

1-1 By: Turner of Tarrant (Senate Sponsor - Davis) H.B. No. 1300
1-2 (In the Senate - Received from the House April 14, 2009;
1-3 April 15, 2009, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 5, 2009, reported favorably by
1-5 the following vote: Yeas 5, Nays 0; May 5, 2009, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to the creation of the Kennedale TownCenter Development
1-9 District; providing authority to impose a tax and issue bonds.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
1-11 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-12 Code, is amended by adding Chapter 3866 to read as follows:

1-13 CHAPTER 3866. KENNEDALE TOWNCENTER DEVELOPMENT DISTRICT

1-14 SUBCHAPTER A. GENERAL PROVISIONS

1-15 Sec. 3866.001. DEFINITIONS. In this chapter:

1-16 (1) "Board" means the board of directors of the
1-17 district.

1-18 (2) "District" means Kennedale TownCenter Development
1-19 District.

1-20 Sec. 3866.002. CREATION AND NATURE OF DISTRICT.

1-21 (a) Kennedale TownCenter Development District is created as a
1-22 special district under Sections 52 and 52-a, Article III, and
1-23 Section 59, Article XVI, Texas Constitution.

1-24 (b) The board by resolution may change the district's name.

1-25 Sec. 3866.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
1-26 creation of the district is essential to accomplish the purposes of
1-27 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-28 Texas Constitution, and other public purposes stated in this
1-29 chapter.

1-30 (b) The creation of the district is necessary to promote,
1-31 develop, encourage, and maintain transportation, safety,
1-32 employment, commerce, housing, tourism, recreation, the arts,
1-33 entertainment, economic development, and the public welfare in the
1-34 area of the district.

1-35 Sec. 3866.004. BOUNDARIES. The district includes all the
1-36 territory contained in the following described area:

1-37 Block A Lot 1, Lot 2, Lot 3, and Lot 4A of the Kennedale Retail
1-38 Center Addition; Block A Lot 2 and Lot 3 of the B.T. Webb
1-39 Subdivision; and Municipal Drive from Third Street to Kennedale
1-40 Parkway (US Business Highway 287).

1-41 Sec. 3866.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

1-42 (a) The district is created to serve a public use and benefit.

1-43 (b) All land and other property included in the district
1-44 will benefit from the improvements and services to be provided by
1-45 the district under powers conferred by Sections 52 and 52-a,
1-46 Article III, and Section 59, Article XVI, Texas Constitution, and
1-47 other powers granted under this chapter.

1-48 (c) The creation of the district is in the public interest
1-49 and is essential to:

1-50 (1) further the public purposes of the development and
1-51 diversification of the economy of the state;

1-52 (2) eliminate unemployment and underemployment; and

1-53 (3) develop or expand transportation and commerce.

1-54 (d) The district will:

1-55 (1) promote the health, safety, and general welfare of
1-56 residents, employers, employees, visitors, and consumers in the
1-57 district and of the public;

1-58 (2) provide needed funding to preserve, maintain, and
1-59 enhance the economic health and vitality of the district as a
1-60 community; and

1-61 (3) promote the health, safety, welfare, and enjoyment
1-62 of the public by providing pedestrian ways and by landscaping and
1-63 developing certain areas in the district, which are necessary for
1-64 the restoration, preservation, and enhancement of scenic beauty.

2-1 (e) Pedestrian ways along or across a street, whether at
2-2 grade or above or below the surface, and street lighting, street
2-3 landscaping, and street art objects are parts of and necessary
2-4 components of a street and are considered to be a street or road
2-5 improvement.

2-6 (f) The district will not act as the agent or
2-7 instrumentality of any private interest even though the district
2-8 will benefit many private interests as well as the public.

2-9 Sec. 3866.006. LIBERAL CONSTRUCTION OF CHAPTER. This
2-10 chapter shall be liberally construed in conformity with the
2-11 findings and purposes stated in this chapter.

2-12 [Sections 3866.007-3866.020 reserved for expansion]

2-13 SUBCHAPTER A-1. TEMPORARY PROVISIONS

2-14 Sec. 3866.021. INITIAL DIRECTORS. (a) The initial board
2-15 consists of the following persons:

2-16 (1) John Clark

2-17 (2) Jerry Miller

2-18 (3) Robert Mundy

2-19 (4) Bryan Lankhorst

2-20 (5) Beverly Hayes

2-21 (b) Of the initial directors, the terms of the first three
2-22 directors named in Subsection (a) expire on January 1, 2011, and the
2-23 terms of the last two directors named in Subsection (a) expire on
2-24 January 1, 2010. Bob Hart shall serve as the ex officio nonvoting
2-25 member for a term to be specified by the governing body of the City
2-26 of Kennedale.

2-27 Sec. 3866.022. EXPIRATION OF SUBCHAPTER. This subchapter
2-28 expires January 1, 2011.

2-29 [Sections 3866.023-3866.050 reserved for expansion]

2-30 SUBCHAPTER B. BOARD OF DIRECTORS

2-31 Sec. 3866.051. BOARD OF DIRECTORS; TERMS. (a) The
2-32 district is governed by a board of five voting directors appointed
2-33 under Section 3866.052 who serve staggered two-year terms.

2-34 (b) The governing body of the City of Kennedale may appoint
2-35 one nonvoting director to serve a term prescribed by the governing
2-36 body. The nonvoting director must be an employee of the City of
2-37 Kennedale and shall serve as an ex officio member in an advisory
2-38 capacity to provide assistance on matters in the district that
2-39 involve the city.

2-40 Sec. 3866.052. APPOINTMENT OF DIRECTORS. (a) The
2-41 governing body of the City of Kennedale shall appoint directors to
2-42 the board.

2-43 (b) Sections 375.063, Local Government Code, and 49.052,
2-44 Water Code, do not apply to the district.

2-45 Sec. 3866.053. REMOVAL OF DIRECTOR. The members of the
2-46 board serve at the pleasure of the governing body of the City of
2-47 Kennedale. The governing body may remove any board member by
2-48 majority vote.

2-49 Sec. 3866.054. VACANCIES. A vacancy on the board shall be
2-50 filled by the governing body of the City of Kennedale.

2-51 Sec. 3866.055. CONFLICTS OF INTEREST. Except as provided
2-52 by Chapter 171, Local Government Code, a director may participate
2-53 in all board votes and decisions.

2-54 Sec. 3866.056. DISBURSEMENTS AND TRANSFERS OF MONEY. The
2-55 board by resolution shall establish the number of directors'
2-56 signatures and the procedure required for a disbursement or
2-57 transfer of the district's money.

2-58 [Sections 3866.057-3866.100 reserved for expansion]

2-59 SUBCHAPTER C. POWERS AND DUTIES

2-60 Sec. 3866.101. POWERS OF DISTRICT. The district has all
2-61 powers provided by the general laws on road districts and road
2-62 utility districts created under Section 52, Article III, Texas
2-63 Constitution, and conservation and reclamation districts and
2-64 municipal management districts created under Section 59, Article
2-65 XVI, Texas Constitution, including:

2-66 (1) Chapters 257 and 441, Transportation Code;

2-67 (2) Chapter 375, Local Government Code; and

2-68 (3) Chapters 49 and 54, Water Code.

2-69 Sec. 3866.102. AGREEMENTS; GRANTS. (a) The district may

3-1 make an agreement with or accept a gift, grant, or loan from any
 3-2 person.
 3-3 (b) The implementation of a project is a governmental
 3-4 function or service for the purposes of Chapter 791, Government
 3-5 Code.
 3-6 Sec. 3866.103. CONTRACT FOR LAW ENFORCEMENT SERVICES. To
 3-7 protect the public interest, the district may contract with a
 3-8 municipality or county to provide law enforcement services in the
 3-9 district for a fee.
 3-10 [Sections 3866.104-3866.150 reserved for expansion]
 3-11 SUBCHAPTER D. FINANCIAL PROVISIONS
 3-12 Sec. 3866.151. COMPETITIVE BIDDING. Section 375.221, Local
 3-13 Government Code, applies to the district only for a contract that
 3-14 has a value of more than \$25,000.
 3-15 Sec. 3866.152. AUTHORITY TO IMPOSE AD VALOREM TAXES,
 3-16 ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem
 3-17 tax, assessment, or impact fee and use the proceeds of the tax,
 3-18 assessment, or impact fee for:
 3-19 (1) any district purpose, including the payment of
 3-20 debt or other contractual obligations; or
 3-21 (2) the payment of maintenance and operating expenses.
 3-22 Sec. 3866.153. ELECTIONS REGARDING TAXES OR BONDS.
 3-23 (a) The district must hold an election in the manner provided by
 3-24 Chapters 49 and 54, Water Code, to obtain voter approval before the
 3-25 district imposes a maintenance tax or issues bonds payable from ad
 3-26 valorem taxes.
 3-27 (b) The board may include more than one purpose in a single
 3-28 proposition at an election.
 3-29 (c) If the district obtains the written consent of all
 3-30 property owners in the district to impose a maintenance tax or issue
 3-31 bonds payable from ad valorem taxes or assessments, the district is
 3-32 exempt from the election requirement under Subsection (a) and may
 3-33 cancel an election called under Subsection (a).
 3-34 Sec. 3866.154. MAINTENANCE TAX. (a) The district may
 3-35 impose an annual ad valorem tax on taxable property in the district
 3-36 for any district purpose, including to:
 3-37 (1) maintain and operate the district, including
 3-38 improvements constructed or acquired by the district; or
 3-39 (2) provide a service.
 3-40 (b) The board shall determine the tax rate.
 3-41 Sec. 3866.155. ASSESSMENTS. (a) The board by resolution
 3-42 may impose and collect an assessment for any purpose authorized by
 3-43 this chapter.
 3-44 (b) An assessment, a reassessment, or an assessment
 3-45 resulting from an addition to or correction of the assessment roll
 3-46 by the district, penalties and interest on an assessment or
 3-47 reassessment, an expense of collection, and reasonable attorney's
 3-48 fees incurred by the district:
 3-49 (1) are a first and prior lien against the property
 3-50 assessed;
 3-51 (2) are superior to any other lien or claim other than
 3-52 a lien or claim for county, school district, or municipal ad valorem
 3-53 taxes; and
 3-54 (3) are the personal liability of and charge against
 3-55 the owners of the property even if the owners are not named in the
 3-56 assessment proceeding.
 3-57 (c) The lien is effective from the date of the board's
 3-58 resolution imposing the assessment until the date the assessment is
 3-59 paid. The board may enforce the lien in the same manner that the
 3-60 board may enforce an ad valorem tax lien against real property.
 3-61 Sec. 3866.156. PETITION REQUIRED FOR FINANCING SERVICES AND
 3-62 IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
 3-63 service or improvement project with assessments under this chapter
 3-64 unless a written petition requesting that service or improvement
 3-65 has been filed with the board.
 3-66 (b) A petition requesting a project financed by assessment
 3-67 must be signed by the owners of a majority of the assessed value of
 3-68 real property in the district subject to assessment according to
 3-69 the most recent certified tax appraisal roll for the county in which

4-1 the property is located.

4-2 Sec. 3866.157. BONDS AND OTHER OBLIGATIONS. (a) The
4-3 district may issue bonds or other obligations payable wholly or
4-4 partly from ad valorem taxes, assessments, impact fees, revenue,
4-5 grants, or other money of the district, or any combination of those
4-6 sources of money, to pay for any authorized purpose of the district.

4-7 (b) In exercising the district's borrowing power, the
4-8 district may issue a bond or other obligation in the form of a bond,
4-9 note, certificate of participation, or other instrument evidencing
4-10 a proportionate interest in payments to be made by the district, or
4-11 other type of obligation.

4-12 Sec. 3866.158. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS.
4-13 The district must obtain the approval of the governing body of the
4-14 City of Kennedale for:

4-15 (1) the issuance of bonds for an improvement project;

4-16 (2) the plans and specifications of an improvement
4-17 project financed by the bonds; and

4-18 (3) the plans and specifications of a district
4-19 improvement project related to the use of land owned by the City of
4-20 Kennedale, an easement granted by the City of Kennedale, or a
4-21 right-of-way of a street, road, or highway.

4-22 [Sections 3866.159-3866.200 reserved for expansion]

4-23 SUBCHAPTER E. DISSOLUTION

4-24 Sec. 3866.201. DISSOLUTION. (a) The district may be
4-25 dissolved by:

4-26 (1) the governing body of the City of Kennedale on a
4-27 vote of not less than two-thirds of its membership and adoption of
4-28 an ordinance dissolving the district; or

4-29 (2) majority vote of the board of directors.

4-30 (b) Section 375.264, Local Government Code, does not apply
4-31 to the district.

4-32 (c) If the district has debt when it is dissolved, the
4-33 district shall remain in existence solely for the purpose of
4-34 discharging its debts. The dissolution is effective when all debts
4-35 have been discharged.

4-36 SECTION 2. The legislature finds that:

4-37 (1) proper and legal notice of the intention to
4-38 introduce this Act, setting forth the general substance of this
4-39 Act, has been published as provided by law, and the notice and a
4-40 copy of this Act have been furnished to all persons, agencies,
4-41 officials, or entities to which they are required to be furnished by
4-42 the constitution and laws of this state, including the governor,
4-43 who has submitted the notice and Act to the Texas Commission on
4-44 Environmental Quality;

4-45 (2) the Texas Commission on Environmental Quality has
4-46 filed its recommendations relating to this Act with the governor,
4-47 lieutenant governor, and speaker of the house of representatives
4-48 within the required time;

4-49 (3) the general law relating to consent by political
4-50 subdivisions to the creation of districts with conservation,
4-51 reclamation, and road powers and the inclusion of land in those
4-52 districts has been complied with; and

4-53 (4) all requirements of the constitution and laws of
4-54 this state and the rules and procedures of the legislature with
4-55 respect to the notice, introduction, and passage of this Act have
4-56 been fulfilled and accomplished.

4-57 SECTION 3. This Act takes effect immediately if it receives
4-58 a vote of two-thirds of all the members elected to each house, as
4-59 provided by Section 39, Article III, Texas Constitution. If this
4-60 Act does not receive the vote necessary for immediate effect, this
4-61 Act takes effect September 1, 2009.

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