

CIAC Membership Criteria

Capital Improvements Advisory Committee City of League City, Texas

1. Statutory Composition Requirements (Texas LGC §395.058)

The requirements below are mandatory under Texas Local Government Code Chapter 395, as amended by Senate Bill 1883 (89th Legislature, effective September 1, 2025). They apply to any CIAC the City appoints and cannot be waived or modified by local ordinance or resolution. Where the statute is silent—on terms, removal, meeting frequency, and similar matters—City Council establishes those rules under §395.058(e).

Requirement	What It Means	Authority
Minimum Size	At least 5 members.	§395.058(b)
Appointment Authority	Majority vote of City Council.	§395.058(b)
Industry Representation — Minimum Threshold	Not less than 50% of the total membership must be representative of the real estate, development, or building industries. A higher percentage is permissible.	§395.058(b) (as amended by SB 1883, eff. Sept. 1, 2025)
Industry Representation — Who Qualifies	To count toward the 50% threshold, a member must be a representative of the real estate, development, or building industries <u>AND</u> must not be an employee or official of a political subdivision or governmental entity. Both conditions must be met simultaneously.	§395.058(b)
Terms and Removal	Chapter 395 does not set term lengths or removal procedures. Those are established by City Council in the procedural rules required under §395.058(e). The resolution establishing the CIAC should address both.	§395.058(e)
Procedural Rules	The governing body must adopt procedural rules for the CIAC. At minimum, rules should address: meeting frequency, quorum, quorum composition, voting, conflict-of-interest disclosure and recusal, member attendance expectations, and reporting format. These rules must be in place before the CIAC begins its work.	§395.058(e)
Quorum, Voting Thresholds, and Attendance	Chapter 395 does not address quorum, quorum composition, voting thresholds, or attendance requirements. These are entirely within City Council's discretion and must be established in the procedural rules adopted under §395.058(e).	Not addressed in Chapter 395—Council discretion under §395.058(e)

IMPORTANT — P&Z and the TIC Cannot Serve as the CIAC

Senate Bill 1883 removed the prior provision that allowed a planning and zoning commission to serve as the advisory committee. The City must form a standalone CIAC. Neither the Planning and Zoning Commission nor the Transportation and Infrastructure Committee may be designated as the CIAC, even with industry representatives added as ad hoc members.

2. Committee Size

The statute sets a floor of five members. Staff recommends staying at five. The table below shows how Committee size maps to the required number of industry seats.

Committee Size	Minimum Industry Seats Required	Notes
5 Members (Staff Recommendation)	3 seats (= 60% — exceeds the 50% floor)	Smallest size that satisfies the statutory minimum. Easier to seat, schedule, and maintain quorum. Staff recommends this size.
7 Members	4 seats (= 57% — exceeds the 50% floor)	Provides broader industry perspective during update cycles (4 industry seats allows coverage of homebuilder, commercial developer, real estate professional, and a land planner or civil engineer simultaneously. Not recommended unless a deeper applicant pool is available.

3. Recommended Seat Profiles (5-Member Committee)

The profiles below are Staff's recommended starting point for evaluating applicants. Council retains full discretion in appointments. Seats 1–3 must satisfy the industry-representative requirement of §395.058(b). Seats 4–5 are at-large seats and do not count toward the 50% industry threshold unless the individual independently qualifies as a real estate, development, or building industry representative.

Seat	Profile	Preferred Qualifications	Seat Classification
1	Home Builder / Residential Developer	Active homebuilding or residential land development experience within the Greater Houston / Galveston County area. Must not be a public-entity employee or official.	<i>INDUSTRY SEAT Counts toward 50% requirement</i>
2	Commercial Developer / Land Developer	Experience in commercial, mixed-use, or master-planned community development. Must not be a public-entity employee or official.	<i>INDUSTRY SEAT Counts toward 50% requirement</i>
3	Real Estate Professional (Broker / Appraiser / Lender)	Licensed Texas real estate broker, sales agent, state-certified appraiser, or real estate lender with active local market knowledge. Must not be a public-entity employee or official.	<i>INDUSTRY SEAT Counts toward 50% requirement</i>
4	At-Large Resident or Civic Representative	League City resident with no disqualifying public-entity affiliation. Finance, engineering, planning, or legal background strongly preferred.	<i>AT-LARGE SEAT Does not count toward 50% unless independently qualified unless the individual independently qualifies as industry representative.</i>

Seat	Profile	Preferred Qualifications	Seat Classification
5	At-Large Resident or Civic Representative	Same as Seat 4. Diversity of professional background encouraged to ensure balanced perspective on cost-of-service and growth impact questions.	<i>AT-LARGE SEAT Does not count toward 50% unless independently qualified</i>

4. Disqualifications and Conflict-of-Interest Guidance

The table below identifies circumstances that either automatically disqualify a candidate from an industry seat or require evaluation and disclosure. Council should address conflicts of interest, disclosure, and recusal in the procedural rules required under §395.058(e) before the CIAC begins work.

Condition or Circumstance	Classification	Effect and Guidance
Current employee or official of a political subdivision or governmental entity	HARD DISQUALIFICATION (Statutory)	This person cannot count toward the required 50% industry representation, regardless of their private-sector background. They may still serve in an at-large seat if otherwise qualified.
Applicant qualifies as an industry representative (real estate, development, or building) AND is not a public-entity employee or official	ELIGIBLE for Industry Seat	Counts toward the 50% threshold. Confirm no concurrent conflict of interest before appointment.
Concurrent service on P&Z or the TIC	NOT a statutory bar—Council Discretion	No statute prohibits dual service. However, it may create real or perceived conflicts/concerns. Evaluate case by case; disclose in application.
Material financial interest in a development project subject to CRF assessment	NOT a statutory bar—Requires Disclosure and Recusal	Council should address this in procedural rules under §395.058(e). Recommended rule: member must disclose any such interest in application.
Registered lobbyist	NOT a statutory bar—Council Discretion	No statute prohibits appointment. Council may consider it a disqualifying factor as a matter of policy if desired. Disclose in application.

5. Statutory Duties of the CIAC — When Required and How Often

This is the section most likely to be misunderstood, so it is laid out here in detail. The CIAC has two categories of duties under §395.058(c):

- **ONGOING DUTIES – Required year-round, whether or not a CRF update is in progress**

Three of the five statutory duties are ongoing. They do not begin when an update starts and end when it finishes. They are standing obligations that exist for the life of the Committee. The semiannual report requirement alone means the CIAC must meet and produce a written product at least twice every calendar year, in every year of its existence. A Committee that only meets during update cycles is not in compliance with the statute.

- **UPDATE-CYCLE DUTIES – Activated only when a CRF Update Cycle or Amendment is formally underway**

Two of the five statutory duties are update-specific: reviewing and commenting on land use assumptions and the capital improvements plan. These duties are substantive and technical. Members will be expected to engage with engineering reports, growth projections, and cost-of-service analyses during an active update cycle.

Statutory Duty (§395.058(c))	When It Applies	How Often	What This Looks Like in Practice
Monitor and evaluate implementation of the capital improvements plan	ONGOING—Not limited to active update cycles	At minimum, twice per year to support the semiannual report obligation	Review CRF fund expenditures, verify that projects identified in the CIP are being constructed on schedule, flag any apparent inequities in how fees are being collected or applied, and confirm the five-year update clock under §395.052.
File semiannual reports on the progress of the capital improvements plan and report any perceived inequities in implementing the plan or imposing the impact fee	ONGOING—Required by statute regardless of whether an update is underway	Twice per year (every ~6 months)	The CIAC must prepare and file a written report with City Council at least twice per year. In non-update years, the report should address: (1) status of CIP project construction; (2) CRF fund balances and expenditures; (3) whether fees are being applied consistently; and (4) whether any update or revision is warranted.
Advise the City on the need to update or revise the land use assumptions, capital improvements plan, and impact fees	ONGOING—Standing advisory role; becomes active as the 5-yr update deadline approaches, no sooner than 3-yrs.	As needed; at minimum addressed in each semiannual report	The CIAC should flag to Council when it believes an update is overdue or when changed conditions—accelerated growth, major capital projects, legislative changes—warrant early revisitation of the CIP or fee levels.

Statutory Duty (§395.058(c))	When It Applies	How Often	What This Looks Like in Practice
Advise and assist the City in adopting land use assumptions	UPDATE CYCLE— Triggered when the governing body initiates the update process under §395.042 or §395.052	During active update process only	The CIAC reviews draft land use assumptions prepared by Staff and the City's consultants, provides input on whether the growth projections and service-area descriptions accurately reflect conditions, and files written comments before the public hearing.
Review the capital improvements plan and file written comments	UPDATE CYCLE— Triggered when a CIP or amendment is proposed	During active update or amendment process only	The CIAC reviews the draft CIP prepared by qualified engineers, evaluates whether identified projects are properly attributable to new development, and files written comments with the governing body before the public hearing on the plan.
File written comments on proposed impact fee amendments	UPDATE CYCLE— Triggered when an amendment to land use assumptions, CIP, or fee is proposed	Before the 5th business day prior to the public hearing on amendments (§395.056)	The CIAC must file written comments on any proposed amendments within the statutory deadline. Failure to file does not void the amendment, but the comments become part of the public record.

The CIAC serves in an advisory capacity only. It does not have authority to approve, disapprove, or modify land use assumptions, the CIP, or impact fees. All final actions rest with City Council.

6. Required Meeting Frequency

Chapter 395 does not set a specific meeting schedule. However, the semiannual reporting obligation under §395.058(c)(4) effectively establishes a minimum. The CIAC cannot fulfill its statutory duties without meeting at least twice per year in every year of its existence.

STATUTORY MINIMUM — At Least Two Meetings Per Year

The semiannual report requirement under §395.058(c)(4) is not limited to active update years. It applies every year. A meeting is required at minimum to review CRF fund status, assess CIP implementation progress, identify any inequities in fee imposition, evaluate whether an update is needed, and approve the written report to Council. Staff recommends the procedural rules establish at least two regular meetings per year on a fixed schedule, with the ability to call additional meetings during an active update cycle.

During an active CRF update cycle, the CIAC should expect to meet significantly more frequently, typically monthly or as needed—to keep pace with the statutory notice and hearing schedule under §395.042 through §395.057.

Quorum and Quorum Composition

Chapter 395 does not address quorum at all. Quorum requirements, including whether any minimum number of industry-seat members must be present, are entirely within City Council's discretion and must be established in the procedural rules.

STAFF RECOMMENDATION — Quorum of 3, Including at Least 2 Industry-Seat Members

For a 5-member committee with 3 industry seats, Staff recommends the procedural rules define a quorum as a simple majority (3 of 5 members) that must include at least 2 industry-seat members. This ensures that: (1) the industry voice is always in the majority of the quorum; (2) at-large members alone cannot drive a recommendation; and (3) the City can demonstrate that industry representation was not just a membership requirement on paper but a functional requirement at every meeting where official business was conducted.

If fewer than 2 industry-seat members are present, no quorum exists and no official business may be conducted. The procedural rules should address what happens in that scenario:

- The Chair (or designated staff liaison) has authority to reschedule the meeting
- Members must receive reasonable advance notice before a meeting is cancelled for lack of quorum
- Chronic failure to achieve quorum due to industry-seat absences triggers a review of member engagement under the attendance policy

7. Application and Selection Process

Applicants should demonstrate the following through their application materials:

- Relevant professional credentials or experience in real estate, development, building, finance, engineering, planning, or law (as appropriate to the seat applied for)
- Familiarity with, or willingness to engage with, capital improvement planning, utility cost-of-service principles, and development fee frameworks
- Ability to attend at least two regular meetings per year and additional meetings during an active update cycle, and to review technical materials between sessions. Industry-seat applicants should understand that their attendance is not optional, their presence is required to constitute a valid quorum under the recommended procedural rules
- No current or anticipated conflicts of interest that would impair objective service, or willingness to disclose and recuse as required by Council's procedural rules

City Council appoints members through its standard board and committee appointment process. This Exhibit A serves as the baseline criteria document for Staff's screening and Council's review. It does not replace or modify the City's existing appointment procedures.