

1 AN ACT

2 relating to the creation of the Jones Avenue Municipal Management
3 District; providing authority to issue bonds; providing authority
4 to impose assessments, fees, and taxes.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws
7 Code, is amended by adding Chapter 4007 to read as follows:

8 CHAPTER 4007. JONES AVENUE MUNICIPAL MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 4007.0101. DEFINITIONS. In this chapter:

11 (1) "Board" means the district's board of directors.

12 (2) "City" means the City of San Antonio.

13 (3) "County" means Bexar County.

14 (4) "Director" means a board member.

15 (5) "District" means the Jones Avenue Municipal
16 Management District.

17 Sec. 4007.0102. NATURE OF DISTRICT. The Jones Avenue
18 Municipal Management District is a special district created under
19 Section 59, Article XVI, Texas Constitution.

20 Sec. 4007.0103. PURPOSE; DECLARATION OF INTENT. (a) The
21 creation of the district is essential to accomplish the purposes of
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
23 Texas Constitution, and other public purposes stated in this
24 chapter.

1 (b) By creating the district and in authorizing the county,
2 the city, and other political subdivisions to contract with the
3 district, the legislature has established a program to accomplish
4 the public purposes set out in Section 52-a, Article III, Texas
5 Constitution.

6 (c) The creation of the district is necessary to promote,
7 develop, encourage, and maintain employment, commerce,
8 transportation, housing, tourism, recreation, the arts,
9 entertainment, economic development, safety, and the public
10 welfare in the district.

11 (d) This chapter and the creation of the district may not be
12 interpreted to relieve the county or the city from providing the
13 level of services provided as of the effective date of the Act
14 enacting this chapter to the area in the district. The district is
15 created to supplement and not to supplant county or city services
16 provided in the district.

17 Sec. 4007.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

18 (a) All land and other property included in the district will
19 benefit from the improvements and services to be provided by the
20 district under powers conferred by Sections 52 and 52-a, Article
21 III, and Section 59, Article XVI, Texas Constitution, and other
22 powers granted under this chapter.

23 (b) The district is created to serve a public use and
24 benefit.

25 (c) The creation of the district is in the public interest
26 and is essential to further the public purposes of:

27 (1) developing and diversifying the economy of the

1 state;

2 (2) eliminating unemployment and underemployment; and

3 (3) developing or expanding transportation and
4 commerce.

5 (d) The district will:

6 (1) promote the health, safety, and general welfare of
7 residents, employers, potential employees, employees, visitors,
8 and consumers in the district, and of the public;

9 (2) provide needed funding for the district to
10 preserve, maintain, and enhance the economic health and vitality of
11 the district territory as a community and business center;

12 (3) promote the health, safety, welfare, and enjoyment
13 of the public by providing pedestrian ways and by landscaping and
14 developing certain areas in the district, which are necessary for
15 the restoration, preservation, and enhancement of scenic beauty;
16 and

17 (4) provide for water, wastewater, drainage, road, and
18 recreational facilities for the district.

19 (e) Pedestrian ways along or across a street, whether at
20 grade or above or below the surface, and street lighting, street
21 landscaping, parking, and street art objects are parts of and
22 necessary components of a street and are considered to be a street
23 or road improvement.

24 (f) The district will not act as the agent or
25 instrumentality of any private interest even though the district
26 will benefit many private interests as well as the public.

27 Sec. 4007.0105. INITIAL DISTRICT TERRITORY. (a) The

1 district is initially composed of the territory described by
2 Section 2 of the Act enacting this chapter.

3 (b) The boundaries and field notes contained in Section 2 of
4 the Act enacting this chapter form a closure. A mistake in the
5 field notes or in copying the field notes in the legislative process
6 does not affect the district's:

7 (1) organization, existence, or validity;

8 (2) right to issue any type of bonds for the purposes
9 for which the district is created or to pay the principal of and
10 interest on the bonds;

11 (3) right to impose or collect an assessment or tax; or

12 (4) legality or operation.

13 Sec. 4007.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

14 All or any part of the area of the district is eligible to be
15 included in:

16 (1) a tax increment reinvestment zone created under
17 Chapter 311, Tax Code; or

18 (2) a tax abatement reinvestment zone created under
19 Chapter 312, Tax Code.

20 Sec. 4007.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT
21 DISTRICTS LAW. Except as otherwise provided by this chapter,
22 Chapter 375, Local Government Code, applies to the district.

23 Sec. 4007.0108. CONSTRUCTION OF CHAPTER. This chapter
24 shall be liberally construed in conformity with the findings and
25 purposes stated in this chapter.

26 SUBCHAPTER B. BOARD OF DIRECTORS

27 Sec. 4007.0201. GOVERNING BODY; TERMS. (a) The district is

1 governed by a board of five voting directors who serve staggered
2 terms of four years, with two or three directors' terms expiring
3 June 1 of each odd-numbered year.

4 (b) The board by resolution may change the number of voting
5 directors on the board only if the board determines that the change
6 is in the best interest of the district. The board may not consist
7 of fewer than five or more than nine voting directors.

8 Sec. 4007.0202. APPOINTMENT OF VOTING DIRECTORS. The mayor
9 and members of the governing body of the city shall appoint voting
10 directors from persons recommended by the board. A person is
11 appointed if a majority of the members of the governing body,
12 including the mayor, vote to appoint that person.

13 Sec. 4007.0203. NONVOTING DIRECTORS. The board may appoint
14 nonvoting directors to serve at the pleasure of the voting
15 directors.

16 Sec. 4007.0204. QUORUM. For purposes of determining the
17 requirements for a quorum of the board, the following are not
18 counted:

19 (1) a board position vacant for any reason, including
20 death, resignation, or disqualification;

21 (2) a director who is abstaining from participation in
22 a vote because of a conflict of interest; or

23 (3) a nonvoting director.

24 Sec. 4007.0205. COMPENSATION. A director is entitled to
25 receive fees of office and reimbursement for actual expenses as
26 provided by Section 49.060, Water Code. Sections 375.069 and
27 375.070, Local Government Code, do not apply to the board.

1 SUBCHAPTER C. POWERS AND DUTIES

2 Sec. 4007.0301. GENERAL POWERS AND DUTIES. The district
3 has the powers and duties necessary to accomplish the purposes for
4 which the district is created.

5 Sec. 4007.0302. IMPROVEMENT PROJECTS AND SERVICES. (a)
6 The district, using any money available to the district for the
7 purpose, may provide, design, construct, acquire, improve,
8 relocate, operate, maintain, or finance an improvement project or
9 service authorized under this chapter or Chapter 375, Local
10 Government Code.

11 (b) The district may contract with a governmental or private
12 entity to carry out an action under Subsection (a).

13 (c) The implementation of a district project or service is a
14 governmental function or service for the purposes of Chapter 791,
15 Government Code.

16 Sec. 4007.0303. LAW ENFORCEMENT SERVICES. To protect the
17 public interest, the district may contract with a qualified party,
18 including the county or the city, to provide law enforcement
19 services in the district for a fee.

20 Sec. 4007.0304. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
21 The district may join and pay dues to a charitable or nonprofit
22 organization that performs a service or provides an activity
23 consistent with the furtherance of a district purpose.

24 Sec. 4007.0305. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
25 district may engage in activities that accomplish the economic
26 development purposes of the district.

27 (b) The district may establish and provide for the

1 administration of one or more programs to promote state or local
2 economic development and to stimulate business and commercial
3 activity in the district, including programs to:

- 4 (1) make loans and grants of public money; and
- 5 (2) provide district personnel and services.

6 (c) The district may create economic development programs
7 and exercise the economic development powers provided to
8 municipalities by:

- 9 (1) Chapter 380, Local Government Code; and
- 10 (2) Subchapter A, Chapter 1509, Government Code.

11 Sec. 4007.0306. PARKING FACILITIES. (a) The district may
12 acquire, lease as lessor or lessee, construct, develop, own,
13 operate, and maintain parking facilities or a system of parking
14 facilities, including lots, garages, parking terminals, or other
15 structures or accommodations for parking motor vehicles off the
16 streets and related appurtenances.

17 (b) The district's parking facilities serve the public
18 purposes of the district and are owned, used, and held for a public
19 purpose even if leased or operated by a private entity for a term of
20 years.

21 (c) The district's parking facilities are parts of and
22 necessary components of a street and are considered to be a street
23 or road improvement.

24 (d) The development and operation of the district's parking
25 facilities may be considered an economic development program.

26 Sec. 4007.0307. ADDING OR EXCLUDING LAND. The district may
27 add or exclude land in the manner provided by Subchapter J, Chapter

1 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

2 Sec. 4007.0308. DISBURSEMENTS AND TRANSFERS OF MONEY. The
3 board by resolution shall establish the number of directors'
4 signatures and the procedure required for a disbursement or
5 transfer of district money.

6 Sec. 4007.0309. NO EMINENT DOMAIN POWER. The district may
7 not exercise the power of eminent domain.

8 SUBCHAPTER D. ASSESSMENTS

9 Sec. 4007.0401. PETITION REQUIRED FOR FINANCING SERVICES
10 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
11 service or improvement project with assessments under this chapter
12 unless a written petition requesting that service or improvement
13 has been filed with the board.

14 (b) A petition filed under Subsection (a) must be signed by
15 the owners of a majority of the assessed value of real property in
16 the district subject to assessment according to the most recent
17 certified tax appraisal roll for the county.

18 Sec. 4007.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
19 The board by resolution may impose and collect an assessment for any
20 purpose authorized by this chapter in all or any part of the
21 district.

22 (b) An assessment, a reassessment, or an assessment
23 resulting from an addition to or correction of the assessment roll
24 by the district, penalties and interest on an assessment or
25 reassessment, an expense of collection, and reasonable attorney's
26 fees incurred by the district:

27 (1) are a first and prior lien against the property

1 assessed;

2 (2) are superior to any other lien or claim other than
3 a lien or claim for county, school district, or municipal ad valorem
4 taxes; and

5 (3) are the personal liability of and a charge against
6 the owners of the property even if the owners are not named in the
7 assessment proceedings.

8 (c) The lien is effective from the date of the board's
9 resolution imposing the assessment until the date the assessment is
10 paid. The board may enforce the lien in the same manner that the
11 board may enforce an ad valorem tax lien against real property.

12 (d) The board may make a correction to or deletion from the
13 assessment roll that does not increase the amount of assessment of
14 any parcel of land without providing notice and holding a hearing in
15 the manner required for additional assessments.

16 SUBCHAPTER E. TAXES AND BONDS

17 Sec. 4007.0501. TAX ELECTION REQUIRED. (a) The district
18 must hold an election in the manner provided by Chapter 49, Water
19 Code, or, if applicable, Chapter 375, Local Government Code, to
20 obtain voter approval before the district may impose an ad valorem
21 tax.

22 (b) Section 375.243, Local Government Code, does not apply
23 to the district.

24 Sec. 4007.0502. OPERATION AND MAINTENANCE TAX. (a) If
25 authorized by a majority of the district voters voting at an
26 election under Section 4007.0501, the district may impose an
27 operation and maintenance tax on taxable property in the district

1 in the manner provided by Section 49.107, Water Code, for any
2 district purpose, including to:

3 (1) maintain and operate the district;

4 (2) construct or acquire improvements; or

5 (3) provide a service.

6 (b) The board shall determine the operation and maintenance
7 tax rate. The rate may not exceed the rate approved at the
8 election.

9 Sec. 4007.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE
10 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on
11 terms determined by the board.

12 (b) The district may issue bonds, notes, or other
13 obligations payable wholly or partly from ad valorem taxes,
14 assessments, impact fees, revenue, contract payments, grants, or
15 other district money, or any combination of those sources of money,
16 to pay for any authorized district purpose.

17 (c) The limitation on the outstanding principal amount of
18 bonds, notes, or other obligations provided by Section 49.4645,
19 Water Code, does not apply to the district.

20 Sec. 4007.0504. BONDS SECURED BY REVENUE OR CONTRACT
21 PAYMENTS. The district may issue, without an election, bonds
22 secured by:

23 (1) revenue other than ad valorem taxes, including
24 contract revenues; or

25 (2) contract payments, provided that the requirements
26 of Section 49.108, Water Code, have been met.

27 Sec. 4007.0505. BONDS SECURED BY AD VALOREM TAXES;

1 ELECTIONS. (a) If authorized at an election under Section
2 4007.0501, the district may issue bonds payable from ad valorem
3 taxes.

4 (b) At the time the district issues bonds payable wholly or
5 partly from ad valorem taxes, the board shall provide for the annual
6 imposition of a continuing direct annual ad valorem tax, without
7 limit as to rate or amount, for each year that all or part of the
8 bonds are outstanding as required and in the manner provided by
9 Sections 54.601 and 54.602, Water Code.

10 (c) All or any part of any facilities or improvements that
11 may be acquired by a district by the issuance of its bonds may be
12 submitted as a single proposition or as several propositions to be
13 voted on at the election.

14 Sec. 4007.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The
15 board may not issue bonds until each municipality in whose
16 corporate limits or extraterritorial jurisdiction the district is
17 located has consented by ordinance or resolution to the creation of
18 the district and to the inclusion of land in the district.

19 (b) This section applies only to the district's first
20 issuance of bonds payable from ad valorem taxes.

21 SUBCHAPTER I. DISSOLUTION

22 Sec. 4007.0901. DISSOLUTION. (a) The board shall dissolve
23 the district on written petition filed with the board by the owners
24 of a simple majority of the assessed value of the property subject
25 to assessment or taxation by the district based on the most recent
26 certified county property tax rolls.

27 (b) The board by majority vote may dissolve the district at

1 any time.

2 (c) The district may not be dissolved by its board under
3 Subsection (a) or (b) if the district:

4 (1) has any outstanding bonded indebtedness until that
5 bonded indebtedness has been repaid or defeased in accordance with
6 the order or resolution authorizing the issuance of the bonds;

7 (2) has a contractual obligation to pay money until
8 that obligation has been fully paid in accordance with the
9 contract; or

10 (3) owns, operates, or maintains public works,
11 facilities, or improvements unless the district contracts with
12 another person for the ownership, operation, or maintenance of the
13 public works, facilities, or improvements.

14 (d) Sections 375.261, 375.262, and 375.264, Local
15 Government Code, do not apply to the district.

16 SECTION 2. The Jones Avenue Municipal Management District
17 initially includes all territory contained in the following area:

18 Lots 6 and 7, Block 1, New City Block 1036, Replat Jones
19 Avenue Service Center Subdivision, City of San Antonio, Bexar
20 County, Texas, according to plat number 22-11800219 recorded in
21 Volume 20003, Page 11, Deed and Plat Records, Bexar County, Texas.

22 SECTION 3. (a) The legal notice of the intention to
23 introduce this Act, setting forth the general substance of this
24 Act, has been published as provided by law, and the notice and a
25 copy of this Act have been furnished to all persons, agencies,
26 officials, or entities to which they are required to be furnished
27 under Section 59, Article XVI, Texas Constitution, and Chapter 313,

1 Government Code.

2 (b) The governor, one of the required recipients, has
3 submitted the notice and Act to the Texas Commission on
4 Environmental Quality.

5 (c) The Texas Commission on Environmental Quality has filed
6 its recommendations relating to this Act with the governor,
7 lieutenant governor, and speaker of the house of representatives
8 within the required time.

9 (d) All requirements of the constitution and laws of this
10 state and the rules and procedures of the legislature with respect
11 to the notice, introduction, and passage of this Act have been
12 fulfilled and accomplished.

13 SECTION 4. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 5399 was passed by the House on May 9, 2023, by the following vote: Yeas 108, Nays 34, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 5399 was passed by the Senate on May 16, 2023, by the following vote: Yeas 26, Nays 4, 1 present, not voting.

Secretary of the Senate

APPROVED: _____

Date

Governor