

H.B. No.

AN ACT

relating to the creation of the Padres Isles Management District; providing authority to provide supplemental services, and issue bonds.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter xxxx to read as follows:

CHAPTER xxxx. PADRES ISLES MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. .001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of Corpus Christi.
- (3) "County" means Nueces County, Texas.

(4) "Director" means a board member.

(5) "District" means the Padres Isles Management District.

(6) "Bulkhead property" means all bulkheads within the District currently or previously owned by the Padre Isles Property Owners Association, and including any associated easements.

Sec. .002. CREATION AND NATURE OF DISTRICT. The Padres Isles Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. .003. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.

(b) The creation of the district is necessary to promote, develop, encourage, and maintain safety, and the public welfare in the district.

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

Sec. xxxx.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

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

(c) The district will:

(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;

(2) seek and provide needed funding for the district to

preserve, maintain, and enhance the economic health and vitality of the district territory as a residential community and business center; and

(3) promote the health, safety, welfare, and enjoyment of the public by providing for the preservation of bulkheads, and the navigable waters surrounding the Padre Island;

(e) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. xxxx.005. DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

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

(1) organization, existence, or validity;

(2) right to pursue relief funding from any lawful source, including but not limited to the State of Texas, the United States Federal Government or any of its agencies, and from Private entities;

(3) legality or operation.

Sec. xxxx.006. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. xxxx.007. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

[Sections xxxx.008-xxxx.050 reserved for expansion]

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. xxxx.051. GOVERNING BODY; TERMS. The district is governed by a board of five voting directors who serve staggered terms of four years, with three directors' terms expiring as set forth in Sec. xxxx.061 (c).

Sec. xxxx.052. QUALIFICATIONS OF DIRECTORS APPOINTED BY CITY.

(a) To be qualified to serve as a director appointed by the governing body of the city, a person must be:

(1) a resident of the district who is also a registered voter of the district;

(2) an owner of property in the district;

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

(4) an owner of a beneficial interest in a trust, or a trustee in a trust, that directly or indirectly owns property in the district; or

(5) an agent, employee, or tenant of a person described by Subdivision (2), (3), or (4).

(b) Section 49.052, Water Code, does not apply to the district.

(6) an initial director as set forth in Section xxxx.061.

Sec. xxxx.053. APPOINTMENT OF DIRECTORS. The governing body of the city shall appoint directors from persons recommended by the board.

Sec. xxxx.054. VACANCY. If a vacancy occurs on the board, the board of directors shall appoint a director for the remainder of the unexpired term providing that director meets the qualifications set forth in Section. xxxx.052.

Sec. xxxx.055. DIRECTOR'S OATH OR AFFIRMATION. (a) A director shall file the director's oath or affirmation of office with the district, and the district shall retain the oath or affirmation in the district records.

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

Sec. xxxx.056. OFFICERS. The board shall elect from among the directors a chair, a vice chair, and a secretary. The offices of chair and secretary may not be held by the same person.

Sec. xxxx.057. COMPENSATION; EXPENSES. A director is not entitled to compensation but is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Sec. xxxx.058. LIABILITY INSURANCE. The district may obtain and pay for comprehensive general liability insurance coverage from a commercial insurance company or other source that protects and insures a director against personal liability and from all claims relating to:

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

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

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

Sec. xxxx.059. NO EXECUTIVE COMMITTEE. The board may not create an executive committee to exercise the powers of the board.

Sec. xxxx.060. BOARD MEETINGS. The board shall hold meetings

at a place accessible to the public.

Sec. xxxx.061. INITIAL DIRECTORS. (a) The initial board consists of:

<u>Pos. No.</u>	<u>Name of Director</u>
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1

2

3

4

5

(b) The terms of the initial directors expire June 1, 2015.

(c) Of the directors who replace an initial director, the terms of directors serving in positions 1, 2, and 3 expire June 1, 2015, and the terms of directors serving in positions 4 and 5 expire June 1, 2017.

(d) Section xxxx.052 does not apply to this section.

(e) This section expires September 1, 2017.

[Sections xxxx.062-xxxx.100 reserved for expansion]

SUBCHAPTER C. POWERS AND DUTIES

Sec. xxxx.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. xxxx.102. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.

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

Sec. xxxx.103. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

Sec. xxxx.104. LIABILITY RESULTING FROM DISTRICT ACTION. An action of the district or the board does not create a liability against the city or any other political subdivision.

[Sections xxxx.105-xxxx.130 reserved for expansion]

SUBCHAPTER C-1. IMPROVEMENT PROJECTS

Sec. xxxx.131. IMPROVEMENT PROJECTS AND SERVICES. The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using revenue available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter and Chapter 375, Local Government Code.

Sec. xxxx.132. LOCATION OF IMPROVEMENT PROJECT. An improvement project described by Section xxxx.131 shall be located in the district.

Sec. xxxx.133. ADDITIONAL DISTRICT DUTIES REGARDING IMPROVEMENT PROJECTS. The district shall:

(1) submit written notice to the city administrator or the administrator's designee of the anticipated date construction of an improvement project will begin;

(2) construct the improvement project to comply with a

development agreement entered into under Section xxxx.207;

(3) comply with applicable city ordinances, resolutions, and regulations when constructing and maintaining an improvement project;

(4) allow a representative of the city to inspect an improvement project during construction to assess the project's compliance with applicable city ordinances, resolutions, and regulations;

(5) alter an improvement project to comply with applicable city ordinances, resolutions, and regulations if the representative of the city provides the district with written notice that the improvement project does not comply with applicable city ordinances, resolutions, and regulations; and

(6) obtain any necessary permits from city, county, state, or federal authorities to construct and maintain an improvement project.

Sec. xxxx.134. LICENSE AND CERTIFICATION REQUIREMENTS. The

district may not contract with or employ a person to plan or construct an improvement project unless the person is licensed or certified in an area relating to planning or construction, as applicable.

Sec. xxxx.135. LIMITATION ON IMPROVEMENTS PROJECTS. The district shall limit improvement projects to the reconstruction, preservation, and maintenance of District owned or publicly owned bulkheads within the boundaries of the district.

[Sections xxxx.136-xxxx.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. xxxx.151. DISBURSEMENTS AND TRANSFERS OF REVENUE. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's revenue.

Sec. xxxx.152. REVENUE USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, finance, operate, or maintain

an improvement project or service authorized under this chapter and Chapter 375, Local Government Code, using any revenue available to the district, including contract payments from any lawful source.

[Sections xxxx.153-xxxx.200 reserved for expansion]

SUBCHAPTER E. BONDS

Sec. xxxx.201. BONDS AND OTHER OBLIGATIONS. (a) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from District revenues.

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

(c) The district bonds may be secured and made payable wholly or partly by a pledge of any part of the revenue the district receives from improvement revenue or from any other source.

Sec. xxxx.202. BOND MATURITY. Bonds may mature not more than

30 years from their date of issue.

[Sections xxxx.203-xxxx.250 reserved for expansion]

SUBCHAPTER F. DISSOLUTION

Sec. xxxx.251. DISSOLUTION BY CITY ORDINANCE. (a) The city, by ordinance may dissolve the district.

(b) The city may not dissolve the district until the district's outstanding debt or contractual obligations that are payable from any source available to the District have been repaid or discharged, or the city has affirmatively assumed the obligation to pay the outstanding debt from city revenue.

Sec. xxxx.252. COLLECTION OF OTHER REVENUE. (a) If the dissolved district has bonds or other obligations outstanding secured by and payable from other revenue, other than ad valorem taxes, the city shall succeed to the rights and obligations of the district regarding enforcement and collection of district revenues.

SECTION 2. The Padres Isles Management District initially includes all the territory contained in the following area: Being an xxxx acre tract situated in the City of Corpus Christi, with said tract being more particularly described as follows: (insert a metes and bounds description of the district)

SECTION 3. (a) 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, Article XVI, Texas Constitution, and Chapter 313, Government Code.

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

(c) The Texas Commission on Environmental Quality 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) 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) 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. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.

President of the Senate

Speaker of the House

I certify that H.B. No. _____ was passed by the House on (date), 2013, by the following vote: Yeas 0, Nays 0, 0 present, not voting; and that the House concurred in Senate amendments to H.B. No. xxxx on (date), by the following vote: Yeas 0, Nays 0, 0 present, not voting.

Chief Clerk of the House

I certify that H.B. No. xxxx was passed by the Senate, with amendments, on (date), by the following vote: Yeas 0, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor

DRAFT