



Ferndale Social District Management and Maintenance Plan

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Introduction

The creation of Social Districts in Michigan was enabled originally through January 1, 2025 by Public Act 124 of 2020. Social Districts were designed to allow restaurants, breweries, and other businesses to serve customers in outdoor public spaces as a response to the pandemic. On March 10, 2022, Governor Whitmer signed Public Act 27 of 2022, which eliminated the sunset date, set standards for allowing Social Districts to remain open during special events, clarified local governments' ability to set hours of operation, and allowed drinks to be taken into hotels.

Ferndale PATIO Zones (Pay And Take It Outside) went live in Spring 2021. This is the program name for the Ferndale Social District. Patrons are now able to enjoy an adult beverage while strolling within Downtown Ferndale during the designated hours. To consume an alcoholic beverage outside, a patron must purchase a drink in an approved cup from a participating establishment located within a PATIO Zone. The purchaser cannot carry the cup out of the Social District or into another bar or restaurant.

Originally, the program included two Commons Areas known as PATIO Zones. The Commons Areas were combined in July 2022 by the Ferndale City Council. Hours of operation and special events policy were also amended at that time.

All State of Michigan and City of Ferndale laws regarding public intoxication, impaired driving, and open containers apply to areas both inside and outside of the Social District boundaries.

The program is managed by the Ferndale Downtown Development Authority (DDA).

What Businesses Can Participate?

Any qualified licensee within the boundaries of the Social District in good standing with the City of Ferndale, Oakland County, and State of Michigan may participate. Participating license holders will be asked to sign a Social District Participation Agreement and obtain a Resolution of Support from the Ferndale City Council prior to applying for a permit through the Michigan Liquor Control Commission (MLCC). The Ferndale DDA will guide businesses through this process to ensure it is as simple as possible.

A list of all licensees, sorted by county and local governmental unit, may be found on the MLCC website: <https://www.michigan.gov/lara/bureau-list/lcc/licensing-list>

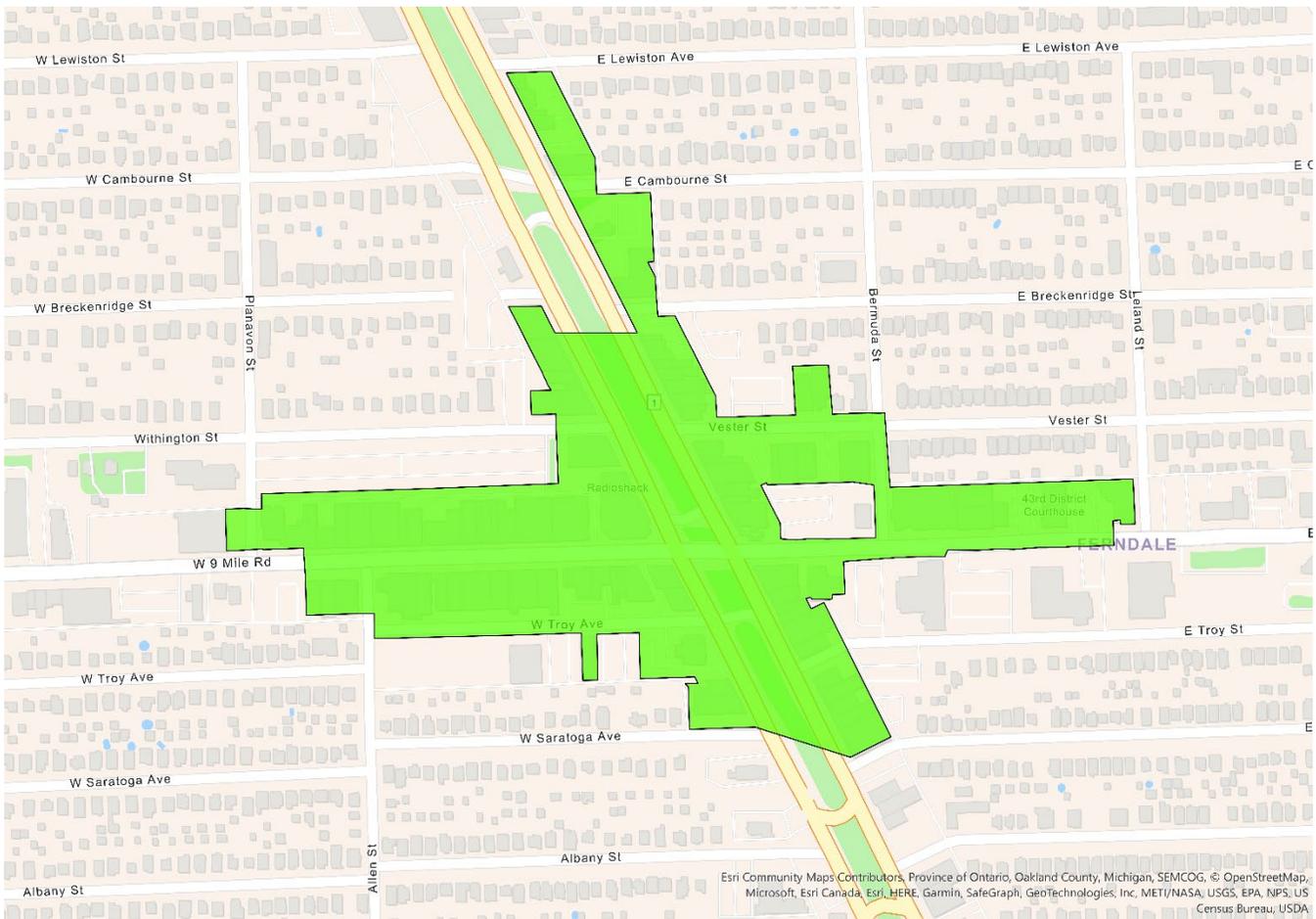
Ferndale Social District Participation Agreement

<https://ferndalemi.seamlessdocs.com/f/SocialDistrictUserAgree>

Ferndale Social District Boundaries

The Ferndale Social District includes one Commons Areas. (The originally designated East and West Commons Areas were merged in July 2022.) Cups must be disposed of before exiting the Commons Area/Social District.

See the map below or online at:
<https://ferndale.maps.arcgis.com/apps/View/index.html?appid=f5a1d710750540bfb00084a634487ec0>



Administration

Roles and Responsibilities: The Ferndale Social District is overseen by the Ferndale Downtown Development Authority (DDA). The district management and operations are assisted and informed by the city's police department, public works, and other departments as necessary.

- **Security:** Security and enforcement in the Ferndale Social District is provided by the Ferndale Police Department. Periodic reports will be provided to the DDA to document any security issues that arise. The City of Ferndale Code of Ordinances (Chapter 7, Business Regulations and Licenses, Article XXI, Social District and Common Areas) authorizes police officers with reasonable cause to believe a minor has consumed alcoholic beverages to request that individual to submit to a preliminary chemical breath analysis or ask for an explanation of his or her presence on the scene. Failure to respond to questioning shall **not** constitute an offense. Any violation of the ordinance is deemed a civil infraction with a fine of \$100.
- **Sanitation:** The Ferndale Department of Public Works provides sanitation services within the district including trash removal, and litter pick up under its existing contract with the DDA. Participating license holders are requested to have a trash receptacle outside of entrances for the disposal of district cups as necessary and empty those receptacles when needed.

Ferndale City Council Authority: The Ferndale Social District operates year-round. Modifications to this Management and Maintenance Plan will be considered as necessary. At any point, the Ferndale City Council may revoke the Social District designation if it determines that the program 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.

District Designation and Marking: The boundaries of the Ferndale Social District will be clearly designated and marked with signs and graphics in clearly visible areas.

Social District Financing: Participating licensees are required to pay for their permit from the Michigan Liquor Control Commission. Necessary supplies (cups and stickers) will be ordered by the Ferndale DDA and sold to participating businesses or offered free of charge as donations are available. A surcharge may be added to each cup and/or sticker by the DDA Executive Director at any point to help cover the costs of managing the program. Costs for marketing, print materials, or other ancillary items will be the responsibility of the Ferndale DDA.

Insurance: The City of Ferndale is not required to have additional insurance for its Social District based on information provided by MMRA Representative, Keith Potter of IBEX Insurance.

Operations

Hours: The district will operate Monday-Sunday from 10am-10pm. After 10pm, Social District beverages cannot be sold in participating establishments nor possessed and consumed in the Commons Area. After 10pm, consumption of alcoholic beverages must be contained within the license holders' service areas.

Beverage Containers: The Ferndale Social District will be branded as the Ferndale PATIO Zone: Pay and Take It Outside. A logo will be printed on 16-ounce plastic cups and sold to participating establishments along with stickers designating each participant's business name that must be placed on the cup before sale. The cups may not be reused, must remain in the establishment where they were purchased or in the Commons Area, and may not be taken into a bar or restaurant that did not sell the beverage. Cups may be taken into retailers at the discretion of each business. Options for compostable cups will be explored.

Marketing and Promotion: The Ferndale DDA manages marketing for the Ferndale Social District.

Festivals/Special Events: On March 10, 2022, Governor Whitmer signed Public Act 27 of 2022, which set standards for allowing Social Districts to remain open during special events.

If a special license for the sale of alcohol is issued to an event to be held within the Social District, for the effective period of the special license, and subject to the Commission's approval, 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 Ferndale Special Events Committee may recommend temporary closure of the Social District to Ferndale City Council if both of the following conditions are met.

- The footprint of an event extends beyond the Social District.
- The event does not serve alcohol; thus no fencing will be in place to reasonably designate the area where Social District drinks may be carried.

Ferndale City Council shall have the option to temporarily close the Ferndale Social District at its discretion for special events that fall outside of the criteria listed above.

If the Ferndale City Council determines to close the Ferndale Social District, the DDA shall provide notice to Qualified Licensees at least seven (7) calendar days in advance of closing the Ferndale Social District. While the Ferndale Social District is closed, Qualified Licensees shall ensure that alcohol is not provided to patrons for consumption in the Ferndale Social District.

Issuance/Revocation of Permits

How Do Businesses Sign Up? Qualifying license holders must submit a Social District Participation Agreement with the DDA prior to applying for a permit through the Michigan Liquor Control Commission (MLCC). Once the agreement has been reviewed and authorized by the Ferndale DDA Executive Director and/or City Manager, a Resolution of Support will be prepared for approval by the Ferndale City Council. Once a resolution is approved, licensees must apply for a Social District Permit from the MLCC.

- **Ferndale Social District Participation Agreement**
<https://ferndalemi.seamlessdocs.com/f/SocialDistrictUserAgree>
- **Information on the MLCC Permit Can Be Found Here:**
<https://www.michigan.gov/lara/bureau-list/lcc/faq/social-districts>

Revocation of Social District Designation and/or Permits

At any point, the Ferndale City Council may revoke this designation if it determines that the program 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.

If a permit holder in the Social District is determined to be violating the Social District Participation Agreement, the MLCC will be notified of the violation and efforts may be taken to recommend the revocation of the licensee's Social District Permit.

FAQs

Q: Didn't there used to be two PATIO Zones?

A: Yes. They were combined into a single Commons Area in July 2022.

Q: Can I walk anywhere with my PATIO cup?

A: You must stay within the designated PATIO Sone boundary.

Q: Can I take my PATIO cup back inside the establishment in which it was purchased?

A: Yes. A drink can only be consumed outside or taken inside the same bar or restaurant where purchased. Cups will have a sticker attached to the cup where purchased.

Q: Can I reuse an empty PATIO cup to purchase another beverage?

A: No. When ordering a beverage, it must be served in a new cup.

Q: What types of alcoholic beverage can I have in my PATIO cup?

A: Beer, wine, and liquor are all allowable drinks in a PATIO cup. Drinks must be purchased from an authorized establishment. Cups hold up to 16 oz. of your chosen beverage.

Q: Can I bring my own alcoholic beverage, pour it into a cup, and walk around in downtown?

A: No. Only drinks purchased from businesses authorized in the Ferndale PATIO Zone are permissible. No cans, glass bottles, or outside drinks are permitted.

Q: Who do I contact with questions?

A: Lena Stevens, Ferndale DDA Executive Director, lena@downtownferndale.com, 248-546-1632

Definitions

"Commons Area" means an area within a Social Sistrict 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.

"DDA" means the Ferndale Downtown Development Authority.

"Local governmental unit" means a city, township, village, or charter authority.

"PATIO Zone" is the programmatic name given to the Ferndale Social District.

"Qualified licensee" means 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 with an on-premises tasting room permit issued under section 536. (iii) A manufacturer that holds an off-premises tasting room license issued under section 536. (iv) A manufacturer that holds a joint off-premises tasting room license issued