

By: Lindsay

S.B. No. 841

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Greater 1960 Improvement District.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3855 to read as follows:

CHAPTER 3855. GREATER 1960 IMPROVEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3855.001. DEFINITIONS. In this chapter:

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

(2) "District" means the Greater 1960 Improvement District.

Sec. 3855.002. GREATER 1960 IMPROVEMENT DISTRICT. The Greater 1960 Improvement District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3855.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the City of Houston, Harris County, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

1 (b) The creation of the district is necessary to promote,
2 develop, encourage, and maintain employment, commerce,
3 transportation, housing, tourism, recreation, the arts,
4 entertainment, economic development, safety, and the public
5 welfare in the area of the district.

6 (c) This chapter and the creation of the district may not be
7 interpreted to relieve Harris County or the City of Houston from
8 providing the level of services provided as of the effective date of
9 this Act to the area in the district. The district is created to
10 supplement and not to supplant the county services provided in the
11 area in the district.

12 Sec. 3855.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

13 (a) The district is created to serve a public use and benefit.

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

19 (c) The creation of the district is in the public interest
20 and is essential to:

21 (1) further the public purposes of developing and
22 diversifying the economy of the state;

23 (2) eliminate unemployment and underemployment; and

24 (3) develop or expand transportation and commerce.

25 (d) The district will:

26 (1) promote the health, safety, and general welfare of
27 residents, employers, employees, visitors, and consumers in the

1 district, and of the public;

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

5 (3) promote the health, safety, welfare, and enjoyment
6 of the public by providing pedestrian ways and by landscaping and
7 developing certain areas in the district, which are necessary for
8 the restoration, preservation, and enhancement of scenic beauty.

9 (e) Pedestrian ways along or across a street, whether at
10 grade or above or below the surface, and street lighting, street
11 landscaping, and street art objects are parts of and necessary
12 components of a street and are considered to be a street or road
13 improvement.

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

17 Sec. 3855.005. DISTRICT TERRITORY. (a) The district is
18 composed of the territory described by Section 2 of the Act enacting
19 this chapter, as that territory may have been modified under:

20 (1) Subchapter J, Chapter 49, Water Code; or

21 (2) other law.

22 (b) The boundaries and field notes of the district contained
23 in Section 2 of the Act enacting this chapter form a closure. A
24 mistake in the field notes or in copying the field notes in the
25 legislative process does not in any way affect the district's:

26 (1) organization, existence, and validity;

27 (2) right to impose and collect an assessment; or

1 (3) legality or operation.

2 Sec. 3855.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

3 All or any part of the area of the district is eligible to be
4 included in:

5 (1) a tax increment reinvestment zone created by the
6 City of Houston under Chapter 311, Tax Code;

7 (2) a tax abatement reinvestment zone created by the
8 City of Houston under Chapter 312, Tax Code; or

9 (3) an enterprise zone created by the City of Houston
10 under Chapter 2303, Government Code.

11 Sec. 3855.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
12 DISTRICTS LAW. Except as otherwise provided by this chapter,
13 Chapter 375, Local Government Code, applies to the district.

14 Sec. 3855.008. LIBERAL CONSTRUCTION OF CHAPTER. This
15 chapter shall be liberally construed in conformity with the
16 findings and purposes stated in this chapter.

17 [Sections 3855.009-3855.050 reserved for expansion]

18 SUBCHAPTER B. BOARD OF DIRECTORS

19 Sec. 3855.051. BOARD OF DIRECTORS; TERMS. The district is
20 governed by a board of 15 directors who serve staggered terms of
21 three years, with five directors' terms expiring June 1 of each
22 year.

23 Sec. 3855.052. APPOINTMENT OF DIRECTORS. The members of
24 the Commissioners Court of Harris County shall appoint directors
25 from persons recommended by the board. A person is appointed if a
26 majority of the members of the governing body vote to appoint that
27 person.

1 Sec. 3855.053. QUORUM. For purposes of determining the
2 requirements for a quorum of the board, the following are not
3 counted:

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

6 (2) a director who is abstaining from participation in
7 a vote because of a conflict of interest.

8 Sec. 3855.054. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.

9 (a) Except as provided by this section:

10 (1) a director may participate in all board votes and
11 decisions; and

12 (2) Chapter 171, Local Government Code, governs
13 conflicts of interest for directors.

14 (b) Section 171.004, Local Government Code, does not apply
15 to the district. A director who has a substantial interest in a
16 business or charitable entity that will receive a pecuniary benefit
17 from a board action shall file a one-time affidavit declaring the
18 interest. An additional affidavit is not required if the
19 director's interest changes. After the affidavit is filed with the
20 board secretary, the director may participate in a discussion or
21 vote on that action if:

22 (1) a majority of the directors have a similar
23 interest in the same entity; or

24 (2) all other similar business or charitable entities
25 in the district will receive a similar pecuniary benefit.

26 (c) A director who is also an officer or employee of a public
27 entity may not participate in the discussion of or vote on a matter

1 regarding a contract with that public entity.

2 (d) For purposes of this section, a director has a
3 substantial interest in a charitable entity in the same manner that
4 a person would have a substantial interest in a business entity
5 under Section 171.002, Local Government Code.

6 Sec. 3855.055. INITIAL DIRECTORS. (a) The initial board
7 consists of the following directors:

| | <u>Pos. No.</u> | <u>Name of Director</u> |
|----|-----------------|-------------------------|
| 8 | | |
| 9 | <u>1</u> | <u>Tommie Ripley</u> |
| 10 | <u>2</u> | <u>Tim Duffy</u> |
| 11 | <u>3</u> | <u>Bert Williams</u> |
| 12 | <u>4</u> | <u>Louis Garcia</u> |
| 13 | <u>5</u> | <u>Walter Plonski</u> |
| 14 | <u>6</u> | <u>Karla Hickman</u> |
| 15 | <u>7</u> | <u>Seth Sharr</u> |
| 16 | <u>8</u> | <u>Frank Jeanes</u> |
| 17 | <u>9</u> | <u>Raj Natarajan</u> |
| 18 | <u>10</u> | <u>Rodney Anderson</u> |
| 19 | <u>11</u> | <u>Jimmie Bergeron</u> |
| 20 | <u>12</u> | <u>Leslie Lopez</u> |
| 21 | <u>13</u> | <u>Murtaza Zohar</u> |
| 22 | <u>14</u> | <u>Jay Porter</u> |
| 23 | <u>15</u> | <u>Larry Lipton</u> |

24 (b) Of the initial directors, the terms of directors
25 appointed for positions 1 through 5 expire June 1, 2006, the terms
26 of directors appointed for positions 6 through 10 expire June 1,
27 2007, and the terms of directors appointed for positions 11 through

1 15 expire June 1, 2008.

2 (c) Section 3855.052 does not apply to this section.

3 (d) This section expires September 1, 2009.

4 [Sections 3855.056-3855.100 reserved for expansion]

5 SUBCHAPTER C. POWERS AND DUTIES

6 Sec. 3855.101. ADDITIONAL POWERS OF DISTRICT. The district
7 may exercise the powers given to a corporation under Section 4B,
8 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas
9 Civil Statutes), including the power to own, operate, acquire,
10 construct, lease, improve, and maintain a project described by that
11 section.

12 Sec. 3855.102. NONPROFIT CORPORATION. (a) The board by
13 resolution may authorize the creation of a nonprofit corporation to
14 assist and act for the district in implementing a project or
15 providing a service authorized by this chapter.

16 (b) The nonprofit corporation:

17 (1) has each power of and is considered for purposes of
18 this chapter to be a local government corporation created under
19 Chapter 431, Transportation Code; and

20 (2) may implement any project and provide any service
21 authorized by this chapter.

22 (c) The board shall appoint the board of directors of the
23 nonprofit corporation. A director of the corporation is not
24 required to reside in the district.

25 (d) The board of directors of the nonprofit corporation
26 shall serve in the same manner as the board of directors of a local
27 government corporation created under Chapter 431, Transportation

1 Code.

2 Sec. 3855.103. AGREEMENTS; GRANTS. (a) The district may
3 make an agreement with or accept a gift, grant, or loan from any
4 person.

5 (b) The implementation of a project is a governmental
6 function or service for the purposes of Chapter 791, Government
7 Code.

8 Sec. 3855.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.
9 To protect the public interest, the district may contract with a
10 qualified party, including Harris County or the City of Houston, to
11 provide law enforcement services in the district for a fee.

12 Sec. 3855.105. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
13 district may join and pay dues to an organization that:

14 (1) enjoys tax-exempt status under Section 501(c)(3),
15 (4), or (6), Internal Revenue Code of 1986; and

16 (2) performs a service or provides an activity
17 consistent with the furtherance of a district purpose.

18 Sec. 3855.106. ECONOMIC DEVELOPMENT PROGRAMS AND OTHER
19 POWERS RELATED TO PLANNING AND DEVELOPMENT. (a) The district may
20 establish and provide for the administration of one or more
21 programs, for a term of one year or less, to promote state or local
22 economic development and to stimulate business and commercial
23 activity in the district, including programs to:

24 (1) make loans and grants of public money; and

25 (2) provide district personnel and services.

26 (b) The district has all of the powers of a municipality
27 under Chapter 380, Local Government Code.

1 Sec. 3855.107. NO EMINENT DOMAIN. The district may not
2 exercise the power of eminent domain.

3 [Sections 3855.108–3855.150 reserved for expansion]

4 SUBCHAPTER D. FINANCIAL PROVISIONS

5 Sec. 3855.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
6 board by resolution shall establish the number of directors'
7 signatures and the procedure required for a disbursement or
8 transfer of the district's money.

9 Sec. 3855.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.

10 (a) The district may acquire, construct, finance, operate, or
11 maintain any improvement or service authorized under this chapter
12 or Chapter 375, Local Government Code, using any money available to
13 the district.

14 (b) An improvement or service authorized under this chapter
15 or Chapter 375, Local Government Code, may only be financed for a
16 term of one year or less.

17 Sec. 3855.153. PETITION REQUIRED FOR FINANCING SERVICES AND
18 IMPROVEMENTS. (a) The board may not finance a service or
19 improvement project under this chapter unless a written petition
20 requesting that service or improvement has been filed with the
21 board.

22 (b) A petition requesting a project financed by assessment
23 must be signed by:

24 (1) the owners of a majority of the assessed value of
25 real property in the district subject to assessment according to
26 the most recent certified tax appraisal roll for Harris County; or

27 (2) at least 50 owners of real property in the

1 district, if more than 50 persons own real property in the district
2 according to the most recent certified tax appraisal roll for
3 Harris County.

4 Sec. 3855.154. METHOD OF NOTICE FOR HEARING. The district
5 may give the notice required by Section 375.115(c), Local
6 Government Code, by personal delivery or certified United States
7 mail or an equivalent service that can provide a record of mailing
8 or delivery.

9 Sec. 3855.155. ASSESSMENTS; LIENS FOR ASSESSMENTS.

10 (a) The board by resolution may impose and collect an assessment
11 for any purpose authorized by this chapter.

12 (b) An assessment, a reassessment, or an assessment
13 resulting from an addition to or correction of the assessment roll
14 by the district, penalties and interest on an assessment or
15 reassessment, an expense of collection, and reasonable attorney's
16 fees incurred by the district:

17 (1) are a first and prior lien against the property
18 assessed;

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

22 (3) are the personal liability of and a charge against
23 the owners of the property even if the owners are not named in the
24 assessment proceedings.

25 (c) The lien is effective from the date of the board's
26 resolution imposing the assessment until the date the assessment is
27 paid. The board may enforce the lien in the same manner that the

1 board may enforce an ad valorem tax lien against real property.

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

6 Sec. 3855.156. FIXED ASSESSMENT RATE. An assessment based
7 on the taxable value of real property is fixed at 6.5 cents per \$100
8 of assessed valuation of taxable property in the district,
9 according to the most recent certified tax appraisal roll for
10 Harris County.

11 Sec. 3855.157. CERTAIN RESIDENTIAL PROPERTY EXEMPT FROM
12 ASSESSMENT. The district may not impose an assessment on a
13 single-family detached residence or a residential duplex, triplex,
14 or fourplex.

15 Sec. 3855.158. LIMIT ON USE OF MONEY. The district's
16 administrative costs, including salaries and office expenses, may
17 not be more than 10 percent of the district's annual receipts from
18 all sources after the first year of operation of the district.

19 Sec. 3855.159. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND
20 ASSESSMENTS. The district may not impose an impact fee or
21 assessment on the property, including the equipment,
22 rights-of-way, facilities, or improvements, of:

23 (1) an electric utility or a power generation company
24 as defined by Section 31.002, Utilities Code;

25 (2) a gas utility as defined by Section 101.003 or
26 121.001, Utilities Code;

27 (3) a telecommunications provider as defined by

1 Section 51.002, Utilities Code; or

2 (4) a person who provides to the public cable
3 television or advanced telecommunications services.

4 Sec. 3855.160. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT
5 OBLIGATIONS. Except as provided by Section 375.263, Local
6 Government Code, a municipality is not required to pay a bond, note,
7 or other obligation of the district.

8 Sec. 3855.161. COMPETITIVE BIDDING. Section 375.221, Local
9 Government Code, applies to the district only for a contract that
10 has a value greater than \$25,000.

11 Sec. 3855.162. ASSESSMENT ABATEMENTS. The district may
12 grant in the manner authorized by Chapter 312, Tax Code, an
13 abatement for an assessment owed to the district.

14 [Sections 3855.163-3855.200 reserved for expansion]

15 SUBCHAPTER E. DISSOLUTION

16 Sec. 3855.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING
17 DEBT. (a) The board may dissolve the district regardless of
18 whether the district has debt. Section 375.264, Local Government
19 Code, does not apply to the district.

20 (b) If the district has debt when it is dissolved, the
21 district shall remain in existence solely for the purpose of
22 discharging its debts. The dissolution is effective when all debts
23 have been discharged.

24 SECTION 2. As of the effective date of this Act, the Greater
25 1960 Improvement District includes all territory contained in the
26 following described area:

27 The commercial and common properties located in Harris County

1 along FM 1960 beginning from the west at State Highway 249 and
2 ending in the east at Interstate Highway 45.

3 SECTION 3. A petition filed under Section 3855.153, Special
4 District Local Laws Code, as added by this Act, may be dated before
5 the effective date of this Act.

6 SECTION 4. The legislature finds that:

7 (1) proper and legal notice of the intention to
8 introduce this Act, setting forth the general substance of this
9 Act, has been published as provided by law, and the notice and a
10 copy of this Act have been furnished to all persons, agencies,
11 officials, or entities to which they are required to be furnished by
12 the constitution and laws of this state, including the governor,
13 who has submitted the notice and Act to the Texas Commission on
14 Environmental Quality;

15 (2) the Texas Commission on Environmental Quality has
16 filed its recommendations relating to this Act with the governor,
17 lieutenant governor, and speaker of the house of representatives
18 within the required time;

19 (3) the general law relating to consent by political
20 subdivisions to the creation of districts with conservation,
21 reclamation, and road powers and the inclusion of land in those
22 districts has been complied with; and

23 (4) all requirements of the constitution and laws of
24 this state and the rules and procedures of the legislature with
25 respect to the notice, introduction, and passage of this Act have
26 been fulfilled and accomplished.

27 SECTION 5. 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.