

Liquor Store Impact Analysis within the Edmonton Context

In responding to the motion that initiated this report, consultation with stakeholders focused on exploring what impacts are associated with liquor stores. Through conversations with stakeholders, the following impacts were identified:

1. Health and safety impacts relating to:
 - social disorder from overconsumption of alcohol;
 - health issues in association with addiction and family abuse;
 - predatory sales to vulnerable populations and customers being overserved; and
 - increased crime, such as theft and vandalism.
2. Aesthetic impacts identified related to:
 - unsightly appearance of liquor store buildings or storefronts, such as bars and posters covering windows; and
 - appearances enabling perceptions that the store or area is unsafe.

As stakeholders identified impacts similar to those that were to be addressed by the 2007 amendments, Administration has attempted to analyze data as it relates to liquor stores and proliferation, crime, disorder, traffic and property values. Business operations were not analyzed as part of this report, as Zoning Bylaw 12800 is limited in its ability to regulate liquor store operators, and historical business operation infraction and/or complaint data from the Alberta Gaming and Liquor Commission (AGLC) is not readily available. Data before and after 2007 would also need to be obtained in order to monitor the effects of the separation distance requirements on liquor store business operations.

Administration requested statistics on enforcement related to the sales to minors, sales to intoxicated individuals, public drinking, and shoplifting from AGLC. Although AGLC was unable to provide Edmonton specific statistics, they advised that they actively investigate sales to minors and intoxicated individuals, as this would be a violation of the Gaming and Liquor Act. However, both public drinking and shoplifting was identified as being beyond the authority of AGLC, and that operators are responsible for their own shoplifting measures. Edmonton Police Service identified that in 2017, 77 liquor store robberies took place, representing 25 percent of calls for service related to commercial robberies. As of March 26, 2018, there were 29 liquor store robberies.

AGLC reported that during their fiscal year of 2017 - 2018, they conducted 3,774 operating checks on retail liquor stores throughout Alberta. Through these checks, there have been 18 incidents that proceeded to 'Administrative Sanctions against Retail Liquor Store,' which included a variety of legislation and policy violations. In regards to whether AGLC conducts pro-active enforcement and inspections, it was identified that AGLC conducts inspections that are

proactive in nature and are typically risk based. It was also noted that AGLC investigates all complaints received.

As the Alberta Gaming and Liquor Act regulates liquor store operations, it would be the best tool to continue managing the impacts related to business operations. With that in mind, Administration has identified possible improvements to assist with the reporting of poor business practices and communication with AGLC. More information on this is outlined in Attachment 6 - Options to Manage Separation Distances for Liquor Stores.

Rationale for the Separation Distance Required for Liquor Stores

When the 500 metre separation distance for liquor stores was introduced in 2007, it was identified that the regulation would address the proliferation and excess competition among liquor stores, traffic concerns, crime, social disorder, the devaluation of neighbouring properties next to liquor stores.

Administration has also considered impaired driving in the analysis and has undertake research to examine if there is a relationship between the number of liquor stores in Edmonton and impaired driving incidents.

Evaluation of Zoning Bylaw 12800 Effectiveness in Managing Impacts

1. Reducing Proliferation

To understand whether the 500 metre separation distance requirement has reduced the proliferation of liquor stores, two metrics were used:

- Change in the number of active liquor store development permits citywide from 2007 to 2018
- Change in the number of active liquor store development permits in the areas of the city that were identified in the 2007 report as being areas where liquor stores proliferated

Although the regulations did not put a cap on the total number of liquor stores for the City, the intent of the separation distance regulations was to limit the increase in the number of liquor stores.

In Figure 1 below, the total number of development permits for liquor stores has increased from 163 in 2007 to 272 in 2018. As such, the separation distance requirements allowed for an additional 109 liquor stores to operate within Edmonton, including liquor stores approved by the Subdivision and Development Appeal Board.

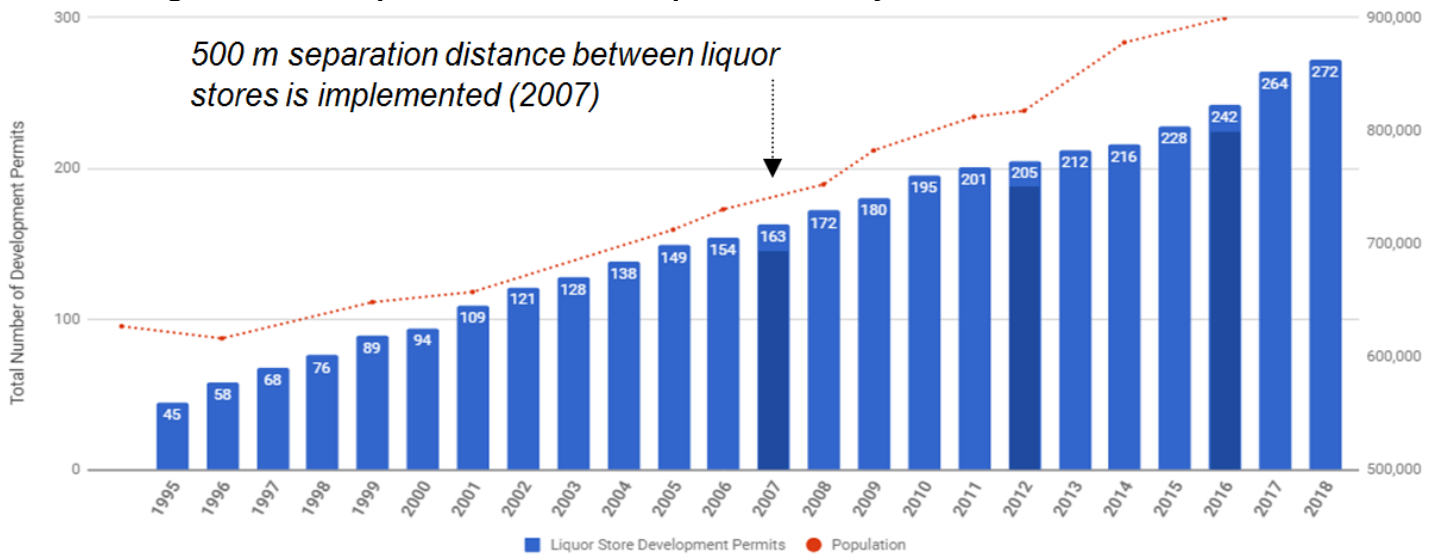
Figure 2 focuses on areas that were identified as having more liquor stores, which included Downtown, Oliver, areas along 107 Avenue, 118 Avenue, Whyte

Avenue and Stony Plain Road. Since the 2007 amendments, all of these areas have seen an increase in the number of liquor stores.

Between 2007 and 2012 there were six liquor store development permit applications that did not conform to the 500 metre separation distance requirements. All were refused due to the requirement being listed as part of the use definition. Since 2012 when the regulation was removed from the definition and instead implemented as a special land use provision, there have been 17 development permit applications that did not conform to the 500 metre separation distance requirements. Of these applications, 11 were granted a variance to the separation distance requirement by the Subdivision and Development Appeal Board.

Although the separation distance requirement has created a dispersal effect on the location of liquor stores, it has not reduced the overall number of liquor stores in Edmonton. Further, the number of liquor stores per 10,000 people in Edmonton has risen from 2.2 in 2007, to 2.51 in 2012, and 2.68 in 2016.

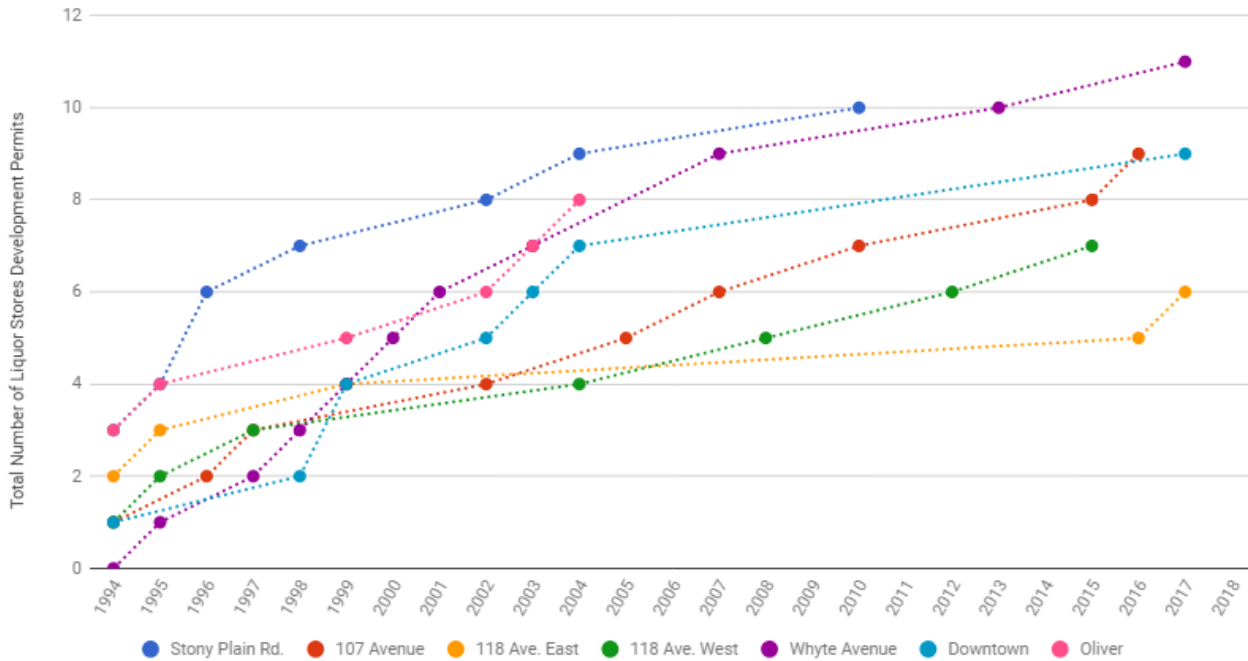
Figure 1 - Development Permits for Liquor Stores City Wide



Notes:

- 2012: the separation distance requirement is removed from the Major and Minor Alcohol Sales definitions
- 2016: exemptions of the 500 metre separation distance is provided for suburban areas

Figure 2 - Development Permits in Areas with Greater Numbers of Liquor Stores



Notes:

- Stony Plain Area - Britannia Youngstown, Canora, Glenwood, and West Jasper Place
- 107 Avenue Area - Central McDougal, McCauley, and Queen Mary Park
- 118 Avenue (Montrose - Beverly) Beacon Heights, Bellevue, Beverly Heights, Highlands, Newton, and Montrose
- 118 Avenue (Alberta Avenue - Eastwood) - Alberta Avenue, Eastwood, Parkdale, Spruce Avenue, and Westwood
- Whyte Avenue Area - Garneau, Queen Alexandra, Ritchie, Strathcona, Strathcona Junction

2. Property Values

To understand whether liquor stores have an effect on surrounding property values, Administration analyzed historical property assessment data (where available) of properties surrounding a site where a liquor store was introduced. In the first sample (see Figures 3 and 4), two liquor stores were introduced to an area where two liquor stores were located in close proximity. In the second sample (see Figures 5 and 6), the liquor store was located more than 500 metres away from another liquor store.

Figure 3 - Property Assessment Relationship to Liquor Stores Sample Area 1

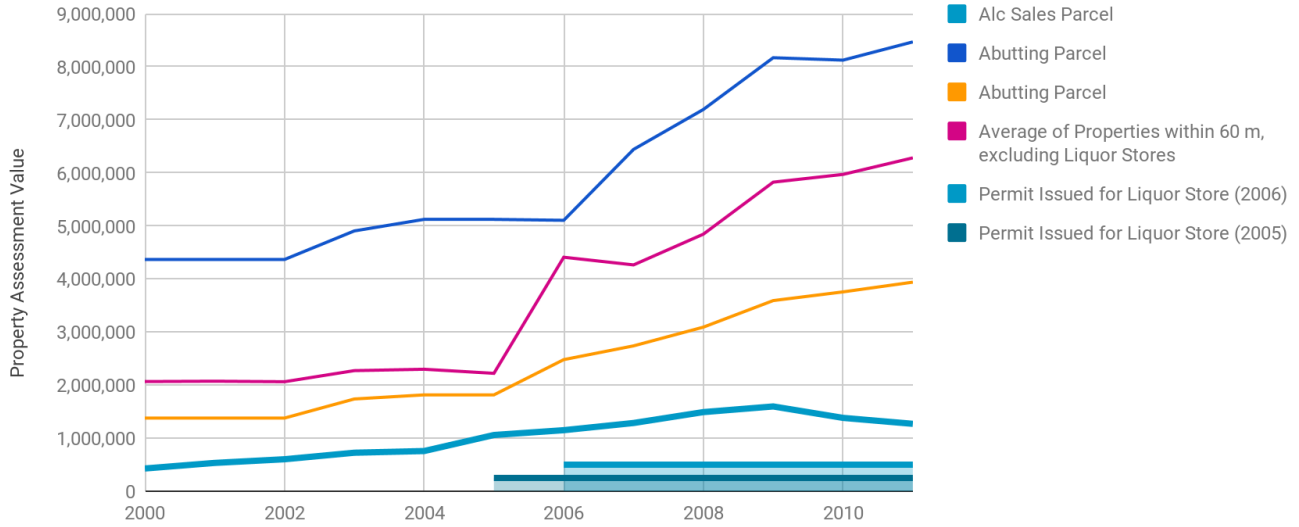


Figure 4 - Liquor Store Location in Sample Area 1



Note: Assessment data for parcels in white was not available.

Sample Area 1 suggests that the addition of liquor stores in an area that already has liquor stores in close proximity has not impacted property values.

Figure 5 - Property Assessment Relationship to Liquor Stores Sample Area 2

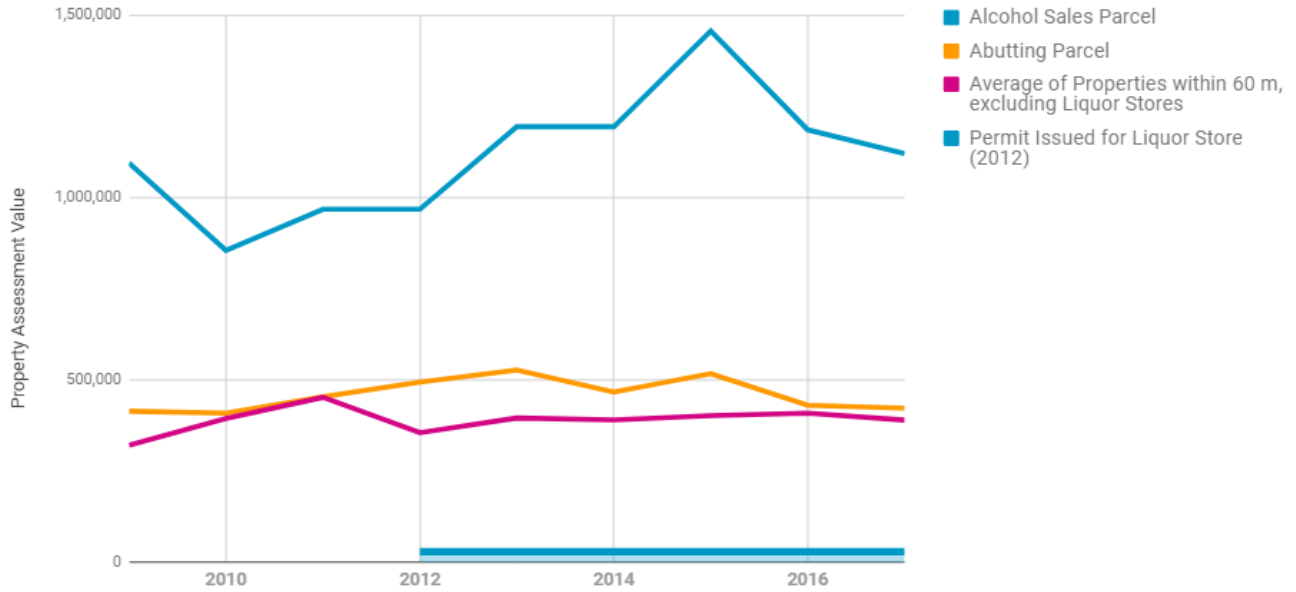


Figure 6 - Liquor Store Location in Sample Area 2



Sample Area 2 also suggests that the presence of a liquor store has not impacted property values.

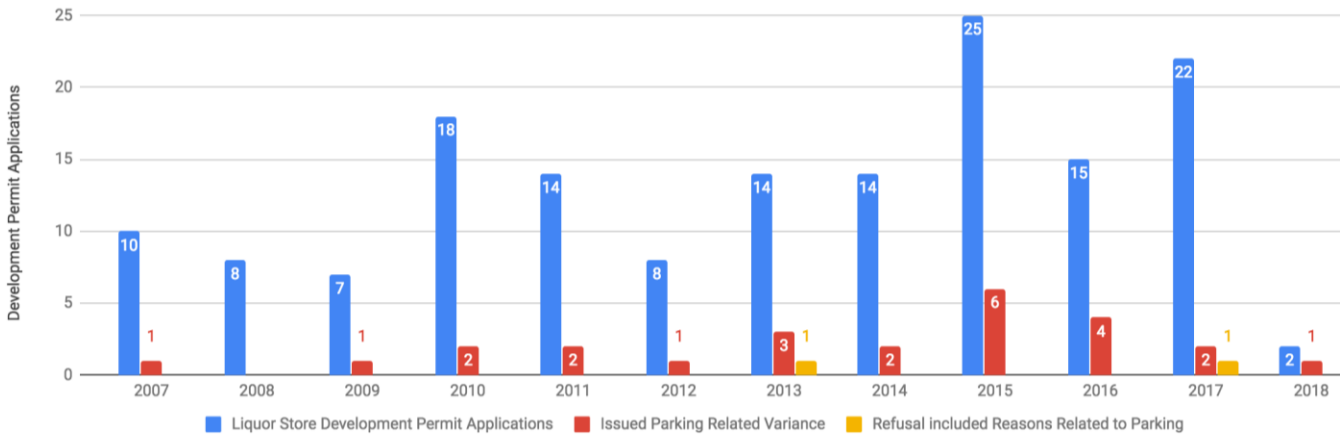
However, without doing further analysis on multiple locations throughout Edmonton, Administration is unable to conclude the impact of liquor stores on property values.

3. Reducing Traffic

To understand the parking and traffic impacts associated with liquor stores, Administration reviewed development permit data on liquor store applications

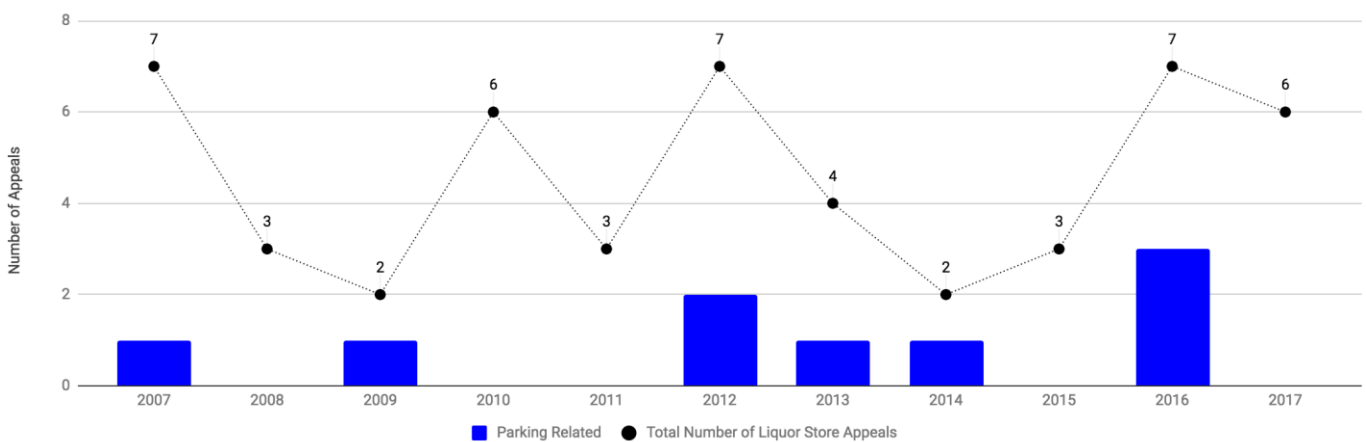
that were refused or approved with variances to parking, as well as appeals to the Subdivision and Development Appeal Board, with reasons related to parking.

Figure 7 - Liquor Store Development Permit Decisions Related to Parking



Out of 157 applications for new liquor stores, 25 were issued a parking related variance, and two were refused that included reasons related to parking. Parking related variances included parking stall and loading stall deficiencies, as well as non conformance to other parking requirements. Of the two applications that were refused, one included reasons related to separation distances in addition to parking; the other included reasons related to the crime prevention through environmental design regulations.

Figure 8 - Liquor Store Appeals including Reasons Related to Parking



Since 2007, 9 liquor store applications have been appealed to the Subdivision and Development Appeal Board with reasons related to parking and traffic. Although the rates have been sporadic, the most appeals (3) occurred in 2016. With 27 (17 percent) of the liquor store applications not conforming to the parking requirements, and only 9 liquor store appeals related to parking between 2007 and 2018. This data suggests liquor stores in Edmonton seldomly generate a parking impact.

4. Reducing Social Disorder Related Crime / Incidents

To understand the impacts between liquor stores and crime, Administration overlaid the location of liquor stores with the following crime maps:

- vandalism,
- theft,
- break and enters,
- robberies, and
- assaults

As an added layer to the analysis, the liquor store locations were also mapped in relation to social vulnerability.

As shown in Figures 9 through 14 below, the prevalence of crime does not appear to be dependant on the location of liquor stores; however, there appears to be a relationship between some types of crime and areas of the city experiencing higher levels of social vulnerability (see Figure 15) which is independent of the presence of liquor stores. Research has identified a link between crime and socio-economic status, such that individuals experiencing greater social and economic disadvantage are more likely to be victims of crime, and that there is a link between higher rates of crime and the presence of groups at risk.¹

Figure 9 - Liquor Stores in Relation to Vandalism per 1000 People (2014 - 2018)

¹ Peter Kitchen, 2006, "Exploring the Link between Crime and Socio-Economic Status in Ottawa and Saskatoon: A Small-Area Geographical Analysis," *Department of Justice Canada, Research and Statistics Division* p. 8, accessed on August 1, 2018, available at: http://www.justice.gc.ca/eng/rp-pr/csj-sjc/crime/rr06_6/rr06_6.pdf

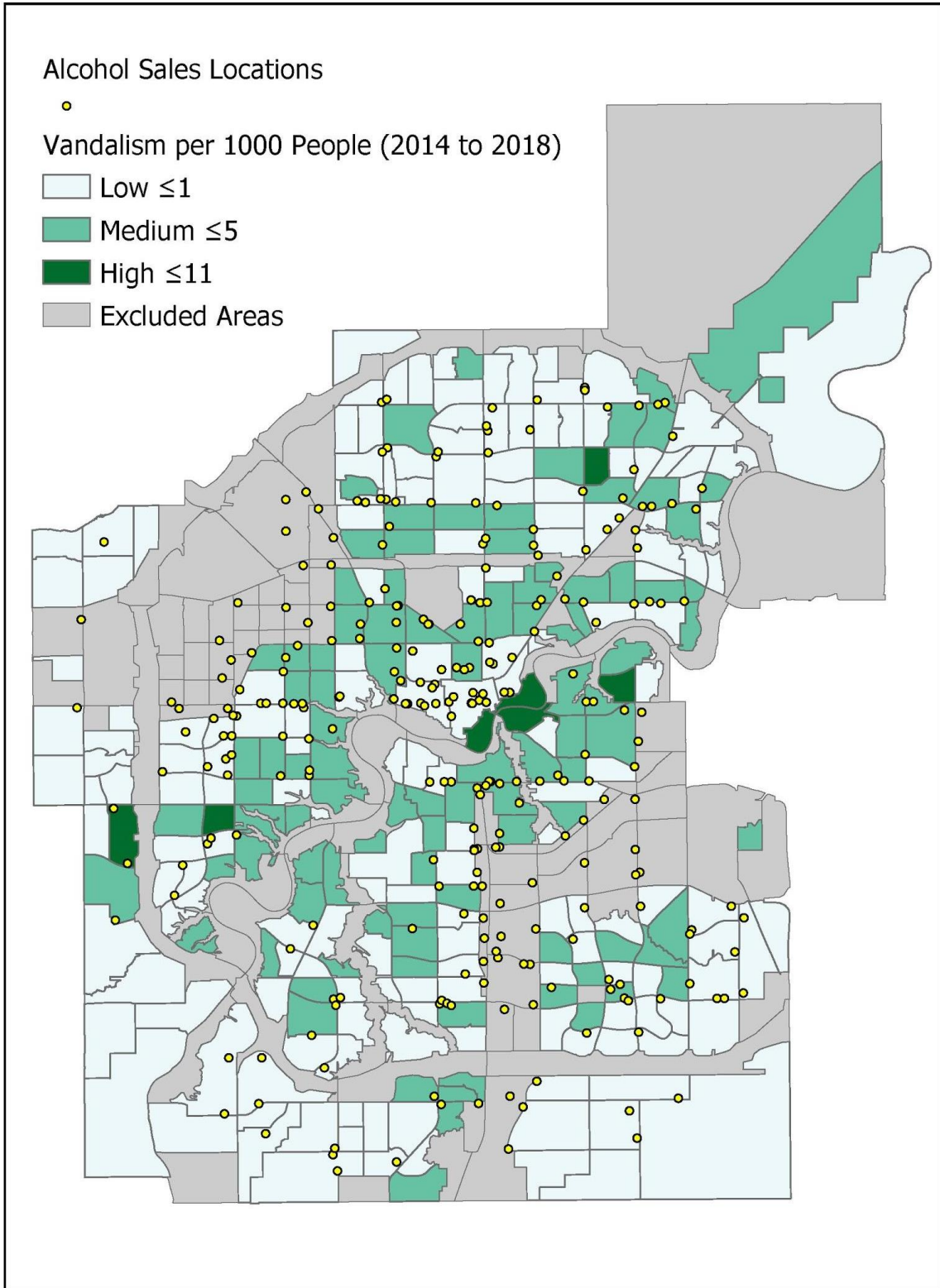


Figure 10 - Liquor Stores in Relation to Theft over \$5000 per 1000 People (2017)

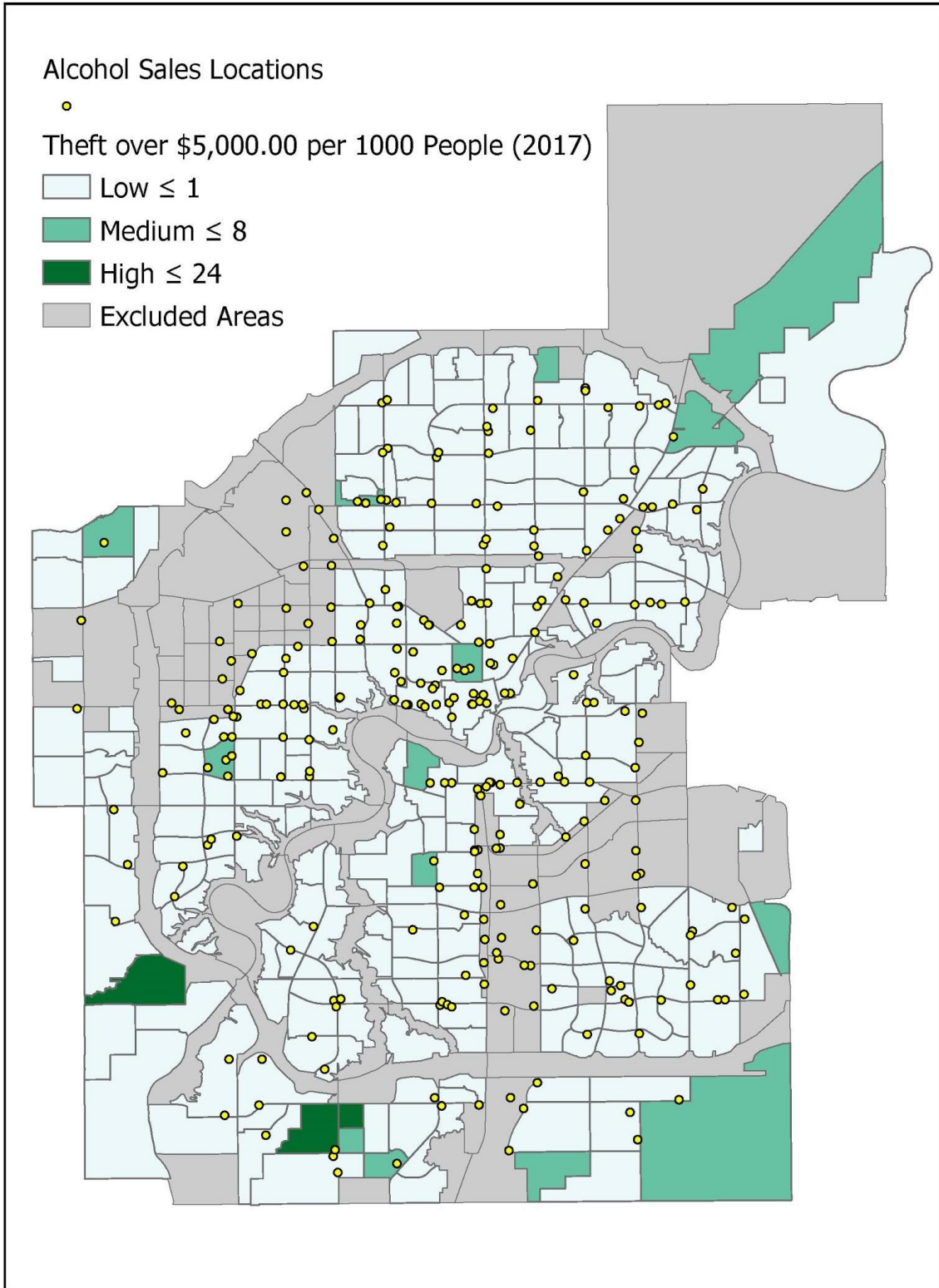


Figure 11 - Liquor Stores in Relation to Theft from Vehicles per 1000 People (2017)

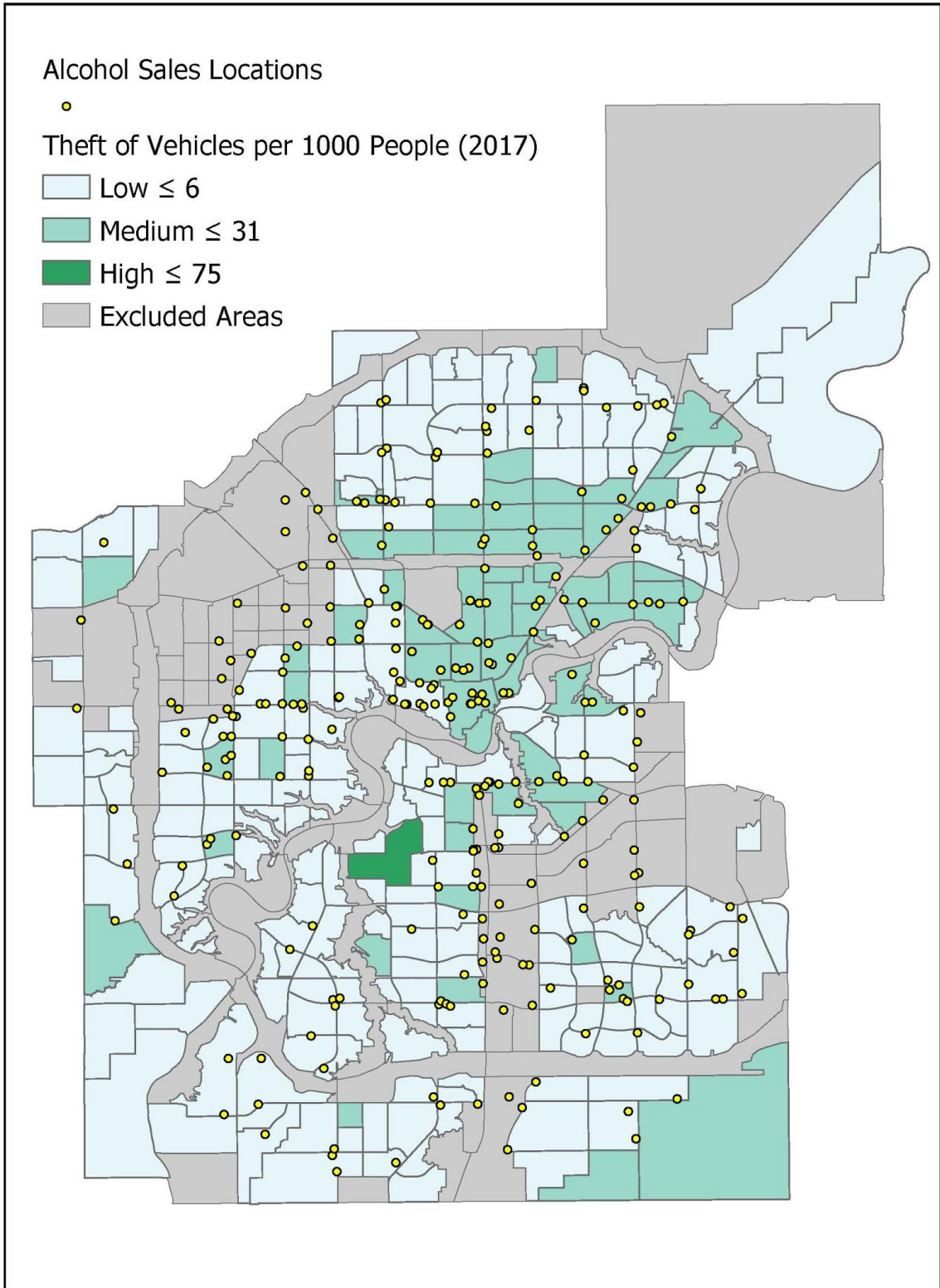


Figure 12 - Liquor Stores in Relation to Break and Enters per 1000 People (2017)

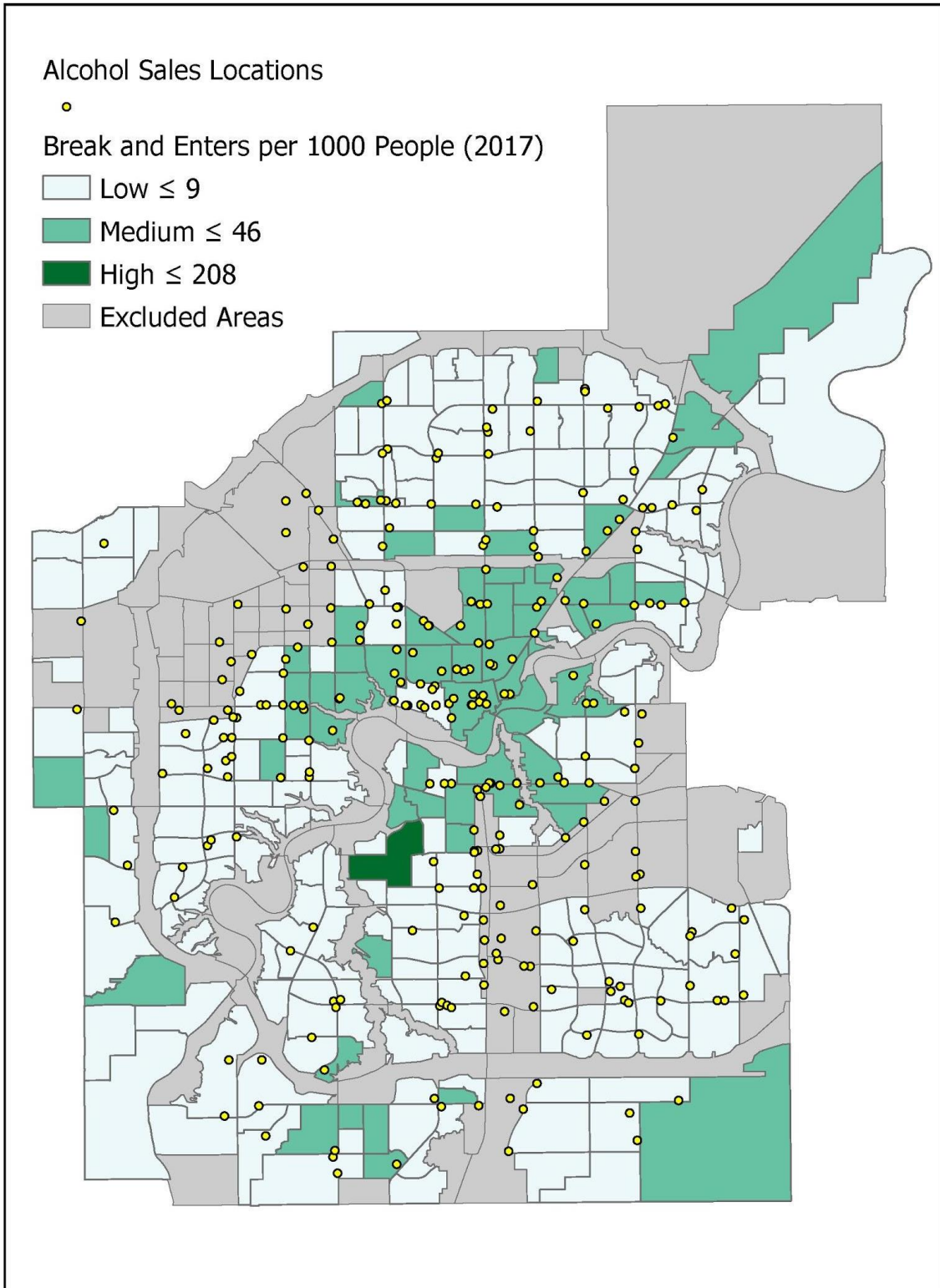


Figure 13 - Liquor Stores in Relation to Robberies per 1000 People (2017)

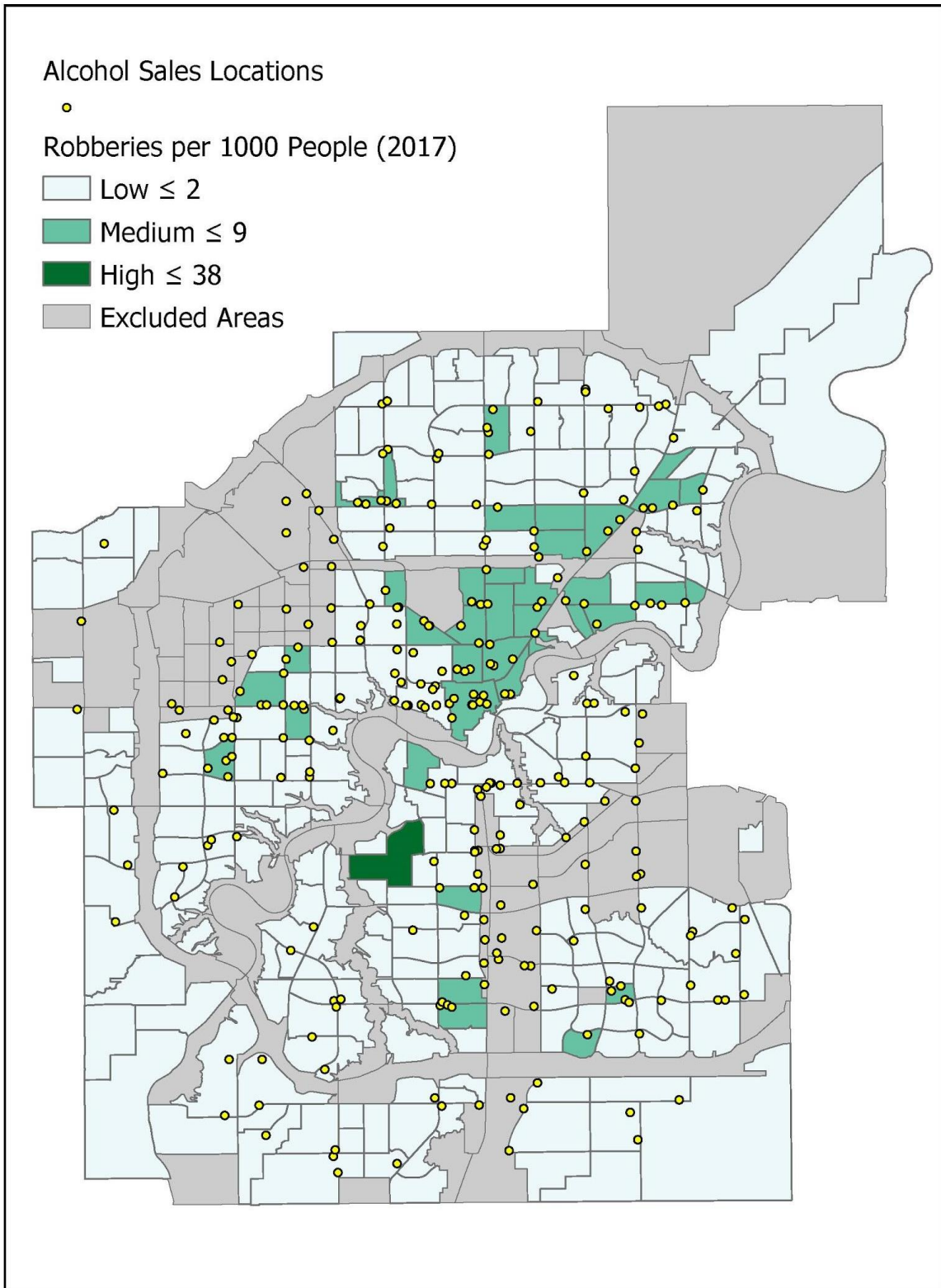


Figure 14 - Liquor Stores in Relation to Assaults per 1000 People (2017)

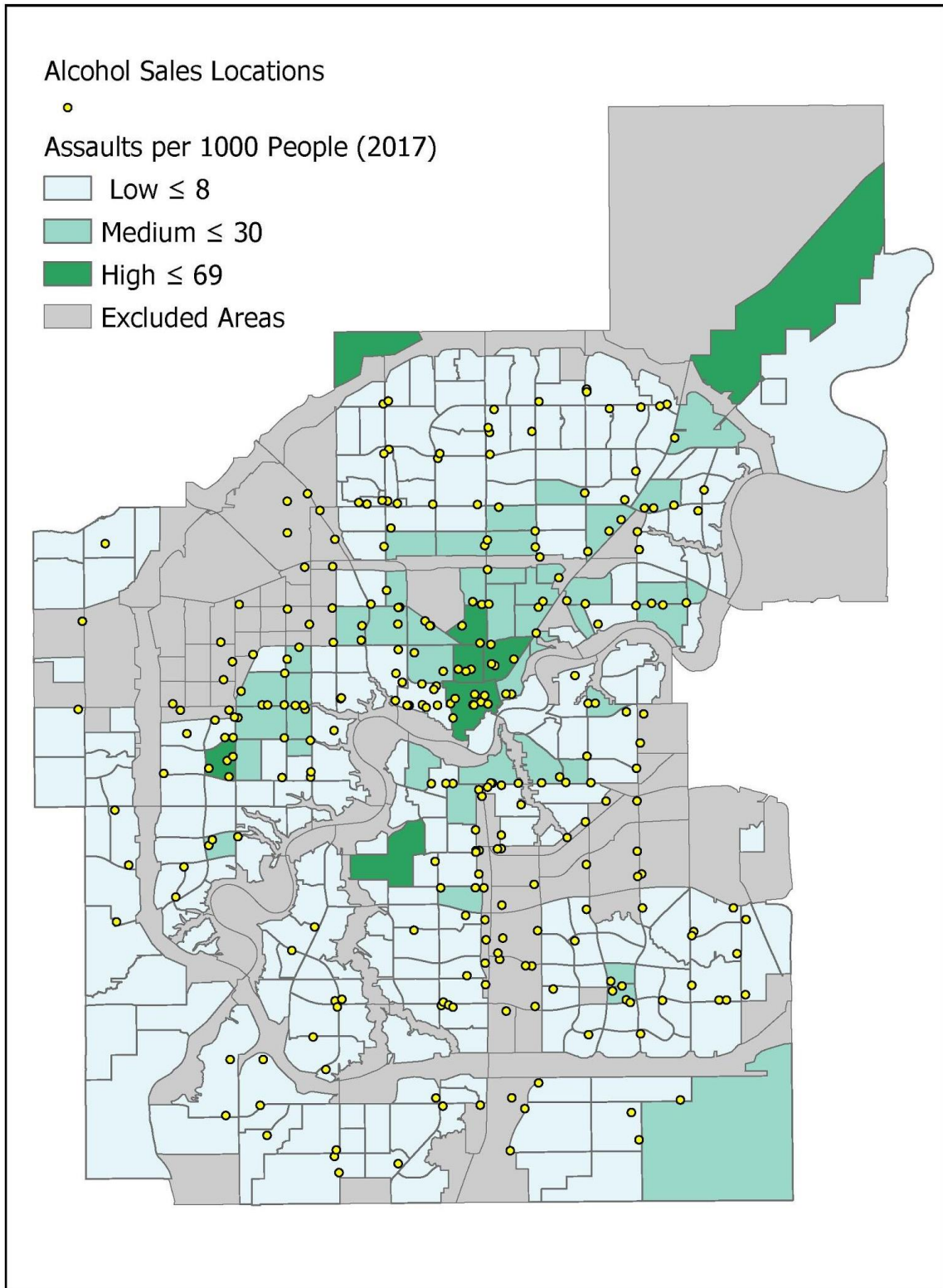
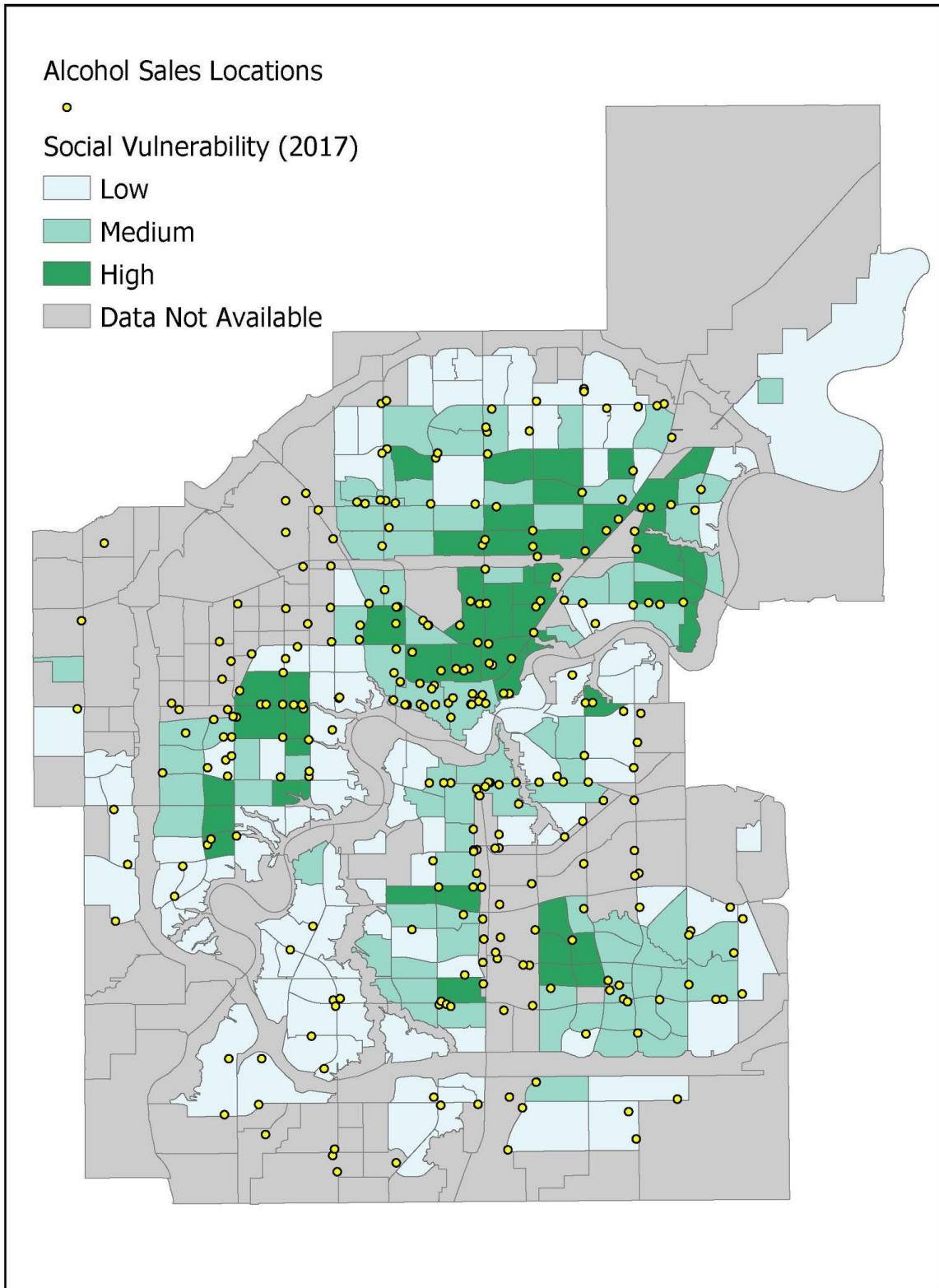


Figure 15 - Liquor Stores in Relation to Social Vulnerability (2017)



5. Reduce Impaired Driving

Administration looked at impaired driving incident trends in Edmonton as well as impaired driving incidents in other jurisdictions. Administration also conducted a jurisdiction comparison on the number of liquor stores per 10,000 people.

Figure 16 - Edmonton Impaired Driving Incidents (1998 - 2016)

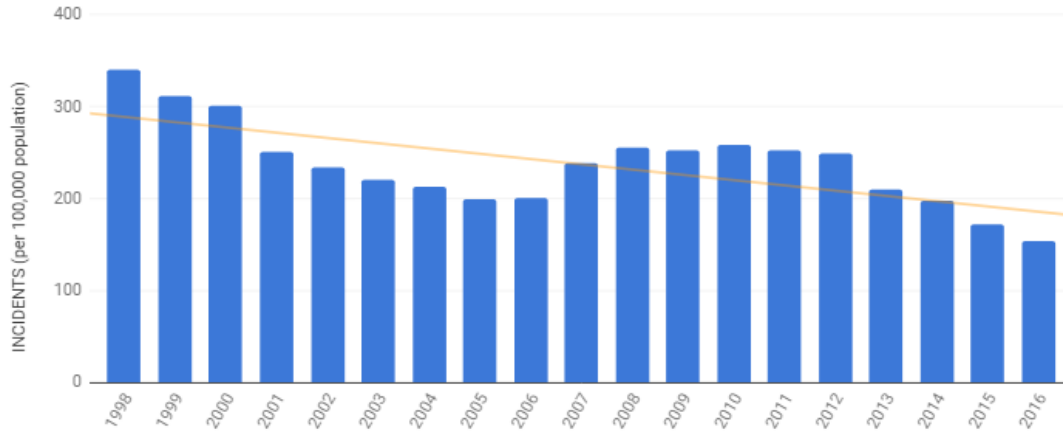


Figure 17 - Jurisdiction Comparison of Impaired Driving Incidents (2016)

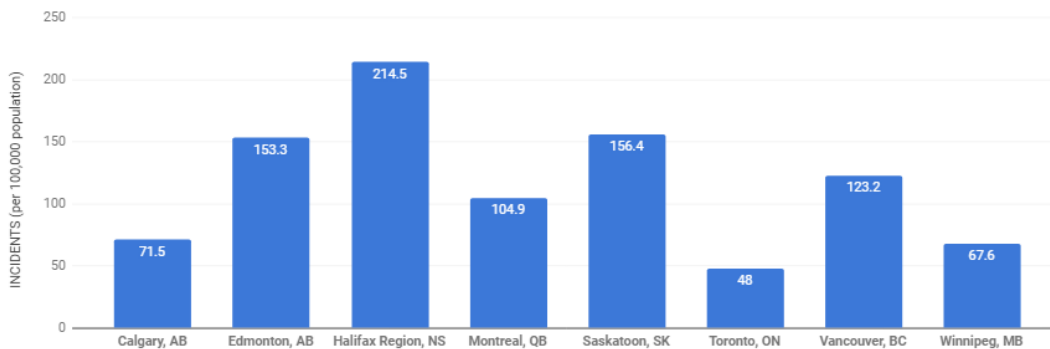
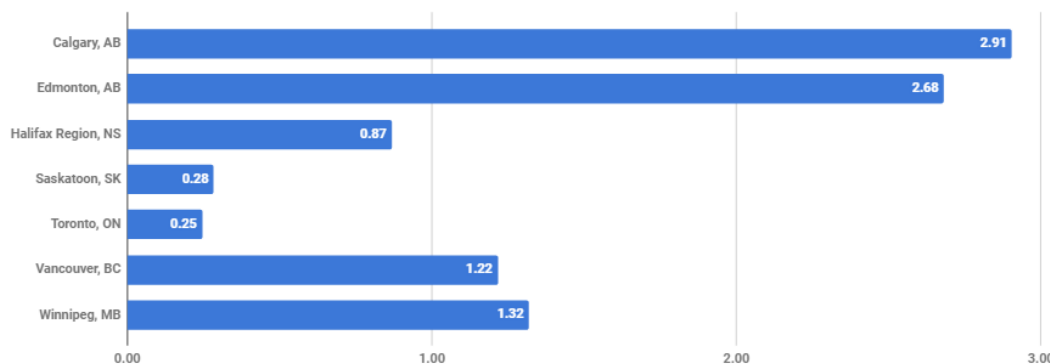


Figure 18 - Jurisdiction Comparison of Liquor Stores per 10,000 Population (2016)



Based on the findings, the overall number impaired driving incidents have been decreasing in Edmonton since 1998.

Figure 17 and 18 suggest that the number of liquor stores may not relate to impaired driving incidents. As seen in Figure 17, Calgary has a much lower rate of impaired driving incidents (almost half) as compared to Edmonton. As

identified in Figure 18, Calgary has a slightly higher rate of liquor stores per capita compared to Edmonton. Saskatoon has far fewer liquor stores, yet has a slightly higher number of impaired driving incidents compared to Edmonton.

Notes about the data:

Data for Figure 14 and 15 was obtained through the Edmonton Open Data Portal. The dataset used information from Statistics Canada, tables 252-0075 to 252-0081. Data measures the number of impaired driving incidents per 100,000 population. Incidents include impairment from alcohol, narcotics, or prescription medication, and include failure to comply with testing. Dataset is available at: <https://dashboard.edmonton.ca/dataset/Impaired-Driving-Across-Canada/n5ux-m2xi/data>

Policies to Manage Impacts

Zoning is not an ideal tool for limiting the availability and consumption of a regulated substance as the primary intent of zoning is to regulate land use and secondarily to regulate the built form or shape and siting of development. Regulating the availability, pricing and consumption of liquor products may be more effectively managed through superior legislation and regulations or other bylaws. It is acknowledged that the Zoning Bylaw indirectly influences operators when the supply of land available to develop a liquor store is constrained. Through the preparation of this report Administration's analysis points to a disadvantages associated with downloading of liquor management to municipalities through zoning.

Some limited aspects of Zoning Bylaw 12800 can indirectly address proliferation, traffic, crime, and property values. The special land use provisions within Section 85 of the Zoning Bylaw regulate:

- Distances between liquor stores which has a dispersal effect on new liquor stores. The total number of liquor stores allowed is constrained by the land available and maintaining the 500 metre separation distance.
- Traffic by allowing the Development Officer to require a Traffic Impact Study for liquor stores larger than 275 square metres, if it appears that the traffic volumes or vehicle turnover may create a significant impact on surrounding development. General citywide regulations also separate parking requirements for Major and Minor Alcohol Sales. Major Alcohol Sales requires one parking space per 23.3 square metres, Minor Alcohol Sales requires one parking space per 31.3 square metres.
- Crime prevention design regulations to allow for natural surveillance (ample transparency of windows, low landscaping or high canopy trees, and visible customer access to the business premises).
- Design by allowing the Development Officer to require lighting, signage or screening measures to ensure the proposed development is compatible with adjacent or nearby residential or commercial uses.

Business Licence Bylaw 13138 requires that liquor stores obtain a business licence; however, liquor stores are not specifically regulated. This is because business operations are regulated by provincial legislation.

Community Standards Bylaw 14600 can regulate aspects related to property maintenance, such as ensuring properties are tidy and buildings and/or structures are maintained. Property maintenance can influence perceptions and crime in relation to the broken window theory. The broken window theory relates neighbourhood disorder that attracts crime due to the lack of informal social controls that maintain order within an area. Neighbourhood disorder can be characterized by visible crime, such as vandalism; social disorder, such as public intoxication; or even the general deterioration or disrepair of buildings in a neighbourhood.

Public Places Bylaw 14614 can minimize factors relating to social disorder, addressing public behaviour related to littering, aggressive panhandling, urination and defecation, and fighting, which may or may not be the result of public intoxication.

Parkland Bylaw 2202 can also minimize factors relating to social disorder in public parks that may or may not be the result of public intoxication, by ensuring the protection of parkland, restricting access through hours of operation, removing individuals who cause injury or harm to others or who damage parkland property, as well as removing individuals that interfere with the peace and enjoyment of others using parkland or who contravene other federal, provincial, or other municipal legislation.

Provincial legislation that manages impacts related to business operations that affect the safety and behavior of operators and customers include the Alberta Gaming and Liquor Act. The Act addresses operations to maintain public order and safety, requiring operators to refuse service to intoxicated individuals and minors. The Act also prohibits the consumption of alcohol in vehicles and public or unauthorized places.

Conclusion

Through the research and analysis of the impacts associated with liquor stores in Edmonton, Administration found:

- The separation distance has not been effective in reducing proliferation of liquor stores. Citywide, the number of liquor stores has increased from 163 in 2007 to 272 in 2018. There has also been an increase in the total number of liquor stores in the areas that were described in 2007 as having a proliferation of liquor stores (Stony Plain Road, 107 Avenue, 118 Avenue, and Whyte Avenue). The total number of liquor stores per 10,000 people has increased from 2.2 in 2007, to 2.51 in 2012, and to 2.68 in 2016.
- Through the sample analysis of the impact of liquor stores on neighbouring property values, it appears that the presence of liquor stores does not devalue neighbouring properties.

- There is no causal relationship between crime and incidents related to vandalism, theft, break and enters, robberies, and assaults, and the location of liquor stores.
- Based on liquor store development permit variances and appeals to the Subdivision and Development Appeal Board, liquor stores seldomly generate a parking impact.
- Through a jurisdictional comparison of impaired driving incidents and the number of liquor stores per capita, it does not appear that the incidence of impaired driving is dependent on the number liquor stores per capita.

Through this analysis, Administration has determined that the 500 metre separation distance is not an appropriate tool to limit the proliferation of liquor stores to regulate a controlled substance. The analysis also reflects the challenge in identifying a land use impact that supports the need for a separation distance requirement between liquor stores. The absence of a land use impact associated with the 500 metre separation distance has resulted in appeals to, and variances granted, by the Subdivision and Development Appeal Board.

Although Zoning Bylaw 12800 is unable to regulate liquor store operators and public behaviour related to social disorder and public intoxication, there are non-zoning tools available to manage these impacts. For further information on the options, please refer to Attachment 6 - Options to Manage the Impacts of Liquor Stores.