

AN ACT

relating to the creation of the Katy Towne Centre Development District; providing authority to impose a tax and issue bonds.

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

SECTION 1. CREATION OF DISTRICT. (a) Katy Towne Centre Development District is created as a special district under Section 52, Article III, Section 1-g, Article VIII, and Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name.

SECTION 2. DECLARATION OF INTENT. (a) The creation of the district is necessary to promote, develop, encourage, and maintain transportation, safety, employment, commerce, housing, tourism, recreation, the arts, entertainment, economic development, and the public welfare in the area of the district.

(b) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, Section 1-g, Article VIII, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this Act.

SECTION 3. DEFINITIONS. In this Act:

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

(2) "District" means Katy Towne Centre Development District.

SECTION 4. BOUNDARIES. The district includes all the

1 territory contained in the following described area:

2 BEING A 85.032 ACRE TRACT OF LAND OUT OF A CALLED 101.1282
3 ACRE TRACT OF LAND RECORDED UNDER P-450993 IN THE CLERK'S FILE
4 RECORDS OF HARRIS COUNTY, TEXAS SAID 85.032 ACRE TRACT BEING OUT OF
5 AND A PART OF THE J.W. MCCUTCHEON SURVEY, ABSTRACT 1348, THE JESSE
6 THOMPSON SURVEY, ABSTRACT 393 AND THE JOHN MCKNIGHT SURVEY,
7 ABSTRACT 292 IN BOTH HARRIS COUNTY, TEXAS AND FORT BEND COUNTY,
8 TEXAS AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

9 COMMENCING at a 1/2-inch iron rod found at the intersection
10 of the East right-of-way line of Pin Oak Road (varying width) with
11 the South right-of-way line of Roberts road (60.00 feet wide) said
12 1/2-inch iron rod also being the Northwest corner of a 20.00 acre
13 tract of land recorded under P-691302 of said Clerk's File Records
14 and being South 2° 12' 12" East 60.00 feet from Northwest corner of
15 said 101.1282 acre tract of land;

16 THENCE: South 2° 12' 12" East 733.78 feet along the East
17 right-of-way line of said Pin Oak Road and the West line of said
18 20.00 acre tract to a 1/2-inch iron rod found for the Southwest
19 corner of said 20.00 acre tract;

20 THENCE: North 87° 53' 02" East 20.00 feet along the South line
21 of said 20.00 acre tract to a 1/2-inch iron rod found and the POINT
22 OF BEGINNING of the description;

23 THENCE: North 87° 53' 02" East 1158.73 feet along the South
24 line of said 20.00 acre tract to a 1/2-inch iron rod found for the
25 Southeast corner of said 20.00 acre tract;

26 THENCE: North 2° 12' 36" West (called North 2° 12' 12" West),
27 at 744.44 feet pass a 1/2-inch iron rod found for the Northeast

1 corner of said 20.00 acre tract in the South line of an easement
2 conveyed to the City of Katy, Texas recorded in Volume 7527, Page
3 201 of the deed records of said Harris County, Texas, in all 804.44
4 feet to a 5/8-inch iron rod found in the North line of said easement
5 for the Southeast corner of a 0.529 acre tract of land recorded in
6 Volume 7470, Page 50 of said deed records, said 5/8-inch iron rod
7 being North 87° 21' 57" East 982.55 feet from a 3/4-inch iron pipe
8 found in the center of Thomas Street for the Southeast corner of the
9 J.J. Crawford Survey, Abstract 205, the most Westerly Southwest
10 corner of the J.W. McCutcheon Survey, Abstract 1348, the most
11 Northern Northeast corner of the J. Thompson Survey, Abstract 393
12 also being the Northwest corner of said easement conveyed to the
13 City of Katy, Texas in said Volume 7527, Page 201;

14 THENCE: North 1° 24' 18" West, at 280.95 feet pass the
15 Northeast corner of said 0.529 acre tract, in all 340.76 feet along
16 the East line of said 0.529 acre tract and along the East line of a
17 0.591 acre tract, being the residue of a 1.161 acre tract of land
18 recorded in Volume 7274, Page 624 of said deed records to a 1/2-inch
19 iron rod found in the South right-of-way line of U.S. Highway 90;

20 THENCE: North 88° 51' 54" East 68.66 feet along the South
21 right-of-way line of said U.S. Highway 90 to a 3/4-inch iron rod
22 found at a point of curvature;

23 THENCE: 138.95 feet along the arc of a curve to the right,
24 having a radius of 5694.58 feet and a chord bearing North 89° 18' 18"
25 East 138.95 feet to a 3/4-inch iron rod found at a point of
26 tangency;

27 THENCE: South 89° 57' 12" East 136.24 feet along said South

1 right-of-way line to a 3/4-inch rod found;

2 THENCE: North 48° 33' 09" East 55.73 feet along said South
3 right-of-way line to a 2-inch iron pipe found for the Northwest
4 corner of Tucker's Lane (30 foot private road);

5 THENCE: North 86° 22' 18" East 30.39 feet along said South
6 right-of-way line to a 3/4-inch iron rod found for the Northeast
7 corner of said Tucker's Lane, the same being the Northwest corner of
8 a 1.8244 acre tract of land recorded in volume 3245, Page 21 of said
9 deed records;

10 THENCE: South 1° 31' 39" East 307.78 feet along the West line
11 of said 1.8244 acre tract and the East line of said Tucker's Lane to
12 a 3/4-inch pinched iron pipe found at an angle point;

13 THENCE: South 47° 11' 08" East, at 275.11 feet pass the
14 Southeast corner of said 1.8244 acre tract, the same being the
15 Westerly most Southwest of a 10.1451 acre tract of land recorded
16 under L-041936 of said Clerk's File Records, in all 1526.46 feet
17 along the Southwesterly line of said 1.8244 acre tract and the
18 Southwesterly line of said 10.1451 acre tract to a 1 1/2-inch iron
19 pipe found for the South corner of said 10.1451 acre tract in the
20 North right-of-way of Interstate Highway 10 Service Road;

21 THENCE: South 40° 52' 09" West 768.09 feet along the North
22 right-of-way line of said Interstate Highway 10 Service Road to a
23 concrete right-of-way monument found at a point of curvature;

24 THENCE: 955.70 feet along the arc of a curve to the right,
25 having a radius of 2704.79 feet and a chord bearing South 51° 02' 27"
26 West 950.74 feet and along said North right-of-way line to a partly
27 demolished concrete right-of-way monument found at a point of

1 tangency;

2 THENCE: South 61° 43' 28" West 63.55 feet along said North
3 right-of-way line to a partly demolished concrete right-of-way
4 monument found at a point of curvature;

5 THENCE: 486.09 feet along the arc of a curve to the right,
6 having a radius of 532.96 feet and a chord bearing South 87° 10' 56"
7 West 469.42 feet and along said North right-of-way line to a partly
8 demolished concrete right-of-way monument found at a point of
9 tangency;

10 THENCE: North 66° 32' 22" West at 87.54 feet pass 1/2-inch
11 iron pipe found, in all 153.14 feet along said North right-of-way
12 line to a 2-inch pipe found;

13 THENCE: North 66° 36' 10" West 91.30 feet along said North
14 right-of-way line to a concrete right-of-way monument found at a
15 point of curvature;

16 THENCE: 427.77 feet along the arc of a curve to the left,
17 having a radius of 605.16 feet and a chord bearing North 86° 28' 19"
18 West 418.92 feet to a partly demolished concrete right-of-way
19 monument found;

20 THENCE: South 72° 53' 48" West 61.32 feet along said North
21 right-of-way line to a concrete right-of-way monument found for the
22 Southeast cut-back corner at the Pin Oak Road intersection;

23 THENCE: North 34° 47' 39" West 142.04 feet along the
24 Southeast cut-back line to a 1/2-inch iron rod found at the South
25 corner of a 0.080 acre tract of land recorded under 9568797 of the
26 Clerk's File Records of said Fort Bend County, Texas;

27 THENCE: North 16° 32' 07" West 284.00 feet along the East

1 line of said 0.080 acre tract to a 1/2-inch iron rod found in the
2 East line of a 0.045 acre tract of land (Tract I) recorded under
3 9509640 of said Clerk's File Records;

4 THENCE: North 2° 12' 12" West, at 76.96 feet pass a 1/2-inch
5 iron rod found for the Northeast corner of said 0.045 acre tract,
6 the same being the Southeast corner of a 0.357 (Tract II) acre tract
7 of land recorded under 9509640 of said Clerk's File Records, in all
8 854.65 feet along the East line of said 0.045 acre tract and the
9 East line of said 0.357 acre tract to the POINT OF BEGINNING,
10 containing an area of 85.032 acres of land.

11 The bearings recited herein are based on the East right-of-way line
12 of Pin Oak Road running North 2° 12' 12" West.

13 SAVE AND EXCEPT:

14 A tract of land containing 1.010 acres (44,000 square feet) out of
15 the Jesse Thompson Survey, Abstract No. 393, Fort Bend County,
16 Texas. Said 1.010-acre tract being a portion of an 85.032-acre
17 tract of land conveyed to Omega III Investment Company as recorded
18 under Harris County Clerk's File No. S269724, Film Code No.
19 511-38-2179 of the Official Public Records of Real Property in
20 Harris County, Texas. Said 1.010-acre tract being more
21 particularly described by metes and bounds as follows, with the
22 basis-of-bearings being the east right-of way line of Pin Oak Road
23 (width varies):

24 BEGINNING at a 5/8-inch iron rod found in the east
25 right-of-way line of said Pin Oak Road for the southwest corner of a
26 20.000-acre tract of land conveyed to First Baptist Church, Katy,
27 Texas as recorded under Harris County Clerk's File No. P691302,

1 Film Code No. 199-53-1913 of the Official Public Records of Real
2 Property in Harris County, Texas, for a northwest corner of said
3 85.032-acre tract and the northwest corner of the tract herein
4 described;

5 THENCE: North 87° 53' 02" East, along the south line of said
6 20.000-acre tract, along a north line of said 85.032-acre tract, a
7 distance of 220.00 feet to a 5/8-inch rod with cap (stamped "Weisser
8 Eng. Houston, Tx") set in the south line of said 20.00-acre tract,
9 in a north line of said 85.032-acre tract for the northeast corner
10 of said tract herein described;

11 THENCE: South 02° 12' 12" East, leaving the south line of said
12 20.000-acre tract, leaving a north line of said 85.032-acre tract,
13 parallel to and 220.00 feet east of the east right-of-way line of
14 said Pin Oak Road, a distance of 200.00 feet to a 5/8-inch iron rod
15 with cap (stamped "Weisser Eng. Houston, Tx") set for the southeast
16 corner of said tract herein described;

17 THENCE: South 87° 53' 02" West, parallel to and 200.00 feet
18 south of a north line of said 85.032-acre tract, a distance of
19 220.00 feet to a 5/8-inch iron rod with cap (stamped "Weisser Eng.
20 Houston, Tx") set in the east right-of-way line of said Pin Oak Road
21 for the southwest corner of said tract herein described;

22 THENCE: North 02° 12' 12" West, along the east right-of-way
23 line of said Pin Oak Road, a distance of 200.00 feet to the POINT OF
24 BEGINNING and containing 1.010 acres (44,000 square feet) of land.

25 SECTION 5. FINDINGS RELATING TO BOUNDARIES. The boundaries
26 and field notes of the district form a closure. A mistake in the
27 field notes or in copying the field notes in the legislative process

1 does not in any way affect the district's:

2 (1) organization, existence, or validity;

3 (2) right to issue any type of bond for the purposes
4 for which the district is created or to pay the principal of and
5 interest on a bond;

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

7 (4) legality or operation.

8 SECTION 6. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The
9 district is created to serve a public use and benefit.

10 (b) All land and other property included in the district
11 will benefit from the improvements and services to be provided by
12 the district under powers conferred by Sections 52 and 52-a,
13 Article III, and Section 59, Article XVI, Texas Constitution, and
14 other powers granted under this Act.

15 (c) The creation of the district is in the public interest
16 and is essential to:

17 (1) further the public purposes of the development and
18 diversification of the economy of the state;

19 (2) eliminate unemployment and underemployment; and

20 (3) develop or expand transportation and commerce.

21 (d) The district will:

22 (1) promote the health, safety, and general welfare of
23 residents, employers, employees, visitors, and consumers in the
24 district and of the public;

25 (2) provide needed funding to preserve, maintain, and
26 enhance the economic health and vitality of the district as a
27 community; and

1 (3) promote the health, safety, welfare, and enjoyment
2 of the public by providing pedestrian ways and by landscaping and
3 developing certain areas in the district, which are necessary for
4 the restoration, preservation, and enhancement of scenic beauty.

5 (e) Pedestrian ways along or across a street, whether at
6 grade or above or below the surface, and street lighting, street
7 landscaping, and street art objects are parts of and necessary
8 components of a street and are considered to be a street or road
9 improvement.

10 (f) The district will not act as the agent or
11 instrumentality of any private interest even though the district
12 will benefit many private interests as well as the public.

13 SECTION 7. FINDINGS RELATED TO REDEVELOPMENT. The
14 legislature finds that development or redevelopment in the area in
15 the district would not occur solely through private investment in
16 the reasonably foreseeable future and that the area in the
17 district:

18 (1) is unproductive, underdeveloped, or blighted;

19 (2) substantially arrests and impairs the sound growth
20 of the City of Katy because of:

21 (A) obsolete platting;

22 (B) deterioration of structures or site
23 improvements; or

24 (C) other factors;

25 (3) retards the provision of housing accommodations;

26 (4) is an economic and social liability;

27 (5) is a menace to the public health, safety, morals,

1 and welfare in its present condition and use; and

2 (6) is predominantly open.

3 SECTION 8. ELIGIBILITY FOR REINVESTMENT ZONES. All or any
4 part of the area of the district is eligible, regardless of other
5 statutory criteria, to be included in a tax increment reinvestment
6 zone created by the City of Katy under Chapter 311, Tax Code.

7 SECTION 9. APPLICATION OF OTHER LAW. Chapter 311,
8 Government Code (Code Construction Act), applies to this Act.

9 SECTION 10. CONSTRUCTION OF ACT. (a) This Act shall be
10 liberally construed in conformity with the findings and purposes
11 set forth in this Act.

12 (b) If any provision of the general law conflicts with this
13 Act, this Act prevails.

14 SECTION 11. BOARD OF DIRECTORS; TERMS. The district is
15 governed by a board of five directors who serve staggered terms of
16 four years.

17 SECTION 12. APPOINTMENT. (a) The governing body of the
18 City of Katy shall appoint directors to the board.

19 (b) Sections 375.063, Local Government Code, and 49.052,
20 Water Code, do not apply to directors of the district.

21 SECTION 13. VACANCIES. A vacancy on the board shall be
22 filled by the remaining directors.

23 SECTION 14. POWERS OF DISTRICT. The district has all powers
24 and authority provided by the general laws on road districts and
25 road utility districts created under Section 52, Article III, Texas
26 Constitution, and conservation and reclamation districts and
27 municipal management districts created under Section 59, Article

1 XVI, Texas Constitution, including:

2 (1) Chapters 257 and 441, Transportation Code;

3 (2) Chapter 375, Local Government Code; and

4 (3) Chapters 49 and 54, Water Code.

5 SECTION 15. AGREEMENTS; GRANTS. (a) The district may make
6 an agreement with or accept a gift, grant, or loan from any person.

7 (b) The implementation of a project is a governmental
8 function or service for the purposes of Chapter 791, Government
9 Code.

10 SECTION 16. LAW ENFORCEMENT SERVICES. To protect the
11 public interest, the district may contract with a municipality or
12 county to provide law enforcement services in the district for a
13 fee.

14 SECTION 17. AUTHORITY TO IMPOSE AD VALOREM TAXES,
15 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem
16 tax, assessment, or impact fee and use the proceeds of the tax,
17 assessment, or impact fee for any district purpose, including the
18 payment of debt or other contractual obligations, or the payment of
19 maintenance and operating expenses.

20 SECTION 18. ELECTIONS REGARDING TAXES OR BONDS. (a) The
21 district must hold an election in the manner provided by Chapters 49
22 and 54, Water Code, to obtain voter approval before the district may
23 impose a maintenance tax or issue bonds payable from ad valorem
24 taxes.

25 (b) The board may not include more than one purpose in a
26 single proposition at an election.

27 SECTION 19. MAINTENANCE TAX. (a) The district may impose

1 an annual ad valorem tax on taxable property in the district for any
2 district purpose, including to:

3 (1) maintain and operate the district, including
4 improvements constructed or acquired by the district; or

5 (2) provide a service.

6 (b) The board shall determine the tax rate.

7 SECTION 20. ASSESSMENTS; PETITION REQUIRED FOR FINANCING
8 SERVICES AND IMPROVEMENTS. (a) The board by resolution may impose
9 and collect an assessment for any purpose authorized by this Act.

10 (b) The board may not finance a service or improvement
11 project through an assessment under this Act unless a written
12 petition requesting that service or improvement has been filed with
13 the board. The petition must be signed by:

14 (1) the owners of a majority of the assessed value of
15 real property in the district that will be subject to the assessment
16 according to the most recent certified tax appraisal roll for the
17 county in which the property is located; or

18 (2) at least 25 owners of real property in the district
19 that will be subject to the assessment, if more than 25 persons own
20 real property in the district that will be subject to the assessment
21 according to the most recent certified tax appraisal roll for the
22 county in which the property is located.

23 (c) An assessment, a reassessment, or an assessment
24 resulting from an addition to or correction of the assessment roll
25 by the district, penalties and interest on an assessment or
26 reassessment, an expense of collection, and reasonable attorney's
27 fees incurred by the district:

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

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

6 (3) are the personal liability of and charge against
7 the owners of the property even if the owners are not named in the
8 assessment proceeding.

9 (d) The lien is effective from the date of the board's
10 resolution imposing the assessment until the date the assessment is
11 paid. The board may enforce the lien in the same manner that the
12 board may enforce an ad valorem tax lien against real property.

13 SECTION 21. UTILITIES. The district may not impose an
14 impact fee or assessment on the property, including equipment,
15 rights-of-way, facilities, or improvements, of:

16 (1) an electric utility or a power generation company
17 as defined by Section 31.002, Utilities Code;

18 (2) a gas utility as defined by Section 101.003 or
19 121.001, Utilities Code;

20 (3) a telecommunications provider as defined by
21 Section 51.002, Utilities Code; or

22 (4) a person who provides to the public cable
23 television or advanced telecommunications services.

24 SECTION 22. USE AND ALTERATION OF PUBLIC WAYS. Section
25 375.093(c), Local Government Code, applies to the district.

26 SECTION 23. TAX INCREMENT FINANCING POWERS. (a) Without
27 further authorization or procedural requirement and regardless of

1 other statutory criteria, the district is a tax increment
2 reinvestment zone under Chapter 311, Tax Code.

3 (b) The district has all powers provided under Chapter 311,
4 Tax Code.

5 (c) The district may enter into an interlocal agreement with
6 any overlapping taxing unit for the payment of all or a portion of
7 the tax increment of the unit to the district. The overlapping
8 taxing unit may enter into the agreement.

9 (d) The base year value of the district, for tax increment
10 financing purposes, is the value as of January 1, 2003, of all
11 taxable real property in the district as shown on the certified tax
12 rolls of the central appraisal district.

13 SECTION 24. OBLIGATIONS. (a) The district may issue bonds
14 or other obligations payable in whole or in part from ad valorem
15 taxes, assessments, impact fees, revenue, grants, or other money of
16 the district, or any combination of those sources of money, to pay
17 for any authorized purpose of the district.

18 (b) In exercising the district's borrowing power, the
19 district may issue a bond or other obligation in the form of a bond,
20 note, certificate of participation or other instrument evidencing a
21 proportionate interest in payments to be made by the district, or
22 other type of obligation.

23 SECTION 25. INITIAL DIRECTORS. (a) The initial board
24 consists of the following persons:

25 Name of Director

26 Ricky Burch

27 Ed Weisner

1 George Parker

2 Bruce Skates

3 Malcolm Beckendorff

4 (b) Of the initial directors, the terms of the first three
5 directors named in Subsection (a) expire on June 1, 2006, and the
6 terms of the last two directors named in Subsection (a) expire on
7 June 1, 2004.

8 (c) This section expires September 1, 2006.

9 SECTION 26. ADDITIONAL LEGISLATIVE FINDINGS. The
10 legislature finds that:

11 (1) proper and legal notice of the intention to
12 introduce this Act, setting forth the general substance of this
13 Act, has been published as provided by law, and the notice and a
14 copy of this Act have been furnished to all persons, agencies,
15 officials, or entities to which they are required to be furnished by
16 the constitution and laws of this state, including the governor,
17 who has submitted the notice and Act to the Texas Commission on
18 Environmental Quality;

19 (2) the Texas Commission on Environmental Quality has
20 filed its recommendations relating to this Act with the governor,
21 lieutenant governor, and speaker of the house of representatives
22 within the required time;

23 (3) the general law relating to consent by political
24 subdivisions to the creation of districts with conservation,
25 reclamation, and road powers and the inclusion of land in those
26 districts has been complied with; and

27 (4) all requirements of the constitution and laws of

1 this state and the rules and procedures of the legislature with
2 respect to the notice, introduction, and passage of this Act have
3 been fulfilled and accomplished.

4 SECTION 27. EFFECTIVE DATE. This Act takes effect
5 immediately if it receives a vote of two-thirds of all the members
6 elected to each house, as provided by Section 39, Article III, Texas
7 Constitution. If this Act does not receive the vote necessary for
8 immediate effect, this Act takes effect September 1, 2003.

President of the Senate

Speaker of the House

I certify that H.B. No. 3575 was passed by the House on May 10, 2003, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3575 was passed by the Senate on May 22, 2003, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor