

BILL ANALYSIS

Senate Research Center
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S.B. 1888
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Intergovernmental Relations
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 1888 creates the Fulshear Town Center Management District. The purpose of the district is to facilitate the development of a mixed use development in downtown Fulshear, and provide a mechanism for funding or refunding improvements made to the property to render it developable. Currently, the vast majority of the acreage in the proposed district is underdeveloped and needs essential public infrastructure such as drainage, detention, roadways, water, wastewater, storm sewers, and related surface infrastructure components, such as enhanced lighting, green spaces, and pavers, to help construct a walkable development that will introduce commercial, office, and multi-family residential components.

The management district will finance supplemental services such as safety and security, landscape maintenance, business development, marketing, and administration of the zone through assessment of commercial property owners. The bill provides for taxing powers, once approved by a majority of voters in the district, to supplement revenues that will be generated by a tax increment reinvestment zone to be created by the Town of Fulshear that will help finance the infrastructure costs in the development area. The district will also serve as the financing mechanism for the sale of bonds at a future date, as the district revenues grow to a point where they will sustain debt service on the bonds.

The bill gives the district the power to capture hotel occupancy taxes that will further supplement revenues for district marketing, tourism, and economic development. The bill prohibits the district from exercising the power of eminent domain.

As proposed, S.B. 1888 amends current law relating to the creation of the Fulshear Town Center Management District and provides authority to impose an assessment, impose a tax, and issue bonds.

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 Subtitle C, Title 4, Special District Local Laws, by adding Chapter 3903, as follows:

CHAPTER 3903. FULSHEAR TOWN CENTER MANAGEMENT DISTRICT

Sets forth standard language for the creation of the Fulshear Town Center Management District (district) in the City of Fulshear (city). Sets forth standards, procedures, requirements, and criteria for:

General provisions of the district (Sections 3903.001-3908.050);

Size, composition, compensation, and terms of the board of directors of the district (Sections 3903.051-3903.100);

Powers and duties of the district (Sections 3903.101-3903.130);
Improvement projects of the district (Sections 3903.131-3903.150);
General financial provisions and assessments (Sections 3903.151-3903.200);
Taxes and bonds (Section 3903.201-3903.250); and
Dissolution of the district (Sections 3903.251-3903.253).

Prohibits the district from exercising the power of eminent domain.

SECTION 2. Sets forth the initial boundaries of the district.

SECTION 3. (a) Provides that the legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59 (Conservation and Development of Natural Resources and Parks and Recreational Facilities; Conservation and Reclamation Districts), Article XVI, Texas Constitution, and Chapter 313 (Notice for Local and Special Laws), Government Code.

(b) Provides that the governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality (TCEQ).

(c) Provides that TCEQ has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives within the required time.

(d) Provides that the general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.

(e) Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2011.