

# OFFICE OF THE CORPORATION COUNSEL

# **Summary of Studies Regarding Adverse Secondary Effects Associated** with Adult Entertainment Businesses

The following studies, surveys and reports have shown the presence of adverse secondary effects associated with adult businesses. Additional research conducted by other municipalities can be found at www.secondaryeffectsresearch.com.

- (1) Richard McClearly, *Rural Hot Spots: The Case of Adult Businesses*, Criminal Justice Policy Review (2008) (a case study of the impact from an adult entertainment business selling x-rated videos, books and novelties in Montrose, Illinois, an unincorporated village. The study showed that after the opening of the adult entertainment business, the total crime in the village rose by approximately 60 percent. When the business closed two years later, crime dropped approximately 60 percent. The author concludes that adverse secondary effects occur in rural areas as much as they would in urban or suburban areas). The complete case study is located at http://secondaryeffectsresearch.com/node/82
- (2) Valerie Jenness, Richard McClearly & James W. Meeker, *Crime-Related Secondary Effects of Sexually Oriented Businesses*, Report To The County Attorney Palm Beach County, Florida (Aug. 2007) (showing that adult cabarets have four times the ambient risk of crime than non-adult shows, and that such risk is lower at 1,000 feet away from an establishment based on an analysis of crime incident reports) The complete report can be located at <a href="http://secondaryeffectsresearch.com/node/77">http://secondaryeffectsresearch.com/node/77</a>
- (3) Duncan Associates, Survey of Appraisers Fort Worth & Dallas, Effects of Land Uses On Surrounding Property Values, (Sep. 2004.) (demonstrating that the majority of appraisers surveyed in Fort Worth/Dallas, believed that adult-oriented businesses of any kind would decrease single family home property values and community shopping centers, and that each adult oriented business should be located 1,000 feet or more from either a single-family home or a community-shopping center before having no effect on property values; survey also demonstrates that a majority of appraisers believed that a concentration of such uses would have a greater impact on property values if more than three uses within 400 feet (appx).) The complete survey is located at <a href="http://secondaryeffectsresearch.com/node/59">http://secondaryeffectsresearch.com/node/59</a>
- (4) Richard McCleary & James W. Meeker, *The Relationship Between Crime and Adult Business Operations on Garden Grove Boulevard*, Final Report to The City of Garden Grove, California, (Oct. 1991) (study based on statistical analysis of crime data from 1981 to 1990 as well as surveys with real estate professionals and city residents

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Clare Altschuler Andrea Brendemuehl Patricia Haraughty-Sanna Nadia Noboa-Chehade Maureen A. Plunkett H. Arleen Wolek demonstrating that (1) serious crime (i.e. homicide, rape, robber assault, burglary, theft) increased significantly with the opening or an "adult business" or with the expansion of an existing business; (2) over 90% of real estate professionals stated that that an adult business within 200-500 feet of residential and commercial property depreciates property value with the greatest impact on single-family homes because of increased crime associated with adult businesses); (3) households near adult business in Garden Grove, CA responded that in their experience crime noise and litter was a result of living near adult businesses, and 80% stated they would move if an adult business opened in their neighborhood.) The complete study can be located at <a href="http://secondaryeffectsresearch.com/node/2">http://secondaryeffectsresearch.com/node/2</a>

- (5) Michael J. Leverenz, Assistant Chief of Police Investigative Services of Tucson, AZ, Police Investigative Services Report On Adult Entertainment Ordinance Memorandum, (May 1, 1990) (memorandum describing the findings resulting from a four year investigation into adult entertainment bookstores and establishments after complaints of illegal sexual activity and unsanitary conditions occurring in those establishments. Report found that in most establishments employees were arrested for prostitution, and customers were allowed inside booths with dancers and encouraged to masturbate. Further, officers discovered puddles of semen on the floor and walls within peep booths after collecting fluid samples on two occasions. In fact, 81% of the samples taken in the first occasion and 96% taken in the second occasion tested positive for semen. The complete memorandum is located at <a href="http://www.communitydefense.org/wordpress/1990/05/01/tucson-az-police-memorandum-on-sob-ordinance/">http://www.communitydefense.org/wordpress/1990/05/01/tucson-az-police-memorandum-on-sob-ordinance/</a>
- (6) Austin Texas Office of Land Development Services, *Report On Adult Oriented Businesses In Austin*, (May 19, 1986) (an analysis of crime data of surrounding areas of adult businesses demonstrating that sex-related crimes ranged from 177 to 482 % higher than the city average in 4 selected study areas, and demonstrating that in study areas containing two adult businesses, the rate was 66% higher than in areas with just one business; a survey of real estate appraisal or lending firms revealed that 88% of respondents stated that an adult business within 1 block of a residential area decreases the value of homes, and 59% stated that depreciation an adult business within 3 blocks of a residential area decreases the value of homes. Commercial properties were also negatively affected. Respondents also stated that the establishment of a business is a sign of a neighborhood in decline, and would result in underwriters hesitant to approve financing. Finally, an analysis of the trade area characteristics to determine which zoning districts were appropriate for siting adult businesses revealed that only 3 customers lived within 1 mile of the adult business, and 44% of the customers were outside the city limits.) The complete report is located at <a href="http://secondaryeffectsresearch.com/node/33">http://secondaryeffectsresearch.com/node/33</a>

- (7) Department of Metropolitan Development, *Adult Entertainment Business In Indianapolis An Analysis* (February 1984) (study comparing 6 "study" areas containing adult businesses and 6 "control" locations with each other, and revealing that the crime increases in the study areas were 23% higher than control areas (and 46% higher than the city as a whole). Specifically, sex-related crimes increased more than 20% than the control areas. Residential locations in the study areas had a 56% greater crime increase than commercial study areas. Sex related crimes were four times more common in residential study areas than commercial study areas with adult businesses. In addition, a national survey of real estate appraisers revealed that one adult business located within 1 block of residences and businesses decreased their value and half of the respondents said the immediate depreciation exceeded 10%. The survey also showed that appraisers noted that the value depreciation on residential areas near an adult business is greater than on commercial businesses.) The complete report is located at <a href="http://secondaryeffectsresearch.com/node/22">http://secondaryeffectsresearch.com/node/22</a>
- (8) City of Phoenix Planning Department, *Adult Business Study* (May 25,1979)(analysis of crime statistics showing that the number of sex offenses (rape, indecent exposure, lewd and lascivious behavior and child molestation) was 506% greater in neighborhoods where sexually oriented business were located, and property crimes (burglary, larceny, auto theft) was 43% greater in neighborhoods where such businesses were located) The complete report is located at <a href="http://secondaryeffectsresearch.com/node/28">http://secondaryeffectsresearch.com/node/28</a>
- (9) Planning Committee of the City of Los Angeles, *Study of The Effects Of the Concentration Of Adult Entertainment Establishments*, (June 1977)(study compares areas with high concentration of adult businesses with areas without, cites data from property assessments/sales, public meeting testimony, and responses from 2 questionnaires (one to residential/business owners within a 500 radius of the areas with a high concentration and a second to real estate appraisers, lenders and realtors). Study revealed that over 90% of realtors, appraisers and lenders said that a grouping of adult businesses within 500 to 100 feet of residential property decreases market value of homes, and public testimony revealed that majority spoke against presence of adult businesses. Also, study revealed more crime occurred where adult businesses were concentrated.) The complete study is located at http://secondaryeffectsresearch.com/node/23