

# Effects of Alcohol Outlet Density on Economic Development

*East County Community Change Project • February, 2003*

**R**esearch shows that a high concentration of alcohol outlets in a location can hamper economic development. While such businesses may be heavily patronized, they add little intrinsic value to the community as a whole, and they make the area less attractive to other types of retail business.

In order to ensure the future economic growth of the small business communities of the East County region, as well as preserve the quality of life in the region, limits should be placed on the density of retail alcohol outlets. This requires a collaborative effort among retail business operators, property owners, local residents, community service agencies and local governments.

## ECONOMIC DECLINE

The over-concentration of alcohol outlets is often part of a neighborhood's broad economic and social disintegration. An outlet-heavy area's economic base loses its diversity and becomes less attractive to both residents and potential retail customers. The proliferation of alcohol outlets is thus both a symptom of economic decline and a factor that worsens the decline.<sup>1</sup>

## NEGATIVE NEIGHBORHOOD CLIMATE

High bar density changes the character and environment of the neighborhood and the routine activities of those living or visiting that block. Complaints about alcohol outlets that are most often reported to city planners have to do with noise, traffic or loitering.<sup>2 3</sup>

## VIOLENCE AND CRIME

"Wetter" neighborhoods have higher levels of accidents and violence.<sup>4</sup> This includes higher crime rates for murder, rape, assault, robbery, burglary, grand theft and auto theft.<sup>5</sup> A study done in 1995 in Los Angeles showed that each additional

alcohol outlet was associated with 3.4 additional assaults per year. Adding one bar to a block would result in 3.38 additional crimes committed on that block in a year.<sup>3</sup>

## AUTO CRASHES

According to a study done in Los Angeles, there is a greater number of alcohol-related injury crashes in cities with higher outlet densities. A 1% increase in outlet density means a 54% increase in alcohol-related crashes. Thus a city of 50,000 residents with 100 alcohol outlets would experience an additional 2.7 crashes for each new outlet opened.<sup>6</sup>

*This fact sheet was produced by the Institute for Public Strategies, a nonprofit organization advancing public health through changes in policy and community norms. For more information, call (619) 660-6233, email [info@publicstrategies.org](mailto:info@publicstrategies.org) or visit [www.publicstrategies.org](http://www.publicstrategies.org).*

<sup>1</sup> Maxwell, A. & Immergluck, D. "Liquorlining: liquor store concentration and community development in lower-income Cook County (IL) neighborhoods." Chicago IL: Woodstock Institute. 1997.

<sup>2</sup> Preventing Problems Related to Alcohol Availability: Environmental Approaches. U.S. DHHS Pub No. (SMA) 99-3298

<sup>3</sup> Runcek, D. & Maier, P. "Bars, blocks and crimes revisited: linking the theory of routine activities to the empiricism of 'hot spots'" *Criminology* (29) 4: 725-753 1991.

<sup>4</sup> Scribner, Richard. *Alcoholism: Clinical & Experimental Research*, February 2000  
LaBouvie, E. & Ontkush, M.: "Violent crime and alcohol availability: relationships in an urban community" *Journal of Public Health Policy* 19(3):303-318 1998.

<sup>5</sup> "Alcohol availability and homicide in New Orleans: conceptual considerations for small area analysis of the effect of alcohol outlet density." *Journal of Studies on Alcohol*, May 1999.

<sup>6</sup> Scribner, R., Mackinnon, D. & Dwyer, J.: "The risk of assaultive violence and alcohol availability in Los Angeles County" *American Journal of Public Health* (85) 3: 335-340 1995.