

## BILL ANALYSIS

Senate Research Center

H.B. 1197  
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Intergovernmental Relations  
5-19-2003  
Engrossed

### DIGEST AND PURPOSE

Currently, there is no specific statutory authorization for a municipality to enter into an agreement with an owner of land in the municipality's extraterritorial jurisdiction to govern the future development of the land. H.B. 1197 authorizes the governing body of a municipality to make a written contract with an owner of land that is located in the extraterritorial jurisdiction of the municipality to authorize some other type of use.

### RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 212, Local Government Code, by adding Subchapter G, as follows:

#### SUBCHAPTER G. AGREEMENT GOVERNING CERTAIN LAND IN A MUNICIPALITY'S EXTRATERRITORIAL JURISDICTION

Sec. 212.171. APPLICABILITY. Provides that this subchapter does not apply to land located in the extraterritorial jurisdiction of a municipality with a population of 1.9 million or more.

Sec. 212.172 DEVELOPMENT AGREEMENT. (a) Defines "extraterritorial jurisdiction."

- (b) Authorizes the governing body of a municipality to make a written contract with an owner of land that is located in the extraterritorial jurisdiction of the municipality to perform certain tasks.
- (c) Requires an agreement under this subchapter to meet certain standards.
- (d) Authorizes the parties to a contract to renew or extend it for successive periods not to exceed 15 years each. Prohibits the total duration of the original contract and any successive renewals or extensions from exceeding 45 years.
- (e) Prohibits a municipality in an affected county, as defined by Section 16.341, Water Code, from entering into an agreement under this subchapter that is inconsistent with the model rules adopted under Section 16.343, Water Code.
- (f) Provides that the agreement between the governing body of the municipality and the landowner is binding on the municipality and the landowner and on their respective successors and assigns for the term of the agreement. Provides that the agreement is not binding on, and does not create any encumbrance to title as to, any end-buyer of a fully developed and improved lot within the development, except for land use and development regulations that may apply to a specific lot.
- (g) Provides that an agreement under this subchapter constitutes a permit under

Chapter 245.

(h) Provides that an agreement between a municipality and a landowner entered into prior to the effective date of this section and that complies with this section is validated.

Sec. 212.173. CERTAIN COASTAL AREAS. Provides that this subchapter does not apply to, limit, or otherwise affect any ordinance, order, rule, plan, or standard adopted by this state or a state agency, county, municipality, or other political subdivision of this state under the federal Coastal Zone Management Act of 1972 (16 U.S.C. Section 1451 et seq.), and its subsequent amendments, or Subtitle E, Title 2, Natural Resources Code.

Sec. 212.174. MUNICIPAL UTILITIES. Prohibits a municipality from requiring an agreement under this subchapter as a condition for providing water, sewer, electricity, gas, or other utility service from a municipally owned or municipally operated utility that provides any of those services.

SECTION 2. Effective date: upon passage or September 1, 2003.