

AN ACT

relating to the powers, duties, and governance of the Westwood Magnolia Parkway Improvement District; authorizing assessments.

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

SECTION 1. Section 1(a), Chapter 323, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

(a) The Westwood Magnolia Parkway [~~Southwest Montgomery County~~] Improvement District is created as a special district in Montgomery County under Section 59, Article XVI, Texas Constitution.

SECTION 2. Section 2, Chapter 323, Acts of the 78th Legislature, Regular Session, 2003, is amended to read as follows:

Sec. 2. DEFINITIONS. In this Act:

(1) "Board" means the board of directors of the district.

(2) "Commission" means the Texas Commission on Environmental Quality.

(3) "County" means Montgomery County, Texas.

(4) "District" means the Westwood Magnolia Parkway [~~Southwest Montgomery County~~] Improvement District.

(5) [~~(4)~~] "Planned community" means a planned community of 15,000 or more acres of land originally established under the federal Urban Growth and New Community Development Act of 1970 (42 U.S.C. Section 4501 et seq.) that is subject to restrictive

1 covenants containing ad valorem based assessments.

2 SECTION 3. Sections 3(a) and (b), Chapter 323, Acts of the
3 78th Legislature, Regular Session, 2003, are amended to read as
4 follows:

5 (a) The creation of the district is essential to accomplish
6 the purposes of Sections [~~Section~~] 52 and 52-a, Article III, and
7 Section 59, Article XVI, Texas Constitution, and other public
8 purposes stated in this Act.

9 (b) The creation of the district is necessary to promote,
10 develop, encourage, and maintain employment, commerce, economic
11 development, and the public welfare in a [~~the southwest~~] portion of
12 Montgomery County.

13 SECTION 4. Chapter 323, Acts of the 78th Legislature,
14 Regular Session, 2003, is amended by adding Section 4A to read as
15 follows:

16 Sec. 4A. DISTRICT TERRITORY. The district's territory
17 includes the following described territory:

18 Reserves "A" and "D" and Lots 39-92 of Block 1, Lots 55-79 of
19 Block 5, Lot 4 of Block 7, and Lots 12-25 of Block 8 of Westwood One,
20 a subdivision of record in Cabinet B, Sheets 62A-64B, Map Records of
21 Montgomery County, Texas (M.C.M.R.);

22 Lots 1-48 and 69-81 of Block 1, Lots 1-3 of Block 3, Lots 1-4
23 of Block 4, Lots 1-4 of Block 5, Lots 1-5 of Block 6, Lots 1-5,
24 31-35, 38-39, and 65 of Block 7, Lots 1-6 of Block 8, Lots 1-6 of
25 Block 9, Lots 30-57 of Block 10, Lots 13-33 of Block 11, and Lots
26 1-15 of Block 12 of Westwood Two, a subdivision of record in Cabinet
27 B, Sheets 103A-107A, M.C.M.R.;

1 Lots 38-85 of Block 1, Lots 38 and 39 of Block 6, Lots 1, 2,
2 160, and 161 of Block 9, and Lots 1-33 of Block 12 of Westwood Three,
3 a subdivision of record in Cabinet B, Sheets 157A-159A, M.C.M.R.;

4 Lots 1-18 of Block 1 and Lots 1-10 of Block 9 of Westwood
5 Four, a subdivision of record in Cabinet C, Sheets 25A-25B,
6 M.C.M.R.;

7 All of Reserves "A", "B", and "C" of Kroger Store No. 389, a
8 subdivision of record under Cabinet V, Sheets 183 and 184,
9 M.C.M.R.;

10 All of Reserves "A" through "I" of West Village, a
11 subdivision of record in Cabinet Z, Sheets 594-597, M.C.M.R.;

12 Being all of the following tracts of land described as
13 follows:

14 TRACT ONE

15 BEGINNING at the southwest corner of that certain called
16 2.971 acre tract described as Tract I, in the deed from Hay S. Wong
17 to Karen Lee Thornton, by instrument of record under File Number
18 2003-148372, in the Official Public Records of Real Property of
19 Montgomery County, Texas (M.C.O.P.R.R.P.), said point being on the
20 north right-of-way line of FM 1488 (width varies);

21 Thence, Northerly along the west line of said 2.971 acre
22 tract, to the northwest corner of said 2.971 acre tract;

23 Thence, Easterly along the north line of said 2.971 acre
24 tract, the north line of the 2.926 acre tract described in the deed
25 from Lillian F. Beaman, Trustee to Steven L. Crews, et ux., by
26 instrument of record under File Number 2001-045818,
27 M.C.O.P.R.R.P., the north line of the 0.975 acre tract described in

1 the deed from Steven L. Crews, et al. to Thai Ocha, Inc., by
2 instrument of record under File Number 2003-128027,
3 M.C.O.P.R.R.P., the north line of the 1.72 acre tract described in
4 the deed from Bow Toy to Daniel P. Morrison, M.D., by instrument of
5 record under Volume 1163, Page 105, in the Deed Records of
6 Montgomery County, Texas, the north line of the 2.897 acre tract
7 described in the deed from Bow Toy, et ux., to Mary Anna Toy, by
8 instrument of record under File Number 9110997, M.C.O.P.R.R.P., the
9 north line of the 1.433 acre tract described as Tract I in the deed
10 from Theresa C. Queng to See Yeut Ming, by instrument of record
11 under File Number 2005-037291, M.C.O.P.R.R.P., the north line of
12 the 0.5730 acre tract described in the deed from David Lee to 1488
13 Del Sul Investments, by instrument of record under File Number
14 2005-023510, M.C.O.P.R.R.P., the north line of the 0.5730 acre
15 tract described in the deed from Mary Susan Botkin to 1488 Del Sul
16 Investments, L.P., by instrument of record under File Number
17 2004-123177, M.C.O.P.R.R.P., the north line of the 0.8626 acre
18 tract described in the deed from Karen Lee Thornton, et al. to 1488
19 Del Sul Investments, L.P., by instrument of record under File
20 Number 2004-129630, M.C.O.P.R.R.P., the north line of Lot C-3
21 described in the deed from The Estate of Richard Lee to Karen Lee
22 Thornton, by instrument of record under File Number 99012443,
23 M.C.O.P.R.R.P., the north line of the 1.0 acre tract described in
24 the deed from Michael R. Pugh, et al. to CHBC Inc., by instrument of
25 record under File Number 2001-104753, M.C.O.P.R.R.P., the north
26 line of the 1.00 acre tract described in the deed from Michael R.
27 Pugh, et al. to George D. Cowger, et ux., by instrument of record

1 under File Number 9755259, M.C.O.P.R.R.P., and the north line of
2 the 0.816 acre tract described in the deed from Michael R. Pugh, et
3 al. to Dewaine Collom, by instrument of record under File Number
4 9803155, M.C.O.P.R.R.P., to the northeast corner of said 0.816 acre
5 tract, common to the northwest corner of Reserve "C" of Forest West,
6 Section One, a subdivision of record under Cabinet P, Sheets
7 156-158, Map Records of Montgomery County, Texas (M.C.M.R.);

8 Thence, Southerly along the west line of said Reserve "C", to
9 the southwest corner of said Reserve "C", to a point on the north
10 right-of-way line of said F.M. 1488;

11 Thence, Westerly along the north right-of-way line of FM 1488
12 to the POINT OF BEGINNING.

13 TRACT TWO

14 All of the following described lands, BEGINNING at the
15 southeast corner of Reserve "B", of Forest West, Section One, a
16 subdivision of record under Cabinet P, Sheets 156-158, Map Records
17 of Montgomery County, Texas (M.C.M.R.);

18 Thence, Northerly along the most southerly east line of said
19 Reserve "B" to the most southerly southwest corner of Windcrest
20 Estates, Section One, a subdivision of record under Cabinet H,
21 Sheets 195A-1958, M.C.M.R.;

22 Thence, Easterly along the south line of said Windcrest
23 Estates, Section One, to the southeast corner of said Windcrest
24 Estates, Section One, said point being on the west right-of-way
25 line of Honea-Egypt Road (width varies) (FM 2978);

26 Thence, along said west right-of-way line of said Honea-Egypt
27 Road to the intersection of the west right-of-way line of said

1 Honea-Egypt Road and the north right-of-way line of FM 1488 (width
2 varies);

3 Thence, Westerly along the north right-of-way line of FM 1488
4 to the POINT OF BEGINNING.

5 TRACT THREE

6 Being a 1.961 acre tract (calculated) being all of that
7 certain called 0.254 acre Restricted Commercial Reserve "A" of
8 Powell Plaza 111, a subdivision of record in Cabinet Z, Sheets 805,
9 Map Records of Montgomery County, Texas (M.C.M.R.), and being a
10 portion of that certain 1.168 (tract 1) and 0.9880 (tract 2)
11 described in the deed dated July 17, 2003, conveyed from Toby Powell
12 and wife, Vanessa Powell to Powell Plaza, L.L.C. by an instrument of
13 record under File Number 2003-088540, M.C.O.P.R.R.P., more
14 particularly described as follows:

15 BEGINNING at the southeast corner of said 0.9880 acre tract,
16 said point being the southwest corner of the residue of that certain
17 called 0.4848 acre tract conveyed to First Bank of Conroe, N.A. by
18 an instrument of record under File Number 2000-034432,
19 M.C.O.P.R.R.P.;

20 Thence, along the south line of said 0.9880 acre tract to the
21 southwest corner of said 0.9880 acre tract, said point being on the
22 east line of said 1.168 acre tract;

23 Thence, along the east line of said 1.168 acre tract to the
24 southeast corner of said 1.168 acre tract;

25 Thence, along the south line of said 1.168 acre tract to the
26 southwest corner of said 1. i 68 acre tract, said point being on the
27 east line of Reserve "A" of West Village, a subdivision of record in

1 Cabinet Z, Sheet 594, M.C.M.R.;

2 Thence, along the west line of said 1.168 acre tract and the
3 east line of said Reserve "A" of said West Village subdivision to
4 the southerly right-of-way line of FM 1488 as described in File
5 Numbers 2005-088763 and 2006-120899, M.C.O.P.R.R.P.;

6 Thence, along the south right-of-way line of said FM 1488 as
7 described in File Number 2006-120899, M.C.O.P.R.R.P. to a point for
8 corner on the east line of said 0.9880 acre tract and the west line
9 of the aforementioned 0.4848 acre tract;

10 Thence, along the east line of said 0.9880 acre tract and the
11 west line of said 0.4848 acre tract to the POINT OF BEGINNING of the
12 herein described tract of land.

13 TRACT FOUR

14 Being a 11.79 acre tract of land, located in the Dickinson
15 Garrett Survey, A-225, Montgomery County, Texas, being all of
16 Tracts 1 and 2 of FOREST WEST (an unrecorded subdivision), more
17 particularly being and all of that certain called 7.998 acre tract
18 (described as all of Tract 2 and a portion of Tract 1 of said FOREST
19 WEST) conveyed from Magnolia Circle properties, LTD. to HEB Grocery
20 Company, LP by an instrument of record under Document Number
21 2015009422, of the Official Public Records of Real Property of
22 Montgomery County, Texas (M.C.O.P.R.) and a portion of that certain
23 called 6.164 acre tract (described as a portion of Tract 1 of said
24 FOREST WEST) conveyed from First American Residential, L.L.C to HEB
25 Grocery Company, LP by an instrument of record under Document
26 Number 2015000626, M.C.O.P.R., more particularly described by
27 metes and bounds as follows (Bearings based on Texas Coordinate

1 System, Central Zone, NAD83, 1993 Adjustment):

2 COMMENCING at the north end of the northwest right-of-way
3 cutback corner at the intersection of Farm To Market 1488 (FM 1488)
4 (150' wide), as described under Volume 381, Page 489-491, of the
5 Deed Records of Montgomery County, Texas and File Number
6 2007-090725, of the Official Public Records of Real Property of
7 Montgomery County, Texas, and Magnolia Circle (60' wide), said
8 point being the northerly southeast corner of said 6.164 acre
9 tract;

10 Thence, North 03° 19' 15" West, along the east line of said
11 6.164 acre tract, common to the west line of said Magnolia Circle
12 Drive, 179.89 feet to the southeast corner and POINT OF BEGINNING of
13 the herein described tract, said point being the common east corner
14 of said Tract 1 and Tract "A" of the aforesaid FOREST WEST;

15 Thence, South 89° 48' 46" West, departing the east line of
16 said 6.164 acre tract and along the common line of said Tract "A"
17 and Tract 1, 519.00 feet to an angle point on the west line of said
18 6.164 acre tract, said point being the common west corner of said
19 Tract "A" and Tract 1, said point being the southwest corner of the
20 herein described tract;

21 Thence, North 03° 19' 15" West, along the west line of said
22 6.164 acre tract, common to the west line of aforesaid Tract 1, at
23 304.51 feet pass the common west corner of said 6.164 acre tract and
24 the aforesaid 7.998 acre tract, continuing along the west line of
25 said 7.998 acre tract, at 556.51 feet pass the common west corner of
26 said Tract 1 and the aforesaid Tract 2, continuing along the west
27 line of said 7.998 acre tract, common to the west line of said Tract

1 2 in all a total distance of 976.81 feet to the northwest corner of
2 the herein described tract, the northwest corner of said 7.998 acre
3 tract, and the common west corner of said Tract 2 and Tract 3 of
4 aforesaid FOREST WEST, said Tract 3 being all of that certain called
5 15.000 acre tract (described as Tract Two) conveyed from Issa S.
6 Fallaha to Rima Fallaha by an instrument of record under File Number
7 99097061, M.C.O.P.R.R.P.;

8 Thence, North 86° 40' 45" East, along the north line of said
9 7.998 acre tract, the south line of said 15.000 acre tract, and
10 along the common line of said Tract 2 and said Tract 3, 518.20 feet
11 to the northeast corner of the herein described tract, the
12 northeast corner of said 7.998 acre tract, the southeast corner of
13 said 15.000 acre tract, and the common east corner of said Tract 2
14 and Tract 3, said point being on the west right-of-way line of
15 aforesaid Magnolia Circle;

16 Thence, South 03° 19' 15" East, along the east line of said
17 7.998 acre tract, common to the east line of said Tract 2, and said
18 west right-of-way line, at 420.41 feet pass the common east corner
19 of said Tract 1 and Tract 2, continuing along the east line of said
20 7.998 acre tract, common to said west right-of-way line and the east
21 line of said Tract 1, in all a total distance of 672.30 feet to the
22 common east corner of said 7.998 acre tract and the aforesaid 6.164
23 acre tract;

24 Thence, South 03° 19' 29" East, along the east line of said
25 6.164 acre tract, common to the east line of said Tract 1 and the
26 west right-of-way line of said Magnolia Circle, 332.88 feet to the
27 POINT OF BEGINNING of the herein described tract and containing

1 11.79 acres of land, more or less.

2 SECTION 5. Section 5, Chapter 323, Acts of the 78th
3 Legislature, Regular Session, 2003, is amended to read as follows:

4 Sec. 5. FINDINGS RELATING TO BOUNDARIES. The boundaries
5 and field notes of the district as described by Section 4A of this
6 Act form a closure. A mistake in the field notes or in copying the
7 field notes in the legislative process does not in any way affect
8 the district's:

9 (1) organization, existence, or validity;

10 (2) right to enter any type of contract for a purpose
11 for which the district is created;

12 (3) right to impose or collect an assessment or tax; or

13 (4) legality or operation.

14 SECTION 6. Section 6(b), Chapter 323, Acts of the 78th
15 Legislature, Regular Session, 2003, is amended to read as follows:

16 (b) All land and other property in the district will benefit
17 from the improvements and services to be provided by the district
18 under powers conferred by Sections [~~Section~~ 52 and 52-a, Article
19 III, and Section 59, Article XVI, Texas Constitution, and other
20 powers granted under this Act.

21 SECTION 7. Section 9, Chapter 323, Acts of the 78th
22 Legislature, Regular Session, 2003, is amended to read as follows:

23 Sec. 9. BOARD OF DIRECTORS. (a) Except as provided by this
24 section [~~Section 14 of this Act~~], the district is governed by a
25 board of five [~~11~~] directors who serve staggered terms of four years
26 with two or three directors' terms expiring on June 1 of each
27 odd-numbered year.

1 (b) [~~Except as provided by Section 14 of this Act, six~~
2 ~~directors are elected by the voters of the district at large.~~] Five
3 directors are appointed as follows from persons recommended by the
4 board:

5 (1) two directors appointed by the county commissioner
6 of County Commissioners Precinct No. 2 [~~one director appointed by~~
7 ~~the governing body of the City of Magnolia~~];

8 (2) [~~one director appointed by the governing body of~~
9 ~~the City of Stagecoach,~~

10 [~~(3)~~] one director appointed by the governing body of
11 the City of Conroe;

12 (3) [~~(4)~~] one director appointed by the governing body
13 of the Magnolia Independent School District; and

14 (4) [~~(5)~~] one director appointed by the county
15 commissioners court [~~Montgomery County Commissioners Court~~].

16 (c) The board by resolution may change the number of
17 directors on the board if:

18 (1) the county commissioners court consents to the
19 change in the number of directors;

20 (2) the board determines that the change is in the best
21 interest of the district; and

22 (3) the board designates in the resolution a governing
23 body of a political subdivision of this state to appoint from
24 persons recommended by the board the director for a new director
25 position established under this subsection.

26 (d) The board may not consist of fewer than five or more than
27 nine directors.

1 (e) To be eligible to serve as a director, a person must be
2 at least 18 years old[, ~~a resident of the district,~~] and:

3 (1) an owner of real property in the district;

4 (2) an owner, whether beneficial or otherwise, of at
5 least 10 percent of the outstanding stock of a corporate owner of
6 real property in the district or of a corporate lessee of real
7 property in the district with a lease term of five years or more
8 measured from the date of appointment or election, excluding
9 options;

10 (3) an owner of at least 10 percent of the beneficial
11 interest in a trust that:

12 (A) owns real property in the district; or

13 (B) leases real property in the district under an
14 original lease term of five years or more measured from the date of
15 appointment or election, excluding options;

16 (4) a lessee of real property in the district under an
17 original lease term of five years or more, excluding options;

18 (5) an owner of at least 10 percent of the outstanding
19 interest in a general or limited partnership that:

20 (A) owns real property in the district; or

21 (B) leases real property in the district under an
22 original lease term of five years or more measured from the date of
23 appointment or election, excluding options; or

24 (6) an agent, employee, officer, or director of any
25 individual, corporation, trust, or partnership that owns or leases
26 real property described by Subdivision (1), (2), (3), (4), or (5) of
27 this subsection who is designated by the owner or lessee to serve as

1 a director.

2 (f) [~~(d)~~] A person may not be appointed as a director under
3 Subsection (b) of this section if:

4 (1) the appointment would cause more than two [~~three~~]
5 members of the board to be an agent, employee, officer, or director
6 of the same individual, corporation, trust, or partnership that
7 owns or leases property in the district; or

8 (2) the proposed director serves on the board of
9 directors of a nonprofit organization, such as a homeowners
10 association or chamber of commerce, that serves any purpose similar
11 to those of the district, including economic development, and
12 serves a geographic territory that encompasses any part of the
13 district.

14 SECTION 8. Section 10(a), Chapter 323, Acts of the 78th
15 Legislature, Regular Session, 2003, is amended to read as follows:

16 (a) A vacancy in an appointed position is filled for the
17 remainder of the unexpired term by the appointment of a person
18 recommended by the board made by the entity that made the original
19 appointment. [~~A vacancy in an elected position is filled by the~~
20 ~~remaining members of the board for the unexpired term.~~]

21 SECTION 9. Chapter 323, Acts of the 78th Legislature,
22 Regular Session, 2003, is amended by adding Sections 11A and 11B to
23 read as follows:

24 Sec. 11A. QUORUM. For purposes of determining a quorum of
25 the board, the following are not counted:

26 (1) a board position vacant for any reason, including
27 death, resignation, or disqualification; or

1 (2) a director who is abstaining from participation in
2 a vote because of a conflict of interest.

3 Sec. 11B. COMPENSATION. A director is entitled to receive
4 fees of office and reimbursement for actual expenses as provided by
5 Section 49.060, Water Code. Sections 375.069 and 375.070, Local
6 Government Code, do not apply to the board.

7 SECTION 10. Section 13, Chapter 323, Acts of the 78th
8 Legislature, Regular Session, 2003, is amended to read as follows:

9 Sec. 13. REMOVAL OF DIRECTOR. On petition of at least
10 two-thirds of the remaining directors, a governing body or person
11 that appointed a director to the [The] board, after notice and
12 hearing, may remove the [a] director for:

13 (1) misconduct;

14 (2) [~~or~~] failure to carry out the director's duties;

15 or

16 (3) failure to attend three consecutive meetings [~~by~~
17 ~~vote of not less than 75 percent of the remaining directors]~~.

18 SECTION 11. Section 18(b), Chapter 323, Acts of the 78th
19 Legislature, Regular Session, 2003, is amended to read as follows:

20 (b) A project authorized under this section may include:

21 (1) landscaping, lighting, banners, signs, streets or
22 sidewalks, hike and bike paths and trails, pedestrian walkways,
23 skywalks, crosswalks or tunnels, and highway right-of-way or
24 transit corridor beautification and improvements;

25 (2) drainage or storm water detention improvements and
26 solid waste, water, sewer, telecommunications infrastructure, or
27 power facilities and services, including electrical, gas, steam,

1 and chilled water facilities;

2 (3) parks, lakes, gardens, recreational facilities,
3 open space, scenic areas, and related exhibits and preserves,
4 fountains, plazas, and pedestrian malls, public art and sculpture
5 and related exhibits and facilities, and educational and cultural
6 exhibits and facilities;

7 (4) conferences, conventions, or exhibitions,
8 manufacturer, consumer, or trade shows, civic, community, or
9 institutional events, exhibits, displays, attractions and
10 facilities for special events, holidays, and seasonal or cultural
11 celebrations;

12 (5) off-street parking facilities, bus terminals,
13 heliports, mass-transit, and roadway-borne or water-borne
14 transportation and people-mover systems; and

15 (6) any other public improvements, facilities, or
16 services authorized under this Act or Chapter 375, Local Government
17 Code [~~similar to the projects described in this subsection~~].

18 SECTION 12. Chapter 323, Acts of the 78th Legislature,
19 Regular Session, 2003, is amended by adding Sections 19A, 19B, 19C,
20 19D, and 19E to read as follows:

21 Sec. 19A. TAX AND ASSESSMENT ABATEMENTS. The district may
22 designate reinvestment zones and may grant abatements of district
23 taxes or assessments on property within such zones.

24 Sec. 19B. DISBURSEMENTS AND TRANSFERS OF MONEY. The board
25 by resolution shall establish the number of directors' signatures
26 and the procedure required for a disbursement or transfer of
27 district money.

1 Sec. 19C. MONEY USED FOR IMPROVEMENTS OR SERVICES. The
2 district may acquire, construct, finance, operate, or maintain any
3 improvement or service authorized under this Act or Chapter 375,
4 Local Government Code, using any money available to the district.

5 Sec. 19D. PETITION REQUIRED FOR FINANCING SERVICES AND
6 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
7 service or improvement project with assessments under this Act
8 unless a written petition requesting that service or improvement
9 has been filed with the board.

10 (b) A petition filed under Subsection (a) of this section
11 must be signed by the owners of a majority of the assessed value of
12 real property in the district subject to assessment according to
13 the most recent certified tax appraisal roll for the county.

14 Sec. 19E. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The
15 board by resolution may impose and collect an assessment for any
16 purpose authorized by this Act in all or any part of the district.

17 (b) An assessment, a reassessment, or an assessment
18 resulting from an addition to or correction of the assessment roll
19 by the district, penalties and interest on an assessment or
20 reassessment, an expense of collection, and reasonable attorney's
21 fees incurred by the district:

22 (1) are a first and prior lien against the property
23 assessed;

24 (2) are superior to any other lien or claim other than
25 a lien or claim for county, school district, or municipal ad valorem
26 taxes; and

27 (3) are the personal liability of and a charge against

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

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

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

11 SECTION 13. Chapter 323, Acts of the 78th Legislature,
12 Regular Session, 2003, is amended by adding Sections 23A, 23B, 23C,
13 23D, and 23E to read as follows:

14 Sec. 23A. DEVELOPMENT CORPORATION POWERS. The district,
15 using money available to the district, may exercise the powers
16 given to a development corporation under Chapter 505, Local
17 Government Code, including the power to own, operate, acquire,
18 construct, lease, improve, or maintain a project that may be
19 undertaken in accordance with that chapter.

20 Sec. 23B. NONPROFIT CORPORATION. (a) The board by
21 resolution may authorize the creation of a nonprofit corporation to
22 assist and act for the district in implementing a project or
23 providing a service authorized by this Act.

24 (b) The nonprofit corporation:

25 (1) has each power of and is considered to be a local
26 government corporation created under Subchapter D, Chapter 431,
27 Transportation Code; and

1 (2) may implement any project and provide any service
2 authorized by this Act.

3 (c) The board shall appoint the board of directors of the
4 nonprofit corporation. The board of directors of the nonprofit
5 corporation shall serve in the same manner as the board of directors
6 of a local government corporation created under Subchapter D,
7 Chapter 431, Transportation Code, except that a board member is not
8 required to reside in the district.

9 Sec. 23C. AGREEMENTS; GRANTS. (a) As provided in Chapter
10 375, Local Government Code, the district may make an agreement with
11 or accept a gift, grant, or loan from any person.

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

15 Sec. 23D. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
16 district may join and pay dues to a charitable or nonprofit
17 organization that performs a service or provides an activity
18 consistent with the furtherance of a district purpose.

19 Sec. 23E. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district
20 may engage in activities that accomplish the economic development
21 purposes of the district.

22 (b) The district may establish and provide for the
23 administration of one or more programs to promote state or local
24 economic development and to stimulate business and commercial
25 activity in the district, including programs to:

26 (1) make loans and grants of public money; and

27 (2) provide district personnel and services.

1 (c) The district may create economic development programs
2 and exercise the economic development powers provided to
3 municipalities by:

4 (1) Chapter 380, Local Government Code; and

5 (2) Subchapter A, Chapter 1509, Government Code.

6 SECTION 14. Chapter 323, Acts of the 78th Legislature,
7 Regular Session, 2003, is amended by adding Section 25A to read as
8 follows:

9 Sec. 25A. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All
10 or any part of the area of the district is eligible to be included
11 in:

12 (1) a tax increment reinvestment zone created under
13 Chapter 311, Tax Code;

14 (2) a tax abatement reinvestment zone created under
15 Chapter 312, Tax Code;

16 (3) an enterprise zone created under Chapter 2303,
17 Government Code; or

18 (4) an industrial district created under Chapter 42,
19 Local Government Code.

20 SECTION 15. Section 26(c), Chapter 323, Acts of the 78th
21 Legislature, Regular Session, 2003, is amended to read as follows:

22 (c) The district may adopt, reduce, or repeal the limited
23 sales and use tax authorized by this section at an election in which
24 a majority of the voters of the district voting in the election
25 approve the adoption or the abolition of the tax, as applicable.
26 The board may set the tax at any rate of up to two percent in
27 increments of one-eighth of one percent except that the tax may not

1 be imposed at a rate that would cause the combined tax rate of all
2 local sales and use taxes in any location in the district to exceed
3 two percent. If as a result of the imposition or increase in a sales
4 and use tax by the district in an area in which there is located all
5 or part of a political subdivision that has adopted a sales and use
6 tax or as a result of the annexation by the district of all or part
7 of the territory in a political subdivision that has adopted a sales
8 and use tax the overlapping local sales and use taxes in the area
9 will exceed a total of two percent, the district's sales and use tax
10 is automatically reduced in that area to a rate that when added to
11 the combined rate of local sales and use taxes will equal two
12 percent.

13 SECTION 16. Chapter 323, Acts of the 78th Legislature,
14 Regular Session, 2003, is amended by adding Section 27A to read as
15 follows:

16 Sec. 27A. AUTHORITY TO BORROW MONEY. The district may
17 borrow money on terms as determined by the board. Section 375.205,
18 Local Government Code, does not apply to a loan, line of credit, or
19 other borrowing from a bank or financial institution secured by
20 revenue other than ad valorem taxes.

21 SECTION 17. Section 28(c), Chapter 323, Acts of the 78th
22 Legislature, Regular Session, 2003, is amended to read as follows:

23 (c) To pay for any district purpose authorized by law, and
24 in [In] addition to the sources of money described by Subchapter J,
25 Chapter 375, Local Government Code, the bonds of the district may be
26 secured and made payable, wholly or partly, by a pledge of any part
27 of any source of money for the district, including:

- 1 (1) sales and use taxes;
- 2 (2) assessments;
- 3 (3) impact fees;
- 4 (4) revenue;
- 5 (5) contract payments; or
- 6 (6) grants [~~the net proceeds the district receives~~
- 7 ~~from a specified portion of the sales and use tax authorized by this~~
- 8 ~~Act~~].

9 SECTION 18. REPEAL. The following provisions of Chapter
10 323, Acts of the 78th Legislature, Regular Session, 2003, are
11 repealed:

- 12 (1) Section 4;
- 13 (2) Section 10(b);
- 14 (3) Section 11;
- 15 (4) Section 15;
- 16 (5) Section 16;
- 17 (6) Section 19; and
- 18 (7) Section 23.

19 SECTION 19. (a) An elected or appointed director of the
20 Westwood Magnolia Parkway Improvement District's board of
21 directors who is serving on September 1, 2017, continues to serve
22 until the expiration of the director's term. If the position of a
23 director who is serving on that date subsequently becomes vacant
24 before the expiration of the director's term, the vacancy shall be
25 filled in the same manner as Section 10, Chapter 323, Acts of the
26 78th Legislature, Regular Session, 2003, provided immediately
27 before September 1, 2017.

1 (b) On the expiration of the terms of the directors who are
2 continuing to serve on September 1, 2017, as described by
3 Subsection (a) of this section, the county commissioner serving for
4 County Commissioners Precinct No. 2 for the Montgomery County
5 Commissioners Court shall appoint two members in the manner
6 provided by Section 9, Chapter 323, Acts of the 78th Legislature,
7 Regular Session, 2003, as amended by this Act.

8 (c) This section expires January 2, 2025.

9 SECTION 20. (a) The legislature validates and confirms all
10 acts and proceedings of the board of directors of the Westwood
11 Magnolia Parkway Improvement District that were taken before the
12 effective date of this Act.

13 (b) Subsection (a) of this section does not apply to any
14 matter that on the effective date of this Act:

15 (1) is involved in litigation if the litigation
16 ultimately results in the matter being held invalid by a final
17 judgment of a court; or

18 (2) has been held invalid by a final judgment of a
19 court.

20 SECTION 21. (a) The legal notice of the intention to
21 introduce this Act, setting forth the general substance of this
22 Act, has been published as provided by law, and the notice and a
23 copy of this Act have been furnished to all persons, agencies,
24 officials, or entities to which they are required to be furnished
25 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
26 Government Code.

27 (b) The governor, one of the required recipients, has

1 submitted the notice and Act to the Texas Commission on
2 Environmental Quality.

3 (c) The Texas Commission on Environmental Quality has filed
4 its recommendations relating to this Act with the governor, the
5 lieutenant governor, and the speaker of the house of
6 representatives within the required time.

7 (d) All requirements of the constitution and laws of this
8 state and the rules and procedures of the legislature with respect
9 to the notice, introduction, and passage of this Act are fulfilled
10 and accomplished.

11 SECTION 22. This Act takes effect September 1, 2017.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2286 passed the Senate on May 12, 2017, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 2286 passed the House on May 19, 2017, by the following vote: Yeas 137, Nays 7, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor