

By: Watson

S.B. No. 497

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the use of money in a tax increment fund to pay costs
3 related to public improvements used for social services programs
4 and permanent supportive housing that promotes the development or
5 redevelopment of a reinvestment zone.

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

7 SECTION 1. Section 311.008(b), Tax Code, is amended to read
8 as follows:

9 (b) A municipality or county may exercise any power
10 necessary and convenient to carry out this chapter, including the
11 power to:

12 (1) cause project plans to be prepared, approve and
13 implement the plans, and otherwise achieve the purposes of the
14 plan;

15 (2) acquire real property by purchase, condemnation,
16 or other means and sell real property, on the terms and conditions
17 and in the manner it considers advisable, to implement project
18 plans;

19 (3) enter into agreements, including agreements with
20 bondholders, determined by the governing body of the municipality
21 or county to be necessary or convenient to implement project plans
22 and achieve their purposes, which agreements may include
23 conditions, restrictions, or covenants that run with the land or
24 that by other means regulate or restrict the use of land; and

1 (4) consistent with the project plan for the zone:

2 (A) acquire blighted, deteriorated,
3 deteriorating, undeveloped, or inappropriately developed real
4 property or other property in a blighted area or in a federally
5 assisted new community in the zone for the preservation or
6 restoration of historic sites, beautification or conservation, the
7 provision of public works or public facilities, or other public
8 purposes;

9 (B) acquire, construct, reconstruct, or install
10 public works, facilities, or sites or other public improvements,
11 including utilities, streets, street lights, water and sewer
12 facilities, pedestrian malls and walkways, parks, flood and
13 drainage facilities, or parking facilities, but not including
14 educational facilities; ~~or~~

15 (C) in a reinvestment zone created on or before
16 September 1, 1999, acquire, construct, or reconstruct educational
17 facilities in the municipality; or

18 (D) in a reinvestment zone created in a county
19 that has a population of less than 1.5 million but in which a
20 municipality is primarily located that has a population of at least
21 775,000, acquire, construct, reconstruct, renovate, rehabilitate,
22 install, or equip public improvements in or out of the zone used or
23 to be used for social services programs or permanent supportive
24 housing that benefit the zone, including improvements determined by
25 the municipality or county to be beneficial to:

26 (i) providing basic necessities such as
27 food, clothing, permanent supportive housing or other forms of

1 shelter, health care, and mental health care;

2 (ii) helping provide individuals and
3 families a transition out of poverty by ensuring the availability
4 of educational, employment, and other services that promote
5 self-reliance;

6 (iii) preventing social problems through
7 education, preventive physical and mental health programs, crime
8 prevention programs, and other preventive programs;

9 (iv) providing family and societal support
10 services, including education, child care, counseling and
11 assistance for the aging, youth, the homeless, and the unemployed,
12 rehabilitation services, and other similar support services; and

13 (v) encouraging personal development and
14 community enrichment through cultural and educational programs.

15 SECTION 2. Section 311.010, Tax Code, is amended by adding
16 Subsections (b-1) and (b-2) to read as follows:

17 (b-1) An agreement under Subsection (b) relating to the
18 project plan or the reinvestment zone financing plan for a
19 reinvestment zone described by Section 311.008(b)(4)(D) may:

20 (1) during the term of the agreement dedicate, pledge,
21 or otherwise provide for the use of revenue in the tax increment
22 fund to pay project costs relating to the cost of public
23 improvements described by Section 311.008(b)(4)(D); or

24 (2) dedicate revenue from the tax increment fund to
25 pay the costs of operating or administering programs described by
26 Section 311.008(b)(4)(D).

27 (b-2) A municipality or county may not use revenue from a

1 tax increment fund dedicated, pledged, or otherwise provided for a
2 purpose described by Subsection (b-1) to replace revenue the
3 municipality or county would otherwise have spent from other
4 sources for that purpose.

5 SECTION 3. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2015.