

1-1 By: Jackson, Ellis S.C.R. No. 59
1-2 (In the Senate - Filed April 14, 2009; April 15, 2009, read
1-3 first time and referred to Committee on Jurisprudence;
1-4 May 13, 2009, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 4, Nays 0; May 13, 2009,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.C.R. No. 59 By: Hinojosa

1-8 SENATE CONCURRENT RESOLUTION

1-9 WHEREAS, MBP Corp. alleges that:

1-10 (1) in May 1990, the Board of Trustees of the Galveston
1-11 Wharves entered into a lease and development agreement with The
1-12 Woodlands Corporation;

1-13 (2) in January 1993, The Woodlands Corporation
1-14 assigned all of its rights, title, and interest in the lease to
1-15 Strand Harborside Joint Venture, a Texas joint venture of The
1-16 Woodlands Corporation and MBP Corp.;

1-17 (3) in January 1994, The Woodlands Corporation
1-18 assigned all of its interest in the joint venture to MBP Corp.,
1-19 effectively dissolving the joint venture, and leaving MBP Corp. as
1-20 the successor in interest to the lease;

1-21 (4) under the terms of the lease, MBP Corp., as
1-22 successor in interest to the lease, would develop tourist-related
1-23 facilities at its own cost within a time frame dictated by the Board
1-24 of Trustees of the Galveston Wharves while paying rent to the board
1-25 for the property, and on termination of the lease, all developments
1-26 made by MBP Corp. would be owned by the Board of Trustees of the
1-27 Galveston Wharves;

1-28 (5) the property affected by the lease includes the
1-29 rooftop of the Mallory Building, also known as the Galveston Cruise
1-30 Ship Terminal, and the aerial rights above the Mallory Building;

1-31 (6) in 1999 and in 2003, the Board of Trustees of the
1-32 Galveston Wharves and MBP Corp. negotiated amendments to the lease
1-33 agreement;

1-34 (7) the parties have a dispute over the lease;

1-35 (8) in addition, other disputes have developed between
1-36 MBP Corp. and the Board of Trustees of the Galveston Wharves over
1-37 the lease;

1-38 (9) MBP Corp. seeks legislative approval to file suit
1-39 in order to resolve any and all disputes between the parties
1-40 regarding the lease; now, therefore, be it

1-41 RESOLVED by the Legislature of the State of Texas, That MBP
1-42 Corp. is granted permission to sue the Board of Trustees of the
1-43 Galveston Wharves subject to Chapter 107, Civil Practice and
1-44 Remedies Code; and, be it further

1-45 RESOLVED, That the Chairman of the Board of Trustees of the
1-46 Galveston Wharves be served process as provided by Subdivision (3),
1-47 Subsection (a), Section 107.002, Civil Practice and Remedies Code.

1-48 * * * * *