

By: Huffman
(Howard of Fort Bend)

S.B. No. 1880

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.

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

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

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

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

1 ~~roads and road facilities~~]; and

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

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

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

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

14 (2) eliminating unemployment and underemployment; and

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

17 (e) The district will:

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

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

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

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

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

9 SECTION 5. Subchapter A, Chapter 8150, Special District
10 Local Laws Code, is amended by adding Section 8150.0035 to read as
11 follows:

12 Sec. 8150.0035. FINDING ON SPORTS AND COMMUNITY VENUES. A
13 sports and community venue facility is considered to be a park and
14 recreational facility.

15 SECTION 6. Subchapter C, Chapter 8150, Special District
16 Local Laws Code, is amended by adding Sections 8150.1025, 8150.105,
17 8150.106, 8150.107, 8150.108, 8150.109, and 8150.110 to read as
18 follows:

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

1 Sec. 8150.105. DEVELOPMENT CORPORATION POWERS. The
2 district, using money available to the district, may exercise the
3 powers given to a development corporation under Chapter 505, Local
4 Government Code, including the power to own, operate, acquire,
5 construct, lease, improve, or maintain a project under that
6 chapter.

7 Sec. 8150.106. 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 to be a local
13 government corporation created under Subchapter D, Chapter 431,
14 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 Subchapter D,
21 Chapter 431, Transportation Code, except that a board member is not
22 required to reside in the district.

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

27 Sec. 8150.108. ECONOMIC DEVELOPMENT. (a) The district may

1 engage in activities that accomplish the economic development
2 purposes of the district.

3 (b) The district may establish and provide for the
4 administration of one or more programs to promote state or local
5 economic development and to stimulate business and commercial
6 activity in the district, including programs to:

- 7 (1) make loans and grants of public money; and
8 (2) provide district personnel and services.

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

- 11 (1) Chapter 380, Local Government Code, provides to a
12 municipality; and
13 (2) Subchapter A, Chapter 1509, Government Code,
14 provides to a municipality.

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

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

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

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

3 Sec. 8150.110. SPORTS AND COMMUNITY VENUE FACILITIES.

4 (a) The district may acquire, sell, lease as lessor or lessee,
5 convey, construct, finance, develop, own, operate, maintain,
6 acquire real property interests for, demolish, or reconstruct a
7 sports and community venue facility.

8 (b) A sports and community venue facility authorized under
9 this section includes:

10 (1) an arena, coliseum, stadium, or other type of area
11 or facility that is used or is planned for use for one or more
12 professional or amateur sports events, community events, other
13 sports events, promotional events, and other civic or charitable
14 events;

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

22 (3) a facility related to a sports and community venue
23 facility, including a store, restaurant, on-site hotel,
24 concession, or other on-site or off-site improvement that relates
25 to and enhances the use, value, or appeal of a sports and community
26 venue, including an area adjacent to the venue, and any other
27 expenditure reasonably necessary to construct, improve, renovate,

1 or expand a venue, including an expenditure for environmental
2 remediation.

3 SECTION 7. Section 8150.151, Special District Local Laws
4 Code, is amended to read as follows:

5 Sec. 8150.151. ROAD PROJECTS. (a) As authorized by
6 Section 52, Article III, Texas Constitution, the district may
7 construct, acquire, improve, maintain, or operate, inside and
8 outside the district, roads and road improvements [~~facilities as~~
9 ~~defined by Chapter 441, Transportation Code~~].

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

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

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

27 SECTION 8. Section 8150.153, Special District Local Laws

1 Code, is amended to read as follows:

2 Sec. 8150.153. REIMBURSEMENT FOR ROAD PROJECT. (a) The
3 district may:

4 (1) reimburse a private person for money spent to
5 construct a road or road improvement [~~facility~~] that is dedicated
6 or otherwise transferred to public use; or

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

9 (b) The amount paid for the reimbursement or for the
10 purchase of a road or road improvement [~~facility~~] under Subsection
11 (a) may:

12 (1) include all construction costs, including
13 engineering, legal, financing, and other expenses incident to the
14 construction; or

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

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

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

26 SECTION 9. Subsection (a), Section 8150.201, Special
27 District Local Laws Code, is amended to read as follows:

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

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

5 (2) contract payments described by Section 8150.203.

6 SECTION 10. The heading to Section 8150.202, Special
7 District Local Laws Code, is amended to read as follows:

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

9 SECTION 11. Section 8150.202, Special District Local Laws
10 Code, is amended by amending Subsection (a) and adding Subsection
11 (c) to read as follows:

12 (a) If authorized by a majority of the district voters
13 voting at an election held for that purpose [~~under Section~~
14 ~~8150.201~~], the district may impose an operation and maintenance
15 [~~annual ad valorem~~] tax on taxable property in the district in
16 accordance with Section 49.107, Water Code, for any district
17 purpose, including to:

18 (1) operate and maintain the district;

19 (2) construct or acquire improvements; and

20 (3) provide a service [~~for the provision of services~~
21 ~~or for the maintenance and operation of the district, including the~~
22 ~~improvements constructed or acquired by the district~~].

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

25 SECTION 12. Subchapter E, Chapter 8150, Special District
26 Local Laws Code, is amended by adding Sections 8150.203, 8150.204,
27 8150.205, 8150.206, 8150.207, and 8150.208 to read as follows:

1 Sec. 8150.203. CONTRACT TAXES. (a) In accordance with
2 Section 49.108, Water Code, the district may impose a tax other than
3 an operation and maintenance tax and use the revenue derived from
4 the tax to make payments under a contract after the provisions of
5 the contract have been approved by a majority of the district voters
6 voting at an election held for that purpose.

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

10 Sec. 8150.204. MONEY USED FOR IMPROVEMENTS OR SERVICES.
11 The district may acquire, construct, finance, operate, or maintain
12 any improvement or service authorized under this chapter or Chapter
13 375, Local Government Code, using any money available to the
14 district.

15 Sec. 8150.205. PETITION REQUIRED FOR FINANCING SERVICES AND
16 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
17 service or improvement project with assessments under this chapter
18 unless a written petition requesting that service or improvement
19 has been filed with the board.

20 (b) The petition must be signed by the owners of a majority
21 of the assessed value of real property in the district subject to
22 assessment according to the most recent certified tax appraisal
23 roll for the county.

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

1 Sec. 8150.207. ASSESSMENTS; LIENS FOR ASSESSMENTS.

2 (a) The board by resolution may impose and collect an assessment
3 under Subchapter F, Chapter 375, Local Government Code, for any
4 purpose authorized by this chapter or Chapter 375, Local Government
5 Code, in all or any part of the district.

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. 8150.208. TAX AND ASSESSMENT ABATEMENTS. The district

1 may designate reinvestment zones and may grant abatements of a tax
2 or assessment on property in the zones.

3 SECTION 13. Section 8150.251, Special District Local Laws
4 Code, is amended by amending Subsection (a) and adding Subsection
5 (c) to read as follows:

6 (a) The district may issue bonds or other obligations
7 payable wholly or partly from ad valorem taxes, assessments, impact
8 fees, revenue, contract payments, grants, or other district money,
9 or any combination of those sources, to pay for any authorized
10 district purpose.

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

14 SECTION 14. Section 8150.252, Special District Local Laws
15 Code, is amended to read as follows:

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

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

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

27 [~~(A) pay the interest on the bonds or other~~

1 ~~obligations as the interest becomes due,~~
2 ~~[(B) create a sinking fund for the payment of the~~
3 ~~principal of the bonds or other obligations when due or the~~
4 ~~redemption price at any earlier required redemption date, and~~
5 ~~[(C) pay the expenses of imposing the taxes].~~

6 SECTION 15. Subchapter F, Chapter 8150, Special District
7 Local Laws Code, is amended by adding Section 8150.257 to read as
8 follows:

9 Sec. 8150.257. APPROVAL OF CERTAIN BONDS BY TEXAS
10 COMMISSION ON ENVIRONMENTAL QUALITY. Section 375.208, Local
11 Government Code, applies to the district.

12 SECTION 16. (a) The Imperial Redevelopment District may
13 not exercise a power granted by Section 8150.105, 8150.106,
14 8150.107, 8150.108, 8150.109, 8150.110, 8150.203, or 8150.208,
15 Special District Local Laws Code, as added by this Act, until the
16 governing body of the City of Sugar Land consents to the power by
17 adopting a resolution or ordinance. The governing body may consent
18 to some or all of the sections through the resolution or ordinance.
19 The governing body may not modify a section.

20 (b) This section does not affect any consent or
21 authorization granted by the City of Sugar Land to the Imperial
22 Redevelopment District before the effective date of this Act.

23 SECTION 17. This Act does not affect bonds or other
24 obligations issued before the effective date of this Act. Bonds or
25 other obligations issued before the effective date of this Act are
26 governed by the law in effect when the bonds or other obligations
27 were issued, and that law is continued in effect for that purpose.

1 SECTION 18. Sections 8150.253, 8150.255, and 8150.256,
2 Special District Local Laws Code, are repealed.

3 SECTION 19. (a) The legislature validates and confirms all
4 acts and proceedings of the Board of Directors of the Imperial
5 Redevelopment District that were taken before the effective date of
6 this Act.

7 (b) Subsection (a) of this section does not apply to any
8 matter that on the effective date of this Act:

9 (1) is involved in litigation if the litigation
10 ultimately results in the matter being held invalid by a final
11 judgment of a court; or

12 (2) has been held invalid by a final judgment of a
13 court.

14 SECTION 20. (a) The legal notice of the intention to
15 introduce this Act, setting forth the general substance of this
16 Act, has been published as provided by law, and the notice and a
17 copy of this Act have been furnished to all persons, agencies,
18 officials, or entities to which they are required to be furnished
19 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
20 Government Code.

21 (b) The governor, one of the required recipients, has
22 submitted the notice and Act to the Texas Commission on
23 Environmental Quality.

24 (c) The Texas Commission on Environmental Quality has filed
25 its recommendations relating to this Act with the governor,
26 lieutenant governor, and speaker of the house of representatives
27 within the required time.

1 (d) The general law relating to consent by political
2 subdivisions to the creation of districts with conservation,
3 reclamation, and road powers and the inclusion of land in those
4 districts has been complied with.

5 (e) All requirements of the constitution and laws of this
6 state and the rules and procedures of the legislature with respect
7 to the notice, introduction, and passage of this Act have been
8 fulfilled and accomplished.

9 SECTION 21. This Act takes effect immediately if it
10 receives a vote of two-thirds of all the members elected to each
11 house, as provided by Section 39, Article III, Texas Constitution.
12 If this Act does not receive the vote necessary for immediate
13 effect, this Act takes effect September 1, 2011.