

1-1 By: Hernandez (Senate Sponsor - Alvarado) H.B. No. 4667
 1-2 (In the Senate - Received from the House May 6, 2019;
 1-3 May 6, 2019, read first time and referred to Committee on
 1-4 Intergovernmental Relations; May 20, 2019, reported adversely,
 1-5 with favorable Committee Substitute by the following vote: Yeas 6,
 1-6 Nays 0; May 20, 2019, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 4667 By: Alvarado

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the creation of the East Houston Management District;
 1-20 providing authority to issue bonds; providing authority to impose
 1-21 assessments, fees, or taxes.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Subtitle C, Title 4, Special District Local Laws
 1-24 Code, is amended by adding Chapter 3923 to read as follows:

1-25 CHAPTER 3923. EAST HOUSTON MANAGEMENT DISTRICT
 1-26 SUBCHAPTER A. GENERAL PROVISIONS

1-27 Sec. 3923.0101. DEFINITIONS. In this chapter:

- 1-28 (1) "Board" means the district's board of directors.
- 1-29 (2) "City" means the City of Houston.
- 1-30 (3) "County" means Harris County.
- 1-31 (4) "Director" means a board member.
- 1-32 (5) "District" means the East Houston Management

1-33 District.
 1-34 Sec. 3923.0102. CREATION AND NATURE OF DISTRICT. The
 1-35 district is a special district created under Section 59, Article
 1-36 XVI, Texas Constitution.

1-37 Sec. 3923.0103. CONFIRMATION ELECTION REQUIRED. (a) On
 1-38 receipt of a petition signed by at least 60 percent of the owners of
 1-39 real property in the district according to the most recent
 1-40 certified tax appraisal roll for the county, the initial board
 1-41 shall hold an election to confirm the creation of the district in
 1-42 the manner provided by Subchapter D, Chapter 49, Water Code.

1-43 (b) The board may not issue bonds or other obligations
 1-44 unless the creation of the district is confirmed as provided by this
 1-45 section.

1-46 Sec. 3923.0104. PURPOSE; LEGISLATIVE FINDINGS. (a) The
 1-47 creation of the district is essential to accomplish the purposes of
 1-48 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
 1-49 Texas Constitution, and other public purposes stated in this
 1-50 chapter. By creating the district and in authorizing the city and
 1-51 other political subdivisions to contract with the district, the
 1-52 legislature has established a program to accomplish the public
 1-53 purposes set out in Section 52-a, Article III, Texas Constitution.

1-54 (b) The creation of the district is necessary to promote,
 1-55 develop, encourage, and maintain employment, commerce,
 1-56 transportation, housing, tourism, recreation, the arts,
 1-57 entertainment, economic development, safety, and the public
 1-58 welfare in the district.

1-59 (c) The district is created to supplement and not to
 1-60 supplant city services provided in the district.

2-1 Sec. 3923.0105. FINDINGS OF PUBLIC USE AND BENEFIT. (a)
2-2 The district is created to serve a public use and benefit.

2-3 (b) All land and other property included in the district
2-4 will benefit from the improvements and services to be provided by
2-5 the district under powers conferred by Sections 52 and 52-a,
2-6 Article III, and Section 59, Article XVI, Texas Constitution, and
2-7 other powers granted under this chapter.

2-8 (c) The creation of the district is in the public interest
2-9 and is essential to further the public purposes of:

2-10 (1) developing and diversifying the economy of the
2-11 state;

2-12 (2) eliminating unemployment and underemployment;

2-13 (3) developing or expanding transportation and
2-14 commerce; and

2-15 (4) providing quality residential housing.

2-16 (d) The district will:

2-17 (1) promote the health, safety, and general welfare of
2-18 residents, employers, potential employees, employees, visitors,
2-19 and consumers in the district, and of the public;

2-20 (2) provide needed funding for the district to
2-21 preserve, maintain, and enhance the economic health and vitality of
2-22 the district territory as a residential community and business
2-23 center; and

2-24 (3) promote the health, safety, welfare, and enjoyment
2-25 of the public by providing pedestrian ways and by landscaping,
2-26 removing graffiti from, and developing certain areas in the
2-27 district, which are necessary for the restoration, preservation,
2-28 and enhancement of scenic beauty.

2-29 (e) Pedestrian ways along or across a street, whether at
2-30 grade or above or below the surface, and street lighting, street
2-31 landscaping, vehicle parking, and street art objects are parts of
2-32 and necessary components of a street and are considered to be an
2-33 improvement project that includes a street or road improvement.

2-34 (f) The district will not act as the agent or
2-35 instrumentality of any private interest even though the district
2-36 will benefit many private interests as well as the public.

2-37 Sec. 3923.0106. DISTRICT TERRITORY. (a) The district is
2-38 initially composed of the territory described by Section 2 of the
2-39 Act enacting this chapter.

2-40 (b) The boundaries and field notes contained in Section 2 of
2-41 the Act enacting this chapter form a closure. A mistake in the
2-42 field notes or in copying the field notes in the legislative process
2-43 does not affect the district's:

2-44 (1) organization, existence, or validity;

2-45 (2) right to issue any type of bond for the purposes
2-46 for which the district is created or to pay the principal of and
2-47 interest on a bond;

2-48 (3) right to impose or collect an assessment; or

2-49 (4) legality or operation.

2-50 Sec. 3923.0107. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

2-51 (a) All or any part of the area of the district is eligible to be
2-52 included in:

2-53 (1) a tax increment reinvestment zone created under
2-54 Chapter 311, Tax Code;

2-55 (2) a tax abatement reinvestment zone created under
2-56 Chapter 312, Tax Code;

2-57 (3) an enterprise zone created under Chapter 2303,
2-58 Government Code; or

2-59 (4) an industrial district created under Chapter 42,
2-60 Local Government Code.

2-61 (b) If the city creates a tax increment reinvestment zone
2-62 described by Subsection (a), the city and the board of directors of
2-63 the zone, by contract with the district, may grant money deposited
2-64 in the tax increment fund to the district to be used by the district
2-65 for the purposes permitted for money granted to a corporation under
2-66 Section 380.002(b), Local Government Code, including the right to
2-67 pledge the money as security for any bonds issued by the district
2-68 for an improvement project. A project may not receive public funds
2-69 under Section 380.002(b), Local Government Code, unless the project

3-1 has been approved by the governing body of the city.
3-2 Sec. 3923.0108. APPLICABILITY OF MUNICIPAL MANAGEMENT
3-3 DISTRICTS LAW. Except as otherwise provided by this chapter,
3-4 Chapter 375, Local Government Code, applies to the district.
3-5 Sec. 3923.0109. CONSTRUCTION OF CHAPTER. This chapter
3-6 shall be liberally construed in conformity with the findings and
3-7 purposes stated in this chapter.
3-8 SUBCHAPTER B. BOARD OF DIRECTORS
3-9 Sec. 3923.0201. GOVERNING BODY; TERMS. The district is
3-10 governed by a board of 11 directors who serve staggered terms of
3-11 four years, with five or six directors' terms expiring June 1 of
3-12 each odd-numbered year.
3-13 Sec. 3923.0202. QUALIFICATIONS OF DIRECTORS APPOINTED BY
3-14 CITY. To be qualified to serve as a director, a person must be:
3-15 (1) a resident of the district who is also a registered
3-16 voter of the district;
3-17 (2) an owner of stock or a partnership or membership
3-18 interest, whether beneficial or otherwise, of a corporate
3-19 partnership, limited liability company, or other entity owner of a
3-20 direct or indirect interest in property in the district; or
3-21 (3) an agent, employee, or tenant of a person
3-22 described by Subdivision (2).
3-23 Sec. 3923.0203. APPOINTMENT OF DIRECTORS; COMPOSITION OF
3-24 BOARD. (a) The governing body of the city shall appoint directors
3-25 from qualified persons recommended by the board.
3-26 (b) In making appointments under this section, the
3-27 governing body of the city shall ensure that:
3-28 (1) eight positions on the board are occupied by
3-29 persons described by Section 3923.0202(2) or (3); and
3-30 (2) three positions on the board are occupied by
3-31 persons described by Section 3923.0202(1).
3-32 Sec. 3923.0204. VACANCY. If a vacancy occurs on the board,
3-33 the remaining directors shall appoint a qualified director for the
3-34 remainder of the unexpired term.
3-35 Sec. 3923.0205. DIRECTOR'S OATH OR AFFIRMATION. (a) A
3-36 director shall file the director's oath or affirmation of office
3-37 with the district, and the district shall retain the oath or
3-38 affirmation in the district records.
3-39 (b) A director shall file a copy of the director's oath or
3-40 affirmation with the secretary of the city.
3-41 Sec. 3923.0206. QUORUM. A vacant director position is not
3-42 counted for purposes of establishing a quorum.
3-43 Sec. 3923.0207. OFFICERS. The board shall elect from among
3-44 the directors a chair, a vice chair, and a secretary. The offices
3-45 of chair and secretary may not be held by the same person.
3-46 Sec. 3923.0208. COMPENSATION; EXPENSES. (a) The district
3-47 may compensate each director in an amount not to exceed \$50 for each
3-48 board meeting. The total amount of compensation a director may
3-49 receive each year may not exceed \$2,000.
3-50 (b) A director is entitled to reimbursement for necessary
3-51 and reasonable expenses incurred in carrying out the duties and
3-52 responsibilities of the board.
3-53 Sec. 3923.0209. LIABILITY INSURANCE. The district may
3-54 obtain and pay for comprehensive general liability insurance
3-55 coverage from a commercial insurance company or other source that
3-56 protects and insures a director against personal liability and from
3-57 all claims relating to:
3-58 (1) actions taken by the director in the director's
3-59 capacity as a member of the board;
3-60 (2) actions and activities taken by the district; or
3-61 (3) the actions of others acting on behalf of the
3-62 district.
3-63 Sec. 3923.0210. NO EXECUTIVE COMMITTEE. The board may not
3-64 create an executive committee to exercise the powers of the board.
3-65 Sec. 3923.0211. BOARD MEETINGS. The board shall hold
3-66 meetings at a place accessible to the public.
3-67 Sec. 3923.0212. INITIAL DIRECTORS. (a) Not later than
3-68 October 1, 2019, the governing body of the city shall appoint
3-69 initial directors to the board. Of the initial directors appointed

4-1 under this subsection:
 4-2 (1) three directors must be persons described by
 4-3 Section 3923.0202(1); and
 4-4 (2) eight directors must be persons described by
 4-5 Section 3923.0202(2) or (3).
 4-6 (b) The terms of the initial directors expire June 1, 2021.
 4-7 (c) Of the directors who replace an initial director, the
 4-8 terms of six directors must expire June 1, 2023, and the terms of
 4-9 five directors must expire June 1, 2025.

4-10 (d) This section expires September 1, 2025.

4-11 SUBCHAPTER C. POWERS AND DUTIES

4-12 Sec. 3923.0301. GENERAL POWERS AND DUTIES. The district
 4-13 has the powers and duties necessary to accomplish the purposes for
 4-14 which the district is created.

4-15 Sec. 3923.0302. IMPROVEMENT PROJECTS AND SERVICES. The
 4-16 district may provide, design, construct, acquire, improve,
 4-17 relocate, operate, maintain, or finance an improvement project or
 4-18 service using money available to the district, or contract with a
 4-19 governmental or private entity to provide, design, construct,
 4-20 acquire, improve, relocate, operate, maintain, or finance an
 4-21 improvement project or service authorized under this chapter or
 4-22 Chapter 375, Local Government Code.

4-23 Sec. 3923.0303. LOCATION OF IMPROVEMENT PROJECT. An
 4-24 improvement project described by Section 3923.0302 may be located:

- 4-25 (1) in the district; or
- 4-26 (2) in an area outside but adjacent to the district if
 4-27 the project is for the purpose of extending a public infrastructure
 4-28 improvement beyond the district's boundaries to a logical terminus.

4-29 Sec. 3923.0304. DEVELOPMENT CORPORATION POWERS. The
 4-30 district, using money available to the district, may exercise the
 4-31 powers given to a development corporation under Chapter 505, Local
 4-32 Government Code, including the power to own, operate, acquire,
 4-33 construct, lease, improve, or maintain a project under that
 4-34 chapter.

4-35 Sec. 3923.0305. NONPROFIT CORPORATION. (a) The board by
 4-36 resolution may authorize the creation of a nonprofit corporation to
 4-37 assist and act for the district in implementing a project or
 4-38 providing a service authorized by this chapter.

4-39 (b) The nonprofit corporation:

- 4-40 (1) has each power of and is considered to be a local
 4-41 government corporation created under Subchapter D, Chapter 431,
 4-42 Transportation Code; and
- 4-43 (2) may implement any project and provide any service
 4-44 authorized by this chapter.

4-45 (c) The board shall appoint the board of directors of the
 4-46 nonprofit corporation. The board of directors of the nonprofit
 4-47 corporation shall serve in the same manner as the board of directors
 4-48 of a local government corporation created under Subchapter D,
 4-49 Chapter 431, Transportation Code, except that a board member is not
 4-50 required to reside in the district.

4-51 Sec. 3923.0306. AGREEMENTS; GRANTS. (a) As provided by
 4-52 Chapter 375, Local Government Code, the district may make an
 4-53 agreement with or accept a gift, grant, or loan from any person.

4-54 (b) The implementation of a project is a governmental
 4-55 function or service for the purposes of Chapter 791, Government
 4-56 Code.

4-57 Sec. 3923.0307. LAW ENFORCEMENT SERVICES. To protect the
 4-58 public interest, the district may contract with a qualified party,
 4-59 including the county or the city, to provide law enforcement
 4-60 services in the district for a fee.

4-61 Sec. 3923.0308. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
 4-62 The district may join and pay dues to a charitable or nonprofit
 4-63 organization that performs a service or provides an activity
 4-64 consistent with the furtherance of a district purpose.

4-65 Sec. 3923.0309. ECONOMIC DEVELOPMENT. (a) The district
 4-66 may engage in activities that accomplish the economic development
 4-67 purposes of the district.

4-68 (b) The district may establish and provide for the
 4-69 administration of one or more programs to promote state or local

5-1 economic development and to stimulate business and commercial
5-2 activity in the district, including programs to:
5-3 (1) make loans and grants of public money; and
5-4 (2) provide district personnel and services.
5-5 (c) The district may create economic development programs
5-6 and exercise the economic development powers that:
5-7 (1) Chapter 380, Local Government Code, provides to a
5-8 municipality; and
5-9 (2) Subchapter A, Chapter 1509, Government Code,
5-10 provides to a municipality.
5-11 Sec. 3923.0310. CONCURRENCE ON ADDITIONAL POWERS. If the
5-12 legislature grants the district a power that is in addition to the
5-13 powers approved by the initial resolution of the governing body of
5-14 the city consenting to the creation of the district, the district
5-15 may not exercise that power unless the governing body of the city
5-16 consents to that change by resolution.
5-17 Sec. 3923.0311. NO AD VALOREM TAX. The district may not
5-18 impose an ad valorem tax.
5-19 Sec. 3923.0312. NO EMINENT DOMAIN POWER. The district may
5-20 not exercise the power of eminent domain.
5-21 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS
5-22 Sec. 3923.0401. DISBURSEMENTS AND TRANSFERS OF MONEY. The
5-23 board by resolution shall establish the number of signatures and
5-24 the procedure required for a disbursement or transfer of the
5-25 district's money.
5-26 Sec. 3923.0402. MONEY USED FOR IMPROVEMENTS OR SERVICES.
5-27 The district may acquire, construct, finance, operate, or maintain
5-28 an improvement project or service authorized under this chapter or
5-29 Chapter 375, Local Government Code, using any money available to
5-30 the district for that purpose.
5-31 Sec. 3923.0403. GENERAL POWERS REGARDING PAYMENT OF
5-32 DISTRICT BONDS, OBLIGATIONS, OR OTHER COSTS. The district may
5-33 provide or secure the payment or repayment of any bond, note, or
5-34 other temporary or permanent obligation or reimbursement or other
5-35 contract with any person and the costs and expenses of the
5-36 establishment, administration, and operation of the district and
5-37 the district's costs or share of the costs or revenue of an
5-38 improvement project or district contractual obligation or
5-39 indebtedness by:
5-40 (1) the imposition of a sales and use tax or an
5-41 assessment, user fee, concession fee, or rental charge; or
5-42 (2) any other revenue or resources of the district, or
5-43 other revenue authorized by the city, including revenues from a tax
5-44 increment reinvestment zone created by the city under applicable
5-45 law.
5-46 Sec. 3923.0404. PETITION REQUIRED FOR FINANCING SERVICES
5-47 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
5-48 service or improvement project with assessments under this chapter
5-49 unless a written petition requesting that service or improvement
5-50 has been filed with the board.
5-51 (b) The petition must be signed by the owners of a majority
5-52 of the assessed value of real property in the district subject to
5-53 assessment according to the most recent certified tax appraisal
5-54 roll for the county.
5-55 Sec. 3923.0405. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
5-56 The board by resolution may impose and collect an assessment for any
5-57 purpose authorized by this chapter in all or any part of the
5-58 district.
5-59 (b) An assessment, a reassessment, or an assessment
5-60 resulting from an addition to or correction of the assessment roll
5-61 by the district, penalties and interest on an assessment or
5-62 reassessment, an expense of collection, and reasonable attorney's
5-63 fees incurred by the district:
5-64 (1) are a first and prior lien against the property
5-65 assessed;
5-66 (2) are superior to any other lien or claim other than
5-67 a lien or claim for county, school district, or municipal ad valorem
5-68 taxes; and
5-69 (3) are the personal liability of and a charge against

6-1 the owners of the property even if the owners are not named in the
6-2 assessment proceedings.

6-3 (c) The lien is effective from the date of the board's
6-4 resolution imposing the assessment until the date the assessment is
6-5 paid. The board may enforce the lien in the same manner that a
6-6 taxing unit, as that term is defined by Section 1.04, Tax Code, may
6-7 enforce an ad valorem tax lien against real property.

6-8 (d) The board may make a correction to or deletion from the
6-9 assessment roll that does not increase the amount of assessment of
6-10 any parcel of land without providing notice and holding a hearing in
6-11 the manner required for additional assessments.

6-12 Sec. 3923.0406. STORM WATER USER CHARGES. The district may
6-13 establish user charges related to the operation of storm water
6-14 facilities, including the regulation of storm water for the
6-15 protection of water quality in the district.

6-16 Sec. 3923.0407. NONPOTABLE WATER USER CHARGES. The
6-17 district may establish user charges for the use of nonpotable water
6-18 for irrigation purposes, subject to approval of the governing body
6-19 of the city.

6-20 Sec. 3923.0408. COSTS FOR IMPROVEMENT PROJECTS. The
6-21 district may undertake separately or jointly with other persons,
6-22 including the city or county, all or part of the cost of an
6-23 improvement project, including an improvement project:

6-24 (1) for improving, enhancing, and supporting public
6-25 safety and security, fire protection and emergency medical
6-26 services, and law enforcement in or adjacent to the district; or

6-27 (2) that confers a general benefit on the entire
6-28 district or a special benefit on a definable part of the district.

6-29 Sec. 3923.0409. ASSESSMENT ABATEMENTS. The district may
6-30 designate reinvestment zones and may grant abatements of
6-31 assessments on property in the zones.

6-32 Sec. 3923.0410. PROPERTY EXEMPT FROM IMPACT FEES. The
6-33 district may not impose an impact fee on a residential property,
6-34 including a multiunit residential property, or a condominium.

6-35 Sec. 3923.0411. PROPERTY OF CERTAIN UTILITIES EXEMPT FROM
6-36 ASSESSMENTS AND FEES. The district may not impose an assessment,
6-37 impact fee, or standby fee on the property, including the
6-38 equipment, rights-of-way, easements, facilities, or improvements,
6-39 of:

6-40 (1) an electric utility or a power generation company
6-41 as defined by Section 31.002, Utilities Code;

6-42 (2) a gas utility, as defined by Section 101.003 or
6-43 121.001, Utilities Code, or a person who owns pipelines used for the
6-44 transportation or sale of oil or gas or a product or constituent of
6-45 oil or gas;

6-46 (3) a person who owns pipelines used for the
6-47 transportation or sale of carbon dioxide;

6-48 (4) a telecommunications provider as defined by
6-49 Section 51.002, Utilities Code; or

6-50 (5) a cable service provider or video service provider
6-51 as defined by Section 66.002, Utilities Code.

6-52 SUBCHAPTER E. TAXES AND BONDS

6-53 Sec. 3923.0501. SALES AND USE TAX. (a) The district may
6-54 impose a sales and use tax if authorized by a majority of the voters
6-55 of the district voting at an election called for that purpose.
6-56 Revenue from the tax may be used for any district purpose.

6-57 (b) The district may not adopt a sales and use tax if as a
6-58 result of the adoption of the tax the combined rate of all sales and
6-59 use taxes imposed by the district and other political subdivisions
6-60 of this state having territory in the district would exceed two
6-61 percent at any location in the district.

6-62 (c) If the voters of the district approve the adoption of
6-63 the tax at an election held on the same election date on which
6-64 another political subdivision adopts a sales and use tax or
6-65 approves an increase in the rate of its sales and use tax and as a
6-66 result the combined rate of all sales and use taxes imposed by the
6-67 district and other political subdivisions of this state having
6-68 territory in the district would exceed two percent at any location
6-69 in the district, the election to adopt a sales and use tax under

7-1 this chapter has no effect.
7-2 Sec. 3923.0502. BONDS AND OTHER OBLIGATIONS. (a) The
7-3 district may issue, by public or private sale, bonds, notes, or
7-4 other obligations payable wholly or partly from sales and use taxes
7-5 or assessments in the manner provided by Subchapter A, Chapter 372,
7-6 or Subchapter J, Chapter 375, Local Government Code.

7-7 (b) In exercising the district's borrowing power, the
7-8 district may issue a bond or other obligation in the form of a bond,
7-9 note, certificate of participation or other instrument evidencing a
7-10 proportionate interest in payments to be made by the district, or
7-11 other type of obligation.

7-12 (c) In addition to the sources of money described by
7-13 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
7-14 Government Code, district bonds may be secured and made payable
7-15 wholly or partly by a pledge of any part of the money the district
7-16 receives from improvement revenue or from any other source.

7-17 Sec. 3923.0503. BOND MATURITY. Bonds may mature not more
7-18 than 40 years from their date of issue.

7-19 SUBCHAPTER F. DISSOLUTION

7-20 Sec. 3923.0601. DISSOLUTION BY CITY ORDINANCE. The city by
7-21 ordinance may dissolve the district.

7-22 Sec. 3923.0602. DISSOLUTION BY BOARD OR PETITION. The
7-23 board:

- 7-24 (1) may dissolve the district; and
7-25 (2) shall dissolve the district on receipt of a
7-26 written petition requesting dissolution signed by a majority of the
7-27 owners of real property in the district.

7-28 Sec. 3923.0603. COLLECTION OF ASSESSMENTS AND OTHER
7-29 REVENUE. (a) If the dissolved district has bonds or other
7-30 obligations outstanding secured by and payable from assessments or
7-31 other revenue, the city shall succeed to the rights and obligations
7-32 of the district regarding enforcement and collection of the
7-33 assessments or other revenue.

7-34 (b) The city shall have and exercise all district powers to
7-35 enforce and collect the assessments or other revenue to pay:

- 7-36 (1) the bonds or other obligations when due and
7-37 payable according to their terms; or
7-38 (2) special revenue or assessment bonds or other
7-39 obligations issued by the city to refund the outstanding bonds or
7-40 obligations.

7-41 Sec. 3923.0604. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
7-42 After the district is dissolved, the city assumes, subject to the
7-43 appropriation and availability of funds, the obligations of the
7-44 district, including any bonds or other debt payable from
7-45 assessments or other district revenue.

7-46 (b) After the district is dissolved, the board shall
7-47 transfer ownership of all district property to the city.

7-48 SECTION 2. The East Houston Management District initially
7-49 includes all the territory contained in the following area:
7-50 The described area is +/- 2,438 acres (3.81 sq. miles) in size and
7-51 is centered on Market Street and N. Wayside Drive in East Houston.
7-52 The area is generally bounded by N. McCarty St., Amtrak Rail Spur
7-53 and MNCW Railway on the east, Clinton Dr. & Greater East End
7-54 District on the south, Southern Pacific Railway on the west and
7-55 Wallisville Rd. on the north.

7-56 Beginning at a point where the right-of-way (ROW) centerline of
7-57 Wallisville Road intersects with the ROW centerline of N. McCarty
7-58 St. then southwest and south along ROW centerline of N. McCarty
7-59 St. to a point west of northwest corner of 12.85 acre tract (ABST 8
7-60 J BROWN TR 15);

7-61 Then east along north boundary of said 12.85 acre tract, 0.8562 acre
7-62 tract (GLENDALE TR 25A-1), and 6.8903 acre tract (GLENDALE TRS
7-63 25C-2 & 29D & 29H) to west easement of HB&T rail spur;

7-64 Then generally southeast and south along west easement of HB&T rail
7-65 spur and east boundary of 2.644 acre tract (GLENDALE TR 29B),
7-66 12.3965 acre tract (GLENDALE TRS 25C 29 29D & 33A), 8.0352 acre
7-67 tract (GLENDALE TRS 33D), and 0.6528 acre tract (GLENDALE TRS 33C &
7-68 33E) to south ROW of Munn St.;

7-69 Then west along south ROW of Munn St. to northeast corner of 0.1148

8-1 acre parcel (PORT HOUSTON NS LT 8 BLK 36);
 8-2 Then south along east boundary of said 0.1148 acre parcel, and east
 8-3 boundary of PORT HOUSTON NS Subdivision to southeast corner of
 8-4 0.8035 acre parcel (PORT HOUSTON NS LTS 6 THRU 11 & TRS 5B & 12B BLK
 8-5 61);
 8-6 Then west along south boundary of said 0.8035 acre parcel to a point
 8-7 north of northeast corner of 0.1148 acre parcel (PORT HOUSTON NS TR
 8-8 R20 BLK 62);
 8-9 Then south across ROW of Tuffly St., and along east boundary of
 8-10 0.1148 acre parcel (PORT HOUSTON NS TR R20 BLK 62), and east
 8-11 boundary of PORT HOUSTON NS TR R20 BLK 67, TR R20 BLK 68, TR R20 BLK
 8-12 73, TR R20 BLK 74, TR R20 BLK 80, TR R20 BLK 81 and TR R20 BLK 84 to
 8-13 south easement of a HB&T railway;
 8-14 Then southeast and east along south easement of HB&T railway to ROW
 8-15 centerline of Interstate Hwy 610 E;
 8-16 Then south along ROW centerline of Interstate Hwy 610 E to ROW
 8-17 centerline of Clinton Dr. and coincident boundary line of Greater
 8-18 East End District (East End Boundary);
 8-19 Then northwest along ROW centerline of Clinton Dr. and East End
 8-20 Boundary to west ROW of Dorsett St.;
 8-21 Then north along west ROW of Dorsett St. and East End Boundary to
 8-22 south ROW of Tilgham St.;
 8-23 Then west along south ROW of Tilgham St. and East End Boundary to
 8-24 east ROW of Labco St.;
 8-25 Then north along east ROW of Labco St. and East End Boundary to
 8-26 south ROW of Market St.;
 8-27 Then generally east along south ROW of Market St. and East End
 8-28 Boundary to east ROW of Dorsett St.;
 8-29 Then north along east ROW of Dorsett St. and East End Boundary to
 8-30 ROW centerline of Lyons Ave.;
 8-31 Then west along ROW centerline of Lyons Ave. and East End Boundary
 8-32 to ROW centerline of Crown St.;
 8-33 Then south along ROW centerline of Crown St. and East End Boundary
 8-34 to ROW centerline of Market St.;
 8-35 Then generally east along ROW centerline of Market St. and East End
 8-36 Boundary to west ROW of N. Wayside Dr./US 90-A Hwy West
 8-37 (southbound);
 8-38 Then south across ROW of N. Wayside Dr. and along East End Boundary
 8-39 line to north easement of Amtrak Railway;
 8-40 Then northwest along north easement of Amtrak Railway and East End
 8-41 Boundary line to ROW centerline of Clinton Dr.;
 8-42 Then generally west and west northwest along ROW centerline of
 8-43 Clinton Dr. and East End Boundary line to east ROW of Lockwood Dr.;
 8-44 Then north along east ROW of Lockwood Dr. to south easement
 8-45 Southern Pacific Railway;
 8-46 Then east southeast along south easement of Southern Pacific
 8-47 Railway to a point northeast of northeast corner of 1.0752 acre
 8-48 parcel (GOLDEN TEX RES A) and railway split;
 8-49 Then generally northeast and north along east easement of Southern
 8-50 Pacific Railway to ROW centerline of Wallisville Road;
 8-51 Then east and east northeast along ROW centerline of Wallisville
 8-52 Road to west ROW of N. McCarty St. and beginning point of +/- 2,438
 8-53 acre tract.
 8-54 Save and except tract located at 1320 Boyles St. and being a tract
 8-55 of land containing 22,541 square feet (called 22,546 square feet)
 8-56 situated in the W.P. Harris and Robert Wilson Survey, Abstract
 8-57 No. 32, City of Houston, Harris County, Texas, and being more
 8-58 particularly described by metes and bounds as follows:
 8-59 COMMENCING at a 5/8-inch iron rod found at the intersection of the
 8-60 centerline of Palestine Street (60 feet wide) with the centerline
 8-61 of Boyles Street (60 feet wide);
 8-62 THENCE South 00 deg. 02 min. 30 sec. West along the centerline of
 8-63 said Boyles Street, a distance of 1035.85 (called 1034.97');
 8-64 THENCE WEST, a distance of 30.00 feet to a 1/2-inch iron rod found
 8-65 for the Southeast corner and POINT OF BEGINNING of the herein
 8-66 described 22,541 square foot parcel, said corner also being the
 8-67 Northeast corner of that 46,859 square foot parcel described in
 8-68 Harris County Clerk's File No. N442918;
 8-69 THENCE continuing WEST along the North line of said 46,859 square

9-1 foot parcel, a distance of 225.37 feet to a 5/8-inch iron rod found
 9-2 for the Southwest corner, same being the Northwest corner of said
 9-3 46,859 square foot parcel, in the East line of a 43 foot wide
 9-4 easement conveyed to Houston Belt and Terminal Railway Company and
 9-5 Texas and New Orleans Railroad Company;
 9-6 THENCE North along the East line of said 43 foot wide railroad
 9-7 easement, a distance of 100.00 feet to a 5/8-inch iron rod found for
 9-8 the Northwest corner, same being the Southwest corner of a 50' x
 9-9 225,3' tract described in Harris County Clerk's File No. K935912;
 9-10 THENCE EAST along the South line of said 50' x 225.3' tract, a
 9-11 distance of 225.44 feet (called 225.46') to a 5/8-inch iron rod
 9-12 found for the Northeast corner in the West right-of-way line of said
 9-13 Boyles Street;
 9-14 THENCE South 00 deg. 02 min. 30 sec. West along the West line of said
 9-15 Boyles Street, a distance of 100.00 feet to the POINT OF BEGINNING
 9-16 of 22,541 sq. foot Save and except tract.
 9-17 Save and except tract located at 1335 Boyles St. and being a 4.4067
 9-18 acre tract of land situated in the City of Houston, Harris County,
 9-19 Texas, and out of the Harris and Wilson Two-League Grant, Abstract
 9-20 32, also being the same tract of land described in the Deed of Trust
 9-21 Recorded in Harris County Clerk's File No. K920750, said 4.4067
 9-22 acre tract of land being more particularly described by metes and
 9-23 bounds as follows:
 9-24 COMMENCING at a bolt found for the centerline intersection of
 9-25 Palestine Street (a 30 foot right-of-way) with Boyles Street (a 60
 9-26 foot right-of-way);
 9-27 THENCE with the centerline of Boyles Street, South 00 degrees 00
 9-28 minutes 00 seconds east, a distance of 915.78 feet to a point for
 9-29 corner;
 9-30 THENCE North 90 degrees 00 minutes 00 seconds east, a distance of 30
 9-31 feet to a 5/8 inch iron ROD found in the easterly right-of-way line
 9-32 of Boyles Street for the point of beginning and being the northwest
 9-33 corner of the herein described tract;
 9-34 THENCE North 90 degrees 00 minutes 00 seconds east, a distance of
 9-35 225.96 feet to a 5/8 inch iron rod set for the northeast corner of the
 9-36 herein described tract;
 9-37 THENCE South 00 degrees 00 minutes 00 seconds east, along the west
 9-38 line of a 40 foot wide joint railroad easement, a distance of 788.02
 9-39 feet to a 5/8 inch iron rod set for the point of curvature of curve
 9-40 to the right having a radius of 361.56 feet;
 9-41 THENCE with said curve to the right through a central angle of 09
 9-42 degrees 52 minutes 14 seconds, an arc distance of 62.29 feet to a
 9-43 5/8 inch iron rod set for the southeast corner of the herein
 9-44 described tract;
 9-45 THENCE South 90 degrees 00 minutes 00 seconds west, a distance of
 9-46 220.61 feet to a 5/8 inch iron rod found for corner in the easterly
 9-47 right-of-way line of Boyles Street;
 9-48 THENCE with the easterly right-of-way line of Boyles Street, north
 9-49 00 degrees 00 minutes 00 seconds west, a distance of 850.00 feet to
 9-50 the point of beginning of 4.4067 acre (191,956 square feet) Save and
 9-51 except tract.
 9-52 Save and except tract located at 5719 Clinton Drive and being a
 9-53 2.141 acre (93,244 square foot) tract situated in the Harris and
 9-54 Wilson Two League Grant, Abstract No. 32, Houston, Harris County,
 9-55 Texas, and being all of that certain called 2.1405 acre tract
 9-56 conveyed to Hai I Nguyen and Nga T Nguyen, described in Warranty
 9-57 Deed filed under County Clerk's File No U195916, Film Code No. 530-
 9-58 37- 1359 of the Official Public Records of Real Property of Harris
 9-59 County, Texas, said 2.141 acre tract being more particularly
 9-60 described by metes and bounds as follows, with the basis of bearings
 9-61 being the deed calls for said 2.1405 acre tract:
 9-62 BEGINNING at a 3-inch galvanized pipe fence post marking the
 9-63 southeast corner of said 2.1405 acre tract, and also being the
 9-64 intersection of the northeast right-of-way line of Clinton Drive
 9-65 (120 foot width) and the northwest right-of-way line of Kress
 9-66 Street (80 foot width - unimproved};
 9-67 THENCE North 71 deg. 10 min. 30 sec. West, with the southwest line
 9-68 of said 2.1405 acre tract, same being the said northeast right- of-
 9-69 way line of Clinton Drive, a distance of 375.00 feet to a 5/8-inch

10-1 iron rod with cap {stamped "Weisser Eng., Houston, TX") set marking
 10-2 the southwest comer of said 2.1405 acre tract, some being the
 10-3 southeast corner of that certain called 37,297.5 square foot tract
 10-4 conveyed to The 117 Corporation, described in Deed filed under
 10-5 County Clerk's File No. D242296, Film Code No. 124-21-0871 of said
 10-6 Official Public Records, and from which a 3-inch galvanized pipe
 10-7 fence post found bears South 67 deg. 03 min East, 0.91 feet;
 10-8 THENCE North 18 deg. 49 min 30 sec. East, with the northwest line of
 10-9 said 2.1405 acre tract, some being the southeast line of said
 10-10 37,297.5 square foot tract. a distance of 248.65 feet to o 5/8-inch
 10-11 iron rod found marking the northwest corner of sold 2.1405 acre
 10-12 tract, same being the northeast corner of said 37,297.5 square foot
 10-13 tract, and being in the southwest line of the Southern Pacific
 10-14 Railroad right-of-way;
 10-15 THENCE South 71 deg, 10 min. 30 sec. East, with the northeast line
 10-16 of said 2.1405 acre tract, same being the said southwest line of the
 10-17 Southern Pacific Railroad right-of-way, o distance of 375.00 feet
 10-18 to the northeast comer of said 2.1405 acre tract. same being the
 10-19 northwest terminus of said Kress Street, from which a 5/8-inch iron
 10-20 rod found bears South 28 deg. 29 min. East, 0.27 feet;
 10-21 THENCE South 18 deg. 49 min. 30 sec. West, with the southeast
 10-22 line of said 2.1405 acre tract, some being the said northwest
 10-23 right-of-way line of Kress Street. a distance of 248.65 feet to the
 10-24 POINT OF BEGINNING of 2.141 acres (93,244 square feet) Save and
 10-25 except tract.

10-26 SECTION 3. (a) The legal notice of the intention to
 10-27 introduce this Act, setting forth the general substance of this
 10-28 Act, has been published as provided by law, and the notice and a
 10-29 copy of this Act have been furnished to all persons, agencies,
 10-30 officials, or entities to which they are required to be furnished
 10-31 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
 10-32 Government Code.

10-33 (b) The governor, one of the required recipients, has
 10-34 submitted the notice and Act to the Texas Commission on
 10-35 Environmental Quality.

10-36 (c) The Texas Commission on Environmental Quality has filed
 10-37 its recommendations relating to this Act with the governor,
 10-38 lieutenant governor, and speaker of the house of representatives
 10-39 within the required time.

10-40 (d) All requirements of the constitution and laws of this
 10-41 state and the rules and procedures of the legislature with respect
 10-42 to the notice, introduction, and passage of this Act have been
 10-43 fulfilled and accomplished.

10-44 SECTION 4. This Act takes effect immediately if it receives
 10-45 a vote of two-thirds of all the members elected to each house, as
 10-46 provided by Section 39, Article III, Texas Constitution. If this
 10-47 Act does not receive the vote necessary for immediate effect, this
 10-48 Act takes effect September 1, 2019.

10-49 * * * * *