SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

For contingent expiration of this chapter, see Sections 3917.002

and 3917.251.

CHAPTER 3917. WESTWOOD MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3917.001. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of League City.
- (3) "County" means Galveston County.
- (4) "Director" means a board member.
- (5) "District" means the Westwood Management District.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.002. PRECONDITION; EXPIRATION. (a) The district may not exercise any powers under this chapter until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

(b) This chapter, including Section 3917.055, expires September 1, 2015, if any municipality described by Subsection (a) has not consented to the creation of the district and the inclusion of land in the district by that date.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.003. NATURE OF DISTRICT. The Westwood Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3917.004. PURPOSE; DECLARATION OF INTENT. (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, the county, 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 employment, commerce, transportation, housing, tourism, recreation, the arts, entertainment, economic development, safety, and the public welfare in the district.
- (c) This chapter and the creation of the district may not be interpreted to relieve the city or the county from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant city or county services provided in the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.005. 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 creation of the district is in the public interest and is essential to further the public purposes of:
- (1) developing and diversifying the economy of the state;
 - (2) eliminating unemployment and underemployment; and
 - (3) developing or expanding transportation and

commerce.

- (d) 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) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a community and business center;
- (3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty; and
- (4) provide for water, wastewater, drainage, road, and recreational facilities for the district.
- (e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be a street or road improvement.
- (f) 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.

 Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.
- Sec. 3917.006. INITIAL 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 issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on bonds;

- (3) right to impose or collect a tax; or
- (4) legality or operation.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.007. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES; AGREEMENTS. (a) All or any part of the area of the district is eligible to be included in:

- (1) a tax increment reinvestment zone created under Chapter 311, Tax Code;
- (2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;
- (3) an enterprise zone created under Chapter 2303, Government Code; or
- (4) a district created under Chapter 42, Local Government Code, that has the same or similar powers, duties, and authority as the district created under this chapter.
- (b) The district may enter into an agreement with a district described by Subsection (a)(4) to coordinate services and improvement projects.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.008. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district. Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.009. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3917.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five directors who serve staggered terms of four years, with two or three directors' terms expiring June 1 of each odd-numbered year.

(b) The board by resolution or the governing body of the city by resolution or ordinance may change the number of directors on the board if the board determines that the change is in the best interest of the district. The board may not consist of fewer than five or more than seven directors.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.052. APPOINTMENT OF DIRECTORS. The mayor and members of the governing body of the city shall appoint directors from persons recommended by the board. A person is appointed if a majority of those members and the mayor vote to appoint that person. Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.053. QUORUM. For purposes of determining the requirements for a quorum of the board, the following are not counted:

- (1) a board position vacant for any reason, including death, resignation, or disqualification; or
- (2) a director who is abstaining from participation in a vote because of a conflict of interest.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.054. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as provided by Section 49.060, Water Code. Sections 375.069 and 375.070, Local Government Code, do not apply to the board.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3917.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.102. IMPROVEMENT PROJECTS AND SERVICES. The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using any money 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 or Chapter 375, Local Government Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.103. DEVELOPMENT CORPORATION AND DISTRICT POWERS. The district, using money available to the district, may exercise the powers given to a development corporation under Chapter 505, Local Government Code, and a municipal development district under Chapter 377, Local Government Code, including the power to own, operate, acquire, construct, lease, improve, or maintain a project under those chapters.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.104. 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.
- (c) The board may enter into a contract with the board of directors of a tax increment reinvestment zone created under

Chapter 311, Tax Code, that has territory within or bordering the district and the governing body of the municipality or county that created the zone to manage the zone or implement the project plan and reinvestment zone financing plan.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.105. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the county or the city, to provide law enforcement services in the district for a fee.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.106. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.107. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

- (b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:
 - (1) make loans and grants of public money; and
 - (2) provide district personnel and services.
- (c) The district may create economic development programs and exercise the economic development powers that:
- (1) Chapter 380, Local Government Code, provides to a municipality; and
- (2) Subchapter A, Chapter 1509, Government Code, provides to a municipality.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1,

eff. June 14, 2013.

Sec. 3917.108. ANNEXATION OR EXCLUSION OF LAND. (a) The district may annex land as provided by Subchapter J, Chapter 49, Water Code.

(b) The district may exclude land as provided by Subchapter J, Chapter 49, Water Code. Section 375.044(b), Local Government Code, does not apply to the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1,

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.109. APPROVAL BY CITY. (a) The district must obtain the approval of the city for:

- (1) the issuance of bonds; and
- (2) the plans and specifications of an improvement project related to the use of land owned by the city, an easement granted to the city, or a right-of-way of a street, road, or highway.
- (b) The district may not issue bonds until the governing body of the city adopts a resolution or ordinance authorizing the issuance of the bonds.
 - (c) The governing body of the city:
- (1) is not required to adopt a resolution or ordinance to approve plans and specifications described by Subsection (a); and
- (2) may establish an administrative process to approve plans and specifications described by Subsection (a) without the involvement of the governing body.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.110. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

Sec. 3917.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.152. MONEY USED FOR IMPROVEMENT PROJECTS OR SERVICES. The district may acquire, construct, finance, operate, or maintain an improvement project or service authorized under this chapter or Chapter 375, Local Government Code, using any money available to the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.153. ASSESSMENTS NOT AUTHORIZED. (a) The district may not impose an assessment.

(b) Subchapter F, Chapter 375, Local Government Code, does not apply to the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.154. RESIDENTIAL PROPERTY NOT EXEMPT. Section 375.161, Local Government Code, does not apply to a tax approved by the district voters or a required payment for service provided by the district, including water and sewer services.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.155. COMPETITIVE BIDDING. Subchapter I, Chapter 49, Water Code, applies to the district. Sections 375.221 and 375.223, Local Government Code, do not apply to the district. Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.156. PROJECT DEVELOPMENT AGREEMENT REQUIRED TO IMPOSE TAXES OR BORROW MONEY, INCLUDING BONDS. Before the district may issue bonds, impose taxes, or borrow money, the district and the city must negotiate and execute a mutually approved and accepted interlocal project development agreement regarding the development plans and rules for:

- (1) the development and operation of the district; and
- (2) the financing of improvement projects.

 Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3917.201. ELECTIONS REGARDING TAXES AND BONDS.

(a) The district may issue, without an election, bonds, notes, and other obligations secured by:

- (1) revenue other than ad valorem taxes; or
- (2) contract payments described by Section 3917.203.
- (b) The district must hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.
- (c) Section 375.243, Local Government Code, does not apply to the district.
- (d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.202. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election held in accordance with Section 3917.201, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for any district purpose, including to:

- (1) maintain and operate the district;
- (2) construct or acquire improvements; or
- (3) provide a service.
- (b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.
- (c) Section 49.107(h), Water Code, does not apply to the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

(b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.204. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS.

(a) The district may borrow money on terms determined by the board. Section 375.205, Local Government Code, does not apply to a loan, line of credit, or other borrowing from a bank or financial institution secured by revenue other than ad valorem taxes.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.205. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the

board shall provide for the annual imposition of a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.206. BONDS FOR RECREATIONAL FACILITIES. The limitation on the outstanding principal amount of bonds, notes, and other obligations provided by Section 49.4645, Water Code, does not apply to the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

Sec. 3917.207. CITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, the city is not required to pay a bond, note, or other obligation of the district.

Added by Acts 2013, 83rd Leg., R.S., Ch. 832 (S.B. 1884), Sec. 1, eff. June 14, 2013.

SUBCHAPTER F. DISSOLUTION

Sec. 3917.251. DISSOLUTION OF DISTRICT WITH OUTSTANDING DEBT. (a) The district may be dissolved as provided by Subchapter M, Chapter 375, Local Government Code, except that Section 375.264, Local Government Code, does not apply to the district.

- (b) The board may dissolve the district regardless of whether the district has debt.
- (c) If by December 31, 2037, the district has not been dissolved, the district is dissolved and this chapter expires on that date.
- (d) If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its debts. The dissolution is effective when all debts have been discharged.