



CITY OF HOUSTON

John Whitmire

Mayor

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The Honorable Gary Gates, Chair
House Committee on Land and Resource Management

Dear Chairman Gates and Members of the Committee:

The City of Houston is writing to testify on the committee substitute for House Bill 950 (HB 950). The committee substitute provides positive amendments to HB 950 as it now only applies to forced annexation, yet the City remains concerned as it could negatively impact the significant steps Houston is taking to make its activities more efficient and streamlined, including the provision of adequate public services all across the City.

The bill establishes new and retroactive requirements for municipalities to provide full municipal services to any land they have annexed, regardless of whether the municipality has complied with legal requirements in place at the time of annexation and regardless of whether there is a development agreement on how and when services will be timed.

The City has not recently annexed any land for full purposes except on petition by owner, and has always provided services for residents in those areas as required by law. However, House Bill 950 does not account for landowners that have an agreement with the City to develop large capital-intensive property. Additionally, as the City would plans for the future, areas could disannex, regardless of the amount of taxpayer investment the City has made within the area.

The City of Houston requests consideration of the following amendments:

1. Changes to allow the municipality to contract for fees to develop the land and add infrastructure investments to property at the expense of the developer so as to avoid a tax burden on other property owners. This legislation does not allow a city to charge a fee for all or part of the municipality's cost to provide these services to annexed areas, leaving the burden on already burdened City residents and taxpayers.
2. Changes that exempt property that is under an agreement to provide services at a later date the deadlines in the bill as to allow for long-term planning; And striking the presumption in page 3, lines 22-23, to allow for these types of agreements. The committee substitute for HB 950 would still interfere with and abrogate existing contracts or development agreements that contain terms the parties have agreed upon for services to be provided.
3. Adding a section that clarifies that once a land owner deannexes property, the municipality is no longer required to provide services to that property.

These changes to HB 950 would address some of the concerns the City of Houston has regarding its capital improvement planning efforts, as well as forecasting of needs and expenditures for implementation by Houston Public Works. While the City's planning and implementation efforts for public services has always complied with the statutory requirements for essential services—including police and fire protection, emergency medical services, waste collection, and infrastructure maintenance—equivalent to a standard equal to similarly developed property in the City boundaries, the City remains concerned about imposing a retroactive standard does not address area residents' needs or encourage government efficiency.

With appreciation for your support.

Sincerely,

Kimberley Mickelson

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