

By: Patrick

S.B. No. 2510

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Harris County Improvement District No. 18; providing authority to impose an assessment, impose a tax, and issue bonds.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3879 to read as follows:

CHAPTER 3879. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 18

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3879.001. DEFINITIONS. In this chapter:

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

(2) "Director" means a board member.

(3) "District" means the Harris County Improvement District No. 18.

Sec. 3879.002. NATURE OF DISTRICT. The Harris County Improvement District No. 18 is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3879.003. 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 of Houston, Harris County, and other political subdivisions to contract with the district, the legislature has established a

1 program to accomplish the public purposes set out in Section 52-a,
2 Article III, Texas Constitution.

3 (b) The creation of the district is necessary to promote,
4 develop, encourage, and maintain employment, commerce,
5 transportation, housing, tourism, recreation, the arts,
6 entertainment, economic development, safety, and the public
7 welfare in the district.

8 (c) This chapter and the creation of the district may not be
9 interpreted to relieve Harris County from providing the level of
10 services provided, as of the effective date of the Act creating this
11 chapter, to the area in the district. The district is created to
12 supplement and not to supplant the county services provided in the
13 area in the district.

14 Sec. 3879.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

15 (a) The district is created to serve a public use and benefit.

16 (b) All land and other property included in the district
17 will benefit from the improvements and services to be provided by
18 the district under powers conferred by Sections 52 and 52-a,
19 Article III, and Section 59, Article XVI, Texas Constitution, and
20 other powers granted under this chapter.

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

23 (1) further the public purposes of developing and
24 diversifying the economy of the state;

25 (2) eliminate unemployment and underemployment; and

26 (3) develop or expand transportation and commerce.

27 (d) The district will:

1 (1) promote the health, safety, and general welfare of
2 residents, employers, employees, potential employees, visitors,
3 and consumers in the district, and of the public;

4 (2) provide needed funding for the district to
5 preserve, maintain, and enhance the economic health and vitality of
6 the district territory as a community and business center;

7 (3) promote the health, safety, welfare, and enjoyment
8 of the public by providing pedestrian ways and by landscaping and
9 developing certain areas in the district, which are necessary for
10 the restoration, preservation, and enhancement of scenic beauty;
11 and

12 (4) provide for water, wastewater, drainage, road, and
13 recreational facilities for the district.

14 (e) Pedestrian ways along or across a street, whether at
15 grade or above or below the surface, and street lighting, street
16 landscaping, parking, and street art objects are parts of and
17 necessary components of a street and are considered to be a street
18 or road improvement.

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

22 Sec. 3879.005. INITIAL DISTRICT TERRITORY. (a) The
23 district is initially composed of the territory described by
24 Section 2 of the Act creating this chapter.

25 (b) The boundaries and field notes contained in Section 2 of
26 the Act creating this chapter form a closure. A mistake in the
27 field notes or in copying the field notes in the legislative process

1 does not 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 the bond;

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

7 (4) legality or operation.

8 Sec. 3879.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

9 All or any part of the area of the district is eligible to be
10 included in:

11 (1) a tax increment reinvestment zone created under
12 Chapter 311, Tax Code;

13 (2) a tax abatement reinvestment zone created under
14 Chapter 312, Tax Code; or

15 (3) an enterprise zone created under Chapter 2303,
16 Government Code.

17 Sec. 3879.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
18 DISTRICTS LAW. Except as otherwise provided by this chapter,
19 Chapter 375, Local Government Code, applies to the district.

20 Sec. 3879.008. LIBERAL CONSTRUCTION OF CHAPTER. This
21 chapter shall be liberally construed in conformity with the
22 findings and purposes stated in this chapter.

23 [Sections 3879.009-3879.050 reserved for expansion]

24 SUBCHAPTER B. BOARD OF DIRECTORS

25 Sec. 3879.051. GOVERNING BODY; TERMS. (a) The district is
26 governed by a board of five voting directors who serve staggered
27 terms of four years, with two or three directors' terms expiring

1 June 1 of each odd-numbered year.

2 (b) The board by resolution may change the number of voting
3 directors on the board, but only if the board determines that the
4 change is in the best interest of the district. The board may not
5 consist of fewer than five or more than 15 voting directors.

6 Sec. 3879.052. APPOINTMENT OF DIRECTORS. The Texas
7 Commission on Environmental Quality shall appoint voting directors
8 from persons recommended by the board.

9 Sec. 3879.053. INITIAL VOTING DIRECTORS. (a) The initial
10 board consists of the following voting directors:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Robert DeForest</u>
<u>2</u>	<u>Burdette Keeland</u>
<u>3</u>	<u>Bobby Deden</u>
<u>4</u>	<u>Dwayne Mason</u>
<u>5</u>	<u>John Murphy</u>

17 (b) Of the initial directors, the terms of directors
18 appointed for positions 1 through 3 expire June 1, 2011, and the
19 terms of directors appointed for positions 4 and 5 expire June 1,
20 2013.

21 (c) Section 3879.052 does not apply to this section.

22 (d) This section expires September 1, 2014.

23 Sec. 3879.054. NONVOTING DIRECTORS. The board may appoint
24 nonvoting directors to serve at the pleasure of the voting
25 directors.

26 Sec. 3879.055. QUORUM. For purposes of determining the
27 requirements for a quorum of the board, the following are not

1 counted:

2 (1) a board position vacant for any reason, including
3 death, resignation, or disqualification;

4 (2) a director who is abstaining from participation in
5 a vote because of a conflict of interest; or

6 (3) a nonvoting director.

7 Sec. 3879.056. COMPENSATION. A director is entitled to
8 receive fees of office and reimbursement for actual expenses as
9 provided by Section 49.060, Water Code. Sections 375.069 and
10 375.070, Local Government Code, do not apply to the board.

11 [Sections 3879.057-3879.100 reserved for expansion]

12 SUBCHAPTER C. POWERS AND DUTIES

13 Sec. 3879.101. DEVELOPMENT CORPORATION POWERS. The
14 district may exercise the powers given to a development corporation
15 under Chapter 505, Local Government Code, including the power to
16 own, operate, acquire, construct, lease, improve, or maintain a
17 project described by that chapter.

18 Sec. 3879.102. NONPROFIT CORPORATION. (a) The board by
19 resolution may authorize the creation of a nonprofit corporation to
20 assist and act for the district in implementing a project or
21 providing a service authorized by this chapter.

22 (b) The nonprofit corporation:

23 (1) has each power of and is considered for purposes of
24 this chapter to be a local government corporation created under
25 Chapter 431, Transportation Code; and

26 (2) may implement any project and provide any service
27 authorized by this chapter.

1 (c) The board shall appoint the board of directors of the
2 nonprofit corporation. The board of directors of the nonprofit
3 corporation shall serve in the same manner as the board of directors
4 of a local government corporation created under Chapter 431,
5 Transportation Code, except that a board member is not required to
6 reside in the district.

7 Sec. 3879.103. AGREEMENTS; GRANTS. (a) The district may
8 make an agreement with or accept a gift, grant, or loan from any
9 person.

10 (b) The implementation of a project is a governmental
11 function or service for the purposes of Chapter 791, Government
12 Code.

13 Sec. 3879.104. AUTHORITY TO CONTRACT FOR LAW ENFORCEMENT
14 SERVICES. To protect the public interest, the district may
15 contract with a qualified person, including Harris County or the
16 City of Houston, for the provision of law enforcement services in
17 the district for a fee.

18 Sec. 3879.105. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
19 district may join and pay dues to a charitable or nonprofit
20 organization that performs a service or provides an activity
21 consistent with the furtherance of a district purpose.

22 Sec. 3879.106. ECONOMIC DEVELOPMENT PROGRAMS. (a) The
23 district may establish and provide for the administration of one or
24 more programs to promote state or local economic development and to
25 stimulate business and commercial activity in the district,
26 including programs to:

- 27 (1) make loans and grants of public money; and

1 (2) provide district personnel and services.

2 (b) The district has all of the powers of a municipality
3 under Chapter 380, Local Government Code.

4 Sec. 3879.107. STRATEGIC PARTNERSHIP AGREEMENT. The
5 district may negotiate and enter into a written strategic
6 partnership with the City of Houston as provided by Section
7 43.0751, Local Government Code.

8 Sec. 3879.108. NO EMINENT DOMAIN. The district may not
9 exercise the power of eminent domain.

10 Sec. 3879.109. USE OF CONDUITS. (a) The district may
11 finance, acquire, construct, improve, operate, maintain, or charge
12 a fee for the use of district conduits for:

13 (1) fiber-optic cable;

14 (2) electronic transmission lines; or

15 (3) other types of transmission lines and supporting
16 facilities.

17 (b) The district may not require a person to use a district
18 conduit.

19 Sec. 3879.110. ANNEXATION OR EXCLUSION OF LAND. (a) The
20 district may annex land as provided by Subchapter J, Chapter 49,
21 Water Code.

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

25 [Sections 3879.111-3879.150 reserved for expansion]

26 SUBCHAPTER D. PUBLIC PARKING FACILITIES

27 Sec. 3879.151. PARKING FACILITIES AUTHORIZED; OPERATION BY

1 PRIVATE ENTITY. (a) The district may acquire, lease as lessor or
2 lessee, construct, develop, own, operate, and maintain parking
3 facilities or a system of parking facilities, including:

4 (1) lots, garages, parking terminals, or other
5 structures or accommodations for parking motor vehicles off the
6 streets; and

7 (2) equipment, entrances, exits, fencing, and other
8 accessories necessary for safety and convenience in parking
9 vehicles.

10 (b) A parking facility of the district may be leased to or
11 operated on behalf of the district by an entity other than the
12 district.

13 (c) The district's parking facilities are a program
14 authorized by the legislature under Section 52-a, Article III,
15 Texas Constitution.

16 (d) The district's parking facilities serve the public
17 purposes of the district and are owned, used, and held for a public
18 purpose even if leased or operated by a private entity for a term of
19 years.

20 Sec. 3879.152. RULES. The district may adopt rules
21 governing the district's public parking facilities.

22 Sec. 3879.153. FINANCING OF PUBLIC PARKING FACILITIES.

23 (a) The district may use any of its resources, including revenue,
24 assessments, taxes, or grant or contract proceeds, to pay the cost
25 of acquiring or operating public parking facilities.

26 (b) The district may:

27 (1) set, charge, impose, and collect fees, charges, or

1 tolls for the use of the district's public parking facilities; and
2 (2) issue bonds or notes to finance the cost of the
3 district's public parking facilities.

4 [Sections 3879.154-3879.200 reserved for expansion]

5 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS

6 Sec. 3879.201. DISBURSEMENTS AND TRANSFERS OF MONEY. The
7 board by resolution shall establish the number of directors'
8 signatures and the procedure required for a disbursement or
9 transfer of the district's money.

10 Sec. 3879.202. MONEY USED FOR IMPROVEMENTS OR SERVICES.
11 The district may acquire, construct, finance, operate, or maintain
12 any improvement or service authorized under this chapter or Chapter
13 375, Local Government Code, using any money available to the
14 district.

15 Sec. 3879.203. PETITION REQUIRED FOR FINANCING SERVICES AND
16 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
17 service or improvement project with assessments under this chapter
18 unless a written petition requesting that service or improvement
19 has been filed with the board.

20 (b) A petition filed under Subsection (a) must be signed by
21 the owners of a majority of the assessed value of real property in
22 the district subject to assessment according to the most recent
23 certified tax appraisal roll for Harris County.

24 Sec. 3879.204. METHOD OF NOTICE FOR HEARING. The district
25 may mail the notice required by Section 375.115(c), Local
26 Government Code, by certified or first class United States mail.
27 The board shall determine the method of notice.

Sec. 3879.205. ASSESSMENTS; LIENS FOR ASSESSMENTS.

(a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

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

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

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

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

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

(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.

Sec. 3879.206. UTILITY PROPERTY EXEMPT FROM IMPACT FEES AND ASSESSMENTS. The district may not impose an impact fee or

1 assessment on the property, including the equipment,
2 rights-of-way, facilities, or improvements, of:

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

5 (2) a gas utility as defined by Section 101.003 or
6 121.001, Utilities Code;

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

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

11 Sec. 3879.207. RESIDENTIAL PROPERTY. Section 375.161,
12 Local Government Code, does not apply to a tax imposed by the
13 district or a required payment for a service provided by the
14 district, including water and sewer service.

15 Sec. 3879.208. OPERATION AND MAINTENANCE TAX. (a) If
16 authorized at an election held in accordance with Section 3879.212,
17 the district may impose an annual operation and maintenance tax on
18 taxable property in the district in accordance with Section 49.107,
19 Water Code, for any district purpose, including to:

20 (1) maintain and operate the district;

21 (2) construct or acquire improvements; or

22 (3) provide a service.

23 (b) The board shall determine the tax rate. The rate may not
24 exceed the rate approved at the election.

25 (c) Section 49.107(h), Water Code, does not apply to the
26 district.

27 Sec. 3879.209. CONTRACT TAXES. (a) In accordance with

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

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

9 Sec. 3879.210. AUTHORITY TO BORROW MONEY AND TO ISSUE
10 BONDS. (a) The district may borrow money on terms and conditions
11 as determined by the board. Section 375.205, Local Government
12 Code, does not apply to a loan, line of credit, or other borrowing
13 from a bank or financial institution secured by revenue other than
14 ad valorem taxes.

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

20 (c) The limitation on the outstanding principal amount of
21 bonds, notes, and other obligations provided by Section 49.4645,
22 Water Code, does not apply to the district.

23 Sec. 3879.211. TAXES FOR BONDS. At the time the district
24 issues bonds payable wholly or partly from ad valorem taxes, the
25 board shall provide for the annual imposition of a continuing
26 direct ad valorem tax, without limit as to rate or amount, while all
27 or part of the bonds are outstanding as required and in the manner

1 provided by Sections 54.601 and 54.602, Water Code.

2 Sec. 3879.212. ELECTIONS REGARDING TAXES AND BONDS.

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

5 (1) revenue other than ad valorem taxes; or

6 (2) contract payments described by Section 3879.209.

7 (b) The district must hold an election in the manner
8 provided by Subchapter L, Chapter 375, Local Government Code, to
9 obtain voter approval before the district may impose an ad valorem
10 tax or sales and use tax or issue bonds payable from ad valorem
11 taxes.

12 (c) Section 375.243, Local Government Code, does not apply
13 to the district.

14 (d) All or any part of any facilities or improvements that
15 may be acquired by a district by the issuance of district bonds may
16 be included in one single proposition to be voted on at the election
17 or the bonds may be submitted in several propositions.

18 Sec. 3879.213. COMPETITIVE BIDDING. Subchapter I, Chapter
19 49, Water Code, applies to the district. Sections 375.221 and
20 375.223, Local Government Code, do not apply to the district.

21 Sec. 3879.214. TAX AND ASSESSMENT ABATEMENTS. The district
22 may grant in the manner authorized by Chapter 312, Tax Code, an
23 abatement for a tax or assessment owed to the district.

24 [Sections 3879.215-3879.250 reserved for expansion]

25 SUBCHAPTER F. TAXES FOR CERTAIN DEFINED AREAS AND DESIGNATED
26 PROPERTY

27 Sec. 3879.251. AUTHORITY TO ESTABLISH DEFINED AREAS OR

1 DESIGNATED PROPERTY. The district may define areas or designate
2 certain property of the district to pay for improvements,
3 facilities, or services that primarily benefit that area or
4 property and do not generally and directly benefit the district as a
5 whole.

6 Sec. 3879.252. PROCEDURE FOR ELECTION. (a) Before the
7 district may impose an ad valorem tax or issue bonds payable from ad
8 valorem taxes of the area defined or property designated under
9 Section 3879.251, the board must call and hold an election as
10 provided by Section 3879.212 only in the defined area or in the
11 boundaries of the designated property.

12 (b) The board may submit the proposition to the voters on
13 the same ballot to be used in another election.

14 Sec. 3879.253. DECLARING RESULT AND ISSUING ORDER. (a) If
15 a majority of the voters voting at the election approve the
16 proposition or propositions, the board shall declare the results
17 and by order shall establish the defined area and describe it by
18 metes and bounds or designate the specific property.

19 (b) A court may not review the board's order except on the
20 ground of fraud, palpable error, or arbitrary and confiscatory
21 abuse of discretion.

22 Sec. 3879.254. TAXES FOR SERVICES, IMPROVEMENTS, AND
23 FACILITIES IN DEFINED AREA OR DESIGNATED PROPERTY. On voter
24 approval and adoption of the order described in Section 3879.253,
25 the district may apply separately, differently, equitably, and
26 specifically its taxing power and lien authority to the defined
27 area or designated property to provide money to construct,

1 administer, maintain, and operate services, improvements, and
2 facilities that primarily benefit the defined area or designated
3 property.

4 Sec. 3879.255. ISSUANCE OF BONDS AND IMPOSITION OF TAXES
5 FOR DEFINED AREA OR DESIGNATED PROPERTY. After the order under
6 Section 3879.253 is adopted, the district may issue bonds to
7 provide for any land, improvements, facilities, plants, equipment,
8 and appliances for the defined area or designated property.

9 [Sections 3879.256-3879.300 reserved for expansion]

10 SUBCHAPTER G. SALES AND USE TAX

11 Sec. 3879.301. MEANINGS OF WORDS AND PHRASES. Words and
12 phrases used in this subchapter that are defined by Chapters 151 and
13 321, Tax Code, have the meanings assigned by Chapters 151 and 321,
14 Tax Code.

15 Sec. 3879.302. APPLICABILITY OF CERTAIN TAX CODE
16 PROVISIONS. (a) Except as otherwise provided by this subchapter,
17 Subtitles A and B, Title 2, Tax Code, and Chapter 151, Tax Code,
18 apply to taxes imposed under this subchapter and to the
19 administration and enforcement of those taxes in the same manner
20 that those laws apply to state taxes.

21 (b) Chapter 321, Tax Code, relating to municipal sales and
22 use taxes, applies to the application, collection, change, and
23 administration of a sales and use tax imposed under this subchapter
24 to the extent consistent with this chapter, as if references in
25 Chapter 321, Tax Code, to a municipality referred to the district
26 and references to a governing body referred to the board.

27 (c) Sections 321.106, 321.401, 321.402, 321.403, 321.404,

1 321.406, 321.409, 321.506, 321.507, and 321.508, Tax Code, do not
2 apply to a tax imposed under this subchapter.

3 Sec. 3879.303. AUTHORIZATION; ELECTION. (a) The district
4 may adopt a sales and use tax to serve the purposes of the district
5 after an election in which a majority of the voters of the district
6 voting in the election authorize the adoption of the tax.

7 (b) The board by order may call an election to authorize a
8 sales and use tax. The election may be held with any other district
9 election.

10 (c) The district shall provide notice of the election and
11 shall hold the election in the manner prescribed by Section
12 3879.212.

13 (d) The ballots shall be printed to provide for voting for
14 or against the proposition: "Authorization of a sales and use tax
15 in the Harris County Improvement District No. 18 at a rate not to
16 exceed _____ percent."

17 Sec. 3879.304. ABOLISHING SALES AND USE TAX. (a) Except
18 as provided by Subsection (b), the board may abolish the sales and
19 use tax without an election.

20 (b) The board may not abolish the sales and use tax if the
21 district has outstanding debt secured by the tax.

22 Sec. 3879.305. SALES AND USE TAX RATE. (a) On adoption of
23 the tax authorized by this subchapter, there is imposed a tax on the
24 receipts from the sale at retail of taxable items within the
25 district, and an excise tax on the use, storage, or other
26 consumption within the district of taxable items purchased, leased,
27 or rented from a retailer within the district during the period that

1 the tax is in effect.

2 (b) The board shall determine the rate of the tax, which may
3 be in one-eighth of one percent increments not to exceed the maximum
4 rate authorized by the district voters at the election. The board
5 may lower the tax rate to the extent it does not impair any
6 outstanding debt or obligations payable from the tax.

7 (c) The rate of the excise tax is the same as the rate of the
8 sales tax portion of the tax and is applied to the sales price of the
9 taxable item.

10 [Sections 3879.306-3879.350 reserved for expansion]

11 SUBCHAPTER H. HOTEL OCCUPANCY TAXES

12 Sec. 3879.351. HOTEL OCCUPANCY TAX. (a) In this section,
13 "hotel" has the meaning assigned by Section 156.001, Tax Code.

14 (b) For purposes of this section, a reference in Chapter
15 351, Tax Code, to a municipality is a reference to the district and
16 a reference in Chapter 351, Tax Code, to the municipality's
17 officers or governing body is a reference to the board.

18 (c) Except as otherwise provided by this section,
19 Subchapter A, Chapter 351, Tax Code, governs a hotel occupancy tax
20 authorized by this section, including the collection of the tax.

21 (d) The district may impose a hotel occupancy tax and may
22 use revenue from the tax for any district purpose that is an
23 authorized use of hotel occupancy tax revenue under Chapter 351,
24 Tax Code.

25 (e) The board by order may impose, repeal, increase, or
26 decrease the rate of a tax on a person who, under a lease,
27 concession, permit, right of access, license, contract, or

1 agreement, pays for the use or possession or for the right to the
2 use or possession of a room that:

3 (1) is in a hotel located in the district's boundaries;

4 (2) costs \$2 or more each day; and

5 (3) is ordinarily used for sleeping.

6 (f) The amount of the tax may not exceed seven percent of the
7 price paid for a room in a hotel.

8 (g) The district may examine and receive information
9 related to the imposition of hotel occupancy taxes to the same
10 extent as if the district were a municipality.

11 [Sections 3879.352-3879.400 reserved for expansion]

12 SUBCHAPTER I. MUNICIPAL ANNEXATION AND DISSOLUTION

13 Sec. 3879.401. MUNICIPAL ANNEXATION; DISSOLUTION.

14 (a) Section 43.071, Local Government Code, applies to the
15 district, and the district is a "water or sewer district" for
16 purposes of that section.

17 (b) Section 43.075, Local Government Code, applies to the
18 district.

19 (c) Section 375.264, Local Government Code, does not apply
20 to the dissolution of the district by a municipality.

21 SECTION 2. The Harris County Improvement District No. 18
22 initially includes all territory contained in the following area:

23 TRACT 1 of 3:

24 Being a tract or parcel containing 69.9705 acres of land
25 situated in the F. Limsky Survey, Abstract Number 512, Harris
26 County, Texas, and being all of the called 69.9297 acre tract as
27 described in the deed to Chrymirene Properties Company, Inc., and

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1 Springwoods Realty Company recorded under Harris County Clerk's
2 File Number T146401; said 69.9705 acre tract being more
3 particularly described by metes and bounds as follows (all bearings
4 stated herein are based on the Texas State Plane Coordinate System,
5 South Central Zone, NAD 29 (19683 adjustment) as depicted on the
6 Texas Department of Transportation Right-of-Way map for Interstate
7 Highway 45, Account Number 9012-7-30, CSJ 0110-05-068):

8 BEGINNING at a 3/4-inch iron rod found in the south
9 right-of-way line of the Missouri Pacific Railroad (100 feet wide),
10 as described in the deed recorded in Volume 139, Page 452, of the
11 Harris County Deed Records, marking the northwest corner of said
12 called 69.9297 acre tract common with the northeast corner of the
13 called 15.00 acre tract as described in the deed recorded under
14 Harris County Clerk's File Number D798332;

15 THENCE, South 80°57'24" East, along said south right-of-way
16 line, a distance of 1,762.44 feet to a 5/8-inch iron rod found
17 marking the northwest corner of the called 10.445 acre tract as
18 described in the deed recorded under Harris County Clerk's File
19 Number F394301;

20 THENCE, South 02°49'28" East, along the west line of said
21 called 10.445 acre tract, a distance of 1,630.01 feet to a 5/8-inch
22 iron rod with plastic cap stamped "TERRA SURVEYING" set in the north
23 right-of-way line of Spring Stuebner Road (60 feet wide);

24 THENCE, South 86°54'21" West, along said north right-of-way
25 line, a distance of 1,498.48 feet to a 5/8-inch iron rod found
26 marking the southeast corner aforesaid called 15.00 acre tract;

27 THENCE, North 02°53'31" West, along the east line of said

1 called 15.00 acre tract, a distance of 360.27 feet to a 5/8-inch
2 iron rod found marking an angle corner of said called 15.00 acre
3 tract;

4 THENCE, South 86°54'45" West, along the east line of said
5 called 15.00 acre tract, a distance of 223.95 feet to a 5/8-inch
6 iron rod found marking an angle corner of said called 15.00 acre
7 tract;

8 THENCE, North 2°53'31" West, along the east line of said
9 called 15.00 acre tract, a distance of 1,640.27 feet to the POINT OF
10 BEGINNING 69.9705 acres of land. This description is based on the
11 plat of the ALTA/ACSM Land Title Survey prepared by Terra Surveying
12 Company, Inc., dated July 19, 2006, TSC Project Number
13 0106-0301-A01.

14 TRACT 2 of 3:

15 Being a tract or parcel containing 83.0841 acres of land
16 situated in the F. Linsky Survey, Abstract Number 512, Harris
17 County, Texas, and being all of the called 82.8694 acre tract as
18 described in the deed to Chrymirene Properties Company, Inc., and
19 Springwoods Realty Company recorded under Harris County Clerk's
20 File Number T146401; said 83.0841 acre tract being more
21 particularly described by metes and bounds as follows (all bearings
22 stated herein are based on the Texas State Plane Coordinate System,
23 South Central Zone, NAD 29 (19683 adjustment) as depicted on the
24 Texas Department of Transportation Right-of-Way map for Interstate
25 Highway 45, Account Number 9012-7-30, CSJ 0110-05-068):

26 BEGINNING at a 5/8-inch iron rod found in the south
27 right-of-way line of the Missouri Pacific Railroad (100 feet wide),

1 as described in the deed recorded in Volume 139, Page 452, of the
2 Harris County Deed Records, marking the northeast corner of said
3 called 82.8694 acre tract common with the northwest corner of the
4 called 4.1807 acre tract as described in the deed recorded under
5 Harris County Clerk's File Number H058736;

6 THENCE, South 02°15'54" East, along the west line of said
7 called 4.1807 acre tract, a distance of 507.13 feet to a 5/8-inch
8 iron rod with plastic cap stamped "TERRA SURVEYING" set in the north
9 right-of-way line of Spring Stuebner Road (60 feet wide) marking
10 the southeast corner of the herein described tract;

11 THENCE, South 86°54'21" West, along said north right-of-way
12 line, a distance of 3,901.63 feet to a 5/8-inch iron rod found
13 marking the southeast corner of the called 9.4671 acre tract as
14 described in the deed recorded under Harris County Clerk's File
15 Number F773219;

16 THENCE, North 02°49'28" West, along the east line of said
17 called 9.4671 acre tract, a distance of 1,346.43 feet to a 5/8-inch
18 iron rod with plastic cap stamped "TERRA SURVEYING" set in the
19 aforesaid south right-of-way line of the Missouri Pacific Railroad
20 marking the north west corner of the herein described tract;

21 THENCE, South 80°57'24" East, along said south right-of-way
22 line a distance of 3,991.87 feet to the POINT OF BEGINNING 83.0841
23 acres of land. This description is based on the plat of the
24 ALTA/ACSM Land Title Survey prepared by Terra Surveying Company,
25 Inc., dated July 19, 2006, TSC Project Number 0106-0301-A01.

26 TRACT 3 of 3:

27 Being a tract or parcel containing 1,421.1124 acres of land

1 situated in the F. Limsky Survey, Abstract Number 512, Richard
2 Beach Survey, Abstract Number 137, and the James Moore Survey,
3 Abstract Number 583, all in Harris County, Texas, and being all of
4 the called 1,408.0939 acre tract as described in the deed to
5 Chrymirene Properties Company, Inc., and Springwoods Realty
6 Company recorded under Harris County Clerk's File Number T146401,
7 and all of the called 1.4856 acre tract as described in the deed to
8 Springwoods Realty Corporation recorded under Harris County
9 Clerk's File Number T785884; said 1,421.1124 acre tract being more
10 particularly described by metes and bounds as follows (all bearings
11 stated herein are based on the Texas State Plane Coordinate System,
12 South Central Zone, NAD 29 (19683 adjustment) as depicted on the
13 Texas Department of Transportation Right-of-Way map for Interstate
14 Highway 45, Account Number 9012-7-30, CSJ 0110-05-068):

15 BEGINNING at an axle found in the north right-of-way line of
16 the Missouri Pacific Railroad (100 feet wide), as described in the
17 deed recorded in Volume 139, Page 452, of the Harris County Deed
18 Records, marking the southeast corner of said called 1,408.0939
19 acre tract common with the southwest corner of the called 6.00 acre
20 tract as described in the deed recorded under Harris County Clerk's
21 File Number U173578;

22 THENCE, North 80°57'24" West, along said north right-of-way
23 line, a distance of 7,926.68 feet to a 5/8-inch iron rod found
24 marking the southeast corner of the called 140.1685 acre tract as
25 described in the deed recorded under Harris County Clerk's File
26 Number R984278 common with the southwest corner of the herein
27 described tract;

1 THENCE, North 02°26'47" West, along the east line of said
2 called 140.1685 acre tract, a distance of 5,748.58 feet to the
3 northwest corner of the herein described tract in the centerline of
4 Spring Creek;

5 THENCE, along the centerline of Spring Creek as meandered in
6 July of 2006 the following Forty-Eight (48) courses and distances;

- 7 North 31°22'36" East, a distance of 142.45 feet;
- 8 North 49°35'22" East, a distance of 116.57 feet;
- 9 South 89°00'36" East, a distance of 292.35 feet;
- 10 South 58°27'00" East, a distance of 85.79 feet;
- 11 North 80°56'30" East, a distance of 164.19 feet;
- 12 North 61°57'17" East, a distance of 269.77 feet;
- 13 South 63°15'16" East, a distance of 349.48 feet;
- 14 South 80°26'06" East, a distance of 208.37 feet;
- 15 South 40°36'00" East, a distance of 274.54 feet;
- 16 South 84°38'53" East, a distance of 113.03 feet;
- 17 North 50°47'47" East, a distance of 543.35 feet;
- 18 South 80°14'02" East, a distance of 212.53 feet;
- 19 South 45°39'14" East, a distance of 195.16 feet;
- 20 South 24°16'46" East, a distance of 186.29 feet;
- 21 North 87°16'43" East, a distance of 92.63 feet;
- 22 North 67°47'36" East, a distance of 416.14 feet;
- 23 North 26°29'19" East, a distance of 95.14 feet;
- 24 North 9°45'41" West, a distance of 542.50 feet;
- 25 North 52°46'48" East, a distance of 192.95 feet;
- 26 South 84°36'09" East, a distance of 200.78 feet;
- 27 North 39°09'55" East, a distance of 131.98 feet;

1 North 13°59'12" East, a distance of 488.80 feet;
2 North 55°54'31" East, a distance of 252.47 feet;
3 North 71°50'16" East, a distance of 496.79 feet;
4 North 45°34'12" East, a distance of 107.58 feet;
5 North 81°30'41" East, a distance of 83.70 feet;
6 South 75°38'22" East, a distance of 94.27 feet;
7 South 58°03'06" East, a distance of 147.30 feet;
8 South 76°45'02" East, a distance of 382.50 feet;
9 North 48°06'00" East, a distance of 238.60 feet;
10 North 22°25'42" East, a distance of 198.43 feet;
11 North 59°54'16" East, a distance of 84.46 feet;
12 North 72°24'48" East, a distance of 208.16 feet;
13 South 84°43'33" East, a distance of 357.51 feet;
14 North 72°30'04" East, a distance of 117.17 feet;
15 South 87°26'11" East, a distance of 212.90 feet;
16 South 69°13'23" East, a distance of 345.53 feet;
17 South 29°06'11" East, a distance of 101.86 feet;
18 North 89°54'32" East, a distance of 176.49 feet;
19 North 59°26'57" East, a distance of 423.79 feet;
20 North 66°31'27" East, a distance of 168.10 feet;
21 South 83°32'01" East, a distance of 222.63 feet;
22 North 84°20'46" East, a distance of 74.88 feet;
23 North 54°40'19" East, a distance of 77.43 feet;
24 North 41°03'04" East, a distance of 231.87 feet;
25 North 71°35'52" East, a distance of 144.34 feet;
26 South 81°33'16" East, a distance of 91.64 feet;
27 South 66°42'36" East, a distance of 117.37 feet to the

1 intersection of said centerline and the west right-of-way
2 line of Interstate Highway 45 (width varies);

3 THENCE, along said west right-of-way line the following
4 Sixteen (16) courses and distances

5 South 03°11'31" East (called South 04°11'25" East), a
6 distance of 366.12 feet to a 5/8-inch iron rod with plastic
7 cap stamped "TERRA SURVEYING" set;

8 South 03°25'46" East (called South 04°11'25" East), a
9 distance of 154.92 feet to a found Texas Department of
10 Transportation monument;

11 South 03°01'28" East (called South 04°11'25" East), a
12 distance of 40.53 feet to a found Texas Department of
13 Transportation from which a found 2-inch iron pipe bears
14 North 47°09' East, 0.92 feet;

15 North 86°37'31" East (called North 86°45'55" East), a
16 distance of 150.29 feet to a found Texas Department of
17 Transportation monument from which a found 5/8-inch iron rod
18 bears North 43°10' East, 1.35 feet;

19 South 10°15'13" East (called South 10°22'11" East), a
20 distance of 647.19 feet (called 649.81 feet) to a 5/8-inch
21 iron rod with plastic cap stamped "TERRA SURVEYING" set from
22 which a 5/8-inch iron rod found disturbed bears South
23 07°57'24" East, 3.67 feet;

24 South 04°53'28" East (called South 04°51'18" East), a
25 distance of 303.83 feet (called 300.13 feet) to a found
26 5/8-inch iron rod;

27 South 07°28'17" East, a distance of 99.95 feet to a found

1 5/8-inch iron rod;

2 South 39°41'01" West, a distance of 57.06 feet to a set

3 5/8-inch iron rod with plastic cap stamped "TERRA SURVEYING";

4 South 87°20'13" West, a distance of 10.00 feet to a found

5 Texas Department of Transportation monument;

6 South 02°39'47" East, a distance of 80.00 feet to a set

7 5/8-inch iron rod with plastic cap stamped "TERRA SURVEYING";

8 North 87°20'13" East, a distance of 10.00 feet to a set

9 5/8-inch iron rod with plastic cap stamped "TERRA SURVEYING";

10 South 46°26'42" East, a distance of 77.96 feet to a set

11 5/8-inch iron rod with plastic cap stamped "TERRA SURVEYING";

12 South 04°58'48" East, a distance of 208.76 to a found

13 Texas Department of Transportation monument;

14 South 07°10'22" East, a distance of 485.85 feet to a set

15 5/8-inch iron rod with plastic cap stamped "TERRA SURVEYING";

16 South 05°23'54" East, a distance of 206.08 feet set

17 5/8-inch iron rod with plastic cap stamped "TERRA SURVEYING";

18 South 03°02'04" East, a distance of 377.43 feet to a

19 5/8-inch iron rod found marking the northeast corner of the

20 called 10 acre tract as described in the deed recorded in

21 Volume 1048, Page 67, of the Harris County Deed Records;

22 THENCE, South 88°19'48" West, along the north line of said

23 called 10 acre tract, a distance of 764.64 feet (called 763.69 feet)

24 to a 1/2-inch iron pipe found marking the northwest corner of said

25 called 10.0 acre tract;

26 THENCE, South 02°14'16" East, along the west line of said

27 called 10 acre tract, a distance of 426.96 feet to a 5/8-inch iron

1 rod with plastic cap stamped "TERRA SURVEYING" set marking an
2 interior corner of the herein described tract;

3 THENCE, North $87^{\circ}52'57''$ East, along the south line of said
4 called 10 acre tract, a distance of 770.46 feet (called 771.28 feet)
5 to a 5/8-inch iron rod found in the aforesaid west right-of-way line
6 of Interstate Highway 45 marking the southeast corner of said
7 called 10 acre tract;

8 THENCE, South $03^{\circ}02'04''$ East, along said west right-of-way
9 line, a distance of 739.59 feet to a 5/8-inch iron rod with plastic
10 cap stamped "TERRA SURVEYING" set marking the Point of Curvature of
11 a curve to the left;

12 THENCE, continuing along said west right-of-way line, along
13 said curve to the left having a central angle of $00^{\circ}02'17''$, an arc
14 distance of 15.34 feet, a radius of 23,099.81 feet, and a chord
15 which bears South $03^{\circ}03'11''$ East, a distance of 15.34 feet to a
16 5/8-inch iron rod found marking the northeast corner of the called
17 6.64 acre tract as described in the deed recorded in Volume 2247,
18 Page 590, of the Harris County Deed Records;

19 THENCE, South $87^{\circ}50'13''$ West (called South $87^{\circ}45'44''$ West),
20 along the north line of said called 6.64 acre tract, a distance of
21 779.22 feet (called 779.49 feet) to a 5/8-inch iron rod found
22 marking the northwest corner of said called 6.64 acre tract;

23 THENCE, South $02^{\circ}12'23''$ East (called South $02^{\circ}34'59''$ East),
24 along the east line of said called 6.64 acre tract, a distance of
25 299.10 feet (called 299.26 feet) to a 1/2-inch iron pipe found
26 marking the northeast corner of the called 1.701 acre tract as
27 described in the deed recorded under Harris County Clerk's File

1 Number T934409;

2 THENCE, South 02°16'10" East (called South 02°14'48" East),
3 along the west line of said called 1.701 acre tract and then along
4 the west line the called 1.701 acre tract as described in the deed
5 recorded under Harris County Clerk's File Number T934408, a
6 distance of 550.83 feet to a 5/8-inch iron rod found marking the
7 southwest corner of said called 1.701 acre tract;

8 THENCE, North 86°17'22" East, along the south line of said
9 called 1.701 acre tract, a distance of 601.99 feet to a 5/8-inch
10 iron rod found marking the southeast corner of said called 1.701
11 acre tract;

12 THENCE, North 03°22'36" West, along the east line of said
13 called 1.701 acre tract, a distance of 550.67 feet (called 550.47
14 feet) to a 1/2-inch iron rod found in the south line of the
15 aforesaid called 6.64 acre tract;

16 THENCE, North 86°11'48" East (called North 86°15'38" East),
17 along said south line, a distance of 194.02 feet (called 155.50
18 feet) to a Texas Department of Transportation monument found
19 marking a point on a curve to the left in the aforesaid west
20 right-of-way line of Interstate Highway 45;

21 THENCE, along said west right-of-way line and said curve to
22 the left having a central angle of 00°02'13", an arc distance of
23 14.88 feet, a radius of 23,099.81 feet, and a chord which bears
24 South 03°46'46" East, a distance of 14.88 feet to a 5/8-inch iron rod
25 with plastic cap stamped "TERRA SURVEYING" set marking the end of
26 said curve;

27 THENCE, South 00°07'56" West, continuing along said west

1 right-of-way line, a distance of 53.41 feet to a 5/8-inch iron rod
2 with plastic cap stamped "TERRA SURVEYING" set marking an angle
3 corner of the herein described tract;

4 THENCE, South 00°20'00" West (called South 03°27'08" East),
5 along the west line of the called 1.590 acre tract as described in
6 the deed recorded in Volume 3274, Page 338, of the Harris County
7 Deed Records, a distance of 642.96 feet to a 5/8-inch iron rod with
8 plastic cap stamped "TERRA SURVEYING" set marking an angle corner
9 of the herein described tract;

10 THENCE, South 03°18'44" East (called South 03°27'08" East),
11 along the west lines of those certain tracts recorded under Harris
12 County Clerk's File Numbers F754657, T406580, U406352, and J617466,
13 a distance of 469.29 feet to a 5/8-inch iron rod with plastic cap
14 stamped "TERRA SURVEYING" set marking an angle corner of the herein
15 described tract;

16 THENCE, South 02°56'18" East (called South 03°27'08" East),
17 along the west line of the called 0.325 acre tract as described in
18 the deed recorded under Harris County Clerk's File Number R872066
19 and then along the west line of the called 0.729 acre tract as
20 described in the deed recorded under Harris County Clerk's File
21 Number M665530, a distance of 234.23 feet to a 1/2-inch iron pipe
22 found marking the southeast corner of said called 0.729 acre tract;

23 THENCE, North 86°45'29" East, along the south line of said
24 called 0.729 acre tract, a distance of 82.21 feet to a 5/8-inch iron
25 rod with plastic cap stamped "TERRA SURVEYING" set in the aforesaid
26 west right-of-way line of Interstate Highway 45;

27 THENCE, South 05°01'46" East, along said west right-of-way

1 line, a distance of 705.37 feet to a Texas Department of
2 Transportation monument found in the north line of the called
3 1.6920 acre tract as described in the deed recorded under Harris
4 County Clerk's File Number F261338;

5 THENCE, South 87°29'17" West, along said north line, distance
6 of 102.64 feet to a 5/8-inch iron rod with plastic cap stamped
7 "TERRA SURVEYING" set marking an angle corner of the herein
8 described tract;

9 THENCE, South 05°50'04" East (called South 03°27'08" East),
10 along the west line of said called 1.6920 acre tract, a distance of
11 273.84 feet to 5/8-inch iron rod found marking the southeast corner
12 of the called 12.939 acre tract as described in the deed recorded
13 under Harris County Clerk's File Number U776662;

14 THENCE, South 86°17'01" West (called South 86°12'32" West),
15 along a north line of said called 12.939 acre tract, a distance of
16 155.34 feet (called 155.56 feet) to an angle iron found in the east
17 line of the called 3.1232 acre tract;

18 THENCE, North 03°45'59" West (called North 03°47'28" West),
19 along said east line, a distance of 206.96 feet (called 207.15 feet)
20 to a 1/2-inch iron rod found marking the southeast corner of said
21 called 3.1232 acre tract;

22 THENCE, South 87°16'46" West (called South 87°15'28" West),
23 along the north line of said called 3.1232 acre tract and then along
24 the north line of the aforesaid called 12.939 acre tract, a distance
25 of 635.71 feet (called 635.50 feet) to a 1/2-inch iron rod found
26 marking the northwest corner of said called 12.939 acre tract;

27 THENCE, South 02°14'41" East (called South 02°15'34" East),

1 along the west line of said called 12.939 acre tract, a distance of
2 809.36 feet (called 810.15 feet) to an axle found marking the
3 southwest corner of said called 12.939 acre tract;

4 THENCE, South 02°13'55" East, along the west line of the
5 aforesaid called 6.00 acre tract, a distance of 1,708.71 feet to the
6 POINT OF BEGINNING 1421.1124 acres of land. This description is
7 based on the plat of the ALTA/ACSM Land Title Survey prepared by
8 Terra Surveying Company, Inc., dated July 19, 2006, TSC Project
9 Number 0106-0301-A01.

10 SECTION 3. (a) The legal notice of the intention to
11 introduce this Act, setting forth the general substance of this
12 Act, has been published as provided by law, and the notice and a
13 copy of this Act have been furnished to all persons, agencies,
14 officials, or entities to which they are required to be furnished
15 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
16 Government Code.

17 (b) The governor, one of the required recipients, has
18 submitted the notice and Act to the Texas Commission on
19 Environmental Quality.

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

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

1 (e) All requirements of the constitution and laws of this
2 state and the rules and procedures of the legislature with respect
3 to the notice, introduction, and passage of this Act have been
4 fulfilled and accomplished.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2009.