

## **BILL ANALYSIS**

Senate Research Center

H.B. 2692  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Texas urban and suburban communities are increasingly incorporating commuter rail systems to address congestion and mobility problems. Because rail projects attract more intense development, rail projects cause surrounding property values to increase and threaten to displace lower-income working families and seniors from their neighborhoods due to increased property taxes. In Dallas, for example, the Dallas Area Rapid Transit project resulted in a 32 percent increase in residential property values near the stations. In Austin, similar projects are in the planning stages and could result in increased residential property values.

H.B. 2692 gives cities with populations of less than 1.1 million persons a tool to ensure that low to moderate income households have the opportunity to live near commuter rail stations by promoting affordable housing within one mile of a commuter rail station. It does this, specifically, by creating a waiver from the existing state code preventing cities from setting price ceilings on property. This exemption applies only to multifamily development intended for sale, located less than one mile from a commuter rail stop, and located in a city with a population of more than 650,000 persons with an at-large council in which a commuter rail system was approved in an election after November 1, 2004.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 214.905(d), Local Government Code, as follows:

(d) Provides that this section does not apply to:

- (1) property that is part of an urban land bank program; or
- (2) a multifamily residential development of eight or more residential units:
  - (A) intended for private sale;
  - (B) located less than one mile from a commuter rail station; and
  - (C) located in a municipality with a population of more than 650,000; that has a governing body consisting only of members who are elected at large; and in which a commuter rail system was approved by an election held after November 1, 2004.

SECTION 2. Effective date: upon passage or September 1, 2009.