Santa Rosita, A Parable in Marketing a Pay-To-Stay Jail

Are Pay-to-Stay Jails a Staple of the Future?

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The Command College Futures Study Project is a FUTURES study of a particular emerging issue of relevance to law enforcement. Its purpose is NOT to predict the future; rather, to project a variety of possible scenarios useful for strategic planning in anticipation of the emerging landscape facing policing organizations.

This journal article was created using the futures forecasting process of Command College and its outcomes. Defining the future differs from analyzing the past, because it has not yet happened. In this article, methodologies have been used to discern useful alternatives to enhance the success of planners and leaders in their response to a range of possible future environments.

Managing the future means influencing it—creating, constraining and adapting to emerging trends and events in a way that optimizes the opportunities and minimizes the threats of relevance to the profession.

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As the biweekly meeting came to a close, Chief Worley sat there quietly, pondering how this could have happened. Why did the City Council just quickly decide to close down his municipal jail with little to no discussion? Sure, he got a little bit of a reprieve for one year, but it was ever so slight. He lamented while wiping his brow with a small napkin, "What am I going to do now?"

Prior to the meeting, the Chief had brushed up on some of his speaking points and learned that it cost $129 a day to house inmates in his area. It was an expensive business being exploited by the for-profit jails sprouting up all around his community. This is when he wondered about a pay-to-stay option for his jail. Within one minute of that reflection, he looked at his staff and said, "We need a plan, ASAP!"

These words were prophetic; they sent the Chief and his team on a mission to turn the jail operation around and make it self-sustaining instead of cash draining. Developed during their twelve month period of discovery was a five-point plan for running a pay-to-stay local facility. This plan of action wasn't developed all at once; it came together through trial and error. Facing several pitfalls along the way, the Chief felt the only way to succeed was to operate like a publicly operated company.

Our tale tells the story of that journey, and what the Santa Rosita team discovered along the way.

<u>Setting the Stage</u>

Pay-to-stay jail facilities were nothing new to corrections or local police departments. Some agencies survived on the extra income generated from these pay-to-stay facilities. The difference between what the Chief was proposing, as opposed to what was already in place, was the "luxury" factor. Instead of just competing with the jails in the neighboring communities, the Chief proposed remaking his facility into the Hyatt or Marriott of jails. With this added level of luxury, he would be able to charge higher prices and attract a more well-to-do crowd.

The idea came to him after he saw a news report on two luxury prisons in Europe, which were not pay-to-stay, but built to cut recidivism rates while increasing chances of rehabilitation. One of these facilities housed 252 inmates in Norway. Each room in the prison came with a private en-suite, flat screen television, and barless windows. The other facility was in Austria; it boasted organic menus, state of the art recreational facilities and a complete gym. After watching the news segment, he thought the American public probably wasn't ready to house criminals in these types of facilities for free, but many criminals might be able to pay to have the opportunity to live in a better, safer and cleaner environment.

Given the current economic environment, many publicly operated correctional facilities were already charging for some of the same things any airline passenger was already paying for. To take it a step further, and set his facility apart from the others, the inmates in the Santa Rosita Jail were going to be able to pay for an experience not offered elsewhere. This was to become his niche market.

According to the Bureau of Criminal Justice, there were well over 2.2 million people in custody during 2010, which put the United States ahead of Russia and China. Coupled with the increase in prisoners, the same statistics showed the growth of jail facilities was beginning to decline. In California alone, the 33 operational State prisons were under review for possible consolidation. Local jails were expected to take up the slack if anymore downsizing took place. The Chief looked at this data as an opportunity instead of a burden. He felt there were bound to be people of means in this populace who could pay-to-stay in his jail.

Before starting the pay-to-stay jail conversion process, he knew he had to have all the necessary facilities in place to legally operate a fully functional long-term housing facility. No matter which state you are from, there are guidelines as to which types of facilities can be used for long-term housing. It is imperative to determine whether your facility is in compliance or needs specific infrastructure to make it compliant. In Chief Worley's case, his staff thoroughly examined the rules and regulations of California Code of Regulations Title 15. Fortunately, most of his needed changes were only cosmetic. He already had some of the more costly items in place such as a full time staff of jailers, a functioning kitchen, dayroom, outdoor facilities, visiting area and a nurse on staff.

The Plan:

This pay-to-stay idea was truly new territory for a small town Police Chief and his staff. Typically, Police Departments do not market their services for profit. To be successful and show positive income, the Santa Rosita facility needed to be advertised and marketed just like any hotel chain might do.

Even though this Santa Rosita Hotel had bars on the windows, the first thing staff was directed to do was to call the occupants "clients" instead of inmates. They also worked to create a five-step plan to ensure the success of the concept:

- Step One- "Maximize the Environmental Positives"
  There were many positive environmental qualities that needed to be exploited in the marketing campaign. First, the location was close to the ocean and the area enjoyed little rain and no snow. With daily temperatures ranging between 60-80 degrees the entire year, it made for a more inhabitable living area. To capitalize on the great weather and location, the Chief immediately relaxed his outdoor exercise policy to allow paying customers extra time to come and go as desired between certain hours.

The Santa Rosita Jail was built within the last twenty years. It was clean and modern compared to any of the surrounding pay-to-stay facilities. In the advertising, they would stress they were "newer and cleaner" than the competition. Staff also ensured the facility was free of the institutional look of some other jails. The goal was to make it look less "prison like."

Finally, an environmental overhaul was done by painting the walls a light blue instead of the institutional norm of dark grey. Flat screen televisions were installed, and the dayroom was outfitted with games, reading materials and computers. The furniture was also moved around in the rooms to give the customers a little extra privacy without compromising any of the facility security.

Each small change made the pay-to-stay jail less harsh and more conducive to rehabilitation and recovery.

- Step Two- "Creatively Advertise Your Services"
  The next step in the plan was to develop a pamphlet to advertise their pay-to-stay services. Initially, the pamphlet was only distributed to local law firms. In it, staff spoke of the advantages of staying locally and in a clean and safe facility. Unfortunately, since crime in the area was low, this localized advertising was not overly successful. They initially spent more money printing and developing the pamphlet than the number of customers they received from it.

  They went back and retooled their plan and came up with a new way of telling everyone about their facility. Since the jail was within 50 miles of Hollywood, they figured there had to be a way to capitalize on this. This ended up becoming an ingenious marketing tool! With the assistance of a hired publicist, the pay-to-stay jail was marketed as a place where people could quietly serve their time. This got the word out to the entertainment industry that the jail would be the best place for high profile people to serve time. Ironically, once the first celebrity came to serve a 30-day sentence, the exposure quickly led to additional customers. The weekly gossip periodicals started calling the Santa Rosita Jail the place where the "rich and famous" come to stay when they wanted privacy.

  Little did the staff realize, but other convicted criminals who had the means also wanted to stay at a place where the celebrities go in the off chance they would run into someone recognizable. It became vogue to say you were at the Santa Rosita Jail, just like it was to say you spent a month at "Betty Ford." This buzz did create its own set of problems. Nobody ever thought they would have to cover the outside gates with tarp to keep the prying eyes of the paparazzi away from the customers. One of these ingenious

photographers even got himself arrested to be booked into the facility in the hopes of being close to a high profile person who was serving a drunken driving sentence.

Without relying solely on the business from the movie industry, advertising also encompassed other ventures. One of these advertising arms placed ads in trade magazines and periodicals for attorneys. At first this was a novelty, since police departments didn't typically advertise pay-to-stay services. In the end, it lead to great success and much more "bang for the buck." Being one of the few facilities advertising their services, Santa Rosita received lots of interest calls from attorneys and law clerks looking for alternative housing options for their clients. All of their advertising could not be done through newspapers and periodicals though; this was 2012 and there were other ways of getting the message out.

One of the younger members of the implementation team was very tech savvy, and expressed his desire to start a website. He developed the Santa Rosita Jail website, which became an interesting and ubiquitous part of the marketing campaign. Since nobody really wanted to be there, the website offered things to make it less "jail like." Instead of inquiring about bed space, you could block out dates just like you do when reserving a room at a hotel. There was also an area where current guests could blog about their experiences (with oversight from the jail staff). Along with the website came a Twitter, Facebook, Pinterest and Linked In account. Each website had their own way of marketing to potential clients. Several international followers of the accounts just wanted to hear what was going on inside a "real American jail."

Santa Rosita's marketing plan garnered national attention from the media. This led to a couple of news outlets coming into the jail and doing videotaped interviews with the Chief. Not only was he able to advertise (for free) through these interviews, but the press spent a great deal of time videotaping the televisions, vending machines, kitchen and outdoor areas. Each was presented in a positive light, and increased the number of guests.

Finally, the Police Department started showing up at lawyer trade shows in the region. Instead of using their pop-up tent for job fairs, staff used it to advertise the services of their pay-to-stay jail. These trade shows spread the message about the facility and ended up getting them additional guests from other regions of the state and country.

- <u>Step Three- "Follow Influential Cases and Do Backgrounds"</u>
  Instead of just reading about sensational cases in the newspaper, Chief Worley decided he would have his Jail Operations Manager follow cases involving "people of means." These were not cases only involving wealthy people, but they included cases with retired police officers, firefighters and teachers. The Chief figured these individuals all had

pensions which provided them with a way to pay-to-stay in his facility. While this was a time consuming venture for the jail manager, it became extremely lucrative in the end.

The local District Attorney's Office issued press releases on criminal cases involving important people. Instead of following the cases on a day-to-day basis, the manager simply waited for the press releases to come out to contact the attorney representing the defendant. This way the Jail Manager already knew if the person would meet the requirements for admittance, both financially and in temperament.

Prior to opening the facility to paying inmates, the Jail Manager asked for the ability to have the final say on who was allowed to live within the jail. He felt it would be more successful if he personally interviewed potential guests and reviewed their criminal records with them. This ensured the right type of personality was coming to live in the communal jail. The positive outcome of this screening process was a 95% reduction in jail violence.

The byproduct of this background interview process is that many were turned down. Some had personalities which would conflict with the other customers, and the turmoil which would be created wasn't worth the effort. A few were turned away because staff couldn't determine if their money was "clean." If staff could not guarantee the money for the pay-to-stay wasn't coming from criminal interests, then the customer was not admitted.

- <u>Step Four- "Rent the Facility for Other Uses"</u>
  In the beginning, it was hard to fill portions of the jail, and the Chief felt he needed to show it could be used for other things. While making those initial inroads with the Hollywood crowd, several people asked if the jail was available for filming opportunities. This began a complicated, but beneficial, program of using the facility for things beyond housing customers.

  Several location companies were contacted once the facility was prepared for use. Through these associations, staff learned what the other jail facilities were charging for daily location fees on various crime shows. As a private company would do, they used this information to undercut the competition and marketed themselves as an alternative. While this isn't necessarily the most ethical way of getting clients, it is the norm in the private sector and it was important for them to think that way.

  The next step to increase filming ventures was to work with City staff to cut the red tape on the permit process. Staff was able to streamline the entire permit process. They even contacted a local hotel and asked about packages for production crews who rented the

jail. This lead to an overall increase in the number of filming days in the City, increased bed tax for the hotels, and lead to a surge in sales tax collection.

One problem did arise which was not anticipated. Some of the location managers felt the jail was not "institutional" enough. When the facility began marketing itself as pay-to-stay, they homogenized it so much that it didn't look "tough" enough. It isn't immediately known how many of the location shoots became missed opportunities, but it would have simply cost too much to turn it back into a more institutional looking facility.

- Step Five- "Regular Citizens Paying-To-Stay"
  Imagine someone who has never stepped foot into a jail or even had a minor brush with the law. These were the people calling to ask if they could pay to spend a night in the jail! The buzz kept spreading and the Chief thought, "Interesting on face value, but complicated to carry out."

  These "real guests" had to be kept far away from the convicted customers who were not there for an overnight experience. The City Attorney for Santa Rosita actually suggested building a permanent wall in the middle of the jail to ensure these two groups would be kept apart. Since they were attempting to cut costs, building a wall wasn't necessarily the best course of action.

  Allowing regular citizens to sleep inside the jail wasn't the most lucrative way of using the facility, but it did bring in needed funding when the jail wasn't full. Even today, the Chief allows citizens into the jail only when the other population is at a minimum. The wall, though, was never built.

  Two other suggestions were raised during this time, but were not allowed even though they were great opportunities to bring in additional funding. One was to use the jail for parties; the other was letting parents send their incorrigible kids to the facility as a sort of "scared straight" program.

  The Police Department estimated they could have made at least $100,000 during the first year with the party venture. They were receiving lots of calls from party and wedding planners who wanted to use the jail as a unique destination experience. It wasn't feasible to completely remove themselves from operating a City Jail to make it a locale for other projects.

That's How He Did It

At the end of the first twelve months, the City Council was pleased to see the Chief was able to bring his five-point plan to life and successfully market the jail as a pay-to-stay facility. Even

though he was provided $100,000 in seed money, the Chief and his staff brought in $200,000 in profit after all expenses had been paid.

In the years ahead, there are some who predict crime will increase from its current historic lows. Should the rate begin to climb, the chances of keeping the facility operating in the black are great. Chief Worley is a futurist and has already starting making plans to keep his jail operating for years to come, no matter how the crime rate goes.

Today, when Chief Worley addresses groups and speaks of his five-point plan, he often says that he was lucky to have Hollywood as a suburb. “But, there is no need to fret, because every community has something to capitalize on! Every little piece of America has their own Hollywood or Los Angeles. Your plan is to find what that niche is, and figure out how your jail can make money from it.”

Some will ask the Chief, “What’s the moral of his story?” In loud and confident tones, he says the moral was “not accepting defeat and making use of the jail as if it was being run by a private company.” Usually at this point, he leans over and tells the person next to him, in hushed tones, the secret to his personal success was all about “marketing and contacts.”

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