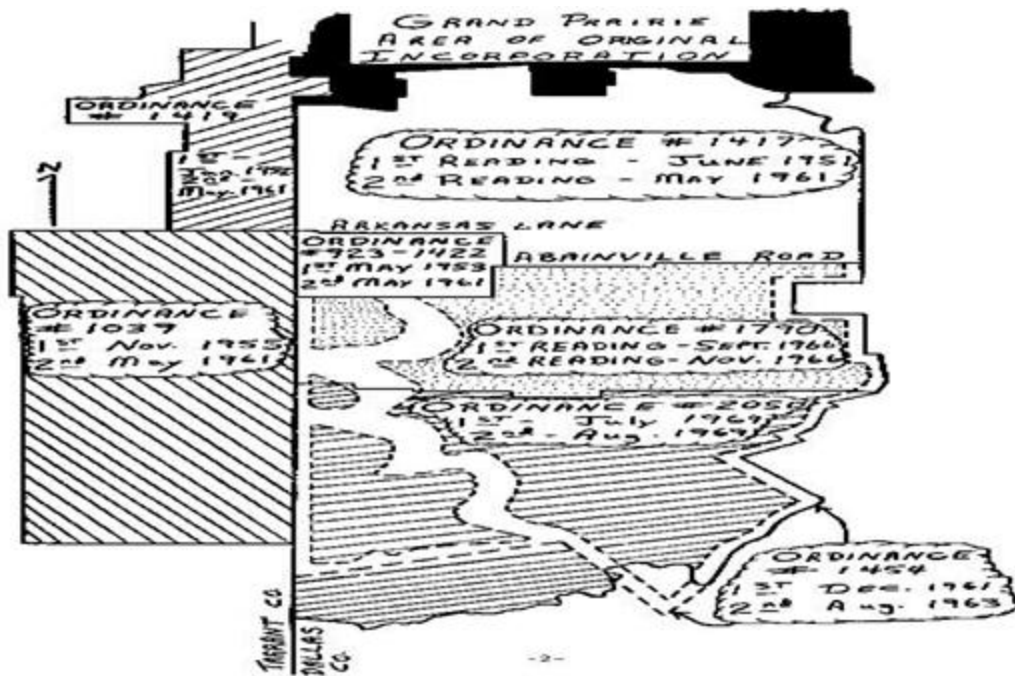


MUNICIPAL ANNEXATION: The New Reality?



What We'll Cover:

1. How we got to where we are?
2. House Bill 347 – What's left?
3. Special issues throughout.
4. What does it mean?

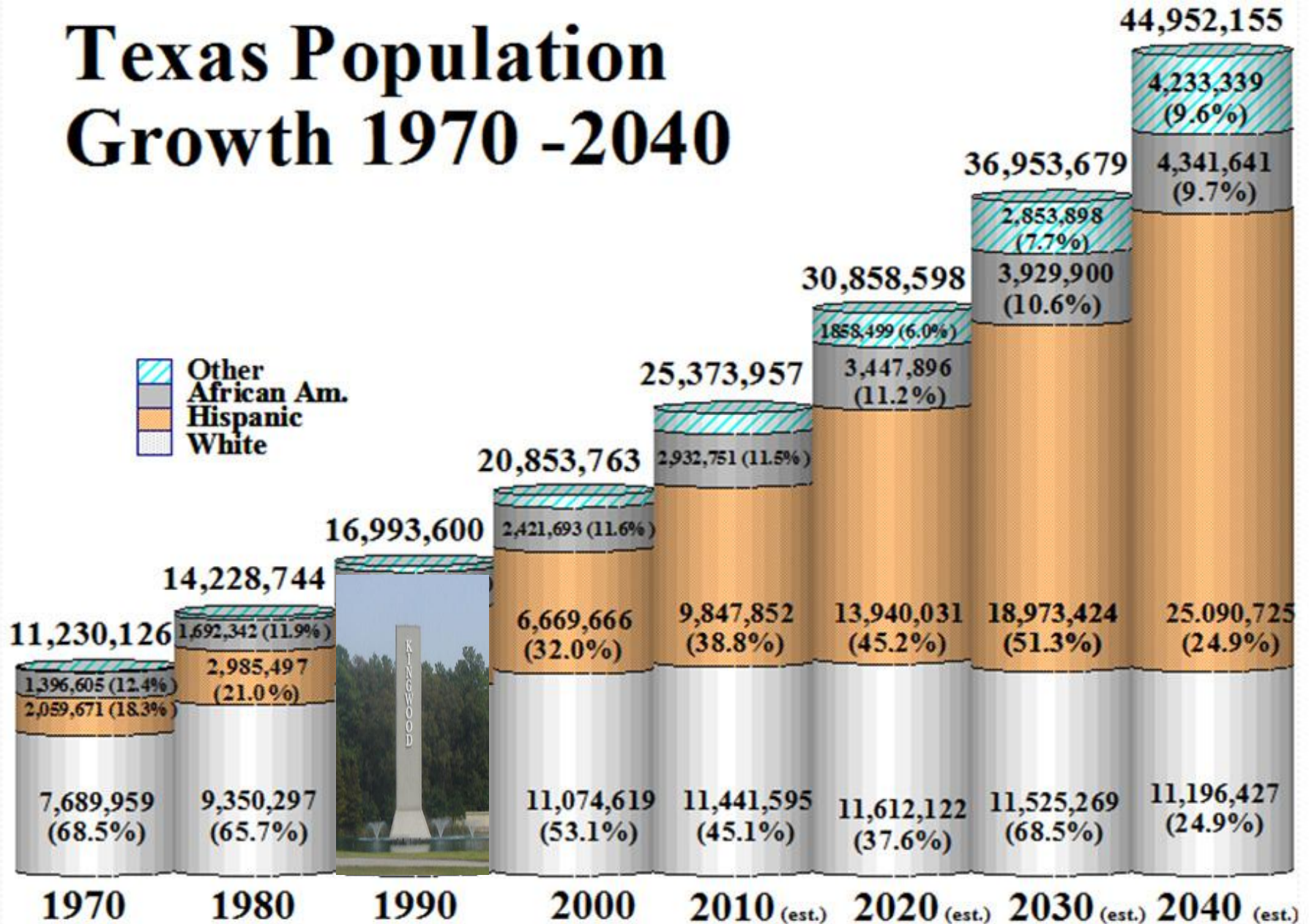
Handouts:

1. Paper with link to forms
2. Chapter 43 as it exists now

How did we get where we are now?

- 1836/1845 – Special law cities
150,000
- 1858 – General law cities
600,000
- 1912 – Home rule cities
4,500,000
- 1963 – Municipal Annexation Act
9,800,000

Texas Population Growth 1970 - 2040



House Bill 347

- This is where we are...
- Essentially no more unilateral annexation (some left, but not what you wanted)
- No more “Tiers”
- Forget everything you knew if you ever did know anything – all that’s left:
 1. “Consent-exempt” annexations
 2. “Consent” annexations
 3. “Grandfathered” annexations

Special Issues – Grandfathered Annexations

ARTICLE 4. TRANSITION AND EFFECTIVE DATE

SECTION 4.01.

(b) The changes in law made by this Act do not apply to the annexation of an area for which the governing body of a municipality has adopted a resolution to direct the municipality's city manager to prepare a service plan for the area on or before the effective date of this Act. An annexation of an area for which the governing body adopted a resolution to direct the municipality's city manager to prepare a service plan for the area before the effective date of this Act is governed by Chapter 43, Local Government Code, as it existed on January 1, 2019.



Consent-Exempt Annexations

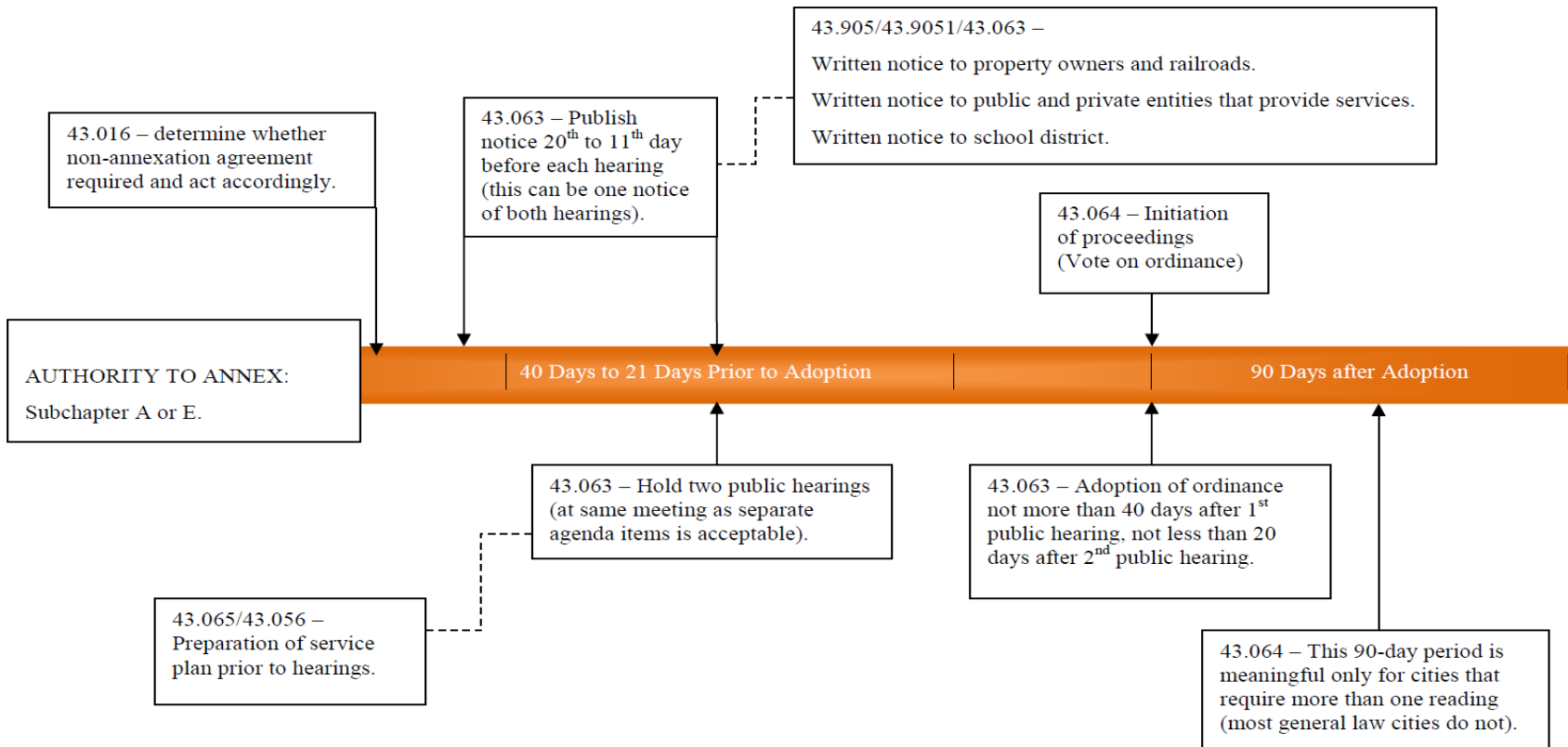
1. Section 43.0115 (Enclave – Fort Worth ONLY);
2. Section 43.0116 (Industrial District);
3. Section 43.012 (Area Owned by Type-A Municipality);
4. Section 43.013 (Navigable Stream);
5. Section 43.0751(h) (Strategic Partnership);
6. Section 43.101 (Municipally Owned Reservoir);
7. Section 43.102 (Municipally Owned Airport); and
8. Section 43.1055 (Road and Right-of-Way).



Consent-Exempt Annexations

- Use Subchapter C-1 procedures
- BUT see Section 43.0505, which provides that the provisions in subchapter C apply only to an annexation under Subchapter C-1.
- Weird, right? Why not just combine them into one subchapter?

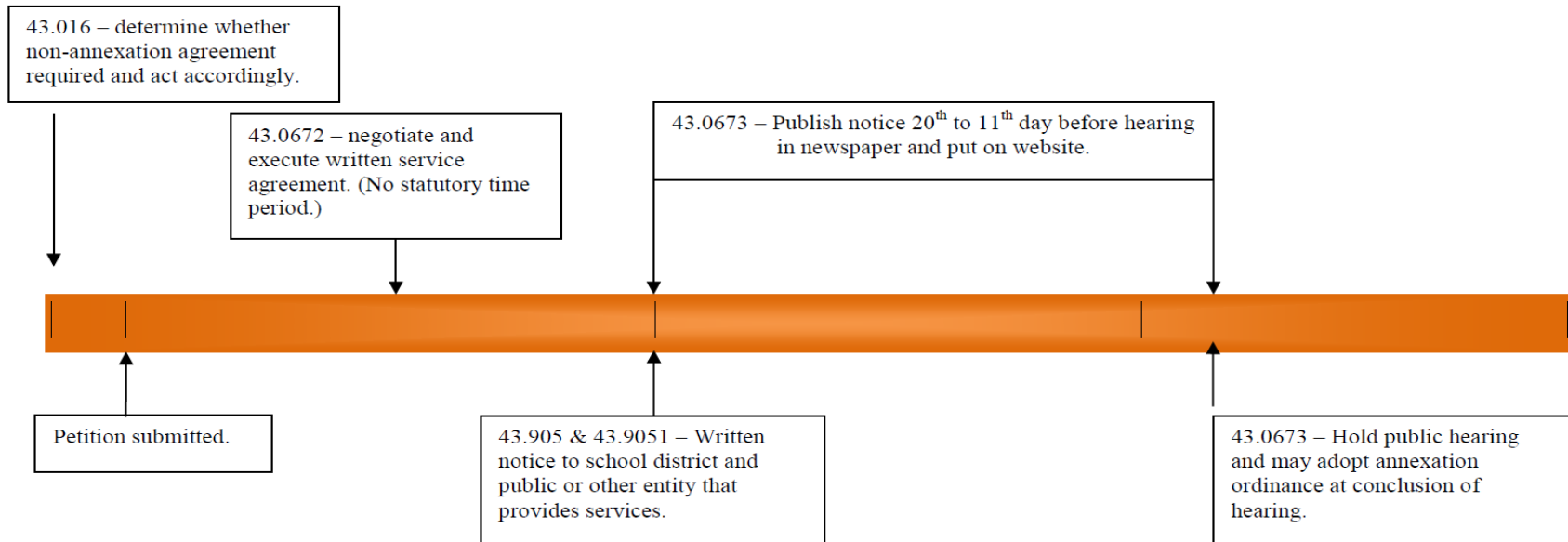
Subchapters C & C-1: Consent Exempt Process



Consent Annexations

- **Authority and procedures combined into one**
- **Three schemes:**
 1. **Petition of individual landowner**
 2. **Area with less than 200 population petition process**
 3. **Area with 200 or more population election process**

Subchapter C-3: Individual Landowner Petition

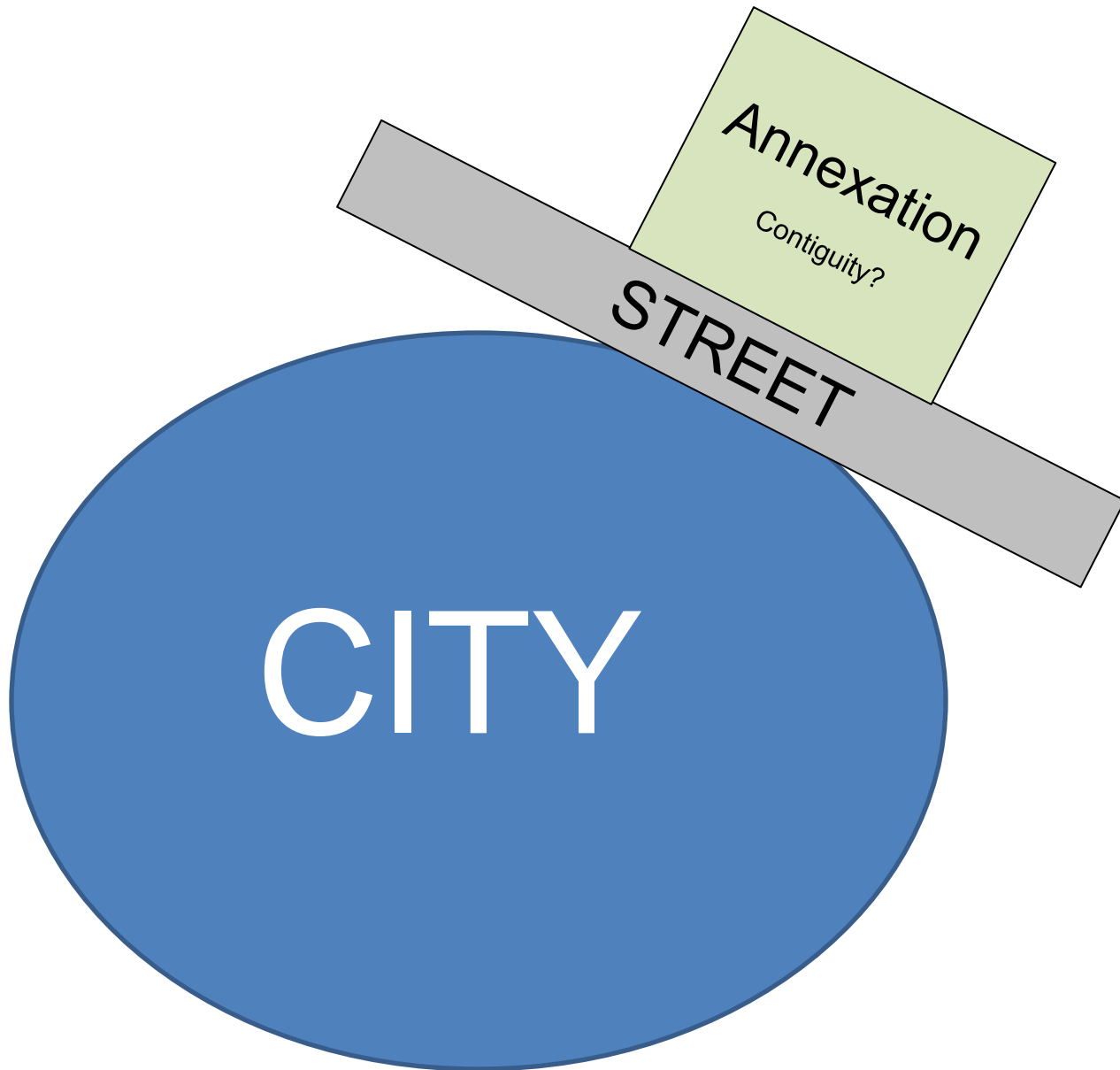


Special Issues – Road Issue

No more home rule unilateral authority (home rule) and no more boundary road authority (general law) – in their place:

Sec. 43.1055. ANNEXATION OF ROADS AND RIGHTS-OF-WAY. Notwithstanding any other law, a municipality may by ordinance annex a road or the right-of-way of a road on request of the owner of the road or right-of-way or the governing body of the political subdivision that maintains the road or right-of-way under the procedures prescribed by Subchapter C-1.

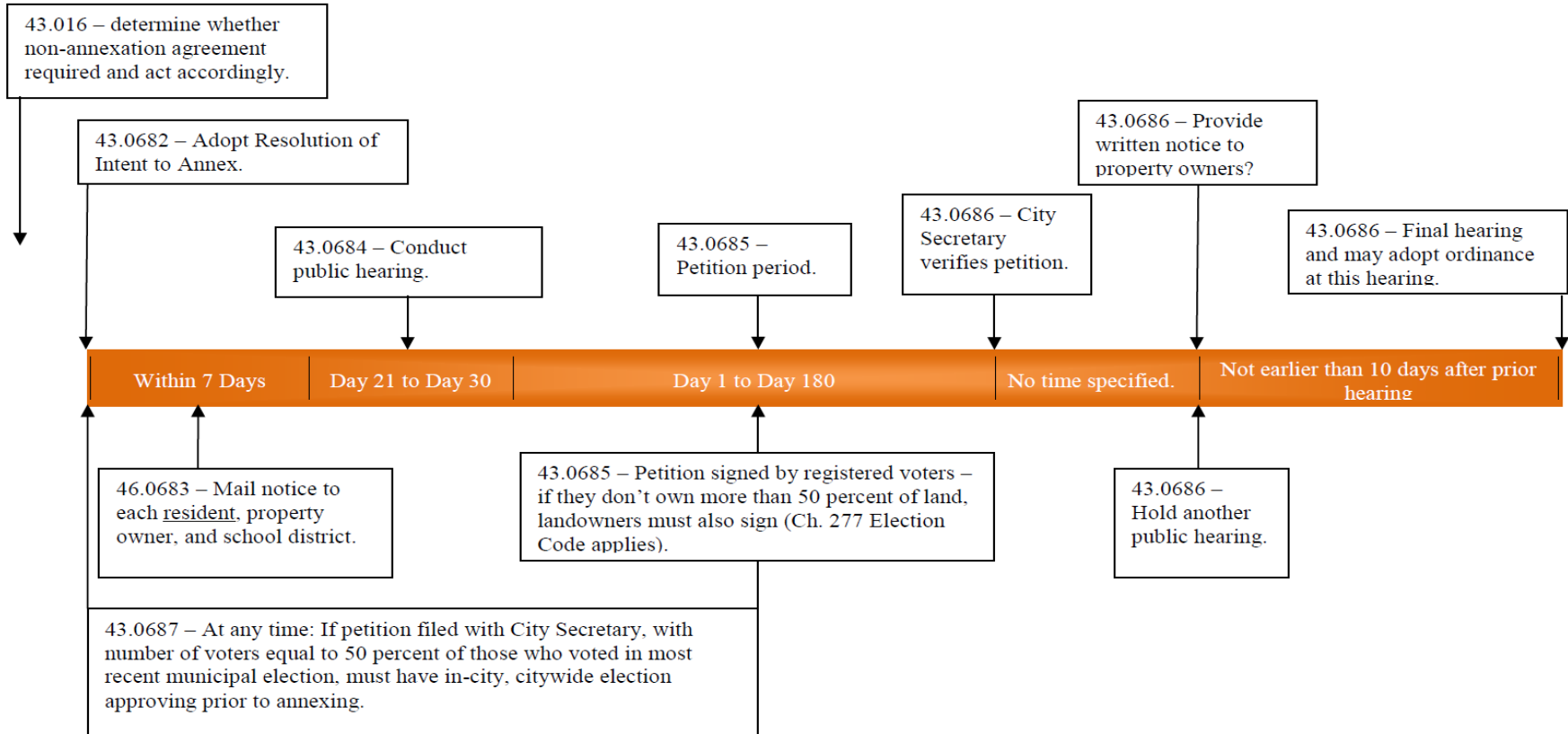




Subchapter C-4 Voter Petition (less than 200 population)

- Only if:
 - (1) City obtains consent to annex the area through a petition signed by more than 50 percent of the registered voters of the area; and
 - (2) if the registered voters of the area do not own more than 50 percent of the land in the area, the petition must also be signed by more than 50 percent of the **owners of land** in the area.

Subchapter C-4: Less than 200 Population



Subchapter C-5 Election (200 or more population)

- Only if:
 - (1) City holds an election in the area proposed to be annexed at which the qualified voters of the area approve the annexation; and
 - (2) if the registered voters of the area do not own more than 50 percent of the land in the area, the city obtains consent to annex the area through a petition signed by more than 50 percent of the owners of land in the area.

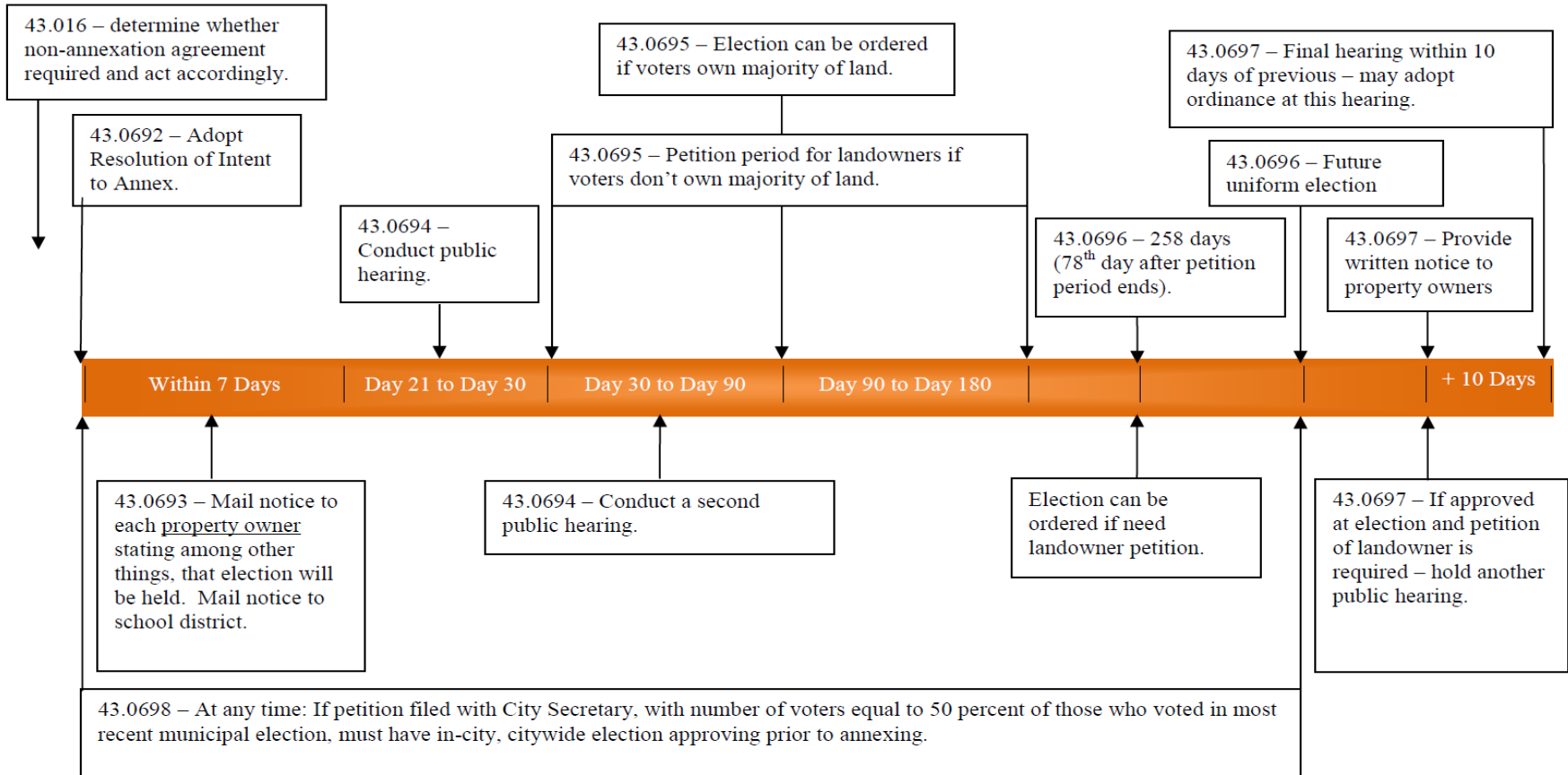
“The city can convince them to want to come in...”



Election Code 255.003 says no they can't...



Subchapter C-5: 200 or More Population



Special Issues – Various Agreements

Non-annexation AG agreements: Section 43.016 (b) A municipality may not annex an area to which this section applies unless...the municipality offers to make a development agreement with the landowner under Section 212.172...

Sec. 212.172 (b) The governing body of a municipality may make a written contract with an owner of land that is located in the extraterritorial jurisdiction of the municipality to...(7) provide for the annexation of the land as a whole or in parts and to provide for the terms of annexation, if annexation is agreed to by the parties...

Strategic Partnership Agreements: Section 43.0751 (f) A strategic partnership agreement may provide for the following:

(5) a full-purpose annexation provision on terms acceptable to the municipality and the district;



Special Issues – Various Agreements

Industrial Districts: Sec. 43.0116. AUTHORITY OF MUNICIPALITY TO ANNEX INDUSTRIAL DISTRICTS. (a) Notwithstanding any other law and subject to Subsection (b), a municipality may annex all or part of the area located in an industrial district designated by the governing body of the municipality under Section 42.044 under the procedures prescribed by Subchapter C-1.

(b) A municipality that proposes to annex an area located in an industrial district subject to a contract described by Section 42.044(c) may initiate the annexation only:

- (1) on or after the date the contract expires, including any period renewing or extending the contract; or
- (2) as provided by the contract.

Contiguity problems??



The Beginning of a Huge Mess?

- **Seventy-four percent of Texas residents live in incorporated cities** (of which there are 1,215) and **89 percent of Texans live in urban areas.** [*U.S. Census Bureau.*]
- If cities no longer plan for or manage development or stop serving ETJ areas, will the state or counties step up to the plate?
 - Are they interested?
 - Will they plan for major roadways, etc.?
 - Will they regulate substandard development?
 - Will they pay for necessary improvements?
 - **Do they even have the authority?**

What does S.B. 6 mean for the future?

According to the recent mid-term census data, more than 1,400 people are added to the Texas population each day. That's 490,000 last year alone. And 450,000 of them were in and around cities in an MSA. It's not a city's fault that growth is happening, but it is (was?) a city's responsibility to ensure that the growth in and around them is sustainable.



QUESTIONS