

Amend **HB 4175** by adding the following appropriately numbered SECTIONS to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3925 to read as follows:

CHAPTER 3925. SAINT GEORGE PLACE MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3925.001. DEFINITIONS. In this chapter:

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

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

(3) "County" means Harris County.

(4) "Director" means a board member.

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

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

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

Sec. 3925.003. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the city, the county, and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

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

(c) This chapter and the creation of the district may not be interpreted to relieve the city or the county from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is

created to supplement and not to supplant city or county services provided in the district.

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

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

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

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

(2) eliminating unemployment and underemployment; and

(3) developing or expanding transportation and commerce.

(d) The district will:

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

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

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

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

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

(f) The district will not act as the agent or

instrumentality of any private interest even though the district will benefit many private interests as well as the public.

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

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

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

SUBCHAPTER B. BOARD OF DIRECTORS

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

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

Sec. 3925.052. VOTING DIRECTORS IF ZONE DISSOLVED; TERMS. (a) If the zone is dissolved, the mayor and members of the governing body of the city shall appoint voting directors from persons recommended by the board. A person is appointed if a majority of the members of the governing body and the mayor vote to appoint that person.

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

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

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

Sec. 3925.055. QUORUM. For purposes of determining the

requirements for a quorum of the board, the following are not counted:

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

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

(3) a nonvoting director.

SUBCHAPTER C. POWERS AND DUTIES

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

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

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

Sec. 3925.104. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.

(b) The district may enter into an agreement with the city to administer and enforce a city zoning ordinance applicable to the district in the territory of the district.

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

Sec. 3925.105. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the county or the city, to provide law enforcement or

security services in the district.

Sec. 3925.106. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3925.107. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

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

- (1) make loans and grants of public money; and
- (2) provide district personnel and services.

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

- (1) Chapter 380, Local Government Code; and
- (2) Subchapter A, Chapter 1509, Government Code.

Sec. 3925.108. APPROVAL BY CITY. (a) Except as provided by Subsection (c), the district must obtain the approval of the city for:

- (1) the issuance of bonds that require the approval of the attorney general;
- (2) the plans and specifications of an improvement project financed by bonds; and
- (3) the plans and specifications of an improvement project related to the use of land owned by the city, an easement granted by the city, or a right-of-way of a street, road, or highway.

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

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

further approval from the city.

(d) The governing body of the city:

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

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

Sec. 3925.109. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

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

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

Sec. 3925.153. BUDGET; ASSESSMENTS. (a) The board shall approve an annual budget for the district based on anticipated assessment revenue.

(b) The board by resolution may impose and collect an assessment, for any purpose authorized by this chapter, using only the method described by this section.

(c) The board may impose an assessment in all or any part of the district at a rate of \$0.07 per square foot of taxable property, and may impose a supplemental annual assessment at a rate of \$300 per lot.

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

(e) In a year in which the approved expenses in the annual budget exceed the district's annual revenue from all sources, the board may approve an increase to the rate of the supplemental annual

assessment to accommodate the expenses if the percentage change in the amount of the supplemental annual assessment does not exceed:

(1) two percent for that year as compared to the previous year; or

(2) 10 percent over a five-year period.

(f) The district may not approve a supplemental assessment under Section 375.122(1), Local Government Code, to pay costs of an improvement project or service if the additional costs that are the subject of the supplemental assessment exceed 25 percent of the original total cost of the improvement project or service.

(g) A provision of this subchapter regarding an assessment prevails over a conflicting provision of Chapter 375, Local Government Code, as provided by Section 3925.006.

Sec. 3925.154. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement for all or part of the district has been filed with the board.

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

Sec. 3925.155. LIENS FOR ASSESSMENTS. (a) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:

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

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

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

(b) The lien is effective from the date of the board's

resolution imposing the assessment until the date the assessment is paid.

Sec. 3925.156. RESIDENTIAL PROPERTY NOT EXEMPT. Section 375.161, Local Government Code, does not apply to the district.

Sec. 3925.157. ASSESSMENT ABATEMENT. The district may designate reinvestment zones and may grant abatements of assessments on property in the zones.

Sec. 3925.158. NO IMPACT FEES. The district may not impose an impact fee.

Sec. 3925.159. NO AD VALOREM TAX. The district may not impose an ad valorem tax.

SUBCHAPTER E. BONDS

Sec. 3925.201. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from assessments, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Sec. 3925.202. CITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, the city is not required to pay a bond, note, or other obligation of the district.

SUBCHAPTER F. PUBLIC IMPROVEMENT DISTRICT DISSOLUTION

Sec. 3925.251. PUBLIC IMPROVEMENT DISTRICT DISSOLUTION. (a) The city shall dissolve a public improvement district created by the city under Chapter 372, Local Government Code, that is in the boundaries of the district if the board imposes an assessment.

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

SUBCHAPTER G. CONSOLIDATION

Sec. 3925.301. The district may not be consolidated with another district that has the powers of a district created under Chapter 375, Local Government Code.

SUBCHAPTER H. DISSOLUTION

Sec. 3925.351. DISSOLUTION BY PETITION BY OWNERS. (a)

Section 375.262, Local Government Code, does not apply to the district.

(b) Except as limited by Section 375.264, Local Government Code, the board shall dissolve the district on written petition filed with the board by the owners of:

(1) 50 percent or more of the assessed value of the property in the district based on the most recent certified county property tax rolls; or

(2) 50 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment under Sections 375.163 and 375.164, Local Government Code, according to the most recent certified county property tax rolls.

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