By:  Gates (Senate Sponsor - Huffman) H.B. No. 5333

(In the Senate - Received from the House May 15, 2023; May 15, 2023, read first time and referred to Committee on Local Government; May 19, 2023, reported favorably by the following vote: Yeas 9, Nays 0; May 19, 2023, sent to printer.)

COMMITTEE VOTE

                 Yea Nay Absent  PNV

Bettencourt       X

Springer          X

Eckhardt          X

Gutierrez         X

Hall              X

Nichols           X

Parker            X

Paxton            X

West              X

A BILL TO BE ENTITLED

AN ACT

relating to the creation of Fort Bend County Municipal Utility District No. 252; 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 7975A to read as follows:

CHAPTER 7975A. FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 252

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 7975A.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 Fort Bend County Municipal Utility District No. 252.

Sec. 7975A.0102.  NATURE OF DISTRICT. The district is a municipal utility district created under Section 59, Article XVI, Texas Constitution.

Sec. 7975A.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. 7975A.0104.  CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 7975A.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 as required by applicable law.

Sec. 7975A.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. 7975A.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. 7975A.0201.  GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b)  Except as provided by Section 7975A.0202, directors serve staggered four-year terms.

Sec. 7975A.0202.  TEMPORARY DIRECTORS. (a) The temporary board consists of:

(1)  Lester Binnick;

(2)  Paul Bosin;

(3)  Jessica Freedson;

(4)  David Kaegebein; and

(5)  Francisco Puentes.

(b)  Temporary directors serve until the earlier of:

(1)  the date permanent directors are elected under Section 7975A.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 7975A.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 7975A.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. 7975A.0301.  GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 7975A.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. 7975A.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. 7975A.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. 7975A.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. 7975A.0306.  DIVISION OF DISTRICT. (a) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(b)  An order dividing a district may create one or more new districts and may provide for the continuation of the district.

(c)  An order dividing the district shall:

(1)  name any new district;

(2)  include the metes and bounds description of the territory of each of the districts;

(3)  appoint temporary directors for any new district; and

(4)  provide for the division of assets and liabilities between the districts.

(d)  The board may adopt an order dividing the district before or after the date the board holds an election to confirm the district's creation.

(e)  The district may be divided only if the district:

(1)  has never issued any bonds; and

(2)  is not imposing ad valorem taxes.

(f)   A new district created by the division of the district may not, at the time the new district is created, contain any land outside the area described by Section 2 of the Act enacting this chapter.

(g)  On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h)  This chapter applies to any new district created by the division of the district, and a new district has all the powers and duties of the district.

(i)  A new district created by the division of the district shall hold a confirmation and directors' election.

(j)  If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

(k)  A new district created by the division of the district must hold an election as required by this chapter to obtain voter approval before the district may impose a maintenance tax or issue bonds payable wholly or partly from ad valorem taxes.

(l)  The district may continue to rely on confirmation, directors', bond, or tax elections held prior to the division.

(m)  Municipal consent to the creation of the district and to the inclusion of land in the district acts as municipal consent to the creation of any new district created by the division of the district and to the inclusion of land in the new district.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 7975A.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 7975A.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. 7975A.0402.  OPERATION AND MAINTENANCE TAX. (a) If authorized at an election held under Section 7975A.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. 7975A.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. 7975A.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. 7975A.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. 7975A.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.  Fort Bend County Municipal Utility District No. 252 initially includes all the territory contained in the following area:

A FIELD NOTE DESCRIPTION of a 134.661 acre tract of land in the H. & T.C. RR. Co. Survey, Section No. 35, Abstract No. 223, Fort Bend County, Texas; said 134.661 acre tract of land being out of a called 140.79 acre tract conveyed August and Charles Schendel Properties LLC, as recorded in Fort Bend County Clerk's File No. 2021000402; said tract being more particularly described by metes-and-bounds as follows with the bearings being based on the Texas State Plane Coordinate System, South Central Zone using National Geodetic Survey Continuously Operating Reference Stations:

COMMENCING FOR REFERENCE at a 1-inch iron pipe found in the old northeast right-of-way line of State Highway 36 (100 feet wide) for the south corner of a 3.2617 acre tract of land conveyed to State of Texas, per the release of Judgement recorded in Case No. 19-CCV-064214, for the west corner of a 2.118 acre tract conveyed to The State of Texas, as recorded in Fort Bend County Clerk's File No. 2018028140 and for a west corner of said 140.79 acre tract;

THENCE, North 41° 54' 36" East - 650.09 feet (called North 44° 58' East) to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for a southwest corner and POINT OF BEGINNING of this tract;

THENCE, North 41° 54' 36" East - 640.01 feet (called North 44° 58' East) to a 1-inch iron pipe found for the east corner of a 9.68 acre tract of land conveyed to Alton Meyen, as recorded in Volume 515, Page 214 of the Fort Bend County Deed Records and for an interior corner of this tract;

THENCE, North 48° 02' 50" West - 1,316.27 feet (called North 44° 57' 20" West - 1,315.9 feet) to a 1-inch iron pipe found for the north corner of a 6.773 acre tract of land conveyed to Consolidated Youth Fair of Needville, as recorded in Volume 1890, Page 1188 of the Fort Bend County Deed Records and for a west corner of this tract;

THENCE, North 41° 42' 01" East - 463.14 feet (called North 44° 51' East - 462.6 feet) with the southeast line of a 16.66 acre tract of land conveyed to City of Needville, as recorded in Fort Bend County Clerk's File No. 1999056959 to a disturbed 1-inch iron pipe found for the east corner of said 16.66 acre tract and for an interior corner of this tract;

THENCE, North 48° 09' 10" West - 1,316.58 feet (called North 45° 03' 30" West - 1,317.05 feet) to a 1-inch iron pipe found for the north corner of a 9.21 acre tract of land conveyed to Needville Little League, Inc., as recorded in Fort Bend County Clerk's File No. 2009006224 and for a west corner of this tract;

THENCE, North 40° 21' 18" East - 33.97 feet (called North 45° East - 33.9 feet) with the southeast line of a 15.2157 acre tract of land conveyed to Shafqat Ali, a married individual, as recorded in Fort Bend County Clerk's File No. 2020168027 to a 1-inch iron pipe found for a south corner of Stephen Street (50 feet wide), for an east corner of said 15.2157 acre tract and for an angle point of this tract;

THENCE, North 37° 27' 56" East - 49.94 feet (called North 36° 22' 30" East) with the southeast right-of-way line of said Stephen Street to a 1-inch iron pipe found for an east corner of said Stephen Street, for the south corner of Lot 'B', Block 4 of S. T. Kneitz, Addition No. 1, as recorded in Volume 307, Page 472 of the Fort Bend County Deed Records and for an angle point of this tract;

THENCE, North 41° 53' 16" East (called North 45° 35' East) with the southeast line of said Lot 'B', at a distance of 200.02 feet pass a 1-inch iron pipe found for the east corner of said Lot 'B' and for the south corner of Lot 'A' of said Block 4 and continuing with the southeast line of said Lot 'A', at a distance of 400.20 feet pass a car axle found for a south corner of Antonia Street (45 feet wide) and for the east corner of said Lot 'A' and continuing with the southeast right-of-way line of said Antonia Street, at a distance of 445.10 feet pass a 1-inch iron pipe found for the east corner of said Antonia Street and for the south corner of a 1.12 acre tract of land conveyed to Kanak Trust, as recorded in as recorded in Fort Bend County Clerk's File No. 2002132832 and continuing with the southeast line of said 1.12 acre tract for a total distance of 623.07 feet to a 1-inch iron pipe found for the east corner of said 1.12 acre tract, for the south corner of a 0.816 acre tract of land conveyed to Daniel C. Pieper, et ux, as recorded in Volume 533, Page 456 of the Fort Bend County Deed Records and for an angle point of this tract;

THENCE, North 40° 02' 10" East - 131.71 feet with the southeast line of said 0.816 acre tract to a 1-inch iron pipe found for the east corner of said 0.816 acre tract and for the north corner of this tract;

THENCE, South 48° 04' 57" East (called South 44° 56' East) with the southwest line of a 218.225 acre tract of land conveyed to Old South Plantation, Inc., as recorded in Fort Bend County Clerk's File No. 2015005996, at a distance of 1,334.49 feet pass a 5/8-inch iron rod with cap found for the south corner of said 218.225 acre tract and for the east corner of a 99 acre tract of land conveyed to Joyce Buls Otto, et al, as recorded in Fort Bend County Clerk's File No. 2011012028 and continuing for a total distance of 3,366.40 feet to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for an east corner of this tract; from which a 1-inch iron pipe found in the northwest right-of-way line of Needville-Fairchilds Road (80 feet wide) for the east corner of said140.79 acre tract bears South 48° 04' 57" East - 569.52 feet;

THENCE, South 41° 55' 03" West - 46.63 feet to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for an angle point of this tract;

THENCE, South 11° 59' 14" West - 509.73 feet to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for an angle point of this tract;

THENCE, South 48° 18' 05" East - 317.05 feet to a 5/8-inch iron rod with cap stamped "T.E.A.M." set in the northwest right-of-way line of said Needville-Fairchilds Road for an east corner of this tract;

THENCE, South 41° 41' 58" West - 2,036.28 feet (called South 44° 45' 30" West) with the northwest right-of-way line of said Needville-Fairchilds Road to a 5/8-inch iron rod with cap stamped "T.E.A.M." set at the intersection of the northwest right-of-way line of said Needville-Fairchilds Road with the northeast right-of-way line of said State Highway 36 for the east end of a cutback at said intersection and for a south corner of this tract;

THENCE, South 87° 00' 19" West - 68.30 feet (called South 87° 00' 44" West - 55.80 feet) with said cutback to a 5/8-inch iron rod with cap stamped "T.E.A.M." set for the west end of said cutback and for a south corner of this tract;

THENCE, North 48° 01' 12" West - 601.74 feet (called North 48° 00' 47" West - 601.74 feet) with the northeast right-of-way line of said State Highway 36 to a TxDOT disc found for a point-of-curvature;

THENCE, in a northwesterly direction with the northeast right-of-way line of said State Highway 36 and with a curve to the left having a radius of 5,790.00 feet (called 5,7900.00 feet), a central angle of 01° 08' 45" (called 01° 08' 45"), a length of 115.78 feet (called 115.78 feet) and a chord bearing North 48° 35' 35" West - 115.78 feet (called North 48° 35' 10" West - 115.78 feet) to a TxDOT disc found for a point-of-tangency;

THENCE, North 49° 09' 57" West - 409.61 feet (called North 49° 09' 32" West - 409.61 feet) with the northeast right-of-way line of said State Highway 36 to a TxDOT disc found for an interior corner of said 2.118 acre tract conveyed to the State of Texas and for a west corner of this tract;

THENCE, North 38° 28' 29" East - 650.49 feet (called North 38° 28' 01" East - 650.47 feet) with said 2.118 acre tract to a TxDOT disc found for an interior corner of this tract;

THENCE, North 54° 52' 51" West - 87.52 feet (called North 54° 52' 22" West - 86.85 feet) with said 2.118 acre tract to the POINT OF BEGINNING and containing 134.661 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) If this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C, Chapter 7975A, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 7975A.0307 to read as follows:

Sec. 7975A.0307.  NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

(b)  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, 2023.

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