

LOCAL GOVERNMENT CODE

TITLE 10. PARKS AND OTHER RECREATIONAL AND CULTURAL RESOURCES
SUBTITLE A. MUNICIPAL PARKS AND OTHER RECREATIONAL AND CULTURAL
RESOURCES

CHAPTER 307. USE OF TIDELANDS FOR PARK PURPOSES: GULF COAST
MUNICIPALITIES WITH POPULATION OF 50,000 OR MORE

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 307.001. ELIGIBLE MUNICIPALITIES. A municipality that borders on the Gulf of Mexico and has a population of 50,000 or more may use and occupy for park purposes gulf tidelands and adjacent water as provided by this chapter.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 2001, 77th Leg., ch. 598, Sec. 1, eff. June 11, 2001.

Sec. 307.002. PROPERTY SUBJECT TO PARK USE. (a) The municipality may use and occupy for park purposes under this chapter:

(1) the tidelands between:

(A) the lines of ordinary high tide and ordinary low tide of the Gulf of Mexico; and

(B) extensions into the gulf, not more than 1,000 feet apart, of property lines of property that is above and fronting the tidelands and is owned or acquired by the municipality for park purposes or in or to which the municipality has or may acquire easements or other rights or privileges authorizing the municipality to use or occupy the property for park purposes; and

(2) the waters of the gulf adjacent to those tidelands, and the gulf bed below those waters, for a distance not to exceed 2,000 feet from the line of ordinary high tide.

(b) The municipality may declare abandoned for use as streets or highways and may take, use, and occupy for park purposes all or part of any land previously dedicated as a public street or highway that, because of submersion by the waters of the gulf or the building of a seawall, breakwater, or other structure, has become unfit for use as a street or highway, as determined and declared by

the governing body of the municipality.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 307.003. DEFINITION. In this chapter, "park land" means the land to which the municipality is granted use and occupancy for park purposes by this chapter.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 307.004. RIGHTS UNAFFECTED. (a) This chapter does not authorize the taking of any private property or interest without compensation as required by the Texas Constitution.

(b) The State of Texas retains all of the oil, gas, and other mineral rights in and under the park land owned by the state.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 307.005. ADDITIONAL POWERS. The powers granted a municipality by this chapter are in addition to any other power conferred by law.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

SUBCHAPTER B. MANAGEMENT AND DEVELOPMENT OF PARK LAND

Sec. 307.021. MANAGEMENT AND DEVELOPMENT OF PARK; PIER.

(a) The governing body of a municipality is entitled to manage and control the park land for park purposes as provided by this chapter.

(b) The governing body may acquire, erect, construct, repair, enlarge, extend, improve, remodel, furnish, equip, operate, and maintain on the park land not more than one pier extending from the shore and other structures on the pier to provide facilities for recreation, amusement, comfort, assemblies, and lodging of the public.

(c) The pier may not:

(1) extend into the gulf for a distance of more than 2,000 feet from the line of ordinary high tide;

(2) extend into any part of a channel deepened or improved for commercial navigation or between the shoreline and any such channel; or

(3) extend into any arm, inlet, bay, or body of water other than the main body of the Gulf of Mexico.

(d) The governing body may determine the suitability of structures or facilities to be provided on the pier and may allow for the erection, provision, operation, and maintenance of any structure or facility for the convenience and comfort of the public, including one or more of the following:

- (1) theaters;
- (2) restaurants;
- (3) accommodations for overnight and transient guests;
- (4) convention halls;
- (5) dance halls;
- (6) aquariums;
- (7) exhibition halls;
- (8) stadiums for aquatic or other sports;
- (9) concession and amusement device stands or platforms;
- (10) fishing platforms;
- (11) walkways;
- (12) restrooms, toilet facilities, and resting places; and
- (13) any other structure or facility reasonably adapted and suitable for park purposes on or in connection with the pier.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 307.022. ACQUISITION OF PRIVATE LANDS FOR PARK. The municipality may acquire by gift or purchase any interest in privately owned land within the limits of the municipality for use for park purposes in connection with the pier as the governing body of the municipality determines is necessary.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 307.023. LEASES AND OPERATING AGREEMENTS. (a) The governing body of the municipality may enter into any contract in connection with the pier and its facilities on terms it considers to

be in the best interest of the municipality, including:

(1) a lease under which all or part of the pier is leased to one or more other parties; and

(2) an operating contract under which all or part of the pier is to be operated by one or more other parties.

(b) A lease or operating contract must be authorized by ordinance or resolution adopted by the governing body and may cover any term of years not to exceed 40 years from the date of the lease or contract.

(c) All or part of the proceeds derived by the municipality from a lease or operating contract may be pledged to the payment of revenue bonds issued by the municipality under Subchapter C.

(d) A lease may authorize the lessee to acquire or construct improvements or facilities and may provide for the transfer of the improvements or facilities to the municipality at the termination of the lease.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

SUBCHAPTER C. FINANCING

Sec. 307.041. TAX BONDS. (a) For the purpose of paying for all or part of the costs of acquiring privately owned land under Section [307.022](#) or the costs of constructing, furnishing, and equipping the pier or another structure connected with the pier, the municipality may borrow money, issue negotiable bonds, and levy and collect ad valorem taxes sufficient to pay the interest on and provide a sinking fund for the bonds.

(b) The bonds shall be issued in accordance with Subtitles A and C, Title 9, Government Code. If bonds for the purposes described by this section have been authorized at a previous election in accordance with that chapter, the bonds may be issued without an additional election.

(c) The governing body of the municipality may use bond proceeds to pay part of the cost of erecting, constructing, furnishing, or equipping a structure or improvement authorized by this chapter that, together with the interest in the land occupied by or used in connection with the structure or improvement and the

income from the structure or improvement, is to be or has been mortgaged and encumbered for the purpose of paying the additional costs of acquiring, erecting, constructing, furnishing, or equipping the structure or improvement.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.313, eff. Sept. 1, 2001.

Sec. 307.042. REVENUE OBLIGATIONS. (a) For the purpose of obtaining funds for any purpose authorized by this chapter, the governing body of the municipality may from time to time issue bonds, notes, or warrants secured by a pledge of and payable from the net revenues derived from the operation of all or a designated part of the pier, structures, or improvements.

(b) As additional security for the bonds, notes, or warrants, the municipality may mortgage and encumber all or a designated part of:

- (1) the pier, structures, or improvements;
- (2) the furnishings and equipment; or
- (3) the interest, easement, or other rights in land acquired or to be acquired and used in connection with the park land, including the right of use and occupancy of the park land and the title or rights to the tidelands, waters, or beds of the Gulf of Mexico acquired by the municipality.

(c) As additional security for the bonds, notes, or warrants, the municipality may, by the terms of a mortgage, grant to the purchaser under sale or foreclosure a franchise to operate the properties purchased for a period of not more than 99 years after the purchase. If at the time of the sale or foreclosure there is a pier, structure, or improvement located in whole or in part on or over state-owned tideland, water, and bed of the Gulf of Mexico, during that period of 99 years the purchaser and the purchaser's heirs, successors, and assigns have the same right of use and occupancy to the state-owned tideland, water, and bed as is granted to the municipality under this chapter. On termination of that period or on cessation of use of the property for that purpose, the right of use and occupancy reverts to the municipality.

(d) The municipality may issue bonds, notes, and warrants

and mortgage and encumber property under this section whether all or part of the cost is to be paid from:

(1) bonds, notes, and warrants issued under this section;

(2) bonds or warrants issued under Section [307.041](#) or [307.046](#);

(3) funds obtained from any other lawful source; or

(4) a combination of those sources.

(e) The municipality may sell the property described by Subsection (b) if no bonded indebtedness remains outstanding. If the municipality sells the property, the General Land Office may grant to the purchaser a lease of the state-owned tideland, water, and bed beneath the property or, if necessary, a larger area for a period of not more than 99 years after the purchase. The purchaser and the purchaser's heirs, successors, and assigns have the same right of use and occupancy to the state-owned tideland, water, and bed as is granted to the municipality under this chapter. On termination of that period or on cessation of use of the property for that purpose, the right of use and occupancy reverts to the municipality.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 2001, 77th Leg., ch. 598, Sec. 2, eff. June 11, 2001.

Sec. 307.043. ISSUANCE OF REVENUE OBLIGATIONS. (a) This section applies to the bonds and other obligations issued under Section [307.042](#).

(b) The bonds shall be made payable to the bearer or to the order of a named payee. The bonds are payable solely from the pledged revenues and, at the option of the municipality, secured by the mortgage and franchise authorized by Section [307.042](#).

(c) The bonds shall bear interest at a rate not to exceed the maximum net effective interest rate provided by Chapter [1204](#), Government Code.

(d) The bonds must mature serially or otherwise not more than 40 years after the date of issuance. The governing body of the municipality shall determine:

(1) the denominations of the bonds;

(2) one or more places at which the bonds are payable as to interest or principal, which may be any bank inside or outside this state;

(3) the medium for payment of the bonds;

(4) the manner in which interest on the bonds is payable;

(5) any provisions for redemption of the bonds before maturity; and

(6) the form of the bonds.

(e) A bond or interest coupon bearing the signature or facsimile signature of an official of the municipality who was authorized to sign the bond or coupon at the time of the signature is not invalid because of the official's ceasing to hold the office before delivery of the bonds or not having held office on the date of the bonds.

(f) The governing body may provide for the bonds to be registrable as to principal and interest, or as to principal only, under the terms prescribed by the governing body. The bonds may be issued not subject to registration.

(g) The bonds may be executed in the manner set forth in the proceedings authorizing their issuance, and those proceedings may provide that the bonds or coupons, or both, shall be executed by facsimile signatures and that a facsimile seal of the municipality be printed on the bonds.

(h) In the proceedings authorizing the issuance of the bonds, the governing body may prohibit the further issuance of bonds payable from the pledged revenues or may reserve the right to issue additional bonds to be secured by a pledge of and payable from those net revenues on a parity with or subordinate to the lien and pledge in support of the bonds being issued, subject to any conditions as set forth in the proceedings.

(i) If a bond recites that it is secured partially or otherwise by a pledge of the proceeds of one or more contracts made between the municipality and one or more other parties, including a lease or operating contract, a copy of the contracts and the proceedings authorizing the contracts shall be submitted to the attorney general. Approval of the bonds by the attorney general

constitutes approval of the contracts, which makes the contracts incontestable except for forgery or fraud.

(j) A bond or other obligation is not a debt of the municipality, but is solely a charge on the income and properties encumbered. The obligation may not be considered in determining the power of the municipality to issue bonds for a purpose authorized by law. Each obligation must contain substantially the following clause: "The holder hereof shall never have the right to demand payment of this obligation out of any funds raised or to be raised by taxation."

(k) The nature of the pledge of income and encumbrance of properties to secure the obligations and the control, management, and operation of the properties while any of the obligations remain unpaid is subject to and governed by Chapter 1502, Government Code, in the same manner as parks described in Section 1502.051. The issuance of the bonds does not require an election.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.314, eff. Sept. 1, 2001.

Sec. 307.044. REFUNDING REVENUE BONDS. (a) The governing body of the municipality may provide by ordinance for the issuance of revenue refunding bonds for the purpose of refunding outstanding revenue bonds and any accrued interest, interest on past due principal, interest on past due interest, and court judgments pertaining to past due principal and interest.

(b) The issuance of refunding bonds, the maturity dates and other details of the bonds, the rights of bond holders, and the duties and powers of the municipality in regard to the bonds are governed by the provisions of this chapter relating to original revenue bonds to the extent those provisions can be made applicable.

(c) Refunding bonds may bear interest at a rate higher than that borne by the underlying bonds, but may not exceed the maximum net effective interest rate applicable to those bonds.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 307.045. BONDS AS NEGOTIABLE INSTRUMENTS AND

AUTHORIZED INVESTMENTS. (a) All bonds issued under this chapter are negotiable instruments under Chapter 3, Business & Commerce Code.

(b) The bonds are legal investments for banks, savings banks, trust companies, savings and loan associations, insurance companies, fiduciaries, trustees, and guardians, and for the sinking funds of municipalities, counties, school districts, and other political corporations or political subdivisions of the state.

(c) The bonds are eligible to secure the deposit of any public funds of the state or of a municipality, county, school district, or other political corporation or political subdivision of the state. The bonds are sufficient security for the deposits to the extent of their face value when accompanied by all unmatured appurtenant interest coupons.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.

Sec. 307.046. ADDITIONAL TAX; TIME WARRANTS. (a) In addition to the taxes authorized for the payment of principal of and interest on bonds, the governing body of the municipality may levy and collect an annual ad valorem tax for the purpose of:

(1) defraying in part the cost of acquiring, building, constructing, erecting, furnishing, or equipping the pier or a structure or improvement, or the cost of any interest in land in connection with the pier, structure, or improvement; or

(2) repairing, enlarging, extending, altering, or improving the pier or a structure or improvement.

(b) The governing body may issue interest-bearing time warrants, payable from the taxes authorized by this section, and expend the proceeds for the same purposes for which the taxes may be levied.

Acts 1987, 70th Leg., ch. 149, Sec. 1, eff. Sept. 1, 1987.