SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE B. DEFENSE BASE DEVELOPMENT

CHAPTER 3501. LUBBOCK REESE REDEVELOPMENT AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 3501.001. DEFINITIONS. In this chapter:

- (1) "Authority" means the Lubbock Reese Redevelopment Authority.
- (2) "Base property" means land described by Section 3501.002(a), including any property used in connection with or comprising the former Reese Air Force Base.
- (3) "Board" means the board of directors of the authority.
- (4) "Bond" means an interest-bearing obligation issued by the authority under this chapter, including a bond, certificate, note, or other evidence of indebtedness.

 Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 1, eff. September 1, 2021.

Sec. 3501.002. AUTHORITY TERRITORY. (a) The authority's territory is that described by Section 13.10, Chapter 62, Acts of the 76th Legislature, Regular Session, 1999, enacting former Section 396.009, Local Government Code, and includes all other real property, related interests, including fee interests, perpetual and other easements, licenses, leases, and any other property used in connection with or comprising Reese Air Force Base and as may be shown by instruments recorded in the real property records of Lubbock and Terry counties.

(b) The authority's territory does not include property

conveyed by the United States before June 17, 1997, as shown by instruments recorded in the real property records of Lubbock and Terry counties.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 3501.003. PURPOSE AND NATURE OF AUTHORITY.

- (a) The purpose of the authority is to:
- (1) undertake projects necessary or incidental to the industrial, commercial, or business development, redevelopment, maintenance, and expansion of new and existing businesses on the property, now or formerly known as Reese Air Force Base, described in Section 3501.002(a), including the acquisition, construction, operation, maintenance, enhancement, or disposal of:
 - (A) roads, bridges, and rights-of-way;
 - (B) housing;
 - (C) property;
- (D) police, fire, medical, cultural, educational, and research services, equipment, institutions, and resources;
 - (E) other community support services;
- $\qquad \qquad \text{(F)} \quad \text{flood control, water, wastewater treatment,} \\ \text{and all other utility facilities; and} \\$
 - (G) other infrastructure improvements;
- (2) encourage the development of new industry by private businesses; and
- (3) encourage financing of projects designated under Section 3501.1024.
- (b) The authority is a political subdivision of this state that exercises public and essential governmental functions.
- (c) The exercise of a power this chapter grants is for a public purpose and is a matter of public necessity.
- (d) The authority is a governmental unit under Chapter 101, Civil Practice and Remedies Code. The operations of the authority

are not proprietary functions for any purpose, including the application of Chapter 101, Civil Practice and Remedies Code.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 2, eff. September 1, 2021.

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 3501.004. EXEMPTION FROM TAXATION. (a) The property, income, and operations of the authority are exempt from taxes imposed by the state or a political subdivision of the state.

- (b) Section 25.07(a), Tax Code, applies to a leasehold or other possessory interest in real property granted by the authority for a project designated under Section 3501.1024(a) in the same manner as it applies to a leasehold or other possessory interest in real property constituting a project described by Section 505.161(a), Local Government Code.
- (c) A commercial aircraft to be used as an instrument of commerce that is under construction in the authority is presumed to be in interstate, international, or foreign commerce and not located in this state for longer than a temporary period for purposes of Sections 11.01 and 21.02, Tax Code.
- (d) Tangible personal property located in the authority is presumed to be in interstate, international, or foreign commerce and not located in this state for longer than a temporary period for purposes of Sections 11.01 and 21.02, Tax Code, if the owner demonstrates to the chief appraiser for the appraisal district in which the authority is located that the owner intends to incorporate the property into or attach the property to a commercial aircraft described by Subsection (c).
- (e) In this section, "commercial aircraft" means an aircraft that is designed to be used as described by Section 21.05(e), Tax Code.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 3, eff. September 1, 2021.

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 3501.005. APPLICATION OF OTHER LAW. (a) In this section, "qualifying project" means any real estate project involving the construction of:

- (1) a tenant finish-out or build-to-suit facility for a tenant who, through the execution of a lease with the authority, pays for or reimburses the authority for the cost of the improvements;
- (2) infrastructure improvements including roads, driveways, or utility extensions made in connection with the sale or lease of property owned by the authority and for which the proceeds of the sale or the lease are used to reimburse the authority for the infrastructure improvements; or
- (3) an income-producing facility that generates revenue for the authority and is constructed by a private developer with special expertise in development.
- (b) Chapters 2267 and 2269, Government Code, do not apply to a qualifying project of the authority.
 Added by Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 4,

eff. September 1, 2021.

SUBCHAPTER B. BOARD OF DIRECTORS

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 3501.051. COMPOSITION OF BOARD. (a) The board is composed of:

(1) five directors appointed by the governing body of

the City of Lubbock from a list of persons recommended by the board under this section;

- (2) one director appointed by the commissioners court of Lubbock County from a list of persons recommended by the board under this section; and
- (3) the executive director of the South Plains Association of Governments.
- (b) Before the term of a director appointed under Subsection (a)(1) or (a)(2) expires, the board, in consultation with the City of Lubbock or Lubbock County, as applicable, shall recommend to the governing body of the City of Lubbock or the commissioners court of Lubbock County, as applicable, a list of persons to serve on the succeeding board. After reviewing the list of recommendations, the governing body of the City of Lubbock or the commissioners court of Lubbock County, as applicable, shall appoint the appropriate number of directors from the recommended persons, or request that the board provide additional recommendations.
- (c) The governing body of the City of Lubbock, the commissioners court of Lubbock County, or the board, as appropriate, shall make recommendations and appointments to the board so that places on the board are occupied by persons with experience in:
 - (1) real estate;
 - (2) finance;
 - (3) manufacturing;
 - (4) agriculture; and
 - (5) general business.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005. Amended by:

Acts 2005, 79th Leg., Ch. 423 (S.B. 1751), Sec. 1, eff. June 17, 2005.

Acts 2013, 83rd Leg., R.S., Ch. 125 (S.B. 696), Sec. 1, eff. May 24, 2013.

Sec. 3501.052. TERM; VACANCIES. (a) A director serves a term of four years.

(b) A vacancy on the board is filled in the same manner as

the original appointment.

- (c) Except as provided by Subsection (d), a director may be appointed as the director's own successor for not more than one term.
- (d) A director appointed to fill a vacancy for an unexpired term shall serve for the remainder of that term and may be appointed as the director's own successor for not more than two terms.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005. Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 125 (S.B. 696), Sec. 2, eff. May 24, 2013.

Sec. 3501.053. OFFICERS. (a) The board shall elect from its membership a president and a vice president.

(b) The vice president shall preside in the absence of the president.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Sec. 3501.054. EMPLOYEES. The board may employ and compensate persons to carry out the powers and duties of the authority.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Sec. 3501.055. RULES FOR PROCEEDINGS. The board shall adopt rules for its proceedings.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Sec. 3501.056. HEARINGS BY TELECOMMUNICATION DEVICE.

(a) Notwithstanding Chapter 551, Government Code, or other law, if the president or vice president of the board, or chairperson or vice chairperson of a board committee, is physically present at a meeting of the board or committee, any number of the other members of the board or committee may attend the meeting by use of telephone conference call, video conference call, or other similar telecommunication device. A member of the board or committee who attends a meeting via a telecommunication device is considered present for purposes of constituting a quorum, voting, and any

- other form of participation in the board or committee meeting. This subsection applies regardless of the subject of the meeting or topics considered at the meeting.
- (b) If the board or committee of the board holds a meeting using a telecommunication device in the manner provided by Subsection (a):
- (1) the meeting is subject to the notice requirements for other meetings;
- (2) the board or committee must specify in the notice the location of the meeting at which the president, vice president, chairperson, or vice chairperson will be physically present;
- (3) the board or committee must make the meeting open and audible to the public at the location specified under Subdivision (2); and
- (4) the board or committee must provide two-way audio communication between board or committee members attending the meeting and, if the two-way audio communication link with a member is disrupted, stop the meeting until the link is reestablished.

 Added by Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 5, eff. September 1, 2021.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3501.101. AUTHORITY OF BOARD. The board shall manage, control, and operate the authority.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

- Sec. 3501.102. GENERAL POWERS AND DUTIES. (a) The authority may accept title, on approval by and in coordination with the governor, from the United States to all or any portion of the base property.
- (b) The authority may exercise, on approval by and in coordination with the governor, any power necessary or convenient

to accomplish a purpose of this chapter, including the power to:

- (1) sue and be sued, and plead and be impleaded, in its own name;
 - (2) adopt an official seal;
- (3) adopt and enforce bylaws and rules for the conduct of its affairs;
- (4) acquire, hold, own, and dispose of its revenue, income, receipts, and money from any source;
 - (5) select its depository;
 - (6) establish its fiscal year;
- (7) adopt an annual operating budget for all major expenditures before the beginning of the fiscal year;
 - (8) establish a system of accounts for the authority;
- (9) invest its money in accordance with Chapter 2256, Government Code;
- (10) acquire, hold, own, use, rent, lease, or dispose of any property, including a license, patent, right, right-of-way, easement, and other interest in property, by purchase, exchange, gift, assignment, condemnation, lease, sale, or any other means, to perform a duty or to exercise a power under this chapter;
- (11) manage, operate, or improve that property, to perform a duty or to exercise a power under this chapter;
- (12) sell, assign, lease, encumber, mortgage, or otherwise dispose of any base property, or any interest in that property, release or relinquish any right, title, claim, lien, interest, easement, or demand, however acquired, and, notwithstanding any other law, conduct any transaction authorized by this subdivision by public or private sale;
- (13) lease or rent any land, buildings, structures, or facilities located on the base property to any person to accomplish the purposes of this chapter;
- (14) request and accept any appropriation, grant, allocation, subsidy, guarantee, aid, service, labor, material, gift, or money from any source, including the federal government, the state, a public agency, and a political subdivision;
 - (15) maintain an office;
 - (16) appoint and determine the duties, tenure,

qualifications, compensation, and removal of officers, employees, agents, professional advisors, and counselors, including financial consultants, accountants, attorneys, architects, engineers, appraisers, and financing experts, as considered necessary or advisable by the board;

- (17) borrow money as necessary to acquire, improve, or operate a facility on the base property, not to exceed the amount determined by the board;
- (18) establish, impose, and collect rents, rates, fees, and charges for its facilities and services;
- (19) exercise the powers Chapter 380, Local Government Code, grants to a municipality for expansion of economic development and commercial activity;
- (20) lend money for a purpose authorized by Section 52-a, Article III, Texas Constitution;
- (21) authorize by resolution the incorporation of a nonprofit airport facility financing corporation in the manner provided by Subchapter E, Chapter 22, Transportation Code, for the purposes provided by Section 22.152(a), Transportation Code;
- (22) exercise the powers granted to a local government for the financing of facilities to be located on airport property, including powers granted by Chapter 22, Transportation Code, consistent with the requirements and the purposes of Section 52-a, Article III, Texas Constitution;
- (23) lease, own, and operate an airport and exercise the powers granted to municipalities and counties by Chapter 22, Transportation Code;
- (24) lease, own, and operate port facilities for air, truck, and rail transportation;
- (25) provide security for port functions, facilities,
 and operations;
- (26) cooperate with and participate in programs and security efforts of this state and the United States Department of Homeland Security; and
- (27) participate as a member or partner of a limited liability company, a limited liability partnership, or other entity organized to finance a project designated as a redevelopment

project under Section 3501.1024.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 6, eff. September 1, 2021.

Sec. 3501.1021. INLAND PORT AND TRADE POWERS. (a) The authority may establish and operate an inland port and related port facilities to engage in world trade.

(b) The authority may participate in national and international agreements advancing world trade at the port.

Added by Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 7, eff. September 1, 2021.

Sec. 3501.1022. SERVICES. The authority may charge a fee for a service including:

- (1) professional consultation services provided in relation to international trade, planning, land use, or construction;
- (2) real estate development services, including services provided by a person licensed under Chapter 1101, Occupations Code, acting as a broker;
- (3) support or participation in the acquisition of venture capital to finance the authority's redevelopment project, both inside and outside the authority;
- (4) participation in or assistance on a joint venture composed of both public and private entities;
- (5) promotion of an activity that creates employment opportunities; and
- (6) any other service provided in relation to a project undertaken by the authority, alone or with others, to fulfill an authority purpose or objective.

Added by Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 7, eff. September 1, 2021.

Sec. 3501.1023. TRANSPORTATION PROJECT. (a) The authority may implement a transportation project:

- (1) on the base property; or
- (2) outside of the base property to provide access to the base property.
- (b) The authority may enter into an agreement with a person to plan, finance, construct, or maintain a project described by Subsection (a).
- (c) The authority may construct a building, loading dock, or other facility as part of a transportation project described by Subsection (a)(1).

Added by Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 7, eff. September 1, 2021.

Sec. 3501.1024. REDEVELOPMENT PROJECTS. (a) The board may designate as a redevelopment project a project that relates to:

- (1) the development of base property and the surrounding areas; or
- (2) the development of property directly related to the purposes or goals of the authority.
- (b) A project designated under Subsection (a) is for a public purpose.

Added by Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 7, eff. September 1, 2021.

- Sec. 3501.103. UTILITIES. (a) As may be necessary and appropriate to accomplish the purposes for which the authority was established, the authority may exercise those powers granted to general law districts by Chapter 49, Water Code, and granted to municipal utility districts by Chapter 54, Water Code, may provide all other utility services that may be provided by an electric, gas, or water utility on an immediate basis without the need for state regulatory approval, and without restriction, may delegate those powers and the provision of those services to a neighboring municipality, a municipally owned utility, a cooperative corporation, or other utility provider.
- (b) The authority shall continue to be served by the provider, as of September 1, 1999, of electricity and related services to the authority until the authority delegates the

provision of electric services under Subsection (a).

- (c) A delegation under Subsection (a) of a power related to electric service and the provision of electric services may be made only to an electric utility provider that agrees to upgrade the electrical system infrastructure so that the authority can accomplish its purpose. The authority shall determine the criteria to be used for determining the level of infrastructure improvements necessary to encourage the expansion of economic development and commercial activity. The authority may delegate the provision of electric services without state regulatory approval.
- (d) The authority may contract to convey the property related to the supply and distribution of electrical power in the authority's territory to an electric utility provider that requires the conveyance as a condition of making an upgrade prescribed by Subsection (c).

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Sec. 3501.104. SECURITY FOR COSTS OR BOND NOT REQUIRED. In a suit, the authority may not be required to give security for costs or a supersedeas or cost bond in an appeal from a judgment.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

Sec. 3501.105. ADVISORY BOARDS. The board may appoint advisory boards to assist the board in administering this chapter. Added by Acts 2005, 79th Leg., Ch. 423 (S.B. 1751), Sec. 2, eff. June 17, 2005.

Sec. 3501.106. BONDS. (a) The authority may issue bonds if authorized by board resolution.

- (b) A bond issued under this chapter must:
 - (1) be payable solely from authority revenue;
- (2) mature not later than 40 years after its date of issuance; and
- (3) state on its face that it is not an obligation of this state or a municipality.
- (c) The authority may exercise the powers granted to the governing body of an issuer with regard to the issuance of

obligations and the execution of credit agreements under Chapter 1371, Government Code.

Added by Acts 2005, 79th Leg., Ch. 423 (S.B. 1751), Sec. 2, eff. June 17, 2005.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 288 (H.B. 4579), Sec. 8, eff. September 1, 2021.

SUBCHAPTER D. DISSOLUTION

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 3501.151. LEGISLATIVE INTENT. The legislature intends that the authority be dissolved after conveyance and sale of all of the base property.

Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.

The following section was amended by the 89th Legislature. Pending publication of the current statutes, see H.B. 5092, 89th Legislature, Regular Session, for amendments affecting the following section.

Sec. 3501.152. DUTY TO DISSOLVE. (a) The authority shall be dissolved on approval of the City of Lubbock and Lubbock County:

- (1) when all the functions of the authority are performed and completed; and
- (2) after all debts or obligations have been satisfied or retired with the assets of the authority.
- (b) On dissolution, any remaining assets of the authority shall be conveyed or transferred to the City of Lubbock and Lubbock County in proportion to any initial contribution of money made.

 Acts 2003, 78th Leg., ch. 1277, Sec. 1, eff. April 1, 2005.