

1 AN ACT

2 relating to the creation of the Generation Park Management  
3 District; providing authority to issue bonds; providing authority  
4 to impose assessments, fees, or taxes.

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 3916 to read as follows:

8 CHAPTER 3916. GENERATION PARK MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3916.001. DEFINITIONS. In this chapter:

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

12 (2) "City" means the City of Houston, Texas.

13 (3) "Commission" means the Texas Commission on  
14 Environmental Quality.

15 (4) "County" means Harris County.

16 (5) "Director" means a board member.

17 (6) "District" means the Generation Park Management  
18 District.

19 Sec. 3916.002. CREATION AND NATURE OF DISTRICT. The  
20 Generation Park Management District is a special district created  
21 under Section 59, Article XVI, Texas Constitution.

22 Sec. 3916.003. CONFIRMATION AND DIRECTORS' ELECTION  
23 REQUIRED. The temporary directors shall hold an election to  
24 confirm the creation of the district and to elect five permanent

1 directors as provided by Section 49.102, Water Code.

2 Sec. 3916.004. CONSENT OF MUNICIPALITY REQUIRED. The  
3 temporary directors may not hold an election under Section 3916.003  
4 until each municipality in whose corporate limits or  
5 extraterritorial jurisdiction the district is located has  
6 consented by ordinance or resolution to the creation of the  
7 district and to the inclusion of land in the district.

8 Sec. 3916.005. PURPOSE; DECLARATION OF INTENT. (a) The  
9 creation of the district is essential to accomplish the purposes of  
10 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
11 Texas Constitution, and other public purposes stated in this  
12 chapter. By creating the district, the legislature has established  
13 a program to accomplish the public purposes set out in Sections 52  
14 and 52-a, Article III, Texas Constitution.

15 (b) The creation of the district is necessary to promote,  
16 develop, encourage, and maintain employment, commerce,  
17 transportation, housing, tourism, recreation, the arts,  
18 entertainment, economic development, safety, and the public  
19 welfare in the district.

20 (c) This chapter and the creation of the district may not be  
21 interpreted to relieve the city, the county, or another  
22 governmental entity from providing the level of services provided  
23 as of the effective date of the Act enacting this chapter to the  
24 area in the district. The district is created to supplement and not  
25 to supplant governmental services provided in the district.

26 Sec. 3916.006. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
27 The district is created to serve a public use and benefit.

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

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

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

10           (2) eliminating unemployment and underemployment; and

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

13       (d) The district will:

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

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

20           (3) promote the health, safety, welfare, and enjoyment  
21 of the public by providing pedestrian ways, road facilities,  
22 enhanced infrastructure, and recreational facilities and by  
23 landscaping and developing certain areas, which are necessary for  
24 the restoration, preservation, and enhancement of scenic and  
25 aesthetic beauty; and

26           (4) provide for water, wastewater, drainage, road,  
27 rail, and recreational facilities for the district.

1       (e) Pedestrian ways along or across a street, whether at  
2 grade or above or below the surface, and street lighting, street  
3 landscaping, parking, and street art objects and other improvements  
4 located in or adjacent to road rights-of-way are parts of and  
5 necessary components of a street and are considered to be a street  
6 or road improvement.

7       Sec. 3916.007. DISTRICT TERRITORY. (a) The district is  
8 initially composed of the territory described by Section 2 of the  
9 Act enacting this chapter.

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

14               (1) organization, existence, or validity;

15               (2) right to issue any type of bonds, notes, or other  
16 obligations for a purpose for which the district is created or to  
17 pay the principal of and interest on the bonds, notes, or other  
18 obligations;

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

20               (4) legality or operation.

21       Sec. 3916.008. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.  
22 All or any part of the area of the district is eligible to be  
23 included in:

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

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

- 1           (3) an enterprise zone created under Chapter 2303,
- 2 Government Code;
- 3           (4) a foreign trade zone created under Chapter 681,
- 4 Business & Commerce Code; or
- 5           (5) an industrial district created under Chapter 42,
- 6 Local Government Code.

7           Sec. 3916.009. APPLICABILITY OF MUNICIPAL MANAGEMENT  
8 DISTRICTS LAW. Except as otherwise provided by this chapter,  
9 Chapter 375, Local Government Code, applies to the district.

10          Sec. 3916.010. CONSTRUCTION OF CHAPTER. This chapter shall  
11 be liberally construed in conformity with the findings and purposes  
12 stated in this chapter.

13          Sec. 3916.011. CONFLICTS OF LAW. This chapter prevails  
14 over any provision of general law, including a provision of Chapter  
15 375, Local Government Code, that is in conflict or inconsistent  
16 with this chapter.

17                           SUBCHAPTER B. BOARD OF DIRECTORS

18          Sec. 3916.051. GOVERNING BODY; TERMS. (a) The district is  
19 governed by a board of five directors elected as provided by this  
20 chapter and Subchapter D, Chapter 49, Water Code.

21           (b) Except as provided by Section 3916.053, directors serve  
22 staggered four-year terms.

23          Sec. 3916.052. COMPENSATION. A director is entitled to  
24 receive fees of office and reimbursement for actual expenses as  
25 provided by Section 49.060, Water Code. Sections 375.069 and  
26 375.070, Local Government Code, do not apply to the board.

27          Sec. 3916.053. TEMPORARY DIRECTORS. (a) On or after the

1 effective date of the Act creating this chapter, the owner or owners  
2 of a majority of the assessed value of the real property in the  
3 district according to the most recent certified tax appraisal roll  
4 for the county may submit a petition to the commission requesting  
5 that the commission appoint as temporary directors the five persons  
6 named in the petition. On request of the member of the state house  
7 of representatives in whose legislative district the largest  
8 percentage of the district is located, the owner or owners must  
9 include in the petition the name of a person designated by the  
10 representative. The commission shall appoint as temporary  
11 directors the five persons named in the petition.

12 (b) Temporary directors serve until the earlier of:

13 (1) the date permanent directors are elected under  
14 Section 3916.003; or

15 (2) the fourth anniversary of the effective date of  
16 the Act creating this chapter.

17 (c) If permanent directors have not been elected under  
18 Section 3916.003 and the terms of the temporary directors have  
19 expired, successor temporary directors shall be appointed or  
20 reappointed as provided by Subsection (d) to serve terms that  
21 expire on the earlier of:

22 (1) the date permanent directors are elected under  
23 Section 3916.003; or

24 (2) the fourth anniversary of the date of the  
25 appointment or reappointment.

26 (d) If Subsection (c) applies, the owner or owners of a  
27 majority of the assessed value of the real property in the district

1 according to the most recent certified tax appraisal roll for the  
2 county may submit a petition to the commission requesting that the  
3 commission appoint as successor temporary directors the five  
4 persons named in the petition. On request of the member of the  
5 state house of representatives in whose legislative district the  
6 largest percentage of the district is located, the owner or owners  
7 must include in the petition the name of a person designated by the  
8 representative. The commission shall appoint as successor  
9 temporary directors the five persons named in the petition.

10 SUBCHAPTER C. POWERS AND DUTIES

11 Sec. 3916.101. GENERAL POWERS AND DUTIES. The district has  
12 the powers and duties necessary to accomplish the purposes for  
13 which the district is created.

14 Sec. 3916.102. IMPROVEMENT PROJECTS AND SERVICES. (a) The  
15 district may provide, design, construct, acquire, improve,  
16 relocate, operate, maintain, or finance an improvement project or  
17 service using any money available to the district, or contract with  
18 a governmental or private entity to provide, design, construct,  
19 acquire, improve, relocate, operate, maintain, or finance an  
20 improvement project or service authorized under this chapter or  
21 under Chapter 375, Local Government Code.

22 (b) An improvement project described by Subsection (a) may  
23 be located inside or outside the district.

24 Sec. 3916.103. RECREATIONAL FACILITIES. The district may  
25 develop or finance recreational facilities as authorized by Chapter  
26 375, Local Government Code, Sections 52 and 52-a, Article III,  
27 Texas Constitution, and any other law that applies to the district.

1       Sec. 3916.104. AUTHORITY FOR ROAD PROJECTS. Under Section  
2 52, Article III, Texas Constitution, the district may design,  
3 acquire, construct, finance, issue bonds, notes, or other  
4 obligations for, improve, and convey to this state, a county, or a  
5 municipality for operation and maintenance macadamized, graveled,  
6 or paved roads or improvements, including storm drainage and other  
7 improvements located in or adjacent to road rights-of-way, in aid  
8 of those roads.

9       Sec. 3916.105. CONVEYANCE AND APPROVAL OF ROAD PROJECT.

10 (a) The district shall convey a road project authorized by Section  
11 3916.104 to:

12           (1) the municipality or county that will operate and  
13 maintain the road if the municipality or county has approved the  
14 plans and specifications of the road project; or

15           (2) the state if the state will operate and maintain  
16 the road and the Texas Transportation Commission has approved the  
17 plans and specifications of the road project.

18       (b) Except as provided by Subsection (c), the district shall  
19 operate and maintain a road project authorized by Section 3916.104  
20 that the district implements and is not approved by a municipality,  
21 a county, or this state under Subsection (a).

22       (c) The district may agree in writing with a municipality, a  
23 county, or this state to assign operation and maintenance duties to  
24 the district, the municipality, the county, or this state in a  
25 manner other than the manner described in Subsections (a) and (b).

26       Sec. 3916.106. RAIL FACILITIES. In addition to the powers  
27 granted under Section 375.0921(b), Local Government Code, and under



1 Section 3916.151, the district may construct, acquire, improve,  
2 maintain, finance, and operate rail facilities and improvements in  
3 aid of those facilities for the transport of freight and other  
4 cargo.

5 Sec. 3916.107. DEVELOPMENT CORPORATION POWERS. The  
6 district, using money available to the district, may exercise the  
7 powers given to a development corporation under Chapter 505, Local  
8 Government Code, including the power to own, operate, acquire,  
9 construct, lease, improve, or maintain a project under that  
10 chapter.

11 Sec. 3916.108. NONPROFIT CORPORATION. (a) The board by  
12 resolution may authorize the creation of a nonprofit corporation to  
13 assist and act for the district in implementing a project or  
14 providing a service authorized by this chapter.

15 (b) The nonprofit corporation:

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

19 (2) may implement any project and provide any service  
20 authorized by this chapter.

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

27 Sec. 3916.109. AGREEMENTS; GRANTS. (a) As provided by

1 Chapter 375, Local Government Code, the district may make an  
2 agreement with or accept a gift, grant, or loan from any person.

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

6 Sec. 3916.110. LAW ENFORCEMENT SERVICES. To protect the  
7 public interest, the district may contract with a qualified party,  
8 including the county or the city, to provide law enforcement  
9 services in the district for a separate fee or as otherwise provided  
10 by the contract.

11 Sec. 3916.111. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The  
12 district may join and pay dues to a charitable or nonprofit  
13 organization that performs a service or provides an activity  
14 consistent with the furtherance of a district purpose.

15 Sec. 3916.112. ECONOMIC DEVELOPMENT. (a) The district may  
16 engage in activities that accomplish the economic development  
17 purposes of the district.

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

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

23 (2) provide district personnel and services.

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

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

1           (2) Chapter 381, Local Government Code, provides to a  
2 county; and

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

5           Sec. 3916.113. STRATEGIC PARTNERSHIP AGREEMENT. The  
6 district may negotiate and enter into a written strategic  
7 partnership agreement with the city under Section 43.0751, Local  
8 Government Code.

9           Sec. 3916.114. REGIONAL PARTICIPATION AGREEMENT. The  
10 district may negotiate and enter into a written regional  
11 participation agreement with the city under Section 43.0754, Local  
12 Government Code.

13           Sec. 3916.115. ANNEXATION OR EXCLUSION OF LAND. (a) The  
14 district may annex land as provided by Subchapter J, Chapter 49,  
15 Water Code.

16           (b) The district may exclude land as provided by Subchapter  
17 J, Chapter 49, Water Code. Section 375.044(b), Local Government  
18 Code, does not apply to the district.

19           (c) After the district is organized and has obtained voter  
20 approval for the issuance of, or has sold, bonds payable wholly or  
21 partly from ad valorem taxes, the district may include and exclude  
22 land as provided by this section and Sections 54.740-54.747, Water  
23 Code. To the extent of a conflict between this subsection and  
24 Section 54.739, Water Code, this subsection controls.

25           (d) If the district has any outstanding bonds or contract  
26 obligations payable wholly or partly by a pledge of net revenues  
27 from the ownership or operation of the district's facilities at the

1 time the board considers an application under Sections  
2 54.740-54.747, Water Code, the lands proposed for inclusion shall  
3 be considered to be sufficient to avoid an impairment of the  
4 security for payment of obligations of the district if the  
5 projected net revenue to be derived from the lands to be included  
6 during the succeeding 12-month period, as determined by the  
7 district's engineer, equals or exceeds the projected net revenue  
8 that would otherwise have been derived from the lands to be excluded  
9 during the same period. To the extent of a conflict between this  
10 subsection and Section 54.744, Water Code, this subsection  
11 controls.

12 Sec. 3916.116. APPLICABILITY OF OTHER LAW TO CERTAIN  
13 CONTRACTS. (a) Subchapter I, Chapter 49, Water Code, applies to a  
14 district contract for construction work, equipment, materials, or  
15 machinery. The district may use a project delivery method described  
16 by Subchapter I, Chapter 49, Water Code, or Chapter 2267,  
17 Government Code.

18 (b) Sections 375.221 and 375.223, Local Government Code, do  
19 not apply to the district.

20 Sec. 3916.117. TERMS OF EMPLOYMENT; COMPENSATION. The board  
21 may employ and establish the terms of employment and compensation  
22 of an executive director or general manager and any other district  
23 employees the board considers necessary.

24 Sec. 3916.118. NO EMINENT DOMAIN POWER. The district may  
25 not exercise the power of eminent domain.

26 SUBCHAPTER C-1. PUBLIC TRANSIT SYSTEM AND PARKING FACILITIES

27 Sec. 3916.151. PUBLIC TRANSIT SYSTEM; PETITION REQUIRED.

1 (a) The district may acquire, lease as lessor or lessee, construct,  
2 develop, own, operate, and maintain a public transit system to  
3 serve the area in the district.

4 (b) The board may not act under Subsection (a) unless a  
5 written petition requesting the action has been filed with the  
6 board.

7 (c) The petition must be signed by:

8 (1) the owners of property representing a majority of  
9 the total assessed value of the real property in the district that  
10 abuts the right-of-way in which the public transit system is  
11 proposed to be located; or

12 (2) the owners of a majority of the area of the real  
13 property in the district that abuts the right-of-way in which the  
14 public transit system is proposed to be located.

15 (d) For purposes of Subsection (c), the determination of a  
16 majority is based on the property owners along the entire  
17 right-of-way of the proposed transit project and may not be  
18 calculated on a block-by-block basis.

19 Sec. 3916.152. PARKING FACILITIES. (a) The district may  
20 acquire, lease as lessor or lessee, construct, develop, own,  
21 operate, and maintain parking facilities or a system of parking  
22 facilities, including lots, garages, parking terminals, or other  
23 structures or accommodations for parking motor vehicles off the  
24 streets and related appurtenances.

25 (b) The district's parking facilities serve the public  
26 purposes of the district and are owned, used, and held for a public  
27 purpose even if leased or operated by a private entity for a term of

1 years.

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

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

7 Sec. 3916.153. RULES. The district may adopt rules  
8 covering its public transit system or its public parking  
9 facilities, except that a rule relating to or affecting the use of  
10 the public right-of-way or a requirement for off-street parking is  
11 subject to all applicable county requirements.

12 Sec. 3916.154. FEES. The district may set the amount of and  
13 impose a fee for the use of the district's public transit system and  
14 parking facilities.

15 Sec. 3916.155. AGREEMENT WITH RAPID TRANSIT AUTHORITY. (a)  
16 In this section, "authority" means a rapid transit authority  
17 created under Chapter 451, Transportation Code.

18 (b) The district and an authority may agree to jointly  
19 construct, own, operate, and maintain a transit facility or a  
20 parking facility under the terms the authority and district desire.

21 (c) The agreement may provide that the district and the  
22 authority exchange or trade land provided that each party to the  
23 agreement receives fair market value. The authority is not required  
24 to offer any property that it proposes to trade to the district for  
25 sale to the public or for sale to any abutting property owner.

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

27 Sec. 3916.201. MONEY USED FOR IMPROVEMENTS OR SERVICES.

1 The district may acquire, construct, finance, operate, maintain, or  
2 provide any improvement or service authorized under this chapter or  
3 Chapter 375, Local Government Code, using any money available to  
4 the district.

5 Sec. 3916.202. PETITION REQUIRED FOR FINANCING SERVICES AND  
6 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a  
7 service or improvement project with assessments under this chapter  
8 unless a written petition requesting that service or improvement  
9 has been filed with the board.

10 (b) The petition must be signed by:

11 (1) the owners of a majority of the assessed value of  
12 real property in the district subject to assessment according to  
13 the most recent certified tax appraisal roll for the county; or

14 (2) at least 50 persons who own real property in the  
15 district subject to assessment, if more than 50 persons own real  
16 property in the district according to the most recent certified tax  
17 appraisal roll for the county.

18 Sec. 3916.203. METHOD OF NOTICE FOR HEARING. The district  
19 may mail the notice required by Section 375.115(c), Local  
20 Government Code, by certified or first class United States mail.  
21 The board shall determine the method of notice.

22 Sec. 3916.204. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The  
23 board by resolution may impose and collect an assessment for any  
24 purpose authorized by this chapter in all or any part of the  
25 district without regard to whether that area is already subject to  
26 or overlaps with an area of the district that is subject to a prior  
27 assessment imposed by the board.

1       (b) An assessment, a reassessment, or an assessment  
2 resulting from an addition to or correction of the assessment roll  
3 by the district, penalties and interest on an assessment or  
4 reassessment, an expense of collection, and reasonable attorney's  
5 fees incurred by the district are:

6           (1) a first and prior lien against the property  
7 assessed;

8           (2) superior to any other lien or claim other than a  
9 lien or claim for county, school district, or municipal ad valorem  
10 taxes; and

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

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

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

22       Sec. 3916.205. TAX AND ASSESSMENT ABATEMENTS. The district  
23 may designate reinvestment zones and may grant abatements of a tax  
24 or assessment on property in the zones.

25       Sec. 3916.206. UTILITY PROPERTY EXEMPT FROM ASSESSMENTS.  
26 The district may not impose an assessment on the property,  
27 including the equipment, rights-of-way, facilities, or



1 improvements, of:

2 (1) an electric utility or a power generation company  
3 as defined by Section 31.002, Utilities Code;

4 (2) a gas utility as defined by Section 101.003 or  
5 121.001, Utilities Code;

6 (3) a telecommunications provider as defined by  
7 Section 51.002, Utilities Code; or

8 (4) a person who provides to the public cable  
9 television or advanced telecommunications services.

10 Sec. 3916.207. CONDUITS. (a) The district may finance,  
11 acquire, construct, improve, operate, maintain, or charge a fee for  
12 the use of conduits for:

13 (1) fiber-optic cable and supporting facilities;

14 (2) electronic transmission and distribution lines  
15 and supporting facilities; or

16 (3) other types of transmission and distribution lines  
17 and supporting facilities.

18 (b) The district may not require a person to use a conduit  
19 for a purpose described by Subsection (a)(1) or for any other  
20 telecommunications purpose.

21 Sec. 3916.208. RESIDENTIAL PROPERTY. Section 375.161,  
22 Local Government Code, does not apply to:

23 (1) a tax imposed by the district; or

24 (2) a required payment for a service provided by the  
25 district, including water and sewer service.

26 Sec. 3916.209. OPERATION AND MAINTENANCE TAX. (a) If  
27 authorized at an election held under Section 3916.213, the district

1 may impose an annual operation and maintenance tax on taxable  
2 property in the district in accordance with Section 49.107, Water  
3 Code, for any district purpose, including to:

- 4 (1) operate and maintain the district;
- 5 (2) construct or acquire improvements; or
- 6 (3) provide a service.

7 (b) The board shall determine the tax rate. The rate may not  
8 exceed the rate approved at the election.

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

11 Sec. 3916.210. CONTRACT TAXES. (a) In accordance with  
12 Section 49.108, Water Code, the district may impose a tax other than  
13 an operation and maintenance tax and use the revenue derived from  
14 the tax to make payments under a contract after the provisions of  
15 the contract have been approved by a majority of the district voters  
16 voting at an election held for that purpose.

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

20 Sec. 3916.211. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS  
21 AND OTHER OBLIGATIONS. (a) The district may borrow money on terms  
22 determined by the board.

23 (b) The district may by competitive bid or negotiated sale  
24 issue bonds, notes, or other obligations payable wholly or partly  
25 from taxes, including ad valorem taxes, or assessments, fees,  
26 revenue, contract payments, grants, or other district money, or any  
27 combination of those sources of money, to pay for any authorized

1 district purpose.

2 (c) In addition to any other terms authorized by the board  
3 by bond order or resolution, the proceeds of the district's bonds  
4 may be used for a reserve fund, credit enhancement, or capitalized  
5 interest for the bonds.

6 (d) The limitation on the outstanding principal amount of  
7 bonds, notes, and other obligations provided by Section 49.4645,  
8 Water Code, does not apply to the district.

9 Sec. 3916.212. TAXES FOR BONDS. At the time the district  
10 issues bonds payable wholly or partly from ad valorem taxes, the  
11 board shall provide for the annual imposition of a continuing  
12 direct ad valorem tax, without limit as to rate or amount, while all  
13 or part of the bonds are outstanding as required and in the manner  
14 provided by Sections 54.601 and 54.602, Water Code.

15 Sec. 3916.213. ELECTIONS REGARDING TAXES AND BONDS. (a)  
16 The district may issue, without an election, bonds, notes, and  
17 other obligations secured by:

18 (1) revenue other than ad valorem taxes; or

19 (2) contract payments described by Section 3916.210.

20 (b) The district must hold an election in the manner  
21 provided by Subchapter L, Chapter 375, Local Government Code, to  
22 obtain voter approval before the district may impose an ad valorem  
23 tax or sales and use tax or issue bonds payable from ad valorem  
24 taxes.

25 (c) Section 375.243, Local Government Code, does not apply  
26 to the district.

27 (d) All or any part of any facilities or improvements that

1 may be acquired by a district by the issuance of district bonds may  
2 be included in one single proposition to be voted on at the  
3 election or the bonds may be submitted in several propositions.

4 Sec. 3916.214. MUNICIPALITY NOT REQUIRED TO PAY DISTRICT  
5 OBLIGATIONS. Except as provided by Section 375.263, Local  
6 Government Code, a municipality is not required to pay a bond,  
7 note, or other obligation of the district.

8 SUBCHAPTER E. DEFINED AREAS

9 Sec. 3916.226. AUTHORITY TO ESTABLISH DEFINED AREAS OR  
10 DESIGNATED PROPERTY. The district may define areas or designate  
11 certain property of the district to pay for improvements,  
12 facilities, or services that primarily benefit that area or  
13 property and do not generally and directly benefit the district as  
14 a whole.

15 Sec. 3916.227. PROCEDURE FOR ELECTION. (a) Before the  
16 district may impose an ad valorem tax or issue bonds payable from ad  
17 valorem taxes of the defined area or designated property, the board  
18 shall hold an election in the defined area or in the designated  
19 property only.

20 (b) The election shall be conducted as provided by Section  
21 3916.213.

22 (c) The board may submit the issues to the voters on the same  
23 ballot to be used in another election.

24 Sec. 3916.228. DECLARING RESULT AND ISSUING ORDER. (a) If a  
25 majority of the voters voting at the election approve the  
26 proposition or propositions, the board shall declare the results  
27 and, by order, shall establish the defined area and describe it by

1 metes and bounds or designate the specific property.

2 (b) A court may not review the board's order except on the  
3 ground of fraud, palpable error, or arbitrary and confiscatory  
4 abuse of discretion.

5 Sec. 3916.229. TAXES FOR SERVICES, IMPROVEMENTS, AND  
6 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter  
7 approval and adoption of the order described by Section 3916.228,  
8 the district may apply separately, differently, equitably, and  
9 specifically its taxing power and lien authority to the defined  
10 area or designated property to provide money to construct,  
11 administer, maintain, and operate services, improvements, and  
12 facilities that primarily benefit the defined area or designated  
13 property.

14 Sec. 3916.230. ISSUANCE OF BONDS FOR DEFINED AREA OR  
15 DESIGNATED PROPERTY. After the order under Section 3916.228 is  
16 adopted, the district may issue bonds to provide for any land,  
17 improvements, facilities, plants, equipment, and appliances for  
18 the defined area or designated property.

19 SUBCHAPTER F. SALES AND USE TAX

20 Sec. 3916.251. APPLICABILITY OF CERTAIN TAX CODE  
21 PROVISIONS. (a) Chapter 321, Tax Code, governs the imposition,  
22 computation, administration, enforcement, and collection of the  
23 sales and use tax authorized by this subchapter except to the extent  
24 Chapter 321, Tax Code, is inconsistent with this chapter.

25 (b) A reference in Chapter 321, Tax Code, to a municipality  
26 or the governing body of a municipality is a reference to the  
27 district or the board, respectively.

1       Sec. 3916.252. ELECTION; ADOPTION OF TAX. (a) The district  
2 may adopt a sales and use tax if authorized by a majority of the  
3 voters of the district voting at an election held for that purpose.

4       (b) The board by order may call an election to authorize the  
5 adoption of the sales and use tax. The election may be held on any  
6 uniform election date and in conjunction with any other district  
7 election.

8       (c) The ballot shall be printed to provide for voting for or  
9 against the proposition: "Authorization of a sales and use tax in  
10 the Generation Park Management District at a rate not to exceed \_\_\_\_\_  
11 percent" (insert rate of one or more increments of one-eighth of one  
12 percent).

13       Sec. 3916.253. SALES AND USE TAX RATE. (a) On or after the  
14 date the results are declared of an election held under Section  
15 3916.252, at which the voters approved imposition of the tax  
16 authorized by this subchapter, the board shall determine and adopt  
17 by resolution or order the initial rate of the tax, which must be in  
18 one or more increments of one-eighth of one percent.

19       (b) After the election held under Section 3916.252, the  
20 board may increase or decrease the rate of the tax by one or more  
21 increments of one-eighth of one percent.

22       (c) The initial rate of the tax or any rate resulting from  
23 subsequent increases or decreases may not exceed the lesser of:

24           (1) the maximum rate authorized by the district voters  
25 at the election held under Section 3916.252; or

26           (2) a rate that, when added to the rates of all sales  
27 and use taxes imposed by other political subdivisions with

1 territory in the district, would result in the maximum combined  
2 rate prescribed by Section 321.101(f), Tax Code, at any location in  
3 the district.

4 Sec. 3916.254. TAX AFTER ANNEXATION. (a) This section  
5 applies to the district after a municipality annexes part of the  
6 territory in the district and imposes the municipality's sales and  
7 use tax in the annexed territory.

8 (b) If at the time of annexation the district has  
9 outstanding debt or other obligations payable wholly or partly  
10 from district sales and use tax revenue, Section 321.102(g), Tax  
11 Code, applies to the district.

12 (c) If at the time of annexation the district does not have  
13 outstanding debt or other obligations payable wholly or partly from  
14 district sales and use tax revenue, the district may:

15 (1) exclude the annexed territory from the district,  
16 if the district has no outstanding debt or other obligations  
17 payable from any source; or

18 (2) reduce the sales and use tax in the annexed  
19 territory by resolution or order of the board to a rate that, when  
20 added to the sales and use tax rate imposed by the municipality in  
21 the annexed territory, is equal to the sales and use tax rate  
22 imposed by the district in the district territory that was not  
23 annexed by the municipality.

24 Sec. 3916.255. NOTIFICATION OF RATE CHANGE. The board  
25 shall notify the comptroller of any changes made to the tax rate  
26 under this subchapter in the same manner the municipal secretary  
27 provides notice to the comptroller under Section 321.405(b), Tax

1 Code.

2 Sec. 3916.256. USE OF REVENUE. Revenue from the sales and  
3 use tax imposed under this subchapter is for the use and benefit of  
4 the district and may be used for any district purpose. The district  
5 may pledge all or part of the revenue to the payment of bonds,  
6 notes, or other obligations, and that pledge of revenue may be in  
7 combination with other revenue, including tax revenue, available to  
8 the district.

9 Sec. 3916.257. ABOLITION OF TAX. (a) Except as provided by  
10 Subsection (b), the board may abolish the tax imposed under this  
11 subchapter without an election.

12 (b) The board may not abolish the tax imposed under this  
13 subchapter if the district has outstanding debt secured by the tax,  
14 and repayment of the debt would be impaired by the abolition of the  
15 tax.

16 (c) If the board abolishes the tax, the board shall notify  
17 the comptroller of that action in the same manner the municipal  
18 secretary provides notice to the comptroller under Section  
19 321.405(b), Tax Code.

20 (d) If the board abolishes the tax or decreases the tax rate  
21 to zero, a new election to authorize a sales and use tax must be  
22 held under Section 3916.252 before the district may subsequently  
23 impose the tax.

24 (e) This section does not apply to a decrease in the sales  
25 and use tax authorized under Section 3916.254(c)(2).

26 SUBCHAPTER G. HOTEL OCCUPANCY TAX

27 Sec. 3916.301. DEFINITION. In this subchapter, "hotel" has



1 the meaning assigned by Section 156.001, Tax Code.

2 Sec. 3916.302. APPLICABILITY OF CERTAIN TAX CODE  
3 PROVISIONS. (a) In this subchapter:

4 (1) a reference in Subchapter A, Chapter 352, Tax  
5 Code, to a county is a reference to the district; and

6 (2) a reference in Subchapter A, Chapter 352, Tax  
7 Code, to the commissioners court is a reference to the board.

8 (b) Except as inconsistent with this subchapter, Subchapter  
9 A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized  
10 by this subchapter, including the collection of the tax, subject to  
11 the limitations prescribed by Sections 352.002(b) and (c), Tax  
12 Code.

13 Sec. 3916.303. TAX AUTHORIZED; USE OF REVENUE. The district  
14 may impose a hotel occupancy tax for any purpose described by  
15 Section 351.101 or 352.101, Tax Code.

16 Sec. 3916.304. TAX RATE. (a) The amount of the hotel  
17 occupancy tax may not exceed the lesser of:

18 (1) the maximum rate prescribed by Section 352.003(a),  
19 Tax Code; or

20 (2) a rate that, when added to the rates of all hotel  
21 occupancy taxes imposed by other political subdivisions with  
22 territory in the district and by this state, does not exceed the sum  
23 of the rate prescribed by Section 351.0025(b), Tax Code, and two  
24 percent.

25 (b) The district tax is in addition to a tax imposed by the  
26 city under Chapter 351, Tax Code, or by the county under Chapter  
27 352, Tax Code.

1       Sec. 3916.305. INFORMATION. The district may examine and  
2 receive information related to the imposition of hotel occupancy  
3 taxes to the same extent as if the district were a county.

4       Sec. 3916.306. USE OF REVENUE. The district may use revenue  
5 from the hotel occupancy tax for any district purpose that is an  
6 authorized use of hotel occupancy tax revenue under Chapter 351 or  
7 352, Tax Code. The district may pledge all or part of the revenue to  
8 the payment of bonds, notes, or other obligations and that pledge  
9 of revenue may be in combination with other revenue available to  
10 the district.

11       Sec. 3916.307. ABOLITION OF TAX. (a) Except as provided by  
12 Subsection (b), the board may abolish the tax imposed under this  
13 subchapter.

14       (b) The board may not abolish the tax imposed under this  
15 subchapter if the district has outstanding debt secured by the tax,  
16 and repayment of the debt would be impaired by the abolition of the  
17 tax.

18                   SUBCHAPTER H. DISSOLUTION AND CONSOLIDATION

19       Sec. 3916.351. DISSOLUTION OF DISTRICT WITH OUTSTANDING  
20 DEBT. (a) The board may dissolve the district regardless of whether  
21 the district has debt. Section 375.264, Local Government Code, does  
22 not apply to the district.

23       (b) If the district has debt when it is dissolved, the  
24 district shall remain in existence solely for the purpose of  
25 discharging its debts. The dissolution is effective when all debts  
26 have been discharged.

27       Sec. 3916.352. CONSOLIDATION. In addition to any other

1 provision provided by law, including Subchapter M, Chapter 375,  
2 Local Government Code, the district and one or more other districts  
3 governed by Chapter 54, Water Code, may be consolidated in  
4 accordance with Subchapter H, Chapter 54, Water Code.

5 SECTION 2. The Generation Park Management District  
6 initially includes all the territory contained in the following  
7 area:

8 All that certain 316.448 acres of land out of the 1804.19 acre  
9 tract described in the deed from Robert C. Hux, et al to FRM N.E.  
10 Belt Venture #1, Ltd. recorded under File No. T107162, in the  
11 Official Public Records of Real Property of Harris County, Texas,  
12 in the Victor Blanco Survey, A-2, Harris County, Texas, and more  
13 particularly described by metes and bounds as follows: (All  
14 bearings based on Texas State Plane Coordinate System, South  
15 Central Zone)

16 BEGINNING at the northwest corner of the herein described  
17 tract, common to a found 5/8" iron rod, in the north line of said  
18 1804.19 acre tract, and in the east right-of-way line of Beltway 8  
19 (East Loop) (R.O.W. Varies);

20 THENCE North 88° 05' 36" East - 1783.65' along said north line  
21 to the northeast corner of the herein described tract from which a  
22 brass disc in concrete found for the northeast corner of said  
23 1804.19 acre tract in the west right-of-way line of Lake Houston  
24 Parkway (300' R.O.W.) bears North 88° 05' 36" East - 9564.04';

25 THENCE South 34° 50' 50" East - 591.18' to an angle corner of  
26 the herein described tract;

27 THENCE South 29° 23' 48" West - 1130.88' to an angle corner of

1 the herein described tract;  
2       THENCE South 34° 39' 21" East - 222.10' to an angle corner of  
3 the herein described tract;  
4       THENCE South 71° 53' 22" East - 251.89' to an angle corner of  
5 the herein described tract;  
6       THENCE South 24° 02' 14" East - 689.83' to an angle corner of  
7 the herein described tract;  
8       THENCE South 03° 49' 02" West - 1177.11' to an angle corner of  
9 the herein described tract;  
10       THENCE South 22° 34' 05" East - 893.29' to an angle corner of  
11 the herein described tract;  
12       THENCE South 55° 11' 23" West - 1634.61' to an angle corner of  
13 the herein described tract;  
14       THENCE South 77° 29' 40" East - 2386.24' to the southeast  
15 corner of the herein described tract the south line of the aforesaid  
16 1804.19 acre tract;  
17       THENCE South 87° 35' 19" West - 535.60' along said south line  
18 to an angle corner of the herein described tract  
19       THENCE South 87° 31' 04" West - 3522.50', along said south  
20 line to a 5/8" iron rod found in the east right-of-way line of  
21 aforesaid Beltway 8, common to the southwest corner of the herein  
22 described tract, common to a point on a curve to the right, having a  
23 central angle of 02° 21' 08", a radius of 2614.79', and from which  
24 the center of the circle of said curve bears South 86° 23' 17" East;  
25       THENCE along said curve to the right, along said east  
26 right-of-way line, in a northerly direction, an arc distance of  
27 107.35' to the end of curve;

1           THENCE North 05° 42' 21" East - 5848.90' to the POINT OF  
2 BEGINNING of the herein described tract and containing 316.448  
3 acres of land.

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

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

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

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

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

26           SECTION 4. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

H.B. No. 3860

1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2013.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3860 was passed by the House on May 14, 2013, by the following vote: Yeas 143, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3860 on May 24, 2013, by the following vote: Yeas 144, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3860 was passed by the Senate, with amendments, on May 22, 2013, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor