



Staggered Closing Time Hours Piloted: San Jose, CA

Extra Hour without Alcohol Service to Calm District Egress

San Jose's police worked overtime managing nightlife crowds as they made their way home from the entertainment district. Limited Taxi supply, due to increased competition at closing time, caused patrons to rely on car transportation. To reduce impaired driving and congestion, burden on police, and to facilitate taxi access, a pilot program was launched. The goal was to improve management of closing time impacts and facilitate more gradual egress from downtown. Select bars, restaurants and entertainment venues agreed to extend operations by one hour without alcohol service to give patrons time to sober up before driving or locating alternative transportation.

Problem Statement

During the last twenty years, San Jose's downtown core emerged into a vibrant destination with a high concentration of dining and entertainment establishments. Although customers seeking to patronize downtown venues arrived gradually to the district, a common closing time of 2:00 a.m. resulted in a mass exodus of up to 12,000 people on the streets at the same time.

Entertainment zone police officers worked overtime hours to monitor the district, respond to incidents and generally ensure the safety of large crowds of late-night patrons as they made their way home. Given the limited supply of taxis, especially due to increased customer competition at closing time, many patrons relied on personal automobiles to access and exit the district. With the last call for alcohol occurring 30 minutes prior to close of business, the risk of impaired driving was high.

The pilot program aimed to achieve various outcomes. It was intended to facilitate more gradual egress of the district to relieve the crowd management burden on police, reduce traffic congestion and impaired driving, as well as facilitate access to taxis, the only viable alternative to personal automobile, over a longer period of time.

Provision of an extra hour to stay within venues was also intended to enhance the customer service orientation of downtown venues by creating a friendlier atmosphere at closing time. Instead of forcibly removing customers, select venues were able to offer food service and prolonged socializing in the absence of alcohol service. This was aimed to create a safer,

more positive experience upon entrance and exiting of venues, with the intention of generating both new and repeat customers.

Stakeholders

San Jose City Council supported the pilot program as a potential strategy to enhance closing time management. The San Jose Downtown Association (which represents downtown business owners) and Redevelopment Agency facilitated the convening of stakeholders. Bar, club and restaurant owners, managers and security met together and with police and fire departments representatives to develop an implementation plan. This group also met with taxicab owners to discuss location of existing taxi stands and to collaborate on improvement of late-night taxi service.

Process

The San Jose City Council approved an ordinance to allow implementation of the 90 day pilot program. Downtown's Historic District was selected as the pilot zone due to the concentration, proximity and variety of dining and entertainment venues. There were a total of 23 eligible establishments: 13 entertainment venues (5 of which served food), 5 dining establishments, and 5 dining establishments that were already allowed to stay open until 3:00 a.m.

Three months prior to the start of the program, the San Jose Downtown Association and Redevelopment Agency initiated meetings with the interested bars, clubs and late-night dining establishments eligible to participate in the program. Entertainment zone officers and other Police Department representatives regularly attended subsequent meetings to clarify expectations.

Eligible dining and entertainment businesses formed a "Hospitality and Nightlife Alliance," which developed a voluntary code of conduct outlining new operational procedures to incorporate the extra hour of business. The operational procedures in this document were subsequently endorsed by city representatives, dining and entertainment establishments and the police department.

The owners, managers and security staff of participating businesses were required to attend a 10 hour security training program, which reviewed procedures to reduce over-consumption of alcohol, liabilities, recognition of fraudulent identification and the use of communication over force to resolve conflicts with customers.

One month before the implementation date, the owners of the area's taxi companies were convened to meet with the Hospitality and Nightlife Alliance and police representatives in order to determine how to enhance taxi service for nighttime customers.

Business owners asked why taxi companies were unresponsive to their calls for service. Taxi representatives explained that their drivers experienced difficulty accessing patrons due to roadblocks preventing access to downtown, and further, that nighttime customers

would either give up after long waits or take a cab other than the one they originally called. As a result, many drivers were reluctant to service the district.

Police stakeholders clarified that roadblocks were no longer used as a tactic for discouraging unruly customers from entering downtown. Taxicab operators therefore agreed to increase service availability. Business owners also agreed to direct customers to designated taxi stands, the locations of which were provided in handouts during the meeting.

Following approximately 7 to 10 meetings convening hospitality and safety stakeholders, implementation began August 2007. Eligible establishments were granted permission to operate until 3:00 a.m. Thursday-Sunday in addition to special event days that occurred between Monday and Wednesday.

Although approximately 10 entertainment establishments initially participated in the program, 5 venues consistently utilized the extended hour. The other 5 venues utilized the extra hour on occasion.

Participating businesses met with police representatives at the end of the first trial period to debrief on the program thus far. They agreed to renew the program for an additional 90 days.

At the final conclusion of the pilot program, a facilitated debriefing was held between business owners, the Police Department, City and elected officials to discuss the outcomes of the program.

Outcome

Patrons were most likely to take advantage of the extended hour of business on Friday and Saturday nights. Mid-sized bars and nightclubs (about 200-400 occupancy), especially those that offered food service (ranging from light snacks to reduced dinner menu options e.g. hamburgers, tacos), had the most customers stay past 2:00 a.m. On average, about half of venues' total clientele stayed past the previous closing time hour of 2:00 a.m., a number which gradually decreased as the hour progressed.

Many of the participating businesses lost money during the program, a few broke even and even fewer benefited from the extra business hour. Regardless of the economic impact of the program, the large majority of participants considered the economic sacrifice a worthy investment.

Businesses reported greater ease in facilitating egress from their venues and a reduction of tension and confrontations associated with typical closing time procedures. They also considered customer satisfaction to be greater due to the ability to continue to nurture the customer experience.

Several businesses also indicated that there was an increase in availability of taxis for their patrons. Previously, businesses had to call for taxi service, yet during the program, taxicabs

were often seen lined up and waiting for customers in the district at designated taxi stands and in front of select venues. Further, use of taxis grew in appeal due to the possibility of waiting inside venues for taxis to arrive versus outside in the cold.

The impact of the pilot program on crime associated with closing time crowds is difficult to determine. During October through December of 2007 compared to the previous quarter, there was a 37.5% decrease in the number of arrests downtown and a reduction in the number of calls for service. According to the police, however, these figures are in line with the overall trend downtown of the decrease in crime due to greater enforcement of various city-wide safety initiatives.

The pilot program could have potentially contributed to this reduction in crime, yet prolonged implementation of the program would be necessary to yield more conclusive results.

Challenges and Lessons Learned

Participation was not as high as originally anticipated due to the additional costs associated with operating an extra hour, which was particularly difficult for both smaller and larger sized establishments. For example, although many venues were willing to stay open until 3:00 a.m., many were forced to close earlier due to lack of customers when the program first started. As a result, it was difficult to assess the district-wide impacts of the program when only a handful of businesses regularly participated.

Additionally, despite success in the qualitative aims of enhancing customer experience, the program did not achieve a reduction in the number of officers downtown or the number of overtime hours worked by those officers. The majority of incidents still occurred between 1:00 and 2:00 a.m., finally tapering off at the later time of 3:30 a.m., which necessitated continued police presence up until that time.

In retrospect, several business owners indicated that it would have been beneficial to continue frequent communication between businesses and the police department during the first 90 days of the program to assess progress and address any concerns, as one of the objectives outlined in the code of conduct was to achieve a better working relationship between businesses and the Police Department.

Customer education was also a major challenge. In a gesture of fairness to other downtown districts that were not eligible to participate in the pilot program, no official marketing campaign was launched. Furthermore, businesses expressed concern that they would not have sufficient time to orient customers to the program due to what some considered an accelerated implementation schedule.

Although individual venues took it upon themselves to promote their participation in the program through radio commercials, word of mouth, and guerilla street-marketing, participating businesses indicated that it still took approximately 45 to 90 days for customers to acclimate to the extended hour premise, and that soon after it reached its

peak, the program ended. The length of the program was therefore considered too short to yield effective results.

Furthermore, since the aims of the pilot program and the venues that chose to participate were not formally communicated to the general public, awareness of the extended hour was not widespread. In retrospect, stakeholders agree that this may have impacted the potential success of the program.

After the end of the program, businesses experienced confusion and in some cases, backlash, from patrons once they reverted back to the previous closing time of 2:00 a.m. Some customers also expressed that the participating venues lost a degree of appeal after the end of the program.

For cities interested in pursuing a similar extended hour pilot program, stakeholders suggest placing an ad in the entertainment section of the local newspaper a month prior to implementation in order to jumpstart marketing and avoid lag time in customer education.

Jurisdiction

Downtown's Historic District

Funding

The City of San Jose allocated a total of \$150,000 to fund police expenses during the 180 day operational period. However, expenses were not as high as anticipated, as only about 24% (\$35,500) of this budgetary fund was used. The private sector's investment was made out-of-pocket. A sample calculation, however, can be made for a venue with ten security staff working an extra hour three nights a week during the pilot project. At \$20 per hour, the extra cost for the duration of the project would total about \$15,600. This would be an example from one establishment with this level of staffing.

Spin-off Projects

The City of San Jose is currently considering creation of a regularly staffed position for an ombudsman to serve as a liaison between the City, Police Department, and hospitality businesses to enhance future collaboration. It is possible that the City may consider future implementation of the extended hour program throughout downtown when ongoing resources are available. The San Jose Department of Transportation has proposed development of several new taxi stands in commercial loading zones when they are not in use between 11:00 p.m. and 4:00 a.m. The Department is currently awaiting response from local taxicab companies, which pay for the city's taxi stands on a monthly basis, and therefore must first approve any additional stands.

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