

SOCIAL DISTRICTS

Downtown Smithfield Development Corporation

WHAT WE'LL DISCUSS TODAY

What is a Social District?

Social District Requirements

Proposed Downtown Smithfield Social District

WHAT IS A SOCIAL DISTRICT?

A social district is a defined area in which a person may consume alcoholic beverages sold by an ABC permittee within the social district.

A social district may include both indoor and outdoor areas of businesses within or contiguous to the defined area during the days and hours set by the local government in creating the social district.

A social district may include privately owned property, including permittees and non-permittee businesses, and multi-tenant establishments as well as public streets, crosswalks, or parking areas whether the streets or parking areas are closed to vehicle traffic.

LEGISLATIVE AUTHORITY

House Bill 890 (September 2021) & House Bill 211 (July 2022)

Under G.S. 160A-205.4, a city may adopt an ordinance designating an area within the municipal limits as a social district.

Once created, a local government may also eliminate a social district by ordinance.

Since the passage of the enabling legislation, more than 30 municipalities have created social districts. Some communities have expanded their social districts based on the positive impacts on economic development, responsible action by participants, and increased foot traffic.

No municipality has eliminated a social district, and no municipalities have reported negative impacts.

SOCIAL DISTRICT REQUIREMENTS

Social districts must be clearly defined, and signage must be posted in conspicuous locations indicating:

- The geographic area included in the social district
- The days and hours during which alcoholic beverages can be consumed in the social district
- The telephone number for the ALE Division and Local Law Enforcement with jurisdiction over the social district.
- A clear statement that an alcoholic beverage purchased for consumption in a social district shall:
 - only be consumed within the social district and
 - be disposed of before the person possessing the alcoholic beverage exits the social district unless the person is reentering the licensed ABC premises where the alcoholic beverage was purchased.

WELCOME! ENTERING THE



**THE DTM SOCIAL DISTRICT
IS IN EFFECT 7 DAYS A WEEK
FROM NOON TO 10PM**

ALCOHOLIC BEVERAGES PURCHASED IN THE SOCIAL DISTRICT MUST BE CONSUMED OR DISPOSED OF BEFORE LEAVING THE SOCIAL DISTRICT. FOR MAP & ALL GUIDELINES, PLEASE SCAN:



Concerns, please contact:
NC ALE District VII office - 828-294-2226
Mooresville Police Dept. - 704-664-3311

Need Help with Addiction?
Contact: Drug-Alcohol Coalition
of Iredell - 704-448-3848

SOCIAL DISTRICT REQUIREMENTS

Social districts are only allowed to operate during hours defined under G.S. 18B-1004:

- From 7:00 am until 2:00 am Monday - Saturday; and
- From Noon until 2:00 am on Sunday
 - If the local government has allowed for earlier Sunday sales, a social district may operate beginning at 10:00 am on Sunday

The local government can set the hours of the social district according to their community's needs.

The local government may establish guidelines in their social district allowing for suspension of regular days and hours of alcohol consumption in all or part of a social district during events that require special event ABC permits.

SOCIAL DISTRICT REQUIREMENTS

A local government creating a social district is required to establish management and maintenance plans for the social district and post these plans, along with a drawing of the boundaries and the applicable days and hours of the social district, on the local government's website. A social district must be maintained in a manner that protects the health and safety of the general public.

A local government can delegate the management and maintenance of the social district to a private entity, such as a downtown development organization.

SOCIAL DISTRICT REQUIREMENTS

A local government is required to develop or approve uniform signs indicating that a non-permittee business is included in the social district and allows alcoholic beverages on its premises when the social district is active and distribute the signs to non-permittee businesses that are included in the social district.

- A non-permittee participating in the social district and allowing alcohol on their premises is required to always display the uniform sign during the times when the social district is active.
- A customer may not bring an alcoholic beverage into a non-permittee business that does not display the uniform sign.



PURCHASED BEVERAGES
allowed inside this business

Please be responsible for your behavior. Scan code for a complete list of all DTM Social District rules and regulations.



SOCIAL DISTRICT REQUIREMENTS

A local government may adopt an ordinance that allows consumers to bring an alcoholic beverage purchased at one ABC permittee onto the premises of another ABC permittee.

A local government must submit to the North Carolina Alcoholic Beverage Control (ABC) Commission a detailed map of the social district with the boundaries clearly marked and the days and hours during which alcoholic beverages can be consumed.

NC ABC Commission Social District Registration Link:

<https://portal.abc.nc.gov/Web%20Documents/Sections/Permits/General%20Forms/Social%20District%20Registration%20Form.pdf>

WHO CAN SELL ALCOHOL IN A SOCIAL DISTRICT?

A business holding any of the following ABC permits may sell alcohol to be consumed in a social district:

On-premises malt beverage permit

On-premises unfortified wine permit

On-premises fortified wine permit

Mixed beverages permit

Distillery permit

Wine shop permittee

Special event permit holders: winery, malt beverage, spirituous liquor

Special one-time permits: The ABC Commission may issue special one-time permits for events occurring on premises located partially or entirely within the social district. This allows the DSDC and other organizations to host events where alcohol is sold by other entities as provided for in Town of Smithfield ordinance Section 17.7

REQUIREMENTS FOR PERMITTEES TO SELL ALCOHOL WITHIN A SOCIAL DISTRICT

An ABC permittee must be located in or contiguous to the social district in which it is selling alcohol to be consumed.

The ABC permittee is only allowed to sell and serve alcoholic beverages on its licensed premises (within the property and on adjacent sidewalk, not down the street).



Please be responsible for your behavior. Scan code for a complete list of all DTM Social District rules and regulations.



REQUIREMENTS FOR PERMITTEES TO SELL ALCOHOL WITHIN A SOCIAL DISTRICT

Alcoholic beverages sold to be consumed in a social district must be sold in a container that meets all the following requirements:

- The container clearly identifies the ABC permittee from which the alcoholic beverage was purchased
- The container clearly displays a logo or mark that is unique to the social district in which it will be consumed.
- The container is not made of glass.
- The container displays, in no less than 12-point font, the statement, "Drink Responsibly - Be 21."
- The container cannot hold more than sixteen fluid ounces.



REQUIREMENTS FOR NON-PERMITTEES TO PARTICIPATE

A participating non-permittee business is required to always display the uniform sign during the times when the social district is active as to whether the business allows for patrons to enter their business with alcohol.

All participating non-permittee businesses are required to clearly post signage on any exits that do not open onto the social district indicating that alcoholic beverages may not be taken past that point.

During the days and hours when the social district is active, a participating non-permittee business is required to allow law enforcement officers access to the areas of the premises accessible by a customer.



PURCHASED BEVERAGES
allowed inside this business

Please be responsible for your behavior. Scan code for a complete list of all DTM Social District rules and regulations.



OPTING OUT OF THE SOCIAL DISTRICT

Any business has the option to participate, or not, in allowing customers with beverages to enter their premises.



Please be responsible for your behavior. Scan code for a complete list of all DTM Social District rules and regulations.



REQUIREMENTS FOR CUSTOMERS

A person can only possess and consume alcoholic beverages purchased from an ABC permittee located in, or contiguous to, the social district. A person cannot bring their own personal beer or wine into the social district for consumption.

A person, including a customer who is in possession of an open container of an alcoholic beverage, may possess alcoholic beverages in closed containers in a social district to the extent allowed by law.

Any alcoholic beverages consumed in the social district must be consumed from the required container as previously described, and cannot be poured into another container.

Alcoholic beverages shall only be possessed and consumed in the social district during the days and hours set by the city.

Alcoholic beverages may only be taken into businesses that have signage indicating that alcoholic beverages are allowed in their business.

REQUIREMENTS FOR CUSTOMERS

The sale and delivery in a social district is subject to the same limitations for sales and deliveries of alcohol in North Carolina:

- No more than two malt beverages or wine drinks at one time to a single patron
- No more than one mixed beverage or spiritous liquor drink at one time to a single patron

A person is required to dispose of any alcoholic beverage in the person's possession prior to exiting the social district.



where social happens



PLEASE ENJOY RESPONSIBLY

DO'S

- Purchase your beverages ONLY from permitted businesses.
- Please enjoy your beverages ONLY within the DTM Social District boundaries.
- Be responsible for your behavior. Follow all rules associated with DTM Social District.
- When enjoying your Social District beverages, please only enter businesses with signage that permits alcoholic beverages and stay within the DTM Social District.
- Scan code for a complete list of all DTM Social District rules and regulations.



DONT'S

- Bring your own alcohol.
- Bring or refill your own cups.
- Take any alcoholic beverages outside of the designated DTM Social District zone. Boundaries are designated by signage, and a map can also be found online. (Scan QR code for direct link)
- Take any alcoholic beverage into another bar, restaurant, or other ABC licensed establishment.
- Assume that every business located within the DTM Social District zone participates. Please check for appropriate signage.



WHAT A SOCIAL DISTRICT IS NOT...

Does not create a right to break laws

**Does not encourage people to be drunk in public
or over consume**

Does not encourage underage drinking

Does not allow people to bring their own alcohol

Bourbon Street

CURRENT ALCOHOL REGULATION LAWS STILL APPLY!

NEARBY SOCIAL DISTRICTS

Johnston County

- Selma

Wilson County

- Wilson

Wake County

- Garner
- Wendell
- Raleigh (expanded August 15, 2023)
- Cary



CREATING A DOWNTOWN SMITHFIELD SOCIAL DISTRICT

Downtown Smithfield Development Corporation

WHY A SOCIAL DISTRICT?

A social district is an economic development tool that encourages people to extend their stay in our downtown.

Additional foot traffic downtown improves safety and has a positive economic impact on our small businesses.

A social district is another amenity to encourage people to visit our downtown.



OBSERVATIONS FROM AROUND NC

"We are in negotiations with three new businesses that are all interested in Norwood because of the social district." -Robin Davis, Norwood CBD Group President

"I meet regularly with our police department's patrol staff, we have an officer stationed downtown and we haven't had any issues with security. All the feedback has been great."
-David Leonetti, Hickory Business Services and Redevelopment Manager

"The social district has increased sales and has led to new sales that would not have otherwise occurred. That was part of the intention, was to help businesses that have been deeply affected over the last three years in downtown. The social district has accomplished that." -Bill King, Downtown Raleigh Alliance President and CEO

"There have been no known issues associated with noise, crime or disturbances as a result of the social district. There's been no need for dedicated additional law enforcement to maintain the district." -Whitney Schoenfeld, City of Raleigh Emergency Management and Special Events Coordinator

RECOMMENDATIONS

Social District Hours:

10:00am until 10:00pm Monday-Sunday

Boundaries:

Generally, the downtown core:

Market Street between the Neuse River and Fourth Streets

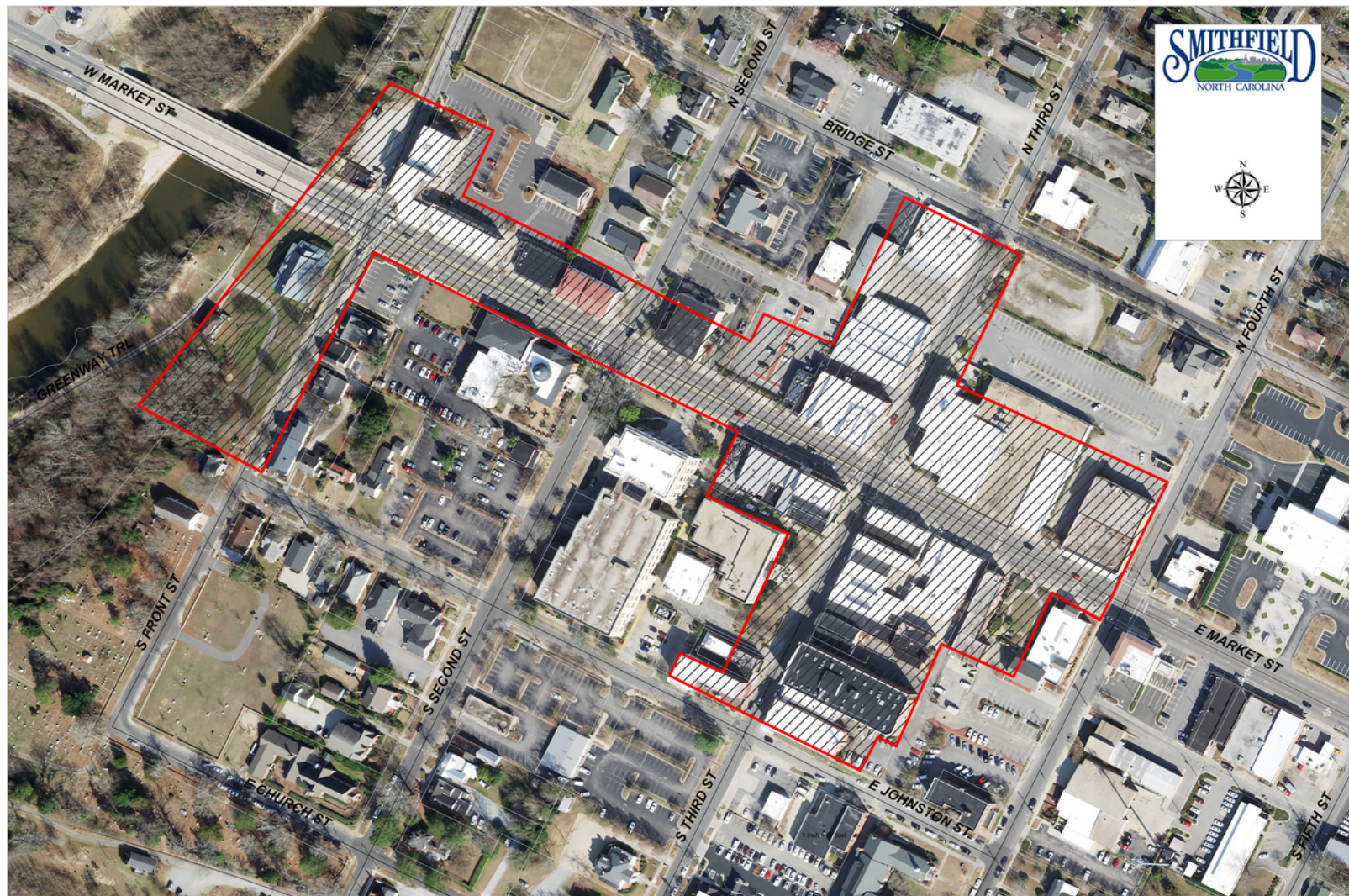
100 blocks of N. and S. Third Street

Neuse River Amphitheater

Businesses will have the opportunity to opt into participating in the social district and allowing people to bring alcohol purchased from a permitted business into their non-permitted businesses.

[illegible]

Proposed Downtown Smithfield Social District Boundaries



SOCIAL DISTRICT MANAGEMENT

The DSDC will:

Work with the downtown business community and Town staff to implement the social district

Design signage for the Downtown Smithfield Social District

Purchase signage for the Downtown Smithfield Social District

Design signage for:

- **Businesses selling alcoholic beverages within the social district**
- **Businesses allowing customers to bring in alcoholic beverages purchased within the social district**
- **Businesses not allowing customers to bring in alcoholic beverages purchased within the social district (provided by request)**

SOCIAL DISTRICT MANAGEMENT

The DSDC will:

Provide appropriate signs to businesses within the Downtown Smithfield Social District.

Facilitate the design of containers that meet the requirements of North Carolina law.

Sell social district containers to entities holding a winery, malt beverage, and spirituous liquor special event permits and mixed beverages catering permit who want to conduct sales within the social district during special events.



SOCIAL DISTRICT MANAGEMENT

The DSDC will:

Maintain a Social District page at www.DowntownSmithfield.com that can be linked to the Town's website.

Work with Town staff to respond to needs that arise from the social district.

Work with Town staff and downtown businesses to evaluate the social district and any changes that are needed.

Provide a report six months after district creation regarding the impacts of the social district, as well as any identified issues.

DRAFT ORDINANCE

Provided in packet.

QUESTIONS?