

Amending boundaries and board of directors of Buffalo Bayou Management District

HB 4113 Cohen (Ellis)

DIGEST: HB 4113 would have changed the membership of the board of directors of the Buffalo Bayou Management District, decreased the number of directors on the board from 31 to nine, altered the date at which board members' terms would expire, increased the contract dollar amount under which competitive bidding would have been required, and amended the boundaries of the district.

GOVERNOR'S REASON FOR VETO:

“House Bill No. 4113 seeks to amend the enabling statute creating the Buffalo Bayou Management District, which is a municipal management district governed by Chapter 375, Local Government Code. The changes proposed by House Bill No. 4113 would alter the boundaries of the district, reduce the district’s board of directors from 31 to nine members, and list seven new directors by name.

“Municipal management districts are intended to provide a means for municipalities to focus additional resources on specific areas or neighborhoods for improvements and revitalization. Currently, the law governing these districts applies concepts of local control under the Local Government Code. I support the use of management districts to promote and encourage employment, commerce, economic development and the public welfare.

“Under the Local Government Code, members of a district’s board of directors are approved by the governing body of the municipality in which the district is located. However, House Bill No. 4113 would decrease the number of directors serving on the board of the Buffalo Bayou Management District, and specifically, would designate replacement board members by name – all without the approval from the local governing body. Similarly, House Bill No. 4113 would expand the district’s territory in a manner that does not allow input from the citizens and property owners of the annexed land being brought into the management district. I support the current method of a district annexing property subject to the approval of the local governing body and the safeguards that public input provides.

“House Bill No. 4113 would usurp municipal oversight that is critical to the proper functioning of these districts and the appointment of board members and approval of boundary changes is a vital part of the municipalities’ oversight responsibility.”

RESPONSE: Rep. Ellen Cohen, the bill’s author, said: “HB 4113 reduced the Buffalo Bayou Management District created in the 78th Legislative Session and amended the membership of the board.

“The reasoning for the reduction in area and amended board was meant to focus the district’s efforts around improvements to the properties immediately bordering Buffalo Bayou. Those improvements would have been flood mitigation, mobility projects, landscaping, and security.

“In his reasoning for vetoing the bill, the governor contends that the legislative process somehow usurps power from the city of Houston and does not allow for public input. That is inaccurate. Before the management district could assess any businesses in the annexed area:

1. A written petition must be filed with the board from a majority of business owners who could be assessed, requesting the services and improvements to be paid for with the assessments.
2. Upon receipt of petitions, the district must send, by certified mail, to every property owner potentially subject to assessment a notice of a public hearing.
3. The district must then conduct a public hearing and hear testimony in favor or against the proposed improvements and assessments.
4. Finally, the district must obtain consent from the city council of the city of Houston of the inclusion of land into the district. Even with the passage of this bill, the municipality, local citizens and property owners must approve the annexation.

“In his claim that HB 4113 ‘usurps’ local government jurisdiction, our office would like to point toward the city of Houston’s support of the measure during the bill’s hearing in the Urban Affairs Committee. Being the only municipality with territory under the district’s amended borders, our office is left without a clear answer as to what municipality the governor would ask to seek approval.

“Gov. Perry also argues that by decreasing the membership of the board, HB 4113 again assumes a role that the city of Houston should have. I disagree with this assertion. The reasoning for decreasing membership reflects the change in area covered by the proposed boundary changes. As the amended membership shows, property owners within the amended boundaries are well represented on the board and again were supported by the city of Houston. It stands to reason that with strong support from the property owners and with many serving on the amended board, there was no opposition to this change.

“HB 4113 was supported by local business and passed both the House and the Senate without opposition. Our office was pleased to work with Sen. Ellis and the governor’s staff to accommodate their concerns. However, we are disappointed with Gov. Perry’s decision to veto the legislation as well as his statement explaining his reasoning. Given the work our office has done with local property owners and the city of Houston, I am confused as to the reasoning used by the Governor’s Office in vetoing this measure.”

Sen. Rodney Ellis, the Senate sponsor, had no comment on the veto.

NOTES:

HB 4113 passed the House on the Local, Consent, and Resolutions Calendar and was not analyzed in a *Daily Floor Report*.