

SUBJECT: Authorizing conveyance of city property for certain public purposes

COMMITTEE: Urban Affairs — favorable, without amendment

VOTE: 9 ayes — Lozano, Gates, Bernal, Cortez, Cunningham, J. González, Hayes, Romero, Tepper

0 nays

WITNESSES: For — Elizabeth Triggs, City of El Paso (*Registered, but did not testify*: Guadalupe Cuellar, City of El Paso; Madison Huerta, City of Garland; Alexa Aragonese, City of Houston, Mayor's Office; Jon Weist, City of Irving; Nadia Islam, City of San Antonio; Elisa M. Tamayo, El Paso County; Robert Nathan, Schneider Electric; JJ Rocha, Texas Municipal League)

Against — (*Registered, but did not testify*: Clifford Sparks, City of Dallas)

BACKGROUND: Some have suggested that allowing conveyance of property under a municipal economic development program would make cities more economically competitive by giving them a more efficient and convenient means of conveying property.

DIGEST: HB 1492 would authorize a municipality that had entered into an economic development agreement with an entity to transfer real property or an interest in real property to that entity for consideration. Consideration would be in the form of an agreement between the parties that required the entity to use the property in a manner that primarily promoted a municipal public purpose related to economic development. The agreement would have to grant the municipality sufficient control to ensure that the public purpose was accomplished and the municipality received the return benefit.

Before such a transfer, the municipality would have to provide notice in a newspaper of general circulation in the county in which the property was located, or by other authorized means if no such newspaper was available.

The notice would have to include a description of the property and be provided within 10 days before the transfer. If the notice was published in a newspaper, it would have to be published for two different days within the 10 day period.

A municipality could not transfer real property for consideration under the bill that had been acquired by the exercise or threat of eminent domain authority. This prohibition would not apply if the municipality offered the previous owner an opportunity to repurchase the property at market value and the offer was declined or if the municipality could not reasonably locate the previous owner.

A municipality could not transfer a public square or park for consideration under the bill.

HB 1492 would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2023.