

**Subject:** Sidewalk Café Ordinance amendment

**Reviewed By:** City Manager: Dana L. Muscott; Deputy City Manager: Tony Reyes

**Prepared By:** Dana Muscott, City Manager

**PERTINENT FACTS:**

The COVID-19 pandemic has caused unprecedented economic disruption worldwide and within our local business community. While nearly all businesses have been negatively impacted, restaurants and bars have been especially hard-hit. These businesses, which have been key contributors to the vitality of downtown and neighborhood business districts, were unable to offer on-premise dining while the Governor's "Stay Home, Stay Safe" order was in effect.

Demand for outdoor dining is expected to remain high due to restricted indoor occupancy and consumer health expectations. Recognizing this, at its meeting on July 6, 2020, the City Commission established a "COVID-19 Recovery" special event from June 1 through November 1, 2020, and has since been amended and adopted to extend the time frame. That resolution designated the entire City as the general extent of the event, authorized the issuance of individual permits for multiple "Social Zones" as part of the event, and provided a general framework of rules and regulations for operations within Social Zones. Under the Michigan Liquor Control Commission (MLCC) regulatory framework existing at that time, the carrying of open containers of alcohol into Social Zones could not be permitted; only unopened, sealed containers of beer and wine could be carried in by Social Zone guests for consumption within the zone.

On July 1, 2020, the Governor signed House Bill 5781, which was given immediate effect as Public Act 124 of 2020 and empowers local communities to designate "Social Districts" containing Commons Areas where purchasers may consume alcoholic beverages sold by multiple qualified MLCC licensees who obtain an MLCC Social District Permit. (Note: this concept is distinct from, but may overlap with, the City's Social Zones.)

We have been approached by a number of restaurants and bars to extend the hours of the sidewalk cafes to 2AM from the current time of Midnight. City staff is in agreement with this amendment to allow patrons to be outside until 2AM. City staff has also verified this allowance with Michigan Department of Licensing and Regulatory Affairs.

At the first reading on May 17, 2021, the ordinance was amended to cease sales by 12 AM and the area vacated by 12:30 AM and is herewith presented as such.

**LEGAL ISSUES:**

None.

Staff verified with Michigan Department of Licensing and Regulatory Affairs (LARA) that alcohol is allowed to be served **outside** until 2AM.

**TIME SENSITIVITY:**

Routine

**BRIEFLY DESCRIBE THE NATURE OF THE TIME SENSITIVITY:**

**FINANCIAL CONSIDERATIONS:**

None

**RECOMMENDED ACTION:**

City Manager recommending Ordinance amendment to the Code of Ordinances, Chapter 30, Article X, Section 30-418 (a), regarding sidewalk café operating regulations.

RECOMMENDATION: Approve.

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**ATTACHMENTS:**

1. Chapter 30 sidewalk cafes time