

By: Howard of Fort Bend

H.B. No. 3812

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of the Imperial Redevelopment District; providing authority to impose a tax and issue bonds.

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

SECTION 1. Section 8150.001, Special District Local Laws Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "County" means Fort Bend County, Texas.

SECTION 2. Section 8150.002, Special District Local Laws Code, is amended to read as follows:

Sec. 8150.002. NATURE OF DISTRICT. The district is a municipal utility district in Fort Bend County created under Section 59, Article XVI, Texas Constitution, and is essential to accomplish the purposes of Sections [Section] 52 and 52-a, Article III, Section 1-g, Article VIII, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

SECTION 3. Subchapter A, Chapter 8150, Special District Local Laws Code, is amended by adding Section 8150.0025 to read as follows:

Sec. 8150.0025. DECLARATION OF INTENT. (a) By creating the district and in authorizing the city, the county, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The district is necessary to promote, develop,

1 encourage, and maintain employment, commerce, transportation,  
2 housing, tourism, recreation, the arts, entertainment, economic  
3 development, safety, and the public welfare in the district.

4 (c) This chapter and the creation of the district may not be  
5 interpreted to relieve the city or the county from providing  
6 services to the area in the district. The district is created to  
7 supplement and not to supplant city and county services provided in  
8 the district.

9 SECTION 4. Section 8150.003, Special District Local Laws  
10 Code, is amended to read as follows:

11 Sec. 8150.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
12 All land and other property included in the district will benefit  
13 from the improvements and services to be provided by the district  
14 under powers conferred by Sections [Section] 52 and 52-a, Article  
15 III, Section 1-g, Article VIII, and Section 59, Article XVI, Texas  
16 Constitution, and other powers granted under this chapter.

17 (b) The district is created for the ~~[same]~~ purposes of [as]:

18 (1) a municipal utility district as provided by  
19 Section 54.012, Water Code;

20 (2) ~~[a road utility district created under]~~ Section  
21 52, Article III, Texas Constitution, that relate to the  
22 construction, acquisition, improvement, operation, or maintenance  
23 of macadamized, graveled, or paved roads, or improvements in aid of  
24 those roads, including drainage improvements [and operating under  
25 Chapter 441, Transportation Code, including the purpose of  
26 constructing, acquiring, improving, maintaining, and operating  
27 roads and road facilities]; and

1           (3) the purchase, construction, acquisition,  
2 ownership, improvement, maintenance, and operation of the public  
3 works and public improvements authorized for a tax increment  
4 reinvestment zone operating under Chapter 311, Tax Code, and a  
5 municipal management district operating under Chapter 375, Local  
6 Government Code.

7           (c) The district is created to serve a public use and  
8 benefit.

9           (d) The creation of the district is in the public interest  
10 and is essential to further the public purposes of:

11           (1) developing and diversifying the economy of the  
12 state;

13           (2) eliminating unemployment and underemployment; and

14           (3) developing or expanding transportation and  
15 commerce.

16           (e) The district will:

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

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

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

27           (f) Pedestrian ways along or across a street, whether at

1 grade or above or below the surface, and street lighting, street  
2 landscaping, vehicle parking, and street art objects are parts of  
3 and necessary components of a street and are considered to be a  
4 street or road improvement.

5 (g) A sports and community venue facility is considered to  
6 be a park and recreational facility.

7 (h) 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 SECTION 5. Subchapter C, Chapter 8150, Special District  
11 Local Laws Code, is amended by adding Sections 8150.1025, 8150.105,  
12 8150.106, 8150.107, 8150.108, 8150.109, and 8150.110 to read as  
13 follows:

14 Sec. 8150.1025. MUNICIPAL MANAGEMENT DISTRICT PROJECTS AND  
15 SERVICES. The district may provide, design, construct, acquire,  
16 improve, relocate, operate, maintain, or finance an improvement,  
17 improvement project, or service using money available to the  
18 district, or contract with a governmental or private entity to  
19 provide, design, construct, acquire, improve, relocate, operate,  
20 maintain, or finance an improvement, improvement project, or  
21 service authorized under this chapter or Chapter 375, Local  
22 Government Code.

23 Sec. 8150.105. DEVELOPMENT CORPORATION POWERS. The  
24 district, using money available to the district, may exercise the  
25 powers given to a development corporation under Chapter 505, Local  
26 Government Code, including the power to own, operate, acquire,  
27 construct, lease, improve, or maintain a project under that

1 chapter.

2 Sec. 8150.106. NONPROFIT CORPORATION. (a) The board by  
3 resolution may authorize the creation of a nonprofit corporation to  
4 assist and act for the district in implementing a project or  
5 providing a service authorized by this chapter.

6 (b) The nonprofit corporation:

7 (1) has each power of and is considered to be a local  
8 government corporation created under Subchapter D, Chapter 431,  
9 Transportation Code; and

10 (2) may implement any project and provide any service  
11 authorized by this chapter.

12 (c) The board shall appoint the board of directors of the  
13 nonprofit corporation. The board of directors of the nonprofit  
14 corporation shall serve in the same manner as the board of directors  
15 of a local government corporation created under Subchapter D,  
16 Chapter 431, Transportation Code, except that a board member is not  
17 required to reside in the district.

18 Sec. 8150.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The  
19 district may join and pay dues to a charitable or nonprofit  
20 organization that performs a service or provides an activity  
21 consistent with the furtherance of a district purpose.

22 Sec. 8150.108. ECONOMIC DEVELOPMENT. (a) The district may  
23 engage in activities that accomplish the economic development  
24 purposes of the district.

25 (b) The district may establish and provide for the  
26 administration of one or more programs to promote state or local  
27 economic development and to stimulate business and commercial

1 activity in the district, including programs to:

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

3 (2) provide district personnel and services.

4 (c) The district may create economic development programs  
5 and exercise the economic development powers that:

6 (1) Chapter 380, Local Government Code, provides to a  
7 municipality; and

8 (2) Subchapter A, Chapter 1509, Government Code,  
9 provides to a municipality.

10 Sec. 8150.109. PARKING FACILITIES. (a) The district may  
11 acquire, lease as lessor or lessee, construct, develop, own,  
12 operate, and maintain parking facilities or a system of parking  
13 facilities, including lots, garages, parking terminals, or other  
14 structures or accommodations for parking motor vehicles off the  
15 streets and related appurtenances.

16 (b) The district's parking facilities serve the public  
17 purposes of the district and are owned, used, and held for a public  
18 purpose even if leased or operated by a private entity for a term of  
19 years.

20 (c) The district's parking facilities are parts of and  
21 necessary components of a street and are considered to be a street  
22 or road improvement.

23 (d) The development and operation of the district's parking  
24 facilities may be considered an economic development program.

25 Sec. 8150.110. SPORTS AND COMMUNITY VENUE FACILITIES. (a)  
26 The district may acquire, sell, lease as lessor or lessee, convey,  
27 construct, finance, develop, own, operate, maintain, acquire real

1 property interests for, demolish, or reconstruct a sports and  
2 community venue facility.

3 (b) A sports and community venue facility authorized under  
4 this section includes:

5 (1) an arena, coliseum, stadium, or other type of area  
6 or facility that is used or is planned for use for one or more  
7 professional or amateur sports events, community events, other  
8 sports events, promotional events, and other civic or charitable  
9 events;

10 (2) a convention center facility or related  
11 improvement such as a convention center, civic center, civic center  
12 building, civic center hotel, auditorium, theater, opera house,  
13 music hall, exhibition hall, rehearsal hall, park, performing arts  
14 center, museum, aquarium, or plaza that is located in the vicinity  
15 of a convention center or facility owned by a municipality or a  
16 county; and

17 (3) a facility related to a sports and community venue  
18 facility, including a store, restaurant, on-site hotel,  
19 concession, or other on-site or off-site improvement that relates  
20 to and enhances the use, value, or appeal of a sports and community  
21 venue, including an area adjacent to the venue, and any other  
22 expenditure reasonably necessary to construct, improve, renovate,  
23 or expand a venue, including an expenditure for environmental  
24 remediation.

25 SECTION 6. Section 8150.151, Special District Local Laws  
26 Code, is amended to read as follows:

27 Sec. 8150.151. ROAD PROJECTS. (a) As authorized by Section

1 52, Article III, Texas Constitution, the district may construct,  
2 acquire, improve, maintain, or operate, inside and outside the  
3 district, roads and road improvements [~~facilities as defined by~~  
4 ~~Chapter 441, Transportation Code~~].

5 (b) The roads and road improvements [~~facilities~~] authorized  
6 by Subsection (a) may include drainage, landscaping, pedestrian  
7 improvements, lights, signs, or signals that are incidental to the  
8 roads and their construction, maintenance, or operation.

9 (c) The roads and road improvements [~~facilities~~] authorized  
10 by this section must meet all applicable construction standards,  
11 zoning and subdivision requirements, and regulatory ordinances of  
12 the city.

13 (d) On completion of a road or road improvement [~~facility~~]  
14 authorized by this section, the district, with the consent of the  
15 city, may convey the road or road improvement [~~facility~~] to the city  
16 if the conveyance is free of all indebtedness of the district. If  
17 the city becomes the owner of a road or road improvement [~~facility~~],  
18 the city is responsible for all future maintenance and upkeep and  
19 the district has no further responsibility for the road or road  
20 improvement [~~facility~~] or its maintenance or upkeep, unless  
21 otherwise agreed to by the district and the city.

22 SECTION 7. Section 8150.153, Special District Local Laws  
23 Code, is amended to read as follows:

24 Sec. 8150.153. REIMBURSEMENT FOR ROAD PROJECT. (a) The  
25 district may:

26 (1) reimburse a private person for money spent to  
27 construct a road or road improvement [~~facility~~] that is dedicated



1 or otherwise transferred to public use; or

2 (2) purchase a road or road improvement [~~facility~~]  
3 constructed by a private person.

4 (b) The amount paid for the reimbursement or for the  
5 purchase of a road or road improvement [~~facility~~] under Subsection  
6 (a) may:

7 (1) include all construction costs, including  
8 engineering, legal, financing, and other expenses incident to the  
9 construction; or

10 (2) be at a price not to exceed the replacement cost of  
11 the road or road improvement [~~facility~~] as determined by the board.

12 (c) The reimbursement or purchase of a road or road  
13 improvement [~~facility~~] may be paid for with proceeds from the sale  
14 of the district's bonds or from any other money available to the  
15 district.

16 (d) The district may enter into an agreement to use the  
17 proceeds of a subsequent bond sale to reimburse a private person  
18 under this section. The agreement may provide the terms and  
19 conditions under which the road or road improvement [~~facility~~] is  
20 to be dedicated or transferred for the benefit of the public.

21 SECTION 8. Section 8150.201(a), Special District Local Laws  
22 Code, is amended to read as follows:

23 (a) The district may issue, without an election, bonds and  
24 other obligations secured by:

25 (1) revenue [~~or contract payments~~] from any source  
26 other than ad valorem taxation; or

27 (2) contract payments described by Section 8150.203.

1 SECTION 9. The heading to Section 8150.202, Special  
2 District Local Laws Code, is amended to read as follows:

3 Sec. 8150.202. OPERATION AND MAINTENANCE [~~AD VALOREM~~] TAX.

4 SECTION 10. Section 8150.202, Special District Local Laws  
5 Code, is amended by amending Subsection (a) and adding Subsection  
6 (c) to read as follows:

7 (a) If authorized by a majority of the district voters  
8 voting at an election held for that purpose [~~under Section~~  
9 ~~8150.201~~], the district may impose an operation and maintenance  
10 [~~annual ad valorem~~] tax on taxable property in the district in  
11 accordance with Section 49.107, Water Code, for any district  
12 purpose, including to:

- 13 (1) operate and maintain the district;  
14 (2) construct or acquire improvements; and  
15 (3) provide a service [~~for the provision of services~~  
16 ~~or for the maintenance and operation of the district, including the~~  
17 ~~improvements constructed or acquired by the district~~].

18 (c) Section 49.107(h), Water Code, does not apply to the  
19 district.

20 SECTION 11. Subchapter E, Chapter 8150, Special District  
21 Local Laws Code, is amended by adding Sections 8150.203, 8150.204,  
22 8150.205, 8150.206, 8150.207, and 8150.208 to read as follows:

23 Sec. 8150.203. CONTRACT TAXES. (a) In accordance with  
24 Section 49.108, Water Code, the district may impose a tax other than  
25 an operation and maintenance tax and use the revenue derived from  
26 the tax to make payments under a contract after the provisions of  
27 the contract have been approved by a majority of the district voters

1 voting at an election held for that purpose.

2 (b) A contract approved by the district voters may contain a  
3 provision stating that the contract may be modified or amended by  
4 the board without further voter approval.

5 Sec. 8150.204. MONEY USED FOR IMPROVEMENTS OR SERVICES.  
6 The district may acquire, construct, finance, operate, or maintain  
7 any improvement or service authorized under this chapter or Chapter  
8 375, Local Government Code, using any money available to the  
9 district.

10 Sec. 8150.205. PETITION REQUIRED FOR FINANCING SERVICES AND  
11 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a  
12 service or improvement project with assessments under this chapter  
13 unless a written petition requesting that service or improvement  
14 has been filed with the board.

15 (b) A petition filed under Subsection (a) must be signed by  
16 the owners of a majority of the assessed value of real property in  
17 the district subject to assessment according to the most recent  
18 certified tax appraisal roll for the county.

19 Sec. 8150.206. METHOD OF NOTICE FOR HEARING. The district  
20 may mail the notice required by Section 375.115(c), Local  
21 Government Code, by certified or first class United States mail.  
22 The board shall determine the method of notice.

23 Sec. 8150.207. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
24 The board by resolution may impose and collect an assessment under  
25 Subchapter F, Chapter 375, Local Government Code, for any purpose  
26 authorized by this chapter or Chapter 375, Local Government Code,  
27 in all or any part of the district.

1       (b) An assessment, a reassessment, or an assessment  
2 resulting from an addition to or correction of the assessment roll  
3 by the district, penalties and interest on an assessment or  
4 reassessment, an expense of collection, and reasonable attorney's  
5 fees incurred by the district:

6           (1) are a first and prior lien against the property  
7 assessed;

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

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

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

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

22       Sec. 8150.208. TAX AND ASSESSMENT ABATEMENTS. The district  
23 may designate reinvestment zones and may grant abatements of a tax  
24 or assessment on property in the zones.

25       SECTION 12. Section 8150.251, Special District Local Laws  
26 Code, is amended by amending Subsection (a) and adding Subsection  
27 (c) to read as follows:

1 (a) The district may issue bonds or other obligations  
2 payable wholly or partly from ad valorem taxes, assessments, impact  
3 fees, revenue, contract payments, grants, or other district money,  
4 or any combination of those sources, to pay for any authorized  
5 district purpose.

6 (c) The limitation on the outstanding principal amount of  
7 bonds, notes, and other obligations provided by Section 49.4645,  
8 Water Code, does not apply to the district.

9 SECTION 13. Section 8150.252, Special District Local Laws  
10 Code, is amended to read as follows:

11 Sec. 8150.252. TAXES FOR BONDS AND OTHER OBLIGATIONS. At  
12 the time the district issues bonds [~~or other obligations~~] payable  
13 wholly or partly from ad valorem taxes, [~~are issued:~~

14 [~~(1)~~] the board shall provide for the annual  
15 imposition of [~~impose~~] a continuing direct annual ad valorem tax,  
16 without limit as to rate or amount, while [~~for each year that~~] all  
17 or part of the bonds are outstanding as required and in the manner  
18 provided by Sections 54.601 and 54.602, Water Code [~~, and~~

19 [~~(2) the district annually shall impose the continuing~~  
20 ~~direct annual ad valorem tax on all taxable property in the district~~  
21 ~~in an amount sufficient to:~~

22 [~~(A) pay the interest on the bonds or other~~  
23 ~~obligations as the interest becomes due,~~

24 [~~(B) create a sinking fund for the payment of the~~  
25 ~~principal of the bonds or other obligations when due or the~~  
26 ~~redemption price at any earlier required redemption date, and~~

27 [~~(C) pay the expenses of imposing the taxes~~].

1 SECTION 14. Chapter 8150, Special District Local Laws Code,  
2 is amended to add Section 8150.255 as follows:

3 Sec. 8150.255. AUTHORITY OF TEXAS COMMISSION ON  
4 ENVIRONMENTAL QUALITY OVER ISSUANCE OF DISTRICT BONDS. Section  
5 375.208, Local Government Code, applies to the district.

6 SECTION 15. The District may not exercise the powers  
7 described in Sections 8150.105, 8150.106, 8150.107, 8150.108,  
8 8150.109, 8150.110, Special District Local Laws Code, without the  
9 express consent of the City of Sugar Land given by and through a  
10 resolution or ordinance adopted by the governing body of the City of  
11 Sugar Land. This section shall not affect any consent or  
12 authorization granted by the City of Sugar Land to the District  
13 prior to the effective date of this Act.

14 SECTION 16. This Act does not affect bonds or other  
15 obligations issued before the effective date of this Act. Bonds or  
16 other obligations issued before the effective date of this Act are  
17 governed by the law in effect when the bonds or other obligations  
18 were issued, and that law is continued in effect for that purpose.

19 SECTION 17. The following provisions of the Special  
20 District Local Laws Code are repealed:

21 (1) Section 8150.255; and

22 (2) Sections 8150.253 and 8150.256.

23 SECTION 18. (a) The legislature validates and confirms all  
24 acts and proceedings of the Board of Directors of the Imperial  
25 Redevelopment District that were taken before the effective date of  
26 this Act.

27 (b) Subsection (a) of this section does not apply to any

1 matter that on the effective date of this Act:

2 (1) is involved in litigation if the litigation  
3 ultimately results in the matter being held invalid by a final  
4 judgment of a court; or

5 (2) has been held invalid by a final judgment of a  
6 court.

7 SECTION 19. (a) The legal notice of the intention to  
8 introduce this Act, setting forth the general substance of this  
9 Act, has been published as provided by law, and the notice and a  
10 copy of this Act have been furnished to all persons, agencies,  
11 officials, or entities to which they are required to be furnished  
12 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
13 Government Code.

14 (b) The governor, one of the required recipients, has  
15 submitted the notice and Act to the Texas Commission on  
16 Environmental Quality.

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

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

25 (e) All requirements of the constitution and laws of this  
26 state and the rules and procedures of the legislature with respect  
27 to the notice, introduction, and passage of this Act have been

1 fulfilled and accomplished.

2           SECTION 20. This Act takes effect immediately if it  
3 receives a vote of two-thirds of all the members elected to each  
4 house, as provided by Section 39, Article III, Texas Constitution.  
5 If this Act does not receive the vote necessary for immediate  
6 effect, this Act takes effect September 1, 2011.