



Overview

What is a Social District?

The State of Michigan enacted a new law intended to spur economic activity and provide flexibility for hospitality businesses by enabling the on-site sale and off-site consumption of alcoholic beverages in designated “Social District” areas. On July 1, 2020, Governor Whitmer signed House Bill 5781 into law (MCL 436.1551) creating the “Social District Permit,” which allows local governments to designate a Social District within their jurisdictions. Businesses that are granted a Social District Permit may sell alcoholic liquor (beer, wine, mixed spirits, or mixed drinks) on their licensed premises to customers who may then consume the alcoholic liquor within the Commons Areas of the Social District. *(from Michigan Municipal League)*

What is a Commons Area?

Under MCL 436.1551(8)(a), a “commons area” is defined as: an area within a social district clearly designated and clearly marked by the governing body of the local governmental unit that is shared by and contiguous to the premises of at least two other qualified licensees. Commons Areas cannot include the licensed premises of any qualified licensee.

What is the purpose of a Social District?

- Expand outdoor eating and drinking locations throughout the downtown
- Encourage additional pedestrian traffic downtown
- Create an additional draw for visitors and locals to visit and spend time in the downtown
- Encourage visitors to explore and extend their time in the downtown

Which businesses can participate?

Any qualified licensee within the boundaries of the Social District in good standing with the City of Alpena and State of Michigan may participate (see list below). Businesses interested in participating in the Social District must apply for a Social District Permit through the Michigan Liquor Control Commission (MLCC) and must submit a \$70 inspection fee and \$250 annual permit fee. [View the form & application here.](#)

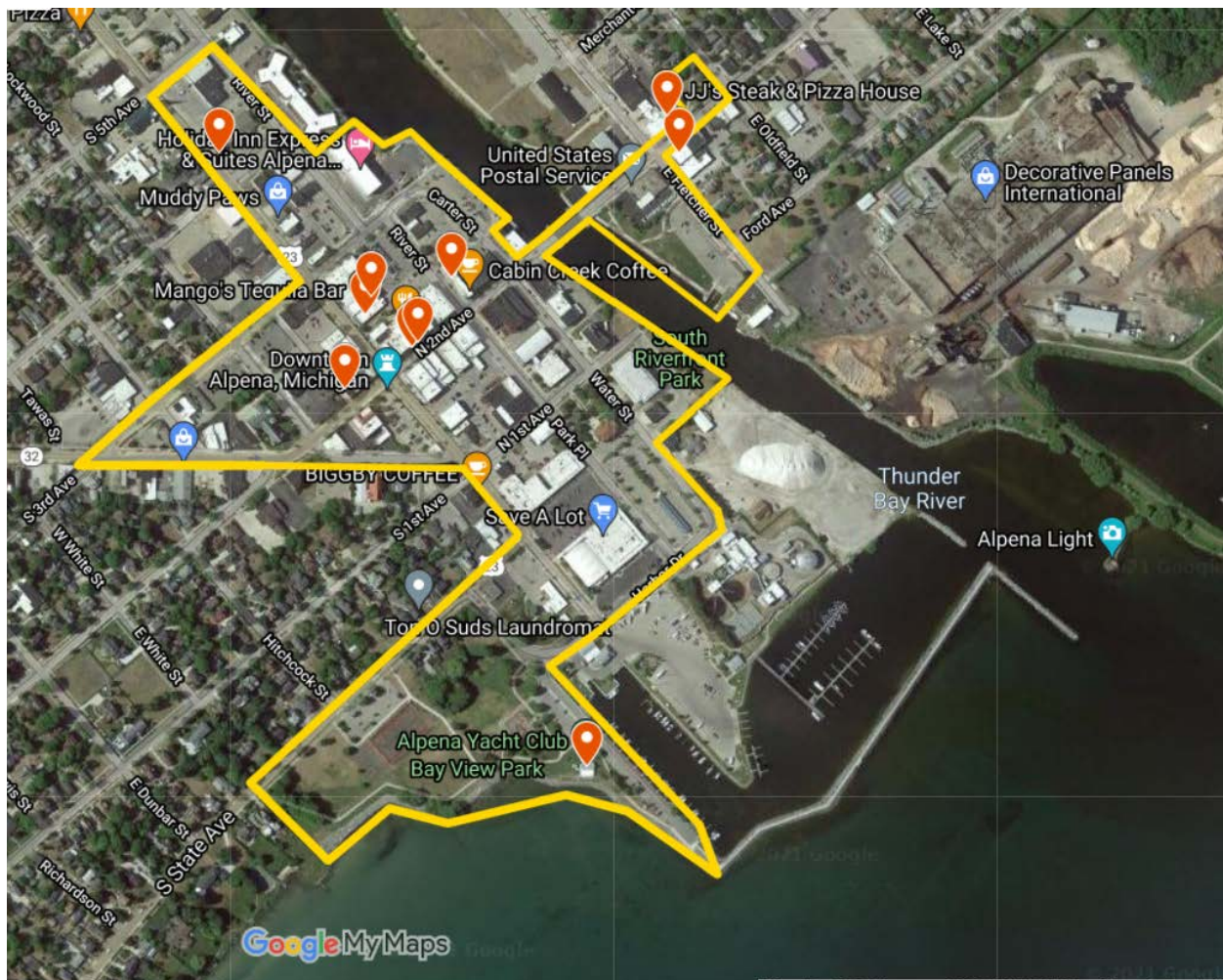
Alpena Yacht Club
Art in the Loft
Hopside Brewery
JJ’s
Latitudes Tavern
Mango’s Tequila Bar

Red Brick Tap & Barrel
Rusty Petunias Marketplace
The Black Sheep
The Fresh Palate
Thunder Bay Theatre (in escrow)
Thunder Bay Winery

The term qualified licensee is defined by MCL 436.1551(8)(c):

- A retailer that holds a license, other than a special license, to sell alcoholic liquor for consumption on the licensed premises. (This includes the following license types: Class C, Tavern, A-Hotel, B-Hotel, Club, G-1, G-2, Brewpub.)
- A manufacturer with an on-premises tasting room permit issued under section 536.
- A manufacturer that holds an off-premises tasting room license issued under section 536.
- A manufacturer that holds a joint off-premises tasting room license issued under section 536.

What are the Downtown Alpena Social District boundaries?



Maintenance & Operations

Alcoholic Beverages

1. Alcoholic beverages are allowed in the Commons Area(s) only in accordance with a Social District Permit issued by the Michigan Liquor Control Commission (MLCC), any accompanying MLCC regulations, and City of Alpena requirements.
2. Alcoholic beverages can only be purchased at the licensed premises of a Social District Permit holder and must be consumed in designated Commons Areas.
3. Alcoholic beverages purchased at the licensed premises of a Social District Permit holder cannot go into the licensed area of another business that holds a liquor license (indoors or outside).
4. A commercial establishment selling food without a liquor license cannot allow the consumption of alcoholic liquor on its premises.
5. Alcoholic beverages cannot be consumed in a public highway.

Beverage Containers

1. Alcoholic beverages consumed in Commons Areas are required to be in designated cups per the requirements of the MLCC and the City of Alpena. Any participating licensed business serving alcoholic beverages to be consumed in the Commons Areas must serve those beverages in designated cups.
2. Alcoholic beverages being sold to be consumed in Commons Areas must be in designated cups that:
 - Have less than 16 oz capacity
 - Cannot be made of glass
 - Must display the logo or trade name of the permit holder and Downtown Alpena Social District
3. The DDA will purchase the first order of beverage cups for participating permit holders; after the first order, each business will be responsible for purchasing their own that fits the parameters as designated by the MLCC and City of Alpena.
4. Cups will be available for purchase through Family Enterprise, Inc.

Hours of Operation

The district will operate Monday- Sunday, 11 am- 12 am. After 12 am, no beverages can be sold to be consumed in the district and must be sold to be consumed in the license holder's service areas.

Marketing

The Alpena Downtown Development Authority (DDA) will be responsible for marketing the district, including creating posters outlining the rules and operations of the district for distribution throughout the downtown and creating a web page with information about the district.

Restrooms

To lessen the burden on downtown property owners, the DDA is planning on renting portable restrooms for the summer months (June- September) and placing a trash bin next to the restroom. The DDA will work with individual property owners to determine placement of portable restrooms. Signage will also be installed to direct people to restrooms.

Review

1. The governing body may revoke the designation if it determines that the Social District threatens the health, safety, or welfare of the public or has become a public nuisance. Before revoking the designation, the governing body must hold at least one public hearing on the proposed revocation.
2. The law currently expires December 31, 2024.

Seating, Tables, and Furniture

The Alpena DDA currently rents and places tables with umbrellas and benches throughout the downtown that will be available for use throughout the Social District, including in Culligan Plaza, along Second Avenue, and near food establishments and shops. The DDA will evaluate if there are other areas that may benefit from additional seating, such as alleyways or Pocket Park.

Security

Security and enforcement in the Downtown Alpena Social District will be provided by the City of Alpena Police Department.

Signage

1. Signage must be placed to demarcate the boundaries of the Social District. The City and DDA will determine the placement of signage at entry points and intersections.
2. Signage will be attached to existing posts and match the color of the current wayfinding signage.
3. The DDA will be responsible for paying for the signage demarcating the boundaries of the Social District.

Social District Permit Holders

1. Any downtown business holding an eligible liquor license that is located within the Social District is eligible to apply for a Social District Permit through the MLCC.
2. Social District Permit holders are responsible for the sale of alcohol on their licensed premises in accordance with their individual Social District Permits and all MLCC rules and regulations, including confirming the consumer's identification and age and prohibiting the sale of alcohol to intoxicated parties.

Trash Removal

1. Trash bins are currently emptied on Monday's & Thursday's, and the City will add a Saturday morning pick-up in addition to these times.
2. The DDA & downtown businesses will monitor trash and recycling bins and alert DPW if they need to be emptied at additional times. Contact information for DPW will be shared by the DDA with businesses located near trash bins downtown.
3. The DDA will purchase up to five additional trash and recycling bins to place in high-use areas and monitor if additional bins are needed.
4. The DDA hires three employees seasonally that will work additional hours to pick up trash throughout the downtown.