

SENATE AMENDMENTS

2nd Printing

By: Zerwas

H.B. No. 3827

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation of the Fulshear Town Center Management
3 District; providing authority to impose an assessment, impose a
4 tax, and issue bonds.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws
7 Code, is amended by adding Chapter 3903 to read as follows:

8 CHAPTER 3903. FULSHEAR TOWN CENTER MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3903.001. DEFINITIONS. In this chapter:

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

12 (2) "City" means the City of Fulshear.

13 (3) "County" means Fort Bend County.

14 (4) "Director" means a board member.

15 (5) "District" means the Fulshear Town Center
16 Management District.

17 Sec. 3903.002. CREATION AND NATURE OF DISTRICT. The
18 Fulshear Town Center Management District is a special district
19 created under Section 59, Article XVI, Texas Constitution.

20 Sec. 3903.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
21 creation of the district is essential to accomplish the purposes of
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
23 Texas Constitution, and other public purposes stated in this
24 chapter. By creating the district and in authorizing the city and

1 other political subdivisions to contract with the district, the
2 legislature has established a program to accomplish the public
3 purposes set out in Section 52-a, Article III, Texas Constitution.

4 (b) The creation of the district is necessary to promote,
5 develop, encourage, and maintain employment, commerce,
6 transportation, housing, tourism, recreation, the arts,
7 entertainment, economic development, safety, and the public
8 welfare in the district.

9 (c) The district is created to supplement and not to
10 supplant city services provided in the district.

11 Sec. 3903.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
12 The district is created to serve a public use and benefit.

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

18 (c) The creation of the district is in the public interest
19 and is essential to further the public purposes of:

20 (1) developing and diversifying the economy of the
21 state;

22 (2) eliminating unemployment and underemployment;

23 (3) developing or expanding transportation and
24 commerce; and

25 (4) providing quality residential housing.

26 (d) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, potential employees, employees, visitors,
2 and consumers in the district, and of the public;

3 (2) provide needed funding for the district to
4 preserve, maintain, and enhance the economic health and vitality of
5 the district territory as a residential community and business
6 center; and

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

11 (e) Pedestrian ways along or across a street, whether at
12 grade or above or below the surface, and street lighting, street
13 landscaping, vehicle parking, and street art objects are parts of
14 and necessary components of a street and are considered to be an
15 improvement project that includes a street or road improvement.

16 (f) The district will not act as the agent or
17 instrumentality of any private interest even though the district
18 will benefit many private interests as well as the public.

19 Sec. 3903.005. DISTRICT TERRITORY. (a) The district is
20 initially composed of the territory described by Section 2 of the
21 Act enacting this chapter.

22 (b) The boundaries and field notes contained in Section 2 of
23 the Act enacting this chapter form a closure. A mistake in the
24 field notes or in copying the field notes in the legislative process
25 does not affect the district's:

26 (1) organization, existence, or validity;

27 (2) right to issue any type of bond for the purposes

1 for which the district is created or to pay the principal of and
2 interest on a bond;

3 (3) right to impose or collect an assessment or tax; or

4 (4) legality or operation.

5 Sec. 3903.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

6 (a) All or any part of the area of the district is eligible to be
7 included in:

8 (1) a tax increment reinvestment zone created under
9 Chapter 311, Tax Code;

10 (2) a tax abatement reinvestment zone created under
11 Chapter 312, Tax Code;

12 (3) an enterprise zone created under Chapter 2303,
13 Government Code; or

14 (4) an industrial district created under Chapter 42,
15 Local Government Code.

16 (b) If the city creates a tax increment reinvestment zone
17 described by Subsection (a), the city and the board of directors of
18 the zone, by contract with the district, may grant money deposited
19 in the tax increment fund to the district to be used by the district
20 for the purposes permitted for money granted to a corporation under
21 Section 380.002(b), Local Government Code, including the right to
22 pledge the money as security for any bonds issued by the district
23 for an improvement project. A project may not receive public funds
24 under Section 380.002(b), Local Government Code, unless the project
25 complies with a development agreement entered into under Section
26 3903.207.

27 (c) A tax increment reinvestment zone created by the city in

1 the district is not subject to the limitations provided by Section
2 311.006(b), Tax Code.

3 (d) A tax increment reinvestment zone or a tax abatement
4 reinvestment zone may not include territory in the district unless
5 the governing body of the city approves the inclusion.

6 Sec. 3903.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
7 DISTRICTS LAW. Except as otherwise provided by this chapter,
8 Chapter 375, Local Government Code, applies to the district.

9 Sec. 3903.008. LIBERAL CONSTRUCTION OF CHAPTER. This
10 chapter shall be liberally construed in conformity with the
11 findings and purposes stated in this chapter.

12 [Sections 3903.009-3903.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 3903.051. GOVERNING BODY; TERMS. The district is
15 governed by a board of five voting directors who serve staggered
16 terms of four years, with two or three directors' terms expiring
17 June 1 of each even-numbered year.

18 Sec. 3903.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY
19 CITY. (a) To be qualified to serve as a director appointed by the
20 governing body of the city, a person must be:

21 (1) a resident of the district who is also a registered
22 voter of the district;

23 (2) an owner of property in the district;

24 (3) an owner of stock or a partnership or membership
25 interest, whether beneficial or otherwise, of a corporate
26 partnership, limited liability company, or other entity owner of a
27 direct or indirect interest in property in the district;

1 (4) an owner of a beneficial interest in a trust, or a
2 trustee in a trust, that directly or indirectly owns property in the
3 district; or

4 (5) an agent, employee, or tenant of a person
5 described by Subdivision (2), (3), or (4).

6 (b) Section 49.052, Water Code, does not apply to the
7 district.

8 Sec. 3903.053. APPOINTMENT OF DIRECTORS. The governing
9 body of the city shall appoint directors from persons recommended
10 by the board.

11 Sec. 3903.054. VACANCY. If a vacancy occurs on the board,
12 the remaining directors shall appoint a director for the remainder
13 of the unexpired term.

14 Sec. 3903.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
15 director shall file the director's oath or affirmation of office
16 with the district, and the district shall retain the oath or
17 affirmation in the district records.

18 (b) A director shall file a copy of the director's oath or
19 affirmation with the secretary of the city.

20 Sec. 3903.056. OFFICERS. The board shall elect from among
21 the directors a chair, a vice chair, and a secretary. The offices
22 of chair and secretary may not be held by the same person.

23 Sec. 3903.057. COMPENSATION; EXPENSES. A director is not
24 entitled to compensation but is entitled to reimbursement for
25 necessary and reasonable expenses incurred in carrying out the
26 duties and responsibilities of the board.

27 Sec. 3903.058. LIABILITY INSURANCE. The district may

1 obtain and pay for comprehensive general liability insurance
2 coverage from a commercial insurance company or other source that
3 protects and insures a director against personal liability and from
4 all claims relating to:

5 (1) actions taken by the director in the director's
6 capacity as a member of the board;

7 (2) actions and activities taken by the district; or

8 (3) the actions of others acting on behalf of the
9 district.

10 Sec. 3903.059. NO EXECUTIVE COMMITTEE. The board may not
11 create an executive committee to exercise the powers of the board.

12 Sec. 3903.060. BOARD MEETINGS. The board shall hold
13 meetings at a place accessible to the public.

14 Sec. 3903.061. INITIAL DIRECTORS. (a) The initial board
15 consists of:

	<u>Pos. No.</u>	<u>Name of Director</u>
16	<u>1</u>	<u>_____</u>
17	<u>2</u>	<u>_____</u>
18	<u>3</u>	<u>_____</u>
19	<u>4</u>	<u>_____</u>
20	<u>5</u>	<u>_____</u>

21 (b) The terms of the initial directors expire June 1, 2012.

22 (c) Of the directors who replace an initial director, the
23 terms of directors serving in positions 1, 2, and 3 expire June 1,
24 2014, and the terms of directors serving in positions 4 and 5 expire
25 June 1, 2016.

26 (d) Section 3903.052 does not apply to this section.

1 (e) This section expires September 1, 2016.

2 [Sections 3903.062-3903.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 3903.101. GENERAL POWERS AND DUTIES. The district has
5 the powers and duties necessary to accomplish the purposes for
6 which the district is created.

7 Sec. 3903.102. DEVELOPMENT CORPORATION POWERS. The
8 district, using money available to the district, may exercise the
9 powers given to a development corporation under Chapter 505, Local
10 Government Code, including the power to own, operate, acquire,
11 construct, lease, improve, or maintain a project under that
12 chapter.

13 Sec. 3903.103. NONPROFIT CORPORATION. (a) The board by
14 resolution may authorize the creation of a nonprofit corporation to
15 assist and act for the district in implementing a project or
16 providing a service authorized by this chapter.

17 (b) The nonprofit corporation:

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

21 (2) may implement any project and provide any service
22 authorized by this chapter.

23 (c) The board shall appoint the board of directors of the
24 nonprofit corporation. The board of directors of the nonprofit
25 corporation shall serve in the same manner as the board of directors
26 of a local government corporation created under Subchapter D,
27 Chapter 431, Transportation Code, except that a board member is not

1 required to reside in the district.

2 Sec. 3903.104. AGREEMENTS; GRANTS. (a) As provided by
3 Chapter 375, Local Government Code, the district may make an
4 agreement with or accept a gift, grant, or loan from any person.

5 (b) The implementation of a project is a governmental
6 function or service for the purposes of Chapter 791, Government
7 Code.

8 Sec. 3903.105. LAW ENFORCEMENT SERVICES. To protect the
9 public interest, the district may contract with a qualified party,
10 including the county or the city, to provide law enforcement
11 services in the district for a fee.

12 Sec. 3903.106. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
13 district may join and pay dues to a charitable or nonprofit
14 organization that performs a service or provides an activity
15 consistent with the furtherance of a district purpose.

16 Sec. 3903.107. ECONOMIC DEVELOPMENT. (a) The district may
17 engage in activities that accomplish the economic development
18 purposes of the district.

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

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

24 (2) provide district personnel and services.

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

27 (1) Chapter 380, Local Government Code, provides to a

1 municipality; and

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

4 Sec. 3903.108. PARKING FACILITIES. (a) The district may
5 acquire, lease as lessor or lessee, construct, develop, own,
6 operate, and maintain parking facilities or a system of parking
7 facilities, including lots, garages, parking terminals, or other
8 structures or accommodations for parking motor vehicles off the
9 streets and related appurtenances.

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

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

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

19 Sec. 3903.109. NO EMINENT DOMAIN POWER. The district may
20 not exercise the power of eminent domain.

21 [Sections 3903.110-3903.130 reserved for expansion]

22 SUBCHAPTER C-1. IMPROVEMENT PROJECTS

23 Sec. 3903.131. IMPROVEMENT PROJECTS AND SERVICES. The
24 district may provide, design, construct, acquire, improve,
25 relocate, operate, maintain, or finance an improvement project or
26 service using money available to the district, or contract with a
27 governmental or private entity to provide, design, construct,

1 acquire, improve, relocate, operate, maintain, or finance an
2 improvement project or service authorized under this chapter or
3 Chapter 375, Local Government Code.

4 Sec. 3903.132. LOCATION OF IMPROVEMENT PROJECT. An
5 improvement project described by Section 3903.131 may be located:

6 (1) in the district; or

7 (2) in an area outside but adjacent to the district if
8 the project is for the purpose of extending a public infrastructure
9 improvement beyond the district's boundaries to a logical terminus.

10 Sec. 3903.133. PREREQUISITES FOR IMPROVEMENT PROJECTS. The
11 district may not construct an improvement project unless:

12 (1) the owner of the land on which the improvement
13 project will be constructed records a plat in the map and plat
14 records of the county in which the district is located; and

15 (2) the planning commission of the city approves the
16 plat.

17 Sec. 3903.134. ADDITIONAL DISTRICT DUTIES REGARDING
18 IMPROVEMENT PROJECTS. The district shall:

19 (1) submit written notice to the city administrator or
20 the administrator's designee of the anticipated date construction
21 of an improvement project will begin;

22 (2) construct the improvement project to comply with a
23 development agreement entered into under Section 3903.207;

24 (3) comply with applicable city ordinances,
25 resolutions, and regulations when constructing and maintaining an
26 improvement project;

27 (4) allow a representative of the city to inspect an

1 improvement project during construction to assess the project's
2 compliance with applicable city ordinances, resolutions, and
3 regulations;

4 (5) alter an improvement project to comply with
5 applicable city ordinances, resolutions, and regulations if the
6 representative of the city provides the district with written
7 notice that the improvement project does not comply with applicable
8 city ordinances, resolutions, and regulations; and

9 (6) obtain any necessary permits from city, county,
10 state, or federal authorities to construct and maintain an
11 improvement project.

12 Sec. 3903.135. LICENSE AND CERTIFICATION REQUIREMENTS. The
13 district may not contract with or employ a person to plan or
14 construct an improvement project unless the person is licensed or
15 certified in an area relating to planning or construction, as
16 applicable.

17 [Sections 3903.136-3903.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

19 Sec. 3903.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
20 board by resolution shall establish the number of directors'
21 signatures and the procedure required for a disbursement or
22 transfer of the district's money.

23 Sec. 3903.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
24 The district may acquire, construct, finance, operate, or maintain
25 an improvement project or service authorized under this chapter or
26 Chapter 375, Local Government Code, using any money available to
27 the district.

1 Sec. 3903.153. PETITION REQUIRED FOR FINANCING SERVICES AND
2 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
3 service or improvement project with assessments under this chapter
4 unless a written petition requesting that service or improvement
5 has been filed with the board.

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

10 Sec. 3903.154. METHOD OF NOTICE FOR HEARING. The district
11 may mail the notice required by Section 375.115(c), Local
12 Government Code, by certified or first class United States mail.
13 The board shall determine the method of notice.

14 Sec. 3903.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
15 The board by resolution may impose and collect an assessment for any
16 purpose authorized by this chapter in all or any part of the
17 district.

18 (b) An assessment, a reassessment, or an assessment
19 resulting from an addition to or correction of the assessment roll
20 by the district, penalties and interest on an assessment or
21 reassessment, an expense of collection, and reasonable attorney's
22 fees incurred by the district:

23 (1) are a first and prior lien against the property
24 assessed;

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

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

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

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

12 Sec. 3903.156. TAX AND ASSESSMENT ABATEMENTS. The district
13 may designate reinvestment zones and may grant abatements of a tax
14 or assessment on property in the zones.

15 [Sections 3903.157-3903.200 reserved for expansion]

16 SUBCHAPTER E. TAXES AND BONDS

17 Sec. 3903.201. BONDS AND OTHER OBLIGATIONS. (a) The
18 district may issue, by public or private sale, bonds, notes, or
19 other obligations payable wholly or partly from ad valorem taxes or
20 assessments in the manner provided by Subchapter A, Chapter 372, or
21 Subchapter J, Chapter 375, Local Government Code.

22 (b) In exercising the district's borrowing power, the
23 district may issue a bond or other obligation in the form of a bond,
24 note, certificate of participation or other instrument evidencing a
25 proportionate interest in payments to be made by the district, or
26 other type of obligation.

27 (c) In addition to the sources of money described by

1 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
2 Government Code, district bonds may be secured and made payable
3 wholly or partly by a pledge of any part of the money the district
4 receives from improvement revenue or from any other source.

5 Sec. 3903.202. BOND MATURITY. Bonds may mature not more
6 than 30 years from their date of issue.

7 Sec. 3903.203. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
8 the time bonds or other obligations payable wholly or partly from ad
9 valorem taxes are issued:

10 (1) the board shall impose a continuing direct annual
11 ad valorem tax for each year that all or part of the bonds are
12 outstanding; and

13 (2) the district annually shall impose an ad valorem
14 tax on all taxable property in the district in an amount sufficient
15 to:

16 (A) pay the interest on the bonds or other
17 obligations as the interest becomes due; and

18 (B) create a sinking fund for the payment of the
19 principal of the bonds or other obligations when due or the
20 redemption price at any earlier required redemption date.

21 Sec. 3903.204. ELECTION REQUIRED FOR TAXES OR BONDS. The
22 district must hold an election in the manner provided by Subchapter
23 L, Chapter 375, Local Government Code, to obtain voter approval
24 before the district may impose an ad valorem tax or issue bonds
25 payable from ad valorem taxes.

26 Sec. 3903.205. HOTEL OCCUPANCY TAX. (a) The district may
27 impose a hotel occupancy tax in the manner that Chapter 351, Tax

1 Code, provides for a municipality.

2 (b) A tax imposed under this section may not exceed the
3 maximum rate under Section 351.003(a), Tax Code.

4 Sec. 3903.206. CERTAIN SINGLE-FAMILY RESIDENTIAL PROPERTY

5 EXEMPT. (a) The district may not impose an assessment or tax on a
6 single-family residential property that:

7 (1) is in the territory described by Section 2 of the
8 Act creating the district; and

9 (2) exists as of the effective date of the Act enacting
10 this chapter.

11 (b) Section 375.161, Local Government Code, does not apply
12 to the district.

13 Sec. 3903.207. DEVELOPMENT AGREEMENT. The district may
14 enter into a development agreement that requires the district to
15 reimburse a developer for the costs associated with constructing
16 and maintaining an improvement project. The district may use
17 revenue from taxes and assessments to reimburse a developer under
18 this section.

19 [Sections 3903.208-3903.250 reserved for expansion]

20 SUBCHAPTER F. DISSOLUTION

21 Sec. 3903.251. DISSOLUTION BY CITY ORDINANCE. (a) The city
22 by ordinance may dissolve the district.

23 (b) The city may not dissolve the district until the
24 district's outstanding debt or contractual obligations that are
25 payable from ad valorem taxes have been repaid or discharged, or the
26 city has affirmatively assumed the obligation to pay the
27 outstanding debt from city revenue.

1 (c) If the district enters a development agreement under
2 Section 3903.207, the city may not dissolve the district until the
3 agreement has been executed and the district's performance under
4 the agreement has been fulfilled, including any right or obligation
5 the district has to reimburse a developer or owner for the costs of
6 improvement projects.

7 Sec. 3903.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

8 (a) If the dissolved district has bonds or other obligations
9 outstanding secured by and payable from assessments or other
10 revenue, other than ad valorem taxes, the city shall succeed to the
11 rights and obligations of the district regarding enforcement and
12 collection of the assessments or other revenue.

13 (b) The city shall have and exercise all district powers to
14 enforce and collect the assessments or other revenue to pay:

15 (1) the bonds or other obligations when due and
16 payable according to their terms; or

17 (2) special revenue or assessment bonds or other
18 obligations issued by the city to refund the outstanding bonds or
19 obligations.

20 Sec. 3903.253. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
21 After the city dissolves the district, the city assumes, subject to
22 the appropriation and availability of funds, the obligations of the
23 district, including any bonds or other debt payable from
24 assessments or other district revenue.

25 (b) If the city dissolves the district, the board shall
26 transfer ownership of all district property to the city.

27 SECTION 2. The Fulshear Town Center Management District

1 initially includes all the territory contained in the following
2 area:
3 Being an 84.3 acre tract situated in the City of Fulshear, with said
4 tract being more particularly described as follows:
5 With the point of beginning being at SE corner of 0.3444 acre parcel
6 (Fulshear, Block 6, Lot 1,4);
7 Then south along W ROW of FM 359 (Main St.) to SE corner of 0.1377
8 acre parcel (FULSHEAR, BLOCK 3, ACRES 0.1377, (Pt) 20' Alley in
9 Block 3);
10 Then west along S boundary of said parcel to NE corner 0.42 acre
11 parcel (FULSHEAR, BLOCK 3, LOT 4,5);
12 Then south along E boundary of 0.42 acre parcel (FULSHEAR, BLOCK 3,
13 LOT 4,5) to N ROW of Front St;
14 Then east along N ROW of Front St and FM 1093 to SE corner of 64.5
15 acre parcel (0029 C FULSHEAR, TRACT 66, ACRES 64.506);
16 Then east across ROW of Katy-Fulshear Rd and along S boundary of
17 6.93 acre parcel (0050 E LATHAM, TRACT 24 (PT), PARCEL 3, ACRES
18 6.9307, (PT (2.7197 ACS) IN A-29)) to a point approximately 215 feet
19 east of SW corner of said parcel;
20 Then south across FM 1093 and Metro Rail ROWs to NE corner of 52.23
21 acre parcel (0029 C FULSHEAR, TRACT 82-C, ACRES 52.23);
22 Then west along N Boundary of 52.23 acre parcel (0029 C FULSHEAR,
23 TRACT 82-C, ACRES 52.23) to NE corner of 20.089 acre parcel (0029 C
24 FULSHEAR, TRACT 6, ACRES 20.089);
25 Then south along E boundary of 20.089 acre parcel (0029 C FULSHEAR,
26 TRACT 6, ACRES 20.089) to SE corner of said parcel;
27 Then west along S boundary of 20.089 acre parcel (0029 C FULSHEAR,

1 TRACT 6, ACRES 20.089), and 18.82 acre parcel (0029 C Fulshear,
2 TRACT 3 (Pt), ACRES 18.8242, (Part of a 26.5629 ac tract), and 3.754
3 acre parcel (0029 C Fulshear, TRACT 3 (Pt), ACRES 3.754, (Part of a
4 26.5629 ac tract)), and 3.753 acre parcel (0029 C FULSHEAR, TRACT 1,
5 ACRES 3.753) to SW corner 3.753 acre parcel (0029 C FULSHEAR, TRACT
6 1, ACRES 3.753);
7 Then north along W boundary of 3.753 acre parcel (0029 C FULSHEAR,
8 TRACT 1, ACRES 3.753), and across Metro Rail and FM 1093 ROWs to S
9 boundary of 70 acre parcel (0029 C Fulshear, TRACT 91 (PT), ACRES
10 69, (PART OF A 70.00 AC TRACT));
11 Then east northeast along S boundary of 70 acre parcel (0029 C
12 Fulshear, TRACT 91 (PT), ACRES 69, (PART OF A 70.00 AC TRACT)) to SE
13 corner of said parcel;
14 Then north along E boundary of said parcel to N ROW of Front St;
15 Then east northeast along N ROW of Front St to W ROW of Harris St;
16 Then north along W ROW of Harris St to NE corner of 0.5165 acre
17 parcel (FULSHEAR, BLOCK 5, LOT 1,4,5);
18 Then east across ROW of Harris St, and along north boundary of
19 0.5165 acre parcel (FULSHEAR, BLOCK 6, LOT 2,3,6) to NE corner of
20 said parcel;
21 Then south along E boundary of 0.5165 acre parcel (FULSHEAR, BLOCK
22 6, LOT 2,3,6) to SE corner of said parcel;
23 Then east along S boundary of 0.3444 acre parcel (Fulshear, Block 6,
24 Lot 1,4) to point of beginning;

25 SECTION 3. (a) The legal notice of the intention to
26 introduce this Act, setting forth the general substance of this
27 Act, has been published as provided by law, and the notice and a

1 copy of this Act have been furnished to all persons, agencies,
2 officials, or entities to which they are required to be furnished
3 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4 Government Code.

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

8 (c) The Texas Commission on Environmental Quality has filed
9 its recommendations relating to this Act with the governor,
10 lieutenant governor, and speaker of the house of representatives
11 within the required time.

12 (d) The general law relating to consent by political
13 subdivisions to the creation of districts with conservation,
14 reclamation, and road powers and the inclusion of land in those
15 districts has been complied with.

16 (e) All requirements of the constitution and laws of this
17 state and the rules and procedures of the legislature with respect
18 to the notice, introduction, and passage of this Act have been
19 fulfilled and accomplished.

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

ADOPTED

MAY 25 2011

Atty. Gen.
Secretary of the Senate

By: *Sten Hegar*

H.B. No. 3821

Substitute the following for H.B. No. 3821:

By: *[Signature]*

C.S. H.B. No. 3821

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the creation of the Fulshear Town Center Management
3 District; providing authority to impose an assessment, impose a
4 tax, and issue bonds.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws
7 Code, is amended by adding Chapter 3903 to read as follows:

8 CHAPTER 3903. FULSHEAR TOWN CENTER MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3903.001. DEFINITIONS. In this chapter:

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

12 (2) "City" means the City of Fulshear.

13 (3) "County" means Fort Bend County.

14 (4) "Director" means a board member.

15 (5) "District" means the Fulshear Town Center
16 Management District.

17 Sec. 3903.002. CREATION AND NATURE OF DISTRICT. The
18 Fulshear Town Center Management District is a special district
19 created under Section 59, Article XVI, Texas Constitution.

20 Sec. 3903.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
21 creation of the district is essential to accomplish the purposes of
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
23 Texas Constitution, and other public purposes stated in this
24 chapter. By creating the district and in authorizing the city and

1 other political subdivisions to contract with the district, the
2 legislature has established a program to accomplish the public
3 purposes set out in Section 52-a, Article III, Texas Constitution.

4 (b) The creation of the district is necessary to promote,
5 develop, encourage, and maintain employment, commerce,
6 transportation, housing, tourism, recreation, the arts,
7 entertainment, economic development, safety, and the public
8 welfare in the district.

9 (c) The district is created to supplement and not to
10 supplant city services provided in the district.

11 Sec. 3903.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
12 The district is created to serve a public use and benefit.

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

18 (c) The creation of the district is in the public interest
19 and is essential to further the public purposes of:

20 (1) developing and diversifying the economy of the
21 state;

22 (2) eliminating unemployment and underemployment;

23 (3) developing or expanding transportation and
24 commerce; and

25 (4) providing quality residential housing.

26 (d) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, potential employees, employees, visitors,
2 and consumers in the district, and of the public;

3 (2) provide needed funding for the district to
4 preserve, maintain, and enhance the economic health and vitality of
5 the district territory as a residential community and business
6 center; and

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

11 (e) Pedestrian ways along or across a street, whether at
12 grade or above or below the surface, and street lighting, street
13 landscaping, vehicle parking, and street art objects are parts of
14 and necessary components of a street and are considered to be an
15 improvement project that includes a street or road improvement.

16 (f) The district will not act as the agent or
17 instrumentality of any private interest even though the district
18 will benefit many private interests as well as the public.

19 Sec. 3903.005. DISTRICT TERRITORY. (a) The district is
20 initially composed of the territory described by Section 2 of the
21 Act enacting this chapter.

22 (b) The boundaries and field notes contained in Section 2 of
23 the Act enacting this chapter form a closure. A mistake in the
24 field notes or in copying the field notes in the legislative process
25 does not affect the district's:

26 (1) organization, existence, or validity;

27 (2) right to issue any type of bond for the purposes

1 for which the district is created or to pay the principal of and
2 interest on a bond;

3 (3) right to impose or collect an assessment or tax; or

4 (4) legality or operation.

5 Sec. 3903.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

6 (a) All or any part of the area of the district is eligible to be
7 included in:

8 (1) a tax increment reinvestment zone created under
9 Chapter 311, Tax Code;

10 (2) a tax abatement reinvestment zone created under
11 Chapter 312, Tax Code;

12 (3) an enterprise zone created under Chapter 2303,
13 Government Code; or

14 (4) an industrial district created under Chapter 42,
15 Local Government Code.

16 (b) If the city creates a tax increment reinvestment zone
17 described by Subsection (a), the city and the board of directors of
18 the zone, by contract with the district, may grant money deposited
19 in the tax increment fund to the district to be used by the district
20 for the purposes permitted for money granted to a corporation under
21 Section 380.002(b), Local Government Code, including the right to
22 pledge the money as security for any bonds issued by the district
23 for an improvement project. A project may not receive public funds
24 under Section 380.002(b), Local Government Code, unless the project
25 complies with a development agreement entered into under Section
26 3903.207.

27 (c) A tax increment reinvestment zone created by the city in

1 the district is not subject to the limitations provided by Section
2 311.006(b), Tax Code.

3 (d) A tax increment reinvestment zone or a tax abatement
4 reinvestment zone may not include territory in the district unless
5 the governing body of the city approves the inclusion.

6 Sec. 3903.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
7 DISTRICTS LAW. Except as otherwise provided by this chapter,
8 Chapter 375, Local Government Code, applies to the district.

9 Sec. 3903.008. LIBERAL CONSTRUCTION OF CHAPTER. This
10 chapter shall be liberally construed in conformity with the
11 findings and purposes stated in this chapter.

12 [Sections 3903.009-3903.050 reserved for expansion]

13 SUBCHAPTER B. BOARD OF DIRECTORS

14 Sec. 3903.051. GOVERNING BODY; TERMS. The district is
15 governed by a board of five voting directors who serve staggered
16 terms of four years, with two or three directors' terms expiring
17 June 1 of each even-numbered year.

18 Sec. 3903.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY
19 CITY. (a) To be qualified to serve as a director appointed by the
20 governing body of the city, a person must be:

21 (1) a resident of the district who is also a registered
22 voter of the district;

23 (2) an owner of property in the district;

24 (3) an owner of stock or a partnership or membership
25 interest, whether beneficial or otherwise, of a corporate
26 partnership, limited liability company, or other entity owner of a
27 direct or indirect interest in property in the district;

1 (4) an owner of a beneficial interest in a trust, or a
2 trustee in a trust, that directly or indirectly owns property in the
3 district; or

4 (5) an agent, employee, or tenant of a person
5 described by Subdivision (2), (3), or (4).

6 (b) Section 49.052, Water Code, does not apply to the
7 district.

8 Sec. 3903.053. APPOINTMENT OF DIRECTORS. The governing
9 body of the city shall appoint directors from persons recommended
10 by the board.

11 Sec. 3903.054. VACANCY. If a vacancy occurs on the board,
12 the remaining directors shall appoint a director for the remainder
13 of the unexpired term.

14 Sec. 3903.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
15 director shall file the director's oath or affirmation of office
16 with the district, and the district shall retain the oath or
17 affirmation in the district records.

18 (b) A director shall file a copy of the director's oath or
19 affirmation with the secretary of the city.

20 Sec. 3903.056. OFFICERS. The board shall elect from among
21 the directors a chair, a vice chair, and a secretary. The offices
22 of chair and secretary may not be held by the same person.

23 Sec. 3903.057. COMPENSATION; EXPENSES. A director is not
24 entitled to compensation but is entitled to reimbursement for
25 necessary and reasonable expenses incurred in carrying out the
26 duties and responsibilities of the board.

27 Sec. 3903.058. LIABILITY INSURANCE. The district may

1 obtain and pay for comprehensive general liability insurance
2 coverage from a commercial insurance company or other source that
3 protects and insures a director against personal liability and from
4 all claims relating to:

5 (1) actions taken by the director in the director's
6 capacity as a member of the board;

7 (2) actions and activities taken by the district; or

8 (3) the actions of others acting on behalf of the
9 district.

10 Sec. 3903.059. NO EXECUTIVE COMMITTEE. The board may not
11 create an executive committee to exercise the powers of the board.

12 Sec. 3903.060. BOARD MEETINGS. The board shall hold
13 meetings at a place accessible to the public.

14 Sec. 3903.061. INITIAL DIRECTORS. (a) The initial board
15 consists of:

	<u>Pos. No.</u>	<u>Name of Director</u>
16		
17	<u>1</u>	<u>David Delk</u>
18	<u>2</u>	<u>Randy Emery</u>
19	<u>3</u>	<u>Doug Konopka</u>
20	<u>4</u>	<u>Brooke Lewis</u>
21	<u>5</u>	<u>Colice Watts</u>

22 (b) The terms of the initial directors expire June 1, 2012.

23 (c) Of the directors who replace an initial director, the
24 terms of directors serving in positions 1, 2, and 3 expire June 1,
25 2014, and the terms of directors serving in positions 4 and 5 expire
26 June 1, 2016.

27 (d) Section 3903.052 does not apply to this section.

1 (e) This section expires September 1, 2016.

2 [Sections 3903.062-3903.100 reserved for expansion]

3 SUBCHAPTER C. POWERS AND DUTIES

4 Sec. 3903.101. GENERAL POWERS AND DUTIES. The district has
5 the powers and duties necessary to accomplish the purposes for
6 which the district is created.

7 Sec. 3903.102. DEVELOPMENT CORPORATION POWERS. The
8 district, using money available to the district, may exercise the
9 powers given to a development corporation under Chapter 505, Local
10 Government Code, including the power to own, operate, acquire,
11 construct, lease, improve, or maintain a project under that
12 chapter.

13 Sec. 3903.103. NONPROFIT CORPORATION. (a) The board by
14 resolution may authorize the creation of a nonprofit corporation to
15 assist and act for the district in implementing a project or
16 providing a service authorized by this chapter.

17 (b) The nonprofit corporation:

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

21 (2) may implement any project and provide any service
22 authorized by this chapter.

23 (c) The board shall appoint the board of directors of the
24 nonprofit corporation. The board of directors of the nonprofit
25 corporation shall serve in the same manner as the board of directors
26 of a local government corporation created under Subchapter D,
27 Chapter 431, Transportation Code, except that a board member is not

1 required to reside in the district.

2 Sec. 3903.104. AGREEMENTS; GRANTS. (a) As provided by
3 Chapter 375, Local Government Code, the district may make an
4 agreement with or accept a gift, grant, or loan from any person.

5 (b) The implementation of a project is a governmental
6 function or service for the purposes of Chapter 791, Government
7 Code.

8 Sec. 3903.105. LAW ENFORCEMENT SERVICES. To protect the
9 public interest, the district may contract with a qualified party,
10 including the county or the city, to provide law enforcement
11 services in the district for a fee.

12 Sec. 3903.106. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
13 district may join and pay dues to a charitable or nonprofit
14 organization that performs a service or provides an activity
15 consistent with the furtherance of a district purpose.

16 Sec. 3903.107. ECONOMIC DEVELOPMENT. (a) The district may
17 engage in activities that accomplish the economic development
18 purposes of the district.

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

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

24 (2) provide district personnel and services.

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

27 (1) Chapter 380, Local Government Code, provides to a

1 municipality; and

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

4 Sec. 3903.108. PARKING FACILITIES. (a) The district may
5 acquire, lease as lessor or lessee, construct, develop, own,
6 operate, and maintain parking facilities or a system of parking
7 facilities, including lots, garages, parking terminals, or other
8 structures or accommodations for parking motor vehicles off the
9 streets and related appurtenances.

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

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

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

19 Sec. 3903.109. NO EMINENT DOMAIN POWER. The district may
20 not exercise the power of eminent domain.

21 [Sections 3903.110-3903.130 reserved for expansion]

22 SUBCHAPTER C-1. IMPROVEMENT PROJECTS

23 Sec. 3903.131. IMPROVEMENT PROJECTS AND SERVICES. The
24 district may provide, design, construct, acquire, improve,
25 relocate, operate, maintain, or finance an improvement project or
26 service using money available to the district, or contract with a
27 governmental or private entity to provide, design, construct,

1 acquire, improve, relocate, operate, maintain, or finance an
2 improvement project or service authorized under this chapter or
3 Chapter 375, Local Government Code.

4 Sec. 3903.132. LOCATION OF IMPROVEMENT PROJECT. An
5 improvement project described by Section 3903.131 may be located:

6 (1) in the district; or

7 (2) in an area outside but adjacent to the district if
8 the project is for the purpose of extending a public infrastructure
9 improvement beyond the district's boundaries to a logical terminus.

10 Sec. 3903.133. PREREQUISITES FOR IMPROVEMENT PROJECTS. The
11 district may not construct an improvement project unless:

12 (1) the owner of the land on which the improvement
13 project will be constructed records a plat in the map and plat
14 records of the county in which the district is located; and

15 (2) the planning commission of the city approves the
16 plat.

17 Sec. 3903.134. ADDITIONAL DISTRICT DUTIES REGARDING
18 IMPROVEMENT PROJECTS. The district shall:

19 (1) submit written notice to the city administrator or
20 the administrator's designee of the anticipated date construction
21 of an improvement project will begin;

22 (2) construct the improvement project to comply with a
23 development agreement entered into under Section 3903.207;

24 (3) comply with applicable city ordinances,
25 resolutions, and regulations when constructing and maintaining an
26 improvement project;

27 (4) allow a representative of the city to inspect an

1 improvement project during construction to assess the project's
2 compliance with applicable city ordinances, resolutions, and
3 regulations;

4 (5) alter an improvement project to comply with
5 applicable city ordinances, resolutions, and regulations if the
6 representative of the city provides the district with written
7 notice that the improvement project does not comply with applicable
8 city ordinances, resolutions, and regulations; and

9 (6) obtain any necessary permits from city, county,
10 state, or federal authorities to construct and maintain an
11 improvement project.

12 Sec. 3903.135. LICENSE AND CERTIFICATION REQUIREMENTS. The
13 district may not contract with or employ a person to plan or
14 construct an improvement project unless the person is licensed or
15 certified in an area relating to planning or construction, as
16 applicable.

17 [Sections 3903.136-3903.150 reserved for expansion]

18 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

19 Sec. 3903.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
20 board by resolution shall establish the number of directors'
21 signatures and the procedure required for a disbursement or
22 transfer of the district's money.

23 Sec. 3903.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
24 The district may acquire, construct, finance, operate, or maintain
25 an improvement project or service authorized under this chapter or
26 Chapter 375, Local Government Code, using any money available to
27 the district.

1 Sec. 3903.153. PETITION REQUIRED FOR FINANCING SERVICES AND
2 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
3 service or improvement project with assessments under this chapter
4 unless a written petition requesting that service or improvement
5 has been filed with the board.

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

10 Sec. 3903.154. METHOD OF NOTICE FOR HEARING. The district
11 may mail the notice required by Section 375.115(c), Local
12 Government Code, by certified or first class United States mail.
13 The board shall determine the method of notice.

14 Sec. 3903.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
15 The board by resolution may impose and collect an assessment for any
16 purpose authorized by this chapter in all or any part of the
17 district.

18 (b) An assessment, a reassessment, or an assessment
19 resulting from an addition to or correction of the assessment roll
20 by the district, penalties and interest on an assessment or
21 reassessment, an expense of collection, and reasonable attorney's
22 fees incurred by the district:

23 (1) are a first and prior lien against the property
24 assessed;

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

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

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

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

12 Sec. 3903.156. TAX AND ASSESSMENT ABATEMENTS. The district
13 may designate reinvestment zones and may grant abatements of a tax
14 or assessment on property in the zones.

15 [Sections 3903.157-3903.200 reserved for expansion]

16 SUBCHAPTER E. TAXES AND BONDS

17 Sec. 3903.201. BONDS AND OTHER OBLIGATIONS. (a) The
18 district may issue, by public or private sale, bonds, notes, or
19 other obligations payable wholly or partly from ad valorem taxes or
20 assessments in the manner provided by Subchapter A, Chapter 372, or
21 Subchapter J, Chapter 375, Local Government Code.

22 (b) In exercising the district's borrowing power, the
23 district may issue a bond or other obligation in the form of a bond,
24 note, certificate of participation or other instrument evidencing a
25 proportionate interest in payments to be made by the district, or
26 other type of obligation.

27 (c) In addition to the sources of money described by

1 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
2 Government Code, district bonds may be secured and made payable
3 wholly or partly by a pledge of any part of the money the district
4 receives from improvement revenue or from any other source.

5 Sec. 3903.202. BOND MATURITY. Bonds may mature not more
6 than 30 years from their date of issue.

7 Sec. 3903.203. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
8 the time bonds or other obligations payable wholly or partly from ad
9 valorem taxes are issued:

10 (1) the board shall impose a continuing direct annual
11 ad valorem tax for each year that all or part of the bonds are
12 outstanding; and

13 (2) the district annually shall impose an ad valorem
14 tax on all taxable property in the district in an amount sufficient
15 to:

16 (A) pay the interest on the bonds or other
17 obligations as the interest becomes due; and

18 (B) create a sinking fund for the payment of the
19 principal of the bonds or other obligations when due or the
20 redemption price at any earlier required redemption date.

21 Sec. 3903.204. ELECTION REQUIRED FOR TAXES OR BONDS. The
22 district must hold an election in the manner provided by Subchapter
23 L, Chapter 375, Local Government Code, to obtain voter approval
24 before the district may impose an ad valorem tax or issue bonds
25 payable from ad valorem taxes.

26 Sec. 3903.205. HOTEL OCCUPANCY TAX. (a) The district may
27 impose a hotel occupancy tax in the manner that Chapter 351, Tax

1 Code, provides for a municipality.

2 (b) The district may use revenue from the tax for any
3 purpose described by Section 351.101, Tax Code.

4 (c) The amount of the hotel occupancy tax may not exceed a
5 rate that, when added to the rates of all hotel occupancy taxes
6 imposed by other political subdivisions with territory in the
7 district, does not exceed the rate prescribed by Section
8 351.003(a), Tax Code.

9 Sec. 3903.206. CERTAIN SINGLE-FAMILY RESIDENTIAL PROPERTY
10 EXEMPT. (a) The district may not impose an assessment or tax on a
11 single-family residential property that:

12 (1) is in the territory described by Section 2 of the
13 Act creating the district; and

14 (2) exists as of the effective date of the Act enacting
15 this chapter.

16 (b) Section 375.161, Local Government Code, does not apply
17 to the district.

18 Sec. 3903.207. DEVELOPMENT AGREEMENT. The district may
19 enter into a development agreement that requires the district to
20 reimburse a developer for the costs associated with constructing
21 and maintaining an improvement project. The district may use
22 revenue from taxes and assessments to reimburse a developer under
23 this section.

24 [Sections 3903.208-3903.250 reserved for expansion]

25 SUBCHAPTER F. DISSOLUTION

26 Sec. 3903.251. DISSOLUTION BY CITY ORDINANCE. (a) The city
27 by ordinance may dissolve the district.

1 (b) The city may not dissolve the district until the
2 district's outstanding debt or contractual obligations that are
3 payable from ad valorem taxes have been repaid or discharged, or the
4 city has affirmatively assumed the obligation to pay the
5 outstanding debt from city revenue.

6 (c) If the district enters a development agreement under
7 Section 3903.207, the city may not dissolve the district until the
8 agreement has been executed and the district's performance under
9 the agreement has been fulfilled, including any right or obligation
10 the district has to reimburse a developer or owner for the costs of
11 improvement projects.

12 Sec. 3903.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

13 (a) If the dissolved district has bonds or other obligations
14 outstanding secured by and payable from assessments or other
15 revenue, other than ad valorem taxes, the city shall succeed to the
16 rights and obligations of the district regarding enforcement and
17 collection of the assessments or other revenue.

18 (b) The city shall have and exercise all district powers to
19 enforce and collect the assessments or other revenue to pay:

20 (1) the bonds or other obligations when due and
21 payable according to their terms; or

22 (2) special revenue or assessment bonds or other
23 obligations issued by the city to refund the outstanding bonds or
24 obligations.

25 Sec. 3903.253. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
26 After the city dissolves the district, the city assumes, subject to
27 the appropriation and availability of funds, the obligations of the

1 district, including any bonds or other debt payable from
2 assessments or other district revenue.

3 (b) If the city dissolves the district, the board shall
4 transfer ownership of all district property to the city.

5 SECTION 2. The Fulshear Town Center Management District
6 initially includes all the territory contained in the following
7 area:

8 Being an 84.3 acre tract situated in the City of Fulshear, with said
9 tract being more particularly described as follows:

10 With the point of beginning being at SE corner of 0.3444 acre parcel
11 (Fulshear, Block 6, Lot 1,4);

12 Then south along W ROW of FM 359 (Main St.) to SE corner of 0.1377
13 acre parcel (FULSHEAR, BLOCK 3, ACRES 0.1377, (Pt) 20' Alley in
14 Block 3);

15 Then west along S boundary of said parcel to NE corner 0.42 acre
16 parcel (FULSHEAR, BLOCK 3, LOT 4,5);

17 Then south along E boundary of 0.42 acre parcel (FULSHEAR, BLOCK 3,
18 LOT 4,5) to N ROW of Front St;

19 Then east along N ROW of Front St and FM 1093 to SE corner of 64.5
20 acre parcel (0029 C FULSHEAR, TRACT 66, ACRES 64.506);

21 Then east across ROW of Katy-Fulshear Rd and along S boundary of
22 6.93 acre parcel (0050 E LATHAM, TRACT 24 (PT), PARCEL 3, ACRES
23 6.9307, (PT (2.7197 ACS) IN A-29)) to a point approximately 215 feet
24 east of SW corner of said parcel;

25 Then south across FM 1093 and Metro Rail ROWs to NE corner of 52.23
26 acre parcel (0029 C FULSHEAR, TRACT 82-C, ACRES 52.23);

27 Then west along N Boundary of 52.23 acre parcel (0029 C FULSHEAR,

1 TRACT 82-C, ACRES 52.23) to NE corner of 20.089 acre parcel (0029 C
2 FULSHEAR, TRACT 6, ACRES 20.089);
3 Then south along E boundary of 20.089 acre parcel (0029 C FULSHEAR,
4 TRACT 6, ACRES 20.089) to SE corner of said parcel;
5 Then west along S boundary of 20.089 acre parcel (0029 C FULSHEAR,
6 TRACT 6, ACRES 20.089), and 18.82 acre parcel (0029 C Fulshear,
7 TRACT 3 (Pt), ACRES 18.8242, (Part of a 26.5629 ac tract), and 3.754
8 acre parcel (0029 C Fulshear, TRACT 3 (Pt), ACRES 3.754, (Part of a
9 26.5629 ac tract)), and 3.753 acre parcel (0029 C FULSHEAR, TRACT 1,
10 ACRES 3.753) to SW corner 3.753 acre parcel (0029 C FULSHEAR, TRACT
11 1, ACRES 3.753);
12 Then north along W boundary of 3.753 acre parcel (0029 C FULSHEAR,
13 TRACT 1, ACRES 3.753), and across Metro Rail and FM 1093 ROWs to S
14 boundary of 70 acre parcel (0029 C Fulshear, TRACT 91 (PT), ACRES
15 69, (PART OF A 70.00 AC TRACT));
16 Then east northeast along S boundary of 70 acre parcel (0029 C
17 Fulshear, TRACT 91 (PT), ACRES 69, (PART OF A 70.00 AC TRACT)) to SE
18 corner of said parcel;
19 Then north along E boundary of said parcel to N ROW of Front St;
20 Then east northeast along N ROW of Front St to W ROW of Harris St;
21 Then north along W ROW of Harris St to NE corner of 0.5165 acre
22 parcel (FULSHEAR, BLOCK 5, LOT 1,4,5);
23 Then east across ROW of Harris St, and along north boundary of
24 0.5165 acre parcel (FULSHEAR, BLOCK 6, LOT 2,3,6) to NE corner of
25 said parcel;
26 Then south along E boundary of 0.5165 acre parcel (FULSHEAR, BLOCK
27 6, LOT 2,3,6) to SE corner of said parcel;

1 Then east along S boundary of 0.3444 acre parcel (Fulshear, Block 6,
2 Lot 1,4) to point of beginning;

3 SECTION 3. (a) The legal notice of the intention to
4 introduce this Act, setting forth the general substance of this
5 Act, has been published as provided by law, and the notice and a
6 copy of this Act have been furnished to all persons, agencies,
7 officials, or entities to which they are required to be furnished
8 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
9 Government Code.

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

13 (c) The Texas Commission on Environmental Quality has filed
14 its recommendations relating to this Act with the governor,
15 lieutenant governor, and speaker of the house of representatives
16 within the required time.

17 (d) The general law relating to consent by political
18 subdivisions to the creation of districts with conservation,
19 reclamation, and road powers and the inclusion of land in those
20 districts has been complied with.

21 (e) All requirements of the constitution and laws of this
22 state and the rules and procedures of the legislature with respect
23 to the notice, introduction, and passage of this Act have been
24 fulfilled and accomplished.

25 SECTION 4. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

- 1 Act does not receive the vote necessary for immediate effect, this
- 2 Act takes effect September 1, 2011.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 26, 2011

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB3827 by Zerwas (Relating to the creation of the Fulshear Town Center Management District; providing authority to impose an assessment, impose a tax, and issue bonds.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, SD, KKR, SZ, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 19, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB3827 by Zerwas (Relating to the creation of the Fulshear Town Center Management District; providing authority to impose an assessment, impose a tax, and issue bonds.),
Committee Report 2nd House, Substituted

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, SZ, TP

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

May 13, 2011

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB3827 by Zerwas (Relating to the creation of the Fulshear Town Center Management District; providing authority to impose an assessment, impose a tax, and issue bonds.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, KKR, SZ, TP

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 15, 2011

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB3827 by Zerwas (Relating to the creation of the Fulshear Town Center Management District; providing authority to impose an assessment, impose a tax, and issue bonds.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: JOB, SZ, TP

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

WATER DEVELOPMENT POLICY IMPACT STATEMENT

82ND LEGISLATIVE REGULAR SESSION

April 25, 2011

TO: Honorable Allan Ritter, Chair, House Committee on Natural Resources

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB3827 by Zerwas (Relating to the creation of the Fulshear Town Center Management District; providing authority to impose an assessment, impose a tax, and issue bonds.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TPWD) and the Texas Commission on Environmental Quality (TCEQ) has determined that:

No Water Development Policy Impact Statement will be prepared for this bill under the provisions of *Texas Constitution*, Article 16, Section 59(d) as this bill does not create a conservation and reclamation district.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: JOB, SZ