

## EXECUTIVE SUMMARY

After receiving complaints from citizens regarding several alleged adverse impacts of small box discount retail establishments (“SBDRs”) on communities in unincorporated DeKalb County (the “County”), a moratorium prohibiting the permitting and licensing of new SBDR establishments was instituted in January of 2020. Said moratorium and its multiple subsequent extensions through the present were imposed so that our research team at Georgia State University could be retained to perform and complete an objective study on the impacts of SBDRs, and to suggest any appropriate remedial measures.

Since being retained, our team thoroughly investigated SBDR establishment’s association with (1) crime, (2) food availability and pricing, (3) security and safety features, and (4) nearby property values. Specifically, in the course of the investigation, the research team personally inspected several SBDR establishments in the County (qualitative data) and collected statistical data from several (federal and local) agencies, such as the U.S. Census Bureau and the DeKalb County Tax Assessor (quantitative data). We strived to gain information on the degree to which the presence, growth/expansion, and clustering of SBDRs impacts neighborhoods, relative to similar non-SBDR retail establishments such as grocery stores (local and national chains), pharmacies, and convenience stores.

Our team’s site visits showed that SBDRs often have lower prices on some staple household goods and food items than the pharmacies, convenience stores, and many small grocers but not the large chain grocery stores. Further, SBDRs were actually more likely to have some fresh food options than retail pharmacies and convenience stores but not the grocery stores (both local and national chains). This observation did not hold for fresh meats, dairy, or produce. SBDRs are less likely to have safety or security features, and in conjunction with unappealing exterior aesthetics, interior disorderliness and lean staffing, agency-provided data evidenced high levels of property crime within 100 feet of SBDRs.

Meanwhile, the agency-provided data indicated that the number of SBDRs in a given census tract is significantly correlated with the number of violent crimes, property crimes, public order crimes, and total crimes. This relationship is less pronounced when considered at the same time as other factors known to correlate with crime such as poverty, racial composition, poverty, and the presence of other at-risk retailers. Of the retailers considered, SBDRs and convenience stores exhibit the greatest impact on crime outcomes in a census tract.

The agency data also showed that while SBDRs tend to be located in or near food deserts when compared to pharmacies, none of the retailers considered showed a significant effect on measures of resident food availability in a census tract. In relation to property values, data showed that in some years the presence of SBDRs (like convenience stores) negatively impacts median home values within a census block, while grocery stores often show a positive effect. The strength of these relationships varied from year to year.

Perhaps most notably, the data showed that SBDRs’ negative impacts, particularly on crime, are similar to those of convenience stores on crime.

Based on the study’s findings described above, given the similar negative influences and similar impact, it appears appropriate to follow the lead of other jurisdictions across the country to treat SBDRs

and convenience stores similarly, and to subject them to similar zoning regulations in an effort to eliminate or reduce their negative effects. For example, distance requirements among and between SDRs and convenience stores might be considered as a means of reducing negative social outcomes in the adjacent areas.