

1-1 By: Hernandez (Senate Sponsor - Garcia) H.B. No. 2100
 1-2 (In the Senate - Received from the House May 11, 2015;
 1-3 May 11, 2015, read first time and referred to Committee on
 1-4 Administration; May 13, 2015, reported adversely, with favorable
 1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
 1-6 May 13, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8 Hancock	X			
1-9 Uresti	X			
1-10 Campbell	X			
1-11 Eltife			X	
1-12 Huffines	X			
1-13 Schwertner			X	
1-14 West	X			

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 2100 By: West

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the creation of the East Houston Management District;
 1-20 providing authority to issue bonds; providing authority to impose
 1-21 assessments, fees, or taxes.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Subtitle C, Title 4, Special District Local Laws
 1-24 Code, is amended by adding Chapter 3923 to read as follows:

1-25 CHAPTER 3923. EAST HOUSTON MANAGEMENT DISTRICT
 1-26 SUBCHAPTER A. GENERAL PROVISIONS

1-27 Sec. 3923.001. DEFINITIONS. In this chapter:

- 1-28 (1) "Board" means the district's board of directors.
- 1-29 (2) "City" means the City of Houston.
- 1-30 (3) "County" means Harris County.
- 1-31 (4) "Director" means a board member.
- 1-32 (5) "District" means the East Houston Management

1-33 District.

1-34 Sec. 3923.002. CREATION AND NATURE OF DISTRICT. The
 1-35 district is a special district created under Section 59, Article
 1-36 XVI, Texas Constitution.

1-37 Sec. 3923.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
 1-38 creation of the district is essential to accomplish the purposes of
 1-39 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
 1-40 Texas Constitution, and other public purposes stated in this
 1-41 chapter. By creating the district and in authorizing the city and
 1-42 other political subdivisions to contract with the district, the
 1-43 legislature has established a program to accomplish the public
 1-44 purposes set out in Section 52-a, Article III, Texas Constitution.

1-45 (b) The creation of the district is necessary to promote,
 1-46 develop, encourage, and maintain employment, commerce,
 1-47 transportation, housing, tourism, recreation, the arts,
 1-48 entertainment, economic development, safety, and the public
 1-49 welfare in the district.

1-50 (c) The district is created to supplement and not to
 1-51 supplant city services provided in the district.

1-52 Sec. 3923.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
 1-53 The district is created to serve a public use and benefit.

1-54 (b) All land and other property included in the district
 1-55 will benefit from the improvements and services to be provided by
 1-56 the district under powers conferred by Sections 52 and 52-a,
 1-57 Article III, and Section 59, Article XVI, Texas Constitution, and
 1-58 other powers granted under this chapter.

1-59 (c) The creation of the district is in the public interest
 1-60 and is essential to further the public purposes of:

2-1 (1) developing and diversifying the economy of the
2-2 state;
2-3 (2) eliminating unemployment and underemployment;
2-4 (3) developing or expanding transportation and
2-5 commerce; and
2-6 (4) providing quality residential housing.

2-7 (d) The district will:
2-8 (1) promote the health, safety, and general welfare of
2-9 residents, employers, potential employees, employees, visitors,
2-10 and consumers in the district, and of the public;

2-11 (2) provide needed funding for the district to
2-12 preserve, maintain, and enhance the economic health and vitality of
2-13 the district territory as a residential community and business
2-14 center; and

2-15 (3) promote the health, safety, welfare, and enjoyment
2-16 of the public by providing pedestrian ways and by landscaping,
2-17 removing graffiti from, and developing certain areas in the
2-18 district, which are necessary for the restoration, preservation,
2-19 and enhancement of scenic beauty.

2-20 (e) Pedestrian ways along or across a street, whether at
2-21 grade or above or below the surface, and street lighting, street
2-22 landscaping, vehicle parking, and street art objects are parts of
2-23 and necessary components of a street and are considered to be an
2-24 improvement project that includes a street or road improvement.

2-25 (f) The district will not act as the agent or
2-26 instrumentality of any private interest even though the district
2-27 will benefit many private interests as well as the public.

2-28 Sec. 3923.005. DISTRICT TERRITORY. (a) The district is
2-29 initially composed of the territory described by Section 2 of the
2-30 Act enacting this chapter.

2-31 (b) The boundaries and field notes contained in Section 2 of
2-32 the Act enacting this chapter form a closure. A mistake in the
2-33 field notes or in copying the field notes in the legislative process
2-34 does not affect the district's:

2-35 (1) organization, existence, or validity;

2-36 (2) right to issue any type of bond for the purposes
2-37 for which the district is created or to pay the principal of and
2-38 interest on a bond;

2-39 (3) right to impose or collect an assessment or tax; or

2-40 (4) legality or operation.

2-41 Sec. 3923.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

2-42 (a) All or any part of the area of the district is eligible to be
2-43 included in:

2-44 (1) a tax increment reinvestment zone created under
2-45 Chapter 311, Tax Code;

2-46 (2) a tax abatement reinvestment zone created under
2-47 Chapter 312, Tax Code;

2-48 (3) an enterprise zone created under Chapter 2303,
2-49 Government Code; or

2-50 (4) an industrial district created under Chapter 42,
2-51 Local Government Code.

2-52 (b) If the city creates a tax increment reinvestment zone
2-53 described by Subsection (a), the city and the board of directors of
2-54 the zone, by contract with the district, may grant money deposited
2-55 in the tax increment fund to the district to be used by the district
2-56 for the purposes permitted for money granted to a corporation under
2-57 Section 380.002(b), Local Government Code, including the right to
2-58 pledge the money as security for any bonds issued by the district
2-59 for an improvement project. A project may not receive public funds
2-60 under Section 380.002(b), Local Government Code, unless the project
2-61 has been approved by the governing body of the city.

2-62 Sec. 3923.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-63 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-64 Chapter 375, Local Government Code, applies to the district.

2-65 Sec. 3923.008. CONSTRUCTION OF CHAPTER. This chapter shall
2-66 be liberally construed in conformity with the findings and purposes
2-67 stated in this chapter.

2-68 SUBCHAPTER B. BOARD OF DIRECTORS
2-69 Sec. 3923.051. GOVERNING BODY; TERMS. The district is

3-1 governed by a board of 11 directors who serve staggered terms of
3-2 four years, with 5 or 6 directors' terms expiring June 1 of each
3-3 odd-numbered year.

3-4 Sec. 3923.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY
3-5 CITY. To be qualified to serve as a director appointed by the
3-6 governing body of the city, a person must be:

3-7 (1) a resident of the district who is also a registered
3-8 voter of the district;

3-9 (2) an owner of stock or a partnership or membership
3-10 interest, whether beneficial or otherwise, of a corporate
3-11 partnership, limited liability company, or other entity owner of a
3-12 direct or indirect interest in property in the district; or

3-13 (3) an agent, employee, or tenant of a person
3-14 described by Subdivision (2).

3-15 Sec. 3923.053. APPOINTMENT OF DIRECTORS; COMPOSITION OF
3-16 BOARD. (a) The governing body of the city shall appoint directors
3-17 from persons recommended by the board.

3-18 (b) In making appointments under this section, the
3-19 governing body of the city shall ensure that:

3-20 (1) eight positions on the board are occupied by
3-21 persons described by Sections 3923.052(2) or (3); and

3-22 (2) three positions on the board are occupied by
3-23 persons described by Section 3923.052(1).

3-24 Sec. 3923.054. VACANCY. If a vacancy occurs on the board,
3-25 the remaining directors shall appoint a director for the remainder
3-26 of the unexpired term.

3-27 Sec. 3923.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A
3-28 director shall file the director's oath or affirmation of office
3-29 with the district, and the district shall retain the oath or
3-30 affirmation in the district records.

3-31 (b) A director shall file a copy of the director's oath or
3-32 affirmation with the secretary of the city.

3-33 Sec. 3923.056. QUORUM. A vacant director position is not
3-34 counted for purposes of establishing a quorum.

3-35 Sec. 3923.057. OFFICERS. The board shall elect from among
3-36 the directors a chair, a vice chair, and a secretary. The offices
3-37 of chair and secretary may not be held by the same person.

3-38 Sec. 3923.058. COMPENSATION; EXPENSES. (a) The district
3-39 may compensate each director in an amount not to exceed \$50 for each
3-40 board meeting. The total amount of compensation a director may
3-41 receive each year may not exceed \$2,000.

3-42 (b) A director is entitled to reimbursement for necessary
3-43 and reasonable expenses incurred in carrying out the duties and
3-44 responsibilities of the board.

3-45 Sec. 3923.059. LIABILITY INSURANCE. The district may obtain
3-46 and pay for comprehensive general liability insurance coverage from
3-47 a commercial insurance company or other source that protects and
3-48 insures a director against personal liability and from all claims
3-49 relating to:

3-50 (1) actions taken by the director in the director's
3-51 capacity as a member of the board;

3-52 (2) actions and activities taken by the district; or

3-53 (3) the actions of others acting on behalf of the
3-54 district.

3-55 Sec. 3923.060. NO EXECUTIVE COMMITTEE. The board may not
3-56 create an executive committee to exercise the powers of the board.

3-57 Sec. 3923.061. BOARD MEETINGS. The board shall hold
3-58 meetings at a place accessible to the public.

3-59 Sec. 3923.062. INITIAL DIRECTORS. (a) The initial board
3-60 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>

3-61 (b) Not later than October 1, 2015, the governing body of

4-1 the city shall appoint four additional initial directors to the
4-2 board. Of the four initial directors appointed under this
4-3 subsection:

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

4-6 (2) three directors must be persons described by
4-7 Section 3923.052(2) or (3).

4-8 (c) The terms of the initial directors expire June 1, 2017.

4-9 (d) Of the directors who replace an initial director, the
4-10 terms of directors serving in positions 1 through 6 expire June 1,
4-11 2019, and the terms of directors serving in positions 7 through 11
4-12 expire June 1, 2021.

4-13 (e) This section expires September 1, 2021.

4-14 SUBCHAPTER C. POWERS AND DUTIES

4-15 Sec. 3923.101. GENERAL POWERS AND DUTIES. The district has
4-16 the powers and duties necessary to accomplish the purposes for
4-17 which the district is created.

4-18 Sec. 3923.102. IMPROVEMENT PROJECTS AND SERVICES. The
4-19 district may provide, design, construct, acquire, improve,
4-20 relocate, operate, maintain, or finance an improvement project or
4-21 service using money available to the district, or contract with a
4-22 governmental or private entity to provide, design, construct,
4-23 acquire, improve, relocate, operate, maintain, or finance an
4-24 improvement project or service authorized under this chapter or
4-25 Chapter 375, Local Government Code.

4-26 Sec. 3923.103. LOCATION OF IMPROVEMENT PROJECT. An
4-27 improvement project described by Section 3923.102 may be located:

4-28 (1) in the district; or

4-29 (2) in an area outside but adjacent to the district if
4-30 the project is for the purpose of extending a public infrastructure
4-31 improvement beyond the district's boundaries to a logical terminus.

4-32 Sec. 3923.104. DEVELOPMENT CORPORATION POWERS. The
4-33 district, using money available to the district, may exercise the
4-34 powers given to a development corporation under Chapter 505, Local
4-35 Government Code, including the power to own, operate, acquire,
4-36 construct, lease, improve, or maintain a project under that
4-37 chapter.

4-38 Sec. 3923.105. NONPROFIT CORPORATION. (a) The board by
4-39 resolution may authorize the creation of a nonprofit corporation to
4-40 assist and act for the district in implementing a project or
4-41 providing a service authorized by this chapter.

4-42 (b) The nonprofit corporation:

4-43 (1) has each power of and is considered to be a local
4-44 government corporation created under Subchapter D, Chapter 431,
4-45 Transportation Code; and

4-46 (2) may implement any project and provide any service
4-47 authorized by this chapter.

4-48 (c) The board shall appoint the board of directors of the
4-49 nonprofit corporation. The board of directors of the nonprofit
4-50 corporation shall serve in the same manner as the board of directors
4-51 of a local government corporation created under Subchapter D,
4-52 Chapter 431, Transportation Code, except that a board member is not
4-53 required to reside in the district.

4-54 Sec. 3923.106. AGREEMENTS; GRANTS. (a) As provided by
4-55 Chapter 375, Local Government Code, the district may make an
4-56 agreement with or accept a gift, grant, or loan from any person.

4-57 (b) The implementation of a project is a governmental
4-58 function or service for the purposes of Chapter 791, Government
4-59 Code.

4-60 Sec. 3923.107. LAW ENFORCEMENT SERVICES. To protect the
4-61 public interest, the district may contract with a qualified party,
4-62 including the county or the city, to provide law enforcement
4-63 services in the district for a fee.

4-64 Sec. 3923.108. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
4-65 district may join and pay dues to a charitable or nonprofit
4-66 organization that performs a service or provides an activity
4-67 consistent with the furtherance of a district purpose.

4-68 Sec. 3923.109. ECONOMIC DEVELOPMENT. (a) The district may
4-69 engage in activities that accomplish the economic development

5-1 purposes of the district.
5-2 (b) The district may establish and provide for the
5-3 administration of one or more programs to promote state or local
5-4 economic development and to stimulate business and commercial
5-5 activity in the district, including programs to:
5-6 (1) make loans and grants of public money; and
5-7 (2) provide district personnel and services.
5-8 (c) The district may create economic development programs
5-9 and exercise the economic development powers that:
5-10 (1) Chapter 380, Local Government Code, provides to a
5-11 municipality; and
5-12 (2) Subchapter A, Chapter 1509, Government Code,
5-13 provides to a municipality.
5-14 Sec. 3923.110. NO EMINENT DOMAIN POWER. The district may
5-15 not exercise the power of eminent domain.
5-16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS
5-17 Sec. 3923.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The
5-18 board by resolution shall establish the number of signatures and
5-19 the procedure required for a disbursement or transfer of the
5-20 district's money.
5-21 Sec. 3923.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.
5-22 The district may acquire, construct, finance, operate, or maintain
5-23 an improvement project or service authorized under this chapter or
5-24 Chapter 375, Local Government Code, using any money available to
5-25 the district.
5-26 Sec. 3923.153. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
5-27 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
5-28 secure the payment or repayment of any bond, note, or other
5-29 temporary or permanent obligation or reimbursement or other
5-30 contract with any person and the costs and expenses of the
5-31 establishment, administration, and operation of the district and
5-32 the district's costs or share of the costs or revenue of an
5-33 improvement project or district contractual obligation or
5-34 indebtedness by:
5-35 (1) the imposition of an ad valorem tax or sales and
5-36 use tax or an assessment, user fee, concession fee, or rental
5-37 charge; or
5-38 (2) any other revenue or resources of the district, or
5-39 other revenue authorized by the city, including revenues from a tax
5-40 increment reinvestment zone created by the city under applicable
5-41 law.
5-42 Sec. 3923.154. PETITION REQUIRED FOR FINANCING SERVICES AND
5-43 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
5-44 service or improvement project with assessments under this chapter
5-45 unless a written petition requesting that service or improvement
5-46 has been filed with the board.
5-47 (b) The petition must be signed by:
5-48 (1) the owners of a majority of the assessed value of
5-49 real property in the district subject to assessment according to
5-50 the most recent certified tax appraisal roll for the county; or
5-51 (2) at least 50 persons who own real property in the
5-52 district subject to assessment, if more than 50 persons own real
5-53 property in the district subject to assessment as determined by the
5-54 most recent certified tax appraisal roll for the county.
5-55 Sec. 3923.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
5-56 The board by resolution may impose and collect an assessment for any
5-57 purpose authorized by this chapter in all or any part of the
5-58 district.
5-59 (b) An assessment, a reassessment, or an assessment
5-60 resulting from an addition to or correction of the assessment roll
5-61 by the district, penalties and interest on an assessment or
5-62 reassessment, an expense of collection, and reasonable attorney's
5-63 fees incurred by the district:
5-64 (1) are a first and prior lien against the property
5-65 assessed;
5-66 (2) are superior to any other lien or claim other than
5-67 a lien or claim for county, school district, or municipal ad valorem
5-68 taxes; and
5-69 (3) are the personal liability of and a charge against

6-1 the owners of the property even if the owners are not named in the
6-2 assessment proceedings.

6-3 (c) The lien is effective from the date of the board's
6-4 resolution imposing the assessment until the date the assessment is
6-5 paid. The board may enforce the lien in the same manner that the
6-6 board may enforce an ad valorem tax lien against real property.

6-7 (d) The board may make a correction to or deletion from the
6-8 assessment roll that does not increase the amount of assessment of
6-9 any parcel of land without providing notice and holding a hearing in
6-10 the manner required for additional assessments.

6-11 Sec. 3923.156. STORM WATER USER CHARGES. The district may
6-12 establish user charges related to the operation of storm water
6-13 facilities, including the regulation of storm water for the
6-14 protection of water quality in the district.

6-15 Sec. 3923.157. NONPOTABLE WATER USER CHARGES. The district
6-16 may establish user charges for the use of nonpotable water for
6-17 irrigation purposes, subject to approval of the governing body of
6-18 the city.

6-19 Sec. 3923.158. COSTS FOR IMPROVEMENT PROJECTS. The
6-20 district may undertake separately or jointly with other persons,
6-21 including the city or county, all or part of the cost of an
6-22 improvement project, including an improvement project:

6-23 (1) for improving, enhancing, and supporting public
6-24 safety and security, fire protection and emergency medical
6-25 services, and law enforcement in or adjacent to the district; or

6-26 (2) that confers a general benefit on the entire
6-27 district or a special benefit on a definable part of the district.

6-28 Sec. 3923.159. TAX AND ASSESSMENT ABATEMENTS. The district
6-29 may designate reinvestment zones and may grant abatements of a tax
6-30 or assessment on property in the zones.

6-31 SUBCHAPTER E. TAXES AND BONDS

6-32 Sec. 3923.201. TAX ABATEMENT. The district may enter into a
6-33 tax abatement agreement in accordance with the general laws of this
6-34 state authorizing and applicable to a tax abatement agreement by a
6-35 municipality.

6-36 Sec. 3923.202. PROPERTY TAX AUTHORIZED. (a) The district
6-37 may impose an ad valorem tax on all taxable property in the district
6-38 to:

6-39 (1) pay for an improvement project of the types
6-40 authorized by Section 52(b), Article III, and Section 59, Article
6-41 XVI, Texas Constitution; or

6-42 (2) secure the payment of bonds issued for a purpose
6-43 described by Subdivision (1).

6-44 (b) The district may not impose an ad valorem tax to pay for
6-45 an improvement project under this chapter unless the imposition is
6-46 approved by the voters of the district voting at an election held
6-47 for that purpose. The board may call an election to approve the
6-48 imposition of an ad valorem tax to pay for an improvement project
6-49 under this chapter only if the board receives a petition requesting
6-50 the election signed by:

6-51 (1) more than 51 percent of the record owners of real
6-52 property in the district subject to taxation; or

6-53 (2) owners representing more than 51 percent of the
6-54 appraised value of real property in the district subject to
6-55 taxation, as determined by the tax rolls of the appraisal district.

6-56 Sec. 3923.203. SALES AND USE TAX. (a) The district may
6-57 impose a sales and use tax if authorized by a majority of the voters
6-58 of the district voting at an election called for that purpose.
6-59 Revenue from the tax may be used for any purpose for which ad
6-60 valorem tax revenue of the district may be used.

6-61 (b) The district may not adopt a sales and use tax if as a
6-62 result of the adoption of the tax the combined rate of all sales and
6-63 use taxes imposed by the district and other political subdivisions
6-64 of this state having territory in the district would exceed two
6-65 percent at any location in the district.

6-66 (c) If the voters of the district approve the adoption of
6-67 the tax at an election held on the same election date on which
6-68 another political subdivision adopts a sales and use tax or
6-69 approves an increase in the rate of its sales and use tax and as a

7-1 result the combined rate of all sales and use taxes imposed by the
 7-2 district and other political subdivisions of this state having
 7-3 territory in the district would exceed two percent at any location
 7-4 in the district, the election to adopt a sales and use tax under
 7-5 this chapter has no effect.

7-6 Sec. 3923.204. BONDS AND OTHER OBLIGATIONS. (a) The
 7-7 district may issue, by public or private sale, bonds, notes, or
 7-8 other obligations payable wholly or partly from ad valorem taxes,
 7-9 sales and use taxes, or assessments in the manner provided by
 7-10 Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local
 7-11 Government Code.

7-12 (b) In exercising the district's borrowing power, the
 7-13 district may issue a bond or other obligation in the form of a bond,
 7-14 note, certificate of participation or other instrument evidencing a
 7-15 proportionate interest in payments to be made by the district, or
 7-16 other type of obligation.

7-17 (c) In addition to the sources of money described by
 7-18 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
 7-19 Government Code, district bonds may be secured and made payable
 7-20 wholly or partly by a pledge of any part of the money the district
 7-21 receives from improvement revenue or from any other source.

7-22 Sec. 3923.205. BOND MATURITY. Bonds may mature not more
 7-23 than 40 years from their date of issue.

7-24 Sec. 3923.206. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
 7-25 the time bonds or other obligations payable wholly or partly from ad
 7-26 valorem taxes are issued:

7-27 (1) the board shall impose a continuing direct annual
 7-28 ad valorem tax for each year that all or part of the bonds are
 7-29 outstanding; and

7-30 (2) the district annually shall impose an ad valorem
 7-31 tax on all taxable property in the district in an amount sufficient
 7-32 to:

7-33 (A) pay the interest on the bonds or other
 7-34 obligations as the interest becomes due; and

7-35 (B) create a sinking fund for the payment of the
 7-36 principal of the bonds or other obligations when due or the
 7-37 redemption price at any earlier required redemption date.

7-38 SUBCHAPTER F. DISSOLUTION

7-39 Sec. 3923.251. DISSOLUTION BY CITY ORDINANCE. (a) The city
 7-40 by ordinance may dissolve the district.

7-41 (b) The city may not dissolve the district until the
 7-42 district's outstanding debt or contractual obligations that are
 7-43 payable from ad valorem taxes have been repaid or discharged, or the
 7-44 city has affirmatively assumed the obligation to pay the
 7-45 outstanding debt from city revenue.

7-46 Sec. 3923.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

7-47 (a) If the dissolved district has bonds or other obligations
 7-48 outstanding secured by and payable from assessments or other
 7-49 revenue, other than ad valorem taxes, the city shall succeed to the
 7-50 rights and obligations of the district regarding enforcement and
 7-51 collection of the assessments or other revenue.

7-52 (b) The city shall have and exercise all district powers to
 7-53 enforce and collect the assessments or other revenue to pay:

7-54 (1) the bonds or other obligations when due and
 7-55 payable according to their terms; or

7-56 (2) special revenue or assessment bonds or other
 7-57 obligations issued by the city to refund the outstanding bonds or
 7-58 obligations.

7-59 Sec. 3923.253. CONCURRENCE ON ADDITIONAL POWERS. If the
 7-60 legislature grants the district a power that is in addition to the
 7-61 powers approved by the initial resolution of the governing body of
 7-62 the city consenting to the creation of the district, the district
 7-63 may not exercise that power unless the governing body of the city
 7-64 consents to that change by resolution.

7-65 Sec. 3923.254. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
 7-66 After the city dissolves the district, the city assumes, subject to
 7-67 the appropriation and availability of funds, the obligations of the
 7-68 district, including any bonds or other debt payable from
 7-69 assessments or other district revenue.

8-1 (b) If the city dissolves the district, the board shall
 8-2 transfer ownership of all district property to the city.
 8-3 SECTION 2. The East Houston Management District initially
 8-4 includes all the territory contained in the following area:
 8-5 The described area is +/- 2,438 acres (3.81 sq. miles) in size and
 8-6 is centered on Market Street and N. Wayside Drive in East Houston.
 8-7 The area is generally bounded by N. McCarty St., Amtrak Rail Spur
 8-8 and MNCW Railway on the east, Clinton Dr. & Greater East End
 8-9 District on the south, Southern Pacific Railway on the west and
 8-10 Wallisville Rd. on the north.
 8-11 Beginning at a point where the right-of-way (ROW) centerline of
 8-12 Wallisville Road intersects with the ROW centerline of N. McCarty
 8-13 St. then southwest and south along ROW centerline of N. McCarty
 8-14 St. to a point west of northwest corner of 12.85 acre tract (ABST 8
 8-15 J BROWN TR 15);
 8-16 Then east along north boundary of said 12.85 acre tract, 0.8562 acre
 8-17 tract (GLENDALE TR 25A-1), and 6.8903 acre tract (GLENDALE TRS
 8-18 25C-2 & 29D & 29H) to west easement of HB&T rail spur;
 8-19 Then generally southeast and south along west easement of HB&T rail
 8-20 spur and east boundary of 2.644 acre tract (GLENDALE TR 29B),
 8-21 12.3965 acre tract (GLENDALE TRS 25C 29 29D & 33A), 8.0352 acre
 8-22 tract (GLENDALE TRS 33D), and 0.6528 acre tract (GLENDALE TRS 33C &
 8-23 33E) to south ROW of Munn St.;
 8-24 Then west along south ROW of Munn St. to northeast corner of 0.1148
 8-25 acre parcel (PORT HOUSTON NS LT 8 BLK 36);
 8-26 Then south along east boundary of said 0.1148 acre parcel, and east
 8-27 boundary of PORT HOUSTON NS Subdivision to southeast corner of
 8-28 0.8035 acre parcel (PORT HOUSTON NS LTS 6 THRU 11 & TRS 5B & 12B BLK
 8-29 61);
 8-30 Then west along south boundary of said 0.8035 acre parcel to a point
 8-31 north of northeast corner of 0.1148 acre parcel (PORT HOUSTON NS TR
 8-32 R20 BLK 62);
 8-33 Then south across ROW of Tuffly St., and along east boundary of
 8-34 0.1148 acre parcel (PORT HOUSTON NS TR R20 BLK 62), and east
 8-35 boundary of PORT HOUSTON NS TR R20 BLK 67, TR R20 BLK 68, TR R20 BLK
 8-36 73, TR R20 BLK 74, TR R20 BLK 80, TR R20 BLK 81 and TR R20 BLK 84 to
 8-37 south easement of a HB&T railway;
 8-38 Then southeast and east along south easement of HB&T railway to ROW
 8-39 centerline of Interstate Hwy 610 E;
 8-40 Then south along ROW centerline of Interstate Hwy 610 E to ROW
 8-41 centerline of Clinton Dr. and coincident boundary line of Greater
 8-42 East End District (East End Boundary);
 8-43 Then northwest along ROW centerline of Clinton Dr. and East End
 8-44 Boundary to west ROW of Dorsett St.;
 8-45 Then north along west ROW of Dorsett St. and East End Boundary to
 8-46 south ROW of Tilgham St.;
 8-47 Then west along south ROW of Tilgham St. and East End Boundary to
 8-48 east ROW of Labco St.;
 8-49 Then north along east ROW of Labco St. and East End Boundary to
 8-50 south ROW of Market St.;
 8-51 Then generally east along south ROW of Market St. and East End
 8-52 Boundary to east ROW of Dorsett St.;
 8-53 Then north along east ROW of Dorsett St. and East End Boundary to
 8-54 ROW centerline of Lyons Ave.;
 8-55 Then west along ROW centerline of Lyons Ave. and East End Boundary
 8-56 to ROW centerline of Crown St.;
 8-57 Then south along ROW centerline of Crown St. and East End Boundary
 8-58 to ROW centerline of Market St.;
 8-59 Then generally east along ROW centerline of Market St. and East End
 8-60 Boundary to west ROW of N. Wayside Dr./US 90-A Hwy West
 8-61 (southbound);
 8-62 Then south across ROW of N. Wayside Dr. and along East End Boundary
 8-63 line to north easement of Amtrak Railway;
 8-64 Then northwest along north easement of Amtrak Railway and East End
 8-65 Boundary line to ROW centerline of Clinton Dr.;
 8-66 Then generally west and west northwest along ROW centerline of
 8-67 Clinton Dr. and East End Boundary line to east ROW of Lockwood Dr.;
 8-68 Then north along east ROW of Lockwood Dr. to south easement
 8-69 Southern Pacific Railway;

9-1 Then east southeast along south easement of Southern Pacific
9-2 Railway to a point northeast of northeast corner of 1.0752 acre
9-3 parcel (GOLDEN TEX RES A) and railway split;
9-4 Then generally northeast and north along east easement of Southern
9-5 Pacific Railway to ROW centerline of Wallisville Road;
9-6 Then east and east northeast along ROW centerline of Wallisville
9-7 Road to west ROW of N. McCarty St. and beginning point of +/- 2,438
9-8 acre tract.

9-9 SECTION 3. (a) The legal notice of the intention to
9-10 introduce this Act, setting forth the general substance of this
9-11 Act, has been published as provided by law, and the notice and a
9-12 copy of this Act have been furnished to all persons, agencies,
9-13 officials, or entities to which they are required to be furnished
9-14 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
9-15 Government Code.

9-16 (b) The governor, one of the required recipients, has
9-17 submitted the notice and Act to the Texas Commission on
9-18 Environmental Quality.

9-19 (c) The Texas Commission on Environmental Quality has filed
9-20 its recommendations relating to this Act with the governor,
9-21 lieutenant governor, and speaker of the house of representatives
9-22 within the required time.

9-23 (d) The general law relating to consent by political
9-24 subdivisions to the creation of districts with conservation,
9-25 reclamation, and road powers and the inclusion of land in those
9-26 districts has been complied with.

9-27 (e) All requirements of the constitution and laws of this
9-28 state and the rules and procedures of the legislature with respect
9-29 to the notice, introduction, and passage of this Act have been
9-30 fulfilled and accomplished.

9-31 SECTION 4. This Act takes effect immediately if it receives
9-32 a vote of two-thirds of all the members elected to each house, as
9-33 provided by Section 39, Article III, Texas Constitution. If this
9-34 Act does not receive the vote necessary for immediate effect, this
9-35 Act takes effect September 1, 2015.

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