

BILL ANALYSIS

C.S.H.B. 4740
By: Fletcher
County Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Harris County Improvement District No. 14 is currently located in the extraterritorial jurisdiction of the City of Houston in Harris County. The district will be a municipal management district similar to those operating pursuant to Chapter 375, Local Government Code, and Title 4, Special District Local Laws Code.

C.S.H.B. 4740 creates Harris County Improvement District No. 14 as a political subdivision of the State of Texas to administer and provide funding for economic development projects and services in the district.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 4740 amends the Special District Local Laws Code to create the Harris County Improvement District No. 14. The bill sets forth provisions relating to the nature of the district, the purpose of the district and a declaration of intent, findings of public purpose and benefit, the initial district territory, the eligibility for inclusion in special zones, the applicability of municipal management districts law, and the liberal construction of the provisions establishing the district. The bill sets out provisions relating to the composition of the board of directors, the directors' terms, appointment of directors, nonvoting directors, requirements for a quorum, compensation, and specifies the initial voting board members: Robbie Winston, David Loosley, Craig Young, Jeff Finn, and Rachal Taylor.

C.S.H.B. 4740 sets out the powers and duties of the district relating to the exercise of the powers given to a development corporation, the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service, agreements and grants, contracts with law enforcement, membership in charitable organizations, economic development programs, strategic partnership agreements, and annexation or exclusion of territory by the district. The bill prohibits the district from exercising the power of eminent domain.

C.S.H.B. 4740 sets forth provisions relating to parking facilities, the operation of parking facilities by a private entity, and the financing of parking facilities. The bill authorizes the district to adopt rules covering its public parking system.

C.S.H.B. 4740 sets forth general financial provisions relating to disbursements and transfers of money, money used for improvements or services, a required petition for financing services and improvement with assessments, the method of notice for hearing, assessments and liens for assessments, the exemption of certain utility property from impact fees and assessments, the inapplicability of tax exemptions for certain residential property, an operation and maintenance tax, contract taxes, district authority to borrow money and issue bonds, taxes for bonds, elections

regarding taxes and bonds, competitive bidding, and tax and assessment abatements.

C.S.H.B. 4740 sets forth provisions relating to taxes for certain defined areas and designated property for the authority to establish defined areas or designated property, for election procedure and declaring the result and issuing an order, for taxes in defined areas or designated property for services, improvements, and facilities, and for the issuance of bonds and the imposition of taxes for a defined area or designated property. The bill sets out provisions relating to municipal annexation and dissolution.

C.S.H.B. 4740 sets forth a metes and bounds description of the initial boundaries of the district. The bill defines "board," "director," and "district."

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 4740 removes a provision in the original exempting the district's public parking facilities from payment of taxes.

C.S.H.B. 4740 differs from the original by omitting a provision exempting the district from a provision encouraging the full participation of disadvantaged businesses in all phases of its procurement activities.