

By: S. Davis of Harris

H.B. No. 3930

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of Saint George Place Management District;
3 providing authority to issue bonds; providing authority to impose
4 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 3925 to read as follows:

8 CHAPTER 3925. SAINT GEORGE PLACE MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3925.001. DEFINITIONS. In this chapter:

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

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

13 (3) "County" means Harris County.

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

15 (5) "District" means the Saint George Place Management
16 District.

17 (6) "Zone" means the Tax Increment Reinvestment Zone
18 No. One, City of Houston, Texas, designated by the city in Ordinance
19 No. 90-1452, dated December 12, 1990.

20 Sec. 3925.002. NATURE OF DISTRICT. The Saint George Place
21 Management District is a special district created under Section 59,
22 Article XVI, Texas Constitution.

23 Sec. 3925.003. PURPOSE; DECLARATION OF INTENT. (a) The
24 creation of the district is essential to accomplish the purposes of

1 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
2 Texas Constitution, and other public purposes stated in this
3 chapter. By creating the district and in authorizing the city, the
4 county, and other political subdivisions to contract with the
5 district, the legislature has established a program to accomplish
6 the public purposes set out in Section 52-a, Article III, Texas
7 Constitution.

8 (b) The creation of the district is necessary to promote,
9 develop, encourage, and maintain commerce, transportation,
10 housing, recreation, economic development, safety, and the public
11 welfare in the district.

12 (c) This chapter and the creation of the district may not be
13 interpreted to relieve the city or the county from providing the
14 level of services provided as of the effective date of the Act
15 enacting this chapter to the area in the district. The district is
16 created to supplement and not to supplant city or county services
17 provided in the district.

18 Sec. 3925.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
19 The district is created to serve a public use and benefit.

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

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

27 (1) developing and diversifying the economy of the

1 state;

2 (2) eliminating unemployment and underemployment; and

3 (3) developing or expanding transportation and
4 commerce.

5 (d) The district will:

6 (1) promote the health, safety, and general welfare of
7 residents, employers, potential employees, employees, visitors,
8 and consumers in the district, and of the public;

9 (2) provide needed funding for the district to
10 preserve, maintain, and enhance the economic health and vitality of
11 the district territory as a community;

12 (3) promote the health, safety, welfare, and enjoyment
13 of the public by providing pedestrian ways and by landscaping and
14 developing certain areas in the district, which are necessary for
15 the restoration, preservation, and enhancement of scenic beauty;
16 and

17 (4) provide for water, wastewater, drainage, road,
18 sound barrier and security walls, recreational facilities, and city
19 code enforcement for the district.

20 (e) Pedestrian ways along or across a street, whether at
21 grade or above or below the surface, and street lighting, street
22 landscaping, parking, and street art objects are parts of and
23 necessary components of a street and are considered to be a street
24 or road improvement.

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

1 Sec. 3925.005. INITIAL DISTRICT TERRITORY. The district is
2 initially composed of the territory described by Section 2 of the
3 Act enacting this chapter.

4 Sec. 3925.006. APPLICABILITY OF MUNICIPAL MANAGEMENT
5 DISTRICTS LAW. Except as otherwise provided by this chapter,
6 Chapter 375, Local Government Code, applies to the district.

7 Sec. 3925.007. CONSTRUCTION OF CHAPTER. This chapter shall
8 be liberally construed in conformity with the findings and purposes
9 stated in this chapter.

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 3925.051. GOVERNING BODY; TERMS. (a) The district is
12 governed by a board of nine voting directors.

13 (b) Except as provided by Section 3925.052, the directors of
14 the zone are the voting directors of the board and their terms as
15 directors of the district are coterminous with their terms as
16 directors of the zone.

17 Sec. 3925.052. VOTING DIRECTORS IF ZONE DISSOLVED; TERMS.

18 (a) If the zone is dissolved, the mayor and members of the
19 governing body of the city shall appoint voting directors from
20 persons recommended by the board. A person is appointed if a
21 majority of the members of the governing body and the mayor vote to
22 appoint that person.

23 (b) Directors appointed under Subsection (a) serve
24 staggered terms of four years, with four or five directors' terms
25 expiring June 1 of each odd-numbered year. The initial directors
26 appointed under Subsection (a) shall establish the staggered terms
27 of each initial director by lot.

1 Sec. 3925.053. NONVOTING DIRECTORS. The board may appoint
2 nonvoting directors to serve at the pleasure of the voting
3 directors.

4 Sec. 3925.054. VACANCY IF ZONE DISSOLVED. If a vacancy
5 occurs on the board after the zone is dissolved, the remaining
6 directors shall appoint a director for the remainder of the
7 unexpired term.

8 Sec. 3925.055. QUORUM. For purposes of determining the
9 requirements for a quorum of the board, the following are not
10 counted:

11 (1) a board position vacant for any reason, including
12 death, resignation, or disqualification;

13 (2) a director who is abstaining from participation in
14 a vote because of a conflict of interest; or

15 (3) a nonvoting director.

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 3925.101. GENERAL POWERS AND DUTIES. The district has
18 the powers and duties necessary to accomplish the purposes for
19 which the district is created.

20 Sec. 3925.102. IMPROVEMENT PROJECTS AND SERVICES. The
21 district may provide, design, construct, acquire, improve,
22 relocate, operate, maintain, or finance an improvement project or
23 service using any money available to the district, or contract with
24 a governmental or private entity to provide, design, construct,
25 acquire, improve, relocate, operate, maintain, or finance an
26 improvement project or service authorized under this chapter or
27 Chapter 375, Local Government Code.

1 Sec. 3925.103. DEVELOPMENT CORPORATION POWERS. The
2 district, using money available to the district, may exercise the
3 powers given to a development corporation under Chapter 505, Local
4 Government Code, including the power to own, operate, acquire,
5 construct, lease, improve, or maintain a project under that
6 chapter.

7 Sec. 3925.104. NONPROFIT CORPORATION. (a) The board by
8 resolution may authorize the creation of a nonprofit corporation to
9 assist and act for the district in implementing a project or
10 providing a service authorized by this chapter.

11 (b) The nonprofit corporation:

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

15 (2) may implement any project and provide any service
16 authorized by this chapter.

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

23 Sec. 3925.105. AGREEMENTS; GRANTS. (a) As provided by
24 Chapter 375, Local Government Code, the district may make an
25 agreement with or accept a gift, grant, or loan from any person.

26 (b) The district may enter into an agreement with the city
27 to administer and enforce a city zoning ordinance applicable to the

1 district in the territory of the district.

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

5 Sec. 3925.106. LAW ENFORCEMENT SERVICES. To protect the
6 public interest, the district may contract with a qualified party,
7 including the county or the city, to provide law enforcement or
8 security services in the district.

9 Sec. 3925.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
10 district may join and pay dues to a charitable or nonprofit
11 organization that performs a service or provides an activity
12 consistent with the furtherance of a district purpose.

13 Sec. 3925.108. ECONOMIC DEVELOPMENT. (a) The district may
14 engage in activities that accomplish the economic development
15 purposes of the district.

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

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

21 (2) provide district personnel and services.

22 (c) The district may create economic development programs
23 and exercise the economic development powers provided to
24 municipalities by:

25 (1) Chapter 380, Local Government Code; and

26 (2) Subchapter A, Chapter 1509, Government Code.

27 Sec. 3925.109. APPROVAL BY CITY. (a) Except as provided by

1 Subsection (c), the district must obtain the approval of the city
2 for:

3 (1) the issuance of bonds that require the approval of
4 the attorney general;

5 (2) the plans and specifications of an improvement
6 project financed by bonds; and

7 (3) the plans and specifications of an improvement
8 project related to the use of land owned by the city, an easement
9 granted by the city, or a right-of-way of a street, road, or
10 highway.

11 (b) The district may not issue bonds until the governing
12 body of the city adopts a resolution or ordinance authorizing the
13 issuance of the bonds.

14 (c) If the district obtains the approval of the governing
15 body of the city of a capital improvements budget for a period not
16 to exceed 10 years, the district may finance the capital
17 improvements and issue bonds specified in the budget without
18 further approval from the city.

19 (d) The governing body of the city:

20 (1) is not required to adopt a resolution or ordinance
21 to approve plans and specifications described by Subsection (a);
22 and

23 (2) may establish an administrative process to approve
24 plans and specifications described by Subsection (a) without the
25 involvement of the governing body.

26 Sec. 3925.110. NO EMINENT DOMAIN POWER. The district may
27 not exercise the power of eminent domain.

1 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

2 Sec. 3925.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
3 board by resolution shall establish the number of directors'
4 signatures and the procedure required for a disbursement or
5 transfer of district money.

6 Sec. 3925.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
7 The district may acquire, construct, finance, operate, or maintain
8 any improvement or service authorized under this chapter or Chapter
9 375, Local Government Code, using any money available to the
10 district.

11 Sec. 3925.153. PETITION REQUIRED FOR FINANCING SERVICES AND
12 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
13 service or improvement project with assessments under this chapter
14 unless a written petition requesting that service or improvement
15 for all or part of the district has been filed with the board.

16 (b) A petition filed under Subsection (a) must be signed by
17 the owners of a majority of the assessed value of real property in
18 the district subject to assessment according to the most recent
19 certified tax appraisal roll for the county.

20 Sec. 3925.154. METHOD OF NOTICE FOR HEARING. The district
21 may mail the notice required by Section 375.115(c), Local
22 Government Code, by certified or first class United States mail.
23 The board shall determine the method of notice.

24 Sec. 3925.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
25 The board by resolution may impose and collect an assessment for any
26 purpose authorized by this chapter in all or any part of the
27 district.

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:

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

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

11 (3) are the personal liability of and a charge against
12 the 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. 3925.156. RESIDENTIAL PROPERTY NOT EXEMPT. Section
23 375.161, Local Government Code, does not apply to the district.

24 Sec. 3925.157. TAX AND ASSESSMENT ABATEMENT. The district
25 may designate reinvestment zones and may grant abatements of
26 district taxes or assessments on property in the zones.

27 SUBCHAPTER E. TAXES AND BONDS

1 Sec. 3925.201. ELECTIONS REGARDING TAXES AND BONDS. (a)

2 The district may issue, without an election, bonds, notes, and
3 other obligations secured by revenue other than ad valorem taxes.

4 (b) The district must hold an election in the manner
5 provided by Subchapter L, Chapter 375, Local Government Code, to
6 obtain voter approval before the district may impose an ad valorem
7 tax or issue bonds payable from ad valorem taxes.

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

10 (d) All or any part of any facilities or improvements that
11 may be acquired by a district by the issuance of its bonds may be
12 submitted as a single proposition or as several propositions to be
13 voted on at the election.

14 Sec. 3925.202. OPERATION AND MAINTENANCE TAX. (a) If

15 authorized by a majority of the district voters voting at an
16 election held in accordance with Section 3925.201, the district may
17 impose an operation and maintenance tax on taxable property in the
18 district in accordance with Section 49.107, Water Code, for any
19 district purpose, including to:

20 (1) maintain and operate the district;

21 (2) construct or acquire improvements; or

22 (3) provide a service.

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

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

27 Sec. 3925.203. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS

1 AND OTHER OBLIGATIONS. (a) The district may borrow money on terms
2 determined by the board.

3 (b) The district may issue bonds, notes, or other
4 obligations payable wholly or partly from ad valorem taxes,
5 assessments, impact fees, revenue, contract payments, grants, or
6 other district money, or any combination of those sources of money,
7 to pay for any authorized district purpose.

8 Sec. 3925.204. TAXES FOR BONDS. At the time the district
9 issues bonds payable wholly or partly from ad valorem taxes, the
10 board shall provide for the annual imposition of a continuing
11 direct annual ad valorem tax, without limit as to rate or amount,
12 for each year that all or part of the bonds are outstanding as
13 required and in the manner provided by Sections 54.601 and 54.602,
14 Water Code.

15 Sec. 3925.205. CITY NOT REQUIRED TO PAY DISTRICT
16 OBLIGATIONS. Except as provided by Section 375.263, Local
17 Government Code, the city is not required to pay a bond, note, or
18 other obligation of the district.

19 SUBCHAPTER F. PUBLIC IMPROVEMENT DISTRICT DISSOLUTION

20 Sec. 3925.251. PUBLIC IMPROVEMENT DISTRICT DISSOLUTION.
21 (a) The city shall dissolve a public improvement district created
22 by the city under Chapter 372, Local Government Code, that is in the
23 boundaries of the district if:

24 (1) the board imposes an assessment under Section
25 3925.155; or

26 (2) district voters approve an ad valorem tax under
27 Section 3925.202.

1 (b) A public improvement district that is dissolved under
2 this section shall remain in effect for the purposes of meeting
3 obligations of indebtedness and collecting delinquent assessments.

4 SECTION 2. The Saint George Place Management District
5 initially includes all territory contained in the Tax Increment
6 Reinvestment Zone No. One, City of Houston, Texas, designated by
7 the City of Houston in Ordinance No. 90-1452, dated December 12,
8 1990, as that zone is configured on the effective date of this Act.

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

16 (b) The governor, one of the required recipients, has
17 submitted the notice and Act to the Texas Commission on
18 Environmental Quality.

19 (c) The Texas Commission on Environmental Quality has filed
20 its recommendations relating to this Act with the governor,
21 lieutenant governor, and speaker of the house of representatives
22 within the required time.

23 (d) The general law relating to consent by political
24 subdivisions to the creation of districts with conservation,
25 reclamation, and road powers and the inclusion of land in those
26 districts has been complied with.

27 (e) All requirements of the constitution and laws of this

1 state and the rules and procedures of the legislature with respect
2 to the notice, introduction, and passage of this Act have been
3 fulfilled and accomplished.

4 SECTION 4. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2013.