

1 SB345
2 123002-1
3 By Senator Bedford
4 RFD: Banking and Insurance
5 First Read: 05-APR-11

2
3
4
5
6
7
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,
23 relating to community development districts, to expand the
24 definition of a community development district.

25 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

26 Section 1. Section 35-8B-1, Code of Alabama 1975, is
27 amended to read as follows:

1 "§35-8B-1.

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

20 "(b) "Community development district" also means
21 privately owned property used for social purposes that: (1) Is
22 a size of at least 250 acres of contiguous land area; (2) is
23 located in a dry county that has one or more wet
24 municipalities, but outside the corporate limits of any
25 municipality; (3) is a social club with: (i) An 18-hole golf
26 course of regulation size; (ii) a marina and boat storage
27 facility with at least 35 spaces; (iii) a clubhouse with more

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

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

21 "(d) "Community development district" also means a
22 private residential development that may or may not include
23 additional contiguous privately-owned property used for
24 residential, social, commercial, or charitable purposes that:
25 (1) Is the size of at least 650 acres of contiguous land area,
26 but may also contain non-contiguous land if so divided by a
27 public highway which shall be made part of the district per

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

1 include commercial establishments. Notwithstanding any other
2 provisions of law, the sale and distribution of alcoholic
3 beverages, including draft or keg beer, by licensees of the
4 Alcoholic Beverage Control Board shall be authorized in a
5 community development district defined under this subsection
6 and Section 35-8B-3 shall not apply.

7 "(e) "Community development district" also means a
8 private resort development that operates freestanding cabins
9 owned by the developer or individual unit owners as overnight
10 or extended stay rental units for family recreation or group
11 meetings, overnight retreats, and similar purposes and that:
12 (1) encompasses at least 400 contiguous acres of land area,
13 which may include: (i) platted areas subject to declarations
14 of covenants, conditions, and restrictions, of which
15 individual lots may be owned by the developer or by the
16 individual unit owners; and (ii) other land not presently
17 subject to any plat or declaration; (2) is governed, in whole
18 or in part, by an incorporated homeowners association; (3) is
19 located in a dry county that has one or more wet
20 municipalities, but outside the corporate limits of any
21 municipality; (4) includes at least 10,000 contiguous linear
22 feet of frontage on a lake, river, or tributary suitable for
23 recreational use; (5) has a lodge with more than 7,000 square
24 feet that includes meeting facilities, a commercial kitchen,
25 and a restaurant or eating facility with seating for at least
26 100 patrons; (6) provides substantially all of the following
27 quest amenities: (i) marina with rental watercraft; (ii)

1 stable with rental horses; (iii) skeet range with at least
2 five launchers; (iv) sports facilities including swimming
3 pool, tennis courts, basketball court and softball field; and
4 (v) supervised hunting; (7) has adopted policies whereby
5 opportunity to rent units or access to guest amenities, or
6 both, is not denied or impacted by race, color, creed,
7 religion, or national origin; and (8) is operated by a
8 management company with full-time, on-premises management and
9 staff who take guest reservations, check guests in and out of
10 rental units, supervise and conduct guest activities, oversee
11 use of guest amenities, and manage and operate the premises
12 where food and drink are sold.

13 ~~"(e)"~~ (f) If a community development district is
14 located in any county, including within any wet or dry
15 municipality located within the county, the county shall
16 participate in the distribution of taxes and license fees
17 pursuant to Chapters 3 and 3A of Title 28.

18 ~~"(f)"~~ (g) Any alcohol revenues received by a county
19 under Act 2007-417 shall offset in an equal amount any T.V.A.
20 in-lieu-of-taxes payments received by the county. Any T.V.A.
21 in-lieu-of-taxes payments replaced by alcohol revenues under
22 this subsection shall be distributed to T.V.A.-served
23 counties."

24 Section 2. This act shall become effective
25 immediately following its passage and approval by the
26 Governor, or its otherwise becoming law.