

1-1 By: Lindsay S.B. No. 841
1-2 (In the Senate - Filed March 1, 2005; March 10, 2005, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; May 3, 2005, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 May 3, 2005, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 841 By: Deuell

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the creation of the Greater 1960 Improvement District.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-12 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-13 Code, is amended by adding Chapter 3855 to read as follows:

1-14 CHAPTER 3855. GREATER 1960 IMPROVEMENT DISTRICT
1-15 SUBCHAPTER A. GENERAL PROVISIONS

1-16 Sec. 3855.001. DEFINITIONS. In this chapter:

1-17 (1) "Board" means the board of directors of the
1-18 district.

1-19 (2) "District" means the Greater 1960 Improvement
1-20 District.

1-21 Sec. 3855.002. GREATER 1960 IMPROVEMENT DISTRICT. The
1-22 Greater 1960 Improvement District is a special district created
1-23 under Section 59, Article XVI, Texas Constitution.

1-24 Sec. 3855.003. PURPOSE; DECLARATION OF INTENT. (a) The
1-25 creation of the district is essential to accomplish the purposes of
1-26 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-27 Texas Constitution, and other public purposes stated in this
1-28 chapter. By creating the district and in authorizing the City of
1-29 Houston, Harris County, and other political subdivisions to
1-30 contract with the district, the legislature has established a
1-31 program to accomplish the public purposes set out in Section 52-a,
1-32 Article III, Texas Constitution.

1-33 (b) The creation of the district is necessary to promote,
1-34 develop, encourage, and maintain employment, commerce,
1-35 transportation, housing, tourism, recreation, the arts,
1-36 entertainment, economic development, safety, and the public
1-37 welfare in the area of the district.

1-38 (c) This chapter and the creation of the district may not be
1-39 interpreted to relieve Harris County or the City of Houston from
1-40 providing the level of services provided as of the effective date of
1-41 this Act to the area in the district. The district is created to
1-42 supplement and not to supplant the county services provided in the
1-43 area in the district.

1-44 Sec. 3855.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
1-45 The district is created to serve a public use and benefit.

1-46 (b) All land and other property included in the district
1-47 will benefit from the improvements and services to be provided by
1-48 the district under powers conferred by Sections 52 and 52-a,
1-49 Article III, and Section 59, Article XVI, Texas Constitution, and
1-50 other powers granted under this chapter.

1-51 (c) The creation of the district is in the public interest
1-52 and is essential to:

1-53 (1) further the public purposes of developing and
1-54 diversifying the economy of the state;

1-55 (2) eliminate unemployment and underemployment; and

1-56 (3) develop or expand transportation and commerce.

1-57 (d) The district will:

1-58 (1) promote the health, safety, and general welfare of
1-59 residents, employers, employees, visitors, and consumers in the
1-60 district, and of the public;

1-61 (2) provide needed funding for the district to
1-62 preserve, maintain, and enhance the economic health and vitality of
1-63 the district as a community and business center; and

2-1 (3) promote the health, safety, welfare, and enjoyment
2-2 of the public by providing pedestrian ways and by landscaping and
2-3 developing certain areas in the district, which are necessary for
2-4 the restoration, preservation, and enhancement of scenic beauty.

2-5 (e) Pedestrian ways along or across a street, whether at
2-6 grade or above or below the surface, and street lighting, street
2-7 landscaping, and street art objects are parts of and necessary
2-8 components of a street and are considered to be a street or road
2-9 improvement.

2-10 (f) The district will not act as the agent or
2-11 instrumentality of any private interest even though the district
2-12 will benefit many private interests as well as the public.

2-13 Sec. 3855.005. DISTRICT TERRITORY. (a) The district is
2-14 composed of the territory described by Section 2 of the Act enacting
2-15 this chapter, as that territory may have been modified under:

- 2-16 (1) Subchapter J, Chapter 49, Water Code; or
- 2-17 (2) other law.

2-18 (b) The boundaries and field notes of the district contained
2-19 in Section 2 of the Act enacting this chapter form a closure. A
2-20 mistake in the field notes or in copying the field notes in the
2-21 legislative process does not in any way affect the district's:

- 2-22 (1) organization, existence, and validity;
- 2-23 (2) right to impose and collect an assessment; or
- 2-24 (3) legality or operation.

2-25 Sec. 3855.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
2-26 All or any part of the area of the district is eligible to be
2-27 included in:

- 2-28 (1) a tax increment reinvestment zone created by the
2-29 City of Houston under Chapter 311, Tax Code;
- 2-30 (2) a tax abatement reinvestment zone created by the
2-31 City of Houston under Chapter 312, Tax Code; or
- 2-32 (3) an enterprise zone created by the City of Houston
2-33 under Chapter 2303, Government Code.

2-34 Sec. 3855.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-35 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-36 Chapter 375, Local Government Code, applies to the district.

2-37 Sec. 3855.008. LIBERAL CONSTRUCTION OF CHAPTER. This
2-38 chapter shall be liberally construed in conformity with the
2-39 findings and purposes stated in this chapter.

2-40 [Sections 3855.009-3855.050 reserved for expansion]

2-41 SUBCHAPTER B. BOARD OF DIRECTORS

2-42 Sec. 3855.051. BOARD OF DIRECTORS; TERMS. The district is
2-43 governed by a board of 15 directors who serve staggered terms of
2-44 three years, with five directors' terms expiring June 1 of each
2-45 year.

2-46 Sec. 3855.052. APPOINTMENT OF DIRECTORS. The members of
2-47 the Commissioners Court of Harris County shall appoint directors
2-48 from persons recommended by the board. A person is appointed if a
2-49 majority of the members of the governing body vote to appoint that
2-50 person.

2-51 Sec. 3855.053. QUORUM. For purposes of determining the
2-52 requirements for a quorum of the board, the following are not
2-53 counted:

- 2-54 (1) a board position vacant for any reason, including
2-55 death, resignation, or disqualification; or
- 2-56 (2) a director who is abstaining from participation in
2-57 a vote because of a conflict of interest.

2-58 Sec. 3855.054. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.
2-59 (a) Except as provided by this section:

- 2-60 (1) a director may participate in all board votes and
2-61 decisions; and
- 2-62 (2) Chapter 171, Local Government Code, governs
2-63 conflicts of interest for directors.

2-64 (b) Section 171.004, Local Government Code, does not apply
2-65 to the district. A director who has a substantial interest in a
2-66 business or charitable entity that will receive a pecuniary benefit
2-67 from a board action shall file a one-time affidavit declaring the
2-68 interest. An additional affidavit is not required if the
2-69 director's interest changes. After the affidavit is filed with the

3-1 board secretary, the director may participate in a discussion or
3-2 vote on that action if:

3-3 (1) a majority of the directors have a similar
3-4 interest in the same entity; or

3-5 (2) all other similar business or charitable entities
3-6 in the district will receive a similar pecuniary benefit.

3-7 (c) A director who is also an officer or employee of a public
3-8 entity may not participate in the discussion of or vote on a matter
3-9 regarding a contract with that public entity.

3-10 (d) For purposes of this section, a director has a
3-11 substantial interest in a charitable entity in the same manner that
3-12 a person would have a substantial interest in a business entity
3-13 under Section 171.002, Local Government Code.

3-14 Sec. 3855.055. INITIAL DIRECTORS. (a) The initial board
3-15 consists of the following directors:

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

3-32 (b) Of the initial directors, the terms of directors
3-33 appointed for positions 1 through 5 expire June 1, 2006, the terms
3-34 of directors appointed for positions 6 through 10 expire June 1,
3-35 2007, and the terms of directors appointed for positions 11 through
3-36 15 expire June 1, 2008.

3-37 (c) Section 3855.052 does not apply to this section.

3-38 (d) This section expires September 1, 2009.

3-39 [Sections 3855.056-3855.100 reserved for expansion]

3-40 SUBCHAPTER C. POWERS AND DUTIES

3-41 Sec. 3855.101. ADDITIONAL POWERS OF DISTRICT. The district
3-42 may exercise the powers given to a corporation under Section 4B,
3-43 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas
3-44 Civil Statutes), including the power to own, operate, acquire,
3-45 construct, lease, improve, and maintain a project described by that
3-46 section.

3-47 Sec. 3855.102. NONPROFIT CORPORATION. (a) The board by
3-48 resolution may authorize the creation of a nonprofit corporation to
3-49 assist and act for the district in implementing a project or
3-50 providing a service authorized by this chapter.

3-51 (b) The nonprofit corporation:

3-52 (1) has each power of and is considered for purposes of
3-53 this chapter to be a local government corporation created under
3-54 Chapter 431, Transportation Code; and

3-55 (2) may implement any project and provide any service
3-56 authorized by this chapter.

3-57 (c) The board shall appoint the board of directors of the
3-58 nonprofit corporation. A director of the corporation is not
3-59 required to reside in the district.

3-60 (d) The board of directors of the nonprofit corporation
3-61 shall serve in the same manner as the board of directors of a local
3-62 government corporation created under Chapter 431, Transportation
3-63 Code.

3-64 Sec. 3855.103. AGREEMENTS; GRANTS. (a) The district may
3-65 make an agreement with or accept a gift, grant, or loan from any
3-66 person.

3-67 (b) The implementation of a project is a governmental
3-68 function or service for the purposes of Chapter 791, Government
3-69 Code.

4-1 Sec. 3855.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.
4-2 To protect the public interest, the district may contract with a
4-3 qualified party, including Harris County or the City of Houston, to
4-4 provide law enforcement services in the district for a fee.

4-5 Sec. 3855.105. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
4-6 district may join and pay dues to an organization that:

4-7 (1) enjoys tax-exempt status under Section 501(c)(3),
4-8 (4), or (6), Internal Revenue Code of 1986; and

4-9 (2) performs a service or provides an activity
4-10 consistent with the furtherance of a district purpose.

4-11 Sec. 3855.106. ECONOMIC DEVELOPMENT PROGRAMS AND OTHER
4-12 POWERS RELATED TO PLANNING AND DEVELOPMENT. (a) The district may
4-13 establish and provide for the administration of one or more
4-14 programs, for a term of one year or less, to promote state or local
4-15 economic development and to stimulate business and commercial
4-16 activity in the district, including programs to:

4-17 (1) make loans and grants of public money; and

4-18 (2) provide district personnel and services.

4-19 (b) The district has all of the powers of a municipality
4-20 under Chapter 380, Local Government Code.

4-21 Sec. 3855.107. NO EMINENT DOMAIN. The district may not
4-22 exercise the power of eminent domain.

4-23 [Sections 3855.108-3855.150 reserved for expansion]

4-24 SUBCHAPTER D. FINANCIAL PROVISIONS

4-25 Sec. 3855.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
4-26 board by resolution shall establish the number of directors'
4-27 signatures and the procedure required for a disbursement or
4-28 transfer of the district's money.

4-29 Sec. 3855.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
4-30 (a) The district may acquire, construct, finance, operate, or
4-31 maintain any improvement or service authorized under this chapter
4-32 or Chapter 375, Local Government Code, using any money available to
4-33 the district.

4-34 (b) An improvement or service authorized under this chapter
4-35 or Chapter 375, Local Government Code, may only be financed for a
4-36 term of one year or less.

4-37 Sec. 3855.153. PETITION REQUIRED FOR FINANCING SERVICES AND
4-38 IMPROVEMENTS. (a) The board may not finance a service or
4-39 improvement project under this chapter unless a written petition
4-40 requesting that service or improvement has been filed with the
4-41 board.

4-42 (b) A petition requesting a project financed by assessment
4-43 must be signed by:

4-44 (1) the owners of a majority of the assessed value of
4-45 real property in the district subject to assessment according to
4-46 the most recent certified tax appraisal roll for Harris County; or

4-47 (2) at least 50 owners of real property in the
4-48 district, if more than 50 persons own real property in the district
4-49 according to the most recent certified tax appraisal roll for
4-50 Harris County.

4-51 Sec. 3855.154. METHOD OF NOTICE FOR HEARING. The district
4-52 may give the notice required by Section 375.115(c), Local
4-53 Government Code, by personal delivery or certified United States
4-54 mail or an equivalent service that can provide a record of mailing
4-55 or delivery.

4-56 Sec. 3855.155. ASSESSMENTS; LIENS FOR ASSESSMENTS.
4-57 (a) The board by resolution may impose and collect an assessment
4-58 for any purpose authorized by this chapter.

4-59 (b) An assessment, a reassessment, or an assessment
4-60 resulting from an addition to or correction of the assessment roll
4-61 by the district, penalties and interest on an assessment or
4-62 reassessment, an expense of collection, and reasonable attorney's
4-63 fees incurred by the district:

4-64 (1) are a first and prior lien against the property
4-65 assessed;

4-66 (2) are superior to any other lien or claim other than
4-67 a lien or claim for county, school district, or municipal ad valorem
4-68 taxes; and

4-69 (3) are the personal liability of and a charge against

5-1 the owners of the property even if the owners are not named in the
 5-2 assessment proceedings.

5-3 (c) The lien is effective from the date of the board's
 5-4 resolution imposing the assessment until the date the assessment is
 5-5 paid. The board may enforce the lien in the same manner that the
 5-6 board may enforce an ad valorem tax lien against real property.

5-7 (d) The board may make a correction to or deletion from the
 5-8 assessment roll that does not increase the amount of assessment of
 5-9 any parcel of land without providing notice and holding a hearing in
 5-10 the manner required for additional assessments.

5-11 Sec. 3855.156. FIXED ASSESSMENT RATE. An assessment based
 5-12 on the taxable value of real property is fixed at 6.5 cents per \$100
 5-13 of assessed valuation of taxable property in the district,
 5-14 according to the most recent certified tax appraisal roll for
 5-15 Harris County.

5-16 Sec. 3855.157. CERTAIN RESIDENTIAL PROPERTY EXEMPT FROM
 5-17 ASSESSMENT. The district may not impose an assessment on a
 5-18 single-family detached residence or a residential duplex, triplex,
 5-19 or fourplex.

5-20 Sec. 3855.158. LIMIT ON USE OF MONEY. The district's
 5-21 administrative costs, including salaries and office expenses, may
 5-22 not be more than 10 percent of the district's annual receipts from
 5-23 all sources after the first year of operation of the district.

5-24 Sec. 3855.159. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND
 5-25 ASSESSMENTS. The district may not impose an impact fee or
 5-26 assessment on the property, including the equipment,
 5-27 rights-of-way, facilities, or improvements, of:

5-28 (1) an electric utility or a power generation company
 5-29 as defined by Section 31.002, Utilities Code;

5-30 (2) a gas utility as defined by Section 101.003 or
 5-31 121.001, Utilities Code;

5-32 (3) a telecommunications provider as defined by
 5-33 Section 51.002, Utilities Code; or

5-34 (4) a person who provides to the public cable
 5-35 television or advanced telecommunications services.

5-36 Sec. 3855.160. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT
 5-37 OBLIGATIONS. Except as provided by Section 375.263, Local
 5-38 Government Code, a municipality is not required to pay a bond, note,
 5-39 or other obligation of the district.

5-40 Sec. 3855.161. COMPETITIVE BIDDING. Section 375.221, Local
 5-41 Government Code, applies to the district only for a contract that
 5-42 has a value greater than \$25,000.

5-43 Sec. 3855.162. ASSESSMENT ABATEMENTS. The district may
 5-44 grant in the manner authorized by Chapter 312, Tax Code, an
 5-45 abatement for an assessment owed to the district.

5-46 [Sections 3855.163-3855.200 reserved for expansion]

5-47 SUBCHAPTER E. DISSOLUTION

5-48 Sec. 3855.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING
 5-49 DEBT. (a) The board may dissolve the district regardless of
 5-50 whether the district has debt. Section 375.264, Local Government
 5-51 Code, does not apply to the district.

5-52 (b) If the district has debt when it is dissolved, the
 5-53 district shall remain in existence solely for the purpose of
 5-54 discharging its debts. The dissolution is effective when all debts
 5-55 have been discharged.

5-56 SECTION 2. As of the effective date of this Act, the Greater
 5-57 1960 Improvement District includes all territory contained in the
 5-58 following described area:

5-59 The commercial and common properties located in Harris County
 5-60 along FM 1960 beginning from the west at State Highway 249 and
 5-61 ending in the east at Interstate Highway 45.

5-62 SECTION 3. A petition filed under Section 3855.153, Special
 5-63 District Local Laws Code, as added by this Act, may be dated before
 5-64 the effective date of this Act.

5-65 SECTION 4. The legislature finds that:

5-66 (1) proper and legal notice of the intention to
 5-67 introduce this Act, setting forth the general substance of this
 5-68 Act, has been published as provided by law, and the notice and a
 5-69 copy of this Act have been furnished to all persons, agencies,

6-1 officials, or entities to which they are required to be furnished by
6-2 the constitution and laws of this state, including the governor,
6-3 who has submitted the notice and Act to the Texas Commission on
6-4 Environmental Quality;

6-5 (2) the Texas Commission on Environmental Quality has
6-6 filed its recommendations relating to this Act with the governor,
6-7 lieutenant governor, and speaker of the house of representatives
6-8 within the required time;

6-9 (3) the general law relating to consent by political
6-10 subdivisions to the creation of districts with conservation,
6-11 reclamation, and road powers and the inclusion of land in those
6-12 districts has been complied with; and

6-13 (4) all requirements of the constitution and laws of
6-14 this state and the rules and procedures of the legislature with
6-15 respect to the notice, introduction, and passage of this Act have
6-16 been fulfilled and accomplished.

6-17 SECTION 5. This Act takes effect immediately if it receives
6-18 a vote of two-thirds of all the members elected to each house, as
6-19 provided by Section 39, Article III, Texas Constitution. If this
6-20 Act does not receive the vote necessary for immediate effect, this
6-21 Act takes effect September 1, 2005.

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