By: Hernandez H.B. No. 4667

Substitute the following for H.B. No. 4667:

By: Stickland C.S.H.B. No. 4667

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the East Houston Management District; 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 3923 to read as follows:

CHAPTER 3923. EAST HOUSTON MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3923.0101. DEFINITIONS. In this chapter:

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

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

(3) "County" means Harris County.

(4) "Director" means a board member.

(5) "District" means the East Houston Management District.

Sec. 3923.0102. CREATION AND NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3923.0103. CONFIRMATION ELECTION REQUIRED. (a) On receipt of a petition signed by a majority of the owners of real property in the district according to the most recent certified tax appraisal roll for the county, the initial board shall hold an election to confirm the creation of the district in the manner

provided by Subchapter D, Chapter 49, Water Code.

(b) The board may not issue bonds or other obligations unless the creation of the district is confirmed as provided by this section.

Sec. 3923.0104. 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 subdivisions 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) The district is created to supplement and not to supplant city services provided in the district.

Sec. 3923.0105. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The district is created to serve a public use and benefit.

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

(c) The creation of the district is in the public interest

and is essential to further the public purposes of:

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

(2) eliminating unemployment and underemployment;

(3) developing or expanding transportation and commerce; and

(4) providing quality residential housing.

(d) The district will:

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

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

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

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, vehicle parking, and street art objects are parts of and necessary components of a street and are considered to be an improvement project that includes a street or road improvement.

(f) The district will not act as the agent or instrumentality of any private interest even though the district

will benefit many private interests as well as the public.

Sec. 3923.0106. DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.

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

(1) organization, existence, or validity;

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

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

(4) legality or operation.

Sec. 3923.0107. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. (a) All or any part of the area of the district is eligible to be included in:

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

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

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

(4) an industrial district created under Chapter 42, Local Government Code.

(b) If the city creates a tax increment reinvestment zone described by Subsection (a), the city and the board of directors of

the zone, by contract with the district, may grant money deposited in the tax increment fund to the district to be used by the district for the purposes permitted for money granted to a corporation under Section 380.002(b), Local Government Code, including the right to pledge the money as security for any bonds issued by the district for an improvement project. A project may not receive public funds under Section 380.002(b), Local Government Code, unless the project has been approved by the governing body of the city.

Sec. 3923.0108. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3923.0109. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3923.0201. GOVERNING BODY; TERMS. The district is governed by a board of 11 directors who serve staggered terms of four years, with five or six directors' terms expiring June 1 of each odd-numbered year.

Sec. 3923.0202. QUALIFICATIONS OF DIRECTORS APPOINTED BY CITY. To be qualified to serve as a director, a person must be:

(1) a resident of the district who is also a registered voter of the district;

(2) an owner of stock or a partnership or membership interest, whether beneficial or otherwise, of a corporate partnership, limited liability company, or other entity owner of a direct or indirect interest in property in the district; or

(3) an agent, employee, or tenant of a person described by Subdivision (2).

Sec. 3923.0203. APPOINTMENT OF DIRECTORS; COMPOSITION OF BOARD. (a) The governing body of the city shall appoint directors from qualified persons recommended by the board.

(b) In making appointments under this section, the governing body of the city shall ensure that:

(1) eight positions on the board are occupied by persons described by Section 3923.0202(2) or (3); and

(2) three positions on the board are occupied by persons described by Section 3923.0202(1).

Sec. 3923.0204. VACANCY. If a vacancy occurs on the board, the remaining directors shall appoint a qualified director for the remainder of the unexpired term.

Sec. 3923.0205. DIRECTOR'S OATH OR AFFIRMATION. (a) A director shall file the director's oath or affirmation of office with the district, and the district shall retain the oath or affirmation in the district records.

(b) A director shall file a copy of the director's oath or affirmation with the secretary of the city.

Sec. 3923.0206. QUORUM. A vacant director position is not counted for purposes of establishing a quorum.

Sec. 3923.0207. OFFICERS. The board shall elect from among the directors a chair, a vice chair, and a secretary. The offices of chair and secretary may not be held by the same person.

Sec. 3923.0208. COMPENSATION; EXPENSES. (a) The district may compensate each director in an amount not to exceed $50 for each

board meeting. The total amount of compensation a director may receive each year may not exceed $2,000.

(b) A director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Sec. 3923.0209. LIABILITY INSURANCE. The district may obtain and pay for comprehensive general liability insurance coverage from a commercial insurance company or other source that protects and insures a director against personal liability and from all claims relating to:

(1) actions taken by the director in the director's capacity as a member of the board;

(2) actions and activities taken by the district; or

(3) the actions of others acting on behalf of the district.

Sec. 3923.0210. NO EXECUTIVE COMMITTEE. The board may not create an executive committee to exercise the powers of the board.

Sec. 3923.0211. BOARD MEETINGS. The board shall hold meetings at a place accessible to the public.

Sec. 3923.0212. INITIAL DIRECTORS. (a) Not later than October 1, 2019, the governing body of the city shall appoint initial directors to the board. Of the initial directors appointed under this subsection:

(1) three directors must be persons described by Section 3923.0202(1); and

(2) eight directors must be persons described by Section 3923.0202(2) or (3).

(b) The terms of the initial directors expire June 1, 2021.

(c) Of the directors who replace an initial director, the terms of six directors must expire June 1, 2023, and the terms of five directors must expire June 1, 2025.

(d) This section expires September 1, 2025.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3923.0301. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3923.0302. IMPROVEMENT PROJECTS AND SERVICES. The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using money available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

Sec. 3923.0303. LOCATION OF IMPROVEMENT PROJECT. An improvement project described by Section 3923.0302 may be located:

(1) in the district; or

(2) in an area outside but adjacent to the district if the project is for the purpose of extending a public infrastructure improvement beyond the district's boundaries to a logical terminus.

Sec. 3923.0304. DEVELOPMENT CORPORATION POWERS. The district, using money available to the district, may exercise the powers given to a development corporation under Chapter 505, Local Government Code, including the power to own, operate, acquire,

construct, lease, improve, or maintain a project under that chapter.

Sec. 3923.0305. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

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

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

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

Sec. 3923.0306. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.

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

Sec. 3923.0307. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the county or the city, to provide law enforcement

services in the district for a fee.

Sec. 3923.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Sec. 3923.0309. ECONOMIC DEVELOPMENT. (a) The district may engage in activities that accomplish the economic development purposes of the district.

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

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

(2) provide district personnel and services.

(c) The district may create economic development programs and exercise the economic development powers that:

(1) Chapter 380, Local Government Code, provides to a municipality; and

(2) Subchapter A, Chapter 1509, Government Code, provides to a municipality.

Sec. 3923.0310. CONCURRENCE ON ADDITIONAL POWERS. If the legislature grants the district a power that is in addition to the powers approved by the initial resolution of the governing body of the city consenting to the creation of the district, the district may not exercise that power unless the governing body of the city consents to that change by resolution.

Sec. 3923.0311. NO EMINENT DOMAIN POWER. The district may

not exercise the power of eminent domain.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

Sec. 3923.0401. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of signatures and the procedure required for a disbursement or transfer of the district's money.

Sec. 3923.0402. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, finance, operate, or maintain an improvement project or service authorized under this chapter or Chapter 375, Local Government Code, using any money available to the district for that purpose.

Sec. 3923.0403. GENERAL POWERS REGARDING PAYMENT OF DISTRICT BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or secure the payment or repayment of any bond, note, or other temporary or permanent obligation or reimbursement or other contract with any person and the costs and expenses of the establishment, administration, and operation of the district and the district's costs or share of the costs or revenue of an improvement project or district contractual obligation or indebtedness by:

(1) the imposition of an ad valorem tax or sales and use tax or an assessment, user fee, concession fee, or rental charge; or

(2) any other revenue or resources of the district, or other revenue authorized by the city, including revenues from a tax increment reinvestment zone created by the city under applicable law.

Sec. 3923.0404. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) The petition must be signed by 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.

Sec. 3923.0405. 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. 3923.0406. STORM WATER USER CHARGES. The district may establish user charges related to the operation of storm water facilities, including the regulation of storm water for the protection of water quality in the district.

Sec. 3923.0407. NONPOTABLE WATER USER CHARGES. The district may establish user charges for the use of nonpotable water for irrigation purposes, subject to approval of the governing body of the city.

Sec. 3923.0408. COSTS FOR IMPROVEMENT PROJECTS. The district may undertake separately or jointly with other persons, including the city or county, all or part of the cost of an improvement project, including an improvement project:

(1) for improving, enhancing, and supporting public safety and security, fire protection and emergency medical services, and law enforcement in or adjacent to the district; or

(2) that confers a general benefit on the entire district or a special benefit on a definable part of the district.

Sec. 3923.0409. TAX AND ASSESSMENT ABATEMENTS. The district may designate reinvestment zones and may grant abatements of a tax or assessment on property in the zones.

Sec. 3923.0410. PROPERTY EXEMPT FROM IMPACT FEES. The district may not impose an impact fee on a residential property, including a multiunit residential property, or a condominium.

Sec. 3923.0411. PROPERTY OF CERTAIN UTILITIES EXEMPT FROM ASSESSMENTS AND FEES. The district may not impose an assessment, impact fee, or standby fee on the property, including the equipment, rights-of-way, easements, facilities, or improvements, of:

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

(2) a gas utility, as defined by Section 101.003 or 121.001, Utilities Code, or a person who owns pipelines used for the transportation or sale of oil or gas or a product or constituent of oil or gas;

(3) a person who owns pipelines used for the transportation or sale of carbon dioxide;

(4) a telecommunications provider as defined by Section 51.002, Utilities Code; or

(5) a cable service provider or video service provider as defined by Section 66.002, Utilities Code.

SUBCHAPTER E. TAXES AND BONDS

Sec. 3923.0501. TAX ABATEMENT. The district may enter into a tax abatement agreement in accordance with the general laws of this state authorizing and applicable to a tax abatement agreement by a municipality.

Sec. 3923.0502. PROPERTY TAX AUTHORIZED. (a) The district may impose an ad valorem tax on all taxable property in the district

to:

(1) pay for an improvement project of the types authorized by Section 52(b), Article III, and Section 59, Article XVI, Texas Constitution; or

(2) secure the payment of bonds issued for a purpose described by Subdivision (1).

(b) The district may not impose an ad valorem tax to pay for an improvement project under this chapter unless the imposition is approved by the voters of the district voting at an election held for that purpose. The board may call an election to approve the imposition of an ad valorem tax to pay for an improvement project under this chapter only if the board receives a petition requesting the election signed by:

(1) more than 51 percent of the record owners of real property in the district subject to taxation; or

(2) owners representing more than 51 percent of the appraised value of real property in the district subject to taxation, as determined by the tax rolls of the appraisal district.

Sec. 3923.0503. SALES AND USE TAX. (a) The district may impose a sales and use tax if authorized by a majority of the voters of the district voting at an election called for that purpose. Revenue from the tax may be used for any purpose for which ad valorem tax revenue of the district may be used.

(b) The district may not adopt a sales and use tax if as a result of the adoption of the tax the combined rate of all sales and use taxes imposed by the district and other political subdivisions of this state having territory in the district would exceed two

percent at any location in the district.

(c) If the voters of the district approve the adoption of the tax at an election held on the same election date on 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 district and other political subdivisions of this state having territory in the district would exceed two percent at any location in the district, the election to adopt a sales and use tax under this chapter has no effect.

Sec. 3923.0504. BONDS AND OTHER OBLIGATIONS. (a) The district may issue, by public or private sale, bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, sales and use taxes, or assessments in the manner provided by Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local Government Code.

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

(c) In addition to the sources of money described by Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local Government Code, district bonds may be secured and made payable wholly or partly by a pledge of any part of the money the district receives from improvement revenue or from any other source.

Sec. 3923.0505. BOND MATURITY. Bonds may mature not more

than 40 years from their date of issue.

Sec. 3923.0506. TAXES FOR BONDS AND OTHER OBLIGATIONS. At the time bonds or other obligations payable wholly or partly from ad valorem taxes are issued:

(1) the board shall impose a continuing direct annual ad valorem tax for each year that all or part of the bonds are outstanding; and

(2) the district annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:

(A) pay the interest on the bonds or other obligations as the interest becomes due; and

(B) create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date.

SUBCHAPTER F. DISSOLUTION

Sec. 3923.0601. DISSOLUTION BY CITY ORDINANCE. (a) Except as provided by Subsection (b), the city by ordinance may dissolve the district.

(b) The city may not dissolve the district until the district's outstanding debt or contractual obligations that are payable from ad valorem taxes have been repaid or discharged, or the city has affirmatively assumed the obligation to pay the outstanding debt from city revenue.

Sec. 3923.0602. DISSOLUTION BY BOARD OR PETITION. (a) Except as provided by Subsection (b), the board:

(1) may dissolve the district; and

(2) shall dissolve the district on receipt of a written petition requesting dissolution signed by a majority of the owners of real property in the district.

(b) The board may not dissolve the district until the district's outstanding debt or contractual obligations that are payable from ad valorem taxes have been repaid or discharged, or the city has affirmatively assumed the obligation to pay the outstanding debt from city revenue.

Sec. 3923.0603. COLLECTION OF ASSESSMENTS AND OTHER REVENUE. (a) If the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, other than ad valorem taxes, the city shall succeed to the rights and obligations of the district regarding enforcement and collection of the assessments or other revenue.

(b) The city shall have and exercise all district powers to enforce and collect the assessments or other revenue to pay:

(1) the bonds or other obligations when due and payable according to their terms; or

(2) special revenue or assessment bonds or other obligations issued by the city to refund the outstanding bonds or obligations.

Sec. 3923.0604. ASSUMPTION OF ASSETS AND LIABILITIES. (a) After the district is dissolved, the city assumes, subject to the appropriation and availability of funds, the obligations of the district, including any bonds or other debt payable from assessments or other district revenue.

(b) After the district is dissolved, the board shall

transfer ownership of all district property to the city.

SECTION 2. The East Houston Management District initially includes all the territory contained in the following area:

The described area is +/- 2,438 acres (3.81 sq. miles) in size and is centered on Market Street and N. Wayside Drive in East Houston. The area is generally bounded by N. McCarty St., Amtrak Rail Spur and MNCW Railway on the east, Clinton Dr. & Greater East End District on the south, Southern Pacific Railway on the west and Wallisville Rd. on the north.

Beginning at a point where the right-of-way (ROW) centerline of Wallisville Road intersects with the ROW centerline of N. McCarty St. then southwest and south along ROW centerline of N. McCarty St. to a point west of northwest corner of 12.85 acre tract (ABST 8 J BROWN TR 15);

Then east along north boundary of said 12.85 acre tract, 0.8562 acre tract (GLENDALE TR 25A-1), and 6.8903 acre tract (GLENDALE TRS 25C-2 & 29D & 29H) to west easement of HB&T rail spur;

Then generally southeast and south along west easement of HB&T rail spur and east boundary of 2.644 acre tract (GLENDALE TR 29B), 12.3965 acre tract (GLENDALE TRS 25C 29 29D & 33A), 8.0352 acre tract (GLENDALE TRS 33D), and 0.6528 acre tract (GLENDALE TRS 33C & 33E) to south ROW of Munn St.;

Then west along south ROW of Munn St. to northeast corner of 0.1148 acre parcel (PORT HOUSTON NS LT 8 BLK 36);

Then south along east boundary of said 0.1148 acre parcel, and east boundary of PORT HOUSTON NS Subdivision to southeast corner of 0.8035 acre parcel (PORT HOUSTON NS LTS 6 THRU 11 & TRS 5B & 12B BLK

61);
Then west along south boundary of said 0.8035 acre parcel to a point north of northeast corner of 0.1148 acre parcel (PORT HOUSTON NS TR R20 BLK 62);
Then south across ROW of Tuffly St., and along east boundary of 0.1148 acre parcel (PORT HOUSTON NS TR R20 BLK 62), and east boundary of PORT HOUSTON NS TR R20 BLK 67, TR R20 BLK 68, TR R20 BLK 73, TR R20 BLK 74, TR R20 BLK 80, TR R20 BLK 81 and TR R20 BLK 84 to south easement of a HB&T railway;
Then southeast and east along south easement of HB&T railway to ROW centerline of Interstate Hwy 610 E;
Then south along ROW centerline of Interstate Hwy 610 E to ROW centerline of Clinton Dr. and coincident boundary line of Greater East End District (East End Boundary);
Then northwest along ROW centerline of Clinton Dr. and East End Boundary to west ROW of Dorsett St.;
Then north along west ROW of Dorsett St. and East End Boundary to south ROW of Tilgham St.;
Then west along south ROW of Tilgham St. and East End Boundary to east ROW of Labco St.;
Then north along east ROW of Labco St. and East End Boundary to south ROW of Market St.;
Then generally east along south ROW of Market St. and East End Boundary to east ROW of Dorsett St.;
Then north along east ROW of Dorsett St. and East End Boundary to ROW centerline of Lyons Ave.;
Then west along ROW centerline of Lyons Ave. and East End Boundary

to ROW centerline of Crown St.;
Then south along ROW centerline of Crown St. and East End Boundary to ROW centerline of Market St.;
Then generally east along ROW centerline of Market St. and East End Boundary to west ROW of N. Wayside Dr./US 90-A Hwy West (southbound);
Then south across ROW of N. Wayside Dr. and along East End Boundary line to north easement of Amtrak Railway;
Then northwest along north easement of Amtrak Railway and East End Boundary line to ROW centerline of Clinton Dr.;
Then generally west and west northwest along ROW centerline of Clinton Dr. and East End Boundary line to east ROW of Lockwood Dr.;
Then north along east ROW of Lockwood Dr. to south easement Southern Pacific Railway;
Then east southeast along south easement of Southern Pacific Railway to a point northeast of northeast corner of 1.0752 acre parcel (GOLDEN TEX RES A) and railway split;
Then generally northeast and north along east easement of Southern Pacific Railway to ROW centerline of Wallisville Road;
Then east and east northeast along ROW centerline of Wallisville Road to west ROW of N. McCarty St. and beginning point of +/- 2,438 acre tract.
Save and except tract located at 1320 Boyles St. and being a tract of land containing 22,541 square feet (called 22,546 square feet) situated in the W.P. Harris and Robert Wilson Survey, Abstract No. 32, City of Houston, Harris County, Texas, and being more particularly described by metes and bounds as follows:

COMMENCING at a 5/8-inch iron rod found at the intersection of the centerline of Palestine Street (60 feet wide) with the centerline of Boyles Street (60 feet wide);

THENCE South 00 deg. 02 min. 30 sec. West along the centerline of said Boyles Street, a distance of 1035.85 (called 1034.97');

THENCE WEST, a distance of 30.00 feet to a 1/2-inch iron rod found for the Southeast corner and POINT OF BEGINNING of the herein described 22,541 square foot parcel, said corner also being the Northeast corner of that 46,859 square foot parcel described in Harris County Clerk's File No. N442918;

THENCE continuing WEST along the North line of said 46,859 square foot parcel, a distance of 225.37 feet to a 5/8-inch iron rod found for the Southwest corner, same being the Northwest corner of said 46,859 square foot parcel, in the East line of a 43 foot wide easement conveyed to Houston Belt and Terminal Railway Company and Texas and New Orleans Railroad Company;

THENCE North along the East line of said 43 foot wide railroad easement, a distance of 100.00 feet to a 5/8-inch iron rod found for the Northwest corner, same being the Southwest corner of a 50' x 225,3' tract described in Harris County Clerk's File No. K935912;

THENCE EAST along the South line of said 50' x 225.3' tract, a distance of 225.44 feet (called225.46') to a 5/8-inch iron rod found for the Northeast corner in the West right-of-way line of said Boyles Street;

THENCE South 00 deg. 02 min. 30 sec. West along the West line of said Boyles Street, a distance of 100.00 feet to the POINT OF BEGINNING of 22,541 sq. foot Save and except tract.

Save and except tract located at 1335 Boyles St. and being a 4.4067 acre tract of land situated in the City of Houston, Harris County, Texas, and out of the Harris and Wilson Two-League Grant, Abstract 32, also being the same tract of land described in the Deed of Trust Recorded in Harris County Clerk's File No. K920750, said 4.4067 acre tract of land being more particularly described by metes and bounds as follows:

COMMENCING at a bolt found for the centerline intersection of Palestine Street (a 30 foot right-of-way) with Boyles Street (a 60 foot right-of-way);

THENCE with the centerline of Boyles Street, South 00 degrees 00 minutes 00 seconds east, a distance of 915.78 feet to a point for corner;

THENCE North 90 degrees 00 minutes 00 seconds east, a distance of30 feet to a 5/8 inch iron ROD found in the easterly right-of-way line of Boyles Street for the point of beginning and being the northwest comer of the herein described tract;

THENCE North 90 degrees 00 minutes 00 seconds east, a distance of 225.96 feet to a 5/8 inch iron rod set for the northeast comer of the herein described tract;

THENCE South 00 degrees 00 minutes 00 seconds east, along the west line of a 40 foot wide joint railroad easement, a distance of 788.02 feet to a 5/8 inch iron rod set for the point of curvature of curve to the right having a radius of 361.56 feet;

THENCE with said curve to the right through a central angle of 09 degrees 52 minutes 14 seconds, an arc distance of 62.29 feet to a 5/8 inch iron rod set for the southeast corner of the herein

described tract;

THENCE South 90 degrees 00 minutes 00 seconds west, a distance of 220.61 feet to a 5/8 inch iron rod found for corner in the easterly right-of-way line of Boyles Street;

THENCE with the easterly right-of-way line of Boyles Street, north 00 degrees 00 minutes 00 seconds west, a distance of 850.00 feet to the point of beginning of 4.4067 acre (191,956 square feet) Save and except tract.

Save and except tract located at 5719 Clinton Drive and being a 2.141 acre (93,244 square foot) tract situated in the Harris and Wilson Two League Grant, Abstract No. 32, Houston, Harris County, Texas, and being all of that certain called 2.1405 acre tract conveyed to Hai I Nguyen and Nga T Nguyen, described in Warranty Deed filed under County Clerk's File No U195916, Film Code No. 530-37- 1359 of the Official Public Records of Real Property of Harris County, Texas, said 2.141 acre tract being more particularly described by metes and bounds as follows, with the basis of bearings being the deed calls for said 2.1405 acre tract:

BEGINNING at a 3-inch galvanized pipe fence post marking the southeast corner of said 2.1405 acre tract, and also being the intersection of the northeast right-of-way line of Clinton Drive (120 foot width) and the northwest right-of-way line of Kress Street (80 foot width - unimproved};

THENCE North 71 deg. 10 min. 3O sec. West, with the southwest line of said 2.1405 acre tract, some being the said northeast right- of-way line of Clinton Drive, a distance of 375.00 feet to a 5/8-inch iron rod with cap {stamped "Weisser Eng., Houston, TX") set marking

the southwest comer of said 2.1405 acre tract, some being the southeast corner of that certain called 37,297.5 square foot tract conveyed to The 117 Corporation, described in Deed filed under County Clerk's File No. D242296, Film Code No. 124-21-0871 of said Official Public Records, and from which a 3-inch galvanized pipe fence post found bears South 67 deg. 03 min East, 0.91 feet;

THENCE North 18 deg. 49 min 30 sec. East, with the northwest line of said 2.1405 acre tract, some being the southeast line of said 37,297.5 square foot tract. a distance of 248.65 feet to o 5/8-inch iron rod found marking the northwest corner of so1d 2.1405 acre tract, same being the northeast corner of said 37,297.5 square foot tract, and being in the southwest line of the Southern Pacific Railroad right-of-way;

THENCE South 71 deg, 10 min. 30 sec. East, with the northeast line of said 2.1405 acre tract, same being the said southwest line of the Southern Pacific Railroad right-of-way, o distance of 375.00 feet to the northeast comer of said 2.1405 acre tract. same being the northwest terminus of said Kress Street, from which a 5/8-inch iron rod found bears South 28 deg. 29 min. East, 0.27 feet;

THENCE South 18 deg. 49 min. 30 sec. West, with the southeast line of said 2.1405 acre tract, some being the said northwest right-of-way line of Kress Street. a distance of 248.65 feet to the POINT OF BEGINNING of 2.141 acres (93,244 square feet) Save and except tract.

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, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.

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

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

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

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, 2019.