Michigan Liquor Control Commission (MLCC)



P.O. Box 30005, Lansing, MI 48909 866-813-0011 – www.michigan.gov/lcc

Social District Permit Information For Local Governmental Units

Pursuant to MCL 436.1551, the governing body of a local governmental unit may designate a Social District within its jurisdiction. Qualified licensees whose licensed premises are contiguous to the commons area within the Social District, and that have been approved for and issued a Social District Permit, may sell alcoholic liquor (beer, wine, mixed spirit drink, spirits, or mixed drinks) on their licensed premises to customers who may then consume the alcoholic liquor within the commons area of the Social District.

If a non-profit organization requests a Special License for a location within a Social District commons area, the governing body of the local unit of government shall delineate the portion of the commons area to be utilized exclusively by the Special Licensee and the portion of the commons area to be used exclusively by Social District permittees. The Special License applicant must submit documentation from the local governmental unit, including a clear diagram, with its application.

The term commons area is defined by MCL 436.1551(8)(a):

"Commons area" means 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 2 other qualified licensees. Commons area does not include the licensed premises of any qualified licensee.

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

"Qualified licensee" means any of the following:

- 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.

A list of all licensees, sorted by county and local governmental unit, may be found on the MLCC website.

The governing body of a local governmental unit may designate a Social District pursuant to MCL 436.1551 under the following conditions:

- Designate a Social District that contains a commons area, as defined in MCL 436.1551(8)(a).
- Establish local management and maintenance plans, including hours of operation, for a commons area.
- Define and clearly mark with signs the designated commons area.
- A governing body of a local governmental unit shall not designate a Social District that would close a road unless the governing body receives prior approval from the road authority with jurisdiction over the road.
- The governing body shall maintain the commons area in a manner that protects the health and safety of the community.

- The governing body may revoke the designation if it determines that the commons area 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 1 public hearing on the proposed revocation. The governing body shall give notice as required under the open meetings act of the time and place of the public hearing before the public hearing.
- The governing body shall file the designation or revocation of the Social District with the MLCC.

Before applying to the MLCC for a Social District Permit, a qualified licensee must first obtain approval from the governing body of the local governmental unit. A fillable resolution for this approval is part of the Social District Permit Application (LCC-208).

Filing the Designation of a Social District with the MLCC

A local governmental unit must file the following items with the MLCC when designating a Social District:

| Ш | A copy of the resolution passed by the governing body designating the Social District and |
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| | commons area. |
| | A copy of the management and maintenance plans, including the hours of operation, |
| | established by the local governmental unit for the Social District and commons area. |
| | A diagram or map that clearly shows the boundaries of the Social District and commons area. |
| | Please indicate the name, address, and location of the qualified licensees that are contiguous |
| | to the commons area on the diagram or map. |

Submit the items above to:

By Mail: Michigan Liquor Control Commission - P.O. Box 30005 - Lansing, MI 48933 By Fax: (517) 763-0059 By Email: mlccrecords@michigan.gov

Additional sections of the Liquor Control Code for a local governmental unit to consider when establishing a Social District or commons area within a Social District:

<u>MCL 436.1915</u> - Possessing or consuming alcoholic liquor on public highway or in park, place of amusement, or publicly owned area; authority of local governmental unit or state department or agency to prohibit possession or consumption of alcoholic liquor; definitions.

- (1) Alcoholic liquor shall not be consumed on the public highways.
- (2) Except as provided in subsections (3) and (4), alcoholic liquor may be possessed or consumed in public parks, public places of amusement, or a publicly owned area not licensed to sell for consumption on the premises.
- (3) The governing body of a local governmental unit may prohibit by ordinance, order, or resolution the possession or consumption of alcoholic liquor in any public park, public place of amusement, or publicly owned area that is owned or administered, or both, by that local governmental unit. When land is leased from a department or agency of this state, an ordinance, order, or resolution adopted pursuant to this subsection shall be subject to the approval of the department or agency.

- (4) A department or agency of this state that administers public lands may prohibit by rule, order, or resolution the possession or consumption of alcoholic liquor on the public land under its jurisdiction.
- (5) As used in this section:
 - (a) "Local governmental unit" means a county, city, township, village, or charter authority.
 - (b) "Publicly owned area" means an area under the jurisdiction of a local governmental unit.

MCL 436.1913(1), (2), & (5) - Prohibited conduct; unlicensed premises or place; unlawful consumption of alcoholic liquor; exceptions; construction of section; "consideration" defined.

- (1) A person shall not do either of the following:
 - (a) Maintain, operate, or lease, or otherwise furnish to any person, any premises or place that is not licensed under this act within which the other person may engage in the drinking of alcoholic liquor for consideration.
 - (b) Obtain by way of lease or rental agreement, and furnish or provide to any other person, any premises or place that is not licensed under this act within which any other person may engage in the drinking of alcoholic liquor for consideration.
- (2) A person shall not consume alcoholic liquor in a commercial establishment selling food if the commercial establishment is not licensed under this act. A person owning, operating, or leasing a commercial establishment selling food which is not licensed under this act shall not allow the consumption of alcoholic liquor on its premises.
- (5) As used in this section, "consideration" includes any fee, cover charge, ticket purchase, the storage of alcoholic liquor, the sale of food, ice, mixers, or other liquids used with alcoholic liquor drinks, or the purchasing of any service or item, or combination of service and item; or includes the furnishing of glassware or other containers for use in the consumption of alcoholic liquor in conjunction with the sale of food.