



Entertainment Business Zone

What is an Entertainment Zone?

An Entertainment Zone is a locally approved district that allows customers to buy drinks from participating establishments and enjoy them within the designated area. By encouraging pedestrian activity and extended visits, the zone is intended to boost sales, activate public spaces, and strengthen the local business community.

Active Hours - 10:00 am – 10:00 pm, 7 days a week

Increased Foot Traffic & Customer Dwell Time

Allowing patrons to carry beverages within the designated area creates a more walkable, fluid environment. Customers are more likely to:

- Stay longer in the district
- Moving between businesses
- Visit multiple establishments in one outing

Longer dwell time correlates strongly with higher per-visit spending and repeat visitation.

Expanded Sales Opportunities

Participating licensees can:

- Sell beverages for consumption beyond the four walls of their premises (within zone rules)
- Capture impulse purchases from passersby
- Benefit from district-wide events and coordinated programming

This creates incremental revenue opportunities, particularly during peak evenings, festivals, and special events.

District Activation & Shared Economic Lift

An Entertainment Zone functions as a collective economic development tool. Benefits include:

- Increased vibrancy and perceived energy in the area
- Greater event hosting flexibility
- Stronger cross-promotion among neighboring businesses

When the district becomes a destination, individual businesses benefit from the aggregated draw of the zone.

Across California, entertainment zones are emerging as a practical, low-barrier economic development tool. Success is driven by coordinated activation, strong business participation, and alignment with broader economic vitality strategies.



Entertainment Business Zone

FAQs For all businesses

How are boundaries and hours defined?

The City will publish an official map and operating schedule.

Who enforces the rules?

Local law enforcement and ABC.

Can the zone be modified or discontinued?

Yes. The City retains oversight authority.

FAQs For Businesses WITHOUT ABC Licenses

1. Does this change my operations?

No. You are not required to participate or modify your business model.

2. Can customers enter my business with an alcoholic beverage?

That depends on City ordinance. Typically:

- Businesses may prohibit entry with alcohol.
- Clear signage can be posted if you choose to restrict entry.

You maintain control over your premises.

3. Am I responsible for monitoring alcohol consumption?

No. You are not responsible for alcohol service compliance if you do not sell alcohol.

4. What are the potential benefits to my business?

- Increased foot traffic
- Longer customer dwell time in the district
- More event activity
- Greater destination appeal

Retailers and service businesses often benefit from increased pedestrian activity.

5. What if I have concerns about safety or cleanliness?

The City will establish:

- Enforcement protocols
- Defined zone hours
- Operational standards

You may also communicate concerns through established City or Chamber channels.



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FAQs For businesses WITH ABC licenses

1. Am I required to participate?

No. Participation is voluntary.

2. What additional permissions are required?

Participating businesses must:

- Register/opt in with the City
- Comply with ABC regulations
- Follow container, labeling, and service rules established for the zone

3. Does this change my ABC responsibilities?

No. You remain fully responsible for:

- Age verification
- Refusing service to intoxicated individuals
- Preventing overservice
- Compliance with all ABC laws

Zone participation does not reduce liability standards.

4. Can customers leave my premises with drinks?

Yes, if:

- You are a registered participant

- Drinks are served in approved containers
- It is within zone boundaries and approved hours

5. Can outside alcohol enter my business?

No. Standard ABC rules still apply.

6. Who is liable for incidents in public areas?

You remain responsible for lawful service at the point of sale. Public conduct enforcement is handled by law enforcement and governed by City ordinance.

7. Will my insurance be affected?

You should consult your insurance provider to confirm coverage for off-premises consumption within the designated zone.

8. What are the revenue opportunities?

- Increased impulse sales
- Higher dwell time and repeat visitation
- Greater participation in district-wide events
- Cross-promotion with neighboring businesses



Entertainment Business Zone

Entertainment zones enabled by SB 969 are being used across California to increase foot traffic, extend customer dwell time, and drive business revenue. Early adopters demonstrate that when paired with events and coordinated activation, these zones can significantly boost economic activity, support small businesses, and revitalize commercial districts.

San Francisco

San Francisco case study demonstrating significant economic impact from Entertainment Zones, including revenue increases of up to 1,500%, event attendance exceeding 16,000 visitors, and rapid expansion to 21 designated zones citywide.

Zones were introduced to address:

- Post-pandemic decline in downtown activity (~21% drop)

Designed to:

- Increase foot traffic
- Support struggling bars/restaurants
- Drive tourism and local spending

Sources: [California may have found a golden goose for businesses, SF Office of Economic & Workforce Development](#)

San Jose

Comparison of Entertainment Zone models, including San Jose's six-zone downtown strategy tied to major regional events like the World Cup and Super Bowl, alongside Redding's measurable sales increases of up to 120% during events.

Sources: [A toast to tourism: San Jose relaxes drinking rules in entertainment zones during events - Local News Matters](#), [Cheers To The City: San Jose's Game-Changing Drinking Zones](#)

Redding

Redding Entertainment Zone case study highlighting economic impact, including participation from 18 downtown businesses and reported sales increases of up to 120% during major events, driven by increased foot traffic and visitor activity.

- 18 participating businesses in the zone
- Up to 120% increase in sales during events
- Designed to increase foot traffic, dwell time, and local spending

Sources: [Redding unveils largest entertainment zone in state, boosting local business](#), [Redding's Bold Leap: The Largest Entertainment Zone in California · Newsclip](#)