

1-1 By: Huffman S.B. No. 1880
1-2 (In the Senate - Filed March 17, 2011; March 24, 2011, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 29, 2011, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 April 29, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1880 By: Nichols

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the powers and duties of the Imperial Redevelopment
1-11 District; providing authority to impose a tax and issue bonds.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 8150.001, Special District Local Laws
1-14 Code, is amended by adding Subdivision (2-a) to read as follows:

1-15 (2-a) "County" means Fort Bend County, Texas.

1-16 SECTION 2. Section 8150.002, Special District Local Laws
1-17 Code, is amended to read as follows:

1-18 Sec. 8150.002. NATURE OF DISTRICT. The district is a
1-19 municipal utility district in Fort Bend County created under
1-20 Section 59, Article XVI, Texas Constitution, and is essential to
1-21 accomplish the purposes of Sections ~~[Section]~~ 52 and 52-a, Article
1-22 III, Section 1-g, Article VIII, and Section 59, Article XVI, Texas
1-23 Constitution, and other public purposes stated in this chapter.

1-24 SECTION 3. Subchapter A, Chapter 8150, Special District
1-25 Local Laws Code, is amended by adding Section 8150.0025 to read as
1-26 follows:

1-27 Sec. 8150.0025. DECLARATION OF INTENT. (a) By creating
1-28 the district and in authorizing the city, the county, and other
1-29 political subdivisions to contract with the district, the
1-30 legislature has established a program to accomplish the public
1-31 purposes set out in Section 52-a, Article III, Texas Constitution.

1-32 (b) The district is necessary to promote, develop,
1-33 encourage, and maintain employment, commerce, transportation,
1-34 housing, tourism, recreation, the arts, entertainment, economic
1-35 development, safety, and the public welfare in the district.

1-36 (c) This chapter and the creation of the district may not be
1-37 interpreted to relieve the city or the county from providing
1-38 services to the area in the district. The district is created to
1-39 supplement and not to supplant city and county services provided in
1-40 the district.

1-41 SECTION 4. Section 8150.003, Special District Local Laws
1-42 Code, is amended to read as follows:

1-43 Sec. 8150.003. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-44 (a) All land and other property included in the district will
1-45 benefit from the improvements and services to be provided by the
1-46 district under powers conferred by Sections ~~[Section]~~ 52 and 52-a,
1-47 Article III, Section 1-g, Article VIII, and Section 59, Article
1-48 XVI, Texas Constitution, and other powers granted under this
1-49 chapter.

1-50 (b) The district is created for the ~~[same]~~ purposes of ~~[as]~~:

1-51 (1) a municipal utility district as provided by
1-52 Section 54.012, Water Code;

1-53 (2) ~~[a road utility district created under]~~ Section
1-54 52, Article III, Texas Constitution, that relate to the
1-55 construction, acquisition, improvement, operation, or maintenance
1-56 of macadamized, graveled, or paved roads, or improvements in aid of
1-57 those roads, including drainage improvements ~~[and operating under~~
1-58 Chapter 441, Transportation Code, including the purpose of
1-59 constructing, acquiring, improving, maintaining, and operating
1-60 roads and road facilities]; and

1-61 (3) the purchase, construction, acquisition,
1-62 ownership, improvement, maintenance, and operation of the public
1-63 works and public improvements authorized for a tax increment

2-1 reinvestment zone operating under Chapter 311, Tax Code, and a
2-2 municipal management district operating under Chapter 375, Local
2-3 Government Code.

2-4 (c) The district is created to serve a public use and
2-5 benefit.

2-6 (d) The creation of the district is in the public interest
2-7 and is essential to further the public purposes of:

2-8 (1) developing and diversifying the economy of the
2-9 state;

2-10 (2) eliminating unemployment and underemployment; and

2-11 (3) developing or expanding transportation and
2-12 commerce.

2-13 (e) The district will:

2-14 (1) promote the health, safety, and general welfare of
2-15 residents, employers, potential employees, employees, visitors,
2-16 and consumers in the district, and of the public;

2-17 (2) provide needed funding for the district to
2-18 preserve, maintain, and enhance the economic health and vitality of
2-19 the district territory as a community and business center; and

2-20 (3) promote the health, safety, welfare, and enjoyment
2-21 of the public by providing pedestrian ways and by landscaping and
2-22 developing certain areas in the district, which are necessary for
2-23 the restoration, preservation, and enhancement of scenic beauty.

2-24 (f) Pedestrian ways along or across a street, whether at
2-25 grade or above or below the surface, and street lighting, street
2-26 landscaping, vehicle parking, and street art objects are parts of
2-27 and necessary components of a street and are considered to be a
2-28 street or road improvement.

2-29 (g) The district will not act as the agent or
2-30 instrumentality of any private interest even though the district
2-31 will benefit many private interests as well as the public.

2-32 SECTION 5. Subchapter A, Chapter 8150, Special District
2-33 Local Laws Code, is amended by adding Section 8150.0035 to read as
2-34 follows:

2-35 Sec. 8150.0035. FINDING ON SPORTS AND COMMUNITY VENUES. A
2-36 sports and community venue facility is considered to be a park and
2-37 recreational facility.

2-38 SECTION 6. Subchapter C, Chapter 8150, Special District
2-39 Local Laws Code, is amended by adding Sections 8150.1025, 8150.105,
2-40 8150.106, 8150.107, 8150.108, 8150.109, and 8150.110 to read as
2-41 follows:

2-42 Sec. 8150.1025. MUNICIPAL MANAGEMENT DISTRICT PROJECTS AND
2-43 SERVICES. The district may provide, design, construct, acquire,
2-44 improve, relocate, operate, maintain, or finance an improvement,
2-45 improvement project, or service using money available to the
2-46 district, or contract with a governmental or private entity to
2-47 provide, design, construct, acquire, improve, relocate, operate,
2-48 maintain, or finance an improvement, improvement project, or
2-49 service authorized under this chapter or Chapter 375, Local
2-50 Government Code.

2-51 Sec. 8150.105. DEVELOPMENT CORPORATION POWERS. The
2-52 district, using money available to the district, may exercise the
2-53 powers given to a development corporation under Chapter 505, Local
2-54 Government Code, including the power to own, operate, acquire,
2-55 construct, lease, improve, or maintain a project under that
2-56 chapter.

2-57 Sec. 8150.106. NONPROFIT CORPORATION. (a) The board by
2-58 resolution may authorize the creation of a nonprofit corporation to
2-59 assist and act for the district in implementing a project or
2-60 providing a service authorized by this chapter.

2-61 (b) The nonprofit corporation:

2-62 (1) has each power of and is considered to be a local
2-63 government corporation created under Subchapter D, Chapter 431,
2-64 Transportation Code; and

2-65 (2) may implement any project and provide any service
2-66 authorized by this chapter.

2-67 (c) The board shall appoint the board of directors of the
2-68 nonprofit corporation. The board of directors of the nonprofit
2-69 corporation shall serve in the same manner as the board of directors

3-1 of a local government corporation created under Subchapter D,
3-2 Chapter 431, Transportation Code, except that a board member is not
3-3 required to reside in the district.

3-4 Sec. 8150.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
3-5 district may join and pay dues to a charitable or nonprofit
3-6 organization that performs a service or provides an activity
3-7 consistent with the furtherance of a district purpose.

3-8 Sec. 8150.108. ECONOMIC DEVELOPMENT. (a) The district may
3-9 engage in activities that accomplish the economic development
3-10 purposes of the district.

3-11 (b) The district may establish and provide for the
3-12 administration of one or more programs to promote state or local
3-13 economic development and to stimulate business and commercial
3-14 activity in the district, including programs to:

- 3-15 (1) make loans and grants of public money; and
- 3-16 (2) provide district personnel and services.

3-17 (c) The district may create economic development programs
3-18 and exercise the economic development powers that:

- 3-19 (1) Chapter 380, Local Government Code, provides to a
3-20 municipality; and

- 3-21 (2) Subchapter A, Chapter 1509, Government Code,
3-22 provides to a municipality.

3-23 Sec. 8150.109. PARKING FACILITIES. (a) The district may
3-24 acquire, lease as lessor or lessee, construct, develop, own,
3-25 operate, and maintain parking facilities or a system of parking
3-26 facilities, including lots, garages, parking terminals, or other
3-27 structures or accommodations for parking motor vehicles off the
3-28 streets and related appurtenances.

3-29 (b) The district's parking facilities serve the public
3-30 purposes of the district and are owned, used, and held for a public
3-31 purpose even if leased or operated by a private entity for a term of
3-32 years.

3-33 (c) The district's parking facilities are parts of and
3-34 necessary components of a street and are considered to be a street
3-35 or road improvement.

3-36 (d) The development and operation of the district's parking
3-37 facilities may be considered an economic development program.

3-38 Sec. 8150.110. SPORTS AND COMMUNITY VENUE FACILITIES.
3-39 (a) The district may acquire, sell, lease as lessor or lessee,
3-40 convey, construct, finance, develop, own, operate, maintain,
3-41 acquire real property interests for, demolish, or reconstruct a
3-42 sports and community venue facility.

3-43 (b) A sports and community venue facility authorized under
3-44 this section includes:

- 3-45 (1) an arena, coliseum, stadium, or other type of area
3-46 or facility that is used or is planned for use for one or more
3-47 professional or amateur sports events, community events, other
3-48 sports events, promotional events, and other civic or charitable
3-49 events;

- 3-50 (2) a convention center facility or related
3-51 improvement such as a convention center, civic center, civic center
3-52 building, civic center hotel, auditorium, theater, opera house,
3-53 music hall, exhibition hall, rehearsal hall, park, performing arts
3-54 center, museum, aquarium, or plaza that is located in the vicinity
3-55 of a convention center or facility owned by a municipality or a
3-56 county; and

- 3-57 (3) a facility related to a sports and community venue
3-58 facility, including a store, restaurant, on-site hotel,
3-59 concession, or other on-site or off-site improvement that relates
3-60 to and enhances the use, value, or appeal of a sports and community
3-61 venue, including an area adjacent to the venue, and any other
3-62 expenditure reasonably necessary to construct, improve, renovate,
3-63 or expand a venue, including an expenditure for environmental
3-64 remediation.

3-65 SECTION 7. Section 8150.151, Special District Local Laws
3-66 Code, is amended to read as follows:

3-67 Sec. 8150.151. ROAD PROJECTS. (a) As authorized by
3-68 Section 52, Article III, Texas Constitution, the district may
3-69 construct, acquire, improve, maintain, or operate, inside and

4-1 outside the district, roads and road improvements [~~facilities as~~
4-2 ~~defined by Chapter 441, Transportation Code~~].

4-3 (b) The roads and road improvements [~~facilities~~] authorized
4-4 by Subsection (a) may include drainage, landscaping, pedestrian
4-5 improvements, lights, signs, or signals that are incidental to the
4-6 roads and their construction, maintenance, or operation.

4-7 (c) The roads and road improvements [~~facilities~~] authorized
4-8 by this section must meet all applicable construction standards,
4-9 zoning and subdivision requirements, and regulatory ordinances of
4-10 the city.

4-11 (d) On completion of a road or road improvement [~~facility~~]
4-12 authorized by this section, the district, with the consent of the
4-13 city, may convey the road or road improvement [~~facility~~] to the city
4-14 if the conveyance is free of all indebtedness of the district. If
4-15 the city becomes the owner of a road or road improvement [~~facility~~],
4-16 the city is responsible for all future maintenance and upkeep and
4-17 the district has no further responsibility for the road or road
4-18 improvement [~~facility~~] or its maintenance or upkeep, unless
4-19 otherwise agreed to by the district and the city.

4-20 SECTION 8. Section 8150.153, Special District Local Laws
4-21 Code, is amended to read as follows:

4-22 Sec. 8150.153. REIMBURSEMENT FOR ROAD PROJECT. (a) The
4-23 district may:

4-24 (1) reimburse a private person for money spent to
4-25 construct a road or road improvement [~~facility~~] that is dedicated
4-26 or otherwise transferred to public use; or

4-27 (2) purchase a road or road improvement [~~facility~~]
4-28 constructed by a private person.

4-29 (b) The amount paid for the reimbursement or for the
4-30 purchase of a road or road improvement [~~facility~~] under Subsection
4-31 (a) may:

4-32 (1) include all construction costs, including
4-33 engineering, legal, financing, and other expenses incident to the
4-34 construction; or

4-35 (2) be at a price not to exceed the replacement cost of
4-36 the road or road improvement [~~facility~~] as determined by the board.

4-37 (c) The reimbursement or purchase of a road or road
4-38 improvement [~~facility~~] may be paid for with proceeds from the sale
4-39 of the district's bonds or from any other money available to the
4-40 district.

4-41 (d) The district may enter into an agreement to use the
4-42 proceeds of a subsequent bond sale to reimburse a private person
4-43 under this section. The agreement may provide the terms and
4-44 conditions under which the road or road improvement [~~facility~~] is
4-45 to be dedicated or transferred for the benefit of the public.

4-46 SECTION 9. Subsection (a), Section 8150.201, Special
4-47 District Local Laws Code, is amended to read as follows:

4-48 (a) The district may issue, without an election, bonds and
4-49 other obligations secured by:

4-50 (1) revenue [~~or contract payments~~] from any source
4-51 other than ad valorem taxation; or

4-52 (2) contract payments described by Section 8150.203.

4-53 SECTION 10. The heading to Section 8150.202, Special
4-54 District Local Laws Code, is amended to read as follows:

4-55 Sec. 8150.202. OPERATION AND MAINTENANCE [~~AD VALOREM~~] TAX.

4-56 SECTION 11. Section 8150.202, Special District Local Laws
4-57 Code, is amended by amending Subsection (a) and adding Subsection
4-58 (c) to read as follows:

4-59 (a) If authorized by a majority of the district voters
4-60 voting at an election held for that purpose [~~under Section~~
4-61 ~~8150.201~~], the district may impose an operation and maintenance
4-62 [~~annual ad valorem~~] tax on taxable property in the district in
4-63 accordance with Section 49.107, Water Code, for any district
4-64 purpose, including to:

4-65 (1) operate and maintain the district;

4-66 (2) construct or acquire improvements; and

4-67 (3) provide a service [~~for the provision of services~~
4-68 ~~or for the maintenance and operation of the district, including the~~
4-69 ~~improvements constructed or acquired by the district~~].

5-1 (c) Section 49.107(h), Water Code, does not apply to the
5-2 district.

5-3 SECTION 12. Subchapter E, Chapter 8150, Special District
5-4 Local Laws Code, is amended by adding Sections 8150.203, 8150.204,
5-5 8150.205, 8150.206, 8150.207, and 8150.208 to read as follows:

5-6 Sec. 8150.203. CONTRACT TAXES. (a) In accordance with
5-7 Section 49.108, Water Code, the district may impose a tax other than
5-8 an operation and maintenance tax and use the revenue derived from
5-9 the tax to make payments under a contract after the provisions of
5-10 the contract have been approved by a majority of the district voters
5-11 voting at an election held for that purpose.

5-12 (b) A contract approved by the district voters may contain a
5-13 provision stating that the contract may be modified or amended by
5-14 the board without further voter approval.

5-15 Sec. 8150.204. MONEY USED FOR IMPROVEMENTS OR SERVICES.
5-16 The district may acquire, construct, finance, operate, or maintain
5-17 any improvement or service authorized under this chapter or Chapter
5-18 375, Local Government Code, using any money available to the
5-19 district.

5-20 Sec. 8150.205. PETITION REQUIRED FOR FINANCING SERVICES AND
5-21 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
5-22 service or improvement project with assessments under this chapter
5-23 unless a written petition requesting that service or improvement
5-24 has been filed with the board.

5-25 (b) The petition must be signed by the owners of a majority
5-26 of the assessed value of real property in the district subject to
5-27 assessment according to the most recent certified tax appraisal
5-28 roll for the county.

5-29 Sec. 8150.206. METHOD OF NOTICE FOR HEARING. The district
5-30 may mail the notice required by Section 375.115(c), Local
5-31 Government Code, by certified or first class United States mail.
5-32 The board shall determine the method of notice.

5-33 Sec. 8150.207. ASSESSMENTS; LIENS FOR ASSESSMENTS.
5-34 (a) The board by resolution may impose and collect an assessment
5-35 under Subchapter F, Chapter 375, Local Government Code, for any
5-36 purpose authorized by this chapter or Chapter 375, Local Government
5-37 Code, in all or any part of the district.

5-38 (b) An assessment, a reassessment, or an assessment
5-39 resulting from an addition to or correction of the assessment roll
5-40 by the district, penalties and interest on an assessment or
5-41 reassessment, an expense of collection, and reasonable attorney's
5-42 fees incurred by the district:

5-43 (1) are a first and prior lien against the property
5-44 assessed;

5-45 (2) are superior to any other lien or claim other than
5-46 a lien or claim for county, school district, or municipal ad valorem
5-47 taxes; and

5-48 (3) are the personal liability of and a charge against
5-49 the owners of the property even if the owners are not named in the
5-50 assessment proceedings.

5-51 (c) The lien is effective from the date of the board's
5-52 resolution imposing the assessment until the date the assessment is
5-53 paid. The board may enforce the lien in the same manner that the
5-54 board may enforce an ad valorem tax lien against real property.

5-55 (d) The board may make a correction to or deletion from the
5-56 assessment roll that does not increase the amount of assessment of
5-57 any parcel of land without providing notice and holding a hearing in
5-58 the manner required for additional assessments.

5-59 Sec. 8150.208. TAX AND ASSESSMENT ABATEMENTS. The district
5-60 may designate reinvestment zones and may grant abatements of a tax
5-61 or assessment on property in the zones.

5-62 SECTION 13. Section 8150.251, Special District Local Laws
5-63 Code, is amended by amending Subsection (a) and adding Subsection
5-64 (c) to read as follows:

5-65 (a) The district may issue bonds or other obligations
5-66 payable wholly or partly from ad valorem taxes, assessments, impact
5-67 fees, revenue, contract payments, grants, or other district money,
5-68 or any combination of those sources, to pay for any authorized
5-69 district purpose.

6-1 (c) The limitation on the outstanding principal amount of
 6-2 bonds, notes, and other obligations provided by Section 49.4645,
 6-3 Water Code, does not apply to the district.

6-4 SECTION 14. Section 8150.252, Special District Local Laws
 6-5 Code, is amended to read as follows:

6-6 Sec. 8150.252. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
 6-7 the time the district issues bonds [~~or other obligations~~] payable
 6-8 wholly or partly from ad valorem taxes, [~~are issued:~~

6-9 [~~(1)~~] the board shall provide for the annual
 6-10 imposition of [~~impose~~] a continuing direct annual ad valorem tax,
 6-11 without limit as to rate or amount, while [~~for each year that~~] all
 6-12 or part of the bonds are outstanding as required and in the manner
 6-13 provided by Sections 54.601 and 54.602, Water Code [~~, and~~

6-14 [~~(2) the district annually shall impose the continuing~~
 6-15 ~~direct annual ad valorem tax on all taxable property in the district~~
 6-16 ~~in an amount sufficient to:~~

6-17 [~~(A) pay the interest on the bonds or other~~
 6-18 ~~obligations as the interest becomes due;~~

6-19 [~~(B) create a sinking fund for the payment of the~~
 6-20 ~~principal of the bonds or other obligations when due or the~~
 6-21 ~~redemption price at any earlier required redemption date; and~~

6-22 [~~(C) pay the expenses of imposing the taxes~~].

6-23 SECTION 15. Subchapter F, Chapter 8150, Special District
 6-24 Local Laws Code, is amended by adding Section 8150.257 to read as
 6-25 follows:

6-26 Sec. 8150.257. APPROVAL OF CERTAIN BONDS BY TEXAS
 6-27 COMMISSION ON ENVIRONMENTAL QUALITY. Section 375.208, Local
 6-28 Government Code, applies to the district.

6-29 SECTION 16. (a) The Imperial Redevelopment District may
 6-30 not exercise a power granted by Section 8150.105, 8150.106,
 6-31 8150.107, 8150.108, 8150.109, 8150.110, 8150.203, or 8150.208,
 6-32 Special District Local Laws Code, as added by this Act, until the
 6-33 governing body of the City of Sugar Land consents to the power by
 6-34 adopting a resolution or ordinance. The governing body may consent
 6-35 to some or all of the sections through the resolution or ordinance.
 6-36 The governing body may not modify a section.

6-37 (b) This section does not affect any consent or
 6-38 authorization granted by the City of Sugar Land to the Imperial
 6-39 Redevelopment District before the effective date of this Act.

6-40 SECTION 17. This Act does not affect bonds or other
 6-41 obligations issued before the effective date of this Act. Bonds or
 6-42 other obligations issued before the effective date of this Act are
 6-43 governed by the law in effect when the bonds or other obligations
 6-44 were issued, and that law is continued in effect for that purpose.

6-45 SECTION 18. Sections 8150.253, 8150.255, and 8150.256,
 6-46 Special District Local Laws Code, are repealed.

6-47 SECTION 19. (a) The legislature validates and confirms all
 6-48 acts and proceedings of the Board of Directors of the Imperial
 6-49 Redevelopment District that were taken before the effective date of
 6-50 this Act.

6-51 (b) Subsection (a) of this section does not apply to any
 6-52 matter that on the effective date of this Act:

6-53 (1) is involved in litigation if the litigation
 6-54 ultimately results in the matter being held invalid by a final
 6-55 judgment of a court; or

6-56 (2) has been held invalid by a final judgment of a
 6-57 court.

6-58 SECTION 20. (a) The legal notice of the intention to
 6-59 introduce this Act, setting forth the general substance of this
 6-60 Act, has been published as provided by law, and the notice and a
 6-61 copy of this Act have been furnished to all persons, agencies,
 6-62 officials, or entities to which they are required to be furnished
 6-63 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 6-64 Government Code.

6-65 (b) The governor, one of the required recipients, has
 6-66 submitted the notice and Act to the Texas Commission on
 6-67 Environmental Quality.

6-68 (c) The Texas Commission on Environmental Quality has filed
 6-69 its recommendations relating to this Act with the governor,

7-1 lieutenant governor, and speaker of the house of representatives
7-2 within the required time.

7-3 (d) The general law relating to consent by political
7-4 subdivisions to the creation of districts with conservation,
7-5 reclamation, and road powers and the inclusion of land in those
7-6 districts has been complied with.

7-7 (e) All requirements of the constitution and laws of this
7-8 state and the rules and procedures of the legislature with respect
7-9 to the notice, introduction, and passage of this Act have been
7-10 fulfilled and accomplished.

7-11 SECTION 21. This Act takes effect immediately if it
7-12 receives a vote of two-thirds of all the members elected to each
7-13 house, as provided by Section 39, Article III, Texas Constitution.
7-14 If this Act does not receive the vote necessary for immediate
7-15 effect, this Act takes effect September 1, 2011.

7-16

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