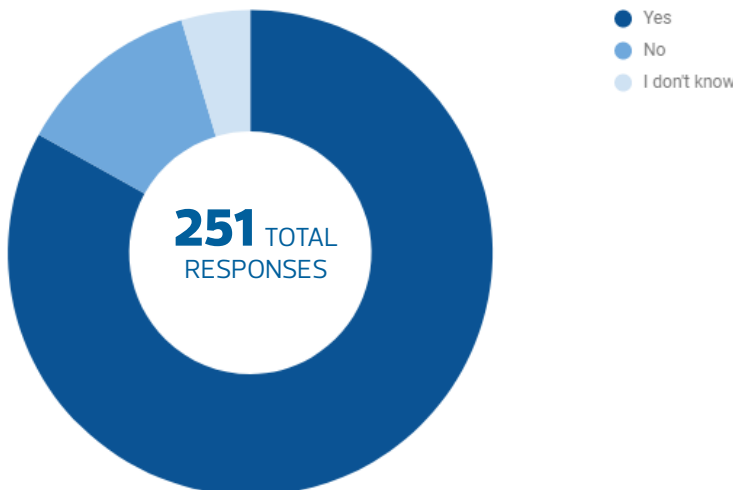
Of the 251 responses received, the majority (60%) indicated that they did not live near a pawn store. Thirty two percent indicated that they did live near a pawn store. The majority of respondents (83%) indicated that they worked or traveled through areas where pawn stores are present.

Do you live near a pawn shop?



	Responses
Yes	38%
No	60%
I don't know	2%

Do you frequently travel through or work in areas where pawn shops are present?



	Responses
Yes	83%
No	12%
I don't know	5%

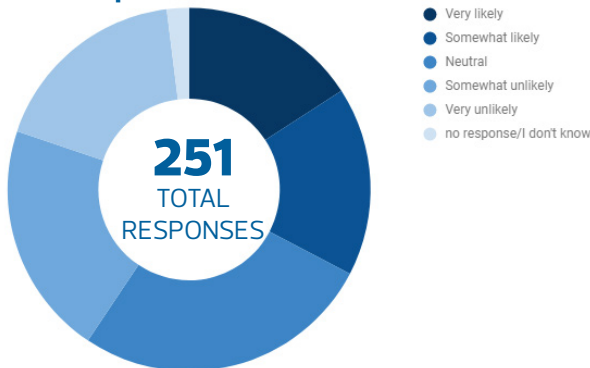
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When asked how likely they would be to visit, shop or dine out in a commercial area or shopping street had one or more pawn stores of poor quality design, the likelihood declined with the growing number of pawn stores. With the **very likely** and **somewhat likely** responses declining from 33% for one pawn store to 18% for three or more pawn stores within a block of each other.

Think of a commercial area or shopping street you visit regularly. If all pawn shops looked like this image, how likely would you be to visit, shop or dine out in that area if it had...

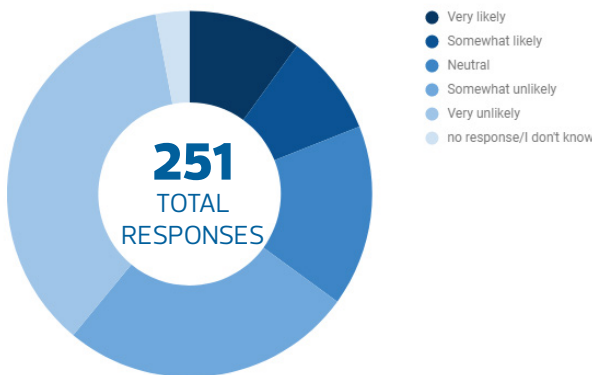


One pawn shop?



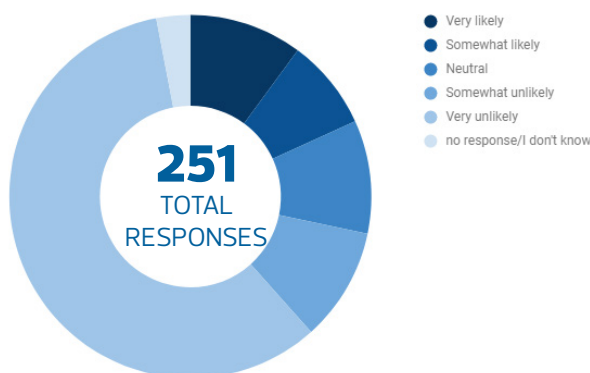
	Responses
Very likely	16%
Somewhat likely	17%
Neutral	27%
Somewhat unlikely	21%
Very unlikely	18%
no response/I don't know	2%

Two pawn shops within a block of each other?



	Responses
Very likely	10%
Somewhat likely	9%
Neutral	16%
Somewhat unlikely	26%
Very unlikely	36%
no response/I don't know	3%

Three or more pawn shops within a block of one another?



	Responses
Very likely	10%
Somewhat likely	8%
Neutral	10%
Somewhat unlikely	10%
Very unlikely	58%
no response/I don't know	3%

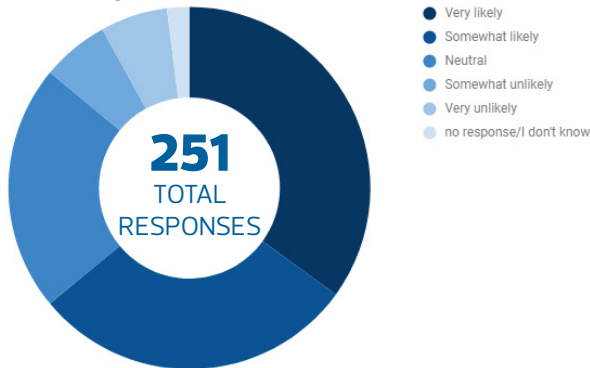
Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

Respondents were asked to reimagine the same commercial strip, except this time they were given another image of a more aesthetically pleasing pawn store. They were asked, again, what is the likelihood of them patroning the same commercial strip. The **very likely** and **somewhat likely** responses declined, from 64% for a single pawn store to 30% for three or more pawn stores within a block of one another.

Think of that same commercial area or shopping street you visit regularly again. If all pawn shops looked like this image, how likely would you be to visit, shop or dine out in that area if it had...

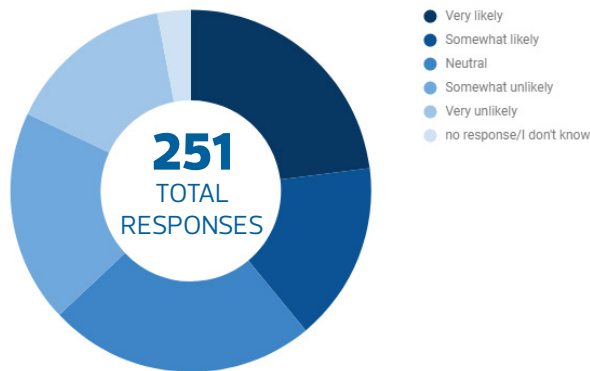


One pawn shop?



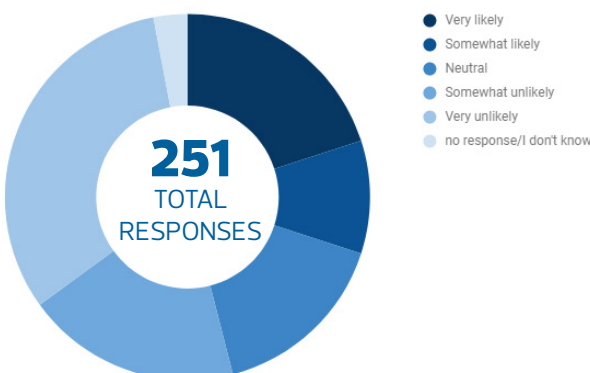
	Responses
Very likely	35%
Somewhat likely	29%
Neutral	22%
Somewhat unlikely	6%
Very unlikely	6%
no response/I don't know	2%

Two pawn shops within a block of each other?



	Responses
Very likely	23%
Somewhat likely	16%
Neutral	24%
Somewhat unlikely	19%
Very unlikely	15%
no response/I don't know	3%

Three or more pawn shops within a block of one another?

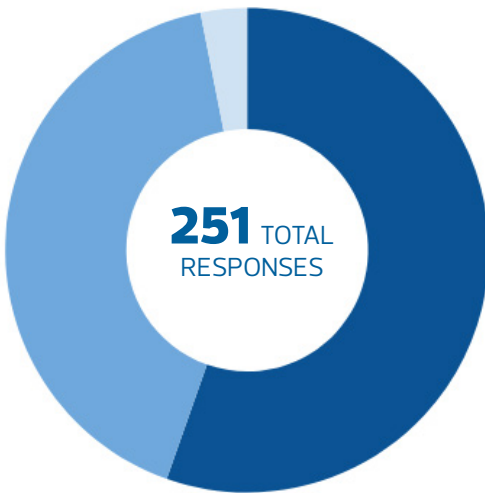


	Responses
Very likely	20%
Somewhat likely	10%
Neutral	16%
Somewhat unlikely	19%
Very unlikely	32%
no response/I don't know	3%

Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

In regards to notification, respondents were asked if and when they would like to be notified of a new permit application for a pawn store in their neighbourhood. Fifty five percent indicated that they would like to be notified. When asked when they would like to be notified the majority of respondents did not provide a response (38%). The next most frequent answer indicated they would like to be notified prior to the decision being made (29%).

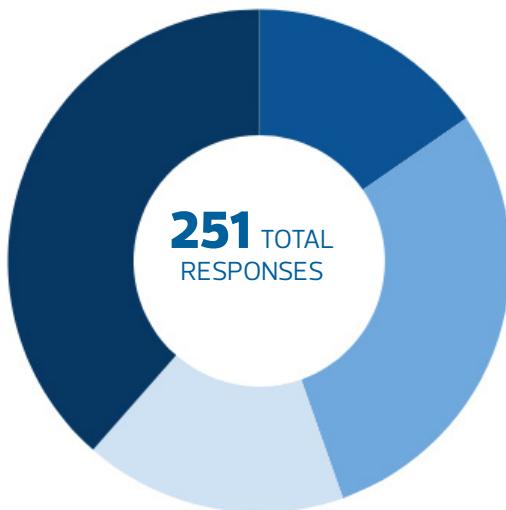
Would you want to be notified if a pawn shop was opening up in your neighbourhood?



- Yes
- No
- I don't know

	Responses
Yes	55%
No	42%
I don't know	3%

When would you want to be notified?



- When the decision is made
- Prior to the decision being made
- Only if the Pawn Shop is within two blocks
- Other (please specify)

	Responses
When the decision is made	15%
Prior to the decision being made	29%
Only if the pawn shop is within two blocks	17%
Other (please specify)	39%

Additional Comments Section of Both Surveys

Including the Insight Community, standalone and paper surveys, Administration had received 1901 responses to the survey. When asked if respondents had any additional comments related to pawn stores, nearly 600 individuals provided additional comments. The opinions shared were varied and diverse. Fifteen distinct topics of discussion emerged.

The most prevalent was the idea that pawn stores attract undesirable activity and make the communities they locate in undesirable. Over 18% of respondents expressed this general sentiment.

The following comments were selected from a random number generator:

“I don’t think there’s anything inherently wrong with pawn shops and don’t feel they should be overly restricted. As a real estate agent though, I’m frequently told by clients to exclude neighbourhoods with too many pawn shops and used car sales. They’re directly associated with rough neighbourhoods. I think changing their design will help, but I don’t think it will solve the negative association”

“I think they bring down the value of their surroundings. Properties, and other businesses. They also attract a customer base you don’t want in your neighbourhood as well”

“Pawn shops and cash advance businesses should be abolished”

The next most prominent sentiment expressed were that pawn stores are undesirable as a use (14%):

“It isn’t the physical appearance of the shop, it is the fact that it is a pawn shop and the fact that they prey on people in a compromised financial condition”

“It’s not the appearance of pawn shops that always makes a difference. it’s what it says about the commercial priorities of that area. pawn shops, gas stations, and car dealerships are cancers on neighbourhoods and streets, and shouldn’t be permitted in priority areas like whyte Ave, 124 st., or Jasper.”

“Pawn shops and cheque cashing facilities are usurers, taking advantage of the desperate poor. I have been in that position and I know they take advantage particularly on jewelry that is often low balled on the loan. e.g. they base the loan on the gold content not what it can be sold for to recover their money. I wish there was a way to get rid of them completely, but until something replaces them, not likely.”

There was a notable difference between the comments left as part of the Insight Survey, and those from users of pawn stores. In the Insight Survey, less than 4% of respondents were positive towards pawn stores. Those comments that expressed support for pawn stores were conditional, provided they were operating within the confines of the law and existing bylaws governing them, and felt that they should not be regulated any more than any other use.

“Pawn shops (like any other place of business) is fine and well when it’s operating above board and is not related to organized crime.”

“Pawn shops should only have the same restrictions as any other store. There is no reason for them to be special, or have location restraints.”

“When Cash Canada opened on Whyte Avenue, I noticed that some people in Old Strathcona (where I live) were disappointed. I want to counteract some of that NIMBY-ism...People who live there [Old Strathcona] may not only benefit from the ability to get secured loans but also from the ability to purchase reasonably-priced goods. Resale markets for used goods are important, and environmentally friendly... Everyone in Cash Canada was polite: the staff and the customers There was an elderly gentleman pawning some jewelry, and a few young people looking for inexpensive dj equipment, and some students looking at cell phones and graphing calculators(!). People who are against pawn shops need to understand that people who sell or buy used goods are not bad people. And people who use loan services are not bad people either. All a pawn shop is a loan service mixed with a used goods store. And there are establishments of both types on Whyte Ave (i.e Easy Financial, Goodwill). However, nicer signage would probably improve things, not that the other signs in the Cash Canada strip mall are all that nice.”

The comments received from paper copies distributed in pawn stores and through service providers tell a much different story of the lived experience of individuals who use pawn stores. Of the 66 number of paper copies received, 35% were supportive of the service and need pawn stores provide.

“Without pawnshops I would be stuck hooking when my welfare cheque comes in late.”

“I enjoy looking and shopping in pawn shops. I find most are fair in pricing and knowledgeable. If they do not have what I need, they are helpful in finding it or recommending.”

“They help me make ends meet. Also all of them sell different things.”

Finally, a number of respondents expressed opinions that the City is taking too simplistic of a view on the issue of poverty and crime in areas:

“The City is looking in the wrong place if it wants to [gentrify an] area. Normal people go to pawnshops, and just because pawnshops are located in low income areas does not make them the cause. Do more for people living on the street; get them off the street and into shelters.”

“The amount in areas needs to be regulated, they would do better if they were cleaner and more inviting, fit in with the neighbourhood, maybe called something better.”

“This is such an ‘upper class’ perception against the lower class. If there was not a need, there would not be any stores like this. These are legit business people. Regular people shop there to buy – things that are preowned, support recycling, interested in different items, could be collectible; or they can’t afford a \$300.00 bicycle or new skateboards, etc. There are regulations for these businesses, they provide employment, lease/owner to another business person. Follow rules like other business owners. The idea that everything is STOLEN is false, there are safeguards for this. Provides a good mix of business in a community. What happened to the shop local idea? Stop being Not in my Neighborhood attitude. Middle and lower class need to live, work, shop and play somewhere. Get out of your ivory tower city planners!”

SUMMARY OF STAKEHOLDER DISCUSSIONS

As part of this project, Administration had conversations with a variety of different stakeholders. This included reaching out to services providers such as Boyle Street Community Services and 4 Directions to discuss how pawn stores play a role in individuals' lives, and directly to the users of pawn stores through Boyle Street Community Services. Administration also spoke to the owners and operators of pawn stores to understand their perspectives as business owners who may be subject to additional regulations. Executive Directors of Business Improvement Areas where pawn stores operate were contacted to gather the business community perspective.

The following is a summary of the discussions held with these stakeholders.

Pawn Stores Locations

Like any business, pawn stores will assess where the optimal location for their business will be. According to operators of more recently opened and emerging pawn stores, there are certain criteria a location needs to meet in order to be a successful business:

- Needs to be zoned to allow for pawn stores as a use (limited to CB1, CB2 and downtown specific zones);
- Located in areas where the median household income is approximately \$70,000 to \$80,000;
- Located in areas where there are other key services such as grocery stores; and
- Needs to have sufficient parking, including loading space for the transfer of large, bulky items.

Other businesses have operated in their present locations for multiple decades and the locating of the business was not a concern. However these stores were also in agreement that new pawn stores will locate where there is a need.

There was consensus among all three stakeholder groups interviewed that the land use impact of pawn stores on a commercial shopping street was minimal. It was felt that they have no more impact on the surrounding communities than drug stores or mattress stores and if these stores were to cluster together. The stakeholders felt it is the related social dynamics and perceptions of clustering pawn stores that most people are concerned about.

Pawn Store Operations

It was the opinion of one owner/operator that there is a sustainable number of pawn stores currently in operation in the city. All pawn stores must operate under the same regulations as prescribed in the Business Licence Bylaw.

This 45 day retention of goods was, according to one service provider, specified by the EPS prior to electronic reporting. This was to give the police enough time to review the submissions and determine if any stolen goods were among those items pawned. However with the transition to electronic reporting, review and reporting should return to the previous 30 days, in the opinion of this pawn store operator. One pawn operator indicated that the number of goods seized by police from their business was less than 1% of the total goods that came into their store.

One pawn store operator indicated that pawn stores are required to obtain two business licences to operate, the pawn store licence (in order to be able to receive pawned goods in exchange for cash) and a second hand licence in order to be able to receive and resell second hand goods. This operator felt that this was overly restrictive and felt that the resale of pawned goods or second hand goods should not be differentiated. They noted that while there are some businesses that may not follow the letter of the law.

We heard from pawn store operators that the majority of their customers repay their loans plus interest and reclaim their pawned property. Administration heard from one pawn store operator that pawn stores are a service individuals can turn to when they need to make ends meet. Having access to small, risk free loans, of \$113 to \$118 per loan on average, gives individuals the ability to purchase food, diapers and other basic necessities until they are paid again, either through work or government assistance. This was echoed by pawn store operators and those working with individuals who use pawn stores.

Those who work with vulnerable people who use pawn stores have told Administration that often those using pawn stores are dealing with mental health issues, lack of housing and do not have any alternative. This serves to create an imbalance in power.

Administration heard from service providers and the users of pawn stores themselves that there are positive and negatives to the requirements of pawn stores to using pawn stores as a source of personal financing:

- It encourages individuals to carry and protect their identification so that they can pawn additional items or reclaim the ones they have already pawned. Carrying around and protecting identification has the additional benefit of allowing individuals to access other service providers.
- Pawn stores offer protection from violent crime that can often occur when individuals try to sell their personal belonging on the street, or outside of a legitimate business.
- Relationships are developed with the pawn stores that they frequent. In certain circumstances, Administration heard from pawn stores themselves and the users of pawn stores, that they get to know each other and the pawn store owner will provide some assistance in the form of financial counselling or advice, or even refusing to accept more pawned items.

“Pawn stores fill a niche, providing small amounts of secured lending, meaning there is no impact on an individual’s credit rating. Why should all pawn stores be penalized if only a few are not playing by the rules?”

On the other hand, some stakeholders indicated that there are some negatives individuals can face when dealing with pawn stores:

- If they lose their identification, individuals can find themselves in the position where they cannot remove, collect or redeem their goods from the pawn store.
- They see the perception and stigma that comes with being an individual who relies on a pawn store for financial assistance.
- Pawn stores, for better or worse, can be a quick source of money to help satiate an addiction.
- Users often felt taken advantage of when not explained the process nor the terms and full cost of the loan effectively

Pawn store operators informed Administration that interest rates within the pawn industry are capped at 60% per annum as regulated in the Criminal Code of Canada. Pawn stores often have additional fees tagged on to items being pawned, such as storage and handling fees or processing fees. Administration heard that these additional fees can come as a surprise to customers who may not have the financial literacy to understand the terms of their contract with a pawn store. This can be problematic to pawn store users who find that they can no longer afford the additional charges, may default on their loan and lose their personal items. It is this lack or perceived lack of transparency to their customers has contributed to pawn stores being seen as predatory, as is evidence among those interviewed and in the results of the survey.

Administration heard that, in some instances, an individual may lose access to secure housing and have no place to store their valuables or other personal belongings. Pawn stores then become a place that individuals can use to store personal belongings. Most shelters have limited space and cannot store personal belongings. Pawn stores offer secure and private storage of goods while items are pawned. One individual spoke of how she pawned her jewelry to keep it safe after her home had been broken into a number of times. A pawn store was her only option as most storage locations only offer large storage lockers and are located in remote, industrial areas that are hard to access without a personal vehicle.

From a business perspectives, members of the Business Improvement Area associations have indicated that pawn stores have improved over the years and are easier to work with today than they have been in the past. While their appearance and stigma surrounding the stores contributes to a negative perception of an area, the majority of pawn stores in Business Improvement Areas have an impact that is no greater than that of a second hand store.

Perceptions of Pawn Stores

Pawn store operators shared that they are constantly fighting against negative perceptions. The pawn store operators Administration spoke to felt that they are the victims of criminal activity and actively try to

“With all the identification requirements a pawn store has, criminals are more likely to use online sites like kijiji and craigslist before they ever set foot into a pawn store.”

prevent the acceptance and resale of stolen goods. They have a vested interest in preventing criminal activity from entering into their business. If stolen goods are pawned successfully, it is the pawn store owner who will lose the value of the item if it is seized by police. As well, pawn store operators indicated the reporting requirements specified in the Business Licence Bylaw make it difficult

for pawn stores to foster this kind of criminal activity.

Conversely, Administration heard from the users of pawn stores that through their use of pawn stores as a consumer and purchasing items from their stores, they were alarmed to learn from the police that the items they had purchased were indeed stolen.

Another common perception is that only the poor and desperate utilize pawn stores. While need may play a factor for individuals to overcome the stigma of using a pawn store, multiple store owners have indicated that their clients are varied in age, income and life circumstance. pawn stores are seen as a necessary resource among some community members. Individuals interviewed expressed that while they would not pawn items as their first venue for obtaining money, it is a service that exists to meet a need.

“There is a misconception that only the poor use pawn stores – university students, business owners, etc. If there was no need in the Whyte Ave area, there wouldn’t be a pawn shop.”

Administration heard from some industry leaders who are actively trying to change the perception of pawn stores as predatory lenders. They are engaging in community events, hosting customer appreciation days and having sales, just like any other business would have. One pawn store indicated that they simply see themselves as an alternative type of bank where people use their personal

items as collateral.

Representatives of the business communities have indicated that a lot of work is needed to change the perceptions of pawn stores. They feel that the number of pawn stores should be limited and that there needs to be an effective reporting method to ensure that all existing and future pawn stores are adhering to the regulations in both Zoning Bylaw 12800 and Business Licence Bylaw 13138. They indicated that landlords and property owners have a tendency to be complicit and support any business in their buildings, rather than considering the mix of businesses in the area.

Suggestions for improvement for Pawn Stores

Pawn store owners did not see more regulation as an effective approach. They felt that the idea behind separation distances is understandable, it will prevent any future clustering of pawn stores. However, store operators felt all it will do is limit competition and users ability to shop around to find a better deal.

“Separation distances create a false monopoly, where everyone loses, especially in a smaller retail area. The market will determine if it is successful or not, competition is better for the customer”

There is general consensus among the pawn stores interviewed that enhanced design regulations would contribute to a better perception of pawn stores and provide an additional level of comfort and safety to owners and users.

Conversely, hearing from the users of pawn stores, it was indicated that individuals prefer to use pawn stores with lots of window coverings or lower quality design because it offers a certain level of privacy and anonymity to those who would make use of a pawn store. It was heard that, the cleaner the property is, the more nervous the users of pawn stores can be.

The business community wishes to see clean, professional sites that contribute to the image of an area. They support the development of design regulations to prevent the continuation of garish signage and to prevent the covering of windows, which obstruct the view of the interior from the street. In addition, it was felt that these shops need to work to rebrand or highlight the good that they are doing within the community. Pawn store operators have said it is challenging to change perceptions, and if they are operating above board as many of them claim to be, they should be working in unison to rehabilitate their image. Suggestions for improvement included creating a program, similar to the Best Bar None run by the Alberta Gaming and Liquor Commission, that could encourage pawn stores in the city to improve and self-police.

Other suggestions for change and improvement regarding pawn stores, from all three key stakeholder

groups, include:

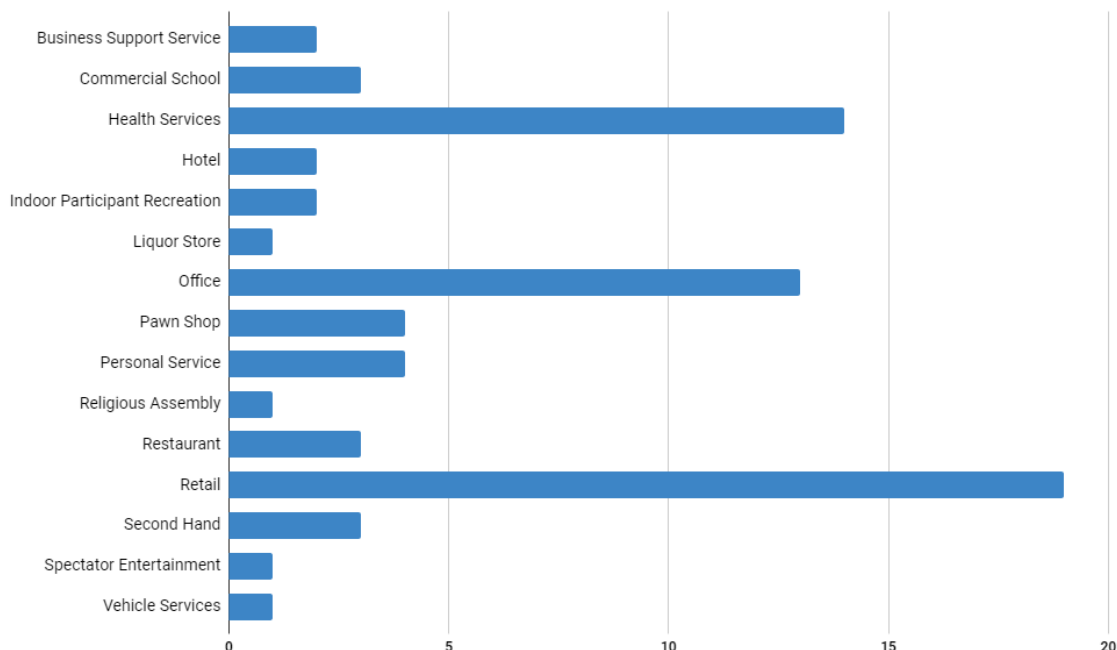
- Support for all three proposed regulatory changes (notification requirements, and enhanced design requirements)
- Additional social services needed to provide vulnerable populations to assist them defend and advocate for themselves and to develop a greater sense of financial literacy.
- Fostering a program that will encourage pawn store owners to operate within the law and weed out the bad operators
- Work with commercial business owners to introduce a business mix to the city's main streets, rather than just leasing space to the first person who applies
- Develop an improved method to report bad pawn operators to the city/law enforcement and enhance the enforcement of these complaints so that actual change is made

SUMMARY OF BUSINESS PERSPECTIVES SURVEY

The business perspectives survey ran from June 4th to the 15th, 2018. Additional responses were accepted until June 30th. The purpose of this survey was to gather insight into business perceptions of pawn stores and to understand whether or not the presence of a pawn store would have an impact on nearby businesses. The survey also asked participants on the ways they felt pawn store could be regulated.

Of the 74 individuals that responded, most represented sectors of the retail, office, and health services industries.

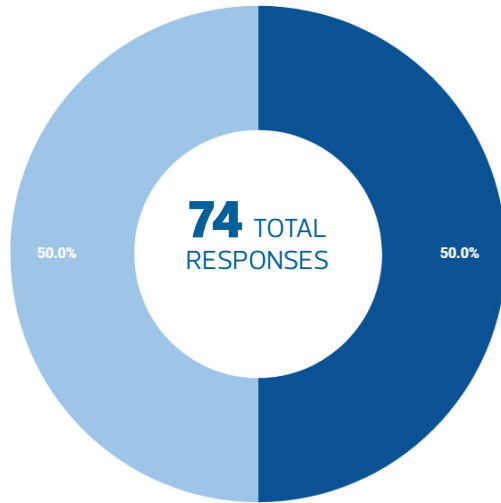
What type of Business do you operate?



Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

Half of the businesses who participated in the survey were located near a pawn store.

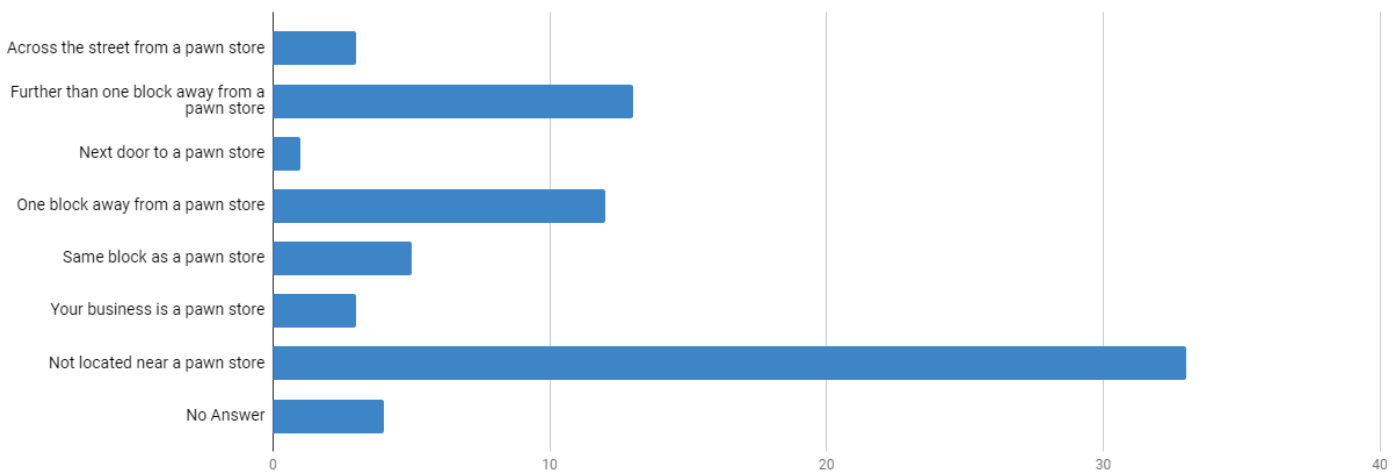
What type of Business do you operate?



● No
● Yes

	Responses
No	50%
Yes	50%

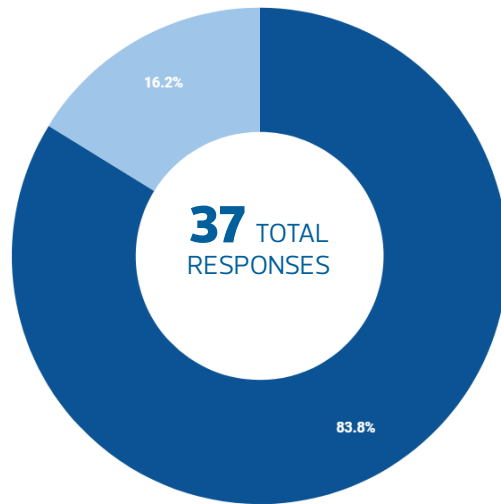
Where are you located?



Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

To gain a better understanding of the business impacts of pawn stores, the 37 participants who indicated that they were located near a pawn store were directed to answer the following three questions.

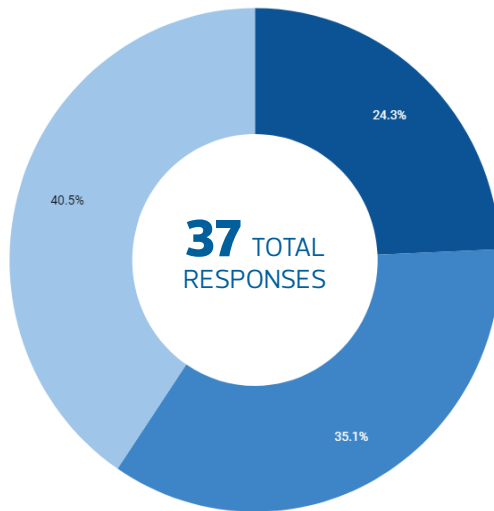
Did the presence of a pawn store influence your decision to locate where you are?



- No
- Yes

	Responses
No	16%
Yes	84%

Does the pawn store affect or benefit your business in any way?



- I'm not sure
- No
- Yes

	Responses
I'm not sure	24%
No	35%
Yes	41%

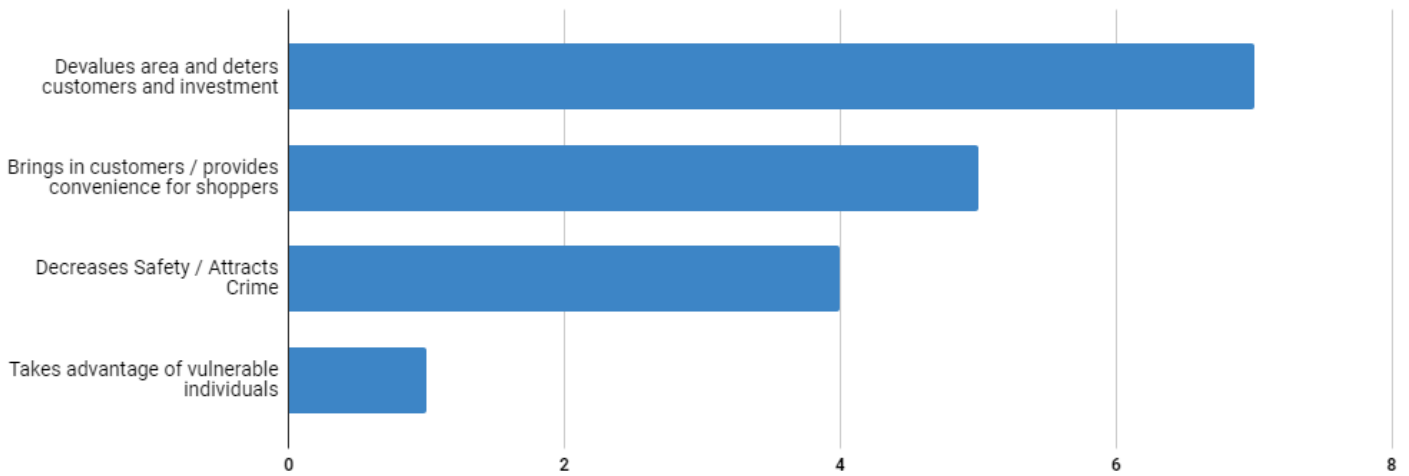
Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

Participants were asked to explain how pawn stores affect or benefit their business. Three main themes emerged through the comments provided:

- Devalues area and deters customers and investment
- Brings in customers and provides convenience for shoppers
- Decreases safety and attracts crime

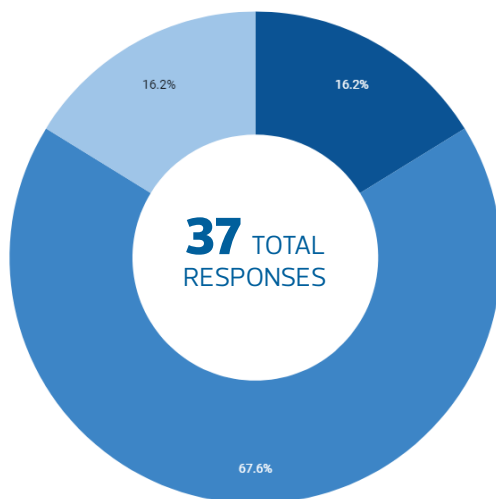
One participant noted that pawn stores take advantage of vulnerable individuals.

Please explain how it affects or benefits your business:



The businesses that were not located near a pawn store were asked the following questions.

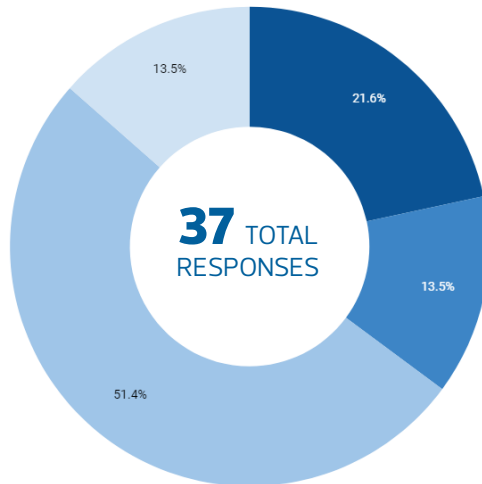
Would you have chosen your current location if there was a pawn store nearby?



- I'm not sure
- No
- Yes

	Responses
I'm not sure	16%
No	68%
Yes	16%

If a pawn store moved next door do you, would you?



- Do nothing
- Other
- Relocate
- Renegotiate your lease

	Responses
Do nothing	22%
Other	14%
Relocate	51%
Renegotiate your lease	14%

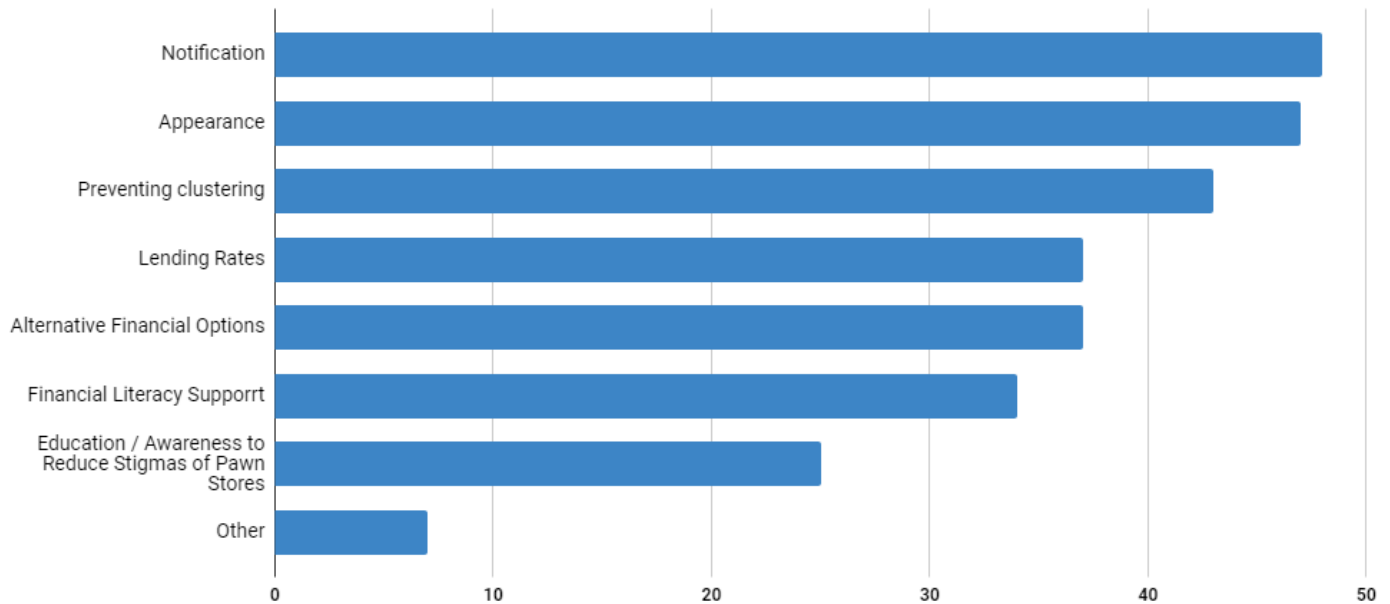
Of the participants that selected 'other', one participant noted that they would take time to see the impact, and potentially relocate. Another participant noted that they would be upset if a pawn store located nearby. One participant indicated that they would either close their business or sell it if a pawn store move in nearby.

All 74 participants were asked what ways they felt pawn stores should be regulated, out of the following list:

- Appearance (signs and window displays),
- Lending rates,
- Preventing pawn stores from locating next to one another,
- Notification to surrounding businesses when a new pawn store is proposed,
- Financial literacy support for people using pawn stores,
- Alternative financial options for people using pawn stores
- Education and awareness to reduce stigmas around pawn stores
- Other

Most of the respondents indicated support for more regulations around the appearance of pawn stores, and that they would want to be notified if one was proposed for their area. There was also support for preventing pawn stores from locating next to one another. There was also general support for regulations surrounding lending rates, as well as services to provide financial literacy support and alternative financial options for people using pawn stores.

Are there ways you believe pawn stores should be regulated or managed?



For those that selected 'other,' comments noted a need for increased policing of pawn stores to prevent stolen goods from being pawned and to deter criminal activity. Others indicated that they would like to see pawn stores regulated similarly to how liquor stores are currently regulated, and would also like to see a separation distance between pawn stores and liquor stores.

To conclude the survey, participants were invited to provide any additional comments about how pawn stores may influence other businesses. Of the comments provided, most centred on perceptions that pawn stores attract less desirable clientele to the neighbourhood, and that pawn stores make neighbourhoods less attractive.

A number of participants also indicated that pawn stores attract crime, making the area feel less safe, and tend to deter customers and other businesses. Others felt that pawn stores provide a needed service to those who depend on alternative financial services.

Attachment 4: What We Heard Report: Public Consultation Summary, Pawn Stores

Do you have any other comments about how pawn stores may influence other businesses?

