

By: Lindsay

S.B. No. 841

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation and authority of the Greater 1960  
3 Improvement District; providing authority to levy an assessment,  
4 impose taxes and issue bonds.

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

6 SECTION 1. CREATION OF DISTRICT. (a) The Greater 1960  
7 Improvement District is a special district created under Section  
8 59, Article XVI, Texas Constitution.

9 (b) The board by resolution may change the name of the  
10 district.

11 SECTION 2. DEFINITIONS. In this Act:

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

14 (2) "City" means the City of Houston, Texas.

15 (3) "County" means Harris County, Texas

16 (4) "District" means the Greater 1960 Improvement  
17 District.

18 SECTION 3. DECLARATION OF INTENT. (a) The creation of the  
19 district is essential to accomplish the purposes of Sections 52 and  
20 52-a, Article III, and Section 59, Article XVI, Texas Constitution,  
21 and other public purposes stated in this Act.

22 (b) The creation of the district is necessary to promote,  
23 develop, encourage, and maintain employment, commerce,  
24 transportation, housing, tourism, recreation, the arts,

1 entertainment, economic development, safety, and the public  
2 welfare in the area of the district.

3 (c) The creation of the district and this legislation may  
4 not be interpreted to relieve the county or the city from providing  
5 the level of services provided, as of the effective date of this  
6 Act, to the area in the district. The district is created to  
7 supplement and not to supplant the county or city services provided  
8 in the area in the district.

9 (d) By creating the district and in authorizing the city,  
10 the county, and other political subdivisions to contract with the  
11 district, the legislature has established a program to accomplish  
12 the public purposes set out in Section 52-a, Article III, Texas  
13 Constitution.

14 SECTION 4. BOUNDARIES. The district includes all the  
15 territory contained in the following described area located in the  
16 county:

17 SECTION 5. FINDINGS RELATING TO BOUNDARIES. The boundaries  
18 and field notes of the district form a closure. If a mistake is made  
19 in the field notes or in copying the field notes in the legislative  
20 process, the mistake does not in any way affect the district's:

- 21 (1) organization, existence, or validity;  
22 (2) right to issue any type of bond for a purpose for  
23 which the district is created or to pay the principal of and  
24 interest on a bond;  
25 (3) right to impose or collect an assessment or tax; or  
26 (4) legality or operation.

27 SECTION 6. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The

1 district is created to serve a public use and benefit. All the land  
2 and other property included in the district will be benefited by the  
3 improvements and services to be provided by the district under  
4 powers conferred by Sections 52 and 52-a, Article III, and Section  
5 59, Article XVI, Texas Constitution, and other powers granted under  
6 this Act.

7 (b) The creation of the district is in the public interest  
8 and is essential to:

9 (1) further the public purposes of development and  
10 diversification of the economy of the state; and

11 (2) eliminate unemployment and underemployment and  
12 develop or expand transportation and commerce.

13 (c) The district will:

14 (1) promote the health, safety, and general welfare of  
15 residents, employers, employees, visitors, and consumers in the  
16 district and the general public;

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

20 (3) further promote the health, safety, welfare, and  
21 enjoyment of the public by providing pedestrian ways and by  
22 landscaping and developing certain areas in the district, which are  
23 necessary for the restoration, preservation, and enhancement of  
24 scenic beauty.

25 (d) Pedestrian ways along or across a street, whether at  
26 grade or above or below the surface, and street lighting, street  
27 landscaping, and street art objects are parts of and necessary

1 components of a street and are considered to be a street or road  
2 improvement.

3 (e) The district will not act as the agent or  
4 instrumentality of any private interest even though many private  
5 interests, as well as the general public, will be benefited by the  
6 district.

7 SECTION 7. APPLICATION OF OTHER LAW; NO EMINENT DOMAIN  
8 POWERS. (a) Except as otherwise provided by this Act, Chapter 375,  
9 Local Government Code, applies to the district.

10 (b) Chapter 311, Government Code, applies to this Act.

11 (c) Notwithstanding the provisions of any other law, the  
12 district shall not have power of eminent domain.

13 SECTION 8. CONSTRUCTION OF ACT. This Act shall be liberally  
14 construed in conformity with the findings and purposes stated in  
15 this Act.

16 SECTION 9. BOARD OF DIRECTORS IN GENERAL. (a) Except as  
17 provided by Subsection (c), the district is governed by a board of  
18 nine directors appointed under Section 10.

19 (b) Directors serve staggered terms of four years, with five  
20 directors' terms expiring June 1 of an odd-numbered year and four  
21 directors' terms expiring June 1 of the following odd-numbered  
22 year.

23 (c) The board may increase or decrease the number of  
24 directors on the board by resolution provided that it is in the best  
25 interest of the district to do so and that the board consists of not  
26 fewer than five and not more than 15 directors.

27 (d) A position as director on the board that is vacant for

1 any reason including death, resignation, disqualification, or  
2 abstention from participation in a vote due to a conflict of  
3 interest, is not counted for the purposes of determining the  
4 requirements for a quorum of the board.

5 SECTION 10. APPOINTMENT OF DIRECTORS. The commissioner  
6 court of the county shall appoint voting directors from persons  
7 recommended by the board. A person is appointed if a majority of  
8 the commissioners court vote to appoint that person.

9 SECTION 11. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT. (a)  
10 Except as provided by this section:

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

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

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

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

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

27 (c) A director who is also an officer or employee of a public

1 entity may not participate in the discussion of or vote on a matter  
2 regarding a contract with that public entity.

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

7 SECTION 12. ADDITIONAL POWERS OF DISTRICT. The district  
8 may exercise the powers given to a corporation under Section 4B,  
9 Development Corporation Act of 1979 (Article 5190.6, Texas Revised  
10 Civil Statutes), including the power to own, operate, acquire,  
11 construct, lease, improve, and maintain projects described by that  
12 section; and

13 SECTION 13. AGREEMENTS; GRANTS. (a) The district may make  
14 an agreement with or accept a gift, grant, or loan from any person.

15 (b) The implementation of a project is a governmental  
16 function or service for the purposes of Chapter 791, Government  
17 Code.

18 SECTION 14. LAW ENFORCEMENT SERVICES. To protect the  
19 public interest, the district may contract with a qualified party,  
20 including the county or the city, to provide law enforcement  
21 services in the district for a fee.

22 SECTION 15. NONPROFIT CORPORATION. (a) The board by  
23 resolution may authorize the creation of a nonprofit corporation to  
24 assist and act on behalf of the district in implementing a project  
25 or providing a service authorized by this Act.

26 (b) The board shall appoint the board of directors of a  
27 nonprofit corporation created under this section. The board of

1 directors of the nonprofit corporation shall serve in the same  
2 manner as the board of directors of a local government corporation  
3 created under Chapter 431, Transportation Code; provided that they  
4 need not be residents of the district.

5 (c) A nonprofit corporation created under this section has  
6 the powers of and is considered for purposes of this Act to be a  
7 local government corporation created under Chapter 431,  
8 Transportation Code.

9 (d) A nonprofit corporation created under this section may  
10 implement any project and provide any service authorized by this  
11 Act.

12 SECTION 16. ASSESSMENTS. (a) The board by resolution may  
13 impose and collect an assessment in all or part of the district for  
14 any purpose authorized by this Act.

15 (b) Assessments, including assessments resulting from an  
16 addition to or correction of the assessment roll by the district,  
17 reassessments, penalties and interest on an assessment or  
18 reassessment, expenses of collection, and reasonable attorney's  
19 fees incurred by the district:

20 (1) are a first and prior lien against the property  
21 assessed;

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

25 (3) are the personal liability of and charge against  
26 the owners of the property even if the owners are not named in the  
27 assessment proceedings.

1           (c) The lien is effective from the date of the resolution of  
2 the board imposing the assessment until the date the assessment is  
3 paid. The board may enforce the lien in the same manner that the  
4 board may enforce an ad valorem tax lien against real property.

5           (d) Without necessity of notice and hearing in the manner  
6 required for additional assessments, the board may make corrections  
7 to or deletions from the assessment roll provided that such  
8 corrections or deletions do not increase the amount of assessment  
9 of any parcel of land.

10           SECTION 17. REQUIREMENTS FOR FINANCING IMPROVEMENTS. (a)  
11 The district may acquire, construct, finance, operate and maintain  
12 any improvement or service authorized pursuant to this Act or  
13 Chapter 375, Local Government Code, using all funds available to  
14 the district. A petition is only required to finance a service or  
15 improvement if such service or improvement is to be financed with  
16 assessments. In such event, a written petition requesting the  
17 improvement or service must have been filed with the board. The  
18 petition may be dated before or after the creation of the district  
19 and must be signed by:

20           (1) the owners of a majority of the assessed value of  
21 real property in the district subject to assessment as determined  
22 by the most recent certified tax appraisal roll for the county; or

23           (2) at least 50 persons who own real property in the  
24 district, if more than 50 persons own real property in the district  
25 as determined by the most recent certified tax appraisal roll for  
26 the county.

27           (b) The required notice of public hearings to be mailed to



1 property owners subject to assessment may be mailed or delivered by  
2 certified mail or an equivalent service that can provide a record of  
3 delivery or mailing.

4 SECTION 18. UTILITIES. The district may not impose an  
5 impact fee or assessment on the property, equipment, rights of way,  
6 facilities, or improvements of an electric utility or a power  
7 generation company as defined by Section 31.002, Utilities Code, a  
8 gas utility as defined by Section 101.003 or 121.001, Utilities  
9 Code, a telecommunications provider as defined by Section 51.002,  
10 Utilities Code, or of a person that provides to the public cable  
11 television or advanced telecommunications services. If the  
12 district, in the exercise of the powers conferred on it by this Act,  
13 requires or requests the relocation, rerouting, or removal of  
14 electric, gas, water, sewer, communications, or other public  
15 utilities, as defined by Sections 31.002, 101.003, 121.001, or  
16 51.002, Utilities Code, the relocation, rerouting, or removal shall  
17 be at the sole expense of the district.

18 SECTION 19. BONDS. (a) The district may issue bonds or  
19 other obligations payable in whole or in part from ad valorem taxes,  
20 assessments, impact fees, revenue, grants, or other money of the  
21 district, or any combination of those sources of money, to pay for  
22 any authorized purpose of the district.

23 (b) In exercising the district's borrowing power, the  
24 district may issue a bond or other obligation in the form of a bond,  
25 note, certificate of participation or other instrument evidencing a  
26 proportionate interest in payments to be made by the district, or  
27 other type of obligation.

1           (c) At the time bonds payable in whole or in part from ad  
2 valorem taxes are issued, the board shall levy a continuing direct  
3 annual ad valorem tax for each year while all or part of the bonds  
4 are outstanding on all taxable property within the district in  
5 sufficient amount to pay the interest on the bonds as it becomes due  
6 and to create a sinking fund for the payment of the principal of the  
7 bonds when due or the redemption price at any earlier required  
8 redemption date and to pay the expenses of assessing and collecting  
9 the taxes.

10           SECTION 20. ELECTIONS. (a) The district shall hold an  
11 election in the manner provided by Subchapter L, Chapter 375, Local  
12 Government Code, to obtain voter approval before the district  
13 imposes an annual ad valorem tax or issues bonds payable from ad  
14 valorem taxes.

15           (b) The board may include more than one purpose in a single  
16 proposition at an election.

17           (c) Section 375.243, Local Government Code, does not apply  
18 to the district.

19           SECTION 21. AD VALOREM TAX. (a) If authorized at an  
20 election held in accordance with Section 20, the district may  
21 impose an annual ad valorem tax on taxable property in the district  
22 for the acquisition, construction, financing, maintenance, and  
23 operation of the district and the improvements constructed or  
24 acquired by the district or for the provision of services.

25           (b) The board shall determine the tax rate.

26           SECTION 22. COUNTY AND MUNICIPALITY NOT REQUIRED TO PAY  
27 DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local

1 Government Code, a municipality or a county is not required to pay a  
2 bond, note, or other obligation of the district.

3 SECTION 23. DISBURSEMENTS OR TRANSFERS OF MONEY. The board  
4 by resolution shall establish the number of directors' signatures  
5 and the procedure required for a disbursement or transfer of the  
6 district's money.

7 SECTION 24. COMPETITIVE BIDDING LIMIT. Section 375.221,  
8 Local Government Code, applies to the district only for a contract  
9 that has a value greater than \$25,000.

10 SECTION 25. EXCEPTION FOR DISSOLUTION OF DISTRICT WITH  
11 OUTSTANDING DEBT. (a) The board may vote to dissolve a district  
12 that has debt. If the vote is in favor of dissolution, the district  
13 shall remain in existence solely for the limited purpose of  
14 discharging its debts. The dissolution is effective when all debts  
15 have been discharged.

16 (b) Section 375.264, Local Government Code, does not apply  
17 to the district.

18 SECTION 26. INITIAL DIRECTORS. (a) The initial board  
19 consists of the following persons:

	Pos. No.	Name of Director
20		
21	1	_____
22	2	_____
23	3	_____
24	4	_____
25	5	_____
26	6	_____
27	7	_____

1           8           \_\_\_\_\_

2           9           \_\_\_\_\_

3           (b) Of the initial directors, the terms of directors  
4 appointed for positions 1 through 5 expire June 1, 2007, and the  
5 terms of directors appointed for positions 6 through 9 expire June  
6 1, 2009.

7           (c) Section 10 does not apply to this section.

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

9           SECTION 27. TAX AND ASSESSMENT ABATEMENTS. Without further  
10 authorization or other procedural requirement, the district may  
11 grant, consistent with Chapter 312, Tax Code, an abatement for a tax  
12 or assessment owed to the district.

13           SECTION 28. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The  
14 district may join and pay dues to an organization that enjoys  
15 tax-exempt status under Sections 501(c)(3), (4), or (6), Internal  
16 Revenue Code of 1986, as amended, and that performs services or  
17 provides activities consistent with the furtherance of the purposes  
18 of the district. An expenditure of public money for membership in  
19 the organization is considered to further the purposes of the  
20 district and to be for a public purpose.

21           SECTION 29. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.  
22 All or any part of the area of the district is eligible,  
23 notwithstanding other statutory criteria, to be included in a tax  
24 increment reinvestment zone created by the city under Chapter 311,  
25 Tax Code, or included in a tax abatement reinvestment zone created  
26 by the city under Chapter 312, Tax Code. All or any part of the area  
27 of the district is also eligible to be included in an enterprise

1 zone created by the city under Chapter 2303, Government Code.

2 SECTION 30. ECONOMIC DEVELOPMENT PROGRAMS. The district  
3 may establish and provide for the administration of one or more  
4 programs, including programs for making loans and grants of public  
5 money and providing personnel and services of the district, to  
6 promote state or local economic development and to stimulate  
7 business and commercial activity in the district. The district has  
8 all of the powers and authority of a municipality under Chapter 380,  
9 Local Government Code.

10 SECTION 31. LEGISLATIVE FINDINGS. The legislature finds  
11 that:

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

20 (2) the Texas Commission on Environmental Quality has  
21 filed its recommendations relating to this Act with the governor,  
22 lieutenant governor, and speaker of the house of representatives  
23 within the required time;

24 (3) the general law relating to consent by political  
25 subdivisions to the creation of districts with conservation,  
26 reclamation, and road powers and the inclusion of land in those  
27 districts has been complied with; and

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

5           SECTION 32. EFFECTIVE DATE.       This Act takes effect  
6 immediately if it receives a vote of two-thirds of all the members  
7 elected to each house, as provided by Section 39, Article III, Texas  
8 Constitution. If this Act does not receive the vote necessary for  
9 immediate effect, this Act takes effect September 1, 2005.