# **BILL ANALYSIS**

S.B. 1555 By: Gallegos County Affairs Committee Report (Unamended)

### BACKGROUND AND PURPOSE

When the Greater East End Management District (district) was created, the area over which it was created was impoverished, and no redevelopment of the area had begun. At that time, it was decided that the district would exempt all residential properties from assessment. This exemption included multi-family residential property that was commercial in nature, despite the fact that this type of property is assessed by the vast majority of other management districts.

Triggered by construction of Minute Maid Field, development and redevelopment is occurring now within the district. Among the new developments are apartments and other multi-family properties that are bringing a higher density into the district. This higher density creates a need for more district services, such as security, street cleaning, and graffiti abatement. The district believes that it is only fair that these multi-family enterprises pay their fair share of the costs of the services provided by the district.

S.B. 1555 repeals the text from the original statute governing the district that exempted residential properties from assessment, in order to exempt only multiunit residential property consisting of fewer than 13 units.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

# ANALYSIS

SECTION 1. Amends Section 3807.157, Special District Local Laws Code, to prohibit the Greater East End Management District (district) from imposing a tax, impact fee, or assessment on a multiunit residential property consisting of fewer than 13 units. Deletes existing text relating to the prohibition affecting residential property and condominiums.

### SECTION 2. Effective date

### EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2005.