S.B. No. 2166

AN ACT

relating to the creation of the Harris County Municipal Utility District No. 580; granting a limited power of eminent domain; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes.

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

SECTION 1.  Subtitle F, Title 6, Special District Local Laws Code, is amended by adding Chapter 7923A to read as follows:

CHAPTER 7923A. HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 580

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7923A.0101.  DEFINITIONS. In this chapter:

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

(2)  "Commission" means the Texas Commission on Environmental Quality.

(3)  "Director" means a board member.

(4)  "District" means the Harris County Municipal Utility District No. 580.

Sec. 7923A.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7923A.0103.  CONFIRMATION AND DIRECTOR ELECTION REQUIRED. The temporary directors shall hold an election to confirm the creation of the district and to elect five permanent directors as provided by Section 49.102, Water Code.

Sec. 7923A.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7923A.0103 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 7923A.0105.  FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a) The district is created to serve a public purpose and benefit.

(b)  The district is created to accomplish the purposes of:

(1)  a municipal utility district as provided by general law and Section 59, Article XVI, Texas Constitution; and

(2)  Section 52, Article III, Texas Constitution, that relate to the construction, acquisition, improvement, operation, or maintenance of macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7923A.0106.  INITIAL 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 made 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 a tax; or

(4)  legality or operation.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 7923A.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 7923A.0202, directors serve staggered four-year terms.

Sec. 7923A.0202.  TEMPORARY DIRECTORS. (a) The temporary board consists of:

(1)  Maria Ramirez;

(2)  Courtney Johnson Rose;

(3)  Robert Walters;

(4)  Andrew Lynton Smith; and

(5)  Austin Baker.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 7923A.0103; or

(2)  the fourth anniversary of the effective date of the Act enacting this chapter.

(c)  If permanent directors have not been elected under Section 7923A.0103 and the terms of the temporary directors have expired, successor temporary directors shall be appointed or reappointed as provided by Subsection (d) to serve terms that expire on the earlier of:

(1)  the date permanent directors are elected under Section 7923A.0103; or

(2)  the fourth anniversary of the date of the appointment or reappointment.

(d)  If Subsection (c) applies, the owner or owners of a majority of the assessed value of the real property in the district may submit a petition to the commission requesting that the commission appoint as successor temporary directors the five persons named in the petition. The commission shall appoint as successor temporary directors the five persons named in the petition.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 7923A.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7923A.0302.  MUNICIPAL UTILITY DISTRICT POWERS AND DUTIES. The district has the powers and duties provided by the general law of this state, including Chapters 49 and 54, Water Code, applicable to municipal utility districts created under Section 59, Article XVI, Texas Constitution.

Sec. 7923A.0303.  AUTHORITY FOR ROAD PROJECTS. Under Section 52, Article III, Texas Constitution, the district may design, acquire, construct, finance, issue bonds for, improve, operate, maintain, and convey to this state, a county, or a municipality for operation and maintenance macadamized, graveled, or paved roads, or improvements, including storm drainage, in aid of those roads.

Sec. 7923A.0304.  ROAD STANDARDS AND REQUIREMENTS. (a) A road project must meet all applicable construction standards, zoning and subdivision requirements, and regulations of each municipality in whose corporate limits or extraterritorial jurisdiction the road project is located.

(b)  If a road project is not located in the corporate limits or extraterritorial jurisdiction of a municipality, the road project must meet all applicable construction standards, subdivision requirements, and regulations of each county in which the road project is located.

(c)  If the state will maintain and operate the road, the Texas Transportation Commission must approve the plans and specifications of the road project.

Sec. 7923A.0305.  COMPLIANCE WITH MUNICIPAL CONSENT ORDINANCE OR RESOLUTION. The district shall comply with all applicable requirements of any ordinance or resolution that is adopted under Section 54.016 or 54.0165, Water Code, and that consents to the creation of the district or to the inclusion of land in the district.

Sec. 7923A.0306.  LIMITATION ON USE OF EMINENT DOMAIN. The district may not exercise the power of eminent domain outside the district to acquire a site or easement for:

(1)  a road project authorized by Section 7923A.0303; or

(2)  a recreational facility as defined by Section 49.462, Water Code.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7923A.0401.  ELECTIONS REGARDING TAXES OR BONDS. (a) The district may issue, without an election, bonds and other obligations secured by:

(1)  revenue other than ad valorem taxes; or

(2)  contract payments described by Section 7923A.0403.

(b)  The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district may impose an ad valorem 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 vote of a two-thirds majority of the district voters voting at an election held for that purpose.

Sec. 7923A.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7923A.0401, the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code.

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

Sec. 7923A.0403.  CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.

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

SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

Sec. 7923A.0501.  AUTHORITY TO ISSUE BONDS AND OTHER OBLIGATIONS. The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources, to pay for any authorized district purpose.

Sec. 7923A.0502.  TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of a continuing direct ad valorem tax, without limit as to rate or amount, while all or part of the bonds are outstanding as required and in the manner provided by Sections 54.601 and 54.602, Water Code.

Sec. 7923A.0503.  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 valorem taxes may not exceed one-fourth of the assessed value of the real property in the district.

SECTION 2.  The Harris County Municipal Utility District No. 580 initially includes all the territory contained in the following area:

Being 105.1803 acres of land located in the J. Halloway Survey, Abstract Number 339, Harris County, Texas, more particularly being all of Lots 142 through 149, Block 9 of Almeda-Genoa Place recorded in Volume 31, Page 10 of the Harris County Map Records (H.C.M.R.) (Tract 1), all of a called 4.813-acre tract of land recorded in Clerk's File Number RP-2020-21652 of the Official Public Records of Real Property of Harris County, Texas (O.P.R.R.P.H.C.) (Tract 2), all of the west half of Lot 176 (Tract 3) of Minnetex Place a subdivision recorded in Volume 2, Page 57 of the H.C.M.R., all of Lots 129, 131, 178, 179, the east 1/2 of Lot 132, the West 1/2 of Lot 130, and the east half of Lot 177, of said Minnetex Place (Tract 4), and all of a called 33.9393-acre tract recorded in Clerk's File Number U087981 of the O.P.R.R.P.H.C. (Tract 5); said 105.1803 acres being more particularly described by metes and bounds as follows;

TRACT 1 - 6.428 ACRES

All of Lots 142 through 149, Block 9 of Almeda-Genoa Place recorded in Volume 31, Page 10 of the Harris County Map Records.

TRACT 2 - 4.813 ACRES

4.813 acres of land out of Lot 132, of MINNETEX PLACE, a subdivision according to the map or plat recorded in Volume 2, Page 57, of the Harris County Map Records the same tract of land described in Harris County Clerk's File No. VI61329 and being more particularly described by metes and bounds as follows:

Basis for bearings: West line of Lot 132 being North.

BEGINNING at a 1/2 inch iron rod found for the Southwest corner of the herein described 4.813 acre tract, said point also being the Southwest corner of Lot 132 and being the common corner of Lots 175, 176, 133, and 132, of said Minnitex Place;

THENCE along the common line of Lots 133 and 132, North a distance of 774.80 feet to a 1/2 inch iron rod found for the Northwest corner, said point also lying in the established South R.O.W. line of Allison Road (60 feet R.O.W.), a.k.a. Lawson Street per recorded plat;

THENCE along the South R.O.W. line of Allison Road, East, a distance of 270.60 feet to the Northeast corner of the herein described tract, from which a l-1/4 inch iron pipe bears South 23° 53' 00" East-0.89 feet;

THENCE along a line parallel to the common line of Lots 133 and 132, South a distance of 774.80 feet to a l/2 inch iron rod found for the Southeast corner;

THENCE along the common line of Lots 176 and 132, West a distance of 270.60 feet to the POINT OF BEGINNING and containing 4.813 acres. (being more commonly known as 5006 Allison Road, Houston, Texas 77048).

TRACT 3 - 5 ACRES

West 1/2 of Lot 176 of MINNETEX PLACE, a subdivision recorded in Volume 2, Page 57, of the Harris County Map Records.

TRACT 4 - 55 ACRES

All of Lots 129, 131, 178, 179, the East 1/2 of Lot 132, the West 1/2 of Lot 130, and the east half of Lot 177 of MINNETEX PLACE, a subdivision recorded in Volume 2, Page 57, of the Harris County Map Records.

TRACT 5 - 33.9393 ACRES

A TRACT OR PARCEL OF LAND CONTAINING 33.9393 ACRES BEING ALL OF LOTS 128, 180, 181 AND THE WEST 1/2 OF LOT 127 OF MINNETEX SUBDIVISION IN THE JOHN HOLLOWAY SURVEY, ABSTRACT 339 IN HARRIS COUNTY, TEXAS IN THE CITY OF HOUSTON ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 2, PAGE 57 OF THE HARRIS COUNTY MAP RECORDS SAID 33.9393 ACRE TRACT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS TO-WIT:

BEGINNING at a nail at the southwest corner of Lot 109 and the Northwest corner of Lot 128 and the Northeast corner of Lot 129 marking the centerline of Allison Road (60 ft. in width) and Kier Street (60 ft. in width);

THENCE North 87 degrees 33 minutes 10 seconds East with the centerline of said Allison Road and the North line of Lot 128 and a portion of Lot 127 a distance of 691.35 ft. to a nail at the Northeast corner of the herein described tract and marking the Northeast corner of the West 1/2 of said Lot 127 and marking the Northwest corner of a certain so called 1.0000 acre tract conveyed to Donald w. Mather recorded in Film Code 123-96-1150 of the Clerk Records of Harris County, Texas instrument of which is dated March 28, 1979;

THENCE South 02 degrees 33 minutes 28 seconds East with a chain link fence and with the West line of said Mather Tract passing a 1/2 inch iron rod in the South right-of-way line of Allison Road at 30.00 ft. in all a distance of 363.00 ft. to a 1/2 inch iron rod found at a chain link fence corner and marking a reentrant corner of the herein described 33.9393 acre tract;

THENCE North 87 degrees 33 minutes 10 seconds East with the South line of said Mather 1.0000 acre tract a distance of 120.00 ft. to a 1/2 inch iron rod found at the Southeast corner of said Mather Tract and marking the mid Northeast corner of the herein described tract in the West boundary line of the Paul L. Yeatts so called 5.0000 acre tract described in instrument dated May 1, 1995 recorded in Clerk's File No. 185-64-2027 of the Clerk Records of Harris County, Texas;

THENCE South 02 degrees 33 minutes 28 seconds East with the division line of Lot 127 in all a distance of 441.26 ft. to a 3/4 inch pinch top iron pipe found at an old fence corner and marking the so called mid point in the South line of Lot 127 and in North boundary of said Lot 181;

THENCE North 87 degrees 43 minutes 14 seconds East with the division line between Lots 127 and 181 a distance of 26.69 ft. (called 270.60 ft.) to a 3/4 inch pinch top iron pipe at the lower Northeast corner of the herein described tract and said Lot 181 as delineated on said map or plat recorded in Volume 2, Page 57 of the Harris County Map Records also marking the Southeast corner of said Yeatts 5.0000 acre tract;

THENCE South 02 degrees 21 minutes 23 seconds East with an old fence line and with the East boundary line of said Lot 181 a distance of 779.94 ft. pass a 1/2 inch iron pipe in the North right-of-way line of unimproved Fuqua Road (50 ft. in width) a total distance of 804.94 ft. (called 804.9 ft.) to a nail at the southeast corner of the herein described tract and said Lot 181 in the centerline of said Fuqua Road;

THENCE South 87 degrees 42 minutes 33 seconds West with the South line of Lot 181 and Lot 180 a distance of 1078.74 ft. to a nail found at the Southwest corner of said Lot 180 the Northwest corner of Lot 204 and Northeast corner of 205 and the Southeast corner of Lot 179;

THENCE North 02 degrees 32 minutes 20 seconds West with the centerline of Kier Street (60 ft. in width) and with the West line of Lot 1 80 and 128 and 179 and 129 a distance of 1608.60 ft. (called 809.8 ft.) to the PLACE OF BEGINNING and containing 33.9393 acres of land

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, the lieutenant governor, and the 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 are fulfilled and accomplished.

SECTION 4.  (a) Section 7923A.0306, Special District Local Laws Code, as added by Section 1 of this Act, takes effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b)  If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7923A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7923A.0306 to read as follows:

Sec. 7923A.0306.  NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(c)  This section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c), Article I, Texas Constitution.

SECTION 5.  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, 2021.

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I hereby certify that S.B. No. 2166 passed the Senate on May 5, 2021, by the following vote:  Yeas 31, Nays 0.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Secretary of the Senate

I hereby certify that S.B. No. 2166 passed the House on May 26, 2021, by the following vote:  Yeas 106, Nays 41, two present not voting.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_    Chief Clerk of the House

Approved:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_             Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_           Governor