

By: Ellis

S.B. No. 1880

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the Buffalo Bayou Management District and the creation
3 of the East Montrose Management District and the Fourth Ward
4 Management District out of part of the territory of the Buffalo
5 Bayou Management District; authorizing taxes and bonds.

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

7 SECTION 1. Section 4, Chapter 997, Acts of the 78th
8 Legislature, Regular Session, 2003, is amended to read as follows:

9 Sec. 4. BOUNDARIES. The district includes all the
10 territory contained in the following described area:

11 POINT OF BEGINNING at the intersection of the west boundary line of
12 Montrose Boulevard right-of-way and the south boundary line of West
13 Dallas, then west along the south boundary line of West Dallas
14 right-of-way to the intersection of the west boundary of Shepherd
15 Drive right-of-way. Then north along the west boundary of Shepherd
16 Drive right-of-way to the intersection of the south boundary of the
17 Buffalo Bayou. Then west along the south boundary of the Buffalo
18 Bayou to the intersection of the south boundary of the Buffalo Bayou
19 and the west boundary of Westcott Street right-of-way. Then north
20 along the west boundary of Westcott Street right-of-way to the
21 intersection of the north boundary of Blossom Street right-of-way.
22 Then east along the north boundary of Blossom Street right-of-way
23 until the intersection of the north boundary of Blossom Street
24 right-of-way and the west boundary of Shepherd Street right-of-way.

1 Then north along the west boundary of Shepherd Street until the
2 intersection of the south boundary of Washington Avenue
3 right-of-way and the west boundary of Shepherd Street right-of-way.
4 Then east along the south boundary of Washington Avenue
5 right-of-way to the intersection of the east boundary of Yale
6 Street right-of-way. Then south along the east boundary of
7 Yale/Waugh Street right-of-way through the center of the Memorial
8 Street entrance ramps extending on a southerly line to the north
9 boundary of Buffalo Bayou. Then east along the north boundary of
10 Buffalo Bayou to the intersection of the west boundary of Montrose
11 Boulevard right-of-way and south on the west boundary of Montrose
12 Boulevard right-of-way to the POINT OF BEGINNING. [~~POINT OF~~
13 ~~BEGINNING at the intersection of the west boundary line of the~~
14 ~~Houston Downtown Management District and the north boundary of~~
15 ~~Memorial Drive right-of-way, then west along the north boundary of~~
16 ~~Memorial Drive right-of-way to the north boundary of Memorial~~
17 ~~Drive's Heights North exit ramp, then northwest along the north~~
18 ~~boundary of Memorial Drive's Heights North exit ramp to the east~~
19 ~~boundary of Heights boulevard right-of-way, then west across~~
20 ~~Heights Boulevard from the east boundary of Heights Boulevard~~
21 ~~right-of-way to the west boundary of the Heights Boulevard~~
22 ~~right-of-way, then south along the west boundary of Heights~~
23 ~~boulevard right-of-way to the north boundary of Memorial Drive's~~
24 ~~Memorial West entrance ramp, then southwest along the north~~
25 ~~boundary of Memorial Drive's Memorial West entrance ramp to the~~
26 ~~northern boundary line of Memorial Drive right-of-way, then west~~
27 ~~along the northern boundary line of Memorial Drive right-of-way to~~

1 ~~the west boundary line of Shepherd Drive right-of-way, then south~~
2 ~~along the west boundary line of Shepherd Drive right-of-way to the~~
3 ~~centerline of West Dallas, then east along the centerline of West~~
4 ~~Dallas to the intersection of the west boundary of Montrose~~
5 ~~Boulevard right-of-way and the centerline of West Dallas, then~~
6 ~~south along the west boundary line of Montrose Boulevard~~
7 ~~right-of-way to the south boundary line of U.S. Highway 59 and the~~
8 ~~west boundary line of Montrose Boulevard right-of-way, then in an~~
9 ~~easterly direction from said intersection along the south boundary~~
10 ~~line of U.S. Highway 59 to the intersection of the west boundary~~
11 ~~line of the Main Street right-of-way and then proceeding from said~~
12 ~~intersection in a northwesterly direction along the boundary line~~
13 ~~of the west Main Street right-of-way paralleling the boundary line~~
14 ~~of the Greater Southeast Management District to the intersection of~~
15 ~~the boundary line of the south Portland Street right-of-way and the~~
16 ~~boundary line of the west Main Street right-of-way, being the~~
17 ~~southern boundary line of the Midtown Management District, then~~
18 ~~proceeding from said intersection in generally a northeasterly~~
19 ~~direction the boundary line parallels the Midtown Management~~
20 ~~District boundary line to the intersection of the west boundary~~
21 ~~line of the US Hwy 45 right-of-way and the north boundary line of~~
22 ~~the Cleveland Street right-of-way, being the western boundary line~~
23 ~~of the Houston Downtown Management District, then north from said~~
24 ~~intersection along the western boundary line of the Houston~~
25 ~~Downtown Management District to the POINT OF BEGINNING.]~~

26 SECTION 2. Subsections (a) and (b), Section 9, Chapter 997,
27 Acts of the 78th Legislature, Regular Session, 2003, are amended to

1 read as follows:

2 (a) The district is governed by a board of 11 [~~31~~] voting
3 directors appointed under Section 10 of this Act and nonvoting
4 directors as provided by Section 11 of this Act.

5 (b) Voting directors serve staggered terms of four years,
6 with six [~~15~~] directors' terms expiring June 1 of an odd-numbered
7 year and five [~~16~~] directors' terms expiring June 1 of the following
8 odd-numbered year.

9 SECTION 3. Section 17, Chapter 997, Acts of the 78th
10 Legislature, Regular Session, 2003, is amended to read as follows:

11 Sec. 17. REQUIREMENTS FOR FINANCING SERVICES AND
12 IMPROVEMENTS. The board may not finance a service or improvement
13 project with assessments under this Act unless a written petition
14 requesting that improvement or service has been filed with the
15 board. The petition must be signed by:

16 (1) the owners of a majority of the assessed value of
17 real property in the district subject to assessment as determined
18 by the most recent certified tax appraisal roll for Harris County;
19 or

20 (2) at least 50 persons who own real property in the
21 district, if more than 50 persons own real property in the district
22 as determined by the most recent certified tax appraisal roll for
23 Harris County.

24 SECTION 4. Subsections (a), (b), and (c), Section 31,
25 Chapter 997, Acts of the 78th Legislature, Regular Session, 2003,
26 are amended to read as follows:

27 (a) The [~~initial~~] board consists of the following persons:

1	Pos. No.	Name of Director
2	1	Kay Crooker
3	2	Mike Garver
4	3	<u>Karen Domino</u> [Jackie Martin]
5	4	<u>Max Schuette</u> [Mark Lee]
6	5	<u>Mark Lee</u> [John Chase, Jr.]
7	6	<u>Graham Painter</u> [Adrian Collins]
8	7	<u>Maria Munoz-Blanco</u> [Max Schuette]
9	8	<u>Tom Hook</u> [June Deadrick]
10	9	<u>Susan Keeton</u> [Don Cutrer]
11	10	<u>Claire Caudill</u> [Raju Adwaney]
12	11	<u>Rey de la Reza</u> [Mike Mark]
13	[12	Sia Ravari
14	[13	Cherry Walker
15	[14	John Hansen
16	[15	John Dao
17	[16	William Taylor
18	[17	Karen Domino
19	[18	Kevin Hoffman
20	[19	Jeff Andrews
21	[20	William Paul Thomas
22	[21	Theola Petteway
23	[22	Keith Wade
24	[23	Chryisse Wilson
25	[24	Sadie Rucker
26	[25	Julie McClure
27	[26	Angie Gomez

- 1 ~~[27] Tom Fricke~~
- 2 ~~[28] James Robert McDermaid~~
- 3 ~~[29] Kathy Hubbard~~
- 4 ~~[30] Marsha Johnson~~
- 5 ~~[31] Craig Jackson]~~

6 (b) Of these ~~[the initial]~~ directors, the terms of directors
7 appointed for positions 1 through 5 ~~[15]~~ expire June 1, 2007 ~~[2005]~~,
8 and the terms of directors appointed for positions 6 ~~[16]~~ through 11
9 ~~[31]~~ expire June 1, 2009 ~~[2007]~~.

10 (d) This section expires September 1, 2009 ~~[2007]~~.

11 SECTION 5. Subtitle C, Title 4, Special District Local Laws
12 Code, is amended by adding Chapter 3848 to read as follows:

13 CHAPTER 3848. EAST MONTROSE MANAGEMENT DISTRICT

14 SUBCHAPTER A. GENERAL PROVISIONS

15 Sec. 3848.001. DEFINITIONS. In this chapter:

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

18 (2) "District" means the East Montrose Management
19 District.

20 Sec. 3848.002. EAST MONTROSE MANAGEMENT DISTRICT. The East
21 Montrose Management District is a special district created under
22 Section 59, Article XVI, Texas Constitution.

23 Sec. 3848.003. PURPOSE; DECLARATION OF INTENT. (a) The
24 creation of the district is essential to accomplish the purposes of
25 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
26 Texas Constitution, and other public purposes stated in this
27 chapter. By creating the district and in authorizing the City of

1 Houston, Harris County, and other political subdivisions to
2 contract with the district, the legislature has established a
3 program to accomplish the public purposes set out in Section 52-a,
4 Article III, Texas Constitution.

5 (b) The creation of the district is necessary to promote,
6 develop, encourage, and maintain employment, commerce,
7 transportation, housing, tourism, recreation, the arts,
8 entertainment, economic development, safety, and the public
9 welfare in the district.

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

16 Sec. 3848.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

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

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

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

25 (1) further the public purposes of developing and
26 diversifying the economy of the state;

27 (2) eliminate unemployment and underemployment; and

1 (3) develop or expand transportation and commerce.

2 (d) The district will:

3 (1) promote the health, safety, and general welfare of
4 residents, employers, employees, visitors, and consumers in the
5 district and of the public;

6 (2) provide needed funding to preserve, maintain, and
7 enhance the economic health and vitality of the district territory
8 as a community and business center; and

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

13 (e) Pedestrian ways along or across a street, whether at
14 grade or above or below the surface, and street lighting, street
15 landscaping, parking, and street art objects are parts of and
16 necessary components of a street and are considered to be a street
17 or road improvement.

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

21 Sec. 3848.005. DISTRICT TERRITORY. (a) The district is
22 composed of the territory described by Section 6 of the Act enacting
23 this chapter, as that territory may have been modified under:

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

25 (2) other law.

26 (b) The boundaries and field notes of the district contained
27 in Section 6 of the Act enacting this chapter form a closure. A

1 mistake in the field notes or in copying the field notes in the
2 legislative process does not in any way affect the district's:

3 (1) organization, existence, or validity;

4 (2) right to issue any type of bond for a purpose for
5 which the district is created or to pay the principal of and
6 interest on the bond;

7 (3) right to impose or collect an assessment or tax; or

8 (4) legality or operation.

9 Sec. 3848.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

10 All or any part of the area of the district is eligible to be
11 included in:

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

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

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

18 Sec. 3848.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
19 DISTRICTS LAW. Except as otherwise provided by this chapter,
20 Chapter 375, Local Government Code, applies to the district.

21 Sec. 3848.008. LIBERAL CONSTRUCTION OF CHAPTER. This
22 chapter shall be liberally construed in conformity with the
23 findings and purposes stated in this chapter.

24 [Sections 3848.009-3848.050 reserved for expansion]

25 SUBCHAPTER B. BOARD OF DIRECTORS

26 Sec. 3848.051. BOARD OF DIRECTORS; TERMS. (a) The
27 district is governed by a board of 12 voting directors who serve

1 staggered terms of four years, with one-half of the directors'
2 terms expiring June 1 of each odd-numbered year.

3 (b) The board by resolution may change the number of voting
4 directors on the board, but only if the board determines that the
5 change is in the best interest of the district. The board may not
6 consist of fewer than five voting directors.

7 Sec. 3848.052. APPOINTMENT OF DIRECTORS. The mayor and
8 members of the governing body of the City of Houston shall appoint
9 directors from persons recommended by the board. A person is
10 appointed if a majority of the members of the governing body,
11 including the mayor, vote to appoint that person.

12 Sec. 3848.053. NONVOTING DIRECTORS. (a) The following
13 persons serve as nonvoting directors:

14 (1) the directors of the following departments of the
15 City of Houston or a person designated by that director:

16 (A) parks and recreation;

17 (B) planning and development;

18 (C) public works; and

19 (D) civic center; and

20 (2) the City of Houston's chief of police.

21 (b) If a department described by Subsection (a) is
22 consolidated, renamed, or changed, the board may appoint a director
23 of the consolidated, renamed, or changed department as a nonvoting
24 director. If a department described by Subsection (a) is
25 abolished, the board may appoint a representative of another
26 department that performs duties comparable to those performed by
27 the abolished department.

1 Sec. 3848.054. QUORUM. Nonvoting directors are not counted
2 for the purposes of establishing a board quorum.

3 Sec. 3848.055. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.

4 (a) Except as provided by this section:

5 (1) a director may participate in all board votes and
6 decisions; and

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

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

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

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

21 (c) A director who is also an officer or employee of a public
22 entity may not participate in the discussion of or vote on a matter
23 regarding a contract with that public entity.

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

1 Sec. 3848.056. INITIAL VOTING DIRECTORS. (a) The initial
2 board consists of the following voting directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>John Rose</u>
<u>2</u>	<u>Charles Armstrong</u>
<u>3</u>	<u>Aldo Cantania</u>
<u>4</u>	<u>John Hansen</u>
<u>5</u>	<u>Tom Fricke</u>
<u>6</u>	<u>Eduardo Trevino</u>
<u>7</u>	<u>Claude Wynn</u>
<u>8</u>	<u>Kathy Hubbard</u>
<u>9</u>	<u>James Robert McDermaid</u>
<u>10</u>	<u>Julie McClure</u>
<u>11</u>	<u>Angie Gomez</u>
<u>12</u>	<u>Marisol Rodriguez</u>

16 (b) Of the initial directors, the terms of directors
17 appointed for positions 1 through 6 expire June 1, 2007, and the
18 terms of directors appointed for positions 7 through 12 expire
19 June 1, 2009.

20 (c) Section 3848.052 does not apply to this section.

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

22 [Sections 3848.057-3848.100 reserved for expansion]

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 3848.101. ADDITIONAL POWERS OF DISTRICT. The district
25 may exercise the powers given to:

26 (1) a corporation under Section 4B, Development
27 Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil

1 Statutes), including the power to own, operate, acquire, construct,
2 lease, improve, or maintain a project described by that section;
3 and

4 (2) a housing finance corporation created under
5 Chapter 394, Local Government Code, to provide housing or
6 residential development projects in the district.

7 Sec. 3848.102. NONPROFIT CORPORATION. (a) The board by
8 resolution may authorize the creation of a nonprofit corporation to
9 assist and act for the district in implementing a project or
10 providing a service authorized by this chapter.

11 (b) The nonprofit corporation:

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

15 (2) may implement any project and provide any service
16 authorized by this chapter.

17 (c) The board shall appoint the board of directors of the
18 nonprofit corporation. The board of directors of the nonprofit
19 corporation shall serve in the same manner as the board of directors
20 of a local government corporation created under Chapter 431,
21 Transportation Code.

22 Sec. 3848.103. AGREEMENTS; GRANTS. (a) The district may
23 make an agreement with or accept a gift, grant, or loan from any
24 person.

25 (b) The implementation of a project is a governmental
26 function or service for the purposes of Chapter 791, Government
27 Code.

1 Sec. 3848.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.

2 To protect the public interest, the district may contract with
3 Harris County or the City of Houston to provide law enforcement
4 services in the district for a fee.

5 Sec. 3848.105. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
6 district may join and pay dues to an organization that:

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

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

11 Sec. 3848.106. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
12 district may establish and provide for the administration of one or
13 more programs to promote state or local economic development and to
14 stimulate business and commercial activity in the district,
15 including programs to:

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

17 (2) provide district personnel and services.

18 (b) For purposes of this section, the district has all of
19 the powers of a municipality under Chapter 380, Local Government
20 Code.

21 Sec. 3848.107. NO EMINENT DOMAIN. The district may not
22 exercise the power of eminent domain.

23 [Sections 3848.108-3848.150 reserved for expansion]

24 SUBCHAPTER D. FINANCIAL PROVISIONS

25 Sec. 3848.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
26 board by resolution shall establish the number of directors'
27 signatures and the procedure required for a disbursement or

1 transfer of the district's money.

2 Sec. 3848.152. PETITION REQUIRED FOR FINANCING SERVICES AND
3 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
4 service or improvement project with assessments under this chapter
5 unless a written petition requesting that service or improvement
6 has been filed with the board.

7 (b) A petition filed under Subsection (a) must be signed by:

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

11 (2) at least 50 persons who own real property in the
12 district, if more than 50 persons own real property in the district
13 according to the most recent certified tax appraisal roll for
14 Harris County.

15 Sec. 3848.153. ASSESSMENTS; LIENS FOR ASSESSMENTS.

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

18 (b) An assessment, a reassessment, or an assessment
19 resulting from an addition to or correction of the assessment roll
20 by the district, penalties and interest on an assessment or
21 reassessment, an expense of collection, and reasonable attorney's
22 fees incurred by the district:

23 (1) are a first and prior lien against the property
24 assessed;

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

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

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

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

12 Sec. 3848.154. MAINTENANCE TAX. (a) If authorized at an
13 election held in accordance with Section 3848.157, the district may
14 impose an annual ad valorem tax on taxable property in the district
15 for any district purpose, including to:

16 (1) maintain and operate the district;

17 (2) construct or acquire improvements; or

18 (3) provide a service.

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

20 Sec. 3848.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND
21 ASSESSMENTS. The district may not impose an impact fee or
22 assessment on the property, including the equipment,
23 rights-of-way, facilities, or improvements, of:

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

26 (2) a gas utility as defined by Section 101.003 or
27 121.001, Utilities Code; or

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

3 Sec. 3848.156. BONDS AND OTHER OBLIGATIONS. (a) The
4 district may issue bonds or other obligations payable wholly or
5 partly from taxes, assessments, impact fees, revenue, grants, or
6 other money of the district, or any combination of those sources of
7 money, to pay for any authorized purpose of the district.

8 (b) The district may issue a bond or other obligation in the
9 form of a bond, note, certificate of participation or other
10 instrument evidencing a proportionate interest in payments to be
11 made by the district, or other type of obligation.

12 Sec. 3848.157. TAX AND BOND ELECTIONS. (a) The district
13 shall hold an election in the manner provided by Subchapter L,
14 Chapter 375, Local Government Code, to obtain voter approval before
15 the district imposes an ad valorem tax or issues bonds payable from
16 ad valorem taxes.

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

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

21 Sec. 3848.158. CITY NOT REQUIRED TO PAY DISTRICT
22 OBLIGATIONS. Except as provided by Section 375.263, Local
23 Government Code, the City of Houston is not required to pay a bond,
24 note, or other obligation of the district.

25 Sec. 3848.159. COMPETITIVE BIDDING. Section 375.221, Local
26 Government Code, applies to the district only for a contract that
27 has a value greater than \$15,000.

1 Sec. 3848.160. TAX AND ASSESSMENT ABATEMENTS. The district
2 may grant in the manner authorized by Chapter 312, Tax Code, an
3 abatement for a tax or assessment owed to the district.

4 [Sections 3848.161-3848.200 reserved for expansion]

5 SUBCHAPTER E. DISSOLUTION

6 Sec. 3848.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING
7 DEBT. (a) The board may dissolve the district regardless of
8 whether the district has debt. Section 375.264, Local Government
9 Code, does not apply to the district.

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

14 SECTION 6. As of the effective date of this Act, the East
15 Montrose Management District includes all territory contained in
16 the following described area in Harris County, Texas:

17 UNLESS otherwise specified, the boundaries of this district will
18 travel along the centerline of each street included, and each
19 intersection will be the intersection of the centerlines of the
20 streets mentioned. POINT OF BEGINNING at the intersection of West
21 Dallas and Montrose Boulevard. Then in a southerly direction along
22 Montrose Boulevard to its intersection with Sul Ross. Then in a
23 westerly direction along Sul Ross to its intersection with
24 Mulberry. Then in a southerly direction along Mulberry to its
25 intersection with Branard, then east along Branard to its
26 intersection with Yupon. Then in a southerly direction along Yupon
27 to where Yupon corners into Colquitt. Then in an easterly direction

1 along Colquitt to its intersection with Graustark. Then in a
2 southerly direction along Graustark to the south boundary line of
3 U.S. Highway 59. Then in an easterly direction from said
4 intersection along the south boundary line of U.S. Highway 59
5 proceeding in a northeasterly direction along Spur 527, then
6 following Spur 527 in a northeasterly direction to its intersection
7 with the easterly line of Milam Street. Then in a northeasterly
8 direction along Milam Street to its intersection with the easterly
9 line of Spur 527. Then in a northerly direction along the easterly
10 line of Spur 527 to Brazos Street. Then in a northeasterly
11 direction along Brazos Street to its intersection with Tuam Avenue.
12 Then in a northwesterly direction along Tuam Avenue to Bagby
13 Street. Then in a northeasterly direction along Bagby Street to
14 McGowen Avenue. Then in a northwesterly direction along the
15 McGowen Avenue to the southerly projection of Bailey Street. Then
16 following the southerly projection of Bailey Street in a northerly
17 direction to Bailey Street. Then in a northerly direction along
18 Bailey Street to the southeast corner of Lot 10 Block 78 of the W.R.
19 Baker Subdivision, Unrecorded. Then in a westerly direction along
20 the south line of said W.R. Baker Unrecorded Subdivision, crossing
21 Gillette Street and continuing to Genesee Street. Then westerly
22 along Welch Street to its intersection with Taft Street. Then in a
23 northerly direction along Taft Street to its intersection with West
24 Dallas Street. Then in a westerly direction along West Dallas
25 Street to its intersection with Montrose Boulevard at the POINT OF
26 BEGINNING.

27 SECTION 7. Subtitle C, Title 4, Special District Local Laws

1 Code, is amended by adding Chapter 3849 to read as follows:

2 CHAPTER 3849. FOURTH WARD MANAGEMENT DISTRICT

3 SUBCHAPTER A. GENERAL PROVISIONS

4 Sec. 3849.001. DEFINITIONS. In this chapter:

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

7 (2) "District" means the Fourth Ward Management
8 District.

9 Sec. 3849.002. FOURTH WARD MANAGEMENT DISTRICT. The Fourth
10 Ward Management District is a special district created under
11 Section 59, Article XVI, Texas Constitution.

12 Sec. 3849.003. PURPOSE; DECLARATION OF INTENT. (a) The
13 creation of the district is essential to accomplish the purposes of
14 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
15 Texas Constitution, and other public purposes stated in this
16 chapter. By creating the district and in authorizing the City of
17 Houston, Harris County, and other political subdivisions to
18 contract with the district, the legislature has established a
19 program to accomplish the public purposes set out in Section 52-a,
20 Article III, Texas Constitution.

21 (b) The creation of the district is necessary to promote,
22 develop, encourage, and maintain employment, commerce,
23 transportation, housing, tourism, recreation, the arts,
24 entertainment, economic development, safety, and the public
25 welfare in the district.

26 (c) This chapter and the creation of the district may not be
27 interpreted to relieve Harris County or the City of Houston from

1 providing the level of services provided as of the effective date of
2 the Act enacting this chapter to the area in the district. The
3 district is created to supplement and not to supplant the county or
4 city services provided in the area in the district.

5 Sec. 3849.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

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

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

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

14 (1) further the public purposes of developing and
15 diversifying the economy of the state;

16 (2) eliminate unemployment and underemployment; and

17 (3) develop or expand transportation and commerce.

18 (d) The district will:

19 (1) promote the health, safety, and general welfare of
20 residents, employers, employees, visitors, and consumers in the
21 district and of the public;

22 (2) provide needed funding to preserve, maintain, and
23 enhance the economic health and vitality of the district territory
24 as a community and business center; and

25 (3) promote the health, safety, welfare, and enjoyment
26 of the public by providing pedestrian ways and by landscaping and
27 developing certain areas in the district, which are necessary for

1 the restoration, preservation, and enhancement of scenic beauty.

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

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

10 Sec. 3849.005. DISTRICT TERRITORY. (a) The district is
11 composed of the territory described by Section 8 of the Act enacting
12 this chapter, as that territory may have been modified under:

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

14 (2) other law.

15 (b) The boundaries and field notes of the district contained
16 in Section 8 of the Act enacting this chapter form a closure. A
17 mistake in the field notes or in copying the field notes in the
18 legislative process does not in any way affect the district's:

19 (1) organization, existence, or validity;

20 (2) right to issue any type of bond for a purpose for
21 which the district is created or to pay the principal of and
22 interest on the bond;

23 (3) right to impose or collect an assessment or tax; or

24 (4) legality or operation.

25 Sec. 3849.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
26 All or any part of the area of the district is eligible to be
27 included in:

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

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

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

7 Sec. 3849.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
8 DISTRICTS LAW. Except as otherwise provided by this chapter,
9 Chapter 375, Local Government Code, applies to the district.

10 Sec. 3849.008. LIBERAL CONSTRUCTION OF CHAPTER. This
11 chapter shall be liberally construed in conformity with the
12 findings and purposes stated in this chapter.

13 [Sections 3849.009-3849.050 reserved for expansion]

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 3849.051. BOARD OF DIRECTORS; TERMS. (a) The
16 district is governed by a board of 11 voting directors who serve
17 staggered terms of four years, with five or six directors' terms
18 expiring June 1 of each odd-numbered year.

19 (b) The board by resolution may change the number of voting
20 directors on the board, but only if the board determines that the
21 change is in the best interest of the district. The board may not
22 consist of fewer than five voting directors.

23 Sec. 3849.052. APPOINTMENT OF DIRECTORS. The mayor and
24 members of the governing body of the City of Houston shall appoint
25 directors from persons recommended by the board. A person is
26 appointed if a majority of the members of the governing body,
27 including the mayor, vote to appoint that person.

1 Sec. 3849.053. NONVOTING DIRECTORS. (a) The following
2 persons serve as nonvoting directors:

3 (1) the directors of the following departments of the
4 City of Houston or a person designated by that director:

5 (A) parks and recreation;

6 (B) planning and development;

7 (C) public works; and

8 (D) civic center; and

9 (2) the City of Houston's chief of police.

10 (b) If a department described by Subsection (a) is
11 consolidated, renamed, or changed, the board may appoint a director
12 of the consolidated, renamed, or changed department as a nonvoting
13 director. If a department described by Subsection (a) is
14 abolished, the board may appoint a representative of another
15 department that performs duties comparable to those performed by
16 the abolished department.

17 Sec. 3849.054. QUORUM. Nonvoting directors are not counted
18 for the purposes of establishing a board quorum.

19 Sec. 3849.055. CONFLICTS OF INTEREST; ONE-TIME AFFIDAVIT.

20 (a) Except as provided by this section:

21 (1) a director may participate in all board votes and
22 decisions; and

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

25 (b) Section 171.004, Local Government Code, does not apply
26 to the district. A director who has a substantial interest in a
27 business or charitable entity that will receive a pecuniary benefit

1 from a board action shall file a one-time affidavit declaring the
2 interest. An additional affidavit is not required if the
3 director's interest changes. After the affidavit is filed with the
4 board secretary, the director may participate in a discussion or
5 vote on that action if:

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

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

10 (c) A director who is also an officer or employee of a public
11 entity may not participate in the discussion of or vote on a matter
12 regarding a contract with that public entity.

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

17 Sec. 3849.056. INITIAL VOTING DIRECTORS. (a) The initial
18 board consists of the following voting directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Keith Wade</u>
<u>2</u>	<u>Karen Domino</u>
<u>3</u>	<u>William Taylor</u>
<u>4</u>	<u>Sadie Rucker</u>
<u>5</u>	<u>Jackie Martin</u>
<u>6</u>	<u>Elmo Johnson</u>
<u>7</u>	<u>June Deadrick</u>
<u>8</u>	<u>Todd Triggs</u>

- 1 9 Peter Grimm
- 2 10 Milton Wilson
- 3 11 Ernie Etuk

4 (b) Of the initial directors, the terms of directors
 5 appointed for positions 1 through 6 expire June 1, 2007, and the
 6 terms of directors appointed for positions 7 through 11 expire
 7 June 1, 2009.

8 (c) Section 3849.052 does not apply to this section.

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

10 [Sections 3849.057-3849.100 reserved for expansion]

11 SUBCHAPTER C. POWERS AND DUTIES

12 Sec. 3849.101. ADDITIONAL POWERS OF DISTRICT. The district
 13 may exercise the powers given to:

14 (1) a corporation under Section 4B, Development
 15 Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil
 16 Statutes), including the power to own, operate, acquire, construct,
 17 lease, improve, or maintain a project described by that section;
 18 and

19 (2) a housing finance corporation created under
 20 Chapter 394, Local Government Code, to provide housing or
 21 residential development projects in the district.

22 Sec. 3849.102. NONPROFIT CORPORATION. (a) The board by
 23 resolution may authorize the creation of a nonprofit corporation to
 24 assist and act for the district in implementing a project or
 25 providing a service authorized by this chapter.

26 (b) The nonprofit corporation:

27 (1) has each power of and is considered for purposes of

1 this chapter to be a local government corporation created under
2 Chapter 431, Transportation Code; and

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

5 (c) The board shall appoint the board of directors of the
6 nonprofit corporation. The board of directors of the nonprofit
7 corporation shall serve in the same manner as the board of directors
8 of a local government corporation created under Chapter 431,
9 Transportation Code.

10 Sec. 3849.103. AGREEMENTS; GRANTS. (a) The district may
11 make an agreement with or accept a gift, grant, or loan from any
12 person.

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

16 Sec. 3849.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT.
17 To protect the public interest, the district may contract with
18 Harris County or the City of Houston to provide law enforcement
19 services in the district for a fee.

20 Sec. 3849.105. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
21 district may join and pay dues to an organization that:

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

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

26 Sec. 3849.106. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
27 district may establish and provide for the administration of one or

1 more programs to promote state or local economic development and to
2 stimulate business and commercial activity in the district,
3 including programs to:

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

5 (2) provide district personnel and services.

6 (b) For purposes of this section, the district has all of
7 the powers of a municipality under Chapter 380, Local Government
8 Code.

9 Sec. 3849.107. NO EMINENT DOMAIN. The district may not
10 exercise the power of eminent domain.

11 [Sections 3849.108-3849.150 reserved for expansion]

12 SUBCHAPTER D. FINANCIAL PROVISIONS

13 Sec. 3849.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
14 board by resolution shall establish the number of directors'
15 signatures and the procedure required for a disbursement or
16 transfer of the district's money.

17 Sec. 3849.152. PETITION REQUIRED FOR FINANCING SERVICES AND
18 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
19 service or improvement project with assessments under this chapter
20 unless a written petition requesting that service or improvement
21 has been filed with the board.

22 (b) A petition filed under Subsection (a) must be signed by:

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

26 (2) at least 50 persons who own real property in the
27 district, if more than 50 persons own real property in the district

1 according to the most recent certified tax appraisal roll for
2 Harris County.

3 Sec. 3849.153. ASSESSMENTS; LIENS FOR ASSESSMENTS.

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

6 (b) An assessment, a reassessment, or an assessment
7 resulting from an addition to or correction of the assessment roll
8 by the district, penalties and interest on an assessment or
9 reassessment, an expense of collection, and reasonable attorney's
10 fees incurred by the district:

11 (1) are a first and prior lien against the property
12 assessed;

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

16 (3) are the personal liability of and a charge against
17 the owners of the property even if the owners are not named in the
18 assessment proceedings.

19 (c) The lien is effective from the date of the board's
20 resolution imposing the assessment until the date the assessment is
21 paid. The board may enforce the lien in the same manner that the
22 board may enforce an ad valorem tax lien against real property.

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

27 Sec. 3849.154. MAINTENANCE TAX. (a) If authorized at an

1 election held in accordance with Section 3849.157, the district may
2 impose an annual ad valorem tax on taxable property in the district
3 for any district purpose, including to:

4 (1) maintain and operate the district;

5 (2) construct or acquire improvements; or

6 (3) provide a service.

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

8 Sec. 3849.155. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND
9 ASSESSMENTS. The district may not impose an impact fee or
10 assessment on the property, including the equipment,
11 rights-of-way, facilities, or improvements, of:

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

14 (2) a gas utility as defined by Section 101.003 or
15 121.001, Utilities Code; or

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

18 Sec. 3849.156. BONDS AND OTHER OBLIGATIONS. (a) The
19 district may issue bonds or other obligations payable wholly or
20 partly from taxes, assessments, impact fees, revenue, grants, or
21 other money of the district, or any combination of those sources of
22 money, to pay for any authorized purpose of the district.

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

27 Sec. 3849.157. TAX AND BOND ELECTIONS. (a) The district

1 shall hold an election in the manner provided by Subchapter L,
2 Chapter 375, Local Government Code, to obtain voter approval before
3 the district imposes an ad valorem tax or issues bonds payable from
4 ad valorem taxes.

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

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

9 Sec. 3849.158. CITY NOT REQUIRED TO PAY DISTRICT
10 OBLIGATIONS. Except as provided by Section 375.263, Local
11 Government Code, the City of Houston is not required to pay a bond,
12 note, or other obligation of the district.

13 Sec. 3849.159. COMPETITIVE BIDDING. Section 375.221, Local
14 Government Code, applies to the district only for a contract that
15 has a value greater than \$15,000.

16 Sec. 3849.160. TAX AND ASSESSMENT ABATEMENTS. The district
17 may grant in the manner authorized by Chapter 312, Tax Code, an
18 abatement for a tax or assessment owed to the district.

19 [Sections 3849.161-3849.200 reserved for expansion]

20 SUBCHAPTER E. DISSOLUTION

21 Sec. 3849.201. DISSOLUTION OF DISTRICT WITH OUTSTANDING
22 DEBT. (a) The board may dissolve the district regardless of
23 whether the district has debt. Section 375.264, Local Government
24 Code, does not apply to the district.

25 (b) If the district has debt when it is dissolved, the
26 district shall remain in existence solely for the purpose of
27 discharging its debts. The dissolution is effective when all debts

1 have been discharged.

2 SECTION 8. As of the effective date of this Act, the Fourth
3 Ward Management District includes all territory contained in the
4 following described area in Harris County, Texas:

5 UNLESS otherwise specified, the boundaries of this district will
6 travel along the centerline of each street included, and each
7 intersection will be the intersection of the centerlines of the
8 streets mentioned. POINT OF BEGINNING at the intersection of
9 Heiner Street with Allen Parkway. Then in a westerly direction
10 along Allen Parkway to its intersection with Montrose Boulevard.

11 Then in a southerly direction along Montrose Boulevard to its
12 intersection with West Dallas Street. Then in an easterly
13 direction along West Dallas Street to its intersection with Taft
14 Street. Then in a southerly direction along Taft Street to its
15 intersection with Welch Avenue. Then in an easterly direction
16 along Welch Avenue to its intersection with Genesee Street and
17 Dennis Avenue. Then in a northerly direction along Genesee Street
18 to its intersection with Sutton. Then in an easterly direction
19 along Sutton to its intersection with Bailey Street.

20 Then in a northerly direction along Bailey Street to its
21 intersection with West Webster Avenue. Then in an easterly
22 direction along West Webster Avenue to its intersection with
23 Webster Avenue. Then in a northwesterly direction along Webster
24 Avenue to its intersection with West Gray Avenue. Then in an
25 easterly and southeasterly direction along West Gray Avenue to its
26 intersection with Baldwin Street. Then in a northeasterly
27 direction along Baldwin Street to its intersection with St. Joseph.

1 Then in a northwesterly direction along St. Joseph to the southerly
2 dead end of Arthur Street. Then in a northerly direction along
3 Arthur Street to its intersection with Cleveland Street. Then in an
4 easterly direction along Cleveland Street to its intersection with
5 Heiner Street. Then in a northerly direction along Heiner Street to
6 the POINT OF BEGINNING.

7 SECTION 9. The legislature finds that:

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

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

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

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

1 SECTION 10. This Act takes effect immediately if it
2 receives a vote of two-thirds of all the members elected to each
3 house, as provided by Section 39, Article III, Texas Constitution.
4 If this Act does not receive the vote necessary for immediate
5 effect, this Act takes effect September 1, 2005.