

## **BILL ANALYSIS**

Senate Research Center

S.B. 835  
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Enrolled

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

In 1987, the Port of Corpus Christi Authority of Nueces County, Texas (PCCA), conveyed 576.615 acres of land to the United States Navy for the construction and operation of Naval Station Ingleside (NSI). The deed says that this property will revert to PCCA when the property is no longer used for maritime purposes by the United States Department of Defense (DoD).

In its Base Realignment and Closure (BRAC) recommendations, DoD recommended the closure of NSI. Assuming no economic recovery, DoD estimated that this recommendation, along with the recommended realignment of Naval Air Station Corpus Christi, could result in a potential reduction of 6,864 jobs—3,184 direct jobs and 3,680 indirect jobs. NSI will close in September 2010, if not sooner.

S.B. 835 authorizes PCCA to redevelop the NSI property and PCCA's adjacent 433 acres in diversified ways that will foster the creation and retention of new jobs, economic development, industry, commerce, manufacturing, housing, recreation, and the installation of additional infrastructure. S.B. 835 also authorizes PCCA to contract with private developers for assistance in meeting the redevelopment objectives and, if any portion of the subject property is not needed for a navigation-related project, to declare it surplus property to be sold or leased with or without public bidding, on such terms as the governing body considers advisable to accomplish the bill's purpose.

### **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 Chapter 397, Acts of the 68th Legislature, Regular Session, 1983, by amending Section 1 and adding Sections 1A and 4B, as follows:

Sec. 1. DEFINITIONS. Defines "adjacent property," "authority," "naval property," and "port commission."

Sec. 1A. COMPOSITION OF PORT COMMISSION. Redesignated from existing Section 1. Provides that the port commission, rather than the port commission of the Port of Corpus Christi Authority of Nueces County, Texas (authority), is composed of seven members.

Sec. 4B. USE AND DISPOSITION OF NAVAL PROPERTY. (a) Authorizes the authority to use the naval property in ways that replace and enhance the economic benefits generated by Naval Station Ingleside through diversified activities, including uses to foster the creation and retention of jobs, economic development, industry, commerce, manufacturing, housing, recreation and the installation of infrastructure on the naval property.

(b) Authorizes the authority to contract with another person for assistance in accomplishing the purposes of this section by competitive bidding or negotiated contract as the port commission considers appropriate, desirable, and in the best interests of the authority.

(c) Authorizes the port commission to declare any portion of the naval property not needed for a navigation-related project surplus property and to sell or lease the surplus property on terms the port commission considers advisable to carry out the purposes of this Act.

(d) Authorizes the authority, notwithstanding any other law, and subject to the terms of this subsection, to sell or lease property declared surplus under this section with or without public bidding. Prohibits naval property declared surplus under this section from being sold in a private sale for less than its fair market value. Requires the authority to obtain an appraisal of the surplus property and provides that the appraisal is conclusive evidence of the surplus property's fair market value.

(e) Provides that this section is cumulative of and in addition to other law applicable to or affecting the authority. Provides that this section does not limit the power of the authority to use other law not in conflict with this Act to the extent necessary or convenient to carry out a power expressly or impliedly granted by this section.

SECTION 2. Effective date: upon passage or September 1, 2009.