

1 SB297  
2 149902-1  
3 By Senator Bedford  
4 RFD: Job Creation and Economic Development  
5 First Read: 05-MAR-13

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8 SYNOPSIS: Under existing law, community development  
9 districts may be established within dry counties  
10 when certain criteria are met. Alcoholic beverages  
11 may be sold and distributed within community  
12 development districts.

13 This bill would alter and expand the  
14 definition of a community development district to  
15 include a private resort development that operates  
16 freestanding cabins meeting certain criteria.

17  
18 A BILL  
19 TO BE ENTITLED  
20 AN ACT

21  
22 To amend Section 35-8B-1, Code of Alabama 1975, as  
23 amended by Act 2012-327, 2012 Regular Session, (Acts 2012),  
24 relating to community development districts, to expand the  
25 definition of a community development district.

26 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

1           Section 1. Section 35-8B-1, Code of Alabama 1975, as  
2 amended by Act 2012-327, 2012 Regular Session, (Acts 2012), is  
3 amended to read as follows:

4           "§35-8B-1.

5           "(a) "Community development district" shall mean a  
6 private residential development that: (1) Is a size of at  
7 least 250 acres of contiguous land area; (2) has at least 100  
8 residential sites, platted and recorded in the probate office  
9 of the county as a residential subdivision; (3) has streets  
10 that were or will be built with private funds; (4) has a  
11 social club with: (i) an 18-hole golf course of regulation  
12 size; (ii) a restaurant or eatery used exclusively for the  
13 purpose of preparing and serving meals, with a seating  
14 capacity of at least 60 patrons; (iii) social club memberships  
15 with at least 100 paid-up members who have paid a membership  
16 initiation fee of not less than two hundred fifty dollars  
17 (\$250) per membership; (iv) membership policies whereby  
18 membership is not denied or impacted by an applicant's race,  
19 color, creed, religion, or national origin; and (v) a  
20 full-time management staff for the social activities of the  
21 club, including the management of the premises where food and  
22 drink are sold.

23           "(b) "Community development district" also means  
24 privately owned property used for social purposes that: (1) Is  
25 a size of at least 250 acres of contiguous land area; (2) is  
26 located in a dry county that has one or more wet  
27 municipalities, but outside the corporate limits of any

1 municipality; (3) is a social club with: (i) An 18-hole golf  
2 course of regulation size; (ii) a marina and boat storage  
3 facility with at least 35 spaces; (iii) a clubhouse with more  
4 than 20,000 square feet; (iv) a restaurant or eatery used  
5 exclusively for the purpose of preparing and serving meals,  
6 with a seating capacity of at least 88 patrons; (v) at least  
7 600 paid-up golf or social members who have paid a membership  
8 initiation fee of not less than two thousand dollars (\$2,000)  
9 per family or individual membership; (vi) membership policies  
10 whereby membership is not denied or impacted by an applicant's  
11 race, color, creed, religion, or national origin; and (vii) a  
12 full-time management staff for the social activities of the  
13 club, including the management of the premises where food and  
14 drink are sold.

15 "(c) In addition to the limitations specified in  
16 Section 35-8B-3, with regard to a community development  
17 district defined in subsections (a) and (b) of this section,  
18 alcoholic beverages shall be sold only for on-premises  
19 consumption, as defined in Section 35-8B-3 (3), and in regard  
20 to a community development district defined in subsection (b),  
21 alcoholic beverages shall not be sold within 3,000 feet of the  
22 south right-of-way of any state or federal highway adjacent to  
23 any such district.

24 "(d) "Community development district" also means a  
25 private residential development that may or may not include  
26 additional contiguous privately-owned property used for  
27 residential, social, commercial, or charitable purposes that:

1 (1) Is the size of at least 650 acres of contiguous land area,  
2 but may also contain non-contiguous land if so divided by a  
3 public highway which shall be made part of the district per  
4 the articles of establishment; (2) is located in a dry county  
5 that has one or more wet municipalities, but may be outside  
6 the corporate limits of any municipality or within the  
7 corporate limits of a municipality; (3) has the following: (i)  
8 At least a 9-hole golf course; (ii) an amenity complex to  
9 include a fitness center and a swimming pool; (iii) a  
10 clubhouse with at least 7,000 square feet; (iv) a restaurant  
11 or eatery used for the purpose of preparing and serving meals,  
12 with a seating capacity of at least 50 patrons; (v) a  
13 recreational lake of at least 30 acres; (vi) at least 200  
14 paid-up golf or club memberships paid initially by either the  
15 developer, residential landowners, or commercial entities  
16 located within the district at the rate of at least five  
17 hundred dollars (\$500) per membership provided the developer  
18 reserves the right through residential and commercial lease  
19 and purchase agreements to require additional membership and  
20 initiation fees and further provided the developer has the  
21 discretion to restrict use of the golf course to district  
22 landowners and guests or at the developer's discretion to  
23 extend use of the golf course to the general public subject to  
24 fees set and determined by the developer which may differ from  
25 fees applicable to residential and commercial lease and  
26 purchase agreements; and (vii) membership policies whereby  
27 membership is not denied or impacted by an applicant's race,

1 color, religion, or national origin; (4) may include a  
2 multi-purpose use entertainment facility with a minimum  
3 capacity to accommodate at least 7,500 patrons; and (5) may  
4 include commercial establishments. Notwithstanding any other  
5 provisions of law, the sale and distribution of alcoholic  
6 beverages, including draft or keg beer, by licensees of the  
7 Alcoholic Beverage Control Board shall be authorized in a  
8 community development district defined under this subsection  
9 and Section 35-8B-3 shall not apply.

10 "(e) "Community development district" also means a  
11 commercial district located in a wet county that does not  
12 authorize Sunday sales and outside the corporate limits and  
13 police jurisdiction of any municipality and which has a  
14 restaurant with a seating capacity of at least 120, a  
15 grocery-delicatessen, riding stables and riding trails, a  
16 community information center, outdoor programming activities,  
17 and rural lifestyle demonstrations.

18 "(f) If a community development district is located  
19 in any county, including within any wet or dry municipality  
20 located within the county, the county shall participate in the  
21 distribution of taxes and license fees pursuant to Chapters 3  
22 and 3A of Title 28.

23 "(g) "Community development district" also means a  
24 private resort development that operates freestanding cabins  
25 owned by the developer or individual unit owners as overnight  
26 or extended stay rental units for family recreation or group  
27 meetings, overnight retreats, and similar purposes and that:

1 (1) encompasses at least 400 contiguous acres of land area,  
2 which may include: (i) platted areas subject to declarations  
3 of covenants, conditions, and restrictions, of which  
4 individual lots may be owned by the developer or by the  
5 individual unit owners; and (ii) other land not presently  
6 subject to any plat or declaration; (2) is governed, in whole  
7 or in part, by an incorporated homeowners association; (3) is  
8 located in a dry county that has one or more wet  
9 municipalities, but outside the corporate limits of any  
10 municipality; (4) includes at least 10,000 contiguous linear  
11 feet of frontage on a lake, river, or tributary suitable for  
12 recreational use; (5) has a lodge with more than 7,000 square  
13 feet that includes meeting facilities, a commercial kitchen,  
14 and a restaurant or eating facility with seating for at least  
15 100 patrons; (6) provides substantially all of the following  
16 quest amenities: (i) marina with rental watercraft; (ii)  
17 stable with rental horses; (iii) skeet range with at least  
18 five launchers; (iv) sports facilities including swimming  
19 pool, tennis courts, basketball court and softball field; and  
20 (v) supervised hunting; (7) has adopted policies whereby  
21 opportunity to rent units or access to quest amenities, or  
22 both, is not denied or impacted by race, color, creed,  
23 religion, or national origin; and (8) is operated by a  
24 management company with full-time, on-premises management and  
25 staff who take quest reservations, check quests in and out of  
26 rental units, supervise and conduct quest activities, oversee

1 use of guest amenities, and manage and operate the premises  
2 where food and drink are sold.

3 "(h) "Community development district" also means a  
4 private resort development that operates freestanding  
5 residential cabins owned by the developer and/or other  
6 individuals and entities as overnight or extended stay rental  
7 units for family recreation, group meetings or other purposes  
8 and that (i) is located in a dry county that contains one or  
9 more wet municipalities, but is outside the limits of any  
10 municipality; (ii) includes more than 30 contiguous platted  
11 acres subject to a declaration of covenants, conditions, and  
12 restrictions; (iii) is governed by an incorporated homeowners  
13 association; (iv) includes at least 3,000 continuous linear  
14 feet of frontage on a lake, river, or tributary suitable for  
15 recreational activity; (v) provides guest amenities including  
16 a conference center that will accommodate at least 100 and  
17 some or all of horseback riding, watercraft rental, skeet  
18 range, and sports facilities (pool, tennis court, basketball  
19 court, etc.); (vi) includes a lodge, restaurant, or similar  
20 facility equipped with a commercial kitchen and dining area  
21 that accommodates at least 80 patrons; (vii) has adopted and  
22 follows policies whereby the opportunity to rent units and/or  
23 access to guest amenities is not denied or impacted by race,  
24 color, creed, religion, or national origin; and (viii) is  
25 operated from a central office by full-time, on-premises  
26 management and staff who provide check-in and check-out  
27 services, supervise guest activities, and use of guest

1 amenities, and who manage and operate the premises where food  
2 and beverages are sold and served.

3 "~~(g)~~ (i) Any alcohol revenues received by a county  
4 under Act 2007-417 shall offset in an equal amount any T.V.A.  
5 in-lieu-of-taxes payments received by the county. Any T.V.A.  
6 in-lieu-of-taxes payments replaced by alcohol revenues under  
7 this subsection shall be distributed to T.V.A.-served  
8 counties."

9 Section 2. This act shall become effective  
10 immediately following its passage and approval by the  
11 Governor, or its otherwise becoming law.