

## City Council Meeting Yields New Zoning Laws, Payday Lending Regulations

by K\_Guice

Two big issues were tackled at last week's Bend City Council meeting. After three decades, new zoning rules have been put into place and the council implemented new regulations on area payday lenders.

### In the Zone

It has been years in the making and July 5th the city council adopted new city zoning rules designed to protect the very qualities that draw people to the town. "Our challenge was to write a code that helps keep Bend the attractive place that we have an affection for," said Councilor Jim Clinton.

"It's a rapidly growing city," he said, "and the old development code was getting obsolete, cumbersome and appearing not to serve the future very well."

The new rules effect various aspect of development in the city, from how tall a building can be built to how far back a home must sit on a lot. An issue especially important to Clinton is huge homes being built on small lots.

"What many of us were trying to get at was preserving the character of existing neighborhoods," said Clinton. In a nation where McMansions are popping up left and right, the councilor did not want people to drive into Bend and think it looked like every other place they had been.

Thus, a new requirement that both single-family homes in neighborhoods pre-dating 1998 and one-story homes throughout Bend can not be built on more than half of the lot. Clinton said multi-story homes can only build on 35 percent of the property.

Despite the city code revisions, some city councilors said more still needs to be done. For example Mayor Bill Friedman said he doesn't agree with everything. That concern was backed by Linda Johnson who saw a number of issues.

Clinton said he too had suggestions for the future. "We decided to revisit the whole thing in six months to see if it needed any additional revisions," Clinton said.

Councilor Chris Telfer, who seconded the motion to approve the new code, agreed. "Let's see how it plays out," Telfer said.

City Manager Andy Anderson suggested that the council could revisit the matter during a February work session. In addition, he said the city's planning commission is going to form a task force to evaluate flat roofs, an issue recently raised by developers.

### Hammer Time

As a side bar, the city council looked at placing new restrictions on weekend construction work after several citizen complaints that some contractors begin working and making noise as early as 7 a.m. on the weekends

In response, the city suggested that construction could only take place from 8 a.m. to 10 p.m. Saturdays and 10 a.m. to 10 p.m. on Sundays. However, the city council changed the Sunday start time to 9 a.m. The end time is potentially still up for discussion.

### Payday Loan Changes

The state of Oregon recently adopted rules to regulate payday lenders; however the new restrictions don't go into effect until next July. In response, Bend City Council decided to adopt local regulations on payday lenders in hopes of protecting citizens and keeping a closer eye on these types of businesses coming into the area.

Payday loans are small, short-term cash advances marketed to bridge the borrower's cash flow gap between paydays.

The potential problem with the loan is the charges that come along with the cash advance. Jim Forbes, the city attorney said many people are unable to pay the loan back when payday actually rolls around and they then roll the loan over without having ever paid on the principal. Meanwhile new charges are added.

Up to three rollovers were allowed, which could permit a person's interest rate to top 500 percent. Clinton said that simply is not right.

With the new local ordinance, which goes beyond state requirements, a borrower has to pay off at least 25 percent of the principal and interest before the loan can be rolled over. "Prior they would allow them to renew the whole loan without paying any of the actual loans back," Clinton added.

In addition, the new regulations allow the borrower to repay the loan within 24 hours without any additional charges and the payday lender can not charge a fee to change a loan into a payment plan.

"The industry says only a small percentage (of consumers) gets into trouble with these types of loans, but I think they are being optimistic," Clinton said. "What we're hoping is that this will prevent the worst abuses that industry shows itself capable of," he added.

In addition, Bend will require a special additional business license for payday lenders. The business, of which there are about 30 in the area, would have to pay \$50 for a regular business license and then an additional fee for the special license to be determined.

"It hasn't been set yet but it will probably be \$100," Clinton said. "It's not a lot but it would give the city a little bit of money to monitor the businesses and see if an additional evaluation is needed in the future."

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