

## **BILL ANALYSIS**

Senate Research Center  
85R10736 SMT-F

S.B. 2271  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Port Neches Improvement District (district) is a 44-acre tract of land in Port Neches, Texas, located on the banks of the Neches River and owned by the City of Port Neches. The city purchased this property as a brownfield redevelopment site in 2001 with the intent to turn it into a family attraction and as a means to diversify its tax base. The developer, Michael Bolin of White Bolin, intends to develop the district as a waterfront river walk with restaurants, shops, movie theatres, a marina, and a hotel.

The improvement district lies wholly within the Port Neches city limits. The district has to obtain the city's approval over most of its actions. The district will levy an ad valorem tax only within the district, and it will not generate revenue from a sales and use tax. The district also has limited eminent domain power and will have the ability to issue bonds.

The Port Neches Improvement District is governed by a board of directors of seven persons, each appointed by the City Council of Port Neches, who will serve staggered terms.

The district has the following improvement powers: road building, bulkheads, parking garages, row beautification and improvement, lighting, banners, signs, sidewalks, and others. Additionally, it has the ability to improve storm water, wastewater, and water facilities.

As proposed, S.B. 2271 amends current law relating to the creation of Port Neches Improvement District, provides authority to issue bonds, and provides authority to impose assessments, fees, or taxes.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

**SECTION 1.** Amends Subtitle C, Title 4, Special District Local Laws Code, by adding Chapter 3956, as follows:

#### **CHAPTER 3956. PORT NECHES IMPROVEMENT DISTRICT**

Sets forth standard language for the creation of the Port Neches Improvement District (district) in Jefferson County. Sets forth standards, procedures, requirements, and criteria for:

Creation, purpose, intent, and approval of the district (Sections 3956.001-3956.050);

Size, appointment, election requirement, compensation of the board of directors of the district, including provisions related to initial voting directors (Sections 3956.051-3956.100);

Powers and duties of the district (Sections 3956.101-3956.150); and

General financial provisions and authority to impose a tax and issue bonds, including taxes and bonds relating to designated areas (Sections 3956.151-3956.206).

Prohibits the district from exercising the power of eminent domain.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2017.