

NARRATIVE QUESTIONNAIRE USE-BY-PERMIT

A. General Property Information:		
1.	Property Address or Parcel Identification Number (PIN):	6225 East 71 st Place, Commerce City, CO 80022 Parcel #182305202020
2.	Applicant's Name:	LTS, Inc.
3.	Property Owner's Name:	Lyons Real Estate Holdings, LLC
4.	Current Zoning of the Subject Property:	C-3 (Regional Commercial District)
5.	Future Land Use Plan Designation:	N/A No change to current use

B. Background Information:		Yes	No	
1.	Is this request an amendment to an existing variance?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	If yes, what was the previous case number? Case # Renewal #AU-1680-10
2.	Is this application an attempt to correct a violation of some kind?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	If yes, please provide a copy of the violation.
3.	Do you anticipate having employees at this location?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	If yes, how many employees do you anticipate? # of employees: <u>5</u>
4.	Is this request to have an auditorium, chapel, or other place of public gathering?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	If yes, what is the maximum seating capacity? # of seats: _____
5.	What are the anticipated days and hours of operation?	N/A	N/A	M-F 10-7; SAT 10-6; SUN 12-5
6.	How many parking spaces are available at this site, and how many will you add?	N/A	N/A	Existing # of spaces: <u>27</u> Additional # of spaces: N/A

The following pages ask specific questions about the nature of your request. Therefore, it is in your best interest to answer them in as much detail as possible to help limit the number of questions and review cycles.

DO NOT ANSWER WITH A 'YES' OR 'NO' OR 'N/A'. BE SPECIFIC!

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C. Specific Requests for Information

1. Describe in **detail** the proposed use of the property (state **exactly** what will be done on the property).

Pawnshop; Retail Sales, Secondhand Dealer - The Company’s primary business line is the operation of retail pawn stores, also known as “pawnshops,” which focus on serving cash and credit-constrained consumers. Pawn stores help customers meet small short-term cash needs by providing non-recourse pawn loans and buying merchandise directly from customers. Personal property, such as jewelry, electronics, tools, appliances, sporting goods and musical instruments, is pledged and held as collateral for the pawn loans over the typical 30-day term of the loan. Pawn stores also generate retail sales primarily from the merchandise acquired through collateral forfeitures and over-the-counter purchases from customers. **Pawn Operations** Pawn stores are neighborhood-based retail locations that buy and sell pre-owned consumer products such as jewelry, electronics, tools, appliances, sporting goods and musical instruments. Pawn stores also provide a quick and convenient source of small, secured consumer loans, also known as pawn loans, to unbanked, underbanked and credit-constrained customers. Pawn loans are safe and affordable non-recourse loans for which the customer has no legal obligation to repay. The Company does not engage in post-default collection efforts, does not take legal actions against its customers for defaulted loans, does not ban its customers for nonpayment, nor does it report any negative credit information to credit reporting agencies, but rather, relies only on the resale of the pawn collateral for recovery. Pawnshop customers are typically value-conscious consumers and/or borrowers who are not effectively or efficiently served by traditional lenders such as banks, credit unions, credit card providers or other small loan providers. The operation of pawn stores is governed primarily by state laws and accordingly, states that maintain regulations most conducive to profitable pawn operations have historically seen the greatest concentration of pawn stores. **Pawn Lending Activities** The Company’s stores make pawn loans, which are typically small, secured loans, to its customers in order to help them meet instant or short-term cash needs. All pawn loans are collateralized by personal property such as jewelry, electronics, tools, appliances, sporting goods and musical instruments. The pledged collateral provides only security to the Company for the repayment of the loan. The Company does not investigate the creditworthiness of the borrower, primarily relying instead on the marketability and sales value of pledged goods as a basis for its credit decision. Pawn loans are non-recourse loans, and a customer does not have a legal obligation to repay a pawn loan. There is no collections process and the decision not to repay the loan will not affect the customer’s credit score with any credit reporting agency. At the time a pawn loan transaction is entered into, an agreement or pawn contract, commonly referred to as a “pawn ticket,” is presented to the borrower for signature that includes, among other items, the borrower’s name and identification information, a description of the pledged goods, amount financed, pawn service fee, maturity date, total amount that must be paid to redeem the pledged goods on the maturity date and the annual percentage rate. The term of a pawn loan is typically 30 days plus an additional grace period of 14 to 90 days, depending on geographic markets and local or state regulations. Pawn loans may be either paid in full with accrued pawn loan fees and service charges or, where permitted by law, may be renewed or extended by the customer’s payment of accrued pawn loan fees and service charges. If a pawn loan is not repaid before the expiration of the grace period, the pawn collateral is forfeited to the Company and transferred to inventory at a value equal to the principal amount of the loan, exclusive of accrued service fees. Pledged property is held in a secured, non-public warehouse area of the pawn store for the term of the loan and the grace period, unless the loan is repaid earlier.

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2a.	What uses are located adjacent to the subject property?
North:	Gas Station/ Convenience Store
South:	Tire Shop
East:	Restaurant
West:	Roadway

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2b.	How do the off-site impacts of your proposed use compare with the uses listed above?
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This application is for the renewal of a permit for a pawn shop that has operated at this location for at least 15 years. The continued operation of this pawn shop will have no impact on the adjacent properties and businesses. Pawnbrokers play a vital role in the community. Pawn transactions are simple solutions to Americans' quick cash needs. Pawn stores help customers meet small short-term cash needs by providing non-recourse pawn loans and buying merchandise directly from customers. This means that if a customer pledges an item of personal property as collateral for a loan. The customer may choose to repay the loan once they are able to or simply forfeit the collateral, without hurting their credit and without harassing calls. There are no post-default collection efforts and the decision not to repay the loan will not affect the customer's credit score with any credit reporting agency. Additionally, the transaction itself is remarkably fast in comparison to consumer credit loans. The customer will be in and out of the pawnshop in a matter of minutes. A significant portion of the population struggles to handle sudden financial burdens. According to a 2023 Federal Reserve study, 37% of Americans could not cover an unexpected \$400 emergency using cash, savings, or the equivalent. Furthermore, because consumer credit loans have low interest rates, banks rarely lend amounts less than four figures. Pawnbrokers, on the other hand, offer small dollar, short-term loans that are narrowly tailored to suit their customers' needs, which often include covering basic necessities such as gasoline, car repairs, medical services, medicine, utilities, food, etc. •

Consumers need pawn transactions for purchases such as:

- o Gasoline/Car Repairs
- o Medical Services/Pharmaceuticals not covered by insurance
- o Diapers/Food/Utilities/Childcare
- o Emergency Expenses
- Pawn customers who need money for these types of purchases usually don't have credit cards – either because they can't qualify for a credit card or don't want to sign up for a product that can ruin their credit if they don't pay. And, these customers can't wait until their next paycheck to pay for these items.

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2c.	What strategies are you proposing in order to avoid or mitigate any adverse impacts to adjacent property that may occur as a result of your proposed use?
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As noted above, this business has been in place for at least 15 years and has not imposed any adverse impacts to surrounding properties or businesses. Pawnbrokers comply with several federal, state, and local regulations to provide safe and sound services to their customers. Interest and fees on pawn transactions are clearly disclosed to customers so that they understand them, and the disclosures comply with the federal Truth in Lending Act (TILA)/Regulation Z and state pawn disclosure laws. Pawnbrokers also work closely with local law enforcement to develop safeguards against crime trends in the neighborhoods they serve. Any property identified as lost or misappropriate is placed on police hold so that it can be reunited with its true owner. Additionally, pawnbrokers work in partnership with local enforcement and pawn detectives by sharing information and reporting daily transactions.

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3. What changes will need to be made to the property in order to accommodate your proposed use?

None.

4. What levels of noise, smoke, odors, glare, or other impacts will be generated by your proposal?

None. The business does not produce any of the above.

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5. Do you propose outdoor storage at this location? If yes, please detail the type of storage you will have, where it will be located, how it will be screened, and what material it will be stored on.

No

All merchandise is stored inside the building.

6. If this project will be constructed in phases, describe each phase and estimated time frames.

None. No construction occurring.

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7.	If this proposal is for residential development, include the number of buildings and types of living units (e.g., single-family, duplex, tri-plex, etc.)
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Not applicable. Renewing current Use-by-Permit for a Pawnshop

8.	If this proposal is for an institutional use (e.g., hospital, daycare, etc.) indicate the major function, estimated occupancy, delivery facilities, and community benefits that the city will receive from the project.
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Not applicable. Renewing current Use-by-Permit for a Pawnshop

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9. If this request is for a use that involves animals, specify the kinds of animals, the maximum number of each, and the containment plan.

Not applicable. Renewing current Use-by-Permit for a Pawnshop

10. If there are any products being manufactured or processed on site, detail the method of manufacturing/processing and the method of storage.

Not applicable. Renewing current Use-by-Permit for a Pawnshop.

The Company does not manufacture or process any goods.

The Company's primary business line is the operation of retail pawn stores, also known as "pawnshops," which focus on serving cash and credit-constrained consumers. Pawn stores help customers meet small short-term cash needs by providing non-recourse pawn loans and buying merchandise directly from customers. Personal property, such as jewelry, electronics, tools, appliances, sporting goods and musical instruments, is pledged and held as collateral for the pawn loans over the typical 30-day term of the loan. Pawn stores also generate retail sales primarily from the merchandise acquired through collateral forfeitures and over-the-counter purchases from customers.