

BILL ANALYSIS

Senate Research Center
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S.B. 605
By: Hegar
Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 605 creates a new management district in Fort Bend County to facilitate and support the development of a 92-plus acre parcel of land with district generated revenues through tax assessments and/or an ad valorem tax on commercial property, which will reimburse certain infrastructure development costs for both underground and surface infrastructure related to the development. The parcel of land is currently undeveloped, and is located in an area in the far western portion of the City of Houston's extraterritorial jurisdiction.

The management district will provide a means of financing certain capital improvements, provide a maintenance stream of revenue for surface infrastructure, and provide financing for marketing and promotion of the commercial project, and security and safety services for the area once developed.

The project currently contemplates the development pad sites to include a new Walmart, and a myriad of mixed uses that may include multi-family, office, retail, and light industrial. The property is currently owned by several incorporated entities under the control of Lovett Homes, whose primary owner is Frank Liu.

The district will not have the power of eminent domain, or any other extraordinary powers.

As proposed, S.B. 605 amends current law relating to the creation of the Fort Bend County Improvement District No. 24, and provides authority to impose an assessment, impose a tax, and issue bonds.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle C, Title 4, Special District Local Laws Code, by adding Chapter 3898, as follows:

CHAPTER 3898. FORT BEND COUNTY IMPROVEMENT DISTRICT NO. 24

Sets forth standard language for the creation of the Fort Bend County Improvement District No. 24 (district) in Fort Bend County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, and approval of the district (Sections 3898.001-3898.008);

Size, composition, appointment, compensation and terms of the board of directors (Sections 3898.051-3898.062);

Powers and duties of the district (Sections 3898.101-3898.110);

General financial provisions and authority to impose a tax, issue bonds and obligations, and hold assessment meetings for the district (Sections 3898.151-3898.206); and

Dissolution of the district (Sections 3898.251-3898.254).

Prohibits the district from exercising the power of eminent domain.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2013.