

1-1 By: Lucio S.B. No. 1922
1-2 (In the Senate - Filed April 28, 2011; April 29, 2011, read
1-3 first time and referred to Committee on International Relations and
1-4 Trade; May 2, 2011, reported favorably by the following vote:
1-5 Yeas 4, Nays 0; May 2, 2011, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the creation of the Port Isabel Improvement District
1-9 No. 1; providing authority to impose a tax and issue bonds; granting
1-10 a limited power of eminent domain.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-12 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-13 Code, is amended by adding Chapter 3906 to read as follows:

1-14 CHAPTER 3906. PORT ISABEL IMPROVEMENT DISTRICT NO. 1

1-15 SUBCHAPTER A. GENERAL PROVISIONS

1-16 Sec. 3906.001. DEFINITIONS. In this chapter:

1-17 (1) "Board" means the district's board of directors.

1-18 (2) "City" means the City of Port Isabel.

1-19 (3) "Director" means a board member.

1-20 (4) "District" means the Port Isabel Improvement
1-21 District No. 1.

1-22 Sec. 3906.002. CREATION AND NATURE OF DISTRICT. The
1-23 district is a special district created under Section 59, Article
1-24 XVI, Texas Constitution.

1-25 Sec. 3906.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
1-26 creation of the district is essential to accomplish the purposes of
1-27 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-28 Texas Constitution, and other public purposes stated in this
1-29 chapter. By creating the district and in authorizing the city and
1-30 other political subdivisions to contract with the district, the
1-31 legislature has established a program to accomplish the public
1-32 purposes set out in Section 52-a, Article III, Texas Constitution.

1-33 (b) The creation of the district is necessary to promote,
1-34 develop, encourage, and maintain employment, commerce,
1-35 transportation, housing, tourism, recreation, the arts,
1-36 entertainment, economic development, safety, and the public
1-37 welfare in the district.

1-38 (c) The district is created to supplement and not to
1-39 supplant city services provided in the district.

1-40 Sec. 3906.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-41 (a) The district is created to serve a public use and benefit.

1-42 (b) All land and other property included in the district
1-43 will benefit from the improvements and services to be provided by
1-44 the district under powers conferred by Sections 52 and 52-a,
1-45 Article III, and Section 59, Article XVI, Texas Constitution, and
1-46 other powers granted under this chapter.

1-47 (c) The creation of the district is in the public interest
1-48 and is essential to further the public purposes of:

1-49 (1) developing and diversifying the economy of the
1-50 state;

1-51 (2) eliminating unemployment and underemployment;

1-52 (3) providing quality residential housing; and

1-53 (4) developing or expanding transportation and
1-54 commerce.

1-55 (d) The district will:

1-56 (1) promote the health, safety, and general welfare of
1-57 residents, employers, potential employees, employees, visitors,
1-58 and consumers in the district, and of the public;

1-59 (2) provide needed funding for the district to
1-60 preserve, maintain, and enhance the economic health and vitality of
1-61 the district territory as a residential community; and

1-62 (3) promote the health, safety, welfare, and enjoyment
1-63 of the public by providing pedestrian ways and by landscaping and
1-64 developing certain areas in the district, which are necessary for

2-1 the restoration, preservation, and enhancement of scenic beauty.

2-2 (e) Pedestrian ways along or across a street, whether at
2-3 grade or above or below the surface, and street lighting, street
2-4 landscaping, vehicle parking, and street art objects are parts of
2-5 and necessary components of a street and are considered to be an
2-6 improvement project that includes a street or road improvement.

2-7 (f) The district will not act as the agent or
2-8 instrumentality of any private interest even though the district
2-9 will benefit many private interests as well as the public.

2-10 Sec. 3906.005. DISTRICT TERRITORY. (a) The district is
2-11 composed of the territory described by Section 2 of the Act enacting
2-12 this chapter, as that territory may have been modified under
2-13 Section 3906.113 or other law.

2-14 (b) A mistake in the field notes of the district contained
2-15 in Section 2 of the Act enacting this chapter or in copying the
2-16 field notes in the legislative process does not in any way affect:

2-17 (1) the district's organization, existence, or
2-18 validity;

2-19 (2) the district's right to contract, including the
2-20 right to issue any type of bond or other obligation for a purpose
2-21 for which the district is created;

2-22 (3) the district's right to impose or collect an
2-23 assessment, tax, or any other revenue; or

2-24 (4) the legality or operation of the board.

2-25 Sec. 3906.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
2-26 All or any part of the area of the district is eligible to be
2-27 included in:

2-28 (1) a tax increment reinvestment zone created by the
2-29 city under Chapter 311, Tax Code;

2-30 (2) a tax abatement reinvestment zone created by the
2-31 city under Chapter 312, Tax Code;

2-32 (3) an enterprise zone created by the city under
2-33 Chapter 2303, Government Code; or

2-34 (4) an industrial district created by the city under
2-35 Chapter 42, Local Government Code.

2-36 [Sections 3906.007-3906.050 reserved for expansion]

2-37 SUBCHAPTER B. BOARD OF DIRECTORS

2-38 Sec. 3906.051. GOVERNING BODY; TERMS. The district is
2-39 governed by a board of five directors who serve staggered terms of
2-40 four years, with two or three directors' terms expiring June 1 of
2-41 each odd-numbered year.

2-42 Sec. 3906.052. APPOINTMENT OF DIRECTORS. The governing
2-43 body of the city shall appoint directors. Four directors must be
2-44 appointed from persons recommended by the board as provided by
2-45 Section 375.064, Local Government Code.

2-46 Sec. 3906.053. QUALIFICATIONS. (a) The four directors
2-47 recommended by the board must meet the qualifications described by
2-48 Section 54.102, Water Code, and by Section 375.064, Local
2-49 Government Code.

2-50 (b) Section 49.052, Water Code, does not apply to the
2-51 district.

2-52 Sec. 3906.054. AFFIDAVIT AND ABSTENTION FROM VOTING
2-53 REQUIRED. A director shall comply with Section 171.004, Local
2-54 Government Code, including the disclosure and abstention
2-55 requirements of that section.

2-56 Sec. 3906.055. REMOVAL OF DIRECTORS. Section 375.065,
2-57 Local Government Code, governs the removal of directors.

2-58 Sec. 3906.056. DIRECTOR'S OATH OR AFFIRMATION. A director
2-59 shall file the director's oath or affirmation of office with the
2-60 district, and the district shall retain the oath or affirmation in
2-61 the district records.

2-62 Sec. 3906.057. OFFICERS. The board shall elect from among
2-63 the directors a chair, a vice chair, and a secretary. The offices
2-64 of chair and secretary may not be held by the same person.

2-65 Sec. 3906.058. COMPENSATION; EXPENSES. (a) The district
2-66 may compensate each director in an amount not to exceed \$50 for each
2-67 board meeting. The total amount of compensation a director may
2-68 receive each year may not exceed \$2,000.

2-69 (b) A director is entitled to reimbursement for necessary

3-1 and reasonable expenses incurred in carrying out the duties and
3-2 responsibilities of a director.

3-3 Sec. 3906.059. LIABILITY INSURANCE FOR DIRECTORS. The
3-4 district may obtain and pay for comprehensive general liability
3-5 insurance coverage from a commercial insurance company or other
3-6 source that protects and insures a director against personal
3-7 liability and from all claims relating to:

3-8 (1) actions taken by the director in the director's
3-9 capacity as a member of the board;

3-10 (2) actions and activities taken by the district; or

3-11 (3) the actions of others acting on behalf of the

3-12 district.
3-13 Sec. 3906.060. INITIAL DIRECTORS. (a) Not later than the
3-14 60th day after the effective date of the Act enacting this chapter,
3-15 the governing body of the city shall appoint an initial board of
3-16 five directors.

3-17 (b) At least three of the initial directors must:

3-18 (1) reside in the district;

3-19 (2) own land in the district; or

3-20 (3) be an agent of a person who owns land in the
3-21 district.

3-22 (c) The terms of two initial directors expire June 1, 2013,
3-23 and the terms of three initial directors expire June 1, 2015.

3-24 (d) This section expires September 1, 2015.

3-25 [Sections 3906.061-3906.100 reserved for expansion]

3-26 SUBCHAPTER C. POWERS AND DUTIES

3-27 Sec. 3906.101. IMPROVEMENT PROJECTS. The district may
3-28 provide, or it may enter into contracts with a governmental or
3-29 private entity to provide, the improvement projects described by
3-30 Subchapter C-1 or activities in support of or incidental to those
3-31 projects.

3-32 Sec. 3906.102. WATER DISTRICT POWERS. The district has the
3-33 powers provided by the general laws relating to conservation and
3-34 reclamation districts created under Section 59, Article XVI, Texas
3-35 Constitution, including Chapters 49, 51, and 54, Water Code.

3-36 Sec. 3906.103. ROAD DISTRICT POWERS; EXCEPTION.

3-37 (a) Except as provided by Subsection (b), the district has the
3-38 powers provided by the general laws relating to road districts and
3-39 road utility districts created under Section 52(b), Article III,
3-40 Texas Constitution, including Chapter 441, Transportation Code.

3-41 (b) The district may exercise any power granted by this
3-42 chapter and by Chapter 441, Transportation Code, without regard to
3-43 any provision or requirement of, or procedure prescribed by,
3-44 Chapter 441, Transportation Code.

3-45 Sec. 3906.104. PUBLIC IMPROVEMENT DISTRICT POWERS. The
3-46 district has the powers provided by Subchapter A, Chapter 372,
3-47 Local Government Code, to a municipality or county.

3-48 Sec. 3906.105. MUNICIPAL MANAGEMENT DISTRICT POWERS. The
3-49 district has the powers provided by Chapter 375, Local Government
3-50 Code.

3-51 Sec. 3906.106. DEVELOPMENT CORPORATION POWERS. The
3-52 district, using money available to the district, may exercise the
3-53 powers given to a development corporation under Chapter 505, Local
3-54 Government Code, including the power to own, operate, acquire,
3-55 construct, lease, improve, or maintain a project under that
3-56 chapter.

3-57 Sec. 3906.107. NONPROFIT CORPORATION. (a) The board by
3-58 resolution may authorize the creation of a nonprofit corporation to
3-59 assist and act for the district in implementing a project or
3-60 providing a service authorized by this chapter.

3-61 (b) The nonprofit corporation:

3-62 (1) has each power of and is considered to be a local
3-63 government corporation created under Subchapter D, Chapter 431,
3-64 Transportation Code; and

3-65 (2) may implement any project and provide any service
3-66 authorized by this chapter.

3-67 (c) The board shall appoint the board of directors of the
3-68 nonprofit corporation. The board of directors of the nonprofit
3-69 corporation shall serve in the same manner as the board of directors

4-1 of a local government corporation created under Subchapter D,
4-2 Chapter 431, Transportation Code, except that a board member is not
4-3 required to reside in the district.

4-4 Sec. 3906.108. AGREEMENTS; GRANTS. (a) As provided by
4-5 Chapter 375, Local Government Code, the district may make an
4-6 agreement with or accept a gift, grant, or loan from any person.

4-7 (b) The implementation of a project is a governmental
4-8 function or service for the purposes of Chapter 791, Government
4-9 Code.

4-10 Sec. 3906.109. LAW ENFORCEMENT SERVICES. To protect the
4-11 public interest, the district may contract with a qualified party,
4-12 including the county or the city, to provide law enforcement
4-13 services in the district for a fee.

4-14 Sec. 3906.110. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
4-15 district may join and pay dues to a charitable or nonprofit
4-16 organization that performs a service or provides an activity
4-17 consistent with the furtherance of a district purpose.

4-18 Sec. 3906.111. ECONOMIC DEVELOPMENT. (a) The district may
4-19 engage in activities that accomplish the economic development
4-20 purposes of the district.

4-21 (b) The district may establish and provide for the
4-22 administration of one or more programs to promote state or local
4-23 economic development and to stimulate business and commercial
4-24 activity in the district, including programs to:

4-25 (1) make loans and grants of public money; and

4-26 (2) provide district personnel and services.

4-27 (c) The district may create economic development programs
4-28 and exercise the economic development powers that:

4-29 (1) Chapter 380, Local Government Code, provides to a
4-30 municipality; and

4-31 (2) Subchapter A, Chapter 1509, Government Code,
4-32 provides to a municipality.

4-33 Sec. 3906.112. PARKING FACILITIES. (a) The district may
4-34 acquire, lease as lessor or lessee, construct, develop, own,
4-35 operate, and maintain parking facilities or a system of parking
4-36 facilities, including lots, garages, parking terminals, or other
4-37 structures or accommodations for parking motor vehicles off the
4-38 streets and related appurtenances.

4-39 (b) The district's parking facilities serve the public
4-40 purposes of the district and are owned, used, and held for a public
4-41 purpose even if leased or operated by a private entity for a term of
4-42 years.

4-43 (c) The district's parking facilities are parts of and
4-44 necessary components of a street and are considered to be a street
4-45 or road improvement.

4-46 (d) The development and operation of the district's parking
4-47 facilities may be considered an economic development program.

4-48 Sec. 3906.113. ANNEXATION OR EXCLUSION OF LAND. (a) The
4-49 district may annex land as provided by Subchapter J, Chapter 49,
4-50 Water Code.

4-51 (b) The district may exclude land as provided by Subchapter
4-52 J, Chapter 49, Water Code. Section 375.044(b), Local Government
4-53 Code, does not apply to the district.

4-54 Sec. 3906.114. LIMITED EMINENT DOMAIN POWER TO ACQUIRE
4-55 SEAWALL. (a) The district may acquire by condemnation any land,
4-56 easements, or other property inside the district boundaries only as
4-57 necessary for the construction of a seawall. The district may elect
4-58 to condemn either the fee simple title or a lesser property
4-59 interest.

4-60 (b) The district may not acquire by condemnation:

4-61 (1) any land, easements, or other property inside the
4-62 district boundaries for a purpose other than constructing a
4-63 seawall;

4-64 (2) any land, easements, or other property outside the
4-65 district; or

4-66 (3) water or water rights.

4-67 (c) The district shall exercise the right of eminent domain
4-68 in the manner provided by Chapter 21, Property Code. The district
4-69 is not required to:

5-1 (1) give bond for appeal or bond for costs in a
5-2 condemnation suit or other suit to which it is a party; or

5-3 (2) deposit more than the amount of an award in a suit.
5-4 (d) Section 375.094, Local Government Code, does not apply
5-5 to the district.

5-6 [Sections 3906.115-3906.150 reserved for expansion]

5-7 SUBCHAPTER C-1. IMPROVEMENT PROJECTS

5-8 Sec. 3906.151. BOARD DETERMINATION REQUIRED. The district
5-9 may not undertake an improvement project unless the board
5-10 determines the project to be necessary to accomplish a public
5-11 purpose of the district.

5-12 Sec. 3906.152. LOCATION OF IMPROVEMENT PROJECT. An
5-13 improvement project may be located:

5-14 (1) in the district; or

5-15 (2) in an area outside but adjacent to the district if
5-16 the project is for the purpose of extending a public infrastructure
5-17 improvement beyond the district's boundaries to a logical terminus.

5-18 Sec. 3906.153. MUNICIPAL REQUIREMENTS. An improvement
5-19 project in a municipality must comply with any applicable municipal
5-20 requirements, including codes and ordinances.

5-21 Sec. 3906.154. LAKE OR OTHER BODY OF WATER. For the
5-22 purposes of this subchapter, planning, design, construction,
5-23 improvement, or maintenance of a lake or other body of water
5-24 includes dredging, cleaning, widening, deepening, or other
5-25 drainage, reclamation, or recreation work done to make the lake or
5-26 other body of water navigable, clean, or safe for recreational use.

5-27 Sec. 3906.155. WATER. (a) An improvement project may
5-28 include a supply and distribution facility or system to provide
5-29 potable and nonpotable water to the residents and businesses of the
5-30 district, including a wastewater collection facility.

5-31 (b) The district may plan, design, construct, improve,
5-32 maintain, or operate a water or sewer facility under this section.

5-33 Sec. 3906.156. ROADS. An improvement project may include a
5-34 paved, macadamized, or graveled road or street to the full extent
5-35 authorized by Section 52, Article III, Texas Constitution.

5-36 Sec. 3906.157. STORM WATER. An improvement project may
5-37 include protection and improvement of the quality of storm water
5-38 that flows through the district.

5-39 Sec. 3906.158. EDUCATION AND CULTURE. An improvement
5-40 project may include the planning and acquisition of:

5-41 (1) public art and sculpture and related exhibits and
5-42 facilities; or

5-43 (2) an educational facility and a cultural exhibit or
5-44 facility.

5-45 Sec. 3906.159. CONVENTION CENTER. An improvement project
5-46 may include the planning, design, construction, acquisition,
5-47 lease, rental, improvement, maintenance, installation, and
5-48 management of and provision of furnishings for a facility for:

5-49 (1) a conference, convention, or exhibition;

5-50 (2) a manufacturer, consumer, or trade show;

5-51 (3) a civic, community, or institutional event; or

5-52 (4) an exhibit, display, attraction, special event, or
5-53 seasonal or cultural celebration or holiday.

5-54 Sec. 3906.160. DEMOLITION. An improvement project may
5-55 include the removal, razing, demolition, or clearing of land or
5-56 improvements in connection with an improvement project.

5-57 Sec. 3906.161. MITIGATION OF ENVIRONMENTAL EFFECTS;
5-58 DEVELOPMENT AGREEMENT; TRANSIT PROJECT. An improvement project may
5-59 include the acquisition and improvement of land or other property
5-60 for the mitigation of the environmental effects of an improvement
5-61 project if the acquisition:

5-62 (1) complies with a development agreement between the
5-63 district and another person and the agreement conditions
5-64 reimbursement of costs associated with the acquisition on the
5-65 completion of substantial vertical development; or

5-66 (2) relates to a transit project.

5-67 Sec. 3906.162. ACQUISITION OF PROPERTY. An improvement
5-68 project may include the acquisition of property or an interest in
5-69 property in connection with an improvement project, including a

6-1 project authorized by Subchapter A, Chapter 372, Local Government
6-2 Code.

6-3 Sec. 3906.163. SPECIAL OR SUPPLEMENTAL SERVICES. An
6-4 improvement project may include a special or supplemental service
6-5 for the improvement and promotion of the district or an area
6-6 adjacent to the district or for the protection of public health and
6-7 safety in or adjacent to the district, including:

6-8 (1) a service listed in Section 375.112(a)(4), Local
6-9 Government Code;

6-10 (2) tourism;

6-11 (3) fire protection or emergency medical services; or

6-12 (4) educational improvements, enhancements, and
6-13 services.

6-14 Sec. 3906.164. MISCELLANEOUS DESIGN, CONSTRUCTION, AND
6-15 MAINTENANCE. An improvement project may include the planning,
6-16 design, construction, improvement, and maintenance of:

6-17 (1) a project or service listed in Section
6-18 375.112(a)(1), Local Government Code;

6-19 (2) highway right-of-way or transit corridor
6-20 beautification and improvement;

6-21 (3) a hiking and cycling path or trail;

6-22 (4) a pedestrian walkway;

6-23 (5) a garden, community activities center, dock,
6-24 wharf, sports facility, open space, or related exhibit or preserve;
6-25 or

6-26 (6) a bulkhead or other improvement designed to
6-27 prevent erosion.

6-28 Sec. 3906.165. SIMILAR IMPROVEMENT PROJECTS. An
6-29 improvement project may include a public improvement, facility, or
6-30 service similar to a project described by this subchapter.

6-31 [Sections 3906.166-3906.200 reserved for expansion]

6-32 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6-33 Sec. 3906.201. BORROWING MONEY. The district may borrow
6-34 money for a district purpose by issuing or executing bonds,
6-35 negotiable or nonnegotiable notes, credit agreements, or other
6-36 obligations of any kind found by the board to be necessary or
6-37 appropriate for a district purpose. The bond, note, credit
6-38 agreement, or other obligation must be secured by and payable from
6-39 any combination of ad valorem taxes, assessments, or any other
6-40 district revenue or sources of money.

6-41 Sec. 3906.202. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
6-42 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
6-43 secure the payment or repayment of any bond, note, or other
6-44 temporary or permanent obligation or reimbursement or other
6-45 contract with any person and the costs and expenses of the
6-46 establishment, administration, and operation of the district and
6-47 the district's costs or share of the costs or revenue of an
6-48 improvement project or district contractual obligation or
6-49 indebtedness by:

6-50 (1) the imposition of an ad valorem tax or an
6-51 assessment, user fee, concession fee, or rental charge; or

6-52 (2) any other revenue or resources of the district,
6-53 including tax increment revenue.

6-54 Sec. 3906.203. ASSESSMENTS. (a) The district may impose
6-55 an assessment on property in the district to pay the cost or the
6-56 cost of maintenance of any authorized district improvement in the
6-57 manner provided for:

6-58 (1) a district under Subchapters A, E, and F, Chapter
6-59 375, Local Government Code; or

6-60 (2) a municipality or county under Subchapter A,
6-61 Chapter 372, Local Government Code.

6-62 (b) An assessment, a reassessment, or an assessment
6-63 resulting from an addition to or correction of the assessment roll
6-64 by the district, penalties and interest on an assessment or
6-65 reassessment, an expense of collection, and reasonable attorney's
6-66 fees incurred by the district:

6-67 (1) are a first and prior lien against the property
6-68 assessed; and

6-69 (2) are superior to any other lien or claim other than

7-1 a lien or claim for county, school district, or municipal ad valorem
 7-2 taxes.
 7-3 (c) The lien of an assessment against property runs with the
 7-4 land. The portion of an assessment payment obligation that has not
 7-5 yet come due is not eliminated by the foreclosure of an ad valorem
 7-6 tax lien, and any purchaser of property in a foreclosure of an ad
 7-7 valorem tax lien takes the property subject to the assessment
 7-8 payment obligations that have not yet come due and to the lien and
 7-9 terms of the lien's payment under the applicable assessment
 7-10 ordinance or order.
 7-11 (d) The board may make a correction to or deletion from the
 7-12 assessment roll that does not increase the amount of assessment of
 7-13 any parcel of land without providing notice and holding a hearing in
 7-14 the manner required for additional assessments.
 7-15 Sec. 3906.204. NOTICE OF ASSESSMENT. The board shall file
 7-16 notice of an assessment imposed with the county clerk of Cameron
 7-17 County and post the notice on the district's Internet website.
 7-18 Sec. 3906.205. STORM WATER USER CHARGES. The district may
 7-19 establish user charges related to the operation of storm water
 7-20 facilities, including the regulation of storm water for the
 7-21 protection of water quality in the district.
 7-22 Sec. 3906.206. NONPOTABLE WATER USER CHARGES. The district
 7-23 may establish user charges for the use of nonpotable water for
 7-24 irrigation purposes, subject to approval of the governing body of
 7-25 the municipality in which the user is located.
 7-26 Sec. 3906.207. COSTS FOR IMPROVEMENT PROJECTS. The
 7-27 district may undertake separately or jointly with other persons,
 7-28 including the city, all or part of the cost of an improvement
 7-29 project, including an improvement project:
 7-30 (1) for improving, enhancing, and supporting public
 7-31 safety and security, fire protection and emergency medical
 7-32 services, and law enforcement; or
 7-33 (2) that confers a general benefit on the entire
 7-34 district or a special benefit on a definable part of the district.
 7-35 Sec. 3906.208. RESIDENTIAL PROPERTY NOT EXEMPT. Section
 7-36 375.161, Local Government Code, does not apply to the district.
 7-37 [Sections 3906.209-3906.250 reserved for expansion]
 7-38 SUBCHAPTER E. TAXES AND BONDS
 7-39 Sec. 3906.251. TAX ABATEMENT. The district may enter into a
 7-40 tax abatement agreement in accordance with the general laws of this
 7-41 state authorizing and applicable to a tax abatement agreement by a
 7-42 municipality.
 7-43 Sec. 3906.252. PROPERTY TAX AUTHORIZED. The district may
 7-44 impose an ad valorem tax on all taxable property in the district to:
 7-45 (1) pay for an improvement project of the types
 7-46 authorized by Section 52(b), Article III, and Section 59, Article
 7-47 XVI, Texas Constitution; or
 7-48 (2) secure the payment of bonds issued for a purpose
 7-49 described by Subdivision (1).
 7-50 Sec. 3906.253. MAINTENANCE AND OPERATION TAX; ELECTION.
 7-51 (a) The district may impose a tax for maintenance and operation
 7-52 purposes, including for:
 7-53 (1) planning, constructing, acquiring, maintaining,
 7-54 repairing, and operating all improvement projects, including land,
 7-55 plants, works, facilities, improvements, appliances, and equipment
 7-56 of the district; and
 7-57 (2) paying costs of services, engineering and legal
 7-58 fees, and organization and administrative expenses.
 7-59 (b) The district may not impose a maintenance and operation
 7-60 tax unless the tax is approved by a majority of the district voters
 7-61 voting at an election held for that purpose.
 7-62 (c) A maintenance and operation tax election may be held at
 7-63 the same time and in conjunction with any other district election.
 7-64 The election may be called by a separate election order or as part
 7-65 of any other election order.
 7-66 Sec. 3906.254. USE OF SURPLUS MAINTENANCE AND OPERATION
 7-67 MONEY. If the district has maintenance and operation tax money that
 7-68 is not needed for the purposes for which it was collected, the money
 7-69 may be used for any authorized purpose.

8-1 Sec. 3906.255. BONDS AND OTHER OBLIGATIONS; MUNICIPAL
8-2 APPROVAL. (a) The district may issue by public or private sale
8-3 bonds, notes, or other obligations payable wholly or partly from ad
8-4 valorem taxes, tax increment financing, or assessments in the
8-5 manner provided by Subchapter A, Chapter 372, or Subchapter J,
8-6 Chapter 375, Local Government Code.

8-7 (b) In exercising the district's borrowing power, the
8-8 district may issue a bond or other obligation in the form of a bond,
8-9 note, certificate of participation or other instrument evidencing a
8-10 proportionate interest in payments to be made by the district, or
8-11 any other type of obligation.

8-12 (c) In addition to the sources of money described by Chapter
8-13 311, Tax Code, Subchapter A, Chapter 372, and Subchapter J, Chapter
8-14 375, Local Government Code, district bonds may be secured and made
8-15 payable, wholly or partly, by a pledge of any part of the money the
8-16 district receives from system or improvement revenue or from any
8-17 other source.

8-18 Sec. 3906.256. ISSUANCE AND APPROVAL OF OBLIGATION POWERS.
8-19 The district has the powers provided by Chapter 1371, Government
8-20 Code.

8-21 Sec. 3906.257. BOND MATURITY. Bonds may mature not more
8-22 than 40 years from their date of issue.

8-23 Sec. 3906.258. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
8-24 the time bonds or other obligations payable wholly or partly from ad
8-25 valorem taxes are issued:

8-26 (1) the board shall impose a continuing direct annual
8-27 ad valorem tax for each year that all or part of the bonds are
8-28 outstanding; and

8-29 (2) the district annually shall impose an ad valorem
8-30 tax on all taxable property in the district in an amount sufficient
8-31 to:

8-32 (A) pay the interest on the bonds or other
8-33 obligations as the interest becomes due; and

8-34 (B) create a sinking fund for the payment of the
8-35 principal of the bonds or other obligations when due or the
8-36 redemption price at any earlier required redemption date.

8-37 Sec. 3906.259. AUTHORITY TO ESTABLISH DEFINED AREAS OR
8-38 DESIGNATED PROPERTY. The district may define areas or designate
8-39 certain property of the district in the manner provided by
8-40 Subchapter J, Chapter 54, Water Code, regardless of the district's
8-41 size, to pay for improvements, facilities, or services that
8-42 primarily benefit that area or property and do not generally and
8-43 directly benefit the district as a whole.

8-44 Sec. 3906.260. NOTICE OF TAX. The district shall file
8-45 notice of a tax imposed with the county clerk of Cameron County and
8-46 post the notice on the district's Internet website.

8-47 [Sections 3906.261-3906.300 reserved for expansion]

8-48 SUBCHAPTER F. TAX INCREMENT REINVESTMENT ZONE

8-49 Sec. 3906.301. DISTRICT AS TAX INCREMENT REINVESTMENT ZONE.
8-50 Without further authorization or procedural requirement, the
8-51 district is a tax increment reinvestment zone under Chapter 311,
8-52 Tax Code.

8-53 Sec. 3906.302. BOARD; POWERS. (a) The district's board is
8-54 the board of directors of the tax increment reinvestment zone.

8-55 (b) The district's board has the powers of the board of
8-56 directors of a tax increment reinvestment zone granted under
8-57 Chapter 311, Tax Code, including:

8-58 (1) the powers granted to a municipality under Section
8-59 311.008, Tax Code, subject to the limitations in Section 311.010,
8-60 Tax Code; and

8-61 (2) the power under Section 311.010(c), Tax Code, to
8-62 restrict the use of property in the zone under Chapter 211, Local
8-63 Government Code.

8-64 (c) Section 311.009, Tax Code, does not apply to the tax
8-65 increment reinvestment zone board.

8-66 Sec. 3906.303. BASE YEAR VALUE. The base year value of the
8-67 district, for tax increment financing purposes, is the value as of
8-68 January 1, 2011, of all taxable real property in the district as
8-69 shown on the certified tax rolls of the central appraisal district.

9-1 Sec. 3906.304. INTERLOCAL AGREEMENTS ALLOWED. The district
9-2 and an overlapping taxing unit may enter into an interlocal
9-3 agreement for the payment of all or a portion of the tax increment
9-4 of the unit to the district.

9-5 Sec. 3906.305. USE OF MONEY. The district may grant money
9-6 deposited in the tax increment fund to the district to be used by
9-7 the district for the purposes permitted for money granted to a
9-8 corporation under Section 380.002(b), Local Government Code,
9-9 including the right to pledge the money as security for any bonds
9-10 issued by the district for an improvement project.

9-11 Sec. 3906.306. CITY CONSENT; DURATION. The city may, in its
9-12 consent to the creation of the district, determine the portion of
9-13 tax increment to be paid to the district and the initial duration of
9-14 the tax increment reinvestment zone.

9-15 Sec. 3906.307. RESTRICTIONS ON AREA NOT APPLICABLE. The
9-16 area of the district that is a tax increment reinvestment zone is
9-17 not subject to the limitations provided by Section 311.006(b), Tax
9-18 Code.

9-19 [Sections 3906.308-3906.350 reserved for expansion]

9-20 SUBCHAPTER G. DISSOLUTION

9-21 Sec. 3906.351. DISSOLUTION OF DISTRICT WITH OUTSTANDING
9-22 DEBT. (a) The district may be dissolved as provided by Subchapter
9-23 M, Chapter 375, Local Government Code, except that Section 375.264,
9-24 Local Government Code, does not apply to the district.

9-25 (b) The board may dissolve the district regardless of
9-26 whether the district has debt.

9-27 (c) If the district has debt when it is dissolved, the
9-28 district shall remain in existence solely for the purpose of
9-29 discharging its debts. The dissolution is effective when all debts
9-30 have been discharged.

9-31 Sec. 3906.352. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.
9-32 (a) If the dissolved district has bonds or other obligations
9-33 outstanding secured by and payable from assessments or other
9-34 revenue, other than ad valorem taxes, the city shall succeed to the
9-35 rights and obligations of the district regarding enforcement and
9-36 collection of the assessments or other revenue.

9-37 (b) The city shall have and exercise all district powers to
9-38 enforce and collect the assessments or other revenue to pay:

9-39 (1) the bonds or other obligations when due and
9-40 payable according to their terms; or

9-41 (2) special revenue or assessment bonds or other
9-42 obligations issued by the city to refund the outstanding bonds or
9-43 obligations.

9-44 Sec. 3906.353. ASSUMPTION OF ASSETS AND LIABILITIES. If
9-45 the city dissolves the district:

9-46 (1) the city assumes the obligations of the district,
9-47 including any bonds or other debt payable from assessments or other
9-48 district revenue; and

9-49 (2) the board shall transfer ownership of all district
9-50 property to the city.

9-51 SECTION 2. The Port Isabel Improvement District No. 1
9-52 initially includes all the territory contained in the following
9-53 area:

9-54 Being a 45.10 acre tract out of a 182.42 acre tract situated in the
9-55 City of Port Isabel, Cameron County, Texas, said 182.42 acre tract
9-56 being more particularly described by metes and bounds as follows;

9-57 Beginning at the approximate intersection of W. State Hwy. 100 (W.
9-58 Queen Isabella Blvd.) and N. 2nd St., said intersection being the
9-59 POINT OF BEGINNING and also the southwestern most corner of this
9-60 tract:

9-61 Thence, continuing generally north along N. 2nd St. N00°00'38"W,
9-62 992.66 feet to a point approximately located at the intersection of
9-63 2nd St. and Illinois Ave. and a point of deflection to the right;

9-64 Thence, continuing generally east along Illinois Ave. S90°00'00"E,
9-65 288.23 feet to a point approximately located at the intersection of
9-66 Illinois Ave. and First St. and a point of deflection to the left;

9-67 Thence, continuing generally in a northeasterly direction along
9-68 First St., N30°19'02"E, 885.93 feet and then N27°42'48"E, 212.40
9-69 feet to a point approximately located at the intersection of First

10-1 St. and W. North Shore Dr.;
 10-2 Thence, continuing generally in an easterly direction along W.
 10-3 North Shore Dr. with the following calls:
 10-4 Following along a curve to the right having a radius of 3481.45 feet
 10-5 and an arc length of 515.77 feet;
 10-6 Thence, N80°34'06"E, 688.86 feet passing through the W. North Shore
 10-7 Dr. Cul-de-Sac situated on the west side of the main canal and
 10-8 crossing said main canal to a point approximately located at the
 10-9 center of the W. North Shore Dr. Cul-de-Sac;
 10-10 Thence, N87°16'53"E, 262.60 feet to a point located at the
 10-11 intersection of N. Shore Dr. and N. Yturria St. and a point of
 10-12 deflection to the right;
 10-13 Thence, continuing generally in a southeasterly direction along N.
 10-14 Yturria St. with the following calls:
 10-15 S66°43'02"E, 1048.75 feet,
 10-16 Thence, S77°29'11"E, 834.75 feet,
 10-17 Thence, S77°20'18"E, 78.40 feet,
 10-18 Thence, S34°27'49"E, 706.34 feet to a point approximately located at
 10-19 the intersection with N. Yturria St. and W. State Hwy. 100 (W. Queen
 10-20 Isabella Blvd.)
 10-21 Thence, continuing generally along W. State Hwy. 100 (W. Queen
 10-22 Isabella Blvd.) with the following calls:
 10-23 S76°30'15"W, 237.92 feet,
 10-24 Thence, S55°32'11"W, 485.22 feet,
 10-25 Thence, S53°19'55"W, 1309.56 feet,
 10-26 Thence, following along a curve to the right having a radius of
 10-27 1250.27 feet and an arc length of 928.59 feet,
 10-28 Thence, N84°02'49"W, 847.36 feet,
 10-29 Thence, following along a curve to the right having a radius of
 10-30 2763.89 feet and an arc length of 887.31 feet,
 10-31 Thence, N68°12'13"W, 318.83 feet to the approximate POINT OF
 10-32 BEGINNING and containing 182.42 acres, Less the following three
 10-33 areas totaling 45.10 acres to be excluded;
 10-34 97.01 Acre Tract:
 10-35 Excluding an area being 97.01 acres situated within the afore
 10-36 mentioned 182.42 acres and being more particularly described as
 10-37 follows:
 10-38 Beginning at a point situated approximately 380.0 feet southwest of
 10-39 the approximate intersection of N. Shore Dr. and N. Yturria St. said
 10-40 intersection being the POINT OF BEGINNING,
 10-41 Thence, N80°34'06"E, 116.18 feet, to a point of deflection to the
 10-42 right,
 10-43 Thence, N87°16'53"E, 262.60 feet to a point located at the
 10-44 intersection of N. Shore Dr. and N. Yturria St. and a point of
 10-45 deflection to the right;
 10-46 Thence, continuing generally in a southeasterly direction along N.
 10-47 Yturria St. with the following calls:
 10-48 S66°43'02"E, 1048.75 feet,
 10-49 Thence, S77°29'11"E, 834.75 feet,
 10-50 Thence, S77°20'18"E, 78.40 feet,
 10-51 Thence, S34°27'49"E, 706.34 feet to a point approximately located at
 10-52 the intersection with N. Yturria St. and W. State Hwy. 100 (W. Queen
 10-53 Isabella Blvd.)
 10-54 Thence, continuing generally along W. State Hwy. 100 (W. Queen
 10-55 Isabella Blvd.) with the following calls:
 10-56 S76°30'15"W, 237.92 feet,
 10-57 Thence, S55°32'11"W, 485.22 feet,
 10-58 Thence, S53°19'55"W, 1309.56 feet,
 10-59 Thence, following along a curve to the right having a radius of
 10-60 1250.27 feet and an arc length of 922.59 feet,
 10-61 Thence, continuing generally north along Island Ave. N04°20'40"E,
 10-62 222.19 feet,
 10-63 Thence, following along a curve to the left having a radius of
 10-64 777.53 feet and an arc length of 437.02 feet,
 10-65 Thence, following along a curve to the right having a radius of
 10-66 573.56 feet and an arc length of 289.72 feet,
 10-67 Thence, N00°00'00"W, 1320.52 feet,
 10-68 Thence, N67°19'01"E, 52.43 feet,
 10-69 Thence, N45°42'19"E, 51.62 feet,

11-1 Thence, N07°16'44"E, 124.96 feet,
 11-2 Thence, N35°58'29"W, 55.40 feet,
 11-3 Thence, N02°09'44"W, 23.47 feet, to the approximate POINT OF
 11-4 BEGINNING and containing 97.01 acres.
 11-5 36.50 Acres:
 11-6 Excluding an area being 36.50 acres situated within the afore
 11-7 mentioned 182.42 acres, and being more particularly described as
 11-8 follows:
 11-9 Beginning at a point situated approximately 700.00 feet east of the
 11-10 approximate intersection of N. Shore Dr. and Yturria St., said
 11-11 point being the POINT OF BEGINNING,
 11-12 Thence, continuing along a shoreline with the following calls:
 11-13 Following along a curve to the right having a radius of 146.44 feet
 11-14 and an arc length of 179.23 feet,
 11-15 Thence, N88°34'07"W, 59.23 feet,
 11-16 Thence, S81°35'31"W, 212.48 feet,
 11-17 Thence, S52°03'09"W, 170.82 feet,
 11-18 Thence, S60°00'52"W, 165.71 feet,
 11-19 Thence, S43°44'31"W, 94.20 feet,
 11-20 Thence, S51°21'18"W, 113.71 feet,
 11-21 Thence, S37°43'13"W, 346.57 feet,
 11-22 Thence, following along a curve to the left having a radius of
 11-23 360.58 feet and an arc length of 220.18 feet,
 11-24 Thence, S01°45'48"E, 122.64 feet,
 11-25 Thence, following along a curve to the left having a radius of
 11-26 1419.42 feet and an arc length of 277.22 feet,
 11-27 Thence, S17°12'41"E, 720.75 feet,
 11-28 Thence, N61°12'07"E, 42.91 feet,
 11-29 Thence, following along a curve to the right having a radius of
 11-30 217.02 feet and an arc length of 170.89 feet,
 11-31 Thence, S74°43'17"E, 303.06 feet,
 11-32 Thence, S86°44'59"E, 82.86 feet,
 11-33 Thence, N72°02'59"E, 137.36 feet,
 11-34 Thence, N58°15'14"E, 165.73 feet,
 11-35 Thence, N01°30'30"E, 51.00 feet,
 11-36 Thence, N54°15'37"E, 124.02 feet,
 11-37 Thence, following along a curve to the left having a radius of
 11-38 110.46 feet and an arc length of 95.48 feet,
 11-39 Thence, N04°42'37"E, 114.42 feet,
 11-40 Thence, S89°07'57"W, 88.60 feet,
 11-41 Thence, S29°33'06"W, 92.53 feet,
 11-42 Thence, S35°24'33"W, 125.10 feet,
 11-43 Thence, N61°53'20"W, 88.26 feet,
 11-44 Thence, N29°13'06"E, 247.48 feet,
 11-45 Thence, following along a curve to the left having a radius of
 11-46 1357.61 feet and an arc length of 147.15 feet,
 11-47 Thence, N09°00'46"E, 54.80 feet,
 11-48 Thence, N11°50'53"E, 94.86 feet,
 11-49 Thence, following along a curve to the right having a radius of
 11-50 225.45 feet and an arc length of 108.46 feet,
 11-51 Thence, N71°20'07"E, 70.18 feet, to a point on the western
 11-52 right-of-way of Island Ave.
 11-53 Thence, S00°00'00"W, 337.14 feet,
 11-54 Thence, following along a curve to the left having a radius of
 11-55 734.06 feet and an arc length of 282.24 feet,
 11-56 Thence, following along a curve to the right having a radius of
 11-57 777.53 feet and an arc length of 437.02 feet,
 11-58 Thence, S04°20'40"W, 222.19 feet,
 11-59 Thence, N84°02'49"W, 784.86 feet,
 11-60 Thence, following along a curve to the right having a radius of
 11-61 2763.89 feet and an arc length of 887.31 feet,
 11-62 Thence, N68°12'13"W, 318.83 feet,
 11-63 Thence, N00°00'38"W, 992.66 feet,
 11-64 Thence, S90°00'00"E, 288.23 feet,
 11-65 Thence, N30°19'02"E, 885.93 feet,
 11-66 Thence, N27°42'48"E, 212.40 feet,
 11-67 Thence, Following along a curve to the right having a radius of
 11-68 3481.45 feet and an arc length of 515.77 feet;
 11-69 Thence, continuing generally north along Island Ave. N80°34'06"E,

12-1 284.43 feet to the approximate POINT OF BEGINNING and containing
12-2 36.50 acres.

12-3 Harbor Island Dr:

12-4 Excluding an area being 3.81 acres situated within the afore
12-5 mentioned 182.42 acres, said area partially encompassing Harbor
12-6 Island Dr. and being more particularly described as follows:

12-7 Beginning at a point situated approximately 93.0 feet northwest of
12-8 the approximate intersection of Harbor Island Dr. and Island Ave.,
12-9 said intersection being the POINT OF BEGINNING,

12-10 Thence, continuing in a southerly direction along with the west
12-11 right-of-way of Island Ave. with the following calls:

- 12-12 S00°22'36"E, 239.66 feet
- 12-13 Thence, N51°07'58"W, 48.22 feet,
- 12-14 Thence, S81°59'37"W 165.11 feet,
- 12-15 Thence, S54°05'12"W, 472.53 feet,
- 12-16 Thence, N46°24'16"E, 59.39 feet,
- 12-17 Thence, S50°19'46"W, 91.11 feet,
- 12-18 Thence, N47°03'38"W, 59.11 feet,
- 12-19 Thence, N65°33'01"W, 52.83 feet,
- 12-20 Thence, N26°31'28"E, 97.24 feet,
- 12-21 Thence, N52°36'42"E, 388.69 feet,
- 12-22 Thence, N64°30'00"W, 236.16 feet,
- 12-23 Thence, N75°43'05"E, 132.47 feet,
- 12-24 Thence, N85°31'47"E, 93.17 feet, to the approximate POINT OF
- 12-25 BEGINNING and containing 3.81 acres.

12-26 The total acreage for said 182.42 acre tract excluding said three
12-27 areas totaling 137.32 acres described herein totals 45.10 acres.

12-28 SECTION 3. (a) The legal notice of the intention to
12-29 introduce this Act, setting forth the general substance of this
12-30 Act, has been published as provided by law, and the notice and a
12-31 copy of this Act have been furnished to all persons, agencies,
12-32 officials, or entities to which they are required to be furnished
12-33 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
12-34 Government Code.

12-35 (b) The governor, one of the required recipients, has
12-36 submitted the notice and Act to the Texas Commission on
12-37 Environmental Quality.

12-38 (c) The Texas Commission on Environmental Quality has filed
12-39 its recommendations relating to this Act with the governor,
12-40 lieutenant governor, and speaker of the house of representatives
12-41 within the required time.

12-42 (d) All requirements of the constitution and laws of this
12-43 state and the rules and procedures of the legislature with respect
12-44 to the notice, introduction, and passage of this Act have been
12-45 fulfilled and accomplished.

12-46 SECTION 4. This Act takes effect immediately if it receives
12-47 a vote of two-thirds of all the members elected to each house, as
12-48 provided by Section 39, Article III, Texas Constitution. If this
12-49 Act does not receive the vote necessary for immediate effect, this
12-50 Act takes effect September 1, 2011.

12-51 * * * * *