

1-1 By: Parker (Senate Sponsor - Estes) H.B. No. 4752
1-2 (In the Senate - Received from the House May 18, 2009;
1-3 May 19, 2009, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 22, 2009, reported favorably by
1-5 the following vote: Yeas 5, Nays 0; May 22, 2009, sent to printer.)

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

1-8 relating to the creation of the Prosper Management District No. 1;
1-9 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 3886 to read as follows:

1-13 CHAPTER 3886. PROSPER MANAGEMENT DISTRICT NO. 1

1-14 SUBCHAPTER A. GENERAL PROVISIONS

1-15 Sec. 3886.001. DEFINITIONS. In this chapter:

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

1-17 (2) "Director" means a board member.

1-18 (3) "District" means the Prosper Management District
1-19 No. 1.

1-20 (4) "Improvement project" means any program or project
1-21 authorized by Section 3886.103, inside or outside the district.

1-22 (5) "Town" means the Town of Prosper, Texas.

1-23 Sec. 3886.002. NATURE OF DISTRICT. The district is a
1-24 special district created under Sections 52 and 52-a, Article III,
1-25 and Section 59, Article XVI, Texas Constitution.

1-26 Sec. 3886.003. FINDINGS OF PUBLIC PURPOSE AND BENEFIT. (a)
1-27 The district is created to serve a public purpose and benefit.

1-28 (b) All land and other property included in the district
1-29 will benefit from the improvements and services to be provided by
1-30 the district under powers conferred by Sections 52 and 52-a,
1-31 Article III, and Section 59, Article XVI, Texas Constitution, and
1-32 other powers granted under this chapter.

1-33 (c) The district is created to accomplish the purposes of a
1-34 municipal management district as provided by general law and
1-35 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-36 Texas Constitution.

1-37 (d) The creation of the district is in the public interest
1-38 and is essential to:

1-39 (1) further the public purposes of developing and
1-40 diversifying the economy of the state;

1-41 (2) eliminate unemployment and underemployment; and

1-42 (3) develop or expand transportation and commerce.

1-43 (e) The district will:

1-44 (1) promote the health, safety, and general welfare of
1-45 residents, employers, employees, potential employees, visitors,
1-46 and consumers in the district, and of the public;

1-47 (2) provide needed funding for the district to
1-48 preserve, maintain, and enhance the economic health and vitality of
1-49 the district territory as a community and business center; and

1-50 (3) promote the health, safety, welfare, and enjoyment
1-51 of the public by providing pedestrian ways and by landscaping and
1-52 developing certain areas in the district, which are necessary for
1-53 the restoration, preservation, and enhancement of scenic beauty.

1-54 (f) Pedestrian ways along or across a street, whether at
1-55 grade or above or below the surface, and street lighting, street
1-56 landscaping, parking, and street art objects are parts of and
1-57 necessary components of a street and are considered to be a street
1-58 or road improvement.

1-59 (g) The district will not act as the agent or
1-60 instrumentality of any private interest even though the district
1-61 will benefit many private interests as well as the public.

1-62 (h) This chapter and the creation of the district may not be
1-63 interpreted to relieve the town, Collin County, or Denton County
1-64 from providing the level of services provided as of the effective

2-1 date of the Act creating this chapter to the area in the district.
 2-2 The district is created to supplement and not to supplant the town
 2-3 and county services provided in the district.
 2-4 Sec. 3886.004. INITIAL DISTRICT TERRITORY. (a) The
 2-5 district is initially composed of the territory described by
 2-6 Section 2 of the Act creating this chapter.
 2-7 (b) The boundaries and field notes contained in Section 2 of
 2-8 the Act creating this chapter form a closure. A mistake made in the
 2-9 field notes or in copying the field notes in the legislative process
 2-10 does not affect the district's:
 2-11 (1) organization, existence, or validity;
 2-12 (2) right to issue any type of bond for the purposes
 2-13 for which the district is created or to pay the principal of and
 2-14 interest on a bond;
 2-15 (3) right to impose a tax; or
 2-16 (4) legality or operation.
 2-17 Sec. 3886.005. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
 2-18 (a) All or any part of the area of the district is eligible to be
 2-19 included in:
 2-20 (1) a tax increment reinvestment zone created by the
 2-21 town under Chapter 311, Tax Code;
 2-22 (2) a tax abatement reinvestment zone created by the
 2-23 town under Chapter 312, Tax Code; or
 2-24 (3) an enterprise zone created by the town under
 2-25 Chapter 2303, Government Code.
 2-26 (b) If the town creates a tax increment reinvestment zone,
 2-27 tax abatement reinvestment zone, or enterprise zone under
 2-28 Subsection (a), the town and the board of directors of the zone, by
 2-29 contract with the district, may grant money deposited in the tax
 2-30 increment fund to the district to be used by the district for the
 2-31 purposes described by Section 380.002(b), Local Government Code,
 2-32 for money granted to a corporation under that section, including
 2-33 the right to pledge the money as security for any bonds issued by
 2-34 the district for an improvement project.
 2-35 [Sections 3886.006-3886.050 reserved for expansion]
 2-36 SUBCHAPTER B. BOARD OF DIRECTORS
 2-37 Sec. 3886.051. GOVERNING BODY; TERMS. (a) The district is
 2-38 governed by a board of five directors.
 2-39 (b) Directors serve staggered four-year terms, with the
 2-40 terms of two or three directors expiring on June 1 of each
 2-41 odd-numbered year.
 2-42 (c) The governing body of the town, by a majority vote,
 2-43 shall appoint one member of the board.
 2-44 (d) The board shall recommend to the governing body of the
 2-45 town persons to serve in the other four positions. The board shall
 2-46 recommend to the governing body of the town the appropriate number
 2-47 of successor directors before the terms of directors appointed
 2-48 under this subsection expire. After reviewing the recommendations,
 2-49 the governing body shall approve or disapprove the directors
 2-50 recommended by the board. If the governing body is not satisfied
 2-51 with the recommendations submitted by the board, the board, on the
 2-52 request of the governing body, shall submit additional
 2-53 recommendations.
 2-54 (e) Board members may serve successive terms.
 2-55 (f) If any provision of Subsection (c), (d), or (e) is found
 2-56 to be invalid, the Texas Commission on Environmental Quality shall
 2-57 appoint the board from recommendations submitted by the preceding
 2-58 board.
 2-59 Sec. 3886.052. ELIGIBILITY. Except for a director
 2-60 appointed as provided by Section 3886.051(c) or 3886.056(a), to be
 2-61 eligible to serve as a director a person must own land in the
 2-62 district. Section 49.052, Water Code, applies to the district.
 2-63 Sec. 3886.053. VACANCY. (a) The remaining directors shall
 2-64 fill a vacancy on the board by appointing a person who is eligible
 2-65 under Section 3886.052.
 2-66 (b) If there are fewer than three directors, the governing
 2-67 body of the town shall appoint the necessary number of directors to
 2-68 fill all board vacancies.
 2-69 Sec. 3886.054. DIRECTOR'S OATH AND AFFIRMATION. A

3-1 director's oath and affirmation of office shall be filed with the
 3-2 district, and the district shall retain the oath and affirmation in
 3-3 the district records.

3-4 Sec. 3886.055. OFFICERS. The board shall elect from among
 3-5 the directors a chair, a vice chair, and a secretary.

3-6 Sec. 3886.056. INITIAL DIRECTORS. (a) The governing body
 3-7 of the town shall appoint one initial director not later than the
 3-8 90th day after the effective date of the Act creating the district.

3-9 (b) On or after the effective date of the Act creating the
 3-10 district, the owner or owners of a majority of the assessed value of
 3-11 the real property in the district may submit a petition to the
 3-12 governing body of the town requesting that the governing body
 3-13 appoint as additional initial directors the four persons named in
 3-14 the petition.

3-15 (c) If a petition described by Subsection (b) is not
 3-16 submitted to the governing body of the town not later than the 30th
 3-17 day after the effective date of the Act creating the district, the
 3-18 governing body shall appoint as initial directors four additional
 3-19 persons eligible under Section 3886.052.

3-20 (d) The four initial directors named in the petition
 3-21 described by Subsection (b) or appointed under Subsection (c) shall
 3-22 draw lots to determine which two directors shall serve two-year
 3-23 terms and which two directors shall serve four-year terms. The
 3-24 director appointed by the town under Subsection (a) shall serve a
 3-25 four-year term.

3-26 (e) This section expires September 1, 2013.

3-27 [Sections 3886.057-3886.100 reserved for expansion]

3-28 SUBCHAPTER C. POWERS AND DUTIES

3-29 Sec. 3886.101. GENERAL POWERS AND DUTIES. The district has
 3-30 the powers and duties necessary to accomplish the purposes for
 3-31 which the district is created.

3-32 Sec. 3886.102. MUNICIPAL MANAGEMENT DISTRICT POWERS AND
 3-33 DUTIES. (a) The district has the powers and duties provided by the
 3-34 general laws of this state, including Chapter 375, Local Government
 3-35 Code, as applicable to municipal management districts created under
 3-36 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
 3-37 Texas Constitution.

3-38 (b) The district shall make available a district water or
 3-39 wastewater facility to each person who holds a certificate of
 3-40 convenience and necessity under Chapter 13, Water Code, for land in
 3-41 the district.

3-42 (c) The district may not provide retail water or wastewater
 3-43 services.

3-44 Sec. 3886.103. IMPROVEMENT PROJECTS. (a) Subject to
 3-45 Sections 3886.102(b) and (c), the district may provide, or it may
 3-46 enter into contracts with a governmental or private entity to
 3-47 provide, the following types of improvement projects located in the
 3-48 district or activities in support of or incidental to those
 3-49 projects:

3-50 (1) a supply and distribution facility or system to
 3-51 provide potable and town-approved nonpotable water to the residents
 3-52 and businesses of the district, including a wastewater collection
 3-53 facility;

3-54 (2) a paved road, street, or turnpike, inside and
 3-55 outside the district, to the extent authorized by Section 52,
 3-56 Article III, Texas Constitution;

3-57 (3) the planning, design, construction, improvement,
 3-58 and maintenance of:

3-59 (A) landscaping;

3-60 (B) highway right-of-way or transit corridor
 3-61 beautification and improvement;

3-62 (C) lighting, banners, and signs;

3-63 (D) a street or sidewalk;

3-64 (E) a hiking and cycling path or trail;

3-65 (F) a pedestrian walkway, skywalk, crosswalk, or
 3-66 tunnel;

3-67 (G) a park, lake, garden, recreational facility,
 3-68 sports facility, open space, scenic area, or related exhibit or
 3-69 preserve;

4-1 (H) a fountain, plaza, or pedestrian mall; or
 4-2 (I) a drainage or storm-water detention
 4-3 improvement;
 4-4 (4) protection and improvement of the quality of storm
 4-5 water that flows through the district;
 4-6 (5) the planning, design, construction, improvement,
 4-7 maintenance, and operation of:
 4-8 (A) a water or sewer facility; or
 4-9 (B) an off-street parking facility or heliport;
 4-10 (6) the planning and acquisition of:
 4-11 (A) public art and sculpture and related exhibits
 4-12 and facilities; or
 4-13 (B) an educational and cultural exhibit or
 4-14 facility;
 4-15 (7) the planning, design, construction, acquisition,
 4-16 lease, rental, improvement, maintenance, installation, and
 4-17 management of and provision of furnishings for a facility for:
 4-18 (A) a conference, convention, or exhibition;
 4-19 (B) a manufacturer, consumer, or trade show;
 4-20 (C) a civic, community, or institutional event;
 4-21 or
 4-22 (D) an exhibit, display, attraction, special
 4-23 event, or seasonal or cultural celebration or holiday;
 4-24 (8) the removal, razing, demolition, or clearing of
 4-25 land or improvements in connection with improvement projects;
 4-26 (9) the acquisition and improvement of land or other
 4-27 property for the mitigation of the environmental effects of an
 4-28 improvement project;
 4-29 (10) the acquisition of property or an interest in
 4-30 property in connection with an authorized improvement project;
 4-31 (11) a special or supplemental service for the
 4-32 improvement and promotion of the district or an area adjacent to the
 4-33 district or for the protection of public health and safety in or
 4-34 adjacent to the district, including:
 4-35 (A) advertising;
 4-36 (B) promotion;
 4-37 (C) tourism;
 4-38 (D) health and sanitation;
 4-39 (E) public safety;
 4-40 (F) security;
 4-41 (G) fire protection or emergency medical
 4-42 services;
 4-43 (H) business recruitment;
 4-44 (I) development;
 4-45 (J) elimination of traffic congestion; and
 4-46 (K) recreational, educational, or cultural
 4-47 improvements, enhancements, and services; or
 4-48 (12) any similar public improvement, facility, or
 4-49 service.
 4-50 (b) Subject to Section 3886.104, the district may not
 4-51 undertake an improvement project under this section unless the
 4-52 board determines the project to be necessary to accomplish a public
 4-53 purpose of the district.
 4-54 (c) An improvement project must comply with any applicable
 4-55 town requirements, including codes and ordinances and any planned
 4-56 development ordinance applicable to land in the district.
 4-57 (d) The district may not provide, conduct, or authorize an
 4-58 improvement project on the town streets, highways, rights-of-way,
 4-59 or easements without the consent of the governing body of the town.
 4-60 (e) Subject to an agreement between the district and the
 4-61 town, the town may:
 4-62 (1) by ordinance, order, or resolution require that
 4-63 title to all or any portion of an improvement project vest in the
 4-64 town; or
 4-65 (2) by ordinance, order, resolution, or other
 4-66 directive, authorize the district to own, encumber, maintain, and
 4-67 operate an improvement project, subject to the right of the town to
 4-68 order a conveyance of the improvement project to the town on a date
 4-69 determined by the town, provided, however, that if an improvement

5-1 project is conveyed to the town, the improvement project will
5-2 continue to be used to serve land in the district.
5-3 (f) The district shall immediately comply with any town
5-4 ordinance, order, or resolution adopted under Subsection (e).
5-5 (g) For the purposes of this section, planning, design,
5-6 construction, improvement, and maintenance of a lake includes work
5-7 done for drainage, reclamation, or recreation.
5-8 Sec. 3886.104. PROJECT DEVELOPMENT AGREEMENT
5-9 REQUIRED. Before the district may issue bonds, impose taxes, or
5-10 borrow money, the district and the town must negotiate and execute a
5-11 mutually approved and accepted interlocal project development
5-12 agreement regarding the district's development plans and rules for:
5-13 (1) the development and operation of the district; and
5-14 (2) the financing of improvement projects.
5-15 Sec. 3886.105. GENERAL POWERS REGARDING CONTRACTS. (a)
5-16 The district may:
5-17 (1) contract with any person to accomplish any
5-18 district purpose, including a contract for:
5-19 (A) the payment, repayment, or reimbursement of
5-20 costs incurred by that person on behalf of the district, including
5-21 all or part of the costs of any improvement project and interest on
5-22 the reimbursed cost; or
5-23 (B) the use, occupancy, lease, rental,
5-24 operation, maintenance, or management of all or part of a proposed
5-25 or existing improvement project; and
5-26 (2) apply for and contract with any person to receive,
5-27 administer, and perform a duty or obligation of the district under a
5-28 federal, state, local, or private gift, grant, loan, conveyance,
5-29 transfer, bequest, or other financial assistance arrangement
5-30 relating to the investigation, planning, analysis, study, design,
5-31 acquisition, construction, improvement, completion,
5-32 implementation, or operation by the district or others of a
5-33 proposed or existing improvement project.
5-34 (b) A contract the district enters into to carry out a
5-35 purpose of this chapter may be on any terms and for any period the
5-36 board determines, including a negotiable or nonnegotiable note or
5-37 warrant payable to the town, Collin County, Denton County, or any
5-38 other person.
5-39 (c) Any person may contract with the district to carry out
5-40 the purposes of this chapter without further statutory or other
5-41 authorization.
5-42 (d) The governing body of the town must approve a contract
5-43 payable from ad valorem taxes for a period longer than one year.
5-44 Sec. 3886.106. RULES; ENFORCEMENT. (a) The district may
5-45 adopt rules:
5-46 (1) to administer or operate the district;
5-47 (2) for the use, enjoyment, availability, protection,
5-48 security, and maintenance of the district's property and
5-49 facilities; or
5-50 (3) to provide for public safety and security in the
5-51 district.
5-52 (b) The district may enforce its rules by injunctive relief.
5-53 (c) To the extent a district rule conflicts with a town
5-54 rule, order, or regulation, the town rule, order, or regulation
5-55 controls.
5-56 Sec. 3886.107. NAME CHANGE. The board by resolution may
5-57 change the district's name. The board shall give written notice of
5-58 the change to the town.
5-59 Sec. 3886.108. ADDING OR REMOVING TERRITORY. The board may
5-60 add or remove territory under Subchapter J, Chapter 49, Water Code,
5-61 and Section 54.016, Water Code, except that:
5-62 (1) the addition or removal of the territory must be
5-63 approved by:
5-64 (A) the governing body of the town; and
5-65 (B) the owners of the territory being added or
5-66 removed;
5-67 (2) a reference to a tax in Subchapter J, Chapter 49,
5-68 Water Code, or Section 54.016, Water Code, means an ad valorem tax;
5-69 and

6-1 (3) territory may not be removed from the district if
 6-2 bonds or other obligations of the district payable wholly or partly
 6-3 from ad valorem taxes on the territory are outstanding.

6-4 Sec. 3886.109. ECONOMIC DEVELOPMENT. The district may
 6-5 create economic development programs and exercise the economic
 6-6 development powers that Chapter 1509, Government Code, provides for
 6-7 a municipality.

6-8 Sec. 3886.110. NO EMINENT DOMAIN POWER. The district may
 6-9 not exercise the power of eminent domain.

6-10 Sec. 3886.111. TERMS OF EMPLOYMENT; COMPENSATION. The
 6-11 board may employ and establish the terms of employment and
 6-12 compensation of an executive director or general manager and any
 6-13 other district employees the board considers necessary.

6-14 [Sections 3886.112-3886.150 reserved for expansion]

6-15 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6-16 Sec. 3886.151. ELECTIONS REGARDING TAXES OR BONDS. (a) The
 6-17 district may issue, without an election, bonds and other
 6-18 obligations secured by revenue or contract payments from any source
 6-19 other than ad valorem taxes.

6-20 (b) The district must hold an election in the manner
 6-21 provided by Chapters 49 and 54, Water Code, to obtain voter approval
 6-22 before the district may impose an ad valorem tax or issue bonds
 6-23 payable from ad valorem taxes.

6-24 (c) The district may not issue bonds payable from ad valorem
 6-25 taxes to finance a road project unless the issuance is approved by a
 6-26 vote of a two-thirds majority of the district voters voting at an
 6-27 election held for that purpose.

6-28 Sec. 3886.152. BORROWING MONEY. The district may borrow
 6-29 money for a district purpose by issuing or executing bonds, notes,
 6-30 credit agreements, or other obligations of any kind found by the
 6-31 board to be necessary or appropriate for a district purpose. A
 6-32 note, bond, credit agreement, or other obligation must be secured
 6-33 by and payable from ad valorem taxes, assessments, or any other
 6-34 district revenue.

6-35 Sec. 3886.153. OPERATION AND MAINTENANCE TAX. (a) If
 6-36 authorized at an election held under Section 3886.151, the district
 6-37 may impose an operation and maintenance tax on taxable property in
 6-38 the district in accordance with Section 49.107, Water Code.

6-39 (b) Except as provided by Subsection (c), the district may
 6-40 impose the tax for operation and maintenance purposes, including
 6-41 for:

6-42 (1) planning, constructing, acquiring, maintaining,
 6-43 repairing, and operating all improvement projects, including land,
 6-44 plants, works, facilities, improvements, appliances, and equipment
 6-45 of the district; and

6-46 (2) paying costs of services, engineering and legal
 6-47 fees, and organization and administrative expenses.

6-48 (c) The district may not impose an operation and maintenance
 6-49 tax unless the maximum rate of the tax is approved by the governing
 6-50 body of the town and a majority of the voters of the district voting
 6-51 at an election held for that purpose. If the maximum tax rate is
 6-52 approved, the board may impose the tax at any rate that does not
 6-53 exceed the approved rate.

6-54 (d) An operation and maintenance tax election may be held at
 6-55 the same time and in conjunction with any other district election.
 6-56 The election may be called by a separate election order or as part
 6-57 of any other election order.

6-58 Sec. 3886.154. CONTRACT TAXES. (a) In accordance with
 6-59 Section 49.108, Water Code, the district may make payments under a
 6-60 contract from taxes other than operation and maintenance taxes
 6-61 after the provisions of the contract have been approved by a
 6-62 majority of the district voters voting at an election held for that
 6-63 purpose.

6-64 (b) A contract approved by the district voters may contain a
 6-65 provision stating that the contract may be modified or amended by
 6-66 the board without further voter approval.

6-67 [Sections 3886.155-3886.200 reserved for expansion]

6-68 SUBCHAPTER E. BONDS AND OTHER OBLIGATIONS

6-69 Sec. 3886.201. AUTHORITY TO ISSUE BONDS AND OTHER

7-1 OBLIGATIONS. The district may issue bonds or other obligations
 7-2 payable wholly or partly from ad valorem taxes, impact fees,
 7-3 revenue, contract payments, grants, sales and use taxes, revenue
 7-4 from a zone created under Chapter 311 or 312, Tax Code, or Chapter
 7-5 2303, Government Code, other district money, or any combination of
 7-6 those sources, to pay for any authorized district purpose.

7-7 Sec. 3886.202. TAXES FOR BONDS. (a) At the time the district
 7-8 issues bonds payable wholly or partly from ad valorem taxes, the
 7-9 board shall provide for the annual imposition of an ad valorem tax,
 7-10 without limit as to rate or amount, as required by Section 54.601,
 7-11 Water Code.

7-12 (b) The board shall annually impose the tax while all or
 7-13 part of the bonds are outstanding. Sections 54.601 and 54.602,
 7-14 Water Code, govern the amount and rate of the tax.

7-15 (c) The district annually shall impose the tax on all
 7-16 taxable property in the district in an amount sufficient to:

7-17 (1) pay the interest on the bonds or other obligations
 7-18 as the interest becomes due;

7-19 (2) create a sinking fund for the payment of the
 7-20 principal of the bonds or other obligations when due or the
 7-21 redemption price at any earlier required redemption date; and

7-22 (3) pay the expenses of imposing the tax.

7-23 (d) The district may not issue bonds or other obligations
 7-24 that are secured by and payable from ad valorem taxes unless the
 7-25 bonds and the imposition of taxes are approved by:

7-26 (1) a majority of the district voters voting at an
 7-27 election for that purpose; and

7-28 (2) the governing body of the town.

7-29 (e) The district shall hold an election required by this
 7-30 section in the manner provided by Chapter 54, Water Code.

7-31 Sec. 3886.203. BOND ISSUANCE PLAN REQUIRED BEFORE ISSUING
 7-32 BONDS. The district may not issue bonds until the governing body of
 7-33 the town approves a bond issuance plan authorizing and prescribing
 7-34 the limitations on the issuance of the bonds.

7-35 Sec. 3886.204. BOND MATURITY. Bonds must mature not more
 7-36 than 40 years from their date of issuance.

7-37 Sec. 3886.205. BONDS FOR ROAD PROJECTS. At the time of
 7-38 issuance, the total principal amount of bonds or other obligations
 7-39 issued or incurred to finance road projects may not exceed
 7-40 one-fourth of the assessed value of the real property in the
 7-41 district.

7-42 [Sections 3886.206-3886.250 reserved for expansion]

7-43 SUBCHAPTER F. DISSOLUTION

7-44 Sec. 3886.251. DISSOLUTION BY TOWN ORDINANCE. (a) The town
 7-45 by ordinance may dissolve the district.

7-46 (b) The town may not dissolve the district until the
 7-47 district's outstanding indebtedness or contractual obligations
 7-48 that are payable from ad valorem taxes have been repaid or
 7-49 discharged.

7-50 (c) The town may not dissolve the district until the
 7-51 agreement under Section 3886.104 has been executed and the
 7-52 district's performance under the agreement has been fulfilled,
 7-53 including any right or obligation the district has to reimburse a
 7-54 developer or owner for the costs of improvement projects.

7-55 (d) The town may not dissolve the district before December
 7-56 31, 2016.

7-57 Sec. 3886.252. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

7-58 (a) If the dissolved district has bonds or other obligations
 7-59 outstanding secured by and payable from assessments or other
 7-60 revenue, other than ad valorem taxes, the town shall succeed to the
 7-61 rights and obligations of the district regarding enforcement and
 7-62 collection of the assessments or other revenue.

7-63 (b) The town shall have and exercise all district powers to
 7-64 enforce and collect the assessments or other revenue to pay:

7-65 (1) the bonds or other obligations when due and
 7-66 payable according to their terms; or

7-67 (2) special revenue or assessment bonds or other
 7-68 obligations issued by the town to refund the outstanding bonds or
 7-69 obligations.

8-1 Sec. 3886.253. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
 8-2 After the town dissolves the district, the town assumes the
 8-3 obligations of the district, including any bonds or other
 8-4 indebtedness payable from assessments or other district revenue.

8-5 (b) If the town dissolves the district, the board shall
 8-6 transfer ownership of all district property to the town.

8-7 SECTION 2. The Prosper Management District No. 1 initially
 8-8 includes all the territory contained in the following area:

8-9 BEING a tract of land out of the C. SMITH SURVEY, Abstract No.
 8-10 1681, the J. BATES SURVEY, Abstract No. 1620, the L. SALING SURVEY,
 8-11 Abstract No. 1675, the H.P. SALING SURVEY, Abstract No. 1628, the
 8-12 M.E.P. & P.R.R. SURVEY, Abstract No. 1476, the P. BARNES SURVEY,
 8-13 Abstract No. 79, the B. HADGES SURVEY, Abstract No. 593, the A.B.
 8-14 JAMISON SURVEY, Abstract No. 672, and the J. MORTON SURVEY,
 8-15 Abstract No. 793, in Denton County, Texas, and being part of the
 8-16 tract of land described in deed to Mahard 2003 Partnership, L.P.
 8-17 recorded in Denton County Clerk's File No. 2004-0014698 of the Real
 8-18 Property Records of Denton County, Texas, being all of the tract of
 8-19 land described in deed to Mahard Egg Farm, Inc. recorded in Volume
 8-20 1936, Page 145 of the Real Property Records of Denton County, Texas,
 8-21 being part of the tract of land described in deed to Mahard Egg
 8-22 Farm, Inc. recorded in Volume 1332, Page 176 of the Real Property
 8-23 Records of Denton County, Texas, being all of the tracts of land
 8-24 described in deed to Forest City Prosper, L.P. recorded in Denton
 8-25 County Clerk's File No. 2007-144196 and 2008-9958 of the Real
 8-26 Property Records of Denton County, Texas, being all of the tracts of
 8-27 land described in deed to Richard J. Bontke and Nathan P. Bontke
 8-28 recorded in Denton County Clerk's File No. 2007-144901 and
 8-29 2009-10359 of the Real Property Records of Denton County, Texas,
 8-30 and being more particularly described as follows:

8-31 BEGINNING at a TXDOT monument found in the north right-of-way
 8-32 line of U.S. Highway No. 380, said monument being the northeast
 8-33 corner of a tract of land described in deed to the State of Texas
 8-34 recorded in Volume 4769, Page 1768 of the Real Property Records of
 8-35 Denton County, Texas;

8-36 THENCE with said north right-of-way line, the following
 8-37 courses and distances to wit:

8-38 South 88°35'51" West, a distance of 3483.13 feet to a TXDOT
 8-39 monument found;

8-40 North 46°16'16" West, a distance of 113.97 feet to a point in
 8-41 the west line of Good Hope Road (no dedication recordation found);

8-42 South 44°02'02" West, a distance of 114.30 feet to a TXDOT
 8-43 monument found;

8-44 South 88°35'51" West, a distance of 2062.12 feet to a 5/8"
 8-45 iron rod set for corner;

8-46 South 88°50'58" West, a distance of 100.00 feet to a 5/8" iron
 8-47 rod set for corner;

8-48 South 89°09'27" West, a distance of 22.39 feet to a 5/8" iron
 8-49 rod set for corner;

8-50 North 45°50'38" West, a distance of 111.42 feet to a pk nail
 8-51 set in the centerline of Gee Road (no dedication recordation
 8-52 found);

8-53 THENCE with said centerline, North 00°01'02" West, a distance
 8-54 of 1114.87 feet to a pk nail set;

8-55 THENCE with the easterly most north line of a 106.26 acre
 8-56 tract of land described in deed to Judy Gee recorded in Volume 3130,
 8-57 Page 794 of the Real Property Records of Denton County, Texas, part
 8-58 of the way, South 89°33'35" West, a distance of 1098.63 feet to a
 8-59 fence corner found;

8-60 THENCE along a fence, North 12°40'03" East, a distance of
 8-61 2150.51 feet to a fence corner found for the northwest corner of a
 8-62 5.34 acre tract of land described in deed to Mahard Egg Farm, Inc.
 8-63 recorded in Volume 1936, Page 145 of the Real Property Records of
 8-64 Denton County, Texas;

8-65 THENCE the following courses and distances to wit:

8-66 North 88°30'03" West, a distance of 451.90 feet to a 5/8" iron
 8-67 rod set for corner;

8-68 North 59°57'10" West, a distance of 66.21 feet to a 5/8" iron
 8-69 rod set for corner;

9-1 North 27°15'28" West, a distance of 207.89 feet to a 5/8" iron
 9-2 rod set for corner;
 9-3 South 79°58'04" West, a distance of 116.69 feet to a 5/8" iron
 9-4 rod set for corner;
 9-5 South 17°11'21" West, a distance of 12.96 feet to a 5/8" iron
 9-6 rod set for corner;
 9-7 North 65°16'52" West, a distance of 66.04 feet to a 5/8" iron
 9-8 rod set for the northerly most corner of said 106.26 acre tract;
 9-9 THENCE with the west lines of said 106.26 acre tract, the
 9-10 following courses and distances to wit:
 9-11 South 31°55'38" West, a distance of 494.24 feet to a 5/8" iron
 9-12 rod set for corner;
 9-13 South 57°52'02" East, a distance of 601.93 feet to a Corp of
 9-14 Engineers monument found;
 9-15 South 31°24'02" West, a distance of 1854.30 feet to a Corp of
 9-16 Engineers monument found;
 9-17 South 31°27'22" West, a distance of 302.61 feet to a 5/8" iron
 9-18 rod set for the northeast corner of a 0.78 acre tract of land
 9-19 described in deed to the City of Irving recorded in Volume 4871,
 9-20 Page 5128 of the Real Property Records of Denton County, Texas;
 9-21 THENCE the lines of said 0.78 acre tract, the following
 9-22 courses and distances to wit:
 9-23 North 73°29'41" West, a distance of 241.29 feet to a 1/2" iron
 9-24 rod found for corner;
 9-25 South 21°58'41" West, a distance of 181.00 feet to a 5/8" iron
 9-26 rod set for corner;
 9-27 South 73°29'27" East, a distance of 67.00 feet to a 5/8" iron
 9-28 rod set for corner;
 9-29 North 22°20'38" East, a distance of 41.52 feet to a 5/8" iron
 9-30 rod set for corner;
 9-31 South 75°57'16" East, a distance of 152.12 feet to a 1/2" iron
 9-32 rod found in the west line of said 106.26 acre tract;
 9-33 THENCE with said west line and along a fence part of the way,
 9-34 South 31°27'22" West, a distance of 877.59 feet to a 5/8" iron rod
 9-35 set for corner in the north right-of-way line of said U.S. Highway
 9-36 No. 380
 9-37 THENCE with said north right-of-way line, North 88°48'55"
 9-38 West, a distance of 587.44 feet to a 5/8" iron rod set for the
 9-39 southeast corner of a 61.2 acre tract of land described in deed to
 9-40 M. Taylor Hansel recorded in Denton County Clerk's File No.
 9-41 94-R0091793 of the Real Property Records of Denton County, Texas;
 9-42 THENCE with the east lines of said Hansel tract, the
 9-43 following courses and distances to wit:
 9-44 North 08°56'01" East, a distance of 240.78 feet to a 5/8" iron
 9-45 rod set for corner;
 9-46 North 55°59'01" East, a distance of 132.20 feet to a 5/8" iron
 9-47 rod set for corner;
 9-48 South 20°18'01" West, a distance of 155.70 feet to a 5/8" iron
 9-49 rod set for corner;
 9-50 South 80°49'59" East, a distance of 88.40 feet to a 5/8" iron
 9-51 rod set for corner;
 9-52 North 45°13'01" East, a distance of 261.10 feet to a 5/8" iron
 9-53 rod set for corner;
 9-54 South 62°15'59" East, a distance of 216.20 feet to a 5/8" iron
 9-55 rod set for corner;
 9-56 North 15°04'01" East, a distance of 184.70 feet to a 5/8" iron
 9-57 rod set for corner;
 9-58 North 56°01'01" East, a distance of 183.40 feet to a 5/8" iron
 9-59 rod set for corner;
 9-60 North 18°07'01" East, a distance of 197.90 feet to a 5/8" iron
 9-61 rod set for corner;
 9-62 North 73°19'59" West, a distance of 688.80 feet to a Corp of
 9-63 Engineers monument found for the southeast corner of a 107.57 acre
 9-64 tract of land described in deed to Fish Trap Properties, Ltd.,
 9-65 recorded in Volume 4626, Page 2922 of the Real Property Records of
 9-66 Denton County, Texas;
 9-67 THENCE with the east lines of said 107.57 acre tract, the
 9-68 following courses and distances to wit:
 9-69 North 29°02'03" East, a distance of 67.81 feet to a 5/8" iron

10-1 rod set for corner;
 10-2 North 22°04'26" East, a distance of 710.31 feet to a Corp of
 10-3 Engineers monument found;
 10-4 North 33°00'31" East, a distance of 221.33 feet to a Corp of
 10-5 Engineers monument found;
 10-6 North 58°30'15" West, a distance of 249.63 feet to a Corp of
 10-7 Engineers monument found for the southeast corner of a 43.07 acre
 10-8 tract of land described in deed to Billy Jeter recorded in Volume
 10-9 2125, Page 729 of the Real Property Records of Denton County, Texas;
 10-10 THENCE with the east lines of said 43.07 acre tract, the
 10-11 following courses and distances to wit:
 10-12 North 07°55'24" East, a distance of 669.72 feet to a 5/8" iron
 10-13 rod set for corner;
 10-14 South 75°24'16" East, a distance of 402.59 feet to a Corp of
 10-15 Engineers monument found;
 10-16 North 19°28'37" West, a distance of 739.75 feet to a Corp of
 10-17 Engineers monument found;
 10-18 North 35°34'01" East, a distance of 531.05 feet to a Corp of
 10-19 Engineers monument found;
 10-20 North 02°04'22" West, a distance of 172.83 feet to a fence
 10-21 post found in the south line of a 57.55 acre tract of land described
 10-22 in deed to G&S Landscaping recorded in Volume 5114, Page 1398 of the
 10-23 Real Property Records of Denton County, Texas;
 10-24 THENCE with said south line, South 77°28'43" East, a distance
 10-25 of 553.04 feet to a Corp of Engineers monument found;
 10-26 THENCE with the east line of said 57.55 acre tract and the
 10-27 east line of two tracts of land described in deed to Mary Weber
 10-28 recorded in Denton County Clerk's File No. 94-R0031655 of the Real
 10-29 Property Records of Denton County, Texas, the following courses and
 10-30 distances to wit:
 10-31 North 01°07'34" East, a distance of 278.92 feet to a 5/8" iron
 10-32 rod found;
 10-33 North 01°04'49" East, a distance of 30.01 feet to the
 10-34 Centerline of Fishtrap Road (no dedication recordation found) for
 10-35 corner;
 10-36 THENCE along said centerline, the following courses and
 10-37 distances to wit:
 10-38 South 88°36'42" East, a distance of 398.70 feet to a point for
 10-39 corner;
 10-40 South 86°31'27" East, a distance of 681.51 feet to a point for
 10-41 corner;
 10-42 South 84°57'13" East, a distance of 292.72 feet to a point for
 10-43 corner;
 10-44 South 86°02'50" East, a distance of 1675.46 feet to a point
 10-45 for corner;
 10-46 South 87°19'45" East, a distance of 207.56 feet to a point for
 10-47 corner;
 10-48 North 89°20'49" East, a distance of 1052.20 feet to a point
 10-49 for corner in the centerline of Fishtrap Road and the northwest
 10-50 corner of a tract of land described in deed to Judy Reeves ;
 10-51 THENCE with the west line of said Reeves tract, South
 10-52 00°08'13" East, a distance of 231.70 feet to a 5/8" iron rod set for
 10-53 corner;
 10-54 THENCE with the south line of said Reeves tract, North
 10-55 89°14'55" East, a distance of 940.90 feet to a 5/8" iron rod set for
 10-56 corner;
 10-57 THENCE with the east line of said Reeves tract, North
 10-58 00°40'52" West, a distance of 234.76 point in the centerline of said
 10-59 Fish Trap Road;
 10-60 THENCE along the centerline of said FishTrap Road, North
 10-61 89°04'04" East, a distance of 2699.77 feet to a point for corner in
 10-62 the centerline of Fields Road;
 10-63 THENCE along said centerline, the following courses and
 10-64 distances to wit:
 10-65 South 00°06'17" East, a distance of 1284.05 feet to a 5/8"
 10-66 iron rod set for corner;
 10-67 South 00°06'37" West, a distance of 1042.41 feet to a 5/8"
 10-68 iron rod set for corner;
 10-69 THENCE leaving the centerline of said Fields Road, South

11-1 89°11'26" West, a distance of 21.20 feet to a 5/8" iron rod set in
11-2 the west line of said Field Road;

11-3 THENCE with said west line, the following courses and
11-4 distances to wit:

11-5 South 00°00'27" West, a distance of 1396.62 feet to a fence
11-6 corner;

11-7 South 41°23'46" West, a distance of 87.55 feet to the POINT OF
11-8 BEGINNING and containing 674.916 acres of land.

11-9 SECTION 3. (a) The legal notice of the intention to
11-10 introduce this Act, setting forth the general substance of this
11-11 Act, has been published as provided by law, and the notice and a
11-12 copy of this Act have been furnished to all persons, agencies,
11-13 officials, or entities to which they are required to be furnished
11-14 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
11-15 Government Code.

11-16 (b) The governor, one of the required recipients, has
11-17 submitted the notice and Act to the Texas Commission on
11-18 Environmental Quality.

11-19 (c) The Texas Commission on Environmental Quality has filed
11-20 its recommendations relating to this Act with the governor, the
11-21 lieutenant governor, and the speaker of the house of
11-22 representatives within the required time.

11-23 (d) All requirements of the constitution and laws of this
11-24 state and the rules and procedures of the legislature with respect
11-25 to the notice, introduction, and passage of this Act are fulfilled
11-26 and accomplished.

11-27 SECTION 4. This Act takes effect September 1, 2009.

11-28 * * * * *