

Social Districts: What Are They, and What Could They Mean for Downtown?

In September of last year, the NC House and Senate passed a bill that allows for social districts in North Carolina. Here are some high-level FAQs to help explain what social districts are and how they work.

What is a social district?

A social district is a defined outdoor area in which a person may consume alcoholic beverages sold by an ABC permittee. This area is separate from areas already permitted for outdoor dining. In practical terms, this means a customer could purchase a drink from one merchant and consume it outdoors or in a public space, retail outlet or other venue located within the social district.

Are social districts for beer and wine only?

No. All alcoholic drinks are permitted.

Who can designate a social district?

The city would adopt an ordinance designating an area within the municipal limits as a social district. The county would adopt an ordinance designating a social district for an area located outside a municipal boundary.

Are social districts for special events only?

No. A social district can be created and operated during approved hours on an ongoing basis.

What other requirements must be met to create a social district?

- Social districts must be clearly defined with signage posted in conspicuous locations.
- Social districts are only allowed to operate during hours outlined in **G.S. 18B-1004**. The city or county would approve days/hours of operation for each individual social district within these limitations.
- Alcohol must be sold in designated containers that meet specific requirements, including: no glass containers; containers include required wording; containers are not larger than 16 oz.; etc.
- ABC permittees must ensure that customers do not enter their businesses with alcohol purchased elsewhere.
- ABC permittees can only sell alcohol on their licensed premises, not elsewhere in the social district.

What is required of customers?

- Customers must consume beverages within the social district during approved days/hours.
- Customers must use the container provided.
- Customers must dispose of their containers prior to leaving the social district.

Do businesses located within a social district have to participate?

No. Businesses (whether ABC permittees or not) may decide whether to participate or not.

As mentioned, this is just a high-level explanation of social districts. For more on social districts, you can find the full law **here**.

We are just beginning to work with our partners at the city as we investigate the implications for creating one or more social districts downtown. We'll have more information for you, and opportunities for you to share your thoughts, as we get further into the process.

[Read the full law...](#)