1-1	By: Bailes (Senate Sponsor - Nichols)
1-2	(In the Senate - Received from the House May 19, 2017;
1-3	May 19, 2017, read first time and referred to Committee on
1-4	Administration; May 23, 2017, reported favorably by the following
1-5	vote: Yeas 7, Nays 0; May 23, 2017, sent to printer.)
1-6	COMMITTEE VOTE
1-7 1-8 1-9 1-10 1-11 1-12 1-13 1-14	YeaNayAbsentPNVKolkhorstXBurtonXHuffinesXHughesXNicholsXWestXZaffiriniX
1 - 15	A BILL TO BE ENTITLED
1 - 16	AN ACT
1 - 17 $1 - 18$ $1 - 19$ $1 - 20$ $1 - 21$ $1 - 22$ $1 - 23$ $1 - 24$ $1 - 23$ $1 - 24$ $1 - 25$ $1 - 27$ $1 - 33$ $1 - 35$ $1 - 37$ $1 - 37$ $1 - 37$ $1 - 37$ $1 - 43$ $1 - 43$ $1 - 43$ $1 - 45$ $1 - 46$ $1 - 47$ $1 - 49$ $1 - 55$ $1 - 55$ $1 - 55$ $1 - 55$ $1 - 57$	<pre>relating to the creation of the Liberty County Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes. 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 3795 to read as follows: <u>CHAPTER 3795. LIBERTY COUNTY MUNICIPAL MANAGEMENT DISTRICT NO. 1</u> SUBCHAPTER A. GENERAL PROVISIONS Sec. 3795.001. DEFINITIONS. In this chapter: (1) "Board" means the district's board of directors. (2) "City" means the City of Plum Grove, Texas. (3) "Commission" means the Texas Commission on Environmental Quality. (4) "County" means Liberty County. (5) "Director" means a board member. (6) "District" means the Liberty County Municipal Management District No. 1 Sec. 3795.002. CREATION AND NATURE OF DISTRICT. The district is a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution. Sec. 3795.003. PURPOSE; LEGISLATIVE FINDINGS. (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 and other political sublivisions 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 an</pre>
1-59	will benefit from the improvements and services to be provided by
1-60	the district under powers conferred by Sections 52 and 52-a,
1-61	Article III, and Section 59, Article XVI, Texas Constitution, and

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2-1	other powers granted under this chapter.
2-2	(c) The district is created to accomplish the purposes of a
2-3	municipal management district as provided by general law and
2-4	Sections 52 and 52-a, Article III, and Section 59, Article XVI,
2-5	Texas Constitution.
2-6	(d) The creation of the district is in the public interest
2-7	and is essential to further the public purposes of:
2-8	(1) developing and diversifying the economy of the
2-9	state;
2-10	(2) eliminating unemployment and underemployment; and
2-11	(3) developing or expanding transportation and
2-12	commerce.
2-13	(e) The district will:
2-13	(1) promote the health, safety, and general welfare of
2-15	residents, employers, potential employees, employees, visitors,
2-16	and consumers in the district, and of the public;
2-17	(2) provide needed funding for the district to
2-18	preserve, maintain, and enhance the economic health and vitality of
2-19	the district territory as a community and business center; and
2-20	(3) promote the health, safety, welfare, and enjoyment
2-21	of the public by providing pedestrian ways and by landscaping and
2-22	developing certain areas in the district, which are necessary for
2-23	the restoration, preservation, and enhancement of scenic beauty.
2-24	(f) Pedestrian ways along or across a street, whether at
2-24	grade or above or below the surface, and street lighting, street
2-26	landscaping, parking, and street art objects are parts of and
2-20	necessary components of a street and are considered to be a street
2-28	or road improvement.
2-29	(q) The district will not act as the agent or
2-30	instrumentality of any private interest even though the district
2-31	will benefit many private interests as well as the public.
2-32	Sec. 3795.005. INITIAL DISTRICT TERRITORY. (a) The
2-32	district is initially composed of the territory described by
2-34	Section 2 of the Act enacting this chapter.
2-34	(b) The boundaries and field notes contained in Section 2 of
2-36	the Act enacting this chapter form a closure. A mistake in the
2-37	field notes or in copying the field notes in the legislative process
2-38	does not affect the district's:
2-39	(1) organization, existence, or validity;
2-40	(2) right to contract;
2-41	(3) authority to borrow money or issue bonds or other
2-42	obligations described by Section 3795.205 or to pay the principal
2-43	and interest of the bonds or other obligations;
2-44	(4) right to impose or collect an assessment or
2-45	collect other revenue; or
2-46	(5) legality or operation.
2-47	Sec. 3795.006. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-48	DISTRICT LAW. Except as provided by this chapter, Chapter 375,
2-49	Local Government Code, applies to the district.
2-50	Sec. 3795.007. CONSTRUCTION OF CHAPTER. This chapter shall
2-51	be liberally construed in conformity with the findings and purposes
2-52	stated in this chapter.
2-53	SUBCHAPTER B. BOARD OF DIRECTORS
2-54	Sec. 3795.051. GOVERNING BODY; TERMS. (a) The district is
2-55	governed by a board of five voting directors who must be qualified
2-56	under Section 375.063, Local Government Code.
2-57	(b) The directors serve staggered terms of four years with
2-58	two or three directors' terms expiring June 1 of each odd-numbered
2-59	year.
2-60	Sec. 3795.052. APPOINTMENT OF DIRECTORS. The commission
2-61	shall appoint directors from persons recommended by the board.
2-62	Sec. 3795.053. VACANCY. If a vacancy occurs on the board,
2-63	the remaining directors shall appoint a director for the remainder
2-64	of the unexpired term.
2-65	Sec. 3795.054. COMPENSATION; EXPENSES. (a) The district
2-66	may compensate each director in an amount not to exceed \$50 for each
2-67	board meeting. The total amount of compensation a director may
2-68	receive each year may not exceed \$2,000.
2-69	(b) A director is entitled to reimbursement for necessary

3-1	H.B. No. 4341 and reasonable expenses incurred in carrying out the duties and
3-2	responsibilities of the board.
3-3	Sec. 3795.055. INITIAL DIRECTORS. (a) The initial board
3 - 4 3 - 5	<u>consists of:</u> (1) two directors appointed by the Cleveland
3-6	Independent School District;
3-7	(2) two directors appointed by the county
3-8 3-9	<u>commissioners court; and</u> (3) one director appointed by the person who owns the
3-10	largest portion of the assessed value of the real property in the
3-11	district.
3-12	(b) The terms of the initial directors expire June 1, 2019.
3-13 3-14	(c) Of the directors who replace an initial director, the terms of three directors must expire June 1, 2021, and the terms of
3-15	two directors must expire June 1, 2023.
3-16	(d) Section 3795.052 does not apply to initial directors
3 - 17 3 - 18	under this section. (e) This section expires September 1, 2023.
3-19	SUBCHAPTER C. POWERS AND DUTIES
3-20	Sec. 3795.101. GENERAL POWERS AND DUTIES. The district has
3-21 3-22	the powers and duties necessary to accomplish the purposes for which the district is created.
3-23	Sec. 3795.102. IMPROVEMENT PROJECTS AND SERVICES. The
3-24	district may provide, design, construct, acquire, improve,
3 - 25 3 - 26	relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local
3-26	Government Code, using any money available to the district, or
3-28	contract with a governmental or private entity to provide, design,
3-29	construct, acquire, improve, relocate, operate, maintain, or
3-30 3-31	finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.
3-32	Sec. 3795.103. ECONOMIC DEVELOPMENT. (a) The district may
3-33	engage in activities that accomplish the economic development
3 - 34 3 - 35	purposes of the district. (b) The district may establish and provide for the
3-36	administration of one or more programs to promote state or local
3-37	economic development and to stimulate business and commercial
3-38 3-39	activity in the district, including programs to: (1) make loans and grants of public money; and
3-40	(2) provide district personnel and services.
3-41	(c) The district may create economic development programs
3-42 3-43	and exercise the economic development powers provided to municipalities by:
3-44	(1) Chapter 380, Local Government Code; and
3-45	(2) Subchapter A, Chapter 1509, Government Code.
3 - 46 3 - 47	Sec. 3795.104. FIREFIGHTING SERVICES. Notwithstanding Section 49.351(a), Water Code, the district may, as authorized by
3-47	Section 59(f), Article XVI, Texas Constitution, and Section 49.351,
3-49	Water Code:
3 - 50 3 - 51	(1) establish, operate, and maintain a fire department;
3-51	(2) contract with another political subdivision for
3-53	the joint operation of a fire department; or
3-54	(3) contract with any other person to perform
3 - 55 3 - 56	firefighting services in the district and may issue bonds and impose taxes to pay for the department and the activities.
3-57	Sec. 3795.105. FEES AND CHARGES. (a) The district may
3-58	adopt and enforce all necessary charges, mandatory fees, or
3 - 59 3 - 60	rentals, in addition to taxes, for providing or making available any district facility or service, including firefighting
3-61	activities provided under Section 3795.104.
3-62	(b) To enforce payment of an unpaid fee or charge due to the
3 - 63 3 - 64	district, on the request of the district, a retail public utility, as defined by Section 13.002, Water Code, providing water or sewer
3-65	service to a customer in the district shall terminate the service.
3-66	Sec. 3795.106. NO EMINENT DOMAIN POWER. The district may
3 - 67 3 - 68	not exercise the power of eminent domain. SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
3-69	Sec. 3795.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The

H.B. No. 4341 board by resolution shall establish the number of signatures and 4-1 the procedure required for a disbursement or transfer of 4-2 the district's money. 4-3 4 - 4Sec. 3795.152. MONEY USED FOR IMPROVEMENTS OR SERVICES 4-5 The district may acquire, construct, finance, operate, or maintain 4-6 an improvement project or service authorized under this chapter or 4-7 Chapter 375, Local Government Code, using any money available to 4-8 the district. Sec. 3795.153. PETITION REQUIRED FOR FINANCING SERVICES AND 4-9 4-10 4-11 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter 4-12 unless a written petition requesting that service or improvement has been filed with the board. 4-13 4-14 (b) A petition filed under Subsection (a) must be signed by 4**-**15 4**-**16 the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county. 4-17 Sec. 3795.154. METHOD OF NOTICE OF HEARING. The district 4-18 the notice required by Section 375.115(c), Local Code, by certified or first class United States mail. 4-19 mail may 4-20 4-21 Government The board shall determine the method of mailing notice. 4-22 Sec. 3795.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any 4-23 4-24 purpose authorized by this chapter in all or any part of the 4-25 district. (b) 4**-**26 (b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll 4-27 4-28 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 4-29 4-30 4-31 4-32 assessed; 4-33 (2) are superior to any other lien or claim other than 4-34 a lien or claim for county, school district, or municipal ad valorem 4-35 taxes; and 4-36 are the personal liability of and a charge against (3) 4-37 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 4-38 4-39 4-40 4-41 4-42 board may enforce an ad valorem tax lien against real property. 4-43 (d) The board may make a correction to or deletion from the 4 - 44assessment 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. 4-45 4-46 4-47 SUBCHAPTER E. TAXES AND BONDS 4-48 3795.201. ELECTIONS REGARDING TAXES AND BONDS. (a) Sec. The district may issue, without an election, bonds, notes, and other obligations secured by revenue other than ad valorem taxes. 4-49 4-50 4-51 (b) The district must hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to 4-52 4**-**53 obtain voter approval before the district may impose an ad valorem 4-54 tax or issue bonds payable from ad valorem taxes. (c) The district may not issue bonds payable from ad valorem taxes to finance a road project unless the issuance is approved by a 4-55 4-56 4-57 vote of a two-thirds majority of the district voters voting at an election held for that purpose. 4-58 Sec. 3795.202. AGREEMENT REQUIRED FOR BONDS. 4-59 Before the district may issue bonds, the district must enter into an agreement with a developer of land in the district, the Cleveland Independent 4-60 4-61 4-62 School District, and Liberty County for the transfer of land for use 4-63 as the sites of facilities for the school district and for emergency services. 4-64 OPERATION AND MAINTENANCE TAX. 4-65 3795.203. If Sec. (a) authorized by a majority of the district voters voting at an 4-66 election held in accordance with Section 3795.201, the district may 4-67 impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for 4-68 4-69

H.B. No. 4341 5-1 5-2 5-3 (2)planning, constructing, acquiring, maintaining, 5 - 4and operating all improvement projects, including land, <u>repairing,</u> plants, works, facilities, improvements, appliances, and equipment of the district; or 5-5 5-6 5-7 (3) paying costs of services, engineering and legal fees, and organization and administrative expenses. (b) The board shall determine the tax rate. The rate may not 5-8 5-9 exceed the rate approved at the election. Sec. 3795.204. SALES AND USE TAX. (a) The district may impose a sales and use tax if authorized by a majority of the voters 5-10 5-11 5-12 5-13 of the district voting at an election called for that purpose. 5-14 Revenue from the tax may be used for any purpose for which ad valorem tax revenue of the district may be used. 5**-**15 5**-**16 (b) The district may not adopt a sales and use tax if as a 5-17 result of the adoption of the tax the combined rate of all sales and 5-18 use taxes imposed by the district and other political subdivisions of this state having territory in the district would exceed two 5-19 5-20 percent at any location in the district. 5-21 (c) If the voters of the district approve the adoption of a 5-22 sales and use tax at an election held on the same election date on 5-23 which another political subdivision adopts a sales and use tax or approves an increase in the rate of its sales and use tax and as a result the combined rate of all sales and use taxes imposed by the 5-24 5-25 5**-**26 district and other political subdivisions of this state having territory in the district would exceed two percent at any location 5-27 5-28 in the district, the election to adopt a sales and use tax under this chapter has no effect. (d) Chapter 321, Tax Code, applies to the imposition, computation, administration, enforcement, and collection of the 5-29 5-30 5-31 sales and use tax imposed by this section except to the extent it is 5-32 5-33 inconsistent with this chapter. Sec. 3795.205. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms 5-34 5-35 determined by the board. 5-36 issue bonds, not<u>es</u>, 5-37 (b) The district may or other obligations payable wholly or partly from ad valorem taxes, 5-38 assessments, 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. 5-39 5-40 5-41 Sec. 3795.206. TAXES FOR BONDS. 5-42 At the time the district issues bonds payable wholly or partly from ad valorem taxes, the 5-43 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 5-44 5-45 5-46 required and in the manner provided by Sections 54.601 and 54.602, 5-47 Water Code. 5-48 379<u>5.207.</u> Sec. 3795.207. BONDS FOR ROAD PROJECTS. At the time of issuance, the total principal amount of bonds or other obligations issued or incurred to finance road projects and payable from ad 5-49 5-50 5-51 5-52 valorem taxes may not exceed one-fourth of the assessed value of the 5-53 real property in the district. 5-54 SUBCHAPTER Z. SPECIAL BOND PROVISIONS Sec. 3795.901. APPLICABILITY. This subchapter applies only bonds payable wholly or partly from revenue derived from 5-55 5-56 to assessments on real property in the district. 5-57 Sec. 3795.902. CONFLICT OF LAWS. In the event of a conflict 5-58 5-59 between this subchapter and any other law, this subchapter prevails. Sec 5-60 5-61 3795.903. WRITTEN AGREEMENT REGARDING SPECIAL 5-62 APPRAISALS. Before the district may issue bonds, the district and any person to whom the board intends that proceeds of the bonds be 5-63 5-64 distributed, including a developer of or owner of land in the 5-65 district and any entity acting as a lender to a developer of or owner of land in the district for the purpose of a project relating 5-66 5-67 to the district, must enter into a written agreement that: (1) waives for the term of the agreement the right to a 5-68 special appraisal with respect to taxation by the district under 5-69

H.B. No. 4341 Subchapters B, C, D, E, F, and H, Chapter 23, Tax Code; and (2) remains in effect for 30 years and is binding on 6-1 6-2 the parties, on entities related to or affiliated with the parties, 6-3 6-4 and on their successors and assignees. 6-5 Sec. 3795.904. REQUIREMENTS FOR ADVERTISING BOND ISSUE. 6-6 district may not advertise for an issuance of bonds until the The 6-7 completion of at least 25 percent of the projected value of the improvements, including houses and other buildings, that are liable 6-8 6-9 for district assessments and necessary to support the district 6**-**10 6**-**11 bonds. Sec. 3795.905. REQUIREMENTS FOR BOND ISSUE. The district 6-12 may not issue bonds until: 6-13 (1)the district submits to the commission: (A) an engineer's report describing the project 6-14 for which the bonds will provide funding, including data, profiles, 6**-**15 6**-**16 maps, plans, and specifications related to the project; and 6-17 (B) a cash flow analysis to determine the <u>project</u>ed 6-18 of assessment, which includes the following rate 6-19 assumptions: 6-20 6-21 (i) each ending balance for debt service in the analysis is not less than 25 percent of the following year's 6-22 debt service requirement; 6-23 (ii) interest income is only shown on the ending balance for debt service for the first two years; and 6-24 (iii) the projected rate of assessment is level or decreasing for the life of the bonds issued by the 6-25 is 6-26 district; 6-27 6-28 (2) the completion of at least 75 percent of the projected value of the improvements, including houses and other buildings, that are liable for district assessments and necessary to support the district bonds; and 6-29 6-30 6-31 6-32 (3) the district has obtained an independent market study from a firm recognized in the area of real estate market 6-33 analysis supporting the development projects for the real property that is liable for district assessments and necessary to support 6-34 6-35 the district bonds. 6-36 Sec. 3795.906. 6-37 REQUIREMENTS FOR COLLECTION OF REVENUE TO 6-38 PAY BONDS. The district may not collect an assessment to be used for the payment of bonds until: 6-39 <u>o</u>f (1) the completion of at least 95 percent of the underground water, wastewater, and drainage facilities financed 6-40 6-41 from bond proceeds that are necessary to serve the projected 6-42 build-out, as certified by the district's engineer; 6-43 (2) the district or other appropriate party has secured the groundwater, surface water, and water discharge permits that are necessary to secure capacity to support the projected 6-44 6-45 6-46 build-out; 6-47 6-48 the completion of at least 95 percent of lift (3) water plant, and sewage treatment plant capacity 6-49 station in the project for sufficient to serve the connections constructed in the project for a period of not less than 18 months, as certified by the district's 6-50 6-51 6-52 engineer; and 6-53 the completion of at least 95 percent of the (4)streets and roads that are necessary to provide access to the areas 6-54 served by utilities and financed by the proceeds of bonds issued by the district, as certified by the district's engineer and 6-55 6-56 6-57 constructed in accordance with city or county standards. SECTION 2. The Liberty County Municipal Management District No. 1 initially includes all territory contained in the following 6-58 6-59 6-60 area: BEING a 5.030 acre tract situated in the Ann Holshousen Survey, Abstract No. 208, Liberty County, Texas, being a portion of that called 552.454 acre tract described in instrument to Colony Ridge 6-61 6-62 6-63 6-64 Development, LLC, recorded under Clerk's File Number 2011006320 of the Official Public Records of Liberty County, Texas (O.P.R.L.C.T.), said 5.030 acre tract being more particularly 6-65 the 6-66 described by metes and bounds as follows: 6-67 6-68

6-68 BEGINNING at a 5/8 inch iron rod found for the southeast corner of 6-69 the Sallas 4.15 acre tract, for the northeast corner of the herein

7-1 described 5.030 acre tract; 7-2 THENCE South 02°39'02" East, with the west line of Montebello, 7-3 Section One, as shown on the map or plat thereof, recorded under Clerk's File Number 2011-013088, O.P.R.L.C.T., at a distance of 10.63 feet, pass a 1/2 inch iron rod found for reference, at a distance of 22.82 feet, pass a 5/8 inch iron rod found for reference, in all, a total distance of 266.08 feet to a 5/8 inch 7-4 7-5 7-6 7-7 iron rod found for the northeast corner of a called 13.2864 acre 7-8 7-9 tract described in instrument recorded under Clerk's File Number 2006-002427, O.P.R.L.C.T., and the southeast corner of the herein 7-10 7-11 described 5.030 acre tract; THENCE South 86°13'24" West, 822.18 feet, with the north line of 7-12 7-13 said 13.2864 acre tract, to a 12 inch pin oak tree found for the southeast corner of a called 1.0 acre tract described in instrument 7-14 recorded under Volume 1864, Page 509 of the Liberty County Deed Records (L.C.D.R.), being the southwest corner of the herein 7**-**15 7**-**16 described 5.030 acre tract; 7-17 THENCE North $03^{\circ}05'36''$ West, with the east line of said 1.0 acre 7-18 tract, at a distance of 226.45 feet, pass a 5/8 inch iron rod found for reference, in all, a total distance of 266.32 feet to a 5/8 inch iron rod found in a gravel drive in the south line of a called 1.8035 7-19 7**-**20 7**-**21 7-22 acre tract described in instrument recorded under Clerk's File 7-23 Number 2009-009011, O.P.R.L.C.T., being the northwest corner of the herein described 5.030 acre tract; THENCE North 86°14'31" East, 824.24 feet, with the south line of said 1.8035 acre tract, the south line of a called 1.1499 acre tract 7-24 7-25 . 7**-**26 7-27 described in instrument recorded under Clerk's File Number 2004-005863, O.P.R.L.C.T., and the south line of said Sallas 4.15 7-28 acre tract, to the PLACE OF BEGINNING; CONTAINING a computed area of 5.030 acres of land within this Field 7-29 7-30 -7**-**31 Note Description. 7-32 This Field Note Description and is referenced to Survey Drawing 7-33 Project No. C69-320_5.030ac. 7-34 Bearings recited hereon are based on the recorded plat of said 7-35 Camino Real, Section Three. 7-36 Being Reserve A of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-37 7-38 7-39 Being Reserve B of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-40 7-41 7-42 Being Reserve C of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-43 7-44 Being Reserve D of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-45 7-46 7-47 Being Reserve E of Santa Fe, Section 1, a plat of said subdivision 7-48 recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-49 7-50 7-51 Being Reserve F of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-52 7-53 7-54 Being Reserve G of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-55 7-56 Being Reserve H of Santa Fe, Section 1, a plat of said subdivision 7-57 recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-58 7-59 7-60 Being Reserve I of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-61 7-62 7-63 Being Reserve J of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-64 7-65 7-66 Being Reserve K of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 7-67 7-68 Being Reserve L of Santa Fe, Section 1, a plat of said subdivision 7-69

recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 8-1 8-2 8-3 Being Reserve M of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of 8-4 the Official Public Records of Liberty County, Texas; Being Reserve N of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 8-5 8-6 8-7 8-8 8-9 Being Reserve O of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 8-10 8-11 Being Reserve P of Santa Fe, Section 1, a plat of said subdivision 8-12 recorded under Liberty County Clerk's File Number 2017-005075, of 8-13 the Official Public Records of Liberty County, Texas; Being Reserve Q of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 8-14 8-15 8-16 8-17 8-18 Being Reserve R of Santa Fe, Section 1, a plat of said subdivision recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; Being Reserve S of Santa Fe, Section 1, a plat of said subdivision 8-19 8-20 8-21 recorded under Liberty County Clerk's File Number 2017-005075, of the Official Public Records of Liberty County, Texas; 8-22 8-23 Being all of Lot 258, Block 8 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 8-24 8**-**25 8**-**26 County, Texas; 8-27 8-28 Being all of Lot 259, Block 8 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty County, Texas; 8-29 8-30 8-31 Being all of Lot 260, Block 8 of Grand San Jacinto, Section 2, a plat 8-32 8-33 of said subdivision recorded under Liberty County Clerk's File 8-34 Number 2013-017696, of the Official Public Records of Liberty 8-35 County, Texas; 8-36 Being all of Lot 261, Block 8 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File 8-37 Number 2013-017696, of the Official Public Records of Liberty 8-38 8-39 County, Texas; Being all of Lot 262, Block 8 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 8-40 8-41 8-42 8-43 County, Texas; Being all of Lot 263, Block 8 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 8-44 8-45 8-46 County, Texas; 8-47 Being all of Lot 264, Block 8 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 8-48 8-49 8-50 8-51 County, Texas; Being all of Lot 265, Block 8 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File 8-52 8-53 Number 2013-017696, of the Official Public Records of Liberty 8-54 County, Texas; Being all of Lot 266, Block 8 of Grand San Jacinto, Section 2, a plat 8-55 8-56 of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 8-57 8-58 County, Texas; 8-59 Being all of Lot 267, Block 8 of Grand San Jacinto, Section 2, a plat 8-60 of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 8-61 8-62 8-63 County, Texas; 8-64 Being all of Lot 517, Block 15 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 8-65 8-66 8-67 County, Texas; Being all of Lot 519, Block 15 of Grand San Jacinto, Section 2, 8-68 а 8-69 plat of said subdivision recorded under Liberty County Clerk's File

H.B. No. 4341 Number 2013-017696, of the Official Public Records of Liberty 9-1 9-2 County, Texas; 9-3 Being all of Lot 520, Block 15 of Grand San Jacinto, Section 2, a 9-4 plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 9-5 9-6 County, Texas; 9-7 Being all of Lot 521, Block 15 of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty 9-8 9-9 9-10 County, Texas; 9**-**11 Being all of Lot 869, Block 23 of Grand San Jacinto, Section 3, 9-12 plat of said subdivision recorded under Liberty County Clerk's File Number 2014-003954, of the Official Public Records of Liberty 9-13 9-14 County, Texas; Being all of Lot 870, Block 23 of Grand San Jacinto, Section 3, a plat of said subdivision recorded under Liberty County Clerk's File Number 2014-003954, of the Official Public Records of Liberty 9-15 9**-**16 9-17 9-18 County, Texas; 9-19 Being all of Lot 871, Block 23 of Grand San Jacinto, Section 3, a plat of said subdivision recorded under Liberty County Clerk's File Number 2014-003954, of the Official Public Records of Liberty 9-20 9**-**21 9-22 County, Texas; 9-23 Being all of Lot 1186, Block 31 of Grand San Jacinto, Section 3, a 9-24 plat of said subdivision recorded under Liberty County Clerk's File Number 2014-003954, of the Official Public Records of Liberty County, Texas; 9-25 9**-**26 9-27 Being all of Lot 1187, Block 31 of Grand San Jacinto, Section 3, a 9-28 plat of said subdivision recorded under Liberty County Clerk's File Number 2014-003954, of the Official Public Records of Liberty County, Texas; 9-29 9-30 9**-**31 Being all of Lot 2691, Block 70 of Grand San Jacinto, Section 5, а 9-32 plat of said subdivision recorded under Liberty County Clerk's File 9-33 Number 2015-003710, of the Official Public Records of Liberty 9-34 County, Texas; Being all of Lot 2692, Block 70 of Grand San Jacinto, Section 5, a plat of said subdivision recorded under Liberty County Clerk's File Number 2015-003710, of the Official Public Records of Liberty 9-35 9-36 9-37 9-38 County, Texas; 9-39 Being all of Lot 2693, Block 70 of Grand San Jacinto, Section 5, a plat of said subdivision recorded under Liberty County Clerk's File Number 2015-003710, of the Official Public Records of Liberty 9-40 9-41 9-42 County, Texas; 9-43 Being all of Lot 2694, Block 70 of Grand San Jacinto, Section 5, a 9-44 plat of said subdivision recorded under Liberty County Clerk's File Number 2015-003710, of the Official Public Records of Liberty County, Texas; 9-45 9-46 9-47 Being all of Lot 2695A, Block 70 of Grand San Jacinto, Section 5, a 9-48 plat of said subdivision recorded under Liberty County Clerk's File Number 2015-003710, of the Official Public Records of Liberty County, Texas; 9-49 9-50 9-51 Being all of Lot 2740, Block 70 of Grand San Jacinto, Section 5, a 9-52 plat of said subdivision recorded under Liberty County Clerk's File 9-53 Number 2015-003710, of the Official Public Records of Liberty 9-54 County, Texas; 9-55 Being all of Lot 3134, Block 79 of Grand San Jacinto, Section 6, a plat of said subdivision recorded under Liberty County Clerk's File Number 2014-014549, of the Official Public Records of Liberty 9-56 9-57 9-58 County, Texas; 9-59 Being all of Lot 3135, Block 79 of Grand San Jacinto, Section 6, a 9-60 plat of said subdivision recorded under Liberty County Clerk's File 9-61 Number 2014-014549, of the Official Public Records of Liberty County, Texas; 9-62 9-63 Being all of Lot 3172, Block 80 of Grand San Jacinto, Section 6, a 9-64 plat of said subdivision recorded under Liberty County Clerk's File Number 2014-014549, of the Official Public Records of Liberty 9-65 9-66 County, Texas; 9-67 Being all of Lot 3173, Block 80 of Grand San Jacinto, Section 6, a 9-68 plat of said subdivision recorded under Liberty County Clerk's File Number 2014-014549, of the Official Public Records of Liberty 9-69

10-1 County, Texas; 10-2 Being all of Lot 3231, Block 81 of Grand San Jacinto, Section 6, a 10-3 plat of said subdivision recorded under Liberty County Clerk's File 10-4 Number 2014-014549, of the Official Public Records of Liberty 10-5 County, Texas; Being all of Lot 3232, Block 81 of Grand San Jacinto, Section 6, a plat of said subdivision recorded under Liberty County Clerk's File 10-6 10-7 Number 2014-014549, of the Official Public Records of Liberty 10-8 10-9 County, Texas; 10-10 10-11 Being all of Lot 3298, Block 82 of Grand San Jacinto, Section 6, a plat of said subdivision recorded under Liberty County Clerk's File Number 2014-014549, of the Official Public Records of Liberty 10-12 10-13 County, Texas; Being all of Lot 3299, Block 82 of Grand San Jacinto, Section 6, a 10-14 10-15 10-16 plat of said subdivision recorded under Liberty County Clerk's File Number 2014-014549, of the Official Public Records of Liberty 10-17 County, Texas; 10-18 Being all of Lot 3552, Block 88 of Grand San Jacinto, Section 7, a 10-19 plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty County, Texas; 10-20 10-21 10-22 Being all of Lot 3553, Block 88 of Grand San Jacinto, Section 7, a 10-23 plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty 10-24 10-25 10-26 County, Texas; Being all of Lot 3554, Block 88 of Grand San Jacinto, Section 7, a 10-27 plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty 10-28 10-29 County, Texas; 10-30 Being all of Lot 3555, Block 88 of Grand San Jacinto, Section 7, a plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty 10-31 10-32 County, Texas; 10-33 10-34 Being all of Lot 3556, Block 88 of Grand San Jacinto, Section 7, a plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty 10-35 10-36 County, Texas; 10-37 10-38 Being all of Lot 3557, Block 88 of Grand San Jacinto, Section 7, a 10-39 plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty County, Texas; 10-40 10-41 10-42 Being all of Lot 3558, Block 88 of Grand San Jacinto, Section 7, a 10-43 plat of said subdivision recorded under Liberty County Clerk's File 10-44 Number 2016-007933, of the Official Public Records of Liberty County, Texas; Being all of Lot 3559, Block 88 of Grand San Jacinto, Section 7, a 10-45 10-46 10-47 plat of said subdivision recorded under Liberty County Clerk's File 10-48 Number 2016-007933, of the Official Public Records of Liberty 10 - 49County, Texas; 10-50 Being all of Lot 3560, Block 88 of Grand San Jacinto, Section 7, а 10-51 plat of said subdivision recorded under Liberty County Clerk's File 10-52 Number 2016-007933, of the Official Public Records of Liberty 10-53 County, Texas; 10-54 Being all of Lot 3561, Block 88 of Grand San Jacinto, Section 7, a plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty 10-55 10-56 County, Texas; 10-57 10-58 Being all of Lot 3562, Block 88 of Grand San Jacinto, Section 7, a 10-59 plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty County, Texas; 10-60 10-61 10-62 Being all of Lot 3563, Block 88 of Grand San Jacinto, Section 7, a plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty 10-63 10-64 County, Texas; Being all of Lot 3564, Block 88 of Grand San Jacinto, Section 7, a 10-65 10-66 10-67 plat of said subdivision recorded under Liberty County Clerk's File 10-68 Number 2016-007933, of the Official Public Records of Liberty County, Texas; 10-69

H.B. No. 4341 Being all of Lot 3565, Block 88 of Grand San Jacinto, Section 7, a 11-1 11-2 plat of said subdivision recorded under Liberty County Clerk's File 11-3 Number 2016-007933, of the Official Public Records of Liberty 11-4 County, Texas; Being all of Lot 3566, Block 88 of Grand San Jacinto, Section 7, a 11-5 plat of said subdivision recorded under Liberty County Clerk's File Number 2016-007933, of the Official Public Records of Liberty 11-6 11-7 11-8 County, Texas; 11-9 Being Reserve C of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-017696, of the Official Public Records of Liberty County, 11-10 11-11 11-12 Texas; 11-13 Being Reserve D of Grand San Jacinto, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 11-14 11**-**15 11**-**16 2013-017696, of the Official Public Records of Liberty County, Texas; 11-17 Being Reserve V of Grand San Jacinto, Section 6, a plat of said subdivision recorded under Liberty County Clerk's File Number 11-18 2014-014549, of the Official Public Records of Liberty County, 11-19 11-20 11-21 Texas; Being Reserve W of Grand San Jacinto, Section 6, a plat of said subdivision recorded under Liberty County Clerk's File Number 11-22 2014-014549, of the Official Public Records of Liberty County, 11-23 Texas; 11-24 Being Reserve X of Grand San Jacinto, Section 6, a plat of said subdivision recorded under Liberty County Clerk's File Number 2014-014549, of the Official Public Records of Liberty County, 11**-**25 11**-**26 11-27 11-28 Texas: Being Reserve Y of Grand San Jacinto, Section 6, a plat of said subdivision recorded under Liberty County Clerk's File Number 2014-014549, of the Official Public Records of Liberty County, 11-29 11-30 11-31 11-32 Texas; 11-33 Being all of Lot 893, Block 14 of Camino Real, Section 1, a plat of 11-34 said subdivision recorded under Liberty County Clerk's File Number 11-35 2015-004667, of the Official Public Records of Liberty County, 11-36 Texas; 11-37 Being all of Lot 894, Block 14 of Camino Real, Section 1, a plat of 11-38 said subdivision recorded under Liberty County Clerk's File Number 11-39 2015-004667, of the Official Public Records of Liberty County, 11-40 Texas; 11-41 Being all of Lot 895, Block 14 of Camino Real, Section 1, a plat of 11-42 said subdivision recorded under Liberty County Clerk's File Number 11-43 2015-004667, of the Official Public Records of Liberty County, 11-44 Texas; Being all of Lot 896, Block 14 of Camino Real, Section 1, a plat of 11-45 said subdivision recorded under Liberty County Clerk's File Number 11-46 11-47 2015-004667, of the Official Public Records of Liberty County, 11-48 Texas; 11 - 49Being all of Lot 372, Block 8 of Camino Real, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2015-012997, of the Official Public Records of Liberty County, 11-50 11-51 11-52 Texas: 11-53 Being all of Lot 408, Block 8 of Camino Real, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2015-012997, of the Official Public Records of Liberty County, 11-54 11-55 11-56 Texas; 11-57 Being all of Lot 409, Block 8 of Camino Real, Section 2, a plat of 11-58 said subdivision recorded under Liberty County Clerk's File Number 11-59 2015-012997, of the Official Public Records of Liberty County, 11-60 Texas; 11-61 Being all of Lot 543, Block 10 of Camino Real, Section 2, a plat of 11-62 said subdivision recorded under Liberty County Clerk's File Number 11-63 2015-012997, of the Official Public Records of Liberty County, Texas; 11-64 Being all of Lot 489, Block 21 of Camino Real, Section 2, a plat of 11-65 11-66 said subdivision recorded under Liberty County Clerk's File Number 11-67 2015-012997, of the Official Public Records of Liberty County, 11-68 Texas; 11-69 Being all of Lot 1298, Block 22 of Camino Real, Section 2, a plat of

H.B. No. 4341 said subdivision recorded under Liberty County Clerk's File Number 12-1 12-2 2015-012997, of the Official Public Records of Liberty County, 12-3 Texas; Being all of Lot 1299, Block 22 of Camino Real, Section 2, a plat of 12-4 said subdivision recorded under Liberty County Clerk's File Number 2015-012997, of the Official Public Records of Liberty County, 12-5 12-6 12-7 Texas; 12-8 Being all of Lot 1300, Block 22 of Camino Real, Section 2, a plat of 12-9 said subdivision recorded under Liberty County Clerk's File Number 12-10 12-11 2015-012997, of the Official Public Records of Liberty County, Texas; 12-12 Being all of Lot 1301, Block 22 of Camino Real, Section 2, a plat of 12-13 said subdivision recorded under Liberty County Clerk's File Number 2015-012997, of the Official Public Records of Liberty County, 12-14 12**-**15 12**-**16 Texas; Being all of Lot 1302, Block 22 of Camino Real, Section 2, a plat of 12-17 said subdivision recorded under Liberty County Clerk's File Number 12-18 2015-012997, of the Official Public Records of Liberty County, 12-19 Texas; 12-20 12-21 Being all of Lot 1303, Block 22 of Camino Real, Section 2, a plat of said subdivision recorded under Liberty County Clerk's File Number 2015-012997, of the Official Public Records of Liberty County, 12-22 12-23 Texas; Being Reserve 1 of Partial Replat of Rancho San Vicente, a plat of 12-24 12-25 12-26 said subdivision recorded under Liberty County Clerk's File Number 2013-008924, of the Official Public Records of Liberty County, 12-27 Texas: 12-28 Being Reserve 2 of Partial Replat of Rancho San Vicente, a plat of said subdivision recorded under Liberty County Clerk's File Number 12-29 12-30 2013-008924, of the Official Public Records of Liberty County, 12-31 Texas; 12-32 Being Reserve 9 of Partial Replat of Rancho San Vicente, a plat of 12-33 said subdivision recorded under Liberty County Clerk's File Number 12-34 2013-008924, of the Official Public Records of Liberty County, 12-35 Texas; Being Reserve H of Bella Vista, Section 3, a plat of said subdivision recorded under Liberty County Clerk's File Number 2012-014595, of the Official Public Records of Liberty County, 12-36 12-37 12-38 12-39 Texas; Being Reserve L of Bella Vista, Section 4, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-002215, of the Official Public Records of Liberty County, 12-40 of said 12 - 4112-42 12-43 Texas; and Being Reserve O of Bella Vista, Section 4, a plat of said subdivision recorded under Liberty County Clerk's File Number 2013-002215, of the Official Public Records of Liberty County, 12-44 12-45 12-46 12-47 Texas. SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, 12-48 12 - 4912-50 12-51 officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, 12-52 12-53 12-54 Government Code. The governor, one of the required recipients, has the notice and Act to the Texas Commission on 12-55 (b) 12-56 submitted 12-57 Environmental Quality. 12-58 The Texas Commission on Environmental Quality has filed (c) its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives 12-59 12-60 12-61 within the required time. (d) The general law relating to consent by political 12-62 12-63 subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those 12-64 12-65 districts has been complied with. 12-66 (e) All requirements of the constitution and laws of this 12-67 state and the rules and procedures of the legislature with respect 12-68 to the notice, introduction, and passage of this Act have been 12-69 fulfilled and accomplished.

H.B. No. 4341 SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017. 13-1 13-2 13-3 13-4 13-5

13-6

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