

By: Davis of Dallas

H.B. No. 4750

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation of the Trinity Municipal Management
3 District; providing authority to issue bonds; providing authority
4 to impose assessments and fees.

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 3989 to read as follows:

8 CHAPTER 3989. TRINITY MUNICIPAL MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3989.0101. DEFINITIONS. In this chapter:

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

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

13 (3) "Commission" means the Texas Commission on
14 Environmental Quality.

15 (4) "County" means Dallas County.

16 (5) "Director" means a board member.

17 (6) "District" means the Trinity Municipal Management
18 District.

19 Sec. 3989.0102. NATURE OF DISTRICT. The Trinity Municipal
20 Management District is a special district created under Section 59,
21 Article XVI, Texas Constitution.

22 Sec. 3989.0103. PURPOSE; DECLARATION OF INTENT. (a) The
23 creation of the district is essential to accomplish the purposes of
24 Sections 52 and 52-a, Article III, and Section 59, Article XVI,

1 Texas Constitution, and other public purposes stated in this
2 chapter.

3 (b) By creating the district and in authorizing the city and
4 other political subdivisions to contract with the district, the
5 legislature has established a program to accomplish the public
6 purposes set out in Section 52-a, Article III, Texas Constitution.

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

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

18 Sec. 3989.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

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

24 (b) The district is created to serve a public use and
25 benefit.

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

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

3 (2) eliminating unemployment and underemployment;

4 (3) developing or expanding transportation and
5 commerce;

6 (4) eliminating homelessness and establishing a means
7 to address related social, medical, or mental health needs; and

8 (5) preventing dislocation of residents and providing
9 affordable housing.

10 (d) The district will:

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

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

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

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

26 (f) The district will not act as the agent or
27 instrumentality of any private interest even though the district

1 will benefit many private interests as well as the public.

2 Sec. 3989.0105. INITIAL DISTRICT TERRITORY. The district
3 is initially composed of the territory described by Section 2 of the
4 Act enacting this chapter.

5 Sec. 3989.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

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

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

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

12 (3) an enterprise zone created under Chapter 2303,
13 Government Code.

14 (b) If the city creates a tax increment reinvestment zone
15 described by Subsection (a), the city and the board of directors of
16 the zone, by contract with the district, may grant money deposited
17 in the tax increment fund to the district to be used by the district
18 for the purposes permitted for money granted to a corporation under
19 Section 380.002(b), Local Government Code, including the right to
20 pledge the money as security for any bonds issued by the district
21 for an improvement project.

22 Sec. 3989.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT
23 DISTRICTS LAW. Except as otherwise provided by this chapter,
24 Chapter 375, Local Government Code, applies to the district.

25 Sec. 3989.0108. CONSTRUCTION OF CHAPTER. This chapter
26 shall be liberally construed in conformity with the findings and
27 purposes stated in this chapter.

1 SUBCHAPTER B. BOARD OF DIRECTORS

2 Sec. 3989.0201. BOARD OF DIRECTORS; TERMS. The district is
3 governed by a board of five directors who serve staggered terms of
4 four years, with two or three directors' terms expiring on June 1st
5 of each even-numbered year.

6 Sec. 3989.0202. APPOINTMENT OF BOARD. Directors are
7 appointed by the mayor of the city.

8 Sec. 3989.0203. INITIAL DIRECTORS. (a) Notwithstanding
9 Sections 3989.0201 and 3989.0202, the initial board consists of the
10 14 elected representatives serving on the city council of the city
11 on the effective date of the Act enacting this chapter. The initial
12 directors serve until the earlier of:

13 (1) June 1, 2020; or

14 (2) the date directors are appointed for new districts
15 created by a division of the district under Subchapter F.

16 (b) Notwithstanding Section 3989.0201, the mayor shall
17 designate two directors who succeed initial directors under
18 Subsection (a)(1) to serve two-year terms.

19 SUBCHAPTER C. POWERS AND DUTIES

20 Sec. 3989.0301. GENERAL POWERS AND DUTIES. (a) The
21 district has the powers and duties necessary to accomplish the
22 purposes for which the district is created.

23 (b) The district shall adopt a comprehensive plan for
24 accomplishing the purposes of the district.

25 Sec. 3989.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The
26 district, using any money available to the district for the
27 purpose, may provide, design, construct, acquire, improve,

1 relocate, operate, maintain, or finance an improvement project or
2 service authorized under this chapter or Chapter 375, Local
3 Government Code.

4 (b) The district may contract with a governmental or private
5 entity to carry out an action under Subsection (a).

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

9 Sec. 3989.0303. NONPROFIT CORPORATION. (a) The board by
10 resolution may authorize the creation of a nonprofit corporation to
11 assist and act for the district in implementing a project or
12 providing a service authorized by this chapter.

13 (b) The nonprofit corporation:

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

17 (2) may implement any project and provide any service
18 authorized by this chapter.

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

25 Sec. 3989.0304. LAW ENFORCEMENT SERVICES. To protect the
26 public interest, the district may contract with a qualified party,
27 including the county or the city, to provide law enforcement

1 services in the district for a fee.

2 Sec. 3989.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.

3 The district may join and pay dues to a charitable or nonprofit
4 organization that performs a service or provides an activity
5 consistent with the furtherance of a district purpose.

6 Sec. 3989.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
7 district may engage in activities that accomplish the economic
8 development purposes of the district.

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

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

14 (2) provide district personnel and services.

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

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

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

20 Sec. 3989.0307. PARKING FACILITIES. (a) The district may
21 acquire, lease as lessor or lessee, construct, develop, own,
22 operate, and maintain parking facilities or a system of parking
23 facilities, including lots, garages, parking terminals, or other
24 structures or accommodations for parking motor vehicles off the
25 streets and related appurtenances.

26 (b) The district's parking facilities serve the public
27 purposes of the district and are owned, used, and held for a public

1 purpose even if leased or operated by a private entity for a term of
2 years.

3 (c) The district's parking facilities are parts of and
4 necessary components of a street and are considered to be a street
5 or road improvement.

6 (d) The development and operation of the district's parking
7 facilities may be considered an economic development program.

8 Sec. 3989.0308. ADDING OR EXCLUDING LAND. The district may
9 add or exclude land in the manner provided by Subchapter J, Chapter
10 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

11 Sec. 3989.0309. DISBURSEMENTS AND TRANSFERS OF MONEY. The
12 board by resolution shall establish the number of directors'
13 signatures and the procedure required for a disbursement or
14 transfer of district money.

15 Sec. 3989.0310. PUBLIC IMPROVEMENT DISTRICT POWERS. The
16 district has the powers provided by Chapter 372, Local Government
17 Code, to a municipality or county.

18 Sec. 3989.0311. RATES, FEES, AND CHARGES. The district may
19 establish, revise, repeal, enforce, and collect rates, fees, and
20 charges for the enjoyment, sale, rental, or other use of:

- 21 (1) an improvement project;
22 (2) a product resulting from an improvement project;
23 or
24 (3) another district facility, service, or property.

25 Sec. 3989.0312. BOARD DETERMINATION REQUIRED. The district
26 may not undertake an improvement project unless the board
27 determines the project is necessary to accomplish a public purpose

1 of the district.

2 Sec. 3989.0313. LOCATION OF IMPROVEMENT PROJECT. An
3 improvement project may be located or provide service inside or
4 outside the district.

5 Sec. 3989.0314. CITY REQUIREMENTS. An improvement project
6 in the district must comply with any applicable requirements of the
7 city, including codes and ordinances, unless specifically waived or
8 superseded by agreement with the city.

9 Sec. 3989.0315. RULES AND REGULATIONS. Notwithstanding any
10 other law, with the approval of the city as provided by a resolution
11 or ordinance, the district may:

12 (1) establish rules and regulations governing zoning
13 and land use in the district; and

14 (2) establish rules and regulations to promote the use
15 of historically underutilized businesses for the provision of goods
16 and services in the district.

17 Sec. 3989.0316. ENFORCEMENT OF REAL PROPERTY RESTRICTIONS.
18 The district may enforce a real property restriction in the manner
19 provided by Section 54.237, Water Code, if, in the reasonable
20 judgment of the board, the enforcement of the restriction is
21 necessary.

22 Sec. 3989.0317. PROPERTY OF CERTAIN UTILITIES EXEMPT FROM
23 ASSESSMENTS AND FEES. The district may not impose an assessment,
24 impact fee, or standby fee on the property, including the
25 equipment, rights-of-way, easements, facilities, or improvements,
26 of:

27 (1) an electric utility or a power generation company

1 as defined by Section 31.002, Utilities Code;

2 (2) a gas utility, as defined by Section 101.003 or
3 121.001, Utilities Code, or a person who owns pipelines used for the
4 transportation or sale of oil or gas or a product or constituent of
5 oil or gas;

6 (3) a person who owns pipelines used for the
7 transportation or sale of carbon dioxide;

8 (4) a telecommunications provider as defined by
9 Section 51.002, Utilities Code; or

10 (5) a cable service provider or video service provider
11 as defined by Section 66.002, Utilities Code.

12 Sec. 3989.0318. NO AD VALOREM TAX. The district may not
13 impose an ad valorem tax.

14 Sec. 3989.0319. NO TOLL ROADS. The district may not
15 construct, acquire, maintain, or operate a toll road.

16 Sec. 3989.0320. NO EMINENT DOMAIN POWER. The district may
17 not exercise the power of eminent domain.

18 SUBCHAPTER D. ASSESSMENTS

19 Sec. 3989.0401. PETITION REQUIRED FOR FINANCING SERVICES
20 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
21 service or improvement project with assessments under this chapter
22 unless a written petition requesting that service or improvement
23 has been filed with the board.

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

1 Sec. 3989.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)

2 The board by resolution may impose and collect an assessment for any
3 purpose authorized by this chapter in all or any part of the
4 district.

5 (b) An assessment, a reassessment, or an assessment
6 resulting from an addition to or correction of the assessment roll
7 by the district, penalties and interest on an assessment or
8 reassessment, an expense of collection, and reasonable attorney's
9 fees incurred by the district:

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

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

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

18 (c) The lien is effective from the date of the board's
19 resolution imposing the assessment until the date the assessment is
20 paid. The board may enforce the lien in the same manner that the
21 board would enforce an ad valorem tax lien against real property if
22 the board were authorized to impose an ad valorem tax.

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

27 Sec. 3989.0403. RESIDENTIAL PROPERTY NOT EXEMPT. Sections

1 375.161 and 375.164, Local Government Code, do not apply to the
2 district.

3 Sec. 3989.0404. COLLECTION OF ASSESSMENTS. The district
4 may contract as provided by Chapter 791, Government Code, with the
5 commissioners court of the county for the assessment and collection
6 of assessments imposed under this subchapter.

7 SUBCHAPTER E. BONDS

8 Sec. 3989.0501. AUTHORITY TO BORROW MONEY AND TO ISSUE
9 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on
10 terms determined by the board.

11 (b) The district may issue, by public or private sale,
12 bonds, notes, or other obligations payable wholly or partly from
13 assessments, impact fees, revenue, contract payments, grants, or
14 other district money, or any combination of those sources of money,
15 to pay for any authorized district purpose.

16 (c) The district may issue, by public or private sale,
17 bonds, notes, or other obligations payable wholly or partly from
18 assessments in the manner provided by Subchapter A, Chapter 372,
19 Local Government Code, if the improvement financed by an obligation
20 issued under this section will be conveyed to or operated and
21 maintained by a municipality or other retail utility provider
22 pursuant to an agreement with the district entered into before the
23 issuance of the obligation.

24 SUBCHAPTER F. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

25 Sec. 3989.0601. DIVISION OF DISTRICT; PREREQUISITES. The
26 district may be divided into two or more new districts.

27 Sec. 3989.0602. LAW APPLICABLE TO NEW DISTRICT. This

1 chapter applies to any new district created by division of the
2 district, and a new district has all the powers and duties of the
3 district.

4 Sec. 3989.0603. LIMITATION ON AREA OF NEW DISTRICT. A new
5 district created by the division of the district may not, at the
6 time the new district is created, contain any land outside the area
7 described by Section 2 of the Act enacting this chapter.

8 Sec. 3989.0604. DIVISION PROCEDURES. (a) The board may
9 adopt an order dividing the district.

10 (b) An order dividing the district must:

11 (1) name each new district;

12 (2) include a description of the territory of each new
13 district;

14 (3) include the names of directors for each new
15 district appointed by the mayor of the city; and

16 (4) provide for the division of assets and liabilities
17 between the new districts.

18 (c) Not later than the 30th day after the date the board
19 adopts an order dividing the district into two or more new
20 districts, the mayor of the city shall appoint directors for each
21 new district. The mayor shall designate two directors appointed
22 under this subsection to serve two-year terms.

23 (d) On or before the 30th day after the date of adoption of
24 an order dividing the district, the district shall file the order
25 with the commission and record the order in the real property
26 records of each county in which the district is located.

SUBCHAPTER I. DISSOLUTION

Sec. 3989.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 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 by the district according to the most recent certified county property tax rolls.

(b) The board by majority vote may dissolve the district at any time.

(c) The district may not be dissolved by its board under Subsection (a) or (b) if the district:

(1) has any outstanding bonded indebtedness until that bonded indebtedness has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the bonds;

(2) has a contractual obligation to pay money until that obligation has been fully paid in accordance with the contract; or

(3) owns, operates, or maintains public works, facilities, or improvements unless the district contracts with another person for the ownership, operation, or maintenance of the public works, facilities, or improvements.

(d) Sections [375.261](#), [375.262](#), and [375.264](#), Local

1 Government Code, do not apply to the district.

2 (e) The city is not liable for district debts or obligations
3 following dissolution under this subchapter.

4 SECTION 2. The Trinity Municipal Management District
5 initially includes all the territory that, as of the effective date
6 of this Act, is:

7 (1) in the corporate limits of Dallas, Texas; and

8 (2) included in a population census tract that is:

9 (A) a qualified opportunity zone as defined by
10 Section 1400Z-1, Internal Revenue Code of 1986; and

11 (B) designated an opportunity zone by the
12 governor.

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

20 (b) The governor, one of the required recipients, has
21 submitted the notice and Act to the Texas Commission on
22 Environmental Quality.

23 (c) The Texas Commission on Environmental Quality has filed
24 its recommendations relating to this Act with the governor,
25 lieutenant governor, and speaker of the house of representatives
26 within the required time.

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

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

4 SECTION 4. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2019.