

By-Law #11 - February 10, 2020

BY-LAW NUMBER _____ OF 2020
OF THE CITY OF SARNIA

"A By-law to Amend By-law Number 128 of 2017"

(Re: Payday Loan Establishment Licensing)

WHEREAS subsection 5(3) of the Municipal Act, 2001 provides that a municipal power shall be exercised by by-law;

WHEREAS Section 10(2) of the Municipal Act, 2001 permits a municipality to enact by-laws respecting: the economic, social and environmental well-being of the municipality: the health, safety and well-being of persons; and the protection of persons and property, including consumer protection;

AND WHEREAS Section 151 of the Municipal Act, 2001 permits a municipality to license businesses within the municipality;

AND WHEREAS Section 154.1 of the Municipal Act authorizes a local municipality, in a by-law under Section 151 affecting with respect to payday loan establishments, to define the area of the municipality in which a payday loan establishment may or may not operate, and to limit the number of payday loan establishments in any defined area in which they are permitted;

AND WHEREAS it is deemed expedient to amend By-Law 128 of 2017 of the City of Sarnia, being "A By-Law to provide for the Licensing and regulation of various businesses", to license and regulate payday loan establishments;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE CITY OF SARNIA ENACTS AS FOLLOWS:

1. That By-Law 128 of 2017 be amended by adding a new Part 15, as follows and that all following Parts be renumbered accordingly:

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"PART 15 – PAYDAY LOAN ESTABLISHMENT

Definitions

15.1 As used in this Part:

"Operator" shall mean the operator of a payday loan establishment;

"Payday Loan Establishment" shall mean any premises or any part of them in respect of which a licensee within the meaning of the Payday Loans Act, 2008, S.O. 2008 c. 9 may operate a business pursuant to a licence issued under that Act.

Licence Requirements

15.2 No person shall act as a lender or loan broker, as defined in the Payday Loans Act, 2008, unless they hold a valid licence as a lender or a loan broker under the Payday Loans Act, 2008 and a valid licence under this Bylaw.

15.3 No person, except a person who holds a valid licence as a lender or a loan broker under the Payday Loans Act, 2008 as of May 1, 2018, may be licensed under this by-law.

15.4 Every person who holds a valid licence as a lender or a loan broker under the Payday Loans Act, 2008 as of May 1, 2018 shall be required to obtain a licence under this by-law.

15.5 A Person or entity who wishes to apply for a licence shall supply the following:

- (a) The name of the Applicant in who's name the licence shall be issued;
- (b) All business addresses and relevant contact information as may be required by the City;
- (c) Proof of a valid licence issued under the Payday Loans Act, 2008, including the applicable licence number;
- (d) Confirmation from the Director of Community Development Services and Standards that the

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use is permitted in accordance with City's Zoning By-Law;

- (e) A clear criminal record check showing no unpardoned offences; and,
- (f) Proof of commercial general liability insurance in the amount of not less than Two Million Dollars (\$2,000,000.00).

15.6 Every Payday Loan Establishment operator shall have a separate Licence for each Payday Loan Establishment location.

15.7 An operator shall:

- (a) Inform the City immediately if the licensee's licence under the Payday Loans Act, 2008 is suspended, ceases to be valid, is revoked or expires; and,
- (b) Operate only at the location(s) authorized by the licence issued under the Payday Loans Act, 2008 and this by-law.

15.8 If an operator's licence under the Payday Loans Act, 2008 is suspended, ceases to be valid, is revoked or expires, the licence issued under this by-law shall be immediately suspended for the entirety of the period that the licence under the Payday Loans Act, 2008 is suspended, ceases to be valid, is revoked or expires.

15.9 No new Licence shall be issued for a Payday Loan Establishment if the proposed site is located within 500 metres of an existing Payday Loan Establishment that is properly licensed.

Number of Licences

15.10 The number of licences that can be issued and outstanding within the City of Sarnia for Payday Loan Establishments at any time is limited to seven (7).

15.11 Notwithstanding subsections 15.4 and 15.5 of this By-Law, any Payday Loan Establishment existing on

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February 10, 2020 may continue to operate in the same location provided:

- (a) The operator had a current and valid Licence on February 10, 2020;
- (b) The operator obtains a Payday Loan Establishment Licence by June 1, 2020;
- (c) The business is operated continuously as a Payday Loan Establishment;
- (d) The business is, at all times, operated in compliance with this By-Law and all applicable municipal, provincial and federal laws; and
- (e) The Payday Loan Establishment Licence is renewed annually.

15.12 The Payday Loan Establishments at the following locations are deemed to be existing on February 10, 2020 for the purposes of section 15.6 of this By-law:

- (a) 286 Christina St N
- (b) 1137 Confederation Street
- (c) 559 Exmouth Street
- (d) 450 Exmouth Street
- (e) 889 Exmouth Street (2)
- (f) 1200 London Road
- (g) 1248 London Road
- (h) 1273 London Road

Requirements of the Permit

15.13 An operator shall ensure that each person who attends at their payday loan establishment is given, immediately on expressing an interest in a loan, credit counselling information that has been approved in advance by the City."

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By-law Read a First, Second and Third time this 10 day of February, 2020.

Mike Bradley
Mayor

Dianne Gould-Brown
City Clerk