BILL ANALYSIS

Senate Research Center 88R18790 DRS-F C.S.S.B. 2147 By: Huffman Local Government 4/4/2023 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Historically, the City of Houston has largely regulated land development through deed restrictions enforced by homeowners/property associations. Property owners purchase property based upon the current restrictions, or lack thereof. Additionally, the City of Houston Charter requires a referendum to adopt a zoning ordinance.

The City of Houston is in the process of creating conservation districts. These districts will regulate many of the same items found in deed restrictions and potentially circumvent existing state law on the creation of deed restrictions by allowing 51 percent of property owners to implement newly created regulations without a property owner opt-out provision. Instead of regulations being enforced through private covenants like deed restrictions, the City of Houston is seeking to approve, monitor, and enforce the building design guidelines created by the newly formed conservation districts. Interested parties note that property owners in these newly created districts would not be afforded a one-year opt out from the newly created conservation districts as provided in state law for deed restrictions.

S.B. 2147 seeks to allow property owners in a conservation district the same right found in state law for newly created deed restrictions by providing for a one-year time period to opt out of the conservation district.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 2147 amends current law relating to the designation of a property as a historic landmark and the inclusion of a property in a historic district or similar preservation district by certain municipalities.

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 Section 211.0165, Local Government Code, by adding Subsections (f) and (g), as follows:

(f) Provides that this subsection applies only to a property located in a municipality with a population of two million or more. Provides that this subsection, notwithstanding any other law, applies regardless of whether the municipality has established a process for designating places or areas of historical, cultural, or architectural importance and significance through the adoption of zoning regulations or zoning district boundaries. Authorizes the owner of a property designated as a historic landmark or included within the boundaries of a local historic district or other historic preservation district authorized by ordinance to elect to exclude the property from the designation or district by filing in the real property records for the county in which the property is located an acknowledged statement:

(1) describing the property by reference to a map or plat of the subdivision; and

(2) stating that the owner elects to have the property excluded from the designation or district.

(g) Requires that a statement filed under Subsection (f) be filed before the first anniversary of the date of the designation as a historic landmark or inclusion in a historic district or other historic preservation district. Provides that the exclusion of a property from designation or inclusion takes effect on the filing of the statement by the owner of the property.

SECTION 2. Makes application of Sections 211.0165(f) and (g), Local Government Code, as added by this Act, prospective.

SECTION 3. Effective date: upon passage or September 1, 2023.