

By: Jackson

H.B. No. 4726

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Cypress Waters Municipal Management District; providing the authority to impose an assessment, impose a tax, and issue bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3874 to read as follows:

CHAPTER 3874. CYPRESS WATERS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3874.001. DEFINITIONS. In this chapter:

(1) "Board" means the district's board of directors.

(2) "City" means the City of Dallas.

(3) "District" means the Cypress Waters Municipal Management District.

(4) "Improvement project" means a project authorized by Section 3874.102:

(A) inside the boundaries of the district; and

(B) in areas outside but adjacent to the boundaries of the district if the project is for the purpose of extending public infrastructure improvements beyond the district's boundaries to a logical terminus.

Sec. 3874.002. CREATION AND NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution.

1 Sec. 3874.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The
2 creation of the district is essential to accomplish the purposes of
3 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
4 Texas Constitution, and other public purposes stated in this
5 chapter. By creating the district and in authorizing the city and
6 other political subdivisions to contract with the district, the
7 legislature has established a program to accomplish the public
8 purposes set out in Section 52-a, Article III, Texas Constitution.

9 (b) The creation of the district is necessary to promote,
10 develop, encourage, and maintain employment, commerce,
11 transportation, housing, tourism, recreation, the arts,
12 entertainment, economic development, safety, and the public
13 welfare in the district.

14 (c) The district is created to supplement and not to
15 supplant city services provided in the district.

16 Sec. 3874.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
17 The district is created to serve a public use and benefit.

18 (b) All land and other property included in the district
19 will benefit from the improvements and services to be provided by
20 the district under powers conferred by Sections 52 and 52-a,
21 Article III, and Section 59, Article XVI, Texas Constitution, and
22 other powers granted under this chapter.

23 (c) The creation of the district is in the public interest
24 and is essential to further the public purposes of:

25 (1) developing and diversifying the economy of the
26 state;

27 (2) eliminating unemployment and underemployment;

1 (3) developing or expanding transportation and
2 commerce; and

3 (4) providing quality residential housing.

4 (d) The district will:

5 (1) promote the health, safety, and general welfare of
6 residents, employers, potential employees, employees, visitors,
7 and consumers in the district, and of the public;

8 (2) provide needed funding for the district to
9 preserve, maintain, and enhance the economic health and vitality of
10 the district territory as a residential community and business
11 center; and

12 (3) promote the health, safety, welfare, and enjoyment
13 of the public by providing pedestrian ways and by landscaping and
14 developing certain areas in the district, which are necessary for
15 the restoration, preservation, and enhancement of scenic beauty.

16 (e) Pedestrian ways along or across a street, whether at
17 grade or above or below the surface, and street lighting, street
18 landscaping, vehicle parking, and street art objects are parts of
19 and necessary components of a street and are considered to be an
20 improvement project that includes a street or road improvement.

21 (f) The district will not act as the agent or
22 instrumentality of any private interest even though the district
23 will benefit many private interests as well as the public.

24 Sec. 3874.005. DISTRICT TERRITORY. (a) The district is
25 composed of the territory described by Section 2 of the Act enacting
26 this chapter, as that territory may have been modified under:

27 (1) Section 3874.106; or

1 (2) other law.

2 (b) A mistake in the field notes of the district contained
3 in Section 2 of the Act enacting this chapter or in copying the
4 field notes in the legislative process does not in any way affect:

5 (1) the district's organization, existence, or
6 validity;

7 (2) the district's right to contract, including the
8 right to issue any type of bond or other obligation for a purpose
9 for which the district is created;

10 (3) the district's right to impose or collect an
11 assessment, tax, or any other revenue; or

12 (4) the legality or operation of the board.

13 Sec. 3874.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

14 (a) All or any part of the area of the district is eligible to be
15 included in:

16 (1) a tax increment reinvestment zone created by the
17 city under Chapter 311, Tax Code;

18 (2) a tax abatement reinvestment zone created by the
19 city under Chapter 312, Tax Code; or

20 (3) an enterprise zone created by the city under
21 Chapter 2303, Government Code.

22 (b) If the city creates a tax increment reinvestment zone
23 described by Subsection (a), the city and the board of directors of
24 the zone, by contract with the district, may grant money deposited
25 in the tax increment fund to the district to be used by the district
26 for the purposes permitted for money granted to a corporation under
27 Section 380.002(b), Local Government Code, including the right to

1 pledge the money as security for any bonds issued by the district
2 for an improvement project. A project may not receive public funds
3 under Section 380.002(b), Local Government Code, unless the project
4 has been approved by the governing body of the city by the adoption
5 of a resolution.

6 (c) A tax increment reinvestment zone created by the city in
7 the district is not subject to the limitations provided by Section
8 311.006(b), Tax Code.

9 [Sections 3874.007-3874.050 reserved for expansion]

10 SUBCHAPTER B. BOARD OF DIRECTORS

11 Sec. 3874.051. GOVERNING BODY; TERMS. (a) The district is
12 governed by a board of nine directors composed of:

13 (1) six directors appointed by the governing body of
14 the city;

15 (2) one assistant city manager of the city, appointed
16 by the city manager;

17 (3) the chief financial officer of the city; and

18 (4) the economic director of the city.

19 (b) Directors serve staggered terms of four years, with four
20 or five directors' terms expiring July 1 of each odd-numbered year.

21 Sec. 3874.052. APPOINTMENT OF DIRECTORS: BOARD MEETINGS.

22 (a) Directors appointed by the governing body of the city must meet
23 at least one of the qualifications prescribed by Section 3874.053.

24 (b) A person may not be appointed to the board by the
25 governing body of the city if the appointment of that person would
26 result in fewer than three of the directors being residents of the
27 city and meeting the qualifications prescribed by Section

1 3874.053(a)(2), (3), (4), (5), or (6).

2 (c) The governing body of the city may remove a member of the
3 board with or without cause at any time by a majority vote.

4 (d) The board shall hold meetings at a place accessible to
5 the public. The board shall file a copy of the notice of a meeting
6 with the city's secretary. The city's secretary shall post the
7 notice at Dallas City Hall.

8 (e) The board may not create an executive committee to
9 exercise the powers of the board.

10 (f) If an office described in Section 3874.051(a) is
11 renamed, changed, or abolished, the governing body of the city may
12 appoint another city officer or employee who performs duties
13 comparable to those performed by the officer described by that
14 subsection.

15 Sec. 3874.053. QUALIFICATIONS OF DIRECTORS APPOINTED BY
16 CITY. (a) To be qualified to serve as a director appointed by the
17 governing body of the city, a person must be at least 18 years old
18 and must be:

19 (1) a resident of the district who is also a registered
20 voter of the district;

21 (2) an owner of property in the district;

22 (3) an owner of stock or a partnership or membership
23 interest, whether beneficial or otherwise, of a corporate
24 partnership, limited liability company, or other entity owner of a
25 direct or indirect interest in property in the district;

26 (4) an owner of a beneficial interest in a trust, or a
27 trustee in a trust, that directly or indirectly owns property in the

1 district;

2 (5) an agent, employee, or tenant of a person covered
3 by Subdivision (2), (3), or (4); or

4 (6) an initial director.

5 (b) Section 49.052, Water Code, does not apply to the
6 district.

7 Sec. 3874.054. VACANCY. The governing body of the city
8 shall fill a vacancy on the board by appointing a person who meets
9 the qualifications prescribed by Section 3874.051(a) or 3874.053 to
10 serve for the remainder of the unexpired term.

11 Sec. 3874.055. DIRECTOR'S OATH OR AFFIRMATION. A
12 director's oath or affirmation of office shall be filed with the
13 district and the district shall retain the oath or affirmation in
14 the district records. A copy of each director's oath or affirmation
15 of office shall be filed with the city's secretary.

16 Sec. 3874.056. OFFICERS. The board shall elect from among
17 the directors a chair, a vice chair, and a secretary. The offices
18 of chair and secretary may not be held by the same person
19 concurrently.

20 Sec. 3874.057. COMPENSATION; EXPENSES; LIABILITY INSURANCE
21 FOR DIRECTORS. (a) The district may compensate each director in an
22 amount not to exceed \$50 for each board meeting. The total amount
23 of compensation for each director in one year may not exceed \$2,000.

24 (b) Directors are entitled to reimbursement for necessary
25 and reasonable expenses incurred in carrying out the duties and
26 responsibilities of the board.

27 (c) The district may obtain and pay for comprehensive

1 general liability insurance coverage from a commercial insurance
2 company or other source that protects and insures a director
3 against personal liability and from any and all claims relating to:

4 (1) actions taken by the director in the director's
5 capacity as a member of the board;

6 (2) actions and activities taken by the district; or

7 (3) the actions of others acting on behalf of the
8 district.

9 Sec. 3874.058. CONFLICTS OF INTEREST. (a) A director,
10 including a director who qualifies under Section 3874.053(a)(2),
11 (3), (4), or (5), may participate in all board votes and decisions
12 if the director complies with the requirements of Subsection (b).

13 (b) A director shall comply with Section 171.004, Local
14 Government Code, including the disclosure and abstention
15 requirements of that section. A director must file a copy of the
16 director's disclosure affidavit required by Section 171.004, Local
17 Government Code, with the city's secretary before participating in
18 a board discussion or vote.

19 Sec. 3874.059. INITIAL DIRECTORS. (a) The initial board
20 consists of the following directors:

21 (1) Place 1 Lucy Billingsley;

22 (2) Place 2 Mario Canizares;

23 (3) Place 3 Sid Grant;

24 (4) Place 4 Joel Overton, Jr.;

25 (5) Place 5 Henry Billingsley;

26 (6) Place 6 Lucilo Pena;

27 (7) Place 7 City of Dallas Assistant City Manager

1 A. C. Gonzalez;

2 (8) Place 8 City of Dallas Chief Financial Officer
3 David Cook; and

4 (9) Place 9 City of Dallas Office of Economic
5 Development Director Karl Zavitkovsky.

6 (b) The terms of the initial directors expire on the 180th
7 day after the date on which the Act enacting this chapter takes
8 effect.

9 (c) The terms of the directors appointed to succeed the
10 initial directors appointed for places 1, 2, 3, and 4 expire July 1,
11 2011, and the terms of the directors appointed to succeed the
12 initial directors appointed for places 5, 6, 7, 8, and 9 expire July
13 1, 2013.

14 (d) This section expires December 31, 2009.

15 [Sections 3874.060-3874.100 reserved for expansion]

16 SUBCHAPTER C. POWERS AND DUTIES

17 Sec. 3874.101. GENERAL POWERS AND DUTIES. The district has
18 the powers and duties provided by this chapter and by:

19 (1) the general laws relating to conservation and
20 reclamation districts created under Section 59, Article XVI, Texas
21 Constitution, including Chapters 49 and 54, Water Code, except that
22 the district's bonds and other securities are not subject to the
23 jurisdiction or supervision of the Texas Commission on
24 Environmental Quality under Chapter 49, Water Code, or other law;

25 (2) the general laws relating to road districts and
26 road utility districts created under Section 52(b), Article III,
27 Texas Constitution, including Chapter 441, Transportation Code,

1 except that the district may exercise any power granted by this
2 chapter without regard to any provision or requirement of or
3 procedure prescribed by Chapter 441, Transportation Code;

4 (3) Subchapter A, Chapter 372, Local Government Code,
5 in the same manner as a municipality or a county;

6 (4) Chapter 1371, Government Code;

7 (5) Chapter 375, Local Government Code; and

8 (6) Chapter 311, Tax Code.

9 Sec. 3874.102. IMPROVEMENT PROJECTS. (a) The district may
10 provide, or it may enter into contracts with a governmental or
11 private entity to provide, the following types of improvement
12 projects located in the district or activities in support of or
13 incidental to those projects:

14 (1) a supply and distribution facility or system to
15 provide potable and nonpotable water to the residents and
16 businesses of the district, including a wastewater collection
17 facility;

18 (2) a paved, macadamized, or graveled road, street, or
19 turnpike, inside and outside the district, to the full extent
20 authorized by Section 52, Article III, Texas Constitution;

21 (3) the planning, design, construction, improvement,
22 and maintenance of:

23 (A) landscaping;

24 (B) highway right-of-way or transit corridor
25 beautification and improvement;

26 (C) lighting, banners, and signs;

27 (D) a street or sidewalk;

- 1 (E) a hiking and cycling path or trail;
2 (F) a pedestrian walkway, skywalk, crosswalk, or
3 tunnel;
4 (G) a park, lake, garden, recreational facility,
5 community activities center, dock, wharf, sports facility, open
6 space, scenic area, or related exhibit or preserve;
7 (H) a fountain, plaza, or pedestrian mall; or
8 (I) a drainage or storm-water detention
9 improvement;
10 (4) protection and improvement of the quality of storm
11 water that flows through the district;
12 (5) the planning, design, construction, improvement,
13 maintenance, and operation of:
14 (A) a water or sewer facility; or
15 (B) an off-street parking facility or heliport;
16 (6) the planning and acquisition of:
17 (A) public art and sculpture and related exhibits
18 and facilities; or
19 (B) an educational facility, and a cultural
20 exhibit or facility;
21 (7) the planning, design, construction, acquisition,
22 lease, rental, improvement, maintenance, installation, and
23 management of and provision of furnishings for a facility for:
24 (A) a conference, convention, or exhibition;
25 (B) a manufacturer, consumer, or trade show;
26 (C) a civic, community, or institutional event;
27 or

1 (D) an exhibit, display, attraction, special
2 event, or seasonal or cultural celebration or holiday;

3 (8) the removal, razing, demolition, or clearing of
4 land or improvements in connection with improvement projects;

5 (9) the acquisition and improvement of land or other
6 property for the mitigation of the environmental effects of an
7 improvement project if those costs are incurred in accordance with
8 a development agreement and reimbursement of those costs is
9 conditioned on the completion of substantial vertical development,
10 or the costs are related to a transit or mobility project;

11 (10) the acquisition of property or an interest in
12 property in connection with one or more authorized improvement
13 projects, including a project authorized by Subchapter A, Chapter
14 372, Local Government Code;

15 (11) a special or supplemental service for the
16 improvement and promotion of the district or an area adjacent to the
17 district or for the protection of public health and safety in or
18 adjacent to the district, including:

19 (A) advertising;

20 (B) promotion;

21 (C) tourism;

22 (D) health and sanitation;

23 (E) public safety;

24 (F) security;

25 (G) fire protection or emergency medical
26 services;

27 (H) business recruitment;

1 (I) elimination of traffic congestion, including
2 by use of rail services; and

3 (J) recreational, educational, or cultural
4 improvements, enhancements, and services; or

5 (12) any similar public improvement, facility, or
6 service.

7 (b) The district may not undertake an improvement project
8 under this section unless the board determines the project to be
9 necessary to accomplish a public purpose of the district and has
10 received the approval of the city under Section 3874.160.

11 (c) An improvement project must comply with any applicable
12 codes and ordinances of the city.

13 (d) The district may not provide, conduct, or authorize an
14 improvement project on the city streets, highways, rights-of-way,
15 or easements without the consent of the governing body of the city.

16 (e) Subject to an agreement between the district and the
17 city, the city may:

18 (1) by ordinance, order, or resolution require that
19 title to all or any portion of an improvement project vest in the
20 city; or

21 (2) unless prohibited by Subsection (h), by ordinance,
22 order, resolution, or other directive, authorize the district to
23 own, encumber, maintain, and operate an improvement project,
24 subject to the right of the city to order a conveyance of the
25 improvement project to the city on a date determined by the city.

26 (f) The district shall immediately comply with any city
27 ordinance, order, or resolution adopted under Subsection (e).

1 (g) For the purposes of this section, planning, design,
2 construction, improvement, and maintenance of a lake includes work
3 done for drainage, reclamation, or recreation.

4 (h) Waterworks and sanitary sewer improvements may be
5 undertaken by the district inside or outside the boundaries of the
6 district, subject to the following conditions:

7 (1) the city shall request that waterworks or sanitary
8 sewer improvements be funded by the district;

9 (2) the city shall construct, own, operate, and
10 maintain the improvements; and

11 (3) the district shall comply with Sections 3874.152,
12 3874.157, and 3874.160 as a condition for the district to fund the
13 improvements.

14 Sec. 3874.103. GENERAL POWERS REGARDING CONTRACTS. (a)
15 The district may:

16 (1) contract with any person to accomplish any
17 district purpose, including a contract for:

18 (A) the payment, repayment, or reimbursement of
19 costs incurred by that person on behalf of the district, including
20 all or part of the costs of any improvement project and interest on
21 the reimbursed cost; or

22 (B) the use, occupancy, lease, rental,
23 operation, maintenance, or management of all or part of a proposed
24 or existing improvement project; and

25 (2) apply for and contract with any person to receive,
26 administer, and perform a duty or obligation of the district under a
27 federal, state, local, or private gift, grant, loan, conveyance,

1 transfer, bequest, or other financial assistance arrangement
2 relating to the investigation, planning, analysis, study, design,
3 acquisition, construction, improvement, completion,
4 implementation, or operation by the district or others of a
5 proposed or existing improvement project.

6 (b) A contract the district enters into to carry out a
7 purpose of this chapter may be on any terms and for any period the
8 board determines, including a negotiable or nonnegotiable note or
9 warrant payable to the city, Dallas County, or any other person.

10 (c) Any person may contract with the district to carry out
11 the purposes of this chapter without further statutory or other
12 authorization.

13 Sec. 3874.104. RULES; ENFORCEMENT. (a) The district may
14 adopt rules:

15 (1) to administer or operate the district;

16 (2) for the use, enjoyment, availability, protection,
17 security, and maintenance of the district's property and
18 facilities; or

19 (3) to provide for public safety and security in the
20 district.

21 (b) The district may enforce its rules by injunctive relief.

22 (c) To the extent a district rule conflicts with a city
23 rule, order, or regulation, the city rule, order, or regulation
24 controls.

25 (d) The district shall provide the city with written notice
26 not later than the 30th day before the date of a meeting at which the
27 board will adopt rules. The district may not adopt a rule affecting

1 the use of a municipally owned asset, such as a public park, street,
2 sidewalk, transit facility, or public right-of-way, unless the
3 governing body of the city has approved the rule by ordinance,
4 order, or resolution.

5 Sec. 3874.105. NAME CHANGE. The board by resolution may
6 change the district's name. The board shall give written notice of
7 the change to the city.

8 Sec. 3874.106. ADDING OR REMOVING TERRITORY. The board may
9 add or remove territory under Subchapter J, Chapter 49, Water Code,
10 and Section 54.016, Water Code, except that:

11 (1) the addition or removal of the territory must be
12 approved by:

13 (A) the governing body of the city by ordinance,
14 order, or resolution; and

15 (B) the owners of the territory being added or
16 removed;

17 (2) a reference to a tax in Subchapter J, Chapter 49,
18 Water Code, or Section 54.016, Water Code, means an ad valorem tax;
19 and

20 (3) territory may not be removed from the district if
21 bonds or other obligations of the district payable wholly or partly
22 from ad valorem taxes or assessments levied or assessed on the
23 territory are outstanding.

24 Sec. 3874.107. ECONOMIC DEVELOPMENT. (a) The district may
25 create economic development and other programs under Section 52-a,
26 Article III, Texas Constitution, and may impose and collect ad
27 valorem taxes for those purposes. The district has the economic

1 development powers that Chapter 380, Local Government Code,
2 provides to a municipality with a population of more than 100,000.
3 Each economic development program and each project that will
4 receive public funds under an economic development program must be
5 approved by the governing body of the city by ordinance, order, or
6 resolution.

7 (b) The district shall provide the city written notice not
8 later than the 30th day before the date of a meeting at which the
9 board will adopt terms of an economic development program. The
10 district may not adopt an economic development program or
11 improvement project to be funded under an economic development
12 program unless the governing body of the city has approved the
13 program or improvement project by ordinance, order, or resolution.

14 Sec. 3874.108. NO EMINENT DOMAIN POWER. The district may
15 not exercise the power of eminent domain.

16 Sec. 3874.109. TERMS OF EMPLOYMENT; COMPENSATION. The
17 board may employ and establish the terms of employment and
18 compensation of an executive director or general manager and any
19 other district employees the board considers necessary. An
20 employee may not receive annual compensation of more than \$150,000
21 from public funds of the district.

22 Sec. 3874.110. NOTICE TO PROPERTY OWNERS. (a) The board
23 shall annually provide owners of real property in the district
24 written notice that specifies the tax of the district for the
25 district's next fiscal year in sufficient clarity to describe the
26 tax rate for the operation and maintenance of the district and the
27 tax rate for the payment of debt service of obligations issued or

1 incurred by the district. The written notice must be sent by first
2 class United States mail, postage prepaid, to the current address
3 of the property owner as reflected on the tax rolls of the appraisal
4 district.

5 (b) The notice must clearly state that the tax rates on real
6 property imposed in the district are in addition to the ad valorem
7 taxes imposed by other taxing units that tax real property in the
8 boundaries of the district.

9 (c) The district shall generate and implement a program to
10 provide notification to a prospective purchaser of property in the
11 district of the rates of tax and assessments that have been approved
12 and are imposed by the district.

13 [Sections 3874.111-3874.150 reserved for expansion]

14 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

15 Sec. 3874.151. GENERAL POWERS REGARDING FINANCIAL MATTERS.

16 (a) Except as provided by Section 3874.160, the district may:

17 (1) impose an ad valorem tax on all taxable property in
18 the district to pay for any improvement projects of the types
19 authorized by Section 52(b), Article III, and Section 59, Article
20 XVI, Texas Constitution, and to secure the payment of bonds issued
21 for those purposes;

22 (2) impose an assessment on property in the district
23 to pay the cost of any authorized improvement project and the cost
24 of the maintenance of the project in the manner provided for:

25 (A) a district under Subchapters A, E, and F,
26 Chapter 375, Local Government Code; or

27 (B) a municipality or county under Subchapter A,

1 Chapter 372, Local Government Code;

2 (3) provide or secure the payment or repayment of any
3 bond, note, or other temporary or permanent obligation or
4 reimbursement or other contract with any person, the costs and
5 expenses of the establishment, administration, and operation of the
6 district, and the district's costs or share of the costs or revenue
7 of an improvement project or district contractual obligation or
8 indebtedness by or through:

9 (A) the imposition of an ad valorem tax,
10 assessment, user fee, concession fee, or rental charge; and

11 (B) any other revenue or resources of the
12 district, or other revenue authorized by the city, including
13 revenue from a tax increment reinvestment zone created by the city
14 under applicable law;

15 (4) establish user charges related to the operation of
16 storm-water facilities, including the regulation of storm water for
17 the protection of water quality in the district;

18 (5) establish user charges for the use of nonpotable
19 water for irrigation purposes, subject to the approval of the
20 governing body of the city;

21 (6) undertake separately or jointly with other
22 persons, including the city or Dallas County, all or part of the
23 cost of any improvement project, including an improvement project:

24 (A) for improving, enhancing, and supporting
25 public safety and security, fire protection and emergency medical
26 services, and law enforcement in and adjacent to the district; or

27 (B) that confers a general benefit on the entire

1 district or a special benefit on a definable part of the district;
2 and

3 (7) enter into a tax abatement agreement in accordance
4 with the general laws of this state authorizing and applicable to
5 tax abatement agreements by municipalities.

6 (b) The district may not impose an ad valorem tax to pay for
7 an improvement project under this chapter unless the imposition is
8 approved by the voters of the district voting at an election held
9 for that purpose. The board may call an election to approve the
10 imposition of an ad valorem tax to pay for an improvement project
11 under this chapter only if the board receives a petition requesting
12 the election signed by:

13 (A) more than 65 percent of the record owners of
14 real property in the district subject to taxation; or

15 (B) owners representing more than 65 percent of
16 the appraised value of real property in the district subject to
17 taxation, as determined by the tax rolls of the appraisal district.

18 Sec. 3874.152. BORROWING MONEY. (a) The district may
19 borrow money for a district purpose by issuing or executing bonds,
20 notes, credit agreements, or other obligations of any kind found by
21 the board to be necessary or appropriate for any district purpose.
22 The bond, note, credit agreement, or other obligation may be
23 secured by and payable from ad valorem taxes, assessments, a
24 combination of ad valorem taxes and assessments, or other district
25 revenue. The governing body of the city must approve the issuance
26 of bonds, notes, credit agreements, or other obligations of the
27 district, in general terms before the preparation of preliminary

1 official statements or loan closing documents, as provided by the
2 development and operating agreement approved by the city in
3 accordance with Section 3874.160, or by separate action.

4 (b) The governing body of the city must approve the final
5 terms of the bond issuance, note, or credit facility, including the
6 principal amount, note amount, interest rate or rates, redemption
7 provisions, and other terms and conditions relating to the
8 issuance.

9 (c) The district shall file annual audited financial
10 statements with the city's secretary.

11 Sec. 3874.153. ASSESSMENTS; EXEMPTION. (a) The district
12 may impose an assessment on property in the district, including an
13 assessment on residential or commercial property, only in the
14 manner provided by Subchapter A, Chapter 372, Local Government
15 Code, or Subchapter F, Chapter 375, Local Government Code, for a
16 municipality, county, or public improvement district, according to
17 the benefit received by the property.

18 (b) An assessment on property must be for the limited
19 purpose of providing capital funding for:

20 (1) public water and wastewater facilities;

21 (2) drainage and storm-water facilities;

22 (3) streets and alleys; and

23 (4) any authorized project under Chapter 372, Local
24 Government Code.

25 (c) An assessment, a reassessment, or an assessment
26 resulting from an addition to or correction of the assessment roll
27 by the district, penalties and interest on an assessment or

1 reassessment, an expense of collection, and reasonable attorney's
2 fees incurred by the district:

3 (1) are a first and prior lien against the property
4 assessed; and

5 (2) are superior to any other lien or claim other than
6 a lien or claim for county, school district, or municipal ad valorem
7 taxes.

8 (d) A lien of an assessment against property under this
9 chapter runs with the land, and the portion of an assessment payment
10 obligation that has not yet come due is not eliminated by the
11 foreclosure of an ad valorem tax lien. Any purchaser of property in
12 a foreclosure of an ad valorem tax lien takes the property subject
13 to the assessment payment obligations that have not yet come due and
14 to the lien and terms of payment under the applicable assessment
15 ordinance or order.

16 (e) The board may make a correction to or deletion from the
17 assessment roll that does not increase the amount of assessment of
18 any parcel of land without providing notice and holding a hearing in
19 the manner required for additional assessments.

20 (f) The district shall file notice of any tax or assessment
21 imposed by the district with the county clerk of Dallas County and
22 post the notice on the district's Internet website.

23 Sec. 3874.154. RESIDENTIAL PROPERTY EXEMPT. Section
24 375.161, Local Government Code, does not apply to the district.

25 Sec. 3874.155. MAINTENANCE AND OPERATION TAX; ELECTION.

26 (a) The district may impose a tax for maintenance and operation
27 purposes, including for:

1 (1) planning, constructing, acquiring, maintaining,
2 repairing, and operating all improvement projects, including land,
3 plants, works, facilities, improvements, appliances, and equipment
4 of the district; and

5 (2) paying costs of services, engineering and legal
6 fees, and organization and administrative expenses, including
7 expenses of the city payable under the terms of the project
8 development agreement described by Section 3874.160.

9 (b) The district may not impose a maintenance and operation
10 tax for improvement projects under this chapter unless the
11 imposition of the tax is approved by the voters of the district
12 voting at an election held for that purpose. An election may be
13 called only on receipt of a petition as provided by Section
14 3874.151(b).

15 (c) A maintenance and operation tax election may be held at
16 the same time and in conjunction with any other district election.
17 The election may be called by a separate election order or as part
18 of any other election order.

19 Sec. 3874.156. USE OF SURPLUS MAINTENANCE AND OPERATION
20 MONEY. If the district has surplus maintenance and operation tax
21 money that is not needed for the purposes for which it was
22 collected, the money may be used for any authorized purpose.

23 Sec. 3874.157. BONDS AND OTHER OBLIGATIONS. (a) Subject to
24 the requirements of Sections 3874.159 and 3874.160, the district
25 may issue by public or private sale bonds, notes, or other
26 obligations payable wholly or partly from ad valorem taxes, or by
27 assessments in the manner provided by Subchapter A, Chapter 372,

1 Local Government Code, or Subchapter J, Chapter 375, Local
2 Government Code.

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

8 (c) In addition to the sources of money described by
9 Subchapter A, Chapter 372, Local Government Code, and Subchapter J,
10 Chapter 375, Local Government Code, district bonds may be secured
11 and made payable wholly or partly by a pledge of any part of the
12 money the district receives from system or improvement project
13 revenue or from any other source.

14 Sec. 3874.158. BOND MATURITY. Bonds may mature not more
15 than 40 years from their date of issue.

16 Sec. 3874.159. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
17 the time bonds or other obligations payable wholly or partly from ad
18 valorem taxes are issued:

19 (1) the board shall impose a continuing direct annual
20 ad valorem tax for each year that all or part of the bonds are
21 outstanding; and

22 (2) the district annually shall impose an ad valorem
23 tax on all taxable property in the district in an amount sufficient
24 to:

25 (A) pay the interest on the bonds or other
26 obligations as the interest becomes due; and

27 (B) create a sinking fund for the payment of the

1 principal of the bonds or other obligations when due or the
2 redemption price at any earlier required redemption date.

3 Sec. 3874.160. DEVELOPMENT AND OPERATING AGREEMENT
4 REQUIRED. (a) After the district's board is organized, but before
5 the district may undertake any improvement project, issue bonds,
6 impose taxes, levy assessments or fees, or borrow money, the
7 district and the city must negotiate and execute a mutually
8 approved and accepted development and operating agreement,
9 including any limitations imposed by the city, regarding the plans
10 and rules for:

11 (1) the exercise of the powers granted to the district
12 under this chapter, including the organization, development, and
13 operation of the district;

14 (2) the selection and description of improvement
15 projects that may be undertaken and financed by the district and the
16 ownership, operation, and maintenance of those projects;

17 (3) the terms, conditions, methods, means, and amounts
18 of financing authorized by this chapter that the district may use in
19 providing improvement projects; and

20 (4) the amounts, methods, and times of reimbursement
21 to the city for costs and expenses, if any, incurred by the city
22 with respect to the development and operation of the district and
23 the financing of improvement projects by the district.

24 (b) An agreement authorized by this section is not effective
25 until its terms and execution are approved by the board and the
26 governing body of the city by resolution.

27 [Sections 3874.161-3874.250 reserved for expansion]

1 SUBCHAPTER E. DISSOLUTION

2 Sec. 3874.251. DISSOLUTION BY CITY ORDINANCE. (a) The city
3 by ordinance may dissolve the district.

4 (b) The city may not dissolve the district until the
5 district's outstanding indebtedness or contractual obligations
6 that are payable from ad valorem taxes have been repaid or
7 discharged, or the city has affirmatively assumed the obligation to
8 pay the outstanding indebtedness from the city's lawfully available
9 revenue.

10 (c) The city may not dissolve the district until the
11 agreement under Section 3874.160 has been executed and the
12 district's performance under the agreement has been fulfilled,
13 including any right or obligation the district has to reimburse a
14 developer or owner for the costs of improvement projects.

15 Sec. 3874.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

16 (a) If the dissolved district has bonds or other obligations
17 outstanding secured by and payable from assessments or other
18 revenue, other than ad valorem taxes, the city shall succeed to the
19 rights and obligations of the district regarding enforcement and
20 collection of the assessments or other revenue.

21 (b) The city shall have and exercise all district powers to
22 enforce and collect the assessments or other revenue to pay:

23 (1) the bonds or other obligations when due and
24 payable according to their terms; or

25 (2) special revenue or assessment bonds or other
26 obligations issued by the city to refund the outstanding bonds or
27 obligations.

1 Sec. 3874.253. CONCURRENCE ON ADDITIONAL POWERS. If the
2 legislature grants the district a power that is in addition to the
3 powers approved by the initial resolution of the governing body of
4 the city consenting to the creation of the district, the district
5 may not exercise that power unless the governing body of the city
6 consents to that change by resolution.

7 Sec. 3874.254. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
8 After the city dissolves the district, the city assumes, subject to
9 the appropriation and availability of funds, the obligations of the
10 district, including any bonds or other indebtedness payable from
11 assessments or other district revenue.

12 (b) If the city dissolves the district, the board shall
13 transfer ownership of all district property to the city.

14 SECTION 2. The district shall include the land described in
15 Subsections (a), (b), and (c) as follows:

16 (a) TRACT 1:

17 BEING a tract of land situated in the John L. Whitman Survey,
18 Abstract No. 1521, the Samuel Layton Survey, Abstract No. 784, the
19 Nancy Cousey Survey, Abstract No. 318, the Granbury Hendricks
20 Survey, Abstract No. 630, the Frances Jones Survey, Abstract No.
21 674, the G.W. Laws Survey, Abstract No. 843, the McKinney F.
22 Williams Survey, Abstract No. 1054, the S.T. Brown Survey, Abstract
23 No. 50, and the I.&G.N.R.R. CO. Survey, Abstract No. 1624 in the
24 City of Dallas, Dallas County, Texas, and being a portion of those
25 tracts of land described in deed to Luminant Generation Company,
26 LLC, formerly TXU Generation Company LP, recorded in Volume
27 2001248, Page 11540 of the Deed Records of Dallas County, Texas,

1 (D.R.D.C.T.) and being more particularly described as follows:

2 POINT OF BEGINNING at a 5/8" iron rod with cap found in the
3 northerly right-of-way line of Hackberry Road (a variable width
4 public right-of-way), said point bears North 89°41'06" East, 590.00
5 feet along the northerly right-of-way line of said Hackberry Road
6 from a corner clip at the intersection of the easterly right-of-way
7 line of Belt Line Road (a variable width public right-of-way);

8 THENCE North 00°18'56" West, a distance of 1976.12 feet,
9 leaving the northerly right-of-way line of said Hackberry Road to a
10 5/8" iron rod with cap found for corner;

11 THENCE South 89°44'36" West, a distance of 620.83 feet, to a
12 5/8" iron rod with cap found in the easterly right-of-way line of
13 Belt Line Road;

14 THENCE along the easterly right-of-way line of said Belt Line
15 Road, the following courses and distances to wit:

16 --North 00°30'48" West, a distance of 1294.82 feet to a 5/8"
17 iron rod with cap found for corner;

18 --North 05°11'50" East, a distance of 402.00 feet to a 5/8"
19 iron rod with cap found for corner;

20 --North 00°30'48" West, a distance of 96.02 feet to a 5/8"
21 iron rod with cap found for corner;

22 --North 00°30'45" West, a distance of 303.98 feet to a point
23 for corner;

24 --North 05°11'50" East, a distance of 100.50 feet to a point
25 for corner;

26 --North 00°30'48" West, a distance of 200.00 feet to a point
27 for corner;

1 --North 08°01'03" East, a distance of 202.23 feet to a point
2 for corner;

3 --North 00°30'48" West, a distance of 34.77 feet to a point
4 for beginning of a curve to the left;

5 THENCE leaving the easterly right-of-way line of said Belt
6 Line Road, the following courses and distances to wit:

7 --Easterly, with said curve to the left, through a central
8 angle of 29°17'33", having a radius of 800.00 feet, and a chord
9 bearing and distance of North 72°20'38" East, 404.56 feet, an arc
10 length of 409.00 feet to a point for corner;

11 --North 57°41'51" East, a distance of 391.61 feet to a point
12 for the beginning of a curve to the right;

13 --Easterly, with said curve to the right, through a central
14 angle of 37°49'32", having a radius of 400.00 feet, and a chord
15 bearing and distance of North 76°36'37" East, 259.30 feet, an arc
16 length of 264.07 feet to a point for the beginning of a curve to the
17 left;

18 --Easterly, with said curve to the left, through a central
19 angle of 47°38'09", having a radius of 1392.55 feet, and a chord
20 bearing and distance of North 65°38'40" East, 1124.71 feet, an arc
21 length of 1157.76 feet to a point for corner;

22 --North 41°53'27" East, a distance of 203.89 feet to a point
23 for the beginning of a curve to the right;

24 --Easterly, with said curve to the right, through a central
25 angle of 11°23'28", having a radius of 668.73 feet, and a chord
26 bearing and distance of North 55°13'43" East, 132.73 feet, an arc
27 length of 132.95 feet to the beginning of a curve to the right;

1 --Easterly with said curve to the right, through a central
2 angle of $47^{\circ}34'24''$, having a radius of 652.00 feet, and a chord
3 bearing and distance of South $89^{\circ}52'05''$ East, 525.94 feet, an arc
4 length of 541.36 feet to the beginning of a curve to the left;

5 --Eastlery, with said curve to the left, through a central
6 angle of $74^{\circ}20'01''$, having a radius of 209.47 feet, and a chord
7 bearing and distance of North $83^{\circ}12'19''$ East, 253.10 feet, an arc
8 length of 271.76 feet to a point for corner;

9 --North $65^{\circ}57'43''$ East, a distance of 180.40 feet to a point
10 for the beginning of a curve to the right;

11 --Easterly, with said curve to the right, through a central
12 angle of $98^{\circ}01'46''$, having a radius of 150.00 feet, and a chord
13 bearing and distance of South $65^{\circ}01'24''$ East, 226.46 feet, an arc
14 length of 256.64 feet to a point for corner;

15 --South $16^{\circ}00'31''$ East, a distance of 320.31 feet to a point
16 for the beginning of a curve to the right;

17 --Southerly, with said curve to the right, through a central
18 angle of $53^{\circ}30'19''$, having a radius of 400.00 feet, and a chord
19 bearing and distance of South $10^{\circ}44'39''$ West, 360.11 feet, an arc
20 length of 373.54 feet to a point for corner;

21 --South $37^{\circ}29'48''$ West, a distance of 128.31 feet to a point
22 for the beginning of a curve to the left;

23 --Southerly, with said curve to the left, through a central
24 angle of $25^{\circ}35'51''$, having a radius of 500.00 feet, and a chord
25 bearing and distance of South $24^{\circ}41'53''$ West, 221.53 feet, an arc
26 length of 223.38 feet to a point for corner;

27 --South $11^{\circ}53'58''$ West, a distance of 296.88 feet to a point

1 for corner;
2 --South 14°48'07" West, a distance of 94.75 feet to a point
3 for corner;
4 --South 30°35'42" West, a distance of 135.14 feet to a point
5 for corner;
6 --South 58°12'25" East, a distance of 38.46 feet to a point
7 for corner;
8 --South 56°10'00" East, a distance of 98.02 feet to a point
9 for corner;
10 --South 58°34'37" East, a distance of 513.21 feet to a point
11 for corner;
12 --North 30°35'42" East, a distance of 169.61 feet to a point
13 for corner for the beginning of a non-radial curve to the right;
14 --Easterly, with said non-radial curve to the right, through
15 a central angle of 42°01'18", having a radius of 1900.00 feet, and a
16 chord bearing and distance of North 42°56'22" East, 1362.47 feet, an
17 arc length of 1393.49 feet to a point for corner;
18 --North 63°57'01" East, a distance of 107.71 feet to a point
19 for the beginning of curve to the right;
20 --Easterly, with said curve to the right, through a central
21 angle of 92°23'27", having a radius of 600.00 feet, and a chord
22 bearing and distance of South 69°51'15" East, 866.05 feet, an arc
23 length of 967.52 feet to a point for corner;
24 --South 23°39'31" East, a distance of 295.48 feet to a point
25 for the beginning of a curve to the left;
26 --Easterly, with said curve to the left, through a central
27 angle of 102°53'22", having a radius of 543.45 feet, and a chord

1 bearing and distance of South 80°52'54" East, 849.96 feet, an arc
2 length of 975.90 feet for the beginning of a curve to the right;

3 --Easterly, with said curve to the right, through a central
4 angle of 45°50'08", having a radius of 403.98 feet, and a chord
5 bearing and distance of North 70°35'29" East, 314.62 feet, an arc
6 length of 323.17 feet to a point for corner;

7 --South 86°45'34" East, a distance of 611.56 feet to a 5/8"
8 iron rod with cap found for corner;

9 --North 89°59'58" East, a distance of 386.45 feet to a 5/8"
10 iron rod with cap found for corner;

11 --South 00°12'41" East, a distance of 809.16 feet to a "PK"
12 nail found for corner;

13 --South 00°46'21" East, a distance of 3604.12 feet to a 5/8"
14 iron rod with cap found for corner, said point being the northwest
15 corner of a called 4997 square feet tract, as described in deed to
16 Ensearch Corporation, recorded in Volume 84064, Page 1370,
17 D.R.D.C.T.;

18 --North 89°08'31" West, a distance of 80.00 feet to a 5/8"
19 iron rod with cap found for corner;

20 --South 00°46'21" East, a distance of 62.53 feet to a 5/8"
21 iron rod with cap found for corner, said point being in the
22 northerly right-of-way line of Ranch Trail, (a variable width
23 public right-of-way);

24 THENCE along the northerly right-of-way line of said Ranch
25 Trail, the following courses and distances to wit:

26 --North 89°08'30" West, a distance of 1284.00 feet to a 5/8"
27 iron rod with cap found for corner;

1 --North 87°59'44" West, a distance of 200.25 feet to a 5/8"
2 iron rod with cap found for corner;

3 --North 89°08'31" West, a distance of 209.36 feet to a 5/8"
4 iron rod with cap found for corner;

5 THENCE leaving the northerly right-of-way line of said Ranch
6 Trail, the following courses and distances to wit:

7 --North 00°51'29" East, a distance of 443.28 feet to a 5/8"
8 iron rod with cap found for corner;

9 --North 29°25'57" West, a distance of 323.94 feet to a 5/8"
10 iron rod with cap found for corner;

11 --North 89°08'31" West, a distance of 591.20 feet to a 5/8"
12 iron rod with cap found for corner;

13 --South 00°51'29" West, a distance of 723.00 feet to a 5/8"
14 iron rod with cap found for corner, said point being in the
15 northerly right-of-way line of said Ranch Trail;

16 THENCE along the northerly right-of-way line of said Ranch
17 Trail, the following courses and distances to wit:

18 --North 89°08'31" West, a distance of 1216.91 feet to a 5/8"
19 iron rod with cap found for corner;

20 --North 89°18'32" West, a distance of 172.18 feet to a 5/8"
21 iron rod with cap found for corner;

22 THENCE leaving the northerly right-of-way line of said Ranch
23 Trail, along the westerly line of a Transmission Easement, recorded
24 in Volume 2001248, Page 11540, D.R.D.C.T., the following courses
25 and distances to wit:

26 --North 27°40'25" East, a distance of 906.98 feet to a point
27 for corner;

1 --North 21°52'30" East, a distance of 576.98 feet to a point
2 for corner;

3 --North 55°19'47" West, a distance of 602.33 feet to a point
4 for corner;

5 --North 58°18'20" West, a distance of 1662.99 feet to a point
6 for corner;

7 THENCE South 00°41'28" West, a distance of 2541.69 feet,
8 leaving the westerly line of said Transmission Easement, to a 5/8"
9 iron rod with cap found for corner, said point being in the
10 northerly right-of-way line of said Hackberry Road;

11 THENCE North 89°08'11" West, a distance of 2065.95 feet, along
12 the northerly right-of-way line of said Hackberry Road to the POINT
13 OF BEGINNING, and containing a Gross Area of 759.35 acres
14 (33,077,408 square feet) of land, more or less;

15 SAVE AND EXCEPT THEREFROM THE FOLLOWING 4 TRACTS:

16 SAVE AND EXCEPT (#1) a portion of land being more
17 particularly described as follows:

18 POINT OF COMMENCING at a 5/8" iron rod with cap found for
19 corner, said point being in the northerly right-of-way line of said
20 Ranch Trail, said point also being the southwest corner of said
21 called 4997 square feet tract;

22 THENCE North 89°08'30" West, a distance of 638.81 feet, along
23 the northerly right-of-way line of said Ranch Trail;

24 THENCE North 00°51'30" East, a distance of 681.35 feet,
25 departing the northerly right-of-way line of said Ranch Trail, to
26 an iron rod found for corner, said point being the POINT OF
27 BEGINNING;

1 THENCE North 84°32'23" West, a distance of 851.35 feet to a
2 point for corner;

3 THENCE North 05°50'00" East, a distance of 648.19 feet to an
4 iron rod found for corner;

5 THENCE South 84°09'37" East, a distance of 849.39 feet to an
6 iron rod found for corner;

7 THENCE South 05°39'37" West, a distance of 642.56 feet to the
8 POINT OF BEGINNING, and containing 12.60 acres (548,801 square
9 feet) of land, more or less.

10 SAVE AND EXCEPT (#2) a portion of land being more
11 particularly described as follows:

12 POINT OF COMMENCING at a 5/8" iron rod with cap found for
13 corner, said point being in the northerly right-of-way line of said
14 Ranch Trail, said point also being the southwest corner of said
15 called 4997 square feet tract;

16 THENCE North 89°08'30" West, a distance of 311.43 feet, along
17 the northerly right-of-way line of said Ranch Trail;

18 THENCE North 00°51'30" East, a distance of 391.56 feet,
19 departing the northerly right-of-way line of said Ranch Trail, to
20 the POINT OF BEGINNING;

21 THENCE North 89°59'58" West, a distance of 667.90 feet to a
22 point for corner;

23 THENCE North 00°48'46" East, a distance of 327.21 feet to a
24 point for corner;

25 THENCE South 84°32'23" East, a distance of 341.81 feet to an
26 iron rod found for corner;

27 THENCE North 05°39'37" East, a distance of 51.68 feet to a

1 point for corner;

2 THENCE South 49°50'24" East, a distance of 371.29 feet to a
3 point for corner;

4 THENCE South 17°45'24" East, a distance of 111.97 feet to the
5 POINT OF BEGINNING, and containing 4.00 acres (174,236 square feet)
6 of land, more or less.

7 SAVE AND EXCEPT (#3) a portion of land being more
8 particularly described as follows:

9 POINT OF COMMENCING at a 5/8" iron rod with cap found for
10 corner, said point being in the northerly right-of-way line of said
11 Ranch Trail, said point also being the southwest corner of said
12 called 4997 square feet tract;

13 THENCE along the northerly right-of-way line of said Ranch
14 Trail, the following courses and distances to wit:

15 -- North 89°08'30" West, a distance of 1284.00 feet, to a
16 point for corner;

17 -- North 87°59'44" West, a distance of 200.25 feet, to a point
18 for corner;

19 -- North 89°08'31" West, a distance of 1265.07 feet, to a
20 point for corner;

21 THENCE North 00°51'29" East, a distance of 680.57 feet,
22 departing the northerly right-of-way line of said Ranch Trail, to
23 the POINT OF BEGINNING;

24 THENCE North 84°46'39" West, a distance of 453.47 feet to a
25 point for corner;

26 THENCE North 32°46'18" East, a distance of 682.55 feet to a
27 point for corner;

1 THENCE South 84°46'39" East, a distance of 330.77 feet to a
2 point for corner;

3 THENCE South 20°06'59" East, a distance of 227.25 feet to a
4 point for corner;

5 THENCE South 32°46'18" West, a distance of 369.20 feet to a
6 point for corner;

7 THENCE South 63°59'50" West, a distance of 139.72 feet to the
8 POINT OF BEGINNING, and containing 6.89 acres (299,912 square feet)
9 of land, more or less.

10 SAVE AND EXCEPT (#4) a portion of land being more
11 particularly described as follows:

12 POINT OF COMMENCING at a 5/8" iron rod with cap found for
13 corner, said point being in the easterly right-of-way line of said
14 Belt Line Road, said point also being the northerly most southwest
15 corner of Tract 1;

16 THENCE North 00°30'48" West, a distance of 1192.95 feet, along
17 the easterly right-of-way line of said Belt Line Road;

18 THENCE North 89°29'12" East, a distance of 984.48 feet,
19 departing the easterly right-of-way line of said Belt Line Road, to
20 the POINT OF BEGINNING;

21 THENCE North 13°18'20" West, a distance of 186.88 feet to a
22 point for corner;

23 THENCE North 31°41'40" East, a distance of 277.00 feet to a
24 point for corner;

25 THENCE South 58°18'20" East, a distance of 575.00 feet to a
26 point for corner;

27 THENCE South 31°41'40" West, a distance of 277.00 feet to a

1 point for corner;

2 THENCE South 76°41'40" West, a distance of 186.88 feet to a
3 point for corner;

4 THENCE North 58°18'20" West, a distance of 310.71 feet to the
5 POINT OF BEGINNING, and containing 5.00 acres (217,798 square feet)
6 of land, more or less, and leaving TRACT 1 with a Net Area of 730.86
7 acres (31,836,661 square feet) of land, more or less.

8 (b) TRACT 2:

9 BEING a tract of land situated in the Jacob G. Carlock Survey,
10 Abstract No. 312, the Nancy Cousey Survey, Abstract No. 318, and the
11 McKinney F. Williams Survey, Abstract No. 1054, in the City of
12 Dallas, Dallas County, Texas, and being a portion of those tracts of
13 land described in deed to Luminant Generation Company, LLC,
14 formerly TXU Generation Company LP, recorded in Volume 2001248,
15 Page 11540 of the Deed Records of Dallas County, Texas, and being
16 more particularly described as follows:

17 POINT OF COMMENCING at a 5/8" iron pipe with cap found at a
18 corner clip at the intersection of the southerly right-of-way line
19 of East Belt Line Road (a variable width public right-of-way) and
20 the easterly right-of-way line of Sanders Loop (a 60-foot width
21 right-of-way);

22 THENCE along the southerly right-of-way line of said East
23 Belt Line Road, the following courses and distances to wit:

24 --North 89°41'24" East, a distance of 666.55 feet, to a 1/2"
25 iron pipe with cap found for corner for the beginning of a curve to
26 the left;

27 --Easterly, with said curve to the left, through a central

1 angle of $14^{\circ}45'11''$, having a radius of 1684.45 feet, and a chord
2 bearing and distance of North $82^{\circ}18'48''$ East, 432.53 feet, an arc
3 length of 433.73 feet to a 1/2" iron pipe with cap found for corner
4 for the POINT OF BEGINNING, said point being the beginning of a
5 curve to the left;

6 THENCE continuing along the southerly right-of-way line of
7 said East Belt Line Road, the following courses and distances to
8 wit:

9 --Easterly, with said curve to the left, through a central
10 angle of $44^{\circ}20'08''$, having a radius of 1492.40 feet, and a chord
11 bearing and distance of North $51^{\circ}48'48''$ East, 1126.23 feet, an arc
12 length of 1154.82 feet to a point for corner;

13 --North $29^{\circ}38'44''$ East, a distance of 579.43 feet, to a 1"
14 iron rod found for corner for the beginning of a curve to the right;

15 --Easterly, with said curve to the right, through a central
16 angle of $37^{\circ}43'34''$, having a radius of 1849.85 feet, and a chord
17 bearing and distance of North $48^{\circ}30'31''$ East, 1196.14 feet, an arc
18 length of 1218.02 feet to a 1/2" iron rod found for corner;

19 --North $67^{\circ}22'17''$ East, a distance of 1490.05 feet, to a 3/4"
20 iron pipe found for corner for the beginning of a curve to the
21 right;

22 --Easterly, with said curve to the right, through a central
23 angle of $41^{\circ}16'11''$, having a radius of 2804.79 feet, and a chord
24 bearing and distance of North $87^{\circ}58'47''$ East, 1976.88 feet, an arc
25 length of 2020.27 feet to a point for corner at a corner clip at the
26 intersection of the southerly right-of-way line of said East Belt
27 Line Road and the westerly right-of-way line of South Northlake

1 Road (an 80-foot width right-of-way);

2 THENCE along the westerly right-of-way line of said South
3 Northlake Road, the following courses and distances to wit:

4 --South 26°07'21" East, a distance of 57.54 feet, to a point
5 for corner for the beginning of a non-tangent curve to the left;

6 --Southerly, with said non-tangent curve to the left, through
7 a central angle of 17°15'16", having a radius of 858.51 feet, and a
8 chord bearing and distance of South 08°09'10" West, 257.56 feet, an
9 arc length of 258.54 feet to a point for corner;

10 --South 00°28'28" East, a distance of 331.72 feet, to a point
11 for corner;

12 --South 01°03'30" East, a distance of 446.34 feet, to a mag
13 nail found for corner;

14 THENCE leaving the westerly right-of-way line of said South
15 Northlake Road, the following courses and distances to wit:

16 --South 00°41'14" West, a distance of 59.74 feet, to a point
17 for corner;

18 --North 89°38'49" East, a distance of 37.29 feet, to a 1/2"
19 iron pipe with cap found for corner;

20 --South 00°34'34" East, a distance of 663.61 feet, to a point
21 for corner;

22 --South 89°59'58" West, a distance of 907.02 feet, to a point
23 for corner;

24 --South 27°05'01" East, a distance of 128.90 feet, to a point
25 for corner;

26 --North 69°14'19" West, a distance of 61.87 feet, to a point
27 for corner;

1 --North 89°29'16" West, a distance of 799.56 feet, to a point
2 for corner;

3 --North 87°02'10" West, a distance of 844.03 feet, to a point
4 for corner for the beginning of a curve to the right;

5 --Westerly, with said curve to the right, through a central
6 angle of 17°19'38", having a radius of 100.00 feet, and a chord
7 bearing and distance of North 78°22'21" West, 30.13 feet, an arc
8 length of 30.24 feet to a point for corner;

9 --North 69°42'32" West, a distance of 118.61 feet, to a point
10 for corner;

11 --South 31°17'57" West, a distance of 427.71 feet, to a point
12 for corner for the beginning of a curve to the left;

13 --Southerly, with said curve to the left, through a central
14 angle of 28°51'04", having a radius of 1375.75 feet, and a chord
15 bearing and distance of South 12°00'33" West, 685.46 feet, an arc
16 length of 692.75 feet to a point for corner for the beginning of a
17 reverse curve to the right;

18 --Southerly, with said reverse curve to the right, through a
19 central angle of 12°36'46", having a radius of 1738.86 feet, and a
20 chord bearing and distance of South 08°31'33" West, 382.01 feet, an
21 arc length of 382.78 feet to a point for corner;

22 --South 15°30'32" West, a distance of 34.97 feet, to a point
23 for corner for the beginning of a curve to the left;

24 --Southerly, with said curve to the left, through a central
25 angle of 74°33'21", having a radius of 50.00 feet, and a chord
26 bearing and distance of South 21°46'08" East, 60.57 feet, an arc
27 length of 65.06 feet to a point for corner;

1 --South 59°02'48" East, a distance of 9.59 feet, to a point
2 for corner for the beginning of a curve to the right;

3 --Southerly, with said curve to the right, through a central
4 angle of 126°19'40", having a radius of 25.00 feet, and a chord
5 bearing and distance of South 04°07'02" West, 44.62 feet, an arc
6 length of 55.12 feet to a point for corner;

7 --South 67°16'52" West, a distance of 57.30 feet, to a point
8 for corner for the beginning of a curve to the left;

9 --Southerly, with said curve to the left, through a central
10 angle of 45°03'15", having a radius of 50.00 feet, and a chord
11 bearing and distance of South 44°45'14" West, 38.31 feet, an arc
12 length of 39.32 feet to a point for corner;

13 --South 22°13'36" West, a distance of 51.27 feet, to a point
14 for corner for the beginning of a curve to the right;

15 --Southerly, with said curve to the right, through a central
16 angle of 12°52'49", having a radius of 1738.86 feet, and a chord
17 bearing and distance of South 29°30'27" West, 390.08 feet, an arc
18 length of 390.90 feet to a point for corner;

19 --South 37°34'26" West, a distance of 135.48 feet, to a point
20 for corner for the beginning of a curve to the left;

21 --Southerly, with said curve to the left, through a central
22 angle of 51°13'26", having a radius of 50.00 feet, and a chord
23 bearing and distance of South 11°57'43" West, 43.23 feet, an arc
24 length of 44.70 feet to a point for corner;

25 --South 13°39'00" East, a distance of 151.04 feet, to a point
26 for corner for the beginning of a curve to the right;

27 --Southwesterly, with said curve to the right, through a

1 central angle of $121^{\circ}16'27''$, having a radius of 50.00 feet, and a
2 chord bearing and distance of South $46^{\circ}59'14''$ West, 87.15 feet, an
3 arc length of 105.83 feet to a point for corner;

4 --North $72^{\circ}22'33''$ West, a distance of 242.60 feet, to a point
5 for corner for the beginning of a curve to the left;

6 --Westerly, with said curve to the left, through a central
7 angle of $33^{\circ}20'29''$, having a radius of 200.00 feet, and a chord
8 bearing and distance of North $89^{\circ}02'47''$ West, 114.75 feet, an arc
9 length of 116.38 feet to a point for corner;

10 --South $74^{\circ}16'58''$ West, a distance of 575.84 feet, to a point
11 for corner for the beginning of a curve to the right;

12 --Southwesterly, with said curve to the right, through a
13 central angle of $07^{\circ}56'12''$, having a radius of 100.00 feet, and a
14 chord bearing and distance of South $78^{\circ}15'04''$ West, 13.84 feet, an
15 arc length of 13.85 feet to a point for corner;

16 --South $82^{\circ}13'10''$ West, a distance of 348.79 feet, to a point
17 for corner for the beginning of a curve to the left;

18 --Southwesterly, with said curve to the left, through a
19 central angle of $20^{\circ}16'51''$, having a radius of 100.00 feet, and a
20 chord bearing and distance of South $72^{\circ}04'44''$ West, 35.21 feet, an
21 arc length of 35.40 feet to a point for corner;

22 --South $61^{\circ}56'19''$ West, a distance of 104.25 feet, to a point
23 for corner for the beginning of a non-tangent curve to the left;

24 --Southwesterly, with said non-tangent curve to the left,
25 through a central angle of $35^{\circ}48'44''$, having a radius of 451.03
26 feet, and a chord bearing and distance of South $47^{\circ}33'03''$ West,
27 277.34 feet, an arc length of 281.91 feet to a point for corner for

1 the beginning of a non-tangent reverse curve to the right;

2 --Southwesterly, with said non-tangent reverse curve to the
3 right, through a central angle of $21^{\circ}43'25''$, having a radius of
4 1682.82 feet, and a chord bearing and distance of South $48^{\circ}00'48''$
5 West, 634.22 feet, an arc length of 638.04 feet to a point for
6 corner for the beginning of a compound curve to the right;

7 --Southwesterly, with said compound curve to the right,
8 through a central angle of $33^{\circ}31'06''$, having a radius of 1000.00
9 feet, and a chord bearing and distance of South $75^{\circ}38'03''$ West,
10 576.70 feet, an arc length of 585.00 feet to a point for corner for
11 the beginning of a reverse curve to the left;

12 --Southwesterly, with said reverse curve to the left, through
13 a central angle of $57^{\circ}11'43''$, having a radius of 100.00 feet, and a
14 chord bearing and distance of South $63^{\circ}47'45''$ West, 95.73 feet, an
15 arc length of 99.82 feet to a point for corner for the beginning of a
16 reverse curve to the right;

17 --Southwesterly, with said reverse curve to the right,
18 through a central angle of $55^{\circ}20'21''$, having a radius of 849.05
19 feet, and a chord bearing and distance of South $62^{\circ}52'04''$ West,
20 788.55 feet, an arc length of 820.05 feet to a point for corner;

21 --West, a distance of 187.74 feet, to a point for corner, said
22 point being in the easterly right-of-way line of South Belt Line
23 Road (a variable width public right-of-way);

24 THENCE along the easterly right-of-way line of said South
25 Belt Line Road, the following courses and distances to wit:

26 --North $00^{\circ}34'47''$ West, a distance of 41.91 feet, to a point
27 for corner;

1 --North 00°34'57" West, a distance of 283.17 feet, to a 5/8"
2 iron rod with cap found for corner;

3 --North 00°32'02" West, a distance of 1232.51 feet, to an "X"
4 found for corner at a corner clip at the intersection of the
5 easterly right-of-way line of said South Belt Line Road and the
6 southerly right-of-way line of said Sanders Loop;

7 THENCE along the southerly and easterly right-of-way line of
8 said Sanders Loop, the following courses and distances to wit:

9 --North 44°43'45" East, a distance of 28.28 feet, to an "X"
10 found for corner;

11 --North 89°37'59" East, a distance of 521.23 feet, to a 5/8"
12 iron pipe with cap found for corner;

13 --North 00°41'00" West, a distance of 506.40 feet, to a point
14 for corner;

15 THENCE departing the easterly right-of-way line of said
16 Sanders Loop, the following courses and distances to wit:

17 --North 89°59'58" East, a distance of 1023.17 feet, to a point
18 for corner, said point being in the westerly line of a 170-foot wide
19 Electric Transmission Easement (Tract 1) in Special Warranty Deed
20 recorded in Volume 2001248, Page 11540, D.R.D.C.T.;

21 --North 20°08'20" East, a distance of 633.78 feet, along the
22 westerly line of a said Electric Transmission Easement, to a point
23 for corner;

24 --North 38°46'45" East, a distance of 245.52 feet, continuing
25 along the westerly line of a said Electric Transmission Easement,
26 to a point for corner;

27 --South 89°59'58" West, a distance of 278.55 feet, departing

1 the westerly line of a said Electric Transmission Easement, to the
2 POINT OF BEGINNING, and containing a Gross Area of 338.88 acres
3 (14,761,616 square feet) of land, more or less;

4 SAVE AND EXCEPT THEREFROM THE FOLLOWING 3 TRACTS:

5 SAVE AND EXCEPT (#1) a portion of land being more
6 particularly described as follows:

7 POINT OF COMMENCING at a 5/8" iron pipe with cap found at a
8 corner clip at the intersection of the southerly right-of-way line
9 of said East Belt Line Road and the easterly right-of-way line of
10 said Sanders Loop;

11 THENCE along the southerly right-of-way line of said East
12 Belt Line Road, the following courses and distances to wit:

13 --North 89°41'24" East, a distance of 666.55 feet, to a 1/2"
14 iron pipe with cap found for corner for the beginning of a curve to
15 the left;

16 --Easterly, with said curve to the left, through a central
17 angle of 14°45'11", having a radius of 1684.45 feet, and a chord
18 bearing and distance of North 82°18'48" East, 432.53 feet, an arc
19 length of 433.73 feet to a 1/2" iron pipe with cap found for corner
20 for the POINT OF BEGINNING, said point being the beginning of a
21 curve to the left;

22 THENCE continuing along the southerly right-of-way line of
23 said East Belt Line Road, the following courses and distances to
24 wit:

25 --Easterly, with said curve to the left, through a central
26 angle of 44°20'08", having a radius of 1492.40 feet, and a chord
27 bearing and distance of North 51°48'48" East, 1126.23 feet, an arc

1 length of 1154.82 feet to a point for corner;
2 --North 29°38'44" East, a distance of 579.43 feet, to a 1"
3 iron rod found for corner for the beginning of a curve to the right;
4 --Easterly, with said curve to the right, through a central
5 angle of 37°43'34", having a radius of 1849.85 feet, and a chord
6 bearing and distance of North 48°30'31" East, 1196.14 feet, an arc
7 length of 1218.02 feet to a 1/2" iron rod found for corner;
8 --North 67°22'17" East, a distance of 1490.05 feet, to a 3/4"
9 iron pipe found for corner for the beginning of a curve to the
10 right;
11 --Easterly, with said curve to the right, through a central
12 angle of 04°15'22", having a radius of 2804.79 feet, and a chord
13 bearing and distance of North 69°28'23" East, 208.30 feet, an arc
14 length of 208.35 feet to a point for corner;
15 THENCE departing the southerly right-of-way line of said East
16 Belt Line Road, the following courses and distances to wit:
17 --South 10°37'36" East, a distance of 152.65 feet, to a point
18 for corner;
19 --South 07°57'55" East, a distance of 246.27 feet, to a point
20 for corner;
21 --North 77°48'47" East, a distance of 1000.02 feet, to a point
22 for corner;
23 --South 62°02'11" East, a distance of 263.63 feet, to a point
24 for corner;
25 --South 77°48'46" East, a distance of 549.80 feet, to a point
26 for corner;
27 --South 00°00'02" East, a distance of 219.19 feet, to a point

1 for corner;

2 --North 89°59'58" East, a distance of 1036.92 feet, to a point
3 for corner;

4 --South 07°57'55" East, a distance of 246.27 feet, to a point
5 for corner, said point being in the westerly right-of-way line of
6 said South Northlake Road;

7 THENCE South 01°03'30" East, a distance of 446.34 feet, along
8 the westerly right-of-way line of said South Northlake Road, to a
9 mag nail found for corner;

10 THENCE South 00°41'14" West, a distance of 59.74 feet,
11 departing the westerly right-of-way line of said South Northlake
12 Road, to a point for corner;

13 THENCE North 89°38'49" East, a distance of 37.29 feet, to a
14 1/2" iron pipe with cap found for corner;

15 THENCE South 00°34'34" East, a distance of 663.61 feet, to a
16 point for corner;

17 THENCE South 89°59'58" West, a distance of 907.02 feet, to a
18 point for corner;

19 THENCE South 27°05'01" East, a distance of 128.90 feet, to a
20 point for corner;

21 THENCE North 69°14'19" West, a distance of 61.87 feet, to a
22 point for corner;

23 THENCE South 89°29'16" West, a distance of 799.56 feet, to a
24 point for corner;

25 THENCE North 87°02'10" West, a distance of 844.03 feet, to a
26 point for corner for the beginning of a curve to the left;

27 THENCE westerly, with said curve to the left, through a

1 central angle of 17°19'38", having a radius of 100.00 feet, and a
2 chord bearing and distance of North 78°22'21" West, 30.13 feet, an
3 arc length of 30.24 feet to a point for corner;

4 THENCE North 69°42'32" West, a distance of 118.61 feet, to a
5 point for corner;

6 THENCE North 73°57'13" West, a distance of 50.94 feet, to a
7 point for corner;

8 THENCE North 67°29'55" West, a distance of 376.50 feet, to a
9 point for corner;

10 THENCE North 71°24'21" West, a distance of 478.92 feet, to a
11 point for corner;

12 THENCE South 60°19'57" West, a distance of 469.83 feet, to a
13 point for corner;

14 THENCE South 51°57'35" West, a distance of 476.83 feet, to a
15 point for corner;

16 THENCE South 51°29'18" West, a distance of 450.28 feet, to a
17 point for corner;

18 THENCE South 55°18'30" West, a distance of 202.63 feet, to a
19 point for corner;

20 THENCE South 36°33'51" West, a distance of 258.05 feet, to a
21 point for corner;

22 THENCE South 89°59'58" West, a distance of 465.27 feet, to the
23 POINT OF BEGINNING, and containing 132.11 acres (5,754,834 square
24 feet) of land, more or less.

25 SAVE AND EXCEPT (#2) a portion of land being more
26 particularly described as follows:

27 POINT OF COMMENCING at a corner clip at the intersection of

1 the southerly right-of-way line of said East Belt Line Road and the
2 westerly right-of-way line of said South Northlake Road;

3 THENCE along the westerly right-of-way line of said South
4 Northlake Road, the following courses and distances to wit:

5 --South 26°07'21" East, a distance of 57.54 feet, to a point
6 for corner for the beginning of a non-tangent curve to the left;

7 --Southerly, with said non-tangent curve to the left, through
8 a central angle of 17°15'16", having a radius of 858.51 feet, and a
9 chord bearing and distance of South 08°09'10" West, 257.56 feet, an
10 arc length of 258.54 feet to a point for corner;

11 --South 00°28'28" East, a distance of 331.72 feet, to a point
12 for corner;

13 THENCE South 89°59'58" West, a distance of 205.12 feet,
14 departing the westerly right-of-way line of said South Northlake
15 Road, to the POINT OF BEGINNING;

16 THENCE South 89°59'58" West, a distance of 230.05 feet, to a
17 point for corner;

18 THENCE North 39°28'39" West, a distance of 118.02 feet, to a
19 point for corner;

20 THENCE South 88°59'00" West, a distance of 115.21 feet, to a
21 point for corner;

22 THENCE North 26°46'14" West, a distance of 221.20 feet, to a
23 point for corner;

24 THENCE North 77°48'46" East, a distance of 505.54 feet, to a
25 point for corner;

26 THENCE South 03°44'54" East, a distance of 394.11 feet, to the
27 POINT OF BEGINNING, and containing 3.23 acres

1 (140,525 square feet) of land, more or less.

2 SAVE AND EXCEPT (#3) a portion of land being more
3 particularly described as follows:

4 POINT OF BEGINNING at a point in the southerly right-of-way
5 line of said Sanders Loop, said point bears North 44°43'45" East,
6 172.76 feet along the southerly right-of-way line of said Sanders
7 Loop from a corner clip at the intersection of the easterly
8 right-of-way line of said Belt Line Road;

9 THENCE North 89°37'59" East, a distance of 278.85 feet, along
10 the southerly right-of-way line of said Sanders Loop, to a point for
11 corner, said point being the beginning of a non-tangent curve to the
12 left;

13 THENCE departing the southerly right-of-way line of said
14 Sanders Loop, the following courses and distances to wit:

15 --Southeasterly, with said non-tangent curve to the left,
16 through a central angle of 32°38'41", having a radius of 510 feet,
17 and a chord bearing and distance of South 52°55'29" East, 286.66
18 feet, an arc length of 290.58 feet to a point for corner;

19 --South 00°22'01" East, a distance of 302.72 feet, to a point
20 for corner;

21 --South 89°37'59" West, a distance of 506.45 feet, to a point
22 for corner;

23 --North 00°22'01" West, a distance of 477.00 feet, to the
24 POINT OF BEGINNING, and containing 5.00 acres (217,799 square feet)
25 of land, more or less, and leaving Net Areas as follows:

26 Tract 2A containing 178.98 acres (7,796,183 square feet) of
27 land, more or less,

1 Tract 2B containing 17.01 acres (740,901 square feet) of
2 land, more or less,

3 Tract 2C containing 2.56 acres (111,374 square feet) of land,
4 more or less.

5 (c) TRACT 3:

6 BEING a tract of land situated in the Jacob G. Carlock Survey,
7 Abstract No. 312, in the City of Dallas, Dallas County, Texas, and
8 being a portion of those tracts of land described in deed to
9 Luminant Generation Company, LLC, formerly TXU Generation Company
10 LP, recorded in Volume 2001248, Page 11540 of the Deed Records of
11 Dallas County, Texas, and being more particularly described as
12 follows:

13 POINT OF COMMENCING at the southeast corner of Tract 2;

14 THENCE South 00°34'34" East, a distance of 145.00 feet, to a
15 3" fence post found for corner for the POINT OF BEGINNING;

16 THENCE North 89°31'11" East, a distance of 538.69 feet, to a
17 3" fence post found for corner;

18 THENCE South 00°35'34" East, a distance of 689.26 feet, to a
19 3" fence post found for corner;

20 THENCE North 89°32'29" West, a distance of 201.09 feet, to a
21 1/2" iron pipe with cap found for corner;

22 THENCE North 30°30'42" West, a distance of 676.98 feet, to a
23 1/2" iron pipe with cap found for corner;

24 THENCE North 00°34'34" West, a distance of 99.87 feet, to the
25 POINT OF BEGINNING, and containing 6.22 acres (270,922 square feet)
26 of land, more or less.

27 SECTION 3. (a) The legal notice of the intention to

1 introduce this Act, setting forth the general substance of this
2 Act, has been published as provided by law, and the notice and a
3 copy of this Act have been furnished to all persons, agencies,
4 officials, or entities to which they are required to be furnished
5 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
6 Government Code.

7 (b) The governor, one of the required recipients, has
8 submitted the notice and Act to the Texas Commission on
9 Environmental Quality.

10 (c) The Texas Commission on Environmental Quality has filed
11 its recommendations relating to this Act with the governor, the
12 lieutenant governor, and the speaker of the house of
13 representatives within the required time.

14 (d) All requirements of the constitution and laws of this
15 state and the rules and procedures of the legislature with respect
16 to the notice, introduction, and passage of this Act are fulfilled
17 and accomplished.

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