

operations and maintenance plan



CITY OF MILAN, MICHIGAN

INTRODUCTION

On July 1, 2020, Governor Whitmer signed House Bill 5781 into law creating the Social District Permit which allows for the sale of cocktails-to-go and alcohol consumption in established Social Districts. Local governmental units now have the authority to establish commons areas within Social Districts that multiple on-premises licensees can use to increase sales via permit until 2025.

WHAT IS A SOCIAL DISTRICT?

A Social District is an area designated by the governing body of a Local Government within their boundaries where consumers are able to drink beer, wine, or spirits in designated commons areas outside the walls or patio/parklet spaces of a licensed establishment. A Social District is not a taxing entity and is overseen by the Michigan Liquor Control Commission.

WHAT IS THE DIFFERENCE BETWEEN A SOCIAL DISTRICT AND A COMMONS AREA?

A Social District is the entire area designated by the Local Government, which includes the commons areas within the Social District. Establishment of a Social District does not mean consumers may drink alcoholic beverages throughout the entire district. Consumption of those beverages is only permitted within the defined commons areas. The Michigan Liquor Control Commissions defines a commons area as area(s) within the established Social District that are clearly designated and marked by the Local Government and that are shared by and contiguous to the premises of at least two qualified licensees. Social Districts can include more than one commons area.

WHAT IS A QUALIFIED LICENSEE?

The words "qualified licensee" shall mean any of the following: (i) a retailer that holds a license, other than a special license, to sell alcoholic liquor for consumption on the licensed premises; (ii) a manufacturer within an on-premises tasting room permit issued under Section 536 of 1998 PA 58; (iii) a manufacturer with an off-premises tasting room license issued under Section 536 of 1998 PA 58; and (iv) a manufacturer that holds a joint off-premises tasting room license issued under Section 536 of 1998 PA 58.

DIFFERENCES BETWEEN CITY AND BUSINESS OWNER PROCESS

Per Michigan House Bill 5781, Local Governments are responsible for the creation, maintenance, operation, and signage throughout the Social District. Creation of a Social District does not give local businesses permission to serve to-go alcoholic drinks automatically. Businesses need to go through a separate process with the Michigan Liquor Control Commission and obtain a Social District Permit which allows them to serve to go beverages within the commons area(s).

PURPOSE OF THIS PLAN

This plan is in-place to comply with requirements outlined in House Bill 5781 and required by the Michigan Liquor Control Commission. This plan can change at anytime per the discretion of City Council and City Administration. This plan includes steps that the City will take to maintain and operate the Social District and commons areas to maintain consumer and resident safety.

DISTRICT BOUNDARIES AND COMMONS AREAS

On Main Street, the boundaries of the Social District shall be on Main Street from the border of the western most part of the West Main parking lot to Ferman Street on both the north and south sides of Main Street. On Tolan Street from Main Street to First Street (on the west side of Tolan Street only from First Street to Tolan Square). On Wabash Street from Main Street to the public parking lot on the east side of Wabash and on Wabash Street to the southside of Ford Lake on the west side of Wabash Street).

The Tolan Street Commons Area shall be from the northside of Tolan Street to the alleyway (the whole of Tolan Square) and from the alleyway to First Street on the west side of Tolan Street only).

The Rotary Alley Commons shall be from E. Main Street extending south down the alley adjacent to 42 E. Main Street to south rear wall of 42 E. Main.

The Ford Lake Commons shall encompass the sidewalk and seating decks on the southside of Wabash Street from the north side of Ford Lake to the south side of Ford Lake.

OPERATIONS PLAN

The operations of the Milan Outdoor Social Area (MOSA) will be overseen by the City Administrator after consulation with the Chief of Police and with assistance from the Milan Main Street/Milan DDA Board and other City Departments as necessary. MOSA is solely in place to support local business owners and has no regulatory or taxing authority. The City of Milan will provide supporting documentation that local businesses need for their social district permit applications to the Michigan Liquor Control Commission.

MOSA hours of operation are as follows:

- 2 PM 8 PM Monday Thursday
- 12 PM 8 PM Friday
- 8 AM 8 PM: Saturday
- Closed: Sunday

MOSA will be closed on the following US Holidays: Thanksgiving, Christmas, and Easter.

The City will provide signage throughout the district that clearly marks the boundaries of the entire Social District and Commons Areas. Additionally, Commons Areas hours of operation signs will also be places at the north, south, east, and west boundary lines. Public Safety offices will be utilized to enforce the hours of operations and commons areas boundaries when necessary and appropriate.

The City will also have a dedicated section of its website that will include a copy of this plan, hours of operation, maps showcasing boundaries and participating businesses. All of the City communication channels will be utilized to notify consumers when the Social District and/or Commons Areas are closed for maintenance, for the holidays previously stated, or other days determined to present concerns for public safety.

MAINTENANCE PLAN

The City, under regulation established by the City Administrator in conjunction with the Chief of Police, shall maintain the commons areas in a manner that protects the health and safety of the public

Sidewalk and street repairs/maintenance throughout the Social District will follow schedules already in place by the City. Any safety concerns that arise will be addressed by the Department of Public Works on an as needed basis.

Other services, including landscaping snow removal, will continue to be provided by City Departments and commissions as normal.

The City will ensure that all signage remains in good condition and will replace weathered signs as needed.

REVOCATION OF DESIGNATION

The City Council may revoke the designation of a commons area if it determines that hte commons area threatens the health, safety and welfare of the public or has become a nuisance.

Before revoking the designation of a commons area, the City Council shall give notice as required under the Open Meeting Act, MCL 15.261 et. seq and hold at least one public hearing on the proposed revocation.

The City shall file the revocation of the designation with the Michigan Liquor Control Commission.

REQUIREMENT OF PERMIT HOLDERS

A qualified licensee whose licensed premises is shared by and contiguous to a commons area in a Social District designated hereunder shall obtain from the Michigan Liquor Control Commission an annual social district permit. The holder of a social district permit issued by the Michigan Liquor Control Commission may sell alcoholic liquor for consumption within the confines of a commons area if both of the following requirements are met:

- The holder of a social district permit only sells and serves alcoholic liquor on the holder's licensed premises.
- The holder of a Social District permit only serves alcoholic liquor to be consumed in the commons area in a container to which all of the following shall apply: (i) the container prominently displays the social district permittee's trade name or logo or some other mark that is unique to the Social District permittee's on-premises license; (ii) the container prominently displays a logo or some other mark that is unique to the commons area; (iii) the container is not glass; and (iv) the container has a liquid capacity that does not exceed 16 ounces.

A purchaser may remove a container of alcoholic liquor sold by the holder of a Social District permit from the Social District permittee's licensed premises if both of the following conditions are met:

- The purchaser does not remove the container from the commons area
- While possessing the container, the purchaser does not enter the licensed premises of a Social District permittee other than the Social District permittee from which the purchaser purchased the container.

The consumption of alcoholic liquor in the commons area as allowed herein may only occur during the legal hours of the sale of alcoholic liquor of the social district permittee.

SOCIAL DISTRICT BOUNDARY AND COMMONS AREA MAP

