

## **BILL ANALYSIS**

Senate Research Center  
86R2580 JXC-F

S.B. 2518  
By: Alvarado  
Intergovernmental Relations  
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As Filed

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

Denver Harbor residents and commercial property owners have sought more local control on the execution of local development projects. S.B. 2518 would create a new municipal management district, primarily located in the northeast quadrant of the city, with the district located in Senate District 6. The management district bill uses template approved language and would authorize the district the power to levy an assessment on commercial property in district, and utilize those revenues for development and redevelopment of the territory with the district boundary with services similar to those being utilized by other management districts created by past legislatures.

The area within the proposed boundary is wholly within the City of Houston and Harris County, and contains a large portion of the Denver Harbor area of Houston, a predominantly Hispanic neighborhood. Much of the municipal infrastructure is in serious need of repair, including the green spaces utilized by the residential population.

The management district is intended to be focused on and advocate for public investment in the repositioning of the area, in addition to funding cleanup of the area through beautification and visual improving of the territory.

S.B. 2518 does not provide the district with the power of eminent domain.

As proposed, S.B. 2518 amends current law relating to the creation of the East Houston Management District, provides authority to issue bonds, and provides authority to impose assessments, fees, or taxes.

### **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 Code, by adding Chapter 3923, as follows:

#### **CHAPTER 3923. EAST HOUSTON MANAGEMENT DISTRICT**

Sets forth standard language for the creation of the East Houston Management District (district) in the City of Houston. Sets forth standards, requirements, and criteria for:

Creation, approval, purpose, territory of the district, and eligibility for inclusion in special zones (Sections 3923.0101–3923.0109);

Size, composition, appointment, compensation, and terms of the board of directors of the district; and provisions relating to initial directors (Sections 3923.0201–3923.0212);

Powers and duties of the district (Sections 3923.0301–3923.0311);

General financial provisions and assessments (Sections 3923.0401–3923.0409);

Authority to impose taxes and issue bonds for the district (Sections 3923.0501–3923.0506); and

Dissolution of the district (Sections 3923.0601–3923.0604).

Prohibits the district from exercising the power of eminent domain.

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

SECTION 3. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 4. Effective date: upon passage or September 1, 2019.