

By: West, Royce

S.B. No. 771

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the criteria for designation of a reinvestment zone for
3 purposes of tax increment financing and to the powers of a
4 municipality that has created a reinvestment zone.

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

6 SECTION 1. Section 311.005(a), Tax Code, is amended to read
7 as follows:

8 (a) To be designated as a reinvestment zone, an area must:

9 (1) substantially arrest or impair the sound growth of
10 the municipality creating the zone, retard the provision of housing
11 accommodations, or constitute an economic or social liability and
12 be a menace to the public health, safety, morals, or welfare in its
13 present condition and use because of the presence of:

14 (A) a substantial number of substandard, slum,
15 deteriorated, or deteriorating structures;

16 (B) the predominance of defective or inadequate
17 sidewalk or street layout;

18 (C) faulty lot layout in relation to size,
19 adequacy, accessibility, or usefulness;

20 (D) unsanitary or unsafe conditions;

21 (E) the deterioration of site or other
22 improvements;

23 (F) tax or special assessment delinquency
24 exceeding the fair value of the land;

1 (G) defective or unusual conditions of title;

2 [~~or~~]

3 (H) conditions that endanger life or property by
4 fire or other cause; or

5 (I) structures, other than single-family
6 residential structures, that have been substantially vacant or
7 underused for at least five years;

8 (2) be predominantly open and, because of obsolete
9 platting, deterioration of structures or site improvements, or
10 other factors, substantially impair or arrest the sound growth of
11 the municipality; [~~or~~]

12 (3) be in a federally assisted new community located
13 in the municipality or in an area immediately adjacent to a
14 federally assisted new community; or

15 (5) be an area described in a petition requesting that
16 the area be designated as a reinvestment zone, if the petition is
17 submitted to the governing body of the municipality by the owners of
18 property constituting at least 50 percent of the appraised value of
19 the property in the area according to the most recent certified
20 appraisal roll for the county in which the area is located.

21 SECTION 2. Section 311.008, Tax Code, is amended by adding
22 Subsection (e) to read as follows:

23 (e) The implementation of a project plan to alleviate a
24 condition described by Section 311.005(a)(1), (2), or (3) and to
25 promote development or redevelopment of a reinvestment zone in
26 accordance with this chapter serves a public purpose.

27 SECTION 3. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2005.