

BILL ANALYSIS

S.B. 1184
By: Nichols
Urban Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Timber Springs Municipal Management District (district) includes 44 acres situated northeast of the central city of Nacogdoches at 1600 Tom Maroney Drive. Nacogdoches is located in the lush forest country of East Texas and is a certified retirement community. The property will be developed into a senior living community that offers 20 executive cottage homes and 146 senior apartments with high quality finishes. Timber Springs additional care facilities will include a 32 apartment assisted living center with 38 beds and a 28 apartment nursing center with 34 beds. In total, the Timber Springs community will be a home with 226 units.

The capital improvements will be one of the largest non-education investments in Nacogdoches creating at least 50 new jobs and becoming one of the top 25 employers in Nacogdoches County. The district intends to facilitate the development of property within the district into a mixed-use retirement development project consisting of condominiums, stand-alone homes assisted living and on-site medical care. Currently, there is no means by which a developer can issue tax exempt bonds to finance this development's costs. A lower bond cost would expedite the project and provide the district with a financing mechanism for the issuance of bonds to fund or refund costs for public infrastructure necessary to render the land developable. Creation of the district will facilitate the development and redevelopment of property within its boundaries that are wholly within the corporate limits of the city of Nacogdoches and within Nacogdoches County. The district is created to construct, finance, and operate infrastructure and improvements within the district and promote the economic development of Texas, the city of Nacogdoches, as well as neighboring communities.

As introduced, S.B.1184 creates the district and provides for the district's administration, powers, operation, and financing, and the appointment of the district's board of directors. The bill authorizes the district to impose property taxes and to levy assessments on property within its boundaries, to impose and collect other revenues for its public purposes, and to issue voter-approved bonds and other obligations that are secured by such property taxes to finance costs associated with public infrastructure, including water, sanitary sewer, drainage, roadway, public green space, lighting, sidewalks, landscaping, and streetscaping improvements.

The district will have the powers of conservation districts under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts) Article 16, Texas Constitution and the road and street powers authorized under Section 52 (Counties, Cities, or Other Political Corporations or Subdivisions; Lending Credit; Grants; Bonds) Article III, , Texas Constitution, as well as the powers granted under Chapters 54 (Municipal Utility Districts), 49 (Provisions Applicable to All Districts), Water Code. The district is also granted the powers to levy assessments for public improvements under Chapters 375 (Municipal Management Districts in General), and 372 (Improvement Districts in Municipalities and Counties), Local Government Code, and to create economic development programs under Chapter 380 (Miscellaneous Provisions Relating to Municipal Planning and Development), Local Government Code.

The district will not have the power of condemnation.

S.B.1184 relates to the creation of the Timber Springs Municipal Management District and provides authority to impose a tax, levy an assessment, and issue bonds.

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

SECTION 1. Amends Subtitle C, Title 4, Special District Local Laws Code, by adding Chapter 3897, as follows:

CHAPTER 3897. TIMBER SPRINGS MUNICIPAL MANAGEMENT DISTRICT

Sets forth standard language for the creation of the Timber Springs Municipal Management District (district) in Nacogdoches County. Sets forth definitions, standards, procedures, requirements, and criteria for:

Definitions, creation, and approval of the district (Sections 3897.001-3897.050);

Size, composition, election, and terms of the board of directors of the district (Sections 3897.051-3897.100);

Powers and duties of the district (Sections 3897.101-3897.150);

Authority to undertake improvement projects (Sections 3897.151-3897.200);

Authority to enter into contracts (Sections 3897.201-3897.250);

General financial provisions; authority to impose a tax, borrow money, issue bonds and powers regarding payment of district bonds, obligations, and other costs of the district (Sections 3897.251-3897.300);

Taxes and bonds; authority to impose an ad valorem tax and a tax for maintenance and operation; authority to issue bonds and obligations for the district (Sections 3897.301-3897.350); and

Dissolution of the district by ordinance, the limitation on dissolution, and the assumption of assets and liabilities (Sections 3897.351-3897.354);

Prohibits the district from exercising the power of eminent domain.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2011.