

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1398  
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Intergovernmental Relations  
4/18/2001  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Currently, the governing body of a municipality has the power to enact zoning regulations in accordance with its comprehensive plan, and occasionally has reason to change zoning regulations. Some changes may adversely affect property value. C.S.S.B. 1398 prohibits the governing body from changing the zoning classification of a property that results in the diminution of the property of more than 10 percent of the property value unless the property owner gives consent for the change or is compensated for the reduction in value, and makes provisions regarding a zoning classification change.

### **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 211.003, Local Government Code, to prohibit the governing body of a municipality, notwithstanding any other provision of this subchapter, from changing the zoning classification of a property that results in a diminution of more than 10 percent of the property's value unless: the owner of the property waives any right to object to the proposed change or fails to file a written objection before the 90th day after the date the governing body notifies the property owner of the proposed change; or the governing body compensates the property owner for the diminution in value resulting from the change as determined by an agreement with the property owner or a proceeding governed by Chapter 21 (Eminent Domain), Property Code.

SECTION 2. Amends Chapter 21A, Property Code, by amending Section 21.003 and adding Section 21.004, as follows:

Sec. 21.003. Authorizes the district court to determine all issues in any suit filed under this chapter and any suit filed in which certain conditions exist.

Sec. 21.004. PROCEEDINGS REGARDING CHANGE OF ZONING CLASSIFICATION. Provides that a proceeding filed under this chapter for the purpose of determining the diminution of a property's value under Section 211.003(d), Local Government Code, is a condemnation or eminent domain proceeding under this chapter for the sole purpose of satisfying the procedures required by this chapter. Provides that in such proceedings, the condemnor or acquiring entity is the municipality, the condemned property is the property for which the zoning is to be reclassified, and the condemnation is the change in the property's zoning classification.

SECTION 3. Amends Section 21.0111(a), Property Code, to require a governmental entity with eminent domain authority that wants to change a property's zoning classification to disclose to the property owner at the time an offer to purchase or otherwise compensate is made any and all existing appraisal reports produced or acquired by the governmental entity relating specifically to the owner's property and used in determining the final valuation offer.

SECTION 4. Amends Section 21.012, Property Code, to require a petition to the court by a condemning entity to describe the property to be reclassified under a different zoning classification and state the purpose for which the property's zoning is to be changed.

SECTION 5. Amends Section 21.021(a), Property Code, to make a conforming change.

SECTION 6. Effective date: September 1, 2001.

#### **SUMMARY OF COMMITTEE CHANGES**

Differs from the original as follows:

- Clarifies the proposed language regarding a change in zoning classification and specifies that the prohibition applies when the classification results in a diminution of more than 10 percent .
- Adds the provisions in SECTIONS 2-5 and redesignates SECTION 2 as SECTION 6.