

# Social Districts

**SAFE COMMUNITIES - JULY 28, 2022**



# Mayor's Referral

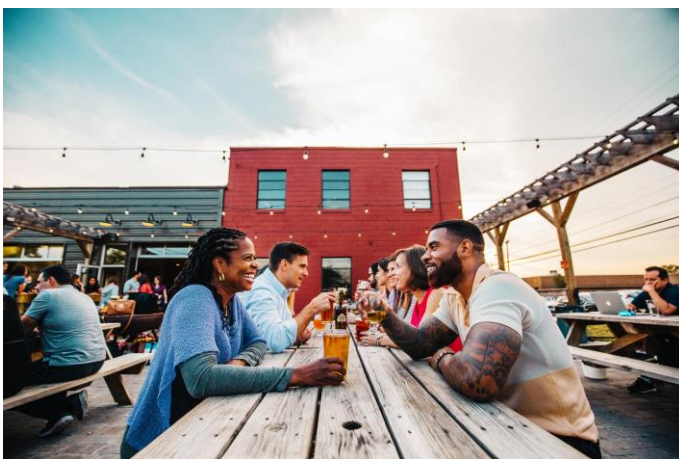
## Policy Question:

- ▶ Determine if Social Districts should be implemented in Charlotte

## Committee Charge:

- ▶ Review the potential benefits and/or issues with establishing Social Districts
- ▶ Review the requirements for establishing Social Districts
- ▶ Work with staff to assess options and considerations specific to Charlotte
- ▶ Report findings and recommendation back to full Council for consideration

# What is a Social District?



*Social District* means a defined area in which a person may consume alcoholic beverages sold by a permittee. A social district may include both indoor and outdoor areas of businesses within or contiguous to the defined area during the days and hours established for the social district. A social district may include privately owned property, including permittees and non-permittee businesses, and multi-tenant establishments, and public streets, crosswalks, or parking areas whether or not the streets or parking areas are closed to vehicle traffic.

- ▶ **Fall 2021:** NC General Assembly enacted legislation allowing cities to adopt an ordinance designating social districts.
- ▶ **July 2022:** NC General Assembly enacted legislation to recodify and clarify social districts.

# Benefits of a Social District



A handful of local businesses and associations have expressed interest in establishing their own social districts in Charlotte to increase patronage and economic vitality.

- ▶ Spur community involvement and economic development
- ▶ Provide enhanced social and cultural experience for residents and visitors
- ▶ Grow tourism as districts become more of a 'destination'
- ▶ Increase foot traffic and provide greater exposure to hospitality and retail businesses
- ▶ Provide incentive to host more special events and festivals
- ▶ Expand revenue opportunities for restaurants and bars by serving to-go beverages
- ▶ Attract potential new businesses seeking to participate in districts

# Requirements for Social Districts in NC

## City:

- ▶ Council adopted ordinance designating a social district, including:
  - Days and hours of operation
  - Boundaries
  - Management and maintenance plan
- ▶ Publish Council-approved management and maintenance plan on website
- ▶ Register the social district with the NC Alcoholic Beverage Control Commission (ABC Commission)

## Social District:

- ▶ Boundaries defined with signs, noting:
  - Days and hours allowed to consume alcohol
  - ALE phone number
  - Statement that beverage must be consumed in social district and disposed of before exiting the district
- ▶ Uniform signage provided to businesses that do not sell alcohol (non-permittee) and opt-in to allow customers to bring alcoholic beverages onto their premise during social district hours

# Requirements for Social Districts in NC

## ABC Permittee:

- ▶ Can only sell on their premises
- ▶ Container requirements:
  - Identifies ABC Permittee where purchased
  - City or social district logo
  - “Drink Responsibly – Be 21.” in 12-point font or larger
  - No glass
  - Maximum of 16 fluid ounces
- ▶ Multi-tenant establishments located within a social district may participate in the social district without obtaining common area entertainment permit
  - For example, Camp North End

## Non-Permittee

- ▶ Can opt-in to allow consumption of alcoholic beverages on their premise if they:
  - Post the uniform signage provided by the social district indicating participation
  - Clearly post signage at any exits that do not open to the social district that alcoholic beverages are not allowed beyond that point
  - Allow law enforcement access to customer areas during social district hours
- ▶ Is not required to regulate alcoholic beverages



## Kannapolis

Est. Oct 2021



## Norwood

Est. Dec 2021



## Newton

Est. Dec 2021



## Greensboro

Est. March 2022



## Cornelius

Est. April 2022



## Monroe

Est. June 2022



## Salisbury

Est. July 2022



## Raleigh

Est. Aug 2022

# Case Studies Outside of NC



**Cincinnati, Ohio**  
Multiple Districts



**Columbus, Ohio**  
Stadium Based District



**Huntsville, Alabama**  
Incremental Approach



**Grand Rapids, Michigan**  
State Law Similar to NC

# Social Districts in Charlotte



(Charlotte Magazine)

## How is Charlotte Different than other North Carolina Examples?

- ▶ Multiple social districts requested
- ▶ Requested outside of the Central Business District
  - Infrastructure needs
  - Adjacent to neighborhoods

# Establishing Local Ordinance

**Adopts the State's Requirements into the City's ordinance.**

G.S 18B-100: Except as provided in this Chapter, local ordinances establishing different rules on the manufacture, sale, purchase, transportation, possession, consumption, or other use of alcoholic beverages, or requiring additional permits or fees, are prohibited.

- **Chapter 15 – Miscellaneous Provisions**
  - Establish new article
  - Definitions
  - Sale of Open Containers in Social Districts
  - Responsibilities of Non-Permittee Businesses in Social Districts
  - Requirements for Possession and Consumption in Social Districts
  - Multi-tenant establishments
  - Reference Standards and Provisions (administrative process)
  - Exceptions
  - Placeholder for future “Established Districts” once council adopted
  
- **Modify open container references in Section 15-3**

# Council and Social Districts

## What's Been Done:

- ▶ April 4 - Request for staff follow up on Social Districts during Strategy Session
- ▶ April 28 – Memo from staff outlining local case studies and staff recommendations
- ▶ June 6 – Strategy Session Presentation
- ▶ Week of June 16 – Small group discussions
- ▶ June 23 – Memo from staff updating council on the current status and next steps
- ▶ July 11 – Referral to Committee

## What We Heard:

More Discussion needed:

- ▶ Quality of life
- ▶ Impact on existing city service levels (police, solid waste, etc.)
- ▶ Process by which we implement social districts
- ▶ Sustainability

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# Questions and Discussion