

By: Burrows

H.B. No. 4579

A BILL TO BE ENTITLED

AN ACT

relating to the powers, duties, and bond authority of the Lubbock Reese Redevelopment Authority; providing authority to impose a fee.

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

SECTION 1. Section 3501.001, Special District Local Laws Code, is amended by adding Subdivision (4) to read as follows:

(4) "Bond" means an interest-bearing obligation issued by the authority under this chapter, including a bond, certificate, note, or other evidence of indebtedness.

SECTION 2. Section 3501.003(a), Special District Local Laws Code, is amended to read as follows:

(a) The purpose of the authority is to:

(1) undertake projects necessary or incidental to the industrial, commercial, or business development, redevelopment, maintenance, and expansion of new and existing businesses on the property, now or formerly known as Reese Air Force Base, described in Section 3501.002(a), including the acquisition, construction, operation, maintenance, enhancement, or disposal of:

(A) [~~(1)~~] roads, bridges, and rights-of-way;

(B) [~~(2)~~] housing;

(C) [~~(3)~~] property;

(D) [~~(4)~~] police, fire, medical, cultural, educational, and research services, equipment, institutions, and resources;

- 1                    (E) [~~5~~] other community support services;
- 2                    (F) [~~6~~] flood control, water, wastewater
- 3 treatment, and all other utility facilities; and
- 4                    (G) [~~7~~] other infrastructure improvements;
- 5                    (2) encourage the development of new industry by
- 6 private businesses; and
- 7                    (3) encourage financing of projects designated under
- 8 Section 3501.1024.

9                    SECTION 3. Section [3501.004](#), Special District Local Laws

10 Code, is amended to read as follows:

11                    Sec. 3501.004. EXEMPTION FROM TAXATION. (a) The property,

12 [~~revenue, and~~] income, and operations of the authority are exempt

13 from taxes [a tax] imposed by the state or a political subdivision

14 of the state.

15                    (b) Section [25.07](#)(a), Tax Code, applies to a leasehold or

16 other possessory interest in real property granted by the authority

17 for a project designated under Section 3501.1024(a) in the same

18 manner as it applies to a leasehold or other possessory interest in

19 real property constituting a project described by Section

20 [505.161](#)(a), Local Government Code.

21                    (c) A commercial aircraft to be used as an instrument of

22 commerce that is under construction in the authority is presumed to

23 be in interstate, international, or foreign commerce and not

24 located in this state for longer than a temporary period for

25 purposes of Sections [11.01](#) and [21.02](#), Tax Code.

26                    (d) Tangible personal property located in the authority is

27 presumed to be in interstate, international, or foreign commerce

1 and not located in this state for longer than a temporary period for  
2 purposes of Sections 11.01 and 21.02, Tax Code, if the owner  
3 demonstrates to the chief appraiser for the appraisal district in  
4 which the authority is located that the owner intends to  
5 incorporate the property into or attach the property to a  
6 commercial aircraft described by Subsection (c).

7 (e) In this section, "commercial aircraft" means an  
8 aircraft that is designed to be used as described by Section  
9 21.05(e), Tax Code.

10 SECTION 4. Subchapter A, Chapter 3501, Special District  
11 Local Laws Code, is amended by adding Section 3501.005 to read as  
12 follows:

13 Sec. 3501.005. APPLICATION OF OTHER LAW. (a) In this  
14 section, "qualifying project" means any real estate project  
15 involving the construction of:

16 (1) a tenant finish-out or build-to-suit facility for  
17 a tenant who, through the execution of a lease with the authority,  
18 pays for or reimburses the authority for the cost of the  
19 improvements;

20 (2) infrastructure improvements including roads,  
21 driveways, or utility extensions made in connection with the sale  
22 or lease of property owned by the authority and for which the  
23 proceeds of the sale or the lease are used to reimburse the  
24 authority for the infrastructure improvements; or

25 (3) an income-producing facility that generates  
26 revenue for the authority and is constructed by a private developer  
27 with special expertise in development.

1        (b) Chapters 2267 and 2269, Government Code, do not apply to  
2 a qualifying project of the authority.

3        SECTION 5. Subchapter B, Chapter 3501, Special District  
4 Local Laws Code, is amended by adding Section 3501.056 to read as  
5 follows:

6        Sec. 3501.056. HEARINGS BY TELECOMMUNICATION DEVICE. (a)  
7 Notwithstanding Chapter 551, Government Code, or other law, if the  
8 president or vice president of the board, or chairperson or vice  
9 chairperson of a board committee, is physically present at a  
10 meeting of the board or committee, any number of the other members  
11 of the board or committee may attend the meeting by use of telephone  
12 conference call, video conference call, or other similar  
13 telecommunication device. A member of the board or committee who  
14 attends a meeting via a telecommunication device is considered  
15 present for purposes of constituting a quorum, voting, and any  
16 other form of participation in the board or committee meeting. This  
17 subsection applies regardless of the subject of the meeting or  
18 topics considered at the meeting.

19        (b) If the board or committee of the board holds a meeting  
20 using a telecommunication device in the manner provided by  
21 Subsection (a):

22                (1) the meeting is subject to the notice requirements  
23 for other meetings;

24                (2) the board or committee must specify in the notice  
25 the location of the meeting at which the president, vice president,  
26 chairperson, or vice chairperson will be physically present;

27                (3) the board or committee must make the meeting open

1 and audible to the public at the location specified under  
2 Subdivision (2); and

3 (4) the board or committee must provide two-way audio  
4 communication between board or committee members attending the  
5 meeting and, if the two-way audio communication link with a member  
6 is disrupted, stop the meeting until the link is reestablished.

7 SECTION 6. Section [3501.102\(b\)](#), Special District Local Laws  
8 Code, is amended to read as follows:

9 (b) The authority may exercise, on approval by and in  
10 coordination with the governor, any power necessary or convenient  
11 to accomplish a purpose of this chapter, including the power to:

12 (1) sue and be sued, and plead and be impleaded, in its  
13 own name;

14 (2) adopt an official seal;

15 (3) adopt and enforce bylaws and rules for the conduct  
16 of its affairs;

17 (4) acquire, hold, own, and dispose of its revenue,  
18 income, receipts, and money from any source;

19 (5) select its depository;

20 (6) establish its fiscal year;

21 (7) adopt an annual operating budget for all major  
22 expenditures before the beginning of the fiscal year;

23 (8) establish a system of accounts for the authority;

24 (9) invest its money in accordance with Chapter [2256](#),  
25 Government Code;

26 (10) acquire, hold, own, use, rent, lease, or dispose  
27 of any property, including a license, patent, right, right-of-way,

1 easement, and other interest in property, by purchase, exchange,  
2 gift, assignment, condemnation, lease, sale, or any other means, to  
3 perform a duty or to exercise a power under this chapter;

4 (11) manage, operate, or improve that property, to  
5 perform a duty or to exercise a power under this chapter;

6 (12) sell, assign, lease, encumber, mortgage, or  
7 otherwise dispose of any base property, or any interest in that  
8 property, release or relinquish any right, title, claim, lien,  
9 interest, easement, or demand, however acquired, and,  
10 notwithstanding any other law, conduct any transaction authorized  
11 by this subdivision by public or private sale;

12 (13) lease or rent any land, buildings, structures, or  
13 facilities located on the base property to any person to accomplish  
14 the purposes of this chapter;

15 (14) request and accept any appropriation, grant,  
16 allocation, subsidy, guarantee, aid, service, labor, material,  
17 gift, or money from any source, including the federal government,  
18 the state, a public agency, and a political subdivision;

19 (15) maintain an office;

20 (16) appoint and determine the duties, tenure,  
21 qualifications, compensation, and removal of officers, employees,  
22 agents, professional advisors, and counselors, including financial  
23 consultants, accountants, attorneys, architects, engineers,  
24 appraisers, and financing experts, as considered necessary or  
25 advisable by the board;

26 (17) borrow money as necessary to acquire, improve, or  
27 operate a facility on the base property, not to exceed the amount

1 determined by the board [~~governing body of the City of Lubbock~~];

2 (18) establish, impose, and collect rents, rates,  
3 fees, and charges for its facilities and services; [~~and~~]

4 (19) exercise the powers Chapter 380, Local Government  
5 Code, grants to a municipality for expansion of economic  
6 development and commercial activity;

7 (20) lend money for a purpose authorized by Section  
8 52-a, Article III, Texas Constitution;

9 (21) authorize by resolution the incorporation of a  
10 nonprofit airport facility financing corporation in the manner  
11 provided by Subchapter E, Chapter 22, Transportation Code, for the  
12 purposes provided by Section 22.152(a), Transportation Code;

13 (22) exercise the powers granted to a local government  
14 for the financing of facilities to be located on airport property,  
15 including powers granted by Chapter 22, Transportation Code,  
16 consistent with the requirements and the purposes of Section 52-a,  
17 Article III, Texas Constitution;

18 (23) lease, own, and operate an airport and exercise  
19 the powers granted to municipalities and counties by Chapter 22,  
20 Transportation Code;

21 (24) lease, own, and operate port facilities for air,  
22 truck, and rail transportation;

23 (25) provide security for port functions, facilities,  
24 and operations;

25 (26) cooperate with and participate in programs and  
26 security efforts of this state and the United States Department of  
27 Homeland Security; and

1           (27) participate as a member or partner of a limited  
2 liability company, a limited liability partnership, or other entity  
3 organized to finance a project designated as a redevelopment  
4 project under Section 3501.1024.

5           SECTION 7. Subchapter C, Chapter 3501, Special District  
6 Local Laws Code, is amended by adding Sections 3501.1021,  
7 3501.1022, 3501.1023, and 3501.1024 to read as follows:

8           Sec. 3501.1021. INLAND PORT AND TRADE POWERS. (a) The  
9 authority may establish and operate an inland port and related port  
10 facilities to engage in world trade.

11           (b) The authority may participate in national and  
12 international agreements advancing world trade at the port.

13           Sec. 3501.1022. SERVICES. The authority may charge a fee  
14 for a service including:

15           (1) professional consultation services provided in  
16 relation to international trade, planning, land use, or  
17 construction;

18           (2) real estate development services, including  
19 services provided by a person licensed under Chapter 1101,  
20 Occupations Code, acting as a broker;

21           (3) support or participation in the acquisition of  
22 venture capital to finance the authority's redevelopment project,  
23 both inside and outside the authority;

24           (4) participation in or assistance on a joint venture  
25 composed of both public and private entities;

26           (5) promotion of an activity that creates employment  
27 opportunities; and



1           (6) any other service provided in relation to a  
2 project undertaken by the authority, alone or with others, to  
3 fulfill an authority purpose or objective.

4           Sec. 3501.1023. TRANSPORTATION PROJECT. (a) The authority  
5 may implement a transportation project:

6                   (1) on the base property; or

7                   (2) outside of the base property to provide access to  
8 the base property.

9           (b) The authority may enter into an agreement with a person  
10 to plan, finance, construct, or maintain a project described by  
11 Subsection (a).

12           (c) The authority may construct a building, loading dock, or  
13 other facility as part of a transportation project described by  
14 Subsection (a)(1).

15           Sec. 3501.1024. REDEVELOPMENT PROJECTS. (a) The board may  
16 designate as a redevelopment project a project that relates to:

17                   (1) the development of base property and the  
18 surrounding areas; or

19                   (2) the development of property directly related to  
20 the purposes or goals of the authority.

21           (b) A project designated under Subsection (a) is for a  
22 public purpose.

23           SECTION 8. Section 3501.106, Special District Local Laws  
24 Code, is amended to read as follows:

25           Sec. 3501.106. [~~REVENUE~~] BONDS. (a) The authority may  
26 issue [~~for any authority purpose~~] bonds if authorized by board  
27 resolution.

1           (b) A bond issued under this chapter must:

2                   (1) be [~~or other obligations~~] payable solely from [~~any~~  
3 ~~source of~~] authority revenue;

4                   (2) mature not later than 40 years after its date of  
5 issuance; and

6                   (3) state on its face that it is not an obligation of  
7 this state or a municipality.

8           (c) The authority may exercise the powers granted to the  
9 governing body of an issuer with regard to the issuance of  
10 obligations and the execution of credit agreements under Chapter  
11 1371, Government Code [~~issue a bond or other obligation in the form~~  
12 ~~of a bond, note, certificate of participation or other instrument~~  
13 ~~evidencing a proportionate interest in payments to be made by the~~  
14 ~~authority, or other type of obligation].~~

15           SECTION 9. (a) The legal notice of the intention to  
16 introduce this Act, setting forth the general substance of this  
17 Act, has been published as provided by law, and the notice and a  
18 copy of this Act have been furnished to all persons, agencies,  
19 officials, or entities to which they are required to be furnished  
20 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
21 Government Code.

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

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

1 within the required time.

2 (d) All requirements of the constitution and laws of this  
3 state and the rules and procedures of the legislature with respect  
4 to the notice, introduction, and passage of this Act have been  
5 fulfilled and accomplished.

6 SECTION 10. This Act takes effect September 1, 2021.