(32)

NEGATIVE SECONDARY EFFECTS OF SEXUALLY ORIENTED BUSINESSES: SUMMARIES OF KEY REPORTS

GARDEN GROVE, CALIFORNIA
September 12, 1991

This report by independent consultants summarized statistics to determine whether adult businesses should be regulated because of their impact on crime, property values and quality of life. Statistics were measured from 1981 to 1990, and included crime data and surveys with real estate professionals and city residents. Garden Grove Boulevard, which has seven adult businesses, was selected as the study area. The study incorporated many control factors to insure accurate results. The report included a brief legal history of adult business regulation and an extensive appendix with sample materials and a proposed statute.

Crime increased significantly with the opening of an adult business, or with the expansion of an existing business or the addition of a bar nearby. The rise was greatest in "serious" offenses (termed "Part I" crimes: homicide, rape, robbery, assault, burglary, theft and auto theft). On Garden Grove Boulevard, the adult businesses accounted for 36 percent of all crime in the area. In one case, a bar opened less than 500 feet from an adult business, and serious crime within 1,000 feet of that business rose more than 300 percent the next year.

Overwhelmingly, respondents said that an adult business within 200-500 feet of a residential and commercial property depreciates that property value. The greatest impact was on single family homes. The chief factor cited for the depreciation was the increased crime associated with adult businesses.

Phone calls were made in a random sample of households in the Garden Grove Boulevard vicinity. The public consensus was that adult businesses in that area were a serious problem. Nearly 25 percent of the surveyed individuals lived within 1,000 feet of an adult business. More than 21 percent cited specific personal experiences of problems relating to these businesses, including crime, noise, litter and general quality of life. Eighty percent said they would want to move if an adult business opened in their neighborhood, with 60 percent saying they "would move" or "probably would move." Eighty-five percent supported city regulation of the locations of adult businesses, with 78 percent strongly advocating the prohibition of adult businesses within 500 feet of a residential area, school or church. Women commonly expressed fear for themselves and their children because of adult businesses.

The report concluded that adult businesses have a "real impact" on everyday life through harmful secondary effects and made four recommendations: (1) keep current requirement of 1,000 feet separation between adult businesses; (2) prohibit adult establishments within 1,000 feet of residential areas; (3) enact a system of conditional use permits for adult businesses with

police department involvement in every aspect of the process; and (4) prohibit bars or taverns within 1,000 feet of an adult business.

NEW YORK CITY, NEW YORK (TIMES SQUARE)
1994

Insight Associates performed this study in 1994 - one year after the City of New York passed extensive legislation that restricted and regulated sexually oriented businesses. The study focused on the Times Square Business Improvement District, especially on the areas of sexually oriented business concentration.

Researchers combined analysis of available data on property values and incidence of crime with a demographic and commercial profile of the area to show relationships between the concentration of adult-use establishments and negative impacts on businesses and community life. The study also included anecdotal evidence from property owners, businesses, community residents and others regarding public perceptions of the impact of sexually oriented businesses on their neighborhoods.

The study cited the strategies of several other big cities as possible methods to regulate sexually oriented businesses, including dispersal and concentration strategies.

Using crime and pollution statistics from 1992 and 1993, the study showed that the streets were significantly less polluted and overall crime in the area had dropped drastically since the increase in regulation.

Survey respondents acknowledged the improvements in the area and voiced optimism about the future of Times Square. They also complained of the increase of adult establishments on Eighth Avenue. Many respondents felt that some adult establishments could exist in the area, but that their growing number and their concentration on Eighth Avenue constituted a threat to the commercial prosperity and residential stability achieved in the preceding years in that section of the city.

Some data from before the recent increase in adult establishments was unobtainable, and the study thus could not show if there had been an increase in actual complaints corresponding to the proliferation of sexually oriented businesses. The study did, however, reveal a reduction in criminal complaints corresponding to the distance from the major concentration of sexually oriented establishments. In addition, from 1985 to 1993 property values increased 26% less in concentrated sex-business areas than in the control group areas.

DALLAS, TEXAS
April 29, 1997

An analysis of the effects of sexually oriented businesses on their surrounding neighborhoods was completed by The Malin Group on December 14, 1994 and supplemented by them on April 29, 1997. The analysts reviewed similar studies of adult entertainment completed by five other major cities and found that comparable results were obtained in each study. This study compared two control areas—one with no sexually oriented businesses and one with two sexually oriented businesses more than a half mile apart—with a study area

having similar land-use and traffic patterns and containing a high concentration of sexually oriented businesses. The Malin Group also interviewed property owners, real estate brokers and agents who are actively leasing, listing, managing, buying or selling properties in the study and control areas. The Malin Group also collected and analyzed crime statistics within the study areas and the two control areas.

The study revealed that the number of sex-crime arrests in the study area containing sexually oriented businesses was five times higher than in the control area with no sexually oriented businesses, and nearly three times higher than in the control area with two isolated sexually oriented businesses.

The study determined that in areas with sexually oriented businesses, crime rates are higher, property values are lower, or the properties take longer to lease or sell. Heightened concentrations of these businesses correlate to heightened impact on their neighborhoods. Negative public attitudes toward areas of concentrated sex-related land uses create "dead zones" unattractive to shoppers, store owners, and investors, and greatly decrease property marketability and values in the vicinity of the sexually oriented businesses. Several interviewees indicated concern for the safety of children and other pedestrians in the area.

The study indicated that the location of multiple sexually oriented businesses in one neighborhood can have a major impact on the neighborhood by contributing to crime, driving away family oriented businesses and impacting nearby residential neighborhoods. When concentrated, sexually oriented businesses typically compete with one another for customers through larger, more visible signs and graphic advertising. They tend to be magnets for certain types of businesses such as pawnshops, gun stores, liquor stores, check-cashing storefronts and late-night restaurants. Even residences in the vicinity of concentrated sexually oriented businesses tend to be relegated to rental use, as families move out of them but find them difficult to market due to diminished resale value.

The study indicated that sex-related crimes occurred five times more frequently in the study areas than in the area without sexually oriented businesses, and nearly three times more frequent than in the area with widely separated sexually oriented businesses.

The Milan Group reviewed records of police calls emanating from 10 different sexually oriented businesses over a four-year period from 1993 through 1996 and found that such businesses were a major source of police calls. The seven sexually oriented businesses in the study area collectively averaged more than one call to the police per day. Those performing the study also reviewed records of sex-related arrests from the four-year period ending in March, 1997. The number of arrests for sex crimes—including rape, prostitution and other sex offenses—was 396 in the study area including the concentration of seven sexually oriented businesses. By contrast, the control area without sexually oriented businesses had 77 sex crime arrests during the study period, and the control area with two widely spaced sexually oriented businesses had 133. The evidence demonstrated that there were increased arrests for sex crimes, other criminal acts, and disturbances that required increased police presence in the vicinity of sexually oriented businesses.

In most cases, the other localities considered in the study had prohibited sexually oriented businesses from locating in all but a few zoning districts. They set minimum distances between sexually oriented businesses and residential, religious, educational and recreational uses. These distances were generally 500 or 1,000 feet. Most localities established amortization periods after the enactment of their ordinances. In most cases, local authorities

could "grandfather" certain sexually oriented businesses through a public hearing process. Most of the clubs that were grandfathered were isolated establishments which advertised discreetly and were buffered from residential uses.

The study noted that in several instances, state and federal courts have upheld local ordinances controlling sexually oriented businesses, and have deemed them constitutional as long as the localities provided for a sufficient number of relocation sites.

These studies in the other localities "found that adult entertainment uses have negative secondary impacts such as increased crime rates, depreciation of property values, deterioration of community character and the quality of urban life."

The study results indicated that even a single sexually oriented business impacts the properties immediately surrounding it, and those adverse impacts increase in proportion to the visibility of the business.

ENVIRONMENTAL RESEARCH GROUP REPORT
March 31, 1996

In 1996, Environmental Research Group (ERG) of Philadelphia, PA performed a study of the negative effects of sexually oriented businesses. The study involved examining several municipal land use studies and historical data from the 1970s through 1996, compiling data and drawing conclusions based on statements and conclusions of previous land use studies.

This study concluded that sexually oriented businesses provide a focus for illicit activities pertaining to prostitution, pandering, and other illegal sex acts. Also noted was an increase in crime statistics, especially sexual crimes such as illegal exposure. The most frequent clients of sex businesses are (and have been since at least the late 18th century) young, transient, single males. Statistically, this social category has interests that are in conflict with those of social groups consisting of families and/or the elderly. Studies of businesses in Bothell, WA and Austin, TX revealed that fewer than three percent (3%) of the vehicles parked in the lots were registered to owners residing a mile or less away.

ERG concluded that the impact of sex businesses upon small towns is more intense than that upon big towns. The business district of a small town is not as large and not capable of "dividing up" sections of town. A national survey of real estate appraisers and lenders revealed that the placement of a sexually oriented business is generally an indicator of the decline of a community - in a small town, the business district as a whole is impacted. Also, the target audience in a small town will not suffice for a sex business, which must draw business from a larger surrounding region. Sex businesses also set the tone of the pedestrian traffic in the area. Interviews with non-sex-business patrons and passers-by indicated a likelihood that a person on foot in the vicinity of sexually oriented businesses will be propositioned for sex acts or sexually harassed.

Finally, a review of surveys of real-estate appraisers suggests that the establishment of a sexually oriented business in either a residential or a commercial neighborhood will predictably lead to a significant drop in neighborhood property values.

HOUSTON, TEXAS

November 3, 1983

Report by the Committee on the Proposed Regulation of Sexually Oriented Businesses determined the need and appropriate means of regulating such businesses. Four public hearings provided testimony from residents, business owners, realtors, appraisers, police and psychologists. The committee and legal department then reviewed the transcripts and drafted a proposed ordinance. More hearings obtained public opinion on the proposal and the ordinance was refined for vote by the City Council.

The testimony was summarized into six broad premises:

1. The rights of individuals were affirmed.
2. Sexually oriented businesses can exist with regulations that minimize their adverse effects.
3. The most important negative effects were on neighborhood protection, community enhancement and property values.
4. Problems increased when these businesses were concentrated.
5. Such businesses contributed to criminal activities.
6. Enforcement of existing statutes was difficult.

The proposed ordinance: (1) required permits for sexually oriented businesses (non-refundable $350 application fee); (2) imposed distance requirements of 750 feet from a church or school, 1,000 feet from other such businesses, and 1,000 feet radius from an area of 75 percent residential concentration; (3) imposed an amortization period of six months that could be extended by the city indefinitely on the basis of evidence; (4) required revocation of permit for employing minors (under 17), blighting exterior appearance or signage, chronic criminal activity (three convictions), and false permit information; and (5) required age restrictions for entry.

TUCSON, ARIZONA
May 1, 1990

This report records the investigation following citizen complaints to the Tucson Police Department regarding incidences of illegal sex and unsanitary conditions in sexually oriented businesses. Undercover police verified the complaints and noted several other violations, also making arrests.

A major concern of the report is the issue of doors on peep show booths. The booths were the major area of sanitation and public health concerns in that the police ascertained that 81% to 96% of samples obtained from such booths tested positive for semen. The report described a compromise between the city and sex businesses, such that the businesses were allowed to keep doors on the booths but were required to remove the bottom 30 inches of the doors. It was thought that this would reduce opportunities or likelihood for customers to masturbate privately, or to engage in anonymous sex through the use of "glory holes" in the walls between adjoining booths—practices previously common in such establishments—while

allowing the management to observe and control the booths to ensure use by paying customers only.

The police also made arrests for illegal sexual performances and acts of prostitution. The police also determined that underage females (including one who was 15 years old) were being employed as nude dancers with the full knowledge and support of management and required to perform nude, engaging in masturbatory acts several times an hour on stage.

LOS ANGELES, CALIFORNIA
June, 1977

The Department of City Planning studied the effects of the concentration of sexually oriented businesses on surrounding properties for the years 1969-75 (a time of proliferation for such businesses). The report focuses on five areas with the greatest concentration of these businesses (compared to five "control" areas free of them), and cites data from property assessments/sales, public meeting testimony, and responses from two questionnaires (one to business/residential owners within a 500 foot radius of the five study areas and a second to realtors/real estate appraisers and lenders). Crime statistics in the study areas were compared to the city as a whole. Also included: a chart of sexually oriented business regulations in 11 major cities, details of current regulations available under state/municipal law, and appendices with samples of questionnaires, letters and other study materials.

While empirical data for 1969-75 did not conclusively show the relation of property valuations to the concentration of sexually oriented businesses, more than 90 percent of realtors, real estate appraisers and lenders responding to the city questionnaires said that a grouping of such businesses within 500-1,000 feet of residential property decreases the market value of the homes. Also residents and business people at two public meetings spoke overwhelmingly against the presence of sexually oriented businesses, citing fear, concern for children, loss of customers and difficulty in hiring employees at non-adult businesses, and the necessity for churches to provide guards for their parking lots.

More crime occurred where sexually oriented businesses were concentrated. Compared to city-wide statistics for 1969-75, areas with several such businesses experienced greater increases in pandering (340 percent), murder (42.3 percent), aggravated assault (45.2 percent), robbery (52.6 percent), and purse snatching (17 percent). Street robberies, where the criminal has face-to-face contact with his victim, increased almost 70 percent more in the study areas. A second category of crime, including other assaults, forgery, fraud, counterfeiting, embezzlement, stolen property, prostitution, narcotics, liquor laws and gambling increased 42 percent more in the study areas over the city as a whole.

The study recommended distances of 1,000 feet between separate sexually oriented businesses, and a minimum of 500 feet separation of such businesses from schools, parks, churches and residential areas.

PHOENIX, ARIZONA
May 25, 1979

The study examined crime statistics for 1978, comparing areas that have sexually oriented businesses with those that do not.

The results show a marked increase in sex offenses in neighborhoods with sexually oriented businesses, and increases in property and violent crimes as well.

Three study areas (near locations of sexually oriented businesses) and three control areas (with no sexually oriented businesses) were selected. The study and control areas were paired according to the number of residents, median family income, percentage of non-white population, median age of population, percentage of dwelling units built since 1950, and percentage of acreage used for residential and non-residential purposes.

Three categories of criminal activity were included in the study: property crimes (burglary, larceny, auto theft), violent crimes (rape, murder, robbery, assault), and sex crimes (rape, indecent exposure, lewd and lascivious behavior, child molestation).

On average, the number of sex offenses was 506 percent greater in neighborhoods where sexually oriented businesses were located. In one of the neighborhoods the number was 1,000 percent above the corresponding control area. Of the sex offenses, indecent exposure was the most common offense and the largest contributor to the increase of crimes in areas where sexually oriented businesses were located. Even without considering the crime of indecent exposure the number of other sex crimes, such as rape, lewd and lascivious behavior, and child molestation, was 132 percent greater than in control areas without sexually oriented businesses.

On average, the number of property crimes was 43 percent greater in neighborhoods where sexually oriented businesses were located, and the number of violent crimes was 4 percent higher in those areas.

The Phoenix ordinance requires sexually oriented businesses to locate at least 1,000 feet from other sexually oriented businesses and 500 feet from schools or residential zones. Approval by the City Council and area residents can waive the 500 foot requirement.

A petition signed by 51 percent of the residents in the 500 foot radius who do not object must be filed and be verified by the Planning Director.

WHITTIER, CALIFORNIA

January 9, 1978

After experiencing a rapid growth of sexually oriented businesses since 1969, the Whittier City Council commissioned a study of the effects of the businesses on the adjacent residential and commercial areas. At the time of the study, Whittier had 13 "adult" businesses: six model studios, four massage parlors, two bookstores and one theater. Utilizing statistics, testimonies and agency reports, the study compared two residential areas and four business areas over a span of 10 years (1968-1977). One residential area was near the largest concentration of adult businesses, the other had no commercial frontage but was chosen because of similar street patterns, lot sizes and number of homes. For businesses, Area 1 had six adult businesses, Area 2 had one, Area 3 had three and Area 4 had none. Two chief concerns cited in the report are residential and business occupancy turnovers and increased crime.

After 1973, 57 percent of the homes in the adult business area had changes of occupancy, compared to only 19 percent for the non-adult business area. Residents complained of "excessive noise, pornographic material left laying about, and sexual offenders (such as exhibitionists) venting their frustrations in the adjoining neighborhood." Citizens also expressed concern about drunk drivers coming into the area. Business Area 1, with the most concentration of adult businesses (six), experienced a 134 percent increase in annual turnover rate. Area 3, with three adult businesses at one location, showed a 107 percent turnover rate. Area 2 (with one adult business) had no measurable change and Area 4 (with no commercial or adult businesses) experienced a 45 percent decrease in turnover from similar periods.

The City Council looked at crime statistics for the two residential areas for the time periods of 1970-73 (before adult businesses) and 1974-77 (after adult businesses). In the adult business area, criminal activity increased 102 percent (the entire city had only an 8.3 percent increase). Certain crimes skyrocketed (malicious mischief up 700 percent; all assaults up 387 percent; prostitution up 300 percent). All types of theft (petty, grand and auto) increased more than 120 percent each. Ten types of crime were reported for the first time ever in the 1974-77 period.

The Council's report recommended a dispersal-type ordinance that prohibits adult businesses closer than 500 feet to residential areas, churches and schools, and 1,000 feet from each other. In addition, the study proposed a 1,000 foot separation from parks because of their use by citizens after normal working hours. Adult businesses would be given an 18-36 month amortization period (if the change involved only stock in trade, a 90-day period was recommended).

INDIANAPOLIS, INDIANA
February, 1984

After a 10-year growth in the number of sexually oriented businesses (to a total of 68 on 43 sites) and numerous citizen complaints of decreasing property values and rising crime, the city compared six sexually oriented business "study" areas and six "control" locations with each other and with the city as a whole. The study and control areas had high population, low income and older residents. In order to develop a "best professional opinion," the city collaborated with Indiana University on a national survey of real estate appraisers to determine valuation effects of sexually oriented businesses on adjacent properties.

From 1978-82, crime increases in the study areas were 23 percent higher than the control areas (46 percent higher than the city as a whole). Sex-related crimes in the study areas increased more than 20 percent over the control areas. Residential locations in the study areas had a 56 percent greater crime increase than commercial study areas. Sex-related crimes were four times more common in residential study areas than commercial study areas with sexually oriented businesses.

Homes in the study areas appreciated at only half the rate of homes in the control areas, and one-third the rate of the city. "Pressures within the study areas" caused a slight increase in real estate listings, while the city as a whole had a 50 percent decrease, denoting high occupancy turnover. Appraisers responding to the survey said one sexually oriented business within one block of residences and businesses decreased their value and half of the respondents said the immediate depreciation exceeded 10 percent. Appraisers also noted that value depreciation on residential areas near sexually oriented businesses is greater than on commercial locations. The report concluded: "The best professional judgment available indicates overwhelmingly that adult entertainment businesses -- even a relatively passive use such as an adult bookstore -- have a serious negative effect on their immediate environs."

The report recommended that sexually oriented businesses locate at least 500 feet from residential areas, schools, churches or established historic areas.

OKLAHOMA CITY, OKLAHOMA
March 3, 1986

This study contained the results of a survey of 100 Oklahoma City Real Estate Appraisers. Appraisers were given a hypothetical situation and a section to comment on the effects of sexually oriented businesses in Oklahoma City. The hypothetical situation presented a residential neighborhood bordering an arterial street with various commercial properties which served the area. A building vacated by a hardware store was soon to be occupied by an "adult" bookstore. No other sexually oriented businesses were in the area and no other vacant commercial space existed. With less than a one month response time, 34 completed surveys were received by the city.

Thirty-two percent of the respondents said that such a bookstore within one block of the residential area would decrease home values by at least 20 percent. Overwhelmingly, respondents said an "adult" bookstore would negatively affect other businesses within one block (76 percent). The level of depreciation is greater for residents than businesses. The negative effects on property values drop sharply when the sexually oriented business is at least three blocks away. In the subjective portion, 86 percent of the respondents noted a negative impact of sexually oriented businesses on Oklahoma City. Frequent problems cited by the appraisers included the attraction of undesirable clients and businesses, safety threats to residents and other shoppers (especially children), deterrence of home sales and rentals, and immediate area deterioration (trash, debris, vandalism).

Oklahoma City's findings supported results from other national studies and surveys. Sexually oriented businesses have a negative effect on property values, particularly residential properties. The concentration of sexually oriented businesses may mean large losses in property values.

AMARILLO, TEXAS
September 12, 1977

This Planning Department report cited several sources including national news magazines, "adult business" ordinances from other cities, an American Society of Planning Officials report and pertinent Supreme Court decisions. Lengthy explanation of the Miller test with legal definitions, discussion of Young v. American Mini Theatres, and a comparison of the Boston and Detroit zoning models are included. The city defined "adult businesses" as taverns, lounges, lounges with semi-nude entertainment, and bookstores or theaters with publications featuring nudity and explicit sexual activities. (At the time, Amarillo had three such theaters and four bookstores with space for such publications).

The police department provided an analysis showing that areas of concentrated "adult only" businesses had two and one-half times the street crime as the city average. The Planning Department concluded that concentrations of these businesses have detrimental effects on residential and commercial activities caused by: (1) noise, lighting and traffic during late night hours; (2) increased opportunity for street crimes; and (3) the tendency of citizens to avoid such business areas. The study noted that lack of zoning regulations would lead to concentrations of sexually oriented businesses (causing increased crime) or more such establishments locating near residential areas or family and juvenile oriented activity sites (churches, parks, etc.).

The report recommended: (1) adult businesses locate 1,000 feet from each other, (no distance was specified from residential zones or family/juvenile activities); (2) city development of an amortization schedule and permit/licensing mechanism; (3) city regulation of signs and similar forms of advertising; (4) vigorous enforcement of State Penal Code, especially relating to

"Harmful to Minors"; (5) city amendments prohibiting minors from viewing or purchasing sexually oriented materials (enforced physical barriers).

AUSTIN, TEXAS
May 19, 1986

The report was the basis for developing an amendment to existing sexually oriented business ordinances. At the time, 49 such businesses operated in Austin, mostly bookstores, theaters, massage parlors and topless bars. The study examined crime rates, property values and trade area characteristics. The study is also useful because it summarizes many other city studies.

The report focused on sexually related crimes in four study areas (with sexually oriented businesses) and four control areas (close to study areas and similar). Two study areas had one sexually oriented business and the others had two such businesses. To determine the effects of these businesses on property values, the city sent surveys to 120 real estate appraising or landing firms (nearly half responded). For trade area characteristics, three businesses (a bookstore, theater and topless bar) were observed on a weekend night to determine customer addresses.

Sexually related crime ranged from 177 to 482 percent higher in the four study areas than the city average. In the two study areas containing two sexually oriented businesses, the rate was 66 percent higher than in the study areas with one such business. All control areas had crime rates near the city average.

Eighty-eight percent said that a sexually oriented business within one block of a residential area decreases the value of the homes (33 percent said depreciation would be at least 20 percent). Respondents also said such a business is a sign of neighborhood decline, making underwriters hesitant to approve the 90 to 95 percent financing most home buyers require. They said commercial property is also negatively affected by such businesses.

Of 81 license plates traced for owner addresses, only three lived within one mile of the sexually oriented business; 44 percent were from outside Austin.

The report recommended: (1) sexually oriented businesses should be limited to highway or regionally-oriented zone districts; (2) businesses should be dispersed to avoid concentration; and (3) conditional use permits should be required for these businesses.

BEAUMONT, TEXAS
September 14, 1982

This report by the city Planning Department encouraged amendments to existing "adult business" ordinances to include eating or drinking places featuring sexually oriented entertainment (strippers, etc.). Zoning laws required "adult uses" to locate 500 feet from residential areas; 300 feet from any other adult bookstore, adult theater, bar, pool hall or liquor store; and 1,000 feet from a church, school, park or recreational facility where minors congregate.

Police verified that bars, taverns and lounges (especially those with sexually oriented entertainment) are frequent scenes of prostitution and the sale/use of narcotics. On the whole, all criminal activity was higher at sexually oriented businesses.

The report recommended: (1) adding eating/drinking places that exclude minors (under Texas law), unless accompanied by a consenting parent, guardian or spouse, to list of protected uses; (2) require specific permits for areas zoned as General Commercial - Multiple Family Dwelling Districts; and (3) reduce the required distance of sexually oriented businesses from residential areas, schools, parks and recreational facilities from 1,000 to 750 feet.

STATE OF MINNESOTA, REPORT OF THE ATTORNEY GENERAL'S WORKING GROUP ON THE REGULATION OF SEXUALLY ORIENTED BUSINESSES
June 1989

The Minnesota Attorney General's Working Group reviewed studies performed in a number of large U.S. cities, consulted with police departments in a number of other cities, researched enforcement strategies from other states, and heard testimony concerning the impact of sexually oriented businesses on their surrounding neighborhoods and concerning the relationship of sexually oriented businesses to organized crime.

The Working Group concluded that there was "compelling evidence that sexually oriented businesses are associated with high crime rates and depression of property values." The Working Group recommended that communities take steps to minimize the negative secondary effects of sexually oriented businesses. Among the steps recommended were:

- that communities reduce negative secondary effects by enacting and enforcing zoning restrictions on sexually oriented business locations, including prohibitions against locating multiple such businesses in the same building, and against locating any such businesses within certain minimum distances of sensitive uses such as residences, schools, and parks, and within certain minimum distances of liquor establishments and other sexually oriented businesses;

- that communities adopt regulations to reduce the likelihood of criminal activity on sexually oriented business premises, and to require licensure of sexually oriented businesses and provide for revocation or denial of licenses when the licensees commit certain relevant offenses;

- that communities regulate exterior features of sexually oriented businesses and enforce the existing state law requiring sexually oriented material to be provided only in opaque covers; and

- that communities vigorously prosecute violations of obscenity laws and other sex-
related crimes, making use of asset forfeiture and injunctive procedures where possible.

ISLIP, NEW YORK
September 23, 1980

This study was performed through a review of studies and ordinances from Detroit, MI, Norwalk, CA, Dallas, TX, Prince George's County, MD, and New Orleans, LA, a survey of media coverage and public reaction arising out of the establishment of a sexually oriented bookstore in the city, and inspection of sexually oriented businesses.

Islip's study recommended basing an ordinance on the dispersal-style 1976 Detroit ordinance. Its authors reviewed the existing case law that required space to be available for adult uses and forbade attempting to zone adult uses out completely.

Islip planers observed that two sex businesses in the downtown area were responsible for creating a "dead zone" that people not interested in adult uses actively avoided—at a detriment to neighboring businesses. Also, short-term parking was used long term by patrons of the sex business. In some cases the authors observed that the sexually oriented businesses that were close to other businesses appeared to have had a negative impact on those nearby businesses. Also, they noted that a significant number of the owners and managers had ties to organized crime, with multiple arrests and convictions.

Islip planners recommended that adult uses be restricted to industrial zones. They also recommended a 500' buffer between adult uses and residential and public facilities. Because Islip has a rural highway with sex-businesses located an average of 1.1 miles apart, for 5 miles, the planning department recommended that a buffer of a half mile be placed between any sex businesses on this specific highway to prevent the development of a "Combat Zone" on the road into the town. They also recommended establishing an amortization system by which nonconforming sexually oriented businesses would be phased out over a period of years. More broadly, they recommended that the entire ordinance be focused on reducing the negative effects of sex businesses.

The proposed ordinance (included as an appendix to the study) was upheld in substantial part by New York's highest court in *Town of Islip v. Caviglia*, 73 N.Y.2d 544, 540 N.E.2d 215, 542 N.Y.S.2d 139 (1989).

NEW YORK CITY, NEW YORK
1994

This extensive and well-assembled study was performed by New York City's Department of City Planning ("DCP"). The DCP reviewed studies and ordinances from other localities and studied the industry as it existed in New York City—among other things, meeting with members of the sexually oriented business industry. The DCP reviewed accounts of secondary effects from sources as diverse as the City Planning Commission, the Office of Midtown Enforcement, the Chelsea Business Survey, the Task Force on the Regulation of Sex-Related Businesses,

the Times Square Business Improvement District Study, and a number of newspaper reports and correspondence from citizens. DCP examined signage and neighborhood conditions in six study areas containing sexually oriented businesses, also surveying local organizations, businesses, police officers, real estate brokers, and sanitation department officials in each of the six areas. It also comparatively analyzed criminal complaints and assessed property values in the study areas and in control areas without sexually oriented businesses.

The DCP concluded that other localities' studies had found sexually oriented businesses to have negative secondary effects including "increased crime rates, depreciation of property values, [and] deterioration of community character and the quality of urban life." It found that between 1984 and 1993 the number of sexually oriented businesses in New York City increased from 131 to 177. The DCP found that sexually oriented businesses tend to cluster, especially in central areas and along major vehicular routes connecting central business districts with outlying city areas and suburbs. Crime report statistics in New York City did not show higher crime rates in areas with sexually oriented businesses than in areas without them, but property values in proximity to sex businesses grew at an appreciably slower rate than in areas away from such businesses. The DCP found widespread fear of sex businesses' secondary effects on the part of the citizenry, and also found that survey respondents indicating that their businesses or neighborhoods had not suffered adverse secondary effects tended to be the ones living in areas with isolated sex businesses. Real estate brokers overwhelmingly reported that sex businesses would have negative effects on surrounding property values. Finally, the DCP found that signage for adult businesses tended to be larger and more garish than other nearby signage—a source of concern to residents living nearby.

Based on its findings, the DCP recommended special regulation of sexually oriented businesses, advising that the city specifically consider "restrictions on the location of adult uses in proximity to residential areas, to houses of worship, to schools and to each other."

OKLAHOMA CITY, OKLAHOMA
June, 1992

Jon Stephen Gustin, a retired sergeant of the Oklahoma City Police Department, authored a report on the successful abatement of adult oriented business nuisances in Oklahoma City, Oklahoma from 1984 – 1989. This report narrates the history of Oklahoma City's successful efforts to combat the negative secondary effects of sexually oriented businesses.

Active police enforcement of laws relating to sex businesses began after a strong, grass-roots campaign called for a response to the concentration of so many sex-businesses in one city. Initially, prosecution of illegal sexual activities was hampered by poor or nonexistent laws and lax police enforcement.

The police began an active anti-prostitution effort and arrest records were published by the media and TV stations carried names and faces of the people involved. Initially, police made several arrests at known houses of prostitution. Adult bookstores with peepshow booths also posed particular problems. Specimens of seminal fluid on walls and floors contributed to the forced closure of several such businesses. The district attorney's office consistently won the cases it brought against those committing illegal acts in sexually oriented businesses.

Nude dancing businesses were also the source of several criminal and illicit sexual conduct, with undercover police officers making arrests for illegal sex acts on the premises of

the businesses. A police department "escort service" sting operation resulted in the arrest of many men soliciting prostitution through such businesses.

Sergeant Gustin reported that by 1992, most of the original sexually oriented businesses had shut down, with only a few remaining under the newly-enforced and stringent regulations.

HOUSTON, TEXAS
January 7, 1997

This report by Houston's Sexually Oriented Business Ordinance Revision Committee was prepared to supplement prior reports issued in 1983, 1986 and 1991, with the aim of reforming the existing sexually oriented business ordinance if necessary and assessing possible improvements to protect the interests of the public and the rights of sexually oriented businesses.

Hearing testimony and evaluating evidence from many sources, including police and parties favoring and disfavoring regulation of sexually oriented businesses, the committee concluded that criminal activity associated with sex businesses justified licensure requirements for such businesses and their entertainers and managers. It noted difficulties in obtaining convictions through sting operations. It viewed video evidence concerning "glory holes" between peepshow booths, whereby patrons of such establishments engage in anonymous sex with one another on the premises, and recommended prohibition of such holes. It found that sex businesses with inadequate lighting or without clear lines of sight to all parts of the premises encouraged lewd behavior and illegal sexual activity. It found that many sex businesses had locked rooms on their premises, serving as venues for prostitution. It entertained requests that public parks be included among the sensitive uses shielded from sexually oriented businesses by minimum distance requirements, and that increased prior public notice be given to neighborhoods in which sexually oriented businesses intend to locate.

The Committee recommended various means of streamlining the licensure and enforcement processes. It proposed increasing some of the minimum distances required between sex businesses and other land uses, and strengthening of signage regulations, and more strenuous licensure requirements for sex business managers and employees. The committee recommended prohibition of the touching of customers by sex business employees engaging in display of specified anatomical areas or other specified sexual activities. Finally, the committee reviewed and opted to retain the city's amortization scheme, as an "appropriate balancing of interests" of the sex businesses and the community. The final portion of the report consists of specific proposed changes to the language of Houston's sexually oriented business ordinance.