

AN ACT

relating to the creation of the Guadalupe County Development and Management District; providing 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 3887 to read as follows:

CHAPTER 3887. GUADALUPE COUNTY DEVELOPMENT AND MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3887.001. DEFINITIONS. In this chapter:

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

(2) "County" means Guadalupe County.

(3) "District" means the Guadalupe County Development and Management District.

(4) "Improvement project" means a program or project authorized by Section 3887.102, inside or outside the boundaries of the district.

Sec. 3887.002. CREATION AND NATURE OF DISTRICT. (a) The district is a special district created under Section 59, Article XVI, Texas Constitution, with all of the powers granted by this chapter.

(b) The district is a governmental unit for the purposes of Chapter 101, Civil Practice and Remedies Code, and operations of

1 the district are considered to be essential governmental functions  
2 and not proprietary functions for all purposes, including the  
3 application of that chapter.

4 Sec. 3887.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The  
5 creation of the district is essential to accomplish the purposes of  
6 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
7 Texas Constitution, and other public purposes stated in this  
8 chapter. By creating the district and in authorizing political  
9 subdivisions to contract with the district, the legislature has  
10 established a program to accomplish the public purposes set out in  
11 Section 52-a, Article III, Texas Constitution.

12 (b) The creation of the district is necessary to promote,  
13 develop, and protect the environment and the other natural  
14 resources of the state, and to encourage and maintain employment,  
15 commerce, transportation, housing, tourism, recreation, the arts,  
16 entertainment, economic development, safety, and the public  
17 welfare in the district.

18 (c) This chapter and the creation of the district may not be  
19 interpreted to relieve the county from providing the level of  
20 services provided as of the effective date of the Act enacting this  
21 chapter to the area in the district. The district is created to  
22 supplement and not to supplant county services provided in the  
23 district.

24 Sec. 3887.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)  
25 The district is created to serve a public use and benefit.

26 (b) All land and other property included in the district  
27 will benefit from the improvements and services to be provided by

1 the district under powers conferred by Sections 52 and 52-a,  
2 Article III, and Section 59, Article XVI, Texas Constitution, and  
3 other powers granted under this chapter.

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

6 (1) developing and diversifying the economy of the  
7 state;

8 (2) eliminating unemployment and underemployment;

9 (3) providing quality residential housing;

10 (4) developing or expanding transportation and  
11 commerce; and

12 (5) improving and enhancing the environment in and  
13 around the district and in the county.

14 (d) The district will:

15 (1) promote the health, safety, and general welfare of  
16 residents, employers, potential employees, employees, visitors,  
17 and consumers in the district, and of the public;

18 (2) provide needed funding for the district to  
19 preserve, maintain, and enhance the economic health and vitality of  
20 the district territory as a residential community and business  
21 center; and

22 (3) promote the health, safety, welfare, and enjoyment  
23 of the public by providing pedestrian ways and by landscaping and  
24 developing certain areas in the district, which are necessary for  
25 the restoration, preservation, and enhancement of scenic beauty and  
26 enhancing and improving the environment as an essential natural  
27 resource of the state.

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

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

9       Sec. 3887.005. DISTRICT TERRITORY. (a) The district is  
10 composed of the territory described by Section 2 of the Act enacting  
11 this chapter, as that territory may have been modified under  
12 Section 3887.107 or other law.

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

16               (1) the district's organization, existence, or  
17 validity;

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

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

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

24       Sec. 3887.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

25       (a) If all or any part of the district is annexed into a  
26 municipality, any part of the area of the district is eligible to be  
27 included in:

1           (1) a tax increment reinvestment zone created by the  
2 municipality under Chapter 311, Tax Code;

3           (2) a tax abatement reinvestment zone created by the  
4 municipality under Chapter 312, Tax Code; or

5           (3) an enterprise zone created by the municipality  
6 under Chapter 2303, Government Code.

7           (b) If a municipality creates a tax increment reinvestment  
8 zone described by Subsection (a), the municipality, by contract  
9 with the district, may grant money deposited in the tax increment  
10 fund to the district to be used by the district for the purposes  
11 permitted for money granted to a corporation under Section  
12 380.002(b), Local Government Code, including the right to pledge  
13 the money as security for any bonds issued by the district for an  
14 improvement project.

15           [Sections 3887.007-3887.050 reserved for expansion]

16                   SUBCHAPTER B. BOARD OF DIRECTORS

17           Sec. 3887.051. GOVERNING BODY; TERMS. The district is  
18 governed by a board of five directors who serve staggered terms of  
19 four years, with two or three directors' terms expiring July 1 of  
20 each odd-numbered year.

21           Sec. 3887.052. ELECTION DATE. The board shall hold  
22 elections for directors on the uniform election date in May of  
23 odd-numbered years.

24           Sec. 3887.053. VACANCY. The board of directors shall  
25 appoint a director to fill a vacancy on the board for the remainder  
26 of the unexpired term.

27           Sec. 3887.054. ELIGIBILITY. (a) To serve as a director, a

person must be at least 18 years old and be:

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

(2) an owner of property in the district;

(3) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the district;

(4) an owner of a beneficial interest in a trust that owns property in the district;

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

(6) an initial director.

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

Sec. 3887.055. DIRECTOR'S OATH OR AFFIRMATION. A director's oath or affirmation of office shall be filed with the district, and the district shall retain the oath or affirmation in the district records.

Sec. 3887.056. OFFICERS. The board shall elect from among the directors a presiding officer, an assistant presiding officer, and a secretary.

Sec. 3887.057. COMPENSATION, EXPENSES, AND LIABILITY INSURANCE FOR DIRECTORS. (a) The district may compensate each director in an amount not to exceed \$50 for each board meeting. The total amount of compensation for one director may not exceed \$2,000 annually.

(b) The district shall reimburse directors for necessary and reasonable expenses incurred in carrying out the duties and

1 responsibilities of a director.

2 (c) The district may obtain and pay for comprehensive  
3 general liability insurance coverage from commercial insurance  
4 companies or other sources that protect and insure the directors  
5 against personal liability and from any and all claims for actions  
6 taken as directors or actions and activities taken by the district  
7 or by others acting on the district's behalf.

8 Sec. 3887.058. CONFLICTS OF INTEREST. (a) A director may  
9 participate in all board votes and decisions, subject to the  
10 requirements of this section.

11 (b) Section 171.004, Local Government Code, does not apply  
12 to the district.

13 (c) A director who has a substantial interest in a business  
14 or charitable entity that will receive a pecuniary benefit from a  
15 board action shall file an affidavit with the board secretary  
16 declaring the interest. Another affidavit is not required if the  
17 director's interest changes.

18 (d) After the affidavit is filed, the director may  
19 participate in a discussion or vote if:

20 (1) a majority of the appointed directors have a  
21 similar interest in the same entity;

22 (2) all other similar businesses or charitable  
23 entities in the district will receive a similar pecuniary benefit;  
24 or

25 (3) the appointed director is a property owner in the  
26 district.

27 Sec. 3887.059. INITIAL DIRECTORS. (a) The initial board

consists of the following directors:

<u>Place No.</u>	<u>Name of Initial Director</u>
<u>Place 1</u>	<u>G. Steven White</u>
<u>Place 2</u>	<u>Christopher Turner</u>
<u>Place 3</u>	<u>Holly White Turner</u>
<u>Place 4</u>	<u>Bradley White</u>
<u>Place 5</u>	<u>Jacob White</u>

(b) Of the initial directors, the terms of directors appointed for places 1 and 2 expire on July 1, 2011, and the terms of the initial directors appointed for places 3, 4, and 5 expire on July 1, 2013.

(c) Section 49.052, Water Code, does not apply to initial directors.

(d) This section expires September 1, 2014.

[Sections 3887.060-3887.100 reserved for expansion]

#### SUBCHAPTER C. POWERS AND DUTIES

Sec. 3887.101. GENERAL POWERS AND DUTIES. The district has the duties imposed by this chapter and the powers:

(1) provided by the general laws relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water Code;

(2) provided by the general laws relating to road districts and road utility districts created under Section 52, Article III, Texas Constitution, including Chapter 441, Transportation Code, except that the district may exercise any power granted by this chapter without regard to any provision or



requirement of or procedure prescribed in Chapter 441, Transportation Code;

(3) that Subchapter A, Chapter 372, Local Government Code, provides a municipality or a county;

(4) provided by Chapter 375, Local Government Code;

(5) that Chapter 505, Local Government Code, provides a corporation created under that chapter; and

(6) that Chapter 1371, Government Code, provides an issuer.

Sec. 3887.102. IMPROVEMENT PROJECTS. (a) The district may provide, or it may enter into contracts with a governmental or private entity to provide, the following types of improvement projects or activities in support of or incidental to those projects:

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

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

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

(A) landscaping;

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

(C) lighting, banners, and signs;

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

1 or

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

4 (8) the removal, razing, demolition, or clearing of  
5 land or improvements in connection with an improvement project;

6 (9) the acquisition and improvement of land or other  
7 property for the mitigation of the environmental effects of an  
8 improvement project;

9 (10) the acquisition of property or an interest in  
10 property in connection with an authorized improvement project,  
11 including any project or projects that are authorized by Subchapter  
12 A, Chapter 372, or Chapter 375, Local Government Code;

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

17 (A) advertising;

18 (B) promotion;

19 (C) tourism;

20 (D) health and sanitation;

21 (E) public safety;

22 (F) security;

23 (G) fire protection or emergency medical  
24 services;

25 (H) business recruitment;

26 (I) development;

27 (J) the reduction of automobile traffic volume

1 and congestion, including the provision, construction, and  
2 operation of light rail or streetcar systems and services; and

3 (K) 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 a project under this  
8 section unless the board determines the project to be necessary to  
9 accomplish a public purpose of the district.

10 (c) The district may not provide, conduct, or authorize any  
11 improvement project on municipal or county streets, highways,  
12 rights-of-way, roads, or easements without the consent of the  
13 governing body of the municipality or county, as applicable.

14 (d) For the purposes of this section, planning, design,  
15 construction, improvement, and maintenance of a lake includes work  
16 done for drainage, reclamation, or recreation.

17 Sec. 3887.103. GENERAL POWERS REGARDING CONTRACTS. (a)  
18 The district may:

19 (1) contract with any public or private person, body,  
20 or entity to accomplish any district purpose, including a contract  
21 for:

22 (A) the payment, repayment, or reimbursement of  
23 costs incurred by that person on behalf of the district, including  
24 all or part of the costs of an improvement project and interest on  
25 the reimbursed cost; or

26 (B) the use, occupancy, lease, rental,  
27 operation, maintenance, or management of all or part of a proposed

1 or existing improvement project; and

2 (2) apply for and contract with any public or private  
3 person, body, or entity to receive, administer, and perform a duty  
4 or obligation of the district under a federal, state, local, or  
5 private gift, grant, loan, conveyance, transfer, bequest, or other  
6 financial assistance arrangement relating to the investigation,  
7 planning, analysis, study, design, acquisition, construction,  
8 improvement, completion, implementation, or operation by the  
9 district or others of a proposed or existing improvement project.

10 (b) A contract the district enters into to carry out a  
11 purpose of this chapter may be on any terms and for any period the  
12 board determines, including a negotiable or nonnegotiable note or  
13 warrant payable to any other person.

14 (c) Any person, including but not limited to the county, may  
15 contract with the district to carry out the purposes of this chapter  
16 without further statutory or other authorization.

17 Sec. 3887.104. RULES; ENFORCEMENT. (a) The district may  
18 adopt rules:

19 (1) to administer or operate the district;  
20 (2) for the use, enjoyment, availability, protection,  
21 security, and maintenance of the district's property and  
22 facilities; or

23 (3) to provide for public safety and security in the  
24 district.

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

26 (c) To the extent a district rule conflicts with a county  
27 rule, order, or regulation, the county rule, order, or regulation

1 controls.

2 Sec. 3887.105. NAME CHANGE. The board by resolution may  
3 change the district's name. The board shall give written notice of  
4 the change to the county and any municipality in which the district  
5 is wholly or partly located.

6 Sec. 3887.106. USE OF ROADWAY, PARK, OR OTHER PUBLIC AREA OR  
7 FACILITY OF DISTRICT. (a) The board by rule may regulate the  
8 private use of a public roadway, open space, park, sidewalk, or  
9 similar public area or facility in the district. To the extent the  
10 district rules conflict with a rule, order, or regulation of the  
11 county or of a municipality in which the district is wholly or  
12 partly located, the rule, order, or regulation of the county or  
13 municipality controls. A rule may provide for the safe and orderly  
14 use of public roadways, open spaces, parks, sidewalks, and similar  
15 public areas or facilities in the district.

16 (b) The board may require a permit for a parade,  
17 demonstration, celebration, entertainment event, or similar  
18 nongovernmental activity in or on a public roadway, open space,  
19 park, sidewalk, or similar public area or facility that is owned by  
20 the district. The board may charge a fee for the permit application  
21 or for public safety or security services for such facilities in an  
22 amount the board considers necessary.

23 (c) The board may require a permit or franchise agreement  
24 with a vendor, concessionaire, exhibitor, or similar private or  
25 commercial person or organization for the limited use of the area or  
26 facility owned by the district on terms and on payment of a permit  
27 or franchise fee the board may impose.

1       Sec. 3887.107. ADDING OR REMOVING TERRITORY. (a) The board  
2 may add or remove territory under Subchapter J, Chapter 49, and  
3 Section 54.016, Water Code, except that the addition or removal of  
4 the territory must be approved by the owners of the territory being  
5 added or removed.

6       (b) A reference to a tax in Subchapter J, Chapter 49, or  
7 Section 54.016, Water Code, means an ad valorem tax.

8       (c) Territory may not be removed from the district if bonds  
9 or other obligations of the district payable wholly or partly from  
10 ad valorem taxes or assessments levied or assessed on the territory  
11 are outstanding.

12       Sec. 3887.108. ECONOMIC DEVELOPMENT. The district may  
13 create economic development and other programs pursuant to Section  
14 52-a, Article III, Texas Constitution, including the imposition and  
15 collection of ad valorem taxes for such purposes if approved by the  
16 voters of the district at an election, including the economic  
17 development powers that:

18               (1) Chapter 380, Local Government Code, provides to a  
19 municipality with a population of more than 100,000; and

20               (2) Chapter 1509, Government Code, provides to any  
21 municipality.

22       Sec. 3887.109. TERMS OF EMPLOYMENT; COMPENSATION. The  
23 board may employ and establish the terms of employment and  
24 compensation of an executive director or general manager and any  
25 other district employees the board considers necessary.

26       Sec. 3887.110. NO EMINENT DOMAIN POWER. The district may  
27 not exercise the power of eminent domain.

[Sections 3887.111-3887.150 reserved for expansion]

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

Sec. 3887.151. GENERAL POWERS REGARDING FINANCIAL MATTERS.

Except as provided in an agreement executed pursuant to Section 3887.160, the district may:

(1) impose an ad valorem tax on all taxable property in the district, including industrial, commercial, and residential property, to pay for an improvement project of the types authorized by Section 52, Article III, and Section 59, Article XVI, Texas Constitution, and to secure the payment of bonds issued for such purposes;

(2) impose an assessment on property in the district to pay the cost or the cost of maintenance of any authorized district improvement in the manner provided for:

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

(B) a municipality or county under Subchapter A, Chapter 372, Local Government Code;

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

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



1           (B) any other revenue or resources of the  
2 district, or other revenues, including revenues from a tax  
3 increment reinvestment zone created by a municipality in which all  
4 or a portion of the territory of the district has been annexed;

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

8           (5) establish user charges for the use of potable and  
9 nonpotable water of the district;

10          (6) undertake separately or jointly with other  
11 persons, including a municipality or the county, all or part of the  
12 cost of an improvement project, including an improvement project:

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

16           (B) that confers a general benefit on the entire  
17 district or a special benefit on a definable part of the district;  
18 and

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

22          Sec. 3887.152. BORROWING MONEY. The district may borrow  
23 money for a district purpose by issuing or executing bonds, notes,  
24 credit agreements, or other obligations of any kind found by the  
25 board to be necessary or appropriate for a district purpose. The  
26 bond, note, credit agreement, or other obligation must be secured  
27 by and payable from ad valorem taxes, assessments, or any

1 combination thereof or from other district revenue.

2 Sec. 3887.153. IMPACT FEES AND ASSESSMENTS; EXEMPTION. (a)  
3 The district may impose an impact fee or assessment on property in  
4 the district, including an impact fee or assessment on residential  
5 or commercial property, only in the manner provided by Subchapter  
6 A, Chapter 372, or Subchapter F, Chapter 375, Local Government  
7 Code, for a municipality, county, or public improvement district,  
8 according to the benefit received by the property.

9 (b) An impact fee for residential property must be for the  
10 limited purpose of providing capital funding for:

- 11 (1) public water and wastewater facilities;  
12 (2) drainage and storm-water facilities; and  
13 (3) streets and alleys.

14 (c) An assessment, a reassessment, or an assessment  
15 resulting from an addition to or correction of the assessment roll  
16 by the district, penalties and interest on an assessment or  
17 reassessment, an expense of collection, and reasonable attorney's  
18 fees incurred by the district:

- 19 (1) are a first and prior lien against the property  
20 assessed; and  
21 (2) are superior to any other lien or claim other than  
22 a lien or claim for county, school district, or municipal ad valorem  
23 taxes.

24 (d) The lien of an assessment against property runs with the  
25 land. The portion of an assessment payment obligation that has not  
26 yet come due is not eliminated by the foreclosure of an ad valorem  
27 tax lien, and any purchaser of property in a foreclosure of an ad

1 valorem tax lien takes the property subject to the assessment  
2 payment obligations that have not yet come due and to the lien and  
3 terms of the lien's payment under the applicable assessment  
4 ordinance or order.

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

9 (f) The district may not impose an impact fee on the  
10 property, including equipment and facilities, of a public utility  
11 provider in the district.

12 Sec. 3887.154. RESIDENTIAL PROPERTY NOT EXEMPT. Section  
13 375.161, Local Government Code, does not apply to the district.

14 Sec. 3887.155. MAINTENANCE AND OPERATION TAX; ELECTION.

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

17 (1) planning, constructing, acquiring, maintaining,  
18 repairing, and operating all improvement projects, including land,  
19 plants, works, facilities, improvements, appliances, and equipment  
20 of the district; and

21 (2) paying costs of services, engineering and legal  
22 fees, and organization and administrative expenses.

23 (b) The district may not impose a maintenance and operation  
24 tax unless the tax is approved by a majority of the district voters  
25 voting at an election held for that purpose. The proposition in a  
26 maintenance and operation tax election may be for a specific  
27 maximum rate or for an unlimited rate. If a maximum tax rate is

1 approved, the board may impose the tax at any rate that does not  
2 exceed the approved rate.

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

7 Sec. 3887.156. USE OF SURPLUS MAINTENANCE AND OPERATION  
8 MONEY. If the district has surplus maintenance and operation tax  
9 money that is not needed for the purposes for which it was  
10 collected, the money may be used for any authorized purpose.

11 Sec. 3887.157. BONDS AND OTHER OBLIGATIONS; MUNICIPAL  
12 APPROVAL. (a) Subject to the requirements of Sections 3887.159 and  
13 3887.160, the district by competitive bid or negotiated sale may  
14 issue bonds, notes, or other obligations payable wholly or partly  
15 from ad valorem taxes or from assessments in the manner provided by  
16 Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local  
17 Government Code.

18 (b) In exercising the district's borrowing power, the  
19 district may issue a bond or other obligation in the form of a bond,  
20 note, certificate of participation or other instrument evidencing a  
21 proportionate interest in payments to be made by the district, or  
22 any other type of obligation.

23 (c) In addition to the sources of money described by  
24 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local  
25 Government Code, district bonds may be secured and made payable,  
26 wholly or partly, by a pledge of any part of the money the district  
27 receives from system or improvement revenues or from any other

1 source.

2 Sec. 3887.158. BOND MATURITY. Bonds may mature not more  
3 than 40 years from their date of issue.

4 Sec. 3887.159. TAXES FOR BONDS AND OTHER OBLIGATIONS. (a)  
5 At the time bonds or other obligations payable wholly or partly from  
6 ad valorem taxes are issued:

7 (1) the board shall impose a continuing direct annual  
8 ad valorem tax, without limit as to rate or amount, for each year  
9 that all or part of the bonds are outstanding; and

10 (2) the district annually shall impose an ad valorem  
11 tax on all taxable property in the district in an amount sufficient  
12 to:

13 (A) pay the interest on the bonds or other  
14 obligations as the interest becomes due;

15 (B) create a sinking fund for the payment of the  
16 principal of the bonds or other obligations when due or the  
17 redemption price at any earlier required redemption date; and

18 (C) pay the expenses of imposing the taxes.

19 (b) Bonds or other obligations that are secured by and  
20 payable from ad valorem taxes may not be issued unless the bonds and  
21 the imposition of the taxes are approved by a majority of the  
22 district voters voting at an election held for that purpose.

23 (c) The district shall hold an election required by this  
24 section in the manner provided by Chapter 54, Water Code, and the  
25 Election Code.

26 Sec. 3887.160. DEVELOPMENT AND OPERATING AGREEMENT  
27 REQUIRED TO UNDERTAKE IMPROVEMENT PROJECTS, IMPOSE TAXES OR

1 ASSESSMENTS, AND BORROW MONEY, INCLUDING BONDS. (a) After the  
2 district's board of directors is organized, but before the district  
3 may undertake any improvement project, issue bonds, impose taxes,  
4 impose assessments or fees, or borrow money, the district must  
5 negotiate and execute with the county a mutually approved and  
6 accepted development and operating agreement, including any  
7 pre-annexation agreements, and any limitations regarding the plans  
8 and rules for:

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

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

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

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

22 (b) An agreement required by this section may not be  
23 effective until its terms and execution are approved by the board by  
24 order or resolution.

25 [Sections 3887.161-3887.200 reserved for expansion]

26 SUBCHAPTER E. DISSOLUTION

27 Sec. 3887.201. DISSOLUTION BY BOARD ORDER. (a) The board,

1 with the approval of the county, by order may dissolve the district.

2 (b) The board may not dissolve a district until:

3 (1) the district's outstanding indebtedness and all  
4 contractual obligations that are payable from ad valorem taxes or  
5 assessments have been paid, satisfied, or discharged; and

6 (2) if, at the time of dissolution, the district is not  
7 situated wholly or partly within a municipality, the county agrees  
8 to accept title to all district property and to provide the level of  
9 services provided by the district as of the date of dissolution.

10 (c) If the district is located wholly or partly within a  
11 municipality, the municipality may dissolve the district by  
12 ordinance at any time after all outstanding debt and contractual  
13 obligations of the district that are payable from ad valorem taxes  
14 have been paid, satisfied, and discharged. If the district has  
15 outstanding debt that is payable from assessments or other district  
16 revenue, other than ad valorem taxes, and the municipality  
17 dissolves the district, the municipality assumes, subject to the  
18 appropriation and availability of funds, the obligations of the  
19 district, including any bonds or other indebtedness payable from  
20 assessments or district revenue other than ad valorem taxes.

21 (d) If a municipality dissolves the district, the board  
22 shall transfer ownership of all district property to the  
23 municipality.

24 SECTION 2. The Guadalupe County Development and Management  
25 District shall include the following land, described by metes and  
26 bounds as follows:

27 Being a 391.0 acre tract of land situated in the Robert Hall Survey,

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Abstract 11, Guadalupe County, Texas, being all that tract of land called 391.262 acres, conveyed to S. White Ranches and Properties Ltd., by deed recorded in Volume 1766, Page 701, Official Records Guadalupe County, Texas, and being more particularly described as follows:

Beginning at a point in the northwest right-of-way line of Dowdy Road for the southeast corner of a tract of land called 251.468 acres, described in Volume 897, Page 545, Official Records Guadalupe County, Texas, the southwest corner of the 391.262 acre tract and the herein described tract.

Thence, North  $00^{\circ} 42' 22''$  W, 5775.99 feet with the east line of the 251.468 acre tract and the west line of the 391.262 acre tract, to a point for the northeast corner of the 251.468 acre tract, the northwest corner of the 391.262 acre tract and the herein described tract.

Thence, in an easterly direction with westernmost north line of the 391.262 acre tract as follows:

N  $88^{\circ} 33' 40''$  E, 52.89 feet to a point for an angle point.

N  $88^{\circ} 22' 45''$  E, 295.62 feet to a point for an interior corner of the 391.262 acre tract and the herein described tract.

Thence, N  $00^{\circ} 32' 11''$  E, 246.42 feet and N  $00^{\circ} 28' 10''$  E, 193.80 feet with the northernmost west line of the 391.262 acre tract to a point for the northernmost northwest corner of the 391.262 acre tract and the herein described tract.

Thence, in an easterly direction with the northernmost north line of the 391.262 acre tract as follows:

N  $88^{\circ} 55' 39''$  E, 262.26 feet to a point for an angle point.



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1           N 89° 28' 30" E, 637.99 feet to a point for an angle point.

2           N 89° 33' 42" E, 209.00 feet to a point for the northernmost  
3 northeast corner of the 391.262 acre tract and the herein described  
4 tract.

5 Thence, S 00° 33' 33" E, 526.42 feet, and S 00° 20' 25" E, 529.32 feet  
6 with the northernmost east line of the 391.262 acre tract to a point  
7 for an interior corner of the 391.262 acre tract and the herein  
8 described tract.

9 Thence, S 40° 41' 11" E, 337.20 feet and S 40° 33' 23" E, 487.11 feet  
10 with the northernmost northeast line of the 391.262 acre tract to a  
11 point for an interior corner of the 391.262 acre tract and the  
12 herein described tract.

13 Thence, in an easterly direction with the easternmost north line of  
14 the 391.262 acre tract as follows:

15           N 89° 23' 38" E, 405.50 feet to a point for an angle point.

16           N 89° 25' 58" E, 858.03 feet to a point for an angle point.

17           S 62° 26' 18" E, 74.61 feet a point for the easternmost  
18 northeast corner of the 391.262 acre tract and the herein described  
19 tract.

20 Thence, in a southerly direction with the easternmost east line of  
21 the 391.262 acre tract as follows:

22           S 04° 41' 29" W, 1095.75 feet to a point for an angle point.

23           S 04° 36' 26" W, 459.19 feet to a point for an angle point.

24           S 04° 49' 09" W, 843.40 feet to a point for an angle point.

25           S 05° 36' 24" W, 501.16 feet to a point for an angle point.

26           S 05° 23' 25" W, 848.09 feet to a point for an angle point.

27           S 04° 06' 59" W, 703.93 feet to a point for an angle point.

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1           S 13° 57' 35" W, 119.70 feet to a point for the easternmost  
2 southeast corner of the 391.262 acre tract and the herein described  
3 tract.

4 Thence, N 86° 05' 25" W, 736.10 feet with the easternmost south line  
5 of the 391.262 acre tract to a point for an interior corner of the  
6 391.262 acre tract and the herein described tract.

7 Thence, S 19° 54' 35" W, 607.70 feet with the southernmost east line  
8 of the 391.262 acre tract to a point in the northeast right-of-way  
9 line Dowdy Road for the southernmost southeast corner of the  
10 391.262 acre tract and the herein described tract.

11 Thence, in a westerly direction with the northeast, the north and  
12 the northwest right-of-way line Dowdy Road and the southwest, south  
13 and southeast line of the of the 391.262 acre tract and the 251.468  
14 acre tract as follows:

15           N 70° 30' 16" W, 755.54 feet to a point for an angle point.

16           N 69° 05' 26" W, 503.83 feet to a point for an angle point.

17           N 68° 45' 04" W, 353.18 feet to a point for an angle point.

18           N 77° 00' 24" W, 96.51 feet to a point for an angle point.

19           N 85° 04' 56" W, 81.52 feet to a point for an angle point.

20           S 82° 47' 06" W, 100.40 feet to a point for an angle point.

21           S 76° 58' 29" W, 90.59 feet to a point for an angle point.

22           S 67° 51' 26" W, 46.21 feet to the Place of Beginning and  
23 containing 391.0 acres of land more or less.

24           SECTION 3. (a) The legal notice of the intention to  
25 introduce this Act, setting forth the general substance of this  
26 Act, has been published as provided by law, and the notice and a  
27 copy of this Act have been furnished to all persons, agencies,

1 officials, or entities to which they are required to be furnished  
2 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
3 Government Code.

4 (b) The governor, one of the required recipients, has  
5 submitted the notice and Act to the Texas Commission on  
6 Environmental Quality.

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

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

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

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President of the Senate

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Speaker of the House

I certify that H.B. No. 4755 was passed by the House on May 15, 2009, by the following vote: Yeas 144, Nays 0, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 4755 on May 29, 2009, by the following vote: Yeas 144, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 4755 was passed by the Senate, with amendments, on May 27, 2009, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor