

Dead of Night

By DREW COMBS - 12/24/2007

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Sushi restaurant Wokcano used to close at 10 p.m. at its previous downtown site, a building that was torn down. It was popular among USC students and the area's growing residential community.

When the chain reopens next month at the corner of Flower and 7th streets, the new restaurant will test a 2 a.m. closing time.

"More is going on in downtown now. More night life and more people living down there," said Michael Kwan, who co-owns the restaurant with his brother, Marcus.

Wokcano will join a growing list of new retail establishments trying to amp up the downtown late-night scene. But with the downward slide in the real estate market and reluctance of retailers to be pioneers in the 24/7 concept, converting the area into Times Square West may be a long, hard struggle.

As the construction boom began, downtown was a ghost town after 6 p.m. when office workers left for their nighttime commute. With thousands of new residents, though, area boosters have been promising a livelier after-dark scene.

One example is Mode restaurant, which has joined the iconic Pantry as a 24-hour downtown restaurant.

"There is a lot to be excited about with all the new restaurants and stores," said Rich Alossi, a downtown resident who publishes a blog about living there. "But some have limited hours, which is a frustration. And those that do stay open later can look empty. It is going to take some time before it becomes a 24-hour active zone."

Many retail outlets still view downtown workers as their primary customers.

"The biggest reason we are in downtown is that there is so many people commuting into downtown and working in the office buildings," said Hidenari Sato, vice president of operations for Japanese convenience store Famima. It has opened three locations in downtown since last year, the latest one in California Plaza.

The chain's locations in Hollywood, Santa Monica and even Torrance operate from 7 a.m. to 2 a.m., but the downtown locations closed at 9 p.m. most days.

Sato said the company arrived at its closing times for the downtown stores after conducting a survey. The chain extended hours at its Figueroa Street location to 11 p.m.

Ralphs at first stayed open until midnight, but now closes at 2 a.m. due to shoppers' requests.

Early coffee

Even if Wokcano finds success staying open until 2 in the morning, it will be the exception: Most of the establishments around it will still go dark earlier. A restaurant down the block closes at 3:30 p.m. most days. The Coffee Bean across the street shuts at 6 every night, except Sunday, when it closes at 2 p.m.

Starbucks is the dominant coffee chain downtown with 20 locations, most of which close shop as downtown workers head home.

"Store openings are based on regional customer needs and are determined on a per-store basis," Starbucks spokesman Montey Dunn said in an e-mail. "The majority of Starbucks store locations

downtown close between the hours of 6 p.m. and 8 p.m.”

Some retail executives say that the residential community still lacks the critical mass to support longer hours of operation.

The population in downtown L.A. has grown over the past two years by 20 percent to 28,878 residents. That tally is expected to grow to more than 40,000 by the end of next year. In contrast, downtown's payroll force totals over 400,000.

“We are in downtown for a combination of reasons, but mainly for the business crowd,” said Philip Gay, chief executive at the Daily Grill restaurant chain. He also said his nighttime customers include ticket holders for the Music Center and Staples Center.

Too much fanfare, the Daily Grill opened a 6,000-square-foot restaurant on the ground floor of the Pegasus apartments in 2005. But those staying above the restaurant can't grab lunch there on the weekend, because it doesn't open until 5 p.m. Most of the other restaurants in the chain open at 11 a.m. on the weekend.

“Although you have more people there, we haven't felt that the business is there just yet,” Gay said. “It is something we are keeping our eye on trying down the road.”

Gourmet Wines & Spirits is open until 7:30 p.m. on weekdays and 6 on Saturday nights, but is closed on Sunday. Co-owner Erick Tecson said he would consider longer hours, but only if the number of people living downtown continues to rise.

The real estate slowdown may be a hurdle to the 24/7 transformation.

Several residential developments originally intended as condominiums have been turned into apartment units, such as 1010 Wilshire and the Mozaic complex near Union Station.

Some condominium developments have turned to marketing gimmicks. Santee Village, which includes 216 lofts in three buildings, is offering buyers a three-year lease on a Mini Cooper. Other developers are offering trips and plasma televisions, while some are simply cutting prices.

But downtown boosters predicted the softening real estate market would not slow the evolution of the area's retail scene. Alossi, the blogger, pointed out that “demand for rental housing is still very high.”

And Carol Schatz, chief executive of the Los Angeles Downtown Center Business Improvement District, said: “We have much pent-up demand for all kinds of retail from our new residents. Those people need retail services. We don't expect to see any slacking off.”

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