

1 HB313  
2 205035-3  
3 By Representative Scott (N & P)  
4 RFD: Jefferson County Legislation  
5 First Read: 03-FEB-21

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2 ENROLLED, An Act,

3 Relating to Class 1 municipalities; to amend  
4 Sections 11-54B-5, 11-54B-7, 11-54B-10, and 11-54B-19 of the  
5 Code of Alabama 1975, to further provide requirements for  
6 establishing a self-help business improvement district in the  
7 municipality; the requirements for amending any ordinance  
8 establishing a self-help business improvement district; and  
9 the requirements for the expansion and termination of a  
10 self-help business improvement district.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. Sections 11-54B-5, 11-54B-7, 11-54B10,  
13 and 11-54B-19, Code of Alabama 1975, are amended to read as  
14 follows:

15 "§11-54B-5.

16 "A request for the creation of a self-help business  
17 improvement district must contain the following:

18 "(a) The signatures of a representative group of the  
19 owners of the real property located within the geographical  
20 area of the proposed district. The group must include the  
21 signatures of the owners of real property which comprises at  
22 least ~~two-thirds~~ one-half of the total fair market value of  
23 all real property located in the proposed district. Ownership  
24 of real property and the fair market value thereof shall be  
25 determined by the county property tax assessment records. When

1 record title to real property is vested in a public  
2 corporation or authority under a bond financing plan provided  
3 for by statute, the beneficial user of the real property in  
4 which title may ultimately be vested by purchase shall be  
5 deemed the owner of such real property for purposes of this  
6 article.

7 "(b) An accurate description, whether by metes and  
8 bounds or by lot and block numbers or by street addresses, of  
9 the proposed district.

10 "(c) A self-help business improvement district plan  
11 that shall include:

12 "(1) a description of the supplemental services  
13 which will be provided in the district;

14 "(2) a budget outlining the annual cost of the  
15 supplemental services described in paragraph (1) above;

16 "(3) a description of the method which will be used  
17 to determine the amount of the special assessment which will  
18 be levied on the owners of the real property located within  
19 the geographical area of the district to finance the  
20 supplemental services described in paragraph (1) above;

21 "(4) the number of years, not to exceed five ~~(5)~~  
22 years, in which the special assessments described in paragraph  
23 (3) above will be levied; and

24 "(5) copies of the articles of incorporation and  
25 by-laws of the district management corporation designated by

1 the plan to provide administrative and other services to the  
2 district.

3 "§11-54B-7.

4 "The municipality, upon review of the self-help  
5 business improvement district plan submitted, ~~may~~, after  
6 public hearing, may adopt an ordinance to designate,  
7 establish, and maintain the area described in the plan as a  
8 self-help business improvement district. The ordinance shall  
9 provide for an effective date which is ~~sixty (60)~~ days from  
10 the date of adoption of the ordinance by the municipality and  
11 shall provide that, if the owners of real property which  
12 represent ~~one-third (1/3)~~ one-half or more (by number) of  
13 all parcels of real property located within the geographical  
14 area of the district file written objections to the  
15 establishment of the district with the clerk of the  
16 municipality, the provisions of such ordinance shall be ~~null~~  
17 ~~and~~ void and no district shall be created. The ordinance shall  
18 designate the district management corporation provided for in  
19 the plan as the district management corporation authorized to  
20 provide administrative and other services to the district and  
21 authorize the execution of a contract between the municipality  
22 and such district management corporation setting out the  
23 services to be provided by the district and the municipality.  
24 The contract shall provide that the municipality shall

1 continue the same level of services in the district as  
2 provided prior to the creation thereof.

3 "§11-54B-10.

4 "(a) Except as provided in subsection (b), the  
5 governing body of the municipality may amend a self-help  
6 business improvement district ordinance upon the written  
7 request of the district management corporation or a  
8 representative group of the owners of the real property  
9 located within the geographical area of the district. Such  
10 request must specify the desired amendment, which should be  
11 made by the governing body of the municipality to the  
12 self-help business improvement district ordinance. If such  
13 request is made by a representative group of owners of the  
14 real property located within the geographical area of the  
15 district, such request must also include the signatures of the  
16 owners of real property which comprises at least ~~two-thirds~~  
17 one-half of the total fair market value of all real property  
18 located in the district, determined pursuant to the provisions  
19 of subsection (a) of Section 11-54B-5.

20 "(b) The governing body of the municipality may  
21 amend the self-help business improvement district ordinance to  
22 reduce or expand the real property comprising the self-help  
23 business improvement district in accordance with this  
24 subsection.

1           "(1) The ordinance may be amended to reduce the real  
2 property comprising the district following the submission of a  
3 request for reduction by the board of directors of the  
4 district management corporation.

5           "(2) The ordinance may be amended to expand the real  
6 property comprising the district following the submission of a  
7 request for expansion by both of the following:

8           "a. The owners of real property located within the  
9 area that is to be newly included within the district as  
10 provided in subdivision (3).

11           "b. The board of directors of the district  
12 management corporation.

13           "(3) Where a request for expansion is sought under  
14 subdivision (2), the request shall contain the signatures of  
15 the owners of real property which comprises at least  
16 ~~two-thirds~~ one-half of the total fair market value of all real  
17 property located in the geographical area provided in  
18 paragraph a. of subdivision (2). Ownership of real property  
19 and the fair market value thereof shall be determined using  
20 the records of the tax assessor or of the ~~probate~~ judge of  
21 probate. When record title to real property is vested in a  
22 public corporation or authority under a bond financing plan  
23 provided for by statute, the beneficial user of the real  
24 property in which title may ultimately be vested by purchase  
25 shall be deemed the owner of the real property.

1           "(4) A request for expansion or reduction shall  
2 include an accurate description, whether by metes and bounds,  
3 by lot and block numbers, or by street addresses, of the  
4 geographical area which is the subject of the reduction or  
5 expansion, as well as a similar description of the resulting  
6 district if such reduction or expansion was approved.

7           "(5) At least 20 days prior to the date set for a  
8 public hearing on the proposed self-help business improvement  
9 district reduction or expansion, notice of the date, time, and  
10 place of the hearing, together with a description of the  
11 geographical area which is the subject of the reduction or  
12 expansion, shall be mailed to all owners of real property  
13 located within the geographical area which is the subject of  
14 the reduction or expansion, as ownership shown on the records  
15 of the tax assessor. In addition, a copy of the notice shall  
16 be posted in at least three places located within the  
17 geographical area which is the subject of the reduction or  
18 expansion. A property owner's failure to receive a copy of the  
19 notice shall not constitute grounds upon which the owner may  
20 contest the validity of a self-help business improvement  
21 district amendment.

22           "(6) The municipality, upon review of the request  
23 for the reduction or expansion of the self-help business  
24 improvement district and after public hearing, may adopt an  
25 ordinance reducing or expanding the self-help business

1 improvement district. The ordinance shall provide for an  
2 effective date which is 60 days from the date of adoption of  
3 the ordinance by the municipality and shall provide that, if  
4 the owners of real property which represent one-third or more  
5 by number of all parcels of real property located within the  
6 geographical area of the resulting district file written  
7 objections to the establishment of the district with the clerk  
8 of the municipality, the provisions of such ordinance shall be  
9 ~~null and~~ void and no reduction or expansion shall occur. The  
10 ordinance shall provide that the contract between the  
11 municipality and the district management corporation setting  
12 out the services to be provided by the district and the  
13 municipality shall be amended to provide that the same level  
14 of services provided by the municipality shall continue as  
15 before the reduction or expansion of the real property  
16 comprising the self-help business improvement district.

17 "(7) There shall be no requirement that the real  
18 property located within the geographical area of the self-help  
19 business improvement district be contiguous.

20 "§11-54B-19.

21 "(a) Within ~~sixty~~ ~~(60)~~ days after the adoption and  
22 approval of the fifth annual budget for any self-help business  
23 improvement district, the board of directors of the district  
24 management corporation shall set a hearing to determine  
25 whether the district should be continued, modified, or



1 terminated. At least ~~twenty~~ (20) days before the hearing,  
2 notice of the date, place, and time of such hearing shall be  
3 posted in at least three ~~(3)~~ places within the district and  
4 mailed to each real property owner who paid assessments to the  
5 district during the previous year as certified by an officer  
6 of the district management corporation collecting such  
7 assessments.

8 "(b) Whenever a petition is presented to the board  
9 of directors of the district management corporation signed by  
10 real property owners in the district which paid ~~twenty-five~~  
11 ~~percent (25%)~~ 50 percent or more of the assessments paid in  
12 the district during the last fiscal year for which assessments  
13 were collected, the board of directors of the district  
14 management corporation shall set a public hearing as provided  
15 for in subsection (a) ~~above~~.

16 "(c) After a hearing, the board of directors of the  
17 district management corporation shall adopt a resolution  
18 approving the continuation of the district, modifying the  
19 district or the services rendered thereby, or the assessments  
20 levied, or terminating the district as of the end of the  
21 fiscal year during which the hearing is held.

22 "(d) If it should be demonstrated at any hearing  
23 held under this section that the owners of real property which  
24 either (1) pay ~~one-third (1/3)~~ one-half or more of the  
25 assessments levied in the district during the last fiscal year

1 for which assessments were collected, or (2) represent  
2 ~~one-third (1/3)~~ one-half or more (by number) of all parcels of  
3 real property located within the geographical area of the  
4 district object to the continuation of the district, the  
5 district shall be terminated as of the end of the fiscal year  
6 next following the hearing."

7 Section 2. This act shall not affect the creation of  
8 a self-help business improvement district prior to the  
9 effective date of this act, but any district in existence  
10 prior to the effective date of this act shall be subject to  
11 the remaining provisions of this act.

12 Section 3. This act shall become effective  
13 immediately following its passage and approval by the  
14 Governor, or its otherwise becoming law.

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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 30-MAR-21.

Jeff Woodard  
Clerk

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Senate	08-APR-21	Passed
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