

By: Oliverson

H.B. No. 4343

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the creation of Harris County Improvement District No.  
3 26; providing authority to issue bonds; providing authority to  
4 impose assessments, fees, and taxes.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws  
7 Code, is amended by adding Chapter 3800 to read as follows:

8 CHAPTER 3800. HARRIS COUNTY IMPROVEMENT DISTRICT NO. 26

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3800.001. DEFINITIONS. In this chapter:

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

12 (2) "City" means the City of Houston.

13 (3) "County" means Harris County.

14 (4) "Director" means a board member.

15 (5) "District" means the Harris County Improvement  
16 District No. 26.

17 Sec. 3800.002. CREATION AND NATURE OF DISTRICT. The  
18 district is a special district created under Section 59, Article  
19 XVI, Texas Constitution.

20 Sec. 3800.003. PURPOSE; DECLARATION OF INTENT. (a) The  
21 creation of the district is essential to accomplish the purposes of  
22 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
23 Texas Constitution, and other public purposes stated in this  
24 chapter. By creating the district and in authorizing the city, the

1 county, and other political subdivisions to contract with the  
2 district, the legislature has established a program to accomplish  
3 the public purposes set out in Section 52-a, Article III, Texas  
4 Constitution.

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

10 (c) This chapter and the creation of the district may not be  
11 interpreted to relieve the city or the county from providing the  
12 level of services provided as of the effective date of the Act  
13 enacting this chapter to the area in the district. The district is  
14 created to supplement and not to supplant city or county services  
15 provided in the district.

16 Sec. 3800.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
17 The district is created to serve a public use and benefit.

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

23 (c) The creation of the district is in the public interest  
24 and is essential to further the public purposes of:

25 (1) developing and diversifying the economy of the  
26 state;

27 (2) eliminating unemployment and underemployment; and

1           (3) developing or expanding transportation and  
2 commerce.

3           (d) The district will:

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

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

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

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

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

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

25           Sec. 3800.005. INITIAL DISTRICT TERRITORY. (a) The  
26 district is initially composed of the territory described by  
27 Section 2 of the Act enacting this chapter.

1       (b) The boundaries and field notes contained in Section 2 of  
2 the Act enacting this chapter form a closure. A mistake in the  
3 field notes or in copying the field notes in the legislative process  
4 does not affect the district's:

5           (1) organization, existence, or validity;

6           (2) right to issue any type of bonds for the purposes  
7 for which the district is created or to pay the principal of and  
8 interest on the bonds;

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

10          (4) legality or operation.

11       Sec. 3800.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

12 All or any part of the area of the district is eligible to be  
13 included in:

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

16           (2) a tax abatement reinvestment zone created under  
17 Chapter 312, Tax Code;

18           (3) an enterprise zone created under Chapter 2303,  
19 Government Code;

20           (4) an industrial district created under Chapter 42,  
21 Local Government Code; or

22           (5) a public improvement district created under  
23 Chapter 372, Local Government Code.

24       Sec. 3800.007. APPLICABILITY OF MUNICIPAL MANAGEMENT  
25 DISTRICTS LAW. Except as otherwise provided by this chapter,  
26 Chapter 375, Local Government Code, applies to the district.

27       Sec. 3800.008. CONSTRUCTION OF CHAPTER. This chapter shall

1 be liberally construed in conformity with the findings and purposes  
2 stated in this chapter.

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 3800.051. GOVERNING BODY; TERMS. (a) The district is  
5 governed by a board of five voting directors who serve staggered  
6 terms of four years, with two or three directors' terms expiring  
7 June 1 of each odd-numbered year.

8 (b) The board by resolution may change the number of voting  
9 directors on the board only if the board determines that the change  
10 is in the best interest of the district. The board may not consist  
11 of fewer than five or more than 15 voting directors.

12 Sec. 3800.052. APPOINTMENT OF VOTING DIRECTORS. The Texas  
13 Commission on Environmental Quality shall appoint voting directors  
14 from persons recommended by the board.

15 Sec. 3800.053. NONVOTING DIRECTORS. The board may appoint  
16 nonvoting directors to serve at the pleasure of the voting  
17 directors.

18 Sec. 3800.054. QUORUM. For purposes of determining the  
19 requirements for a quorum of the board, the following are not  
20 counted:

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

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

25 (3) a nonvoting director.

26 Sec. 3800.055. COMPENSATION. A director is entitled to  
27 receive fees of office and reimbursement for actual expenses as

1 provided by Section 49.060, Water Code. Sections 375.069 and  
2 375.070, Local Government Code, do not apply to the board.

3 Sec. 3800.056. INITIAL VOTING DIRECTORS. (a) The initial  
4 board consists of:

	<u>Pos. No.</u>	<u>Name of Director:</u>
5	<u>1</u>	_____
6	<u>2</u>	_____
7	<u>3</u>	_____
8	<u>4</u>	_____
9	<u>5</u>	_____
10		

11 (b) Of the initial directors, the terms of directors  
12 appointed for positions one through three expire June 1, 2019, and  
13 the terms of directors appointed for positions four and five expire  
14 June 1, 2021.

15 (c) Section 3800.052 does not apply to this section.

16 (d) This section expires September 1, 2021.

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 3800.101. GENERAL POWERS AND DUTIES. The district has  
19 the powers and duties necessary to accomplish the purposes for  
20 which the district is created.

21 Sec. 3800.102. IMPROVEMENT PROJECTS AND SERVICES. The  
22 district may provide, design, construct, acquire, improve,  
23 relocate, operate, maintain, or finance an improvement project or  
24 service using any money available to the district, or contract with  
25 a governmental or private entity to provide, design, construct,  
26 acquire, improve, relocate, operate, maintain, or finance an  
27 improvement project or service authorized under this chapter or

1 Chapter 375, Local Government Code.

2 Sec. 3800.103. DEVELOPMENT CORPORATION POWERS. The  
3 district, using money available to the district, may exercise the  
4 powers given to a development corporation under Chapter 505, Local  
5 Government Code, including the power to own, operate, acquire,  
6 construct, lease, improve, or maintain a project under that  
7 chapter.

8 Sec. 3800.104. NONPROFIT CORPORATION. (a) The board by  
9 resolution may authorize the creation of a nonprofit corporation to  
10 assist and act for the district in implementing a project or  
11 providing a service authorized by this chapter.

12 (b) The nonprofit corporation:

13 (1) has each power of and is considered to be a local  
14 government corporation created under Subchapter D, Chapter 431,  
15 Transportation Code; and

16 (2) may implement any project and provide any service  
17 authorized by this chapter.

18 (c) The board shall appoint the board of directors of the  
19 nonprofit corporation. The board of directors of the nonprofit  
20 corporation shall serve in the same manner as the board of directors  
21 of a local government corporation created under Subchapter D,  
22 Chapter 431, Transportation Code, except that a board member is not  
23 required to reside in the district.

24 Sec. 3800.105. AGREEMENTS; GRANTS. (a) As provided by  
25 Chapter 375, Local Government Code, the district may make an  
26 agreement with or accept a gift, grant, or loan from any person.

27 (b) The implementation of a project is a governmental

1 function or service for the purposes of Chapter 791, Government  
2 Code.

3 Sec. 3800.106. LAW ENFORCEMENT SERVICES. To protect the  
4 public interest, the district may contract with a qualified party,  
5 including the county or the city, to provide law enforcement  
6 services in the district for a fee.

7 Sec. 3800.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The  
8 district may join and pay dues to a charitable or nonprofit  
9 organization that performs a service or provides an activity  
10 consistent with the furtherance of a district purpose.

11 Sec. 3800.108. ECONOMIC DEVELOPMENT. (a) The district may  
12 engage in activities that accomplish the economic development  
13 purposes of the district.

14 (b) The district may establish and provide for the  
15 administration of one or more programs to promote state or local  
16 economic development and to stimulate business and commercial  
17 activity in the district, including programs to:

18 (1) make loans and grants of public money; and

19 (2) provide district personnel and services.

20 (c) The district may create economic development programs  
21 and exercise the economic development powers provided to  
22 municipalities by:

23 (1) Chapter 380, Local Government Code; and

24 (2) Subchapter A, Chapter 1509, Government Code.

25 Sec. 3800.109. PARKING FACILITIES. (a) The district may  
26 acquire, lease as lessor or lessee, construct, develop, own,  
27 operate, and maintain parking facilities or a system of parking



1 facilities, including lots, garages, parking terminals, or other  
2 structures or accommodations for parking motor vehicles off the  
3 streets and related appurtenances.

4 (b) The district's parking facilities serve the public  
5 purposes of the district and are owned, used, and held for a public  
6 purpose even if leased or operated by a private entity for a term of  
7 years.

8 (c) The district's parking facilities are part of and  
9 necessary components of a street and are considered to be a street  
10 or road improvement.

11 (d) The development and operation of the district's parking  
12 facilities may be considered an economic development program.

13 Sec. 3800.110. ANNEXATION OR EXCLUSION OF LAND. (a) The  
14 district may annex land as provided by Subchapter J, Chapter 49,  
15 Water Code.

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

19 Sec. 3800.111. PUBLIC IMPROVEMENT DISTRICT POWERS. The  
20 district has the powers provided by Chapter 372, Local Government  
21 Code, to a municipality or county.

22 Sec. 3800.112. ROAD UTILITY DISTRICT POWERS. The district  
23 has the powers provided by the general laws relating to road utility  
24 districts created under Section 52(b), Article III, Texas  
25 Constitution, including Chapter 441, Transportation Code.

26 Sec. 3800.113. CONDUIT FACILITIES. (a) The district may  
27 finance, acquire, construct, improve, operate, maintain, or charge

1 a fee for the use of district conduits for:

2 (1) fiber-optic cable and supporting facilities;

3 (2) electronic transmission lines and supporting  
4 facilities; or

5 (3) other types of transmission lines and supporting  
6 facilities.

7 (b) The district may not require a person to use a district  
8 conduit.

9 Sec. 3800.114. STRATEGIC PARTNERSHIP AGREEMENT. The  
10 district may negotiate and enter into a written strategic  
11 partnership agreement under Section 43.0751, Local Government  
12 Code, with a municipality in whose extraterritorial jurisdiction  
13 the district is located.

14 Sec. 3800.115. NO EMINENT DOMAIN POWER. The district may  
15 not exercise the power of eminent domain.

16 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

17 Sec. 3800.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
18 board by resolution shall establish the number of directors'  
19 signatures and the procedure required for a disbursement or  
20 transfer of district money.

21 Sec. 3800.152. MONEY USED FOR IMPROVEMENTS OR SERVICES.  
22 The district may acquire, construct, finance, operate, or maintain  
23 any improvement or service authorized under this chapter or Chapter  
24 375, Local Government Code, using any money available to the  
25 district.

26 Sec. 3800.153. PETITION REQUIRED FOR FINANCING SERVICES AND  
27 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a

1 service or improvement project with assessments under this chapter  
2 unless a written petition requesting that service or improvement  
3 has been filed with the board.

4 (b) A petition filed under Subsection (a) must be signed by  
5 the owners of a majority of the assessed value of real property in  
6 the district subject to assessment according to the most recent  
7 certified tax appraisal roll for the county.

8 Sec. 3800.154. METHOD OF NOTICE FOR HEARING. The district  
9 may mail the notice required by Section 375.115(c), Local  
10 Government Code, by certified or first class United States mail.  
11 The board shall determine the method of notice.

12 Sec. 3800.155. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)  
13 The board by resolution may impose and collect an assessment for any  
14 purpose authorized by this chapter in all or part of the district.

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

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

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

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

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

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

9       Sec. 3800.156. RESIDENTIAL PROPERTY NOT EXEMPT. Section  
10 375.161, Local Government Code, does not apply to the district.

11       Sec. 3800.157. COMPETITIVE BIDDING. Subchapter I, Chapter  
12 49, Water Code, applies to the district. Sections 375.221 and  
13 375.223, Local Government Code, do not apply to the district.

14       Sec. 3800.158. TAX AND ASSESSMENT ABATEMENTS. The district  
15 may designate reinvestment zones and may grant abatements of a tax  
16 or assessment on property in the zones in the manner provided by  
17 Chapter 312, Tax Code.

18                   SUBCHAPTER E. TAXES AND BONDS

19       Sec. 3800.201. ELECTIONS REGARDING TAXES AND BONDS. (a)  
20 The district may issue, without an election, bonds, notes, and  
21 other obligations secured by:

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

23                   (2) contract payments described by Section 3800.203.

24       (b) The district must hold an election in the manner  
25 provided by Subchapter L, Chapter 375, Local Government Code, to  
26 obtain voter approval before the district may impose an ad valorem  
27 tax or issue bonds payable from ad valorem taxes.

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

3       (d) All or any part of any facilities or improvements that  
4 may be acquired by a district by the issuance of its bonds may be  
5 submitted as a single proposition or as several propositions to be  
6 voted on at the election.

7       Sec. 3800.202. OPERATION AND MAINTENANCE TAX. (a) If  
8 authorized by a majority of the district voters voting at an  
9 election held in accordance with Section 3800.201, the district may  
10 impose an operation and maintenance tax on taxable property in the  
11 district in accordance with Section 49.107, Water Code, for any  
12 district purpose, including to:

13               (1) maintain and operate the district;

14               (2) construct or acquire improvements; or

15               (3) provide a service.

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

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

20       Sec. 3800.203. CONTRACT TAXES. (a) In accordance with  
21 Section 49.108, Water Code, the district may impose a tax other than  
22 an operation and maintenance tax and use the revenue derived from  
23 the tax to make payments under a contract after the provisions of  
24 the contract have been approved by a majority of the district voters  
25 voting at an election held for that purpose.

26       (b) A contract approved by the district voters may contain a  
27 provision stating that the contract may be modified or amended by

1 the board without further voter approval.

2 Sec. 3800.204. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS  
3 AND OTHER OBLIGATIONS. (a) The district may borrow money on terms  
4 determined by the board. Section 375.205, Local Government Code,  
5 does not apply to a loan, line of credit, or other borrowing from a  
6 bank or financial institution secured by revenue other than ad  
7 valorem taxes.

8 (b) The district may issue bonds, notes, or other  
9 obligations payable wholly or partly from ad valorem taxes,  
10 assessments, impact fees, revenue, contract payments, grants, or  
11 other district money, or any combination of those sources of money,  
12 to pay for any authorized district purpose.

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

16 Sec. 3800.205. TAXES FOR BONDS. At the time the district  
17 issues bonds payable wholly or partly from ad valorem taxes, the  
18 board shall provide for the annual imposition of a continuing  
19 direct annual ad valorem tax, without limit as to rate or amount,  
20 for each year that all or part of the bonds are outstanding as  
21 required and in the manner provided by Sections 54.601 and 54.602,  
22 Water Code.

23 SUBCHAPTER F. DEFINED AREAS

24 Sec. 3800.251. AUTHORITY TO ESTABLISH DEFINED AREAS OR  
25 DESIGNATED PROPERTY. The district may define areas or designate  
26 certain property of the district to pay for improvements,  
27 facilities, or services that primarily benefit that area or

1 property and do not generally and directly benefit the district as a  
2 whole.

3 Sec. 3800.252. PROCEDURE FOR ELECTION. (a) Before the  
4 district may impose an ad valorem tax or issue bonds payable from ad  
5 valorem taxes of the defined area or designated property, the board  
6 shall hold an election in the defined area or in the designated  
7 property only.

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

10 Sec. 3800.253. DECLARING RESULT AND ISSUING ORDER. (a) If  
11 a majority of the voters voting at the election approve the  
12 proposition or propositions, the board shall declare the results  
13 and, by order, shall establish the defined area and describe it by  
14 metes and bounds or designate the specific property.

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

18 Sec. 3800.254. TAXES FOR SERVICES, IMPROVEMENTS, AND  
19 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter  
20 approval and adoption of the order described by Section 3800.253,  
21 the district may apply separately, differently, equitably, and  
22 specifically its taxing power and lien authority to the defined  
23 area or designated property to provide money to construct,  
24 administer, maintain, and operate services, improvements, and  
25 facilities that primarily benefit the defined area or designated  
26 property.

27 Sec. 3800.255. ISSUANCE OF BONDS FOR DEFINED AREA OR

1 DESIGNATED PROPERTY. After the order under Section 3800.253 is  
2 adopted, the district may issue bonds to provide for any land,  
3 improvements, facilities, plants, equipment, and appliances for  
4 the defined area or designated property.

5 SUBCHAPTER G. SALES AND USE TAX

6 Sec. 3800.301. MEANINGS OF WORDS AND PHRASES. A word or  
7 phrase used in this subchapter that is defined by Chapters 151 and  
8 321, Tax Code, has the meaning assigned by Chapters 151 and 321, Tax  
9 Code.

10 Sec. 3800.302. APPLICABILITY OF CERTAIN TAX CODE  
11 PROVISIONS. (a) Except as otherwise provided by this subchapter,  
12 Subtitles A and B, Title 2, Tax Code, and Chapter 151, Tax Code,  
13 apply to taxes imposed under this subchapter and to the  
14 administration and enforcement of those taxes in the same manner  
15 that those laws apply to state taxes.

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

22 (c) Sections 321.106, 321.401, 321.402, 321.403, 321.404,  
23 321.406, 321.409, 321.506, 321.507, and 321.508, Tax Code, do not  
24 apply to a tax imposed under this subchapter.

25 Sec. 3800.303. AUTHORIZATION; ELECTION. (a) The district  
26 may adopt a sales and use tax to serve the purposes of the district  
27 after an election in which a majority of the voters of the district



1 voting in the election authorize the adoption of the tax.

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

5 (c) The district shall provide notice of the election and  
6 shall hold the election in the manner prescribed by Section  
7 3800.201.

8 (d) The ballots shall be printed to provide for voting for  
9 or against the proposition: "Authorization of a sales and use tax  
10 in the Harris County Improvement District No. 26 at a rate not to  
11 exceed \_\_\_ percent."

12 Sec. 3800.304. ABOLISHING SALES AND USE TAX. (a) Except as  
13 provided by Subsection (b), the board may abolish the sales and use  
14 tax without an election.

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

17 Sec. 3800.305. SALES AND USE TAX RATE. (a) On adoption of  
18 the tax authorized by this subchapter, a tax is imposed on the  
19 receipts from the sale at retail of taxable items in the district  
20 and an excise tax is imposed on the use, storage, or other  
21 consumption in the district of taxable items purchased, leased, or  
22 rented from a retailer in the district during the period that the  
23 tax is in effect.

24 (b) The board shall determine the rate of the tax, which may  
25 be in one-eighth of one percent increments not to exceed the maximum  
26 rate authorized by the district voters at the election. The board  
27 may lower the tax rate to the extent the rate does not impair any

1 outstanding debt or obligations payable from the tax.

2 (c) The rate of the excise tax is the same as the rate of the  
3 sales tax portion of the tax and is applied to the sales price of the  
4 taxable item.

5 SUBCHAPTER H. HOTEL OCCUPANCY TAXES

6 Sec. 3800.351. HOTEL OCCUPANCY TAX. (a) In this section,  
7 "hotel" has the meaning assigned by Section 156.001, Tax Code.

8 (b) For purposes of this section, a reference in Chapter  
9 351, Tax Code, to a municipality is a reference to the district and  
10 a reference in Chapter 351, Tax Code, to the municipality's  
11 officers or governing body is a reference to the board.

12 (c) Except as inconsistent with this section, Subchapter A,  
13 Chapter 351, Tax Code, governs a hotel occupancy tax authorized by  
14 this section.

15 (d) The district may impose a hotel occupancy tax and use  
16 the revenue from the tax for any district purpose that is an  
17 authorized use of hotel occupancy tax revenue under Chapter 351,  
18 Tax Code.

19 (e) The board by order may impose, repeal, increase, or  
20 decrease the rate of a tax on a person who, under a lease,  
21 concession, permit, right of access, license, contract, or  
22 agreement, pays for the use or possession or for the right to the  
23 use or possession of a room that:

- 24 (1) is in a hotel located in the district's boundaries;  
25 (2) costs \$2 or more each day; and  
26 (3) is ordinarily used for sleeping.

27 (f) The amount of the tax may not exceed seven percent of the

1 price paid for a room in a hotel.

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

5 SUBCHAPTER I. MUNICIPAL ANNEXATION AND DISSOLUTION

6 Sec. 3800.401. MUNICIPAL ANNEXATION; DISSOLUTION. (a) The  
7 district is a "water or sewer district" under Section 43.071, Local  
8 Government Code.

9 (b) Section 43.075, Local Government Code, applies to the  
10 district.

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

13 SECTION 2. Harris County Improvement District No. 26  
14 initially includes all territory contained in the following area:

15 LEGAL LAND DESCRIPTION

16 BEING a 110.7721 acre tract of land in the Manuel Tejerino Survey,  
17 A-373, Harris County, TX, said 110.7721 acre tract being all of that  
18 called 113.667 acre tract in aforementioned survey conveyed by  
19 Mathilde Hillegeist to Earl Hillegeist and Roy Hillegeist by Deed  
20 dated December 18, 1968 and recorded in Volume 7452, Page 384, Deed  
21 Records, Harris County, TX, less a 1.3241 acre tract as fenced and  
22 used on the ground and called a 1.0 acre tract in Corrected Deed  
23 from Earl Hillegeist to Roy E. Hillegeist and wife Arleah L.  
24 Hillegeist by Deed dated November 15, 1976 and recorded under  
25 Harris county Clerk's, File No. E-990506, Real Property Records,  
26 Harris County, TX, said 110.7721 acre tract being more particularly  
27 described by metes and bounds as follows:

1 BEING a 110.721 acre tract of land in the Manuel Tejerino Survey,  
2 A-373, Harris County, TX, said 110.7721 acre tract being all of that  
3 called 113.667 acre tract in aforementioned survey conveyed by  
4 Mathilde Hillegeist to Earl Hillegeist and Roy Hillegeist by Deed  
5 dated December 18, 1968 and recorded in Volume 7452, Page 384, Deed  
6 Records; Harris County, TX, less a 1.321 acre tract as fenced and  
7 used on the ground and called a 1.0 acre tract in Corrected Deed  
8 from Earl Hillegeist to Roy E. Hillegeist and wife Arleah L.  
9 Hillegeist by Deed dated November 15, 1976 and recorded under  
10 Harris County Clerk's File No. E-990506, Real Property Records,  
11 Harris County, TX, said 110.721 acre tract being more particularly  
12 described by metes and bounds as follows: 1

13 BEGINNING at a 1/2" steel rod (set) at the intersection of the West  
14 right-of-way line of Telge Road (60.00 ft. ROW) and the Northerly  
15 survey line of the Manuel Tejerino Survey, A-373, being also the  
16 Southerly survey line of the William Hurd Survey, A-377, all in  
17 Harris County, TX, marking the Southeast corner of a 355.7 acre  
18 tract in said William Hurd Survey, A-377, Harris County, TX,  
19 conveyed to Martens Land & Cattle Company and recorded under Harris  
20 County Clerk's File No. E-055630, Real Property Records, Harris  
21 County, TX, for the Northeast corner of the tract herein described;  
22 THENCE South 01 deg 45 min 16 sec East - 455.59 feet (South, Vol.  
23 7452, Pg. 384, DR/HCT) along the West right-of-way line of said  
24 Telge Road (60.00 foot ROW) to a 1/2" steel rod (set) marking the  
25 Northeast corner of said Roy E. Hillegeist, et ux 1.3241 acre tract;  
26 THENCE along the Northerly'; Westerly and Southerly boundary lines  
27 of said Roy E. Hillegeist., et ux 1.3241 acre tract the following

1 six (6) courses and distances:

2 1. North 89 deg 49 min 38 sec West - 244.11 feet to a 1/2" steel rod  
3 (set);

4 2. South 25 deg 01 min 53 sec East - 134.94 feet to a 1/2" steel rod  
5 (set);

6 3. South 00 deg 51 min 31 sec West - 43.17 feet to a 1/2" steel rod  
7 (set);

8 4. North 87 deg 37 min 53 sec West 95.64 feet to a 1/2" steel rod  
9 (set);

10 5. South 02 deg 07 min 24 sec West - 78.85 feet to a 1/2" steel rod  
11 (set);

12 6. South 88 deg 44 min 21 sec East - 293.74 feet to a 1/2" steel rod  
13 (set) in the West right-of-way line of said Telge Road (60.00 foot  
14 ROW) being also the East boundary line of said Earl Hillegeist and  
15 Roy Hillegeist called 133.667 acre tract, marking the Southeast  
16 corner of said Roy E. Hillegeist, et ux 1.3241 acre tract, for a  
17 corner of the tract herein described;

18 THENCE South 01 deg 45 min 16 sec East - 712.85 feet (South, Vol.  
19 7452, Pg. 384, DR/HCT) along the West right-of- way line of said  
20 Telge Road (60.00 foot ROW) to an axle (fd) at a corner fence post  
21 marking the Northeast corner of a 100 acre tract in said Manuel  
22 Tejerino Survey, A-373, Harris County, TX, conveyed to C. L.  
23 Coleman and wife Dora Coleman and recorded in Volume 2372, Page 362,  
24 Deed Records, Harris County, TX, for the Southeast corner of the  
25 tract herein described;

26 THENCE South 87 deg 55 min 12 sec West - 3350.08 feet (West 3358 ft.  
27 Vol. 7452, Pg. 384, DR/HCT; West, 3358 ft. Vol. 2372, Pg. 362,

1 DR/HCT) along the Northerly boundary line of said C. L. Coleman, et  
2 ux 100 acre tract, being also the Southerly boundary line of said  
3 Earl Hillegeist and Roy Hillegeist called 133.667 acre tract to a  
4 1-1/2" iron pipe (fd) at a corner fence post marking the Northwest  
5 corner of said C. L, Coleman, et ux 100 acre tract and the Southeast  
6 corner of a 65 acre tract in said Manuel Tejerino Survey, A-373 ,  
7 Harris County. TX, conveyed to Theodore Matlage and recorded in  
8 Volume 386, Page 443, Deed Records, Harris County, TX, for the  
9 Southwest corner of the tract herein described;

10 THENCE North 04 deg 42 min 33 sec West - 1470.13 feet (North 03 deg  
11 West, 1505 ft. Vol. 7452, Pg. 384; North 03 deg West, 1505 ft. Vol.  
12 386, Pg. 443, DR/HCT) along an old fence line to a 2-1/2" iron-pipe  
13 (fd) in the common survey line between said Manuel Tejerino Survey,  
14 A-373 and said William Hurd Survey, A-377, all in Harris County, TX,  
15 being also in the South boundary line of a 49.2865 acre tract in  
16 said William Hurd Survey. A-377, Harris County, TX, conveyed to  
17 Arthur Krahn and wife Mable Krahn and recorded under Harris County  
18 Clerk's File No. E-687409, Real Property Records, Harris County,  
19 TX, marking the Northeast corner of said Theodore Matlage 65 acre  
20 tract, being also the Northwest corner of said Earl Hillegeist and  
21 Roy Hillegeist called 133.667 acre tract, for the Northwest corner  
22 of the tract herein descried;

23 THENCE North 88 deg 49 min 27 sec East, along an old fence line,  
24 being the common survey line between said Manuel Tejerino Survey,  
25 A-373 and said William Hurd Survey, A-377, all in Harris County. TX.  
26 passing a buggy ax le (fd) at 434.69 feet (South 89 deg 58 min 22 sec  
27 East, 435.00 ft. Harris County Clerk's File No. E-687409, RPR/HCT)

1 marking the Southeast corner of said Arthur Krahn, et ux 49.2865 5  
2 acre tract and the Southwest corner of said Martens Land & Cattle  
3 Company 355.7 acre tract, in all 3425.98 feet (South 88 deg 30 min  
4 East, 3438 ft. Vol. 7452, Pg. 384, DR/HCT) to the POINT OF BEGINNING  
5 and containing 110.721 acres of land.

6 Magnetic Declination: 05 deg 00 min East.

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

14 (b) The governor, one of the required recipients, has  
15 submitted the notice and Act to the Texas Commission on  
16 Environmental Quality.

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

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

25 (e) All requirements of the constitution and laws of this  
26 state and the rules and procedures of the legislature with respect  
27 to the notice, introduction, and passage of this Act have been

1 fulfilled and accomplished.

2           SECTION 4. This Act takes effect immediately if it receives  
3 a vote of two-thirds of all the members elected to each house, as  
4 provided by Section 39, Article III, Texas Constitution. If this  
5 Act does not receive the vote necessary for immediate effect, this  
6 Act takes effect September 1, 2017.