

SENATE AMENDMENTS

2nd Printing

By: Hernandez

H.B. No. 2100

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the East Houston 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 3923 to read as follows:

8 CHAPTER 3923. EAST HOUSTON MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3923.001. 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 East Houston Management
16 District.

17 Sec. 3923.002. CREATION AND NATURE OF DISTRICT. The
18 district is a special district created under Section 59, Article
19 XVI, Texas Constitution.

20 Sec. 3923.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
21 creation of the district is essential to accomplish the purposes of
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
23 Texas Constitution, and other public purposes stated in this
24 chapter. By creating the district and in authorizing the city and

1 other political subdivisions to contract with the district, the
2 legislature has established a program to accomplish the public
3 purposes set out in Section 52-a, Article III, Texas Constitution.

4 (b) The creation of the district is necessary to promote,
5 develop, encourage, and maintain employment, commerce,
6 transportation, housing, tourism, recreation, the arts,
7 entertainment, economic development, safety, and the public
8 welfare in the district.

9 (c) The district is created to supplement and not to
10 supplant city services provided in the district.

11 Sec. 3923.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
12 The district is created to serve a public use and benefit.

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

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

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

22 (2) eliminating unemployment and underemployment;

23 (3) developing or expanding transportation and
24 commerce; and

25 (4) providing quality residential housing.

26 (d) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, potential employees, employees, visitors,
2 and consumers in the district, and of the public;

3 (2) provide needed funding for the district to
4 preserve, maintain, and enhance the economic health and vitality of
5 the district territory as a residential community and business
6 center; and

7 (3) promote the health, safety, welfare, and enjoyment
8 of the public by providing pedestrian ways and by landscaping,
9 removing graffiti from, and developing certain areas in the
10 district, which are necessary for the restoration, preservation,
11 and enhancement of scenic beauty.

12 (e) Pedestrian ways along or across a street, whether at
13 grade or above or below the surface, and street lighting, street
14 landscaping, vehicle parking, and street art objects are parts of
15 and necessary components of a street and are considered to be an
16 improvement project that includes a street or road improvement.

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

20 Sec. 3923.005. DISTRICT TERRITORY. (a) The district is
21 initially composed of the territory described by Section 2 of the
22 Act enacting this chapter.

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

27 (1) organization, existence, or validity;

1 (2) right to issue any type of bond for the purposes
2 for which the district is created or to pay the principal of and
3 interest on a bond;

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

5 (4) legality or operation.

6 Sec. 3923.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

7 (a) All or any part of the area of the district is eligible to be
8 included in:

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

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

13 (3) an enterprise zone created under Chapter 2303,
14 Government Code; or

15 (4) an industrial district created under Chapter 42,
16 Local Government Code.

17 (b) If the city creates a tax increment reinvestment zone
18 described by Subsection (a), the city and the board of directors of
19 the zone, by contract with the district, may grant money deposited
20 in the tax increment fund to the district to be used by the district
21 for the purposes permitted for money granted to a corporation under
22 Section 380.002(b), Local Government Code, including the right to
23 pledge the money as security for any bonds issued by the district
24 for an improvement project. A project may not receive public funds
25 under Section 380.002(b), Local Government Code, unless the project
26 has been approved by the governing body of the city.

27 (c) A tax increment reinvestment zone created by the city in

1 the district is not subject to the limitations provided by Section
2 311.006(b), Tax Code.

3 Sec. 3923.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
4 DISTRICTS LAW. Except as otherwise provided by this chapter,
5 Chapter 375, Local Government Code, applies to the district.

6 Sec. 3923.008. CONSTRUCTION OF CHAPTER. This chapter shall
7 be liberally construed in conformity with the findings and purposes
8 stated in this chapter.

9 SUBCHAPTER B. BOARD OF DIRECTORS

10 Sec. 3923.051. GOVERNING BODY; TERMS. The district is
11 governed by a board of 11 directors who serve staggered terms of
12 four years, with 5 or 6 directors' terms expiring June 1 of each
13 odd-numbered year.

14 Sec. 3923.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY
15 CITY. (a) To be qualified to serve as a director appointed by the
16 governing body of the city, a person must be:

17 (1) a resident of the district who is also a registered
18 voter of the district;

19 (2) an owner of stock or a partnership or membership
20 interest, whether beneficial or otherwise, of a corporate
21 partnership, limited liability company, or other entity owner of a
22 direct or indirect interest in property in the district; or

23 (3) an agent, employee, or tenant of a person
24 described by Subdivision (2).

25 (b) Section 49.052, Water Code, does not apply to the
26 district.

27 Sec. 3923.053. APPOINTMENT OF DIRECTORS; COMPOSITION OF

1 BOARD. (a) The governing body of the city shall appoint directors
2 from persons recommended by the board.

3 (b) In making appointments under this section, the
4 governing body of the city shall ensure that:

5 (1) eight positions on the board are occupied by
6 persons described by Sections 3923.052(a)(2) or (3); and

7 (2) three positions on the board are occupied by
8 persons described by Section 3923.052(a)(1).

9 Sec. 3923.054. VACANCY. If a vacancy occurs on the board,
10 the remaining directors shall appoint a director for the remainder
11 of the unexpired term.

12 Sec. 3923.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
13 director shall file the director's oath or affirmation of office
14 with the district, and the district shall retain the oath or
15 affirmation in the district records.

16 (b) A director shall file a copy of the director's oath or
17 affirmation with the secretary of the city.

18 Sec. 3923.056. QUORUM. A vacant director position is not
19 counted for purposes of establishing a quorum.

20 Sec. 3923.057. OFFICERS. The board shall elect from among
21 the directors a chair, a vice chair, and a secretary. The offices
22 of chair and secretary may not be held by the same person.

23 Sec. 3923.058. COMPENSATION; EXPENSES. (a) The district
24 may compensate each director in an amount not to exceed \$50 for each
25 board meeting. The total amount of compensation a director may
26 receive each year may not exceed \$2,000.

27 (b) A director is entitled to reimbursement for necessary

1 and reasonable expenses incurred in carrying out the duties and
2 responsibilities of the board.

3 Sec. 3923.059. LIABILITY INSURANCE. The district may obtain
4 and pay for comprehensive general liability insurance coverage from
5 a commercial insurance company or other source that protects and
6 insures a director against personal liability and from all claims
7 relating to:

8 (1) actions taken by the director in the director's
9 capacity as a member of the board;

10 (2) actions and activities taken by the district; or

11 (3) the actions of others acting on behalf of the
12 district.

13 Sec. 3923.060. NO EXECUTIVE COMMITTEE. The board may not
14 create an executive committee to exercise the powers of the board.

15 Sec. 3923.061. BOARD MEETINGS. The board shall hold
16 meetings at a place accessible to the public.

17 Sec. 3923.062. INITIAL DIRECTORS. (a) The initial board
18 includes:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Terri Almendarez</u>
<u>2</u>	<u>Ana Gonzalez</u>
<u>3</u>	<u>Linda Andrade</u>
<u>4</u>	<u>Ernesto Cantu</u>
<u>5</u>	<u>Pedro Diaz</u>
<u>6</u>	<u>Joshua Santana</u>
<u>7</u>	<u>Bryan Gallagher</u>

27 (b) Not later than October 1, 2015, the governing body of

1 the city shall appoint four additional initial directors to the
2 board. Of the four initial directors appointed under this
3 subsection:

4 (1) one director must be a person described by Section
5 3923.052(a)(1); and

6 (2) three directors must be persons described by
7 Section 3923.052(a)(2) or (3).

8 (c) The terms of the initial directors expire June 1, 2017.

9 (d) Of the directors who replace an initial director, the
10 terms of directors serving in positions 1 through 6 expire June 1,
11 2019, and the terms of directors serving in positions 7 through 11
12 expire June 1, 2021.

13 (e) This section expires September 1, 2021.

14 SUBCHAPTER C. POWERS AND DUTIES

15 Sec. 3923.101. GENERAL POWERS AND DUTIES. The district has
16 the powers and duties necessary to accomplish the purposes for
17 which the district is created.

18 Sec. 3923.102. IMPROVEMENT PROJECTS AND SERVICES. The
19 district may provide, design, construct, acquire, improve,
20 relocate, operate, maintain, or finance an improvement project or
21 service using money available to the district, or contract with a
22 governmental or private entity to provide, design, construct,
23 acquire, improve, relocate, operate, maintain, or finance an
24 improvement project or service authorized under this chapter or
25 Chapter 375, Local Government Code.

26 Sec. 3923.103. LOCATION OF IMPROVEMENT PROJECT. An
27 improvement project described by Section 3923.102 may be located:

1 (1) in the district; or

2 (2) in an area outside but adjacent to the district if
3 the project is for the purpose of extending a public infrastructure
4 improvement beyond the district's boundaries to a logical terminus.

5 Sec. 3923.104. 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. 3923.105. 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. 3923.106. 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. 3923.107. 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 fee.

10 Sec. 3923.108. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
11 district may join and pay dues to a charitable or nonprofit
12 organization that performs a service or provides an activity
13 consistent with the furtherance of a district purpose.

14 Sec. 3923.109. ECONOMIC DEVELOPMENT. (a) The district may
15 engage in activities that accomplish the economic development
16 purposes of the district.

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

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

22 (2) provide district personnel and services.

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

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

27 (2) Subchapter A, Chapter 1509, Government Code,

1 provides to a municipality.

2 Sec. 3923.110. NO EMINENT DOMAIN POWER. The district may
3 not exercise the power of eminent domain.

4 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

5 Sec. 3923.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
6 board by resolution shall establish the number of signatures and
7 the procedure required for a disbursement or transfer of the
8 district's money.

9 Sec. 3923.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
10 The district may acquire, construct, finance, operate, or maintain
11 an improvement project or service authorized under this chapter or
12 Chapter 375, Local Government Code, using any money available to
13 the district.

14 Sec. 3923.153. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
15 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
16 secure the payment or repayment of any bond, note, or other
17 temporary or permanent obligation or reimbursement or other
18 contract with any person and the costs and expenses of the
19 establishment, administration, and operation of the district and
20 the district's costs or share of the costs or revenue of an
21 improvement project or district contractual obligation or
22 indebtedness by:

23 (1) the imposition of an ad valorem tax or sales and
24 use tax or an assessment, user fee, concession fee, or rental
25 charge; or

26 (2) any other revenue or resources of the district, or
27 other revenue authorized by the city, including revenues from a tax

1 increment reinvestment zone created by the city under applicable
2 law.

3 Sec. 3923.154. PETITION REQUIRED FOR FINANCING SERVICES AND
4 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
5 service or improvement project with assessments under this chapter
6 unless a written petition requesting that service or improvement
7 has been filed with the board.

8 (b) The petition must be signed by:

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

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

16 Sec. 3923.155. METHOD OF NOTICE FOR HEARING. The district
17 may mail the notice required by Section 375.115(c), Local
18 Government Code, by certified or first class United States mail.
19 The board shall determine the method of notice.

20 Sec. 3923.156. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
21 The board by resolution may impose and collect an assessment for any
22 purpose authorized by this chapter in all or any part of the
23 district.

24 (b) An assessment, a reassessment, or an assessment
25 resulting from an addition to or correction of the assessment roll
26 by the district, penalties and interest on an assessment or
27 reassessment, an expense of collection, and reasonable attorney's

1 fees incurred by the district:

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

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

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

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

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

18 Sec. 3923.157. STORM WATER USER CHARGES. The district may
19 establish user charges related to the operation of storm water
20 facilities, including the regulation of storm water for the
21 protection of water quality in the district.

22 Sec. 3923.158. NONPOTABLE WATER USER CHARGES. The district
23 may establish user charges for the use of nonpotable water for
24 irrigation purposes, subject to approval of the governing body of
25 the city.

26 Sec. 3923.159. COSTS FOR IMPROVEMENT PROJECTS. The
27 district may undertake separately or jointly with other persons,

1 including the city or county, all or part of the cost of an
2 improvement project, including an improvement project:

3 (1) for improving, enhancing, and supporting public
4 safety and security, fire protection and emergency medical
5 services, and law enforcement in or adjacent to the district; or

6 (2) that confers a general benefit on the entire
7 district or a special benefit on a definable part of the district.

8 Sec. 3923.160. TAX AND ASSESSMENT ABATEMENTS. The district
9 may designate reinvestment zones and may grant abatements of a tax
10 or assessment on property in the zones.

11 SUBCHAPTER E. TAXES AND BONDS

12 Sec. 3923.201. TAX ABATEMENT. The district may enter into a
13 tax abatement agreement in accordance with the general laws of this
14 state authorizing and applicable to a tax abatement agreement by a
15 municipality.

16 Sec. 3923.202. PROPERTY TAX AUTHORIZED. (a) The district
17 may impose an ad valorem tax on all taxable property in the district
18 to:

19 (1) pay for an improvement project of the types
20 authorized by Section 52(b), Article III, and Section 59, Article
21 XVI, Texas Constitution; or

22 (2) secure the payment of bonds issued for a purpose
23 described by Subdivision (1).

24 (b) The district may not impose an ad valorem tax to pay for
25 an improvement project under this chapter unless the imposition is
26 approved by the voters of the district voting at an election held
27 for that purpose. The board may call an election to approve the

1 imposition of an ad valorem tax to pay for an improvement project
2 under this chapter only if the board receives a petition requesting
3 the election signed by:

4 (1) more than 51 percent of the record owners of real
5 property in the district subject to taxation; or

6 (2) owners representing more than 51 percent of the
7 appraised value of real property in the district subject to
8 taxation, as determined by the tax rolls of the appraisal district.

9 Sec. 3923.203. SALES AND USE TAX. (a) The district may
10 impose a sales and use tax if authorized by a majority of the voters
11 of the district voting at an election called for that purpose.
12 Revenue from the tax may be used for any purpose for which ad
13 valorem tax revenue of the district may be used.

14 (b) The district may not adopt a sales and use tax if as a
15 result of the adoption of the tax the combined rate of all sales and
16 use taxes imposed by the district and other political subdivisions
17 of this state having territory in the district would exceed two
18 percent at any location in the district.

19 (c) If the voters of the district approve the adoption of
20 the tax at an election held on the same election date on which
21 another political subdivision adopts a sales and use tax or
22 approves an increase in the rate of its sales and use tax and as a
23 result the combined rate of all sales and use taxes imposed by the
24 district and other political subdivisions of this state having
25 territory in the district would exceed two percent at any location
26 in the district, the election to adopt a sales and use tax under
27 this chapter has no effect.

1 Sec. 3923.204. BONDS AND OTHER OBLIGATIONS. (a) The
2 district may issue, by public or private sale, bonds, notes, or
3 other obligations payable wholly or partly from ad valorem taxes,
4 sales and use taxes, or assessments in the manner provided by
5 Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local
6 Government Code.

7 (b) In exercising the district's borrowing power, the
8 district may issue a bond or other obligation in the form of a bond,
9 note, certificate of participation or other instrument evidencing a
10 proportionate interest in payments to be made by the district, or
11 other type of obligation.

12 (c) In addition to the sources of money described by
13 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
14 Government Code, district bonds may be secured and made payable
15 wholly or partly by a pledge of any part of the money the district
16 receives from improvement revenue or from any other source.

17 Sec. 3923.205. BOND MATURITY. Bonds may mature not more
18 than 40 years from their date of issue.

19 Sec. 3923.206. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
20 the time bonds or other obligations payable wholly or partly from ad
21 valorem taxes are issued:

22 (1) the board shall impose a continuing direct annual
23 ad valorem tax for each year that all or part of the bonds are
24 outstanding; and

25 (2) the district annually shall impose an ad valorem
26 tax on all taxable property in the district in an amount sufficient
27 to:

1 (A) pay the interest on the bonds or other
2 obligations as the interest becomes due; and

3 (B) create a sinking fund for the payment of the
4 principal of the bonds or other obligations when due or the
5 redemption price at any earlier required redemption date.

6 SUBCHAPTER F. DISSOLUTION

7 Sec. 3923.251. DISSOLUTION BY CITY ORDINANCE. (a) The city
8 by ordinance may dissolve the district.

9 (b) The city may not dissolve the district until the
10 district's outstanding debt or contractual obligations that are
11 payable from ad valorem taxes have been repaid or discharged, or the
12 city has affirmatively assumed the obligation to pay the
13 outstanding debt from city revenue.

14 Sec. 3923.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

15 (a) If the dissolved district has bonds or other obligations
16 outstanding secured by and payable from assessments or other
17 revenue, other than ad valorem taxes, the city shall succeed to the
18 rights and obligations of the district regarding enforcement and
19 collection of the assessments or other revenue.

20 (b) The city shall have and exercise all district powers to
21 enforce and collect the assessments or other revenue to pay:

22 (1) the bonds or other obligations when due and
23 payable according to their terms; or

24 (2) special revenue or assessment bonds or other
25 obligations issued by the city to refund the outstanding bonds or
26 obligations.

27 Sec. 3923.253. CONCURRENCE ON ADDITIONAL POWERS. If the

1 legislature grants the district a power that is in addition to the
2 powers approved by the initial resolution of the governing body of
3 the city consenting to the creation of the district, the district
4 may not exercise that power unless the governing body of the city
5 consents to that change by resolution.

6 Sec. 3923.254. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
7 After the city dissolves the district, the city assumes, subject to
8 the appropriation and availability of funds, the obligations of the
9 district, including any bonds or other debt payable from
10 assessments or other district revenue.

11 (b) If the city dissolves the district, the board shall
12 transfer ownership of all district property to the city.

13 SECTION 2. The East Houston Management District initially
14 includes all the territory contained in the following area:

15 The described area is +/- 2,438 acres (3.81 sq. miles) in size and
16 is centered on Market Street and N. Wayside Drive in East Houston.
17 The area is generally bounded by N. McCarty St., Amtrak Rail Spur
18 and MNCW Railway on the east, Clinton Dr. & Greater East End
19 District on the south, Southern Pacific Railway on the west and
20 Wallisville Rd. on the north.

21 Beginning at a point where the right-of-way (ROW) centerline of
22 Wallisville Road intersects with the ROW centerline of N. McCarty
23 St. then southwest and south along ROW centerline of N. McCarty
24 St. to a point west of northwest corner of 12.85 acre tract (ABST 8
25 J BROWN TR 15);

26 Then east along north boundary of said 12.85 acre tract, 0.8562 acre
27 tract (GLENDALÉ TR 25A-1), and 6.8903 acre tract (GLENDALÉ TRS

1 25C-2 & 29D & 29H) to west easement of HB&T rail spur;
2 Then generally southeast and south along west easement of HB&T rail
3 spur and east boundary of 2.644 acre tract (GLENDALE TR 29B),
4 12.3965 acre tract (GLENDALE TRS 25C 29 29D & 33A), 8.0352 acre
5 tract (GLENDALE TRS 33D), and 0.6528 acre tract (GLENDALE TRS 33C &
6 33E) to south ROW of Munn St.;

7 Then west along south ROW of Munn St. to northeast corner of 0.1148
8 acre parcel (PORT HOUSTON NS LT 8 BLK 36);

9 Then south along east boundary of said 0.1148 acre parcel, and east
10 boundary of PORT HOUSTON NS Subdivision to southeast corner of
11 0.8035 acre parcel (PORT HOUSTON NS LTS 6 THRU 11 & TRS 5B & 12B BLK
12 61);

13 Then west along south boundary of said 0.8035 acre parcel to a point
14 north of northeast corner of 0.1148 acre parcel (PORT HOUSTON NS TR
15 R20 BLK 62);

16 Then south across ROW of Tuffly St., and along east boundary of
17 0.1148 acre parcel (PORT HOUSTON NS TR R20 BLK 62), and east
18 boundary of PORT HOUSTON NS TR R20 BLK 67, TR R20 BLK 68, TR R20 BLK
19 73, TR R20 BLK 74, TR R20 BLK 80, TR R20 BLK 81 and TR R20 BLK 84 to
20 south easement of a HB&T railway;

21 Then southeast and east along south easement of HB&T railway to ROW
22 centerline of Interstate Hwy 610 E;

23 Then south along ROW centerline of Interstate Hwy 610 E to ROW
24 centerline of Clinton Dr. and coincident boundary line of Greater
25 East End District (East End Boundary);

26 Then northwest along ROW centerline of Clinton Dr. and East End
27 Boundary to west ROW of Dorsett St.;

1 Then north along west ROW of Dorsett St. and East End Boundary to
2 south ROW of Tilgham St.;

3 Then west along south ROW of Tilgham St. and East End Boundary to
4 east ROW of Labco St.;

5 Then north along east ROW of Labco St. and East End Boundary to
6 south ROW of Market St.;

7 Then generally east along south ROW of Market St. and East End
8 Boundary to east ROW of Dorsett St.;

9 Then north along east ROW of Dorsett St. and East End Boundary to
10 ROW centerline of Lyons Ave.;

11 Then west along ROW centerline of Lyons Ave. and East End Boundary
12 to ROW centerline of Crown St.;

13 Then south along ROW centerline of Crown St. and East End Boundary
14 to ROW centerline of Market St.;

15 Then generally east along ROW centerline of Market St. and East End
16 Boundary to west ROW of N. Wayside Dr./US 90-A Hwy West
17 (southbound);

18 Then south across ROW of N. Wayside Dr. and along East End Boundary
19 line to north easement of Amtrak Railway;

20 Then northwest along north easement of Amtrak Railway and East End
21 Boundary line to ROW centerline of Clinton Dr.;

22 Then generally west and west northwest along ROW centerline of
23 Clinton Dr. and East End Boundary line to east ROW of Lockwood Dr.;

24 Then north along east ROW of Lockwood Dr. to south easement
25 Southern Pacific Railway;

26 Then east southeast along south easement of Southern Pacific
27 Railway to a point northeast of northeast corner of 1.0752 acre

1 parcel (GOLDEN TEX RES A) and railway split;
2 Then generally northeast and north along east easement of Southern
3 Pacific Railway to ROW centerline of Wallisville Road;
4 Then east and east northeast along ROW centerline of Wallisville
5 Road to west ROW of N. McCarty St. and beginning point of +/- 2,438
6 acre tract.

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

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

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

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

25 (e) All requirements of the constitution and laws of this
26 state and the rules and procedures of the legislature with respect
27 to the notice, introduction, and passage of this Act have been

1 fulfilled and accomplished.

2 SECTION 4. This Act takes effect immediately if it receives
3 a vote of two-thirds of all the members elected to each house, as
4 provided by Section 39, Article III, Texas Constitution. If this
5 Act does not receive the vote necessary for immediate effect, this
6 Act takes effect September 1, 2015.

ADOPTED

MAY 21 2015

Leta Spaw
Secretary of the Senate

Sponsor: Garcia

By: Hernandez

H.B. No. 2100

Substitute the following for H.B. No. 2100:

By: ~~*Eduardo Garcia*~~ West

C.S. H.B. No. 2100

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the creation of the East Houston 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 3923 to read as follows:

8 CHAPTER 3923. EAST HOUSTON MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3923.001. 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 East Houston Management
16 District.

17 Sec. 3923.002. CREATION AND NATURE OF DISTRICT. The
18 district is a special district created under Section 59, Article
19 XVI, Texas Constitution.

20 Sec. 3923.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
21 creation of the district is essential to accomplish the purposes of
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
23 Texas Constitution, and other public purposes stated in this
24 chapter. By creating the district and in authorizing the city and

1 other political subdivisions to contract with the district, the
2 legislature has established a program to accomplish the public
3 purposes set out in Section 52-a, Article III, Texas Constitution.

4 (b) The creation of the district is necessary to promote,
5 develop, encourage, and maintain employment, commerce,
6 transportation, housing, tourism, recreation, the arts,
7 entertainment, economic development, safety, and the public
8 welfare in the district.

9 (c) The district is created to supplement and not to
10 supplant city services provided in the district.

11 Sec. 3923.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
12 The district is created to serve a public use and benefit.

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

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

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

22 (2) eliminating unemployment and underemployment;

23 (3) developing or expanding transportation and
24 commerce; and

25 (4) providing quality residential housing.

26 (d) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, potential employees, employees, visitors,
2 and consumers in the district, and of the public;

3 (2) provide needed funding for the district to
4 preserve, maintain, and enhance the economic health and vitality of
5 the district territory as a residential community and business
6 center; and

7 (3) promote the health, safety, welfare, and enjoyment
8 of the public by providing pedestrian ways and by landscaping,
9 removing graffiti from, and developing certain areas in the
10 district, which are necessary for the restoration, preservation,
11 and enhancement of scenic beauty.

12 (e) Pedestrian ways along or across a street, whether at
13 grade or above or below the surface, and street lighting, street
14 landscaping, vehicle parking, and street art objects are parts of
15 and necessary components of a street and are considered to be an
16 improvement project that includes a street or road improvement.

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

20 Sec. 3923.005. DISTRICT TERRITORY. (a) The district is
21 initially composed of the territory described by Section 2 of the
22 Act enacting this chapter.

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

27 (1) organization, existence, or validity;

1 (2) right to issue any type of bond for the purposes
2 for which the district is created or to pay the principal of and
3 interest on a bond;

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

5 (4) legality or operation.

6 Sec. 3923.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

7 (a) All or any part of the area of the district is eligible to be
8 included in:

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

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

13 (3) an enterprise zone created under Chapter 2303,
14 Government Code; or

15 (4) an industrial district created under Chapter 42,
16 Local Government Code.

17 (b) If the city creates a tax increment reinvestment zone
18 described by Subsection (a), the city and the board of directors of
19 the zone, by contract with the district, may grant money deposited
20 in the tax increment fund to the district to be used by the district
21 for the purposes permitted for money granted to a corporation under
22 Section 380.002(b), Local Government Code, including the right to
23 pledge the money as security for any bonds issued by the district
24 for an improvement project. A project may not receive public funds
25 under Section 380.002(b), Local Government Code, unless the project
26 has been approved by the governing body of the city.

27 Sec. 3923.007. APPLICABILITY OF MUNICIPAL MANAGEMENT

1 DISTRICTS LAW. Except as otherwise provided by this chapter,
2 Chapter 375, Local Government Code, applies to the district.

3 Sec. 3923.008. CONSTRUCTION OF CHAPTER. This chapter shall
4 be liberally construed in conformity with the findings and purposes
5 stated in this chapter.

6 SUBCHAPTER B. BOARD OF DIRECTORS

7 Sec. 3923.051. GOVERNING BODY; TERMS. The district is
8 governed by a board of 11 directors who serve staggered terms of
9 four years, with 5 or 6 directors' terms expiring June 1 of each
10 odd-numbered year.

11 Sec. 3923.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY
12 CITY. To be qualified to serve as a director appointed by the
13 governing body of the city, a person must be:

14 (1) a resident of the district who is also a registered
15 voter of the district;

16 (2) an owner of stock or a partnership or membership
17 interest, whether beneficial or otherwise, of a corporate
18 partnership, limited liability company, or other entity owner of a
19 direct or indirect interest in property in the district; or

20 (3) an agent, employee, or tenant of a person
21 described by Subdivision (2).

22 Sec. 3923.053. APPOINTMENT OF DIRECTORS; COMPOSITION OF
23 BOARD. (a) The governing body of the city shall appoint directors
24 from persons recommended by the board.

25 (b) In making appointments under this section, the
26 governing body of the city shall ensure that:

27 (1) eight positions on the board are occupied by

1 persons described by Sections 3923.052(2) or (3); and

2 (2) three positions on the board are occupied by
3 persons described by Section 3923.052(1).

4 Sec. 3923.054. VACANCY. If a vacancy occurs on the board,
5 the remaining directors shall appoint a director for the remainder
6 of the unexpired term.

7 Sec. 3923.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
8 director shall file the director's oath or affirmation of office
9 with the district, and the district shall retain the oath or
10 affirmation in the district records.

11 (b) A director shall file a copy of the director's oath or
12 affirmation with the secretary of the city.

13 Sec. 3923.056. QUORUM. A vacant director position is not
14 counted for purposes of establishing a quorum.

15 Sec. 3923.057. OFFICERS. The board shall elect from among
16 the directors a chair, a vice chair, and a secretary. The offices
17 of chair and secretary may not be held by the same person.

18 Sec. 3923.058. COMPENSATION; EXPENSES. (a) The district
19 may compensate each director in an amount not to exceed \$50 for each
20 board meeting. The total amount of compensation a director may
21 receive each year may not exceed \$2,000.

22 (b) A director is entitled to reimbursement for necessary
23 and reasonable expenses incurred in carrying out the duties and
24 responsibilities of the board.

25 Sec. 3923.059. LIABILITY INSURANCE. The district may obtain
26 and pay for comprehensive general liability insurance coverage from
27 a commercial insurance company or other source that protects and

1 insures a director against personal liability and from all claims
2 relating to:

3 (1) actions taken by the director in the director's
4 capacity as a member of the board;

5 (2) actions and activities taken by the district; or

6 (3) the actions of others acting on behalf of the
7 district.

8 Sec. 3923.060. NO EXECUTIVE COMMITTEE. The board may not
9 create an executive committee to exercise the powers of the board.

10 Sec. 3923.061. BOARD MEETINGS. The board shall hold
11 meetings at a place accessible to the public.

12 Sec. 3923.062. INITIAL DIRECTORS. (a) The initial board
13 includes:

<u>Pos. No.</u>	<u>Name of Director</u>
14 <u>1</u>	<u>Terri Almendarez</u>
15 <u>2</u>	<u>Ana Gonzalez</u>
16 <u>3</u>	<u>Linda Andrade</u>
17 <u>4</u>	<u>Ernesto Cantu</u>
18 <u>5</u>	<u>Pedro Diaz</u>
19 <u>6</u>	<u>Joshua Santana</u>
20 <u>7</u>	<u>Bryan Gallagher</u>

21
22 (b) Not later than October 1, 2015, the governing body of
23 the city shall appoint four additional initial directors to the
24 board. Of the four initial directors appointed under this
25 subsection:

26 (1) one director must be a person described by Section
27 3923.052(1); and

1 (2) three directors must be persons described by
2 Section 3923.052(2) or (3).

3 (c) The terms of the initial directors expire June 1, 2017.

4 (d) Of the directors who replace an initial director, the
5 terms of directors serving in positions 1 through 6 expire June 1,
6 2019, and the terms of directors serving in positions 7 through 11
7 expire June 1, 2021.

8 (e) This section expires September 1, 2021.

9 SUBCHAPTER C. POWERS AND DUTIES

10 Sec. 3923.101. GENERAL POWERS AND DUTIES. The district has
11 the powers and duties necessary to accomplish the purposes for
12 which the district is created.

13 Sec. 3923.102. IMPROVEMENT PROJECTS AND SERVICES. The
14 district may provide, design, construct, acquire, improve,
15 relocate, operate, maintain, or finance an improvement project or
16 service using money available to the district, or contract with a
17 governmental or private entity to provide, design, construct,
18 acquire, improve, relocate, operate, maintain, or finance an
19 improvement project or service authorized under this chapter or
20 Chapter 375, Local Government Code.

21 Sec. 3923.103. LOCATION OF IMPROVEMENT PROJECT. An
22 improvement project described by Section 3923.102 may be located:

23 (1) in the district; or

24 (2) in an area outside but adjacent to the district if
25 the project is for the purpose of extending a public infrastructure
26 improvement beyond the district's boundaries to a logical terminus.

27 Sec. 3923.104. DEVELOPMENT CORPORATION POWERS. The

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

6 Sec. 3923.105. NONPROFIT CORPORATION. (a) The board by
7 resolution may authorize the creation of a nonprofit corporation to
8 assist and act for the district in implementing a project or
9 providing a service authorized by this chapter.

10 (b) The nonprofit corporation:

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

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

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

22 Sec. 3923.106. AGREEMENTS; GRANTS. (a) As provided by
23 Chapter 375, Local Government Code, the district may make an
24 agreement with or accept a gift, grant, or loan from any person.

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

1 Sec. 3923.107. LAW ENFORCEMENT SERVICES. To protect the
2 public interest, the district may contract with a qualified party,
3 including the county or the city, to provide law enforcement
4 services in the district for a fee.

5 Sec. 3923.108. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
6 district may join and pay dues to a charitable or nonprofit
7 organization that performs a service or provides an activity
8 consistent with the furtherance of a district purpose.

9 Sec. 3923.109. ECONOMIC DEVELOPMENT. (a) The district may
10 engage in activities that accomplish the economic development
11 purposes of the district.

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

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

17 (2) provide district personnel and services.

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

20 (1) Chapter 380, Local Government Code, provides to a
21 municipality; and

22 (2) Subchapter A, Chapter 1509, Government Code,
23 provides to a municipality.

24 Sec. 3923.110. NO EMINENT DOMAIN POWER. The district may
25 not exercise the power of eminent domain.

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

27 Sec. 3923.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The

1 board by resolution shall establish the number of signatures and
2 the procedure required for a disbursement or transfer of the
3 district's money.

4 Sec. 3923.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
5 The district may acquire, construct, finance, operate, or maintain
6 an improvement project or service authorized under this chapter or
7 Chapter 375, Local Government Code, using any money available to
8 the district.

9 Sec. 3923.153. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
10 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
11 secure the payment or repayment of any bond, note, or other
12 temporary or permanent obligation or reimbursement or other
13 contract with any person and the costs and expenses of the
14 establishment, administration, and operation of the district and
15 the district's costs or share of the costs or revenue of an
16 improvement project or district contractual obligation or
17 indebtedness by:

18 (1) the imposition of an ad valorem tax or sales and
19 use tax or an assessment, user fee, concession fee, or rental
20 charge; or

21 (2) any other revenue or resources of the district, or
22 other revenue authorized by the city, including revenues from a tax
23 increment reinvestment zone created by the city under applicable
24 law.

25 Sec. 3923.154. PETITION REQUIRED FOR FINANCING SERVICES AND
26 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
27 service or improvement project with assessments under this chapter

1 unless a written petition requesting that service or improvement
2 has been filed with the board.

3 (b) The petition must be signed by:

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

7 (2) at least 50 persons who own real property in the
8 district subject to assessment, if more than 50 persons own real
9 property in the district subject to assessment as determined by the
10 most recent certified tax appraisal roll for the county.

11 Sec. 3923.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
12 The board by resolution may impose and collect an assessment for any
13 purpose authorized by this chapter in all or any part of the
14 district.

15 (b) An assessment, a reassessment, or an assessment
16 resulting from an addition to or correction of the assessment roll
17 by the district, penalties and interest on an assessment or
18 reassessment, an expense of collection, and reasonable attorney's
19 fees incurred by the district:

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

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

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

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

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

9 Sec. 3923.156. STORM WATER USER CHARGES. The district may
10 establish user charges related to the operation of storm water
11 facilities, including the regulation of storm water for the
12 protection of water quality in the district.

13 Sec. 3923.157. NONPOTABLE WATER USER CHARGES. The district
14 may establish user charges for the use of nonpotable water for
15 irrigation purposes, subject to approval of the governing body of
16 the city.

17 Sec. 3923.158. COSTS FOR IMPROVEMENT PROJECTS. The
18 district may undertake separately or jointly with other persons,
19 including the city or county, all or part of the cost of an
20 improvement project, including an improvement project:

21 (1) for improving, enhancing, and supporting public
22 safety and security, fire protection and emergency medical
23 services, and law enforcement in or adjacent to the district; or

24 (2) that confers a general benefit on the entire
25 district or a special benefit on a definable part of the district.

26 Sec. 3923.159. TAX AND ASSESSMENT ABATEMENTS. The district
27 may designate reinvestment zones and may grant abatements of a tax

1 or assessment on property in the zones.

2 SUBCHAPTER E. TAXES AND BONDS

3 Sec. 3923.201. TAX ABATEMENT. The district may enter into a
4 tax abatement agreement in accordance with the general laws of this
5 state authorizing and applicable to a tax abatement agreement by a
6 municipality.

7 Sec. 3923.202. PROPERTY TAX AUTHORIZED. (a) The district
8 may impose an ad valorem tax on all taxable property in the district
9 to:

10 (1) pay for an improvement project of the types
11 authorized by Section 52(b), Article III, and Section 59, Article
12 XVI, Texas Constitution; or

13 (2) secure the payment of bonds issued for a purpose
14 described by Subdivision (1).

15 (b) The district may not impose an ad valorem tax to pay for
16 an improvement project under this chapter unless the imposition is
17 approved by the voters of the district voting at an election held
18 for that purpose. The board may call an election to approve the
19 imposition of an ad valorem tax to pay for an improvement project
20 under this chapter only if the board receives a petition requesting
21 the election signed by:

22 (1) more than 51 percent of the record owners of real
23 property in the district subject to taxation; or

24 (2) owners representing more than 51 percent of the
25 appraised value of real property in the district subject to
26 taxation, as determined by the tax rolls of the appraisal district.

27 Sec. 3923.203. SALES AND USE TAX. (a) The district may

1 impose a sales and use tax if authorized by a majority of the voters
2 of the district voting at an election called for that purpose.
3 Revenue from the tax may be used for any purpose for which ad
4 valorem tax revenue of the district may be used.

5 (b) The district may not adopt a sales and use tax if as a
6 result of the adoption of the tax the combined rate of all sales and
7 use taxes imposed by the district and other political subdivisions
8 of this state having territory in the district would exceed two
9 percent at any location in the district.

10 (c) If the voters of the district approve the adoption of
11 the tax at an election held on the same election date on which
12 another political subdivision adopts a sales and use tax or
13 approves an increase in the rate of its sales and use tax and as a
14 result the combined rate of all sales and use taxes imposed by the
15 district and other political subdivisions of this state having
16 territory in the district would exceed two percent at any location
17 in the district, the election to adopt a sales and use tax under
18 this chapter has no effect.

19 Sec. 3923.204. BONDS AND OTHER OBLIGATIONS. (a) The
20 district may issue, by public or private sale, bonds, notes, or
21 other obligations payable wholly or partly from ad valorem taxes,
22 sales and use taxes, or assessments in the manner provided by
23 Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local
24 Government Code.

25 (b) In exercising the district's borrowing power, the
26 district may issue a bond or other obligation in the form of a bond,
27 note, certificate of participation or other instrument evidencing a

1 proportionate interest in payments to be made by the district, or
2 other type of obligation.

3 (c) In addition to the sources of money described by
4 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
5 Government Code, district bonds may be secured and made payable
6 wholly or partly by a pledge of any part of the money the district
7 receives from improvement revenue or from any other source.

8 Sec. 3923.205. BOND MATURITY. Bonds may mature not more
9 than 40 years from their date of issue.

10 Sec. 3923.206. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
11 the time bonds or other obligations payable wholly or partly from ad
12 valorem taxes are issued:

13 (1) the board shall impose a continuing direct annual
14 ad valorem tax for each year that all or part of the bonds are
15 outstanding; and

16 (2) the district annually shall impose an ad valorem
17 tax on all taxable property in the district in an amount sufficient
18 to:

19 (A) pay the interest on the bonds or other
20 obligations as the interest becomes due; and

21 (B) create a sinking fund for the payment of the
22 principal of the bonds or other obligations when due or the
23 redemption price at any earlier required redemption date.

24 SUBCHAPTER F. DISSOLUTION

25 Sec. 3923.251. DISSOLUTION BY CITY ORDINANCE. (a) The city
26 by ordinance may dissolve the district.

27 (b) The city may not dissolve the district until the

1 district's outstanding debt or contractual obligations that are
2 payable from ad valorem taxes have been repaid or discharged, or the
3 city has affirmatively assumed the obligation to pay the
4 outstanding debt from city revenue.

5 Sec. 3923.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

6 (a) If the dissolved district has bonds or other obligations
7 outstanding secured by and payable from assessments or other
8 revenue, other than ad valorem taxes, the city shall succeed to the
9 rights and obligations of the district regarding enforcement and
10 collection of the assessments or other revenue.

11 (b) The city shall have and exercise all district powers to
12 enforce and collect the assessments or other revenue to pay:

13 (1) the bonds or other obligations when due and
14 payable according to their terms; or

15 (2) special revenue or assessment bonds or other
16 obligations issued by the city to refund the outstanding bonds or
17 obligations.

18 Sec. 3923.253. CONCURRENCE ON ADDITIONAL POWERS. If the
19 legislature grants the district a power that is in addition to the
20 powers approved by the initial resolution of the governing body of
21 the city consenting to the creation of the district, the district
22 may not exercise that power unless the governing body of the city
23 consents to that change by resolution.

24 Sec. 3923.254. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
25 After the city dissolves the district, the city assumes, subject to
26 the appropriation and availability of funds, the obligations of the
27 district, including any bonds or other debt payable from

1 assessments or other district revenue.

2 (b) If the city dissolves the district, the board shall
3 transfer ownership of all district property to the city.

4 SECTION 2. The East Houston Management District initially
5 includes all the territory contained in the following area:

6 The described area is +/- 2,438 acres (3.81 sq. miles) in size and
7 is centered on Market Street and N. Wayside Drive in East Houston.

8 The area is generally bounded by N. McCarty St., Amtrak Rail Spur
9 and MNCW Railway on the east, Clinton Dr. & Greater East End

10 District on the south, Southern Pacific Railway on the west and
11 Wallisville Rd. on the north.

12 Beginning at a point where the right-of-way (ROW) centerline of
13 Wallisville Road intersects with the ROW centerline of N. McCarty
14 St. then southwest and south along ROW centerline of N. McCarty
15 St. to a point west of northwest corner of 12.85 acre tract (ABST 8
16 J BROWN TR 15);

17 Then east along north boundary of said 12.85 acre tract, 0.8562 acre
18 tract (GLENDALE TR 25A-1), and 6.8903 acre tract (GLENDALE TRS
19 25C-2 & 29D & 29H) to west easement of HB&T rail spur;

20 Then generally southeast and south along west easement of HB&T rail
21 spur and east boundary of 2.644 acre tract (GLENDALE TR 29B),
22 12.3965 acre tract (GLENDALE TRS 25C 29 29D & 33A), 8.0352 acre
23 tract (GLENDALE TRS 33D), and 0.6528 acre tract (GLENDALE TRS 33C &
24 33E) to south ROW of Munn St.;

25 Then west along south ROW of Munn St. to northeast corner of 0.1148
26 acre parcel (PORT HOUSTON NS LT 8 BLK 36);

27 Then south along east boundary of said 0.1148 acre parcel, and east

1 boundary of PORT HOUSTON NS Subdivision to southeast corner of
2 0.8035 acre parcel (PORT HOUSTON NS LTS 6 THRU 11 & TRS 5B & 12B BLK
3 61);
4 Then west along south boundary of said 0.8035 acre parcel to a point
5 north of northeast corner of 0.1148 acre parcel (PORT HOUSTON NS TR
6 R20 BLK 62);
7 Then south across ROW of Tuffly St., and along east boundary of
8 0.1148 acre parcel (PORT HOUSTON NS TR R20 BLK 62), and east
9 boundary of PORT HOUSTON NS TR R20 BLK 67, TR R20 BLK 68, TR R20 BLK
10 73, TR R20 BLK 74, TR R20 BLK 80, TR R20 BLK 81 and TR R20 BLK 84 to
11 south easement of a HB&T railway;
12 Then southeast and east along south easement of HB&T railway to ROW
13 centerline of Interstate Hwy 610 E;
14 Then south along ROW centerline of Interstate Hwy 610 E to ROW
15 centerline of Clinton Dr. and coincident boundary line of Greater
16 East End District (East End Boundary);
17 Then northwest along ROW centerline of Clinton Dr. and East End
18 Boundary to west ROW of Dorsett St.;
19 Then north along west ROW of Dorsett St. and East End Boundary to
20 south ROW of Tilgham St.;
21 Then west along south ROW of Tilgham St. and East End Boundary to
22 east ROW of Labco St.;
23 Then north along east ROW of Labco St. and East End Boundary to
24 south ROW of Market St.;
25 Then generally east along south ROW of Market St. and East End
26 Boundary to east ROW of Dorsett St.;
27 Then north along east ROW of Dorsett St. and East End Boundary to

1 ROW centerline of Lyons Ave. ;
2 Then west along ROW centerline of Lyons Ave. and East End Boundary
3 to ROW centerline of Crown St. ;
4 Then south along ROW centerline of Crown St. and East End Boundary
5 to ROW centerline of Market St. ;
6 Then generally east along ROW centerline of Market St. and East End
7 Boundary to west ROW of N. Wayside Dr./US 90-A Hwy West
8 (southbound) ;
9 Then south across ROW of N. Wayside Dr. and along East End Boundary
10 line to north easement of Amtrak Railway ;
11 Then northwest along north easement of Amtrak Railway and East End
12 Boundary line to ROW centerline of Clinton Dr. ;
13 Then generally west and west northwest along ROW centerline of
14 Clinton Dr. and East End Boundary line to east ROW of Lockwood Dr. ;
15 Then north along east ROW of Lockwood Dr. to south easement
16 Southern Pacific Railway ;
17 Then east southeast along south easement of Southern Pacific
18 Railway to a point northeast of northeast corner of 1.0752 acre
19 parcel (GOLDEN TEX RES A) and railway split ;
20 Then generally northeast and north along east easement of Southern
21 Pacific Railway to ROW centerline of Wallisville Road ;
22 Then east and east northeast along ROW centerline of Wallisville
23 Road to west ROW of N. McCarty St. and beginning point of +/- 2,438
24 acre tract .

25 SECTION 3. (a) The legal notice of the intention to
26 introduce this Act, setting forth the general substance of this
27 Act, has been published as provided by law, and the notice and a

1 copy of this Act have been furnished to all persons, agencies,
2 officials, or entities to which they are required to be furnished
3 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
4 Government Code.

5 (b) The governor, one of the required recipients, has
6 submitted the notice and Act to the Texas Commission on
7 Environmental Quality.

8 (c) The Texas Commission on Environmental Quality has filed
9 its recommendations relating to this Act with the governor,
10 lieutenant governor, and speaker of the house of representatives
11 within the required time.

12 (d) The general law relating to consent by political
13 subdivisions to the creation of districts with conservation,
14 reclamation, and road powers and the inclusion of land in those
15 districts has been complied with.

16 (e) All requirements of the constitution and laws of this
17 state and the rules and procedures of the legislature with respect
18 to the notice, introduction, and passage of this Act have been
19 fulfilled and accomplished.

20 SECTION 4. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2015.

ADOPTED

MAY 21 2015

Katay Spaw
Secretary of the Senate

FLOOR AMENDMENT NO. 1

BY:

Elyse H. Guice

1 Amend C.S.H.B. No. 2100 (senate committee report) in SECTION
2 1 of the bill, by striking added Section 3923.154(b), Special
3 District Local Laws Code (page 5, lines 47 through 54), and
4 substituting the following:

5 (b) The petition must be signed by the owners of a majority
6 of the assessed value of real property in the district subject to
7 assessment according to the most recent certified tax appraisal
8 roll for the county.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 21, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2100 by Hernandez (Relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, KK, KVe, EK

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 13, 2015

TO: Honorable Kelly Hancock, Chair, Senate Committee on Administration

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2100 by Hernandez (relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, KK, KVe, EK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 12, 2015

TO: Honorable Kelly Hancock, Chair, Senate Committee on Administration

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2100 by Hernandez (Relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Engrossed**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, KK, KVe, EK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 29, 2015

TO: Honorable Doug Miller, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2100 by Hernandez (Relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, KVe, EK

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 10, 2015

TO: Honorable Doug Miller, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2100 by Hernandez (Relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies:

LBB Staff: UP, KVe, EK

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

84TH LEGISLATIVE REGULAR SESSION

April 30, 2015

TO: Honorable Doug Miller, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2100 by Hernandez (Relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **Committee Report 1st House, Substituted**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TPWD) and the Texas Commission on Environmental Quality (TCEQ) has determined that:

No Water Development Policy Impact Statement will be prepared for this bill under the provisions of Texas Constitution, Article 16, Section 59(d) as this bill does not create a conservation and reclamation district.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

84TH LEGISLATIVE REGULAR SESSION

April 14, 2015

TO: Honorable Doug Miller, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2100 by Hernandez (Relating to the creation of the East Houston Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TPWD) and the Texas Commission on Environmental Quality (TCEQ) has determined that:

No Water Development Policy Impact Statement will be prepared for this bill under the provisions of Texas Constitution, Article 16, Section 59(d) as this bill does not create a conservation and reclamation district.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ