



COUNCIL AGENDA: 4-29-08
ITEM: 9.1(f)

Memorandum

TO: HONORABLE MAYOR, CITY
COUNCIL AND REDEVELOPMENT
AGENCY BOARD

FROM: Debra Figone
Harry S. Mavrogenes

SUBJECT: "SOFT CLOSING" PILOT
PROGRAM EVALUATION

DATE: April 11, 2008

Council District: 3

RECOMMENDATION

It is recommended that the City Council and Redevelopment Agency Board accept staff's report on the evaluation of the Soft Closing Pilot Program.

OUTCOME

Acceptance of the staff report provides the City Council and the Redevelopment Agency Board with an evaluation of the Soft Closing Pilot Program. The findings provided by staff will serve as lessons learned about the Soft Closing Pilot Program that can be used to shape future policy for managing Downtown entertainment and nightlife venues.

BACKGROUND

On March 15, 2007, the Public Safety, Finance and Strategic Support Committee approved the Downtown Working Group (DWG) report containing proposals to improve the nightlife experience in downtown San Jose (Downtown), including a pilot program to extend the hours of Downtown entertainment venues operating until 2:00 a.m. by one hour.

On June 19, 2007, the City Council approved an ordinance establishing a limited pilot program. The program was known as the Soft Closing Pilot Program (Program) and it allowed bars, nightclubs and restaurants located generally from San Pedro Street to 4th Street and from E. San Fernando Street to St. John Street to remain open until 3:00 a.m. for a period of 90 days. The City Manager was authorized to extend the Program another 90 days, if appropriate. The Program began on July 27, 2007, with the initial 90-day duration period ending on October 25, 2007. The City Manager extended the Program another 90 days to January 23, 2008, for a total Program period of 180 days.

Liquor licenses issued by the California Department of Alcohol Beverage Control (ABC) require bars and nightclubs to stop selling alcoholic beverages by 2:00 a.m. Most Conditional Use Permits (CUPs) currently issued by the Planning, Building and Code Enforcement (PBCE) Department require these venues to stop selling alcoholic beverages at 1:30 a.m. and to close by 2:00 a.m. Although Downtown entertainment patrons arrive gradually at venues in the district, a common closing time of 2:00 a.m. results in a mass exodus of over 10,000 people on the streets at the same time. Entertainment Zone police officers work overtime hours to ensure the safety of the large late-night crowds as they make their way home. The purpose of the Program was to determine if allowing these venues to stay open an hour later would result in fewer police events and, in line with the Mission Statement of the DWG, foster a cleaner, safer and more inviting experience for residents, business owners and visitors in the Downtown.

ANALYSIS

When the Program began, two performance measures were established to help monitor the Program's effectiveness. The first performance measure was the amount of calls for service. The second performance measure was the amount of police resources dedicated to providing public safety to the entertainment venues and their patrons during and immediately after the closing hours of operation. To get a better sense of whether the Program had an impact on calls for service or the amount of police resources dedicated to public safety, statistics needed to be studied for three different periods of time: the same period of time for the year prior to implementation of the Program; the several months directly preceding implementation of the Program; and, the actual Program period, as further outlined below.

On December 12, 2007, staff from the Redevelopment Agency facilitated a debriefing session on the Program with the various stakeholders, which included the Police Department, the San Jose Downtown Association (SJDA), business owners/operators that had participated in the Program, and other interested entities and persons. Over 30 individuals attended the session.

The analysis below presents the views of the stakeholders. It also presents the perspective of the Redevelopment Agency, the City Manager's Office and the Police Department. It includes statistical data collected by the Police Department.

Participation

The level of participation of the venues varied during the duration of the Program. Of the 13 entertainment venues that agreed to participate in the Program, Police statistics show that only five venues participated on a semi-consistent basis. In contrast, the business owners indicated that eight venues participated during the entire study period.

Outcome

Business Community Perspective:

Participating venues reported the Program had a positive impact on their business or that they benefited from the Program. The Program allowed a staggered exit strategy for its patrons, which resulted in a change in customer demeanor and external perceptions, cleaner sidewalks and a safer environment for staff.

While the Program was not a revenue-generator for the participating businesses, the large majority of the participants considered the Program a worthy investment as it eased the egress from their venues, reduced tensions, and increased customer satisfaction.

Police Department Perspective:

The Police Department's operation analysis of the Entertainment Zone during the pilot period reveals that the issues driving calls for service remained relatively constant. The mass exodus still occurred when the alcohol service was stopped and the post-club activity surrounding the nightclubs that required a police presence stayed the same.

The Police Department conducted a statistical analysis of crime rates in the general area of the participating venues following the termination of the Program. In reviewing the statistics, it appeared that police events/calls for service decreased over the last year and a half. This period of study includes the same 180-day period for the year directly preceding the year of actual Program implementation (July 2006 through January 2007), the 180 days directly preceding the actual Program period (January 2007 through July 26, 2007), and the 180 days of the actual Program period (July 27, 2007 through January 23, 2008), for a total analytical period of 540 days.

In looking at the police events in Police Beats Edward 2 and Edward 3 (the police beats that are most aligned with the study area) there were 1,952 events in the same 180 day period in 2006-2007; 1,653 events in the 180 days directly preceding the study period; and 1,650 events during the actual Program period (a 15% decline). For a more in-depth report of the statistics gathered please refer to the attached memorandum prepared by the Police Department (Attachment A). However, given the limited participation of the venues, no clear conclusions can be drawn from a statistical analysis.

Further, the Police Department attributed the decrease in police events during the study period to several factors, including: active enforcement of the curfew ordinance, focus on public nuisance laws, closer regulation of nightlife venues (a problematic club agreed to close in November 2007), police patrols in the garages, increased parking fees in certain garages and diversion of traffic to address the Downtown vehicle cruise. By eliminating the cruising, traffic gridlock was eliminated and patrons could get to their cars and immediately leave the downtown area – greatly relieving tensions that were exacerbated by having people waiting in their cars in stopped traffic.

Soft Closing Pilot Program

Costs Implications

The City Council originally allocated \$150,000 to fund the police expenses associated with the Program. The Police Department spent approximately \$43,000 in overtime to staff the additional hour during the study period. The police overtime to manage the program included 7,588 hours in the 180 days directly preceding the study period and 8,664 hours during the study period – an increase of 1,076 hours.

EVALUATION AND FOLLOW-UP

Staff will evaluate the financial impacts of implementing a permanent extended-hours program similar to the Soft Closing Pilot Program during future discussion and evaluation of cost-sharing options for policing the Entertainment Zone. Below are issues to consider if a similar program were to be implemented again:

- Expanding the program year round and on a permanent basis for the entire Downtown would result in annual costs of more than double what was spent during the study period (\$43,000).
- Representatives from the downtown venues located in the South First Area (SoFA) that attended the December 12, 2007, debriefing session recommended expanding the program into SoFA because they noticed customers leaving the SoFA area to patronize the participating venues.
- Consider granting extended-hours on a case-by-case basis through review of the CUP and Entertainment Permit process.

PUBLIC OUTREACH/INTEREST

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater.
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City.
- Criterion 3:** Consideration of proposed changes to service delivery, programs, or staffing that may have impacts to community services and have been identified by staff, the Board or Council, or a community group that requires special outreach.

Notices regarding the Soft Closing Pilot Program ordinance were published in the Mercury News, mailed to owners and tenants of property located within the Program and within 500 feet of its perimeter, emailed to the Downtown Association and the Chamber of Commerce and posted on the City's website.

The outreach efforts for the Program have been coordinated with the SJDA. On December 12, 2007 a debriefing was held with the Police Department, the SJDA, businesses owners/operators, and other members of the public.

MAYOR, CITY COUNCIL AND AGENCY BOARD

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COORDINATION

Preparation of this memorandum has been coordinated with the Department of Planning, Building and Code Enforcement, the Police Department and the City Attorney's Office.

COST IMPLICATIONS

The City Council approved \$150,000 to pay for police overtime costs associated with the implementation of the Program. It is estimated that approximately \$43,000 was spent on police overtime during the Program.

CEQA

Exempt, PP07-117.

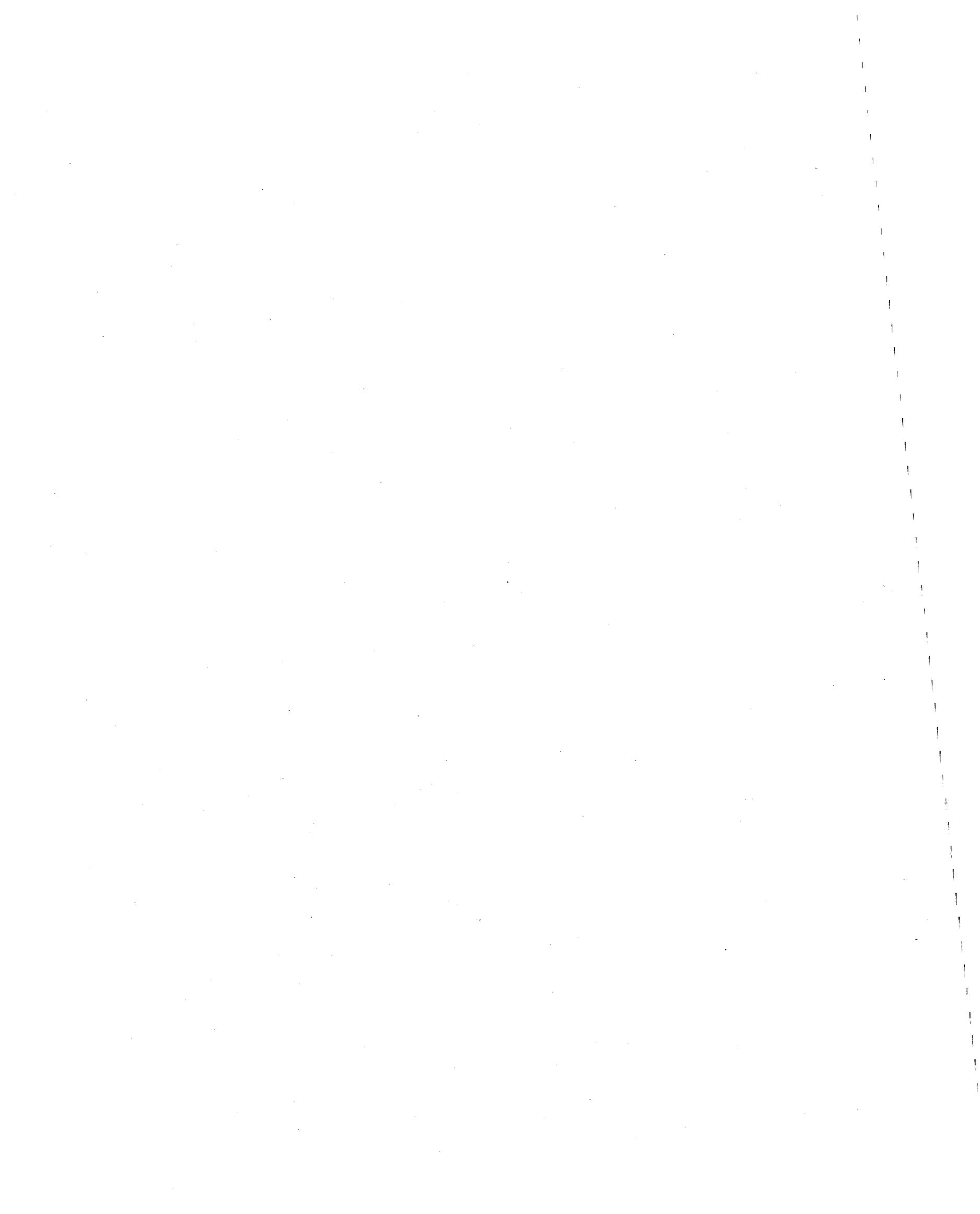


DEBRA FIGONE
City Manager



HARRY S. MAVROGENES
Executive Director

Attachment



**Soft Closing Pilot Program
March 7, 2008**

San Jose Police Department Statistical Data

The Police Department used several variables to analyze the police events and police overtime during the study period.

- The study looked at data from Friday, Saturday and Sunday mornings from midnight to 4:00 a.m. (thus giving data resulting from Thursday, Friday and Saturday evenings turning into early morning hours of the next day).
- The study reviewed all police events, including calls for service and self-initiated activity
- The study location was all of the Edward District (the police district that encompasses the entertainment zone).
- Thirteen Clubs and five restaurants were identified by the Downtown Association as willing to participate at the beginning of the study, they were;

Entertainment Venues

- 1. Fahrenheit Ultra Lounge and Restaurant (food service) ***
2. Johnny V's
3. Lido
4. Mac's Club
5. Mission Ale House (food service)
6. San Jose Bar & Grill (food service)
- 7. Splash Bar and Grill (food service) ***
8. Temple
- 9. The Vault ***
10. Toons
- 11. Tres Gringos Baja Cantina (food service) ***
12. Voodoo Lounge
- 13. Vivid ***

Eating Establishments

1. Angelou's Café & Bistro
2. Azucar! Latin Bistro & Mojito Bar
3. Ben's Chinese Fast Food
4. Mexico Bakery
5. My Burger

*Participating venues

Four time periods were analyzed:

1. **Time Period One** - was a baseline data set. This was from August 2, 2006, to August 2, 2007.
 - a. The baseline for police events was **2,548 events**
 - i. There were 5097 police events during the 52 week period.
 - ii. $5,097/52 = 98$ calls per week and 26 weeks = 180 days
 - iii. 98 (calls per week) X 26 (weeks) = 2,548 police calls
 - b. The baseline number of **police overtime hours** was **8,216 hours**
 - i. There were 16,455 overtime hours during the 52 week period
 - ii. $16,455/52 = 316$ overtime hours and 26 weeks = 180 days
 - iii. 316 (overtime hours per week) X 26 (weeks) = 8,216 overtime hours
 - c. The highest hour for police events was 1:00 to 1:59 a.m.
 - d. When controlling by using just **Beats E2 & E3, there were 1,811** police events
 - e. Findings regarding call types
 - i. Drunk in public events = 333
 - ii. Disturbances = 341
 - iii. Assault Events = 48
 - iv. Assault with a deadly weapon events = 14
 - v. Resist, Delay, Obstruct officers = 14
 - vi. Drunk Driving = 49
 - vii. Weapons Calls = 11
 - viii. Shots Fired = 2
 - ix. Robberies = 3
 - x. Stabbings = 1

2. **Time Period Two** - was the same 180 day time frame as the Study Period, but from the prior year, July 27, 2006, to January 23, 2007.
 - a. The total police events for this time period were **2,719 events**
 - b. The number of **police overtime hours** during that time period were **8,868 hours**
 - c. The highest hour for police events was 1:00 a.m. to 1:59 a.m.
 - d. When controlling by just using **Beat E2 & E3 there were 1,952** police events
 - e. Specific event types yielded the following
 - i. Drunk in public events = 323
 - ii. Disturbances = 353
 - iii. Assault events = 52
 - iv. Assault with a deadly weapon events = 17
 - v. Resist, Delay, Obstruct officers = 15
 - vi. Drunk Driving = 43
 - vii. Weapons calls = 7
 - viii. Shots Fired = 3
 - ix. Robberies = 5
 - x. Stabbings = 1

3. **Time Period Three** - was the 180 days directly preceding the study time period, January 28, 2007, to July 26, 2007.
 - a. The total police events for this time period were **2,347 events**
 - b. The number of **police overtime hours** during that time period were **7,588 hours**
 - c. The highest hour for police events was 1:00 a.m. to 1:59 a.m.
 - d. When controlling by just using **Beat E2 & E3 there were 1,653** police events
 - e. Specific event types yielded the following
 - i. Drunk in public events = 337
 - ii. Disturbances = 303
 - iii. Assault events = 44
 - iv. Assault with a deadly weapon events = 11
 - v. Resist, Delay, Obstruct officers = 12
 - vi. Drunk Driving = 54
 - vii. Weapons Calls = 5
 - viii. Shots Fired = 3
 - ix. Robberies = 2
 - x. Stabbings = 1

4. **Time Period Four** - was the 180 day study time period, July 27, 2007, to January 23, 2008.
 - a. The total police events for this time period were **2,232 events**
 - b. The number of **police overtime hours** during that time period were **8,664 hours**
 - c. The highest hour for police events was 1:00 a.m. to 1:59 a.m.
 - d. When controlling by just using **Beat E2 & E3 there were 1,650** police events
 - e. Specific event types yielded the following
 - i. Drunk in public events = 333
 - ii. Disturbances = 288
 - iii. Assault events = 37
 - iv. Assault with a deadly weapon events = 19
 - v. Resist, Delay, Obstruct officers = 22
 - vi. Drunk Driving = 66
 - vii. Weapons Calls = 4
 - viii. Shots Fired = 3
 - ix. Robberies = 4
 - x. Stabbings = 2

