

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- General Government

AO Number: 2005-116

Title: AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY
 REGARDING ADULT ORIENTED ESTABLISHMENTS.

M.O.A.
 2005 SEP 13 PM 2:14

Sponsor: Assemblymember Traini
Preparing Agency: Department of Assembly
Others Impacted:

CLERKS OFFICE

CHANGES IN EXPENDITURES AND REVENUES:		(In Thousands of Dollars)				
	<u>FY06</u>	<u>FY07</u>	<u>FY08</u>	<u>FY09</u>	<u>FY10</u>	
Operating Expenditures						
1000 Personal Services						
2000 Non-Labor						
3900 Contributions						
4000 Debt Service						
TOTAL DIRECT COSTS:	\$ -	\$ -	\$ -	\$ -	\$ -	
Add: 6000 Charges from Others						
Less: 7000 Charges to Others						
FUNCTION COST:	\$ -	\$ -	\$ -	\$ -	\$ -	
REVENUES:						
CAPITAL:						
POSITIONS: FT/PT and Temp						

PUBLIC SECTOR ECONOMIC EFFECTS:

There are no public sector economic effects anticipated.

PRIVATE SECTOR ECONOMIC EFFECTS:

The private sector will feel the brunt of the economic impact of this proposal though how substantial the impact will be is difficult to determine. One club owner has stated that she will simply have to close her business. If clubs employing underage dancers are forced to employ only women who are of age, the eighteen to twenty-one year old employees will suffer a loss of their livelihood. No information is available regarding the extent of that income.

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MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

NO. 611-2005

Meeting Date: August 23, 2005

1 **From:** Assemblymember Traini

2 **Subject:** AO 2005-116 — Setting a Minimum Distance Between Adult-Oriented
3 Establishments and Premises Licensed as Beverage Dispensaries
4 Under AS 04.11.
5

6 Through their police powers, municipalities may regulate adult-oriented businesses to
7 control where, when, and how they will locate and operate in order to eliminate their
8 documented adverse secondary effects, such as illegal drug and alcohol use, underage
9 employment and patronage, decreased property values, blight, littering, sexual
10 assaults, prostitution, and other criminal activities. The purpose of setting minimum
11 distances between adult establishments and between those establishments and
12 licensed beverage dispensaries is to reduce the natural synergy that is often created by
13 the co-location of adult-oriented businesses in compact urban areas. The congregation
14 of such uses becomes a magnet for criminal activity, including prostitution, sexual
15 assault, drug use, and robbery, which may not occur to the same extent if those
16 businesses are dispersed and cannot mutually benefit from the presence of like uses in
17 the same geographic area.
18

19 In 2003, the Anchorage Public Safety Advisory Commission held a hearing to review
20 community concerns about under-21 nude dance clubs, and in the same year, Service
21 High School PTA took up the matter in response to high school students working in strip
22 clubs. Many young women lured into the lucrative world of stripping turn to prostitution
23 and drugs, and end up with sexually transmitted diseases, unwanted pregnancies, drug
24 habits, felony and misdemeanor convictions, incarceration. Other community councils
25 and social service organizations have also supported increased regulations in
26 accordance with obscenity laws and to protect youth.
27

28 Because the activities in adult businesses involve an element of expressive conduct,
29 they are protected under the First Amendment. However, courts have long recognized
30 the authority of local government to enact content-neutral ordinances imposing
31 reasonable "time, place and manner" regulations on adult businesses. The courts have
32 also recognized that alcohol and erotica are a harmful combination and legitimately
33 regulated. AO 2005-116 imposes conditions designed to minimize adverse effects of
34 adult businesses, but does not significantly restrict nor prohibit expressive conduct that
35 is constitutionally protected.
36

37 Approval of AO 2005-116 is recommended.
38

39 Prepared by: Susan Lutz, Research Analyst'

40 Concur: Elvi Gray-Jackson, Director, Budget & Legislative Services

41 Respectfully submitted: Dick Traini, Assemblymember

AO 2005-116