

By: Deuell

S.B. No. 2560

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the creation of the Rowlett Downtown Management  
3 District; providing authority to impose a tax, levy an assessment,  
4 and issue bonds.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws  
7 Code, is amended by adding Chapter 3894 to read as follows:

8 CHAPTER 3894. ROWLETT DOWNTOWN MANAGEMENT DISTRICT

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3894.001. DEFINITIONS. In this chapter:

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

12 (2) "City" means the City of Rowlett, Texas.

13 (3) "Director" means a member of the board.

14 (4) "District" means the Rowlett Downtown Management  
15 District.

16 (5) "Improvement project" means any program or project  
17 authorized by Section 3894.102, inside or outside the district.

18 Sec. 3894.002. CREATION AND NATURE OF DISTRICT. The  
19 district is a special district created under Sections 52 and 52-a,  
20 Article III, and Section 59, Article XVI, Texas Constitution.

21 Sec. 3894.003. PURPOSE; DECLARATION OF INTENT. (a) The  
22 creation of the district is essential to accomplish the purposes of  
23 Sections 52 and 52-a, Article III, and Section 59, Article XVI,  
24 Texas Constitution, and other public purposes stated in this

1 chapter. By creating the district and in authorizing the city and  
2 other political subdivisions to contract with the district, the  
3 legislature has established a program to accomplish the public  
4 purposes set out in Section 52-a, Article III, Texas Constitution.

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

10 (c) This chapter and the creation of the district may not be  
11 interpreted to relieve the city or Dallas County from providing the  
12 level of services provided as of the effective date of the Act  
13 creating this chapter to the area in the district. The district is  
14 created to supplement and not to supplant the city and county  
15 services provided in the district.

16 Sec. 3894.004. 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; and

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

3           (d) The district will:

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

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

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

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

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

23           Sec. 3894.005. DISTRICT TERRITORY. (a) The district is  
24 composed of the territory described by Section 2 of the Act creating  
25 this chapter, as that territory may have been modified under  
26 Section 3894.108 or other law.

27           (b) The boundaries and field notes of the district contained

1 in Section 2 of the Act creating this chapter form a closure. A  
2 mistake in the field notes of the district contained in Section 2 of  
3 the Act creating this chapter or in copying the field notes in the  
4 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. 3894.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE  
14 ZONES. (a) All or any part of the area of the district is eligible,  
15 regardless of other statutory criteria, to be included in:

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

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

20 (b) All or any part of the area of the district is eligible  
21 to be nominated for inclusion in an enterprise zone by the city  
22 under Chapter 2303, Government Code.

23 Sec. 3894.007. APPLICABILITY OF MUNICIPAL MANAGEMENT  
24 DISTRICTS LAW. Except as otherwise provided by this chapter,  
25 Chapter 375, Local Government Code, applies to the district.

26 Sec. 3894.008. LIBERAL CONSTRUCTION OF CHAPTER. This  
27 chapter shall be liberally construed in conformity with the

1 findings and purposes stated in this chapter.

2 [Sections 3894.009-3894.050 reserved for expansion]

3 SUBCHAPTER B. BOARD OF DIRECTORS

4 Sec. 3894.051. BOARD OF DIRECTORS. The district is  
5 governed by a board of five directors appointed under Section  
6 3894.052 and three directors serving ex officio under Section  
7 3894.053.

8 Sec. 3894.052. APPOINTMENT OF DIRECTORS; TERMS. (a) The  
9 mayor and governing body of the city shall appoint voting  
10 directors. A person is appointed if a majority of the members of  
11 the governing body, including the mayor, vote to appoint that  
12 person. A member of the governing body of the city may not be  
13 appointed to the board.

14 (b) Section 375.063, Local Government Code, does not apply  
15 to the district.

16 (c) The appointed directors serve staggered terms of four  
17 years, with two or three directors' terms expiring June 1 of each  
18 odd-numbered year.

19 (d) A person may not be appointed to the board if the  
20 appointment of that person would result in fewer than three of the  
21 directors residing in the city.

22 (e) The governing body of the city shall appoint a director  
23 to fill a vacancy that occurs on the board.

24 (f) District directors are public officials entitled to  
25 governmental immunity for their official actions.

26 Sec. 3894.053. NONVOTING DIRECTORS. (a) The following  
27 persons serve as nonvoting ex officio directors:

- 1           (1) the manager of the city;
- 2           (2) the financial director of the city; and
- 3           (3) the planning director of the city.

4           (b) If an office described by Subsection (a) is renamed,  
5 changed, or abolished, the governing body of the city may appoint  
6 another city officer or employee who performs duties comparable to  
7 those performed by the officer described by Subsection (a).

8           Sec. 3894.054. CONFLICTS OF INTEREST. (a) Except as  
9 provided by Section 3894.053 or this section:

10           (1) a director may participate in all board votes and  
11 decisions; and

12           (2) Chapter 171, Local Government Code, governs  
13 conflicts of interest of board members.

14           (b) A director who has a beneficial interest in a business  
15 entity that will receive a pecuniary benefit from an action of the  
16 board may participate in discussion and vote on that action if a  
17 majority of the board has a similar interest in the same action or  
18 if all other similar business entities in the district will receive  
19 a similar pecuniary benefit.

20           (c) A director who is also an officer or employee of a public  
21 entity may not participate in a discussion of or vote on a matter  
22 regarding a contract with that same public entity.

23           (d) For purposes of this section, a director has a  
24 substantial interest in a charitable entity in the same manner that  
25 a person would have a substantial interest in a business entity  
26 under Section 171.002, Local Government Code.

27           Sec. 3894.055. DIRECTOR'S OATH OR AFFIRMATION. A

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

4 Sec. 3894.056. OFFICERS. The board shall elect from among  
5 the directors a chair, vice chair, and secretary.

6 Sec. 3894.057. COMPENSATION OF DIRECTORS; REIMBURSEMENT OF  
7 EXPENSES. A director is not entitled to compensation for service on  
8 the board but is entitled to be reimbursed for necessary expenses  
9 incurred in carrying out the duties and responsibilities of a  
10 director.

11 Sec. 3894.058. INITIAL DIRECTORS. (a) The initial board  
12 consists of the following directors:

- 13 (1) \_\_\_\_\_ ;
- 14 (2) \_\_\_\_\_ ;
- 15 (3) \_\_\_\_\_ ;
- 16 (4) \_\_\_\_\_ ; and
- 17 (5) \_\_\_\_\_ .

18 (b) Of the initial directors, the terms of directors  
19 appointed for positions 1 and 2 expire June 1, 2011, and the terms  
20 of directors appointed for positions 3 through 5 expire June 1,  
21 2013.

22 (c) This section expires September 1, 2013.

23 Sec. 3894.059. QUORUM. For purposes of determining whether  
24 a quorum of the board is present, the following are not counted:

- 25 (1) a board position vacant for any reason, including  
26 death, resignation, or disqualification;
- 27 (2) a director who is abstaining from participation in

1 a vote because of a conflict of interest; or

2 (3) a nonvoting director.

3 [Sections 3894.060-3894.100 reserved for expansion]

4 SUBCHAPTER C. POWERS AND DUTIES

5 Sec. 3894.101. GENERAL POWERS AND DUTIES. The district has  
6 the powers and duties provided by:

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

13 (2) the general laws relating to road districts and  
14 road utility districts created under Section 52(b), Article III,  
15 Texas Constitution, including Chapter 441, Transportation Code;

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

18 (4) Chapter 375, Local Government Code; and

19 (5) Chapter 505, Local Government Code, as if the  
20 district were a municipality to which that chapter applies.

21 Sec. 3894.102. IMPROVEMENT PROJECTS. (a) The district may  
22 provide, or it may enter into contracts with a governmental or  
23 private entity to provide, the following types of improvement  
24 projects or activities in support of or incidental to those  
25 projects:

26 (1) a supply and distribution facility or system to  
27 provide potable and city-approved nonpotable water to the residents



1 and businesses of the district, including a wastewater collection  
2 facility;

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

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

8 (A) landscaping;

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

11 (C) lighting, banners, and signs;

12 (D) a street or sidewalk;

13 (E) a hiking and cycling path or trail;

14 (F) a pedestrian walkway, skywalk, crosswalk, or  
15 tunnel;

16 (G) a park, lake, garden, recreational facility,  
17 sports facility, open space, scenic area, or related exhibit or  
18 preserve;

19 (H) a fountain, plaza, or pedestrian mall; or

20 (I) a drainage or storm-water detention  
21 improvement;

22 (4) protection and improvement of the quality of storm  
23 water that flows through the district;

24 (5) the planning, design, construction, improvement,  
25 maintenance, and operation of:

26 (A) a water or sewer facility; or

27 (B) an off-street parking facility or heliport;

- 1           (6) the planning and acquisition of:  
2                   (A) public art and sculpture and related exhibits  
3 and facilities; or  
4                   (B) an educational and cultural exhibit or  
5 facility;  
6           (7) the planning, design, construction, acquisition,  
7 lease, rental, improvement, maintenance, installation, and  
8 management of and provision of furnishings for a facility for:  
9                   (A) a conference, convention, or exhibition;  
10                   (B) a manufacturer, consumer, or trade show;  
11                   (C) a civic, community, or institutional event;  
12 or  
13                   (D) an exhibit, display, attraction, special  
14 event, or seasonal or cultural celebration or holiday;  
15           (8) the removal, razing, demolition, or clearing of  
16 land or improvements in connection with an improvement project;  
17           (9) the acquisition and improvement of land or other  
18 property for the mitigation of the environmental effects of an  
19 improvement project;  
20           (10) the planning, design, construction, improvement,  
21 maintenance, and operation of alternative power generation  
22 facilities, including but not limited to solar, geothermal, and  
23 wind;  
24           (11) the acquisition of property or an interest in  
25 property in connection with an authorized improvement project;  
26           (12) a special or supplemental service for the  
27 improvement and promotion of the district or an area adjacent to the

1 district or for the protection of public health and safety in or  
2 adjacent to the district, including:

- 3 (A) advertising;
- 4 (B) promotion;
- 5 (C) tourism;
- 6 (D) health and sanitation;
- 7 (E) public safety;
- 8 (F) security;
- 9 (G) fire protection or emergency medical

10 services;

- 11 (H) business recruitment;
- 12 (I) development;
- 13 (J) elimination of traffic congestion; and
- 14 (K) recreational, educational, or cultural
- 15 improvements, enhancements, and services; or

16 (13) any similar public improvement, facility, or  
17 service.

18 (b) The district may not undertake a project under this  
19 section unless the board determines the project to be necessary to  
20 accomplish a public purpose of the district.

21 (c) An improvement project must comply with any applicable  
22 city requirements, including codes and ordinances.

23 (d) The district may not provide, conduct, or authorize any  
24 improvement project on the city streets, highways, rights-of-way,  
25 or easements without the consent of the governing body of the city.

26 (e) The district shall immediately comply with any city  
27 ordinance, order, or resolution that:

1           (1) requires the district to transfer to the city the  
2 title to all or any portion of an improvement project; or

3           (2) authorizes the district to own, encumber,  
4 maintain, and operate an improvement project, subject to the right  
5 of the city to order a conveyance of the project to the city on a  
6 date determined by the city.

7           (f) For the purposes of this section, planning, design,  
8 construction, improvement, and maintenance of a lake include work  
9 done for drainage, reclamation, or recreation.

10           Sec. 3894.103. GENERAL POWERS REGARDING CONTRACTS. (a)  
11 The district may:

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

14                   (A) the payment, repayment, or reimbursement of  
15 costs incurred by that person on behalf of the district, including  
16 all or part of the costs of an improvement project and interest on  
17 the reimbursed cost; or

18                   (B) the use, occupancy, lease, rental,  
19 operation, maintenance, or management of all or part of a proposed  
20 or existing improvement project; and

21           (2) apply for and contract with any person to receive,  
22 administer, and perform a duty or obligation of the district under a  
23 federal, state, local, or private gift, grant, loan, conveyance,  
24 transfer, bequest, or other financial assistance arrangement  
25 relating to the investigation, planning, analysis, study, design,  
26 acquisition, construction, improvement, completion,  
27 implementation, or operation by the district or others of a

1 proposed or existing improvement project.

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

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

9 (d) A contract payable from ad valorem taxes for a period  
10 longer than one year must be approved by the governing body of the  
11 city.

12 Sec. 3894.104. COMPETITIVE BIDDING. Section 375.221, Local  
13 Government Code, applies only to a district contract that has a  
14 value of more than \$50,000.

15 Sec. 3894.105. ECONOMIC DEVELOPMENT. The district may  
16 create economic development programs and exercise 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 a  
21 municipality.

22 Sec. 3894.106. RULES; ENFORCEMENT. (a) The district may  
23 adopt rules:

24 (1) to administer or operate the district;

25 (2) for the use, enjoyment, availability, protection,  
26 security, and maintenance of the district's property and  
27 facilities; or

1           (3) to provide for public safety and security in the  
2 district.

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

4           (c) To the extent a district rule conflicts with a city  
5 rule, order, or regulation, the city rule, order, or regulation  
6 controls.

7           Sec. 3894.107. NAME CHANGE. The board by resolution may  
8 change the district's name. The board shall give written notice of  
9 the change to the city.

10           Sec. 3894.108. ADDING OR REMOVING TERRITORY. The board may  
11 add or remove territory under Subchapter J, Chapter 49, and Section  
12 54.016, Water Code, except that:

13           (1) the addition or removal of the territory must be  
14 approved by:

15                   (A) the governing body of the city; and

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

18           (2) a reference to a tax in Subchapter J, Chapter 49,  
19 or Section 54.016, Water Code, means an ad valorem tax; 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 on the territory are outstanding.

23           Sec. 3894.109. NO EMINENT DOMAIN POWER. The district may  
24 not exercise the power of eminent domain.

25           Sec. 3894.110. DISTRICT EMPLOYEES; TERMS OF EMPLOYMENT;  
26 COMPENSATION. The board may employ and establish the terms of  
27 employment and compensation of:

- 1           (1) an executive director or general manager; or
- 2           (2) any other district employee the board considers
- 3 necessary.

4           [Sections 3894.111-3894.150 reserved for expansion]

5           SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

6           Sec. 3894.151. GENERAL POWERS REGARDING FINANCIAL MATTERS.

7 Except as provided by Section 3894.161, the district may:

8           (1) impose an ad valorem tax on all taxable property in

9 the district, including industrial, commercial, and residential

10 property, to pay for an improvement project;

11           (2) impose an assessment on property in the district

12 in the manner provided for:

13                   (A) a district under Subchapter F, Chapter 375,

14 Local Government Code; or

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

16 Chapter 372, Local Government Code;

17           (3) provide or secure the payment or repayment of the

18 costs and expenses of the establishment, administration, and

19 operation of the district and the district's costs or share of the

20 costs or revenue of an improvement project or district contractual

21 obligation or indebtedness by or through:

22                   (A) a lease, installment purchase contract, or

23 other agreement with any person;

24                   (B) the imposition of a tax, assessment, user

25 fee, concession fee, or rental charge; or

26                   (C) any other revenue or resource of the

27 district;

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

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

7           (6) undertake separately or jointly with other  
8 persons, including the city or Dallas County, all or part of the  
9 cost of an improvement project, including an improvement project:

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

13           (B) that confers a general benefit on the entire  
14 district or a special benefit on a definable part of the district;  
15 and

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

19           Sec. 3894.152. BORROWING MONEY. The district may borrow  
20 money for a district purpose by issuing or executing bonds, notes,  
21 credit agreements, or other obligations of any kind found by the  
22 board to be necessary or appropriate for the district purpose. The  
23 bond, note, credit agreement, or other obligation must be secured  
24 by and payable from ad valorem taxes, assessments, or other  
25 district revenue.

26           Sec. 3894.153. IMPACT FEES AND ASSESSMENTS; EXEMPTION. (a)  
27 The district may impose an impact fee or assessment on property in



1 the district, including an impact fee or assessment on residential  
2 or commercial property, only in the manner provided by Subchapter  
3 A, Chapter 372, or Subchapter F, Chapter 375, Local Government  
4 Code, for a municipality, county, or public improvement district,  
5 according to the benefit received by the property.

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

8 (1) public water and wastewater facilities;

9 (2) drainage and storm-water facilities; and

10 (3) streets and alleys.

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

16 (1) is a first and prior lien against the property  
17 assessed; and

18 (2) is superior to any other lien or claim other than a  
19 lien or claim for county, school district, or municipal ad valorem  
20 taxes.

21 (d) The board may make a correction to or deletion from the  
22 assessment roll that does not increase the amount of assessment of  
23 any parcel of land without providing notice and holding a hearing in  
24 the manner required for additional assessments.

25 (e) The district may not impose an impact fee on the  
26 property, including equipment and facilities, of a public utility  
27 provider in the district.

1       Sec. 3894.154. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.  
2 Section 375.161, Local Government Code, does not apply to the  
3 district.

4       Sec. 3894.155. MAINTENANCE AND OPERATION TAX; ELECTION.

5 (a) Except as provided by Section 3894.161, the district may impose  
6 a tax for maintenance and operation purposes, including for:

7           (1) planning, constructing, acquiring, maintaining,  
8 repairing, and operating all improvement projects, including land,  
9 plants, works, facilities, improvements, appliances, and equipment  
10 of the district; and

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

13       (b) The district may not impose a maintenance and operation  
14 tax unless the maximum tax rate is approved by the governing body of  
15 the city and a majority of the district voters voting at an election  
16 held for that purpose. If the maximum tax rate is approved, the  
17 board may impose the tax at any rate that does not exceed the  
18 approved rate.

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

23       (d) The proposition in a maintenance and operation tax  
24 election may be for a specific maximum rate.

25       Sec. 3894.156. USE OF SURPLUS MAINTENANCE AND OPERATION  
26 MONEY. If the district has surplus maintenance and operation tax  
27 money that is not needed for the purposes for which it was

1 collected, the money may be used for any authorized purpose.

2 Sec. 3894.157. BOND ISSUANCE PLAN REQUIRED BEFORE ISSUING  
3 BONDS. The district may not issue bonds until the governing body of  
4 the city approves a bond issuance plan authorizing and setting  
5 forth the limitations on the issuance of the bonds.

6 Sec. 3894.158. BONDS AND OTHER OBLIGATIONS; MUNICIPAL  
7 APPROVAL. (a) Except as provided by Sections 3894.157 and  
8 3894.161, the district may issue, by competitive bid or negotiated  
9 sale, bonds, notes, or other obligations payable wholly or partly  
10 from ad valorem taxes or assessments in the manner provided by  
11 Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local  
12 Government Code.

13 (b) In exercising the district's borrowing power, the  
14 district may issue a bond or other obligation in the form of a bond,  
15 note, certificate of participation or other instrument evidencing a  
16 proportionate interest in payments to be made by the district, or  
17 other type of obligation.

18 (c) In addition to the sources of money described by  
19 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local  
20 Government Code, district bonds may be secured and made payable  
21 wholly or partly by a pledge of any part of the net proceeds the  
22 district receives from any other district revenue.

23 Sec. 3894.159. BOND MATURITY. Bonds may mature not more  
24 than 40 years from their date of issue.

25 Sec. 3894.160. TAXES FOR BONDS AND OTHER OBLIGATIONS. (a)  
26 At the time bonds or other obligations payable wholly or partly from  
27 ad valorem taxes are issued:

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

4           (2) the district annually shall impose an ad valorem  
5 tax on all taxable property in the district in an amount sufficient  
6 to:

7                   (A) pay the interest on the bonds or other  
8 obligations as the interest becomes due;

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

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

13           (b) Bonds or other obligations that are secured by and  
14 payable from ad valorem taxes may not be issued unless the bonds and  
15 the imposition of the taxes are approved by:

16                   (1) a majority of the district voters voting at an  
17 election held for that purpose; and

18                   (2) the governing body of the city.

19           (c) The district shall hold an election required by this  
20 section in the manner provided by Chapter 54, Water Code.

21           Sec. 3894.161. PROJECT DEVELOPMENT AGREEMENT REQUIRED TO  
22 IMPOSE TAXES OR BORROW MONEY, INCLUDING BONDS. Before the district  
23 may issue bonds, impose taxes, or borrow money, the district and the  
24 city must negotiate and execute a mutually approved and accepted  
25 interlocal project development agreement regarding the development  
26 plans and rules for:

27                   (1) the development and operation of the district; and

1           (2) the financing of improvement projects.

2           Sec. 3894.162. CITY NOT REQUIRED TO PAY DISTRICT  
3 OBLIGATIONS. Except as provided by Section 375.263, Local  
4 Government Code, the city is not required to pay a bond, note, or  
5 other obligation of the district.

6           [Sections 3894.163-3894.200 reserved for expansion]

7                           SUBCHAPTER E. DISSOLUTION

8           Sec. 3894.201. DISSOLUTION BY CITY ORDINANCE. (a) If the  
9 city by ordinance adopts by a two-thirds vote of its governing body  
10 an ordinance to dissolve the district, the district is dissolved.

11           (b) The district may not be dissolved until the district's  
12 outstanding indebtedness or contractual obligations payable from  
13 ad valorem taxes have been repaid or discharged.

14           (c) The district may not be dissolved until the agreement  
15 under Section 3894.161 has been executed and the district's  
16 performance under the agreement has been fulfilled, including any  
17 right or obligation the district has to reimburse a developer or  
18 owner for the costs of improvement projects.

19           Sec. 3894.202. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

20           (a) If the dissolved district has bonds or other obligations  
21 outstanding secured by and payable from assessments or other  
22 revenue, other than ad valorem taxes, the city succeeds to the  
23 rights and obligations of the district regarding enforcement and  
24 collection of the assessments or other revenue.

25           (b) If the district is dissolved, the city has and may  
26 exercise all district powers to enforce and collect the assessments  
27 or other revenue to pay:

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

3           (2) special revenue or assessment bonds or other  
4 obligations issued by the city to refund the outstanding bonds or  
5 obligations.

6           Sec. 3894.203. ASSUMPTION OF ASSETS AND LIABILITIES. (a)  
7 The district may not be dissolved by the city unless the city  
8 assumes the obligations of the district, including any bonds or  
9 other indebtedness payable from assessments or other district  
10 revenue.

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

13           SECTION 2. The Rowlett Downtown Management District  
14 initially includes all territory contained in the following area:

15           BEING approximately 19 acres of land located in the Thomas  
16 Payne Survey, Abstract No. 1165, and approximately 19 acres of land  
17 located in the William Crabtree Survey, Abstract No. 347, City of  
18 Rowlett, Dallas County, Texas. Said 38 combined acres of land being  
19 more particularly described by metes and bounds as follows:

20           BEGINNING at a 1/2" iron pipe found in the South boundary line  
21 of said Payne Survey, and the North boundary line of said Crabtree  
22 Survey, at the point of intersection of said Survey line with the  
23 South right-of-way line of The Dallas Area Rapid Transit railroad,  
24 and said Point Of Beginning also being the West corner of the tract  
25 of land conveyed to the City of Rowlett by the deed recorded in  
26 Volume 2004067, page 04282 of the Deed Records of Dallas County,  
27 Texas;

1           THENCE Northeasterly, approximately 166 feet, along the  
2 South right-of-way line of said Dallas Area Rapid Transit railroad  
3 to a point at the intersection of the West right-of-way line of  
4 Commerce Street;

5           THENCE Northeasterly, approximately 114 feet, crossing said  
6 Dallas Area Rapid Transit railroad to a point in the North  
7 right-of-way line of said railroad, lying at the most Southerly  
8 Southeast corner of Lot 5, Block 5, Rowlett Business Park, No. 2, an  
9 addition to the City of Rowlett, Dallas County, Texas, according to  
10 the plat recorded in Volume 82015, page 1127 of the Deed Records of  
11 Dallas County, Texas;

12           THENCE Northerly, approximately 155 feet, along the most  
13 Southerly East boundary line of said Lot 5, and the West boundary  
14 line of the tract of land conveyed to the City of Rowlett by the deed  
15 recorded in Volume 99034, page 4307 of the Deed Records of Dallas  
16 County, Texas, to a point at the Northwest corner of said City of  
17 Rowlett tract, being the Southwest corner of the tract of land  
18 conveyed to the City of Rowlett by the deed recorded in Volume  
19 99083, page 2213 of the Deed Records of Dallas County, Texas;

20           THENCE Northerly, approximately 285 feet, along the West  
21 boundary line of said City of Rowlett tract recorded in Volume  
22 99083, page 2213 of the Deed Records of Dallas County, Texas, to a  
23 point in the North right-of-way line of Melcer Drive;

24           THENCE Easterly, approximately 837 feet, along the North  
25 right-of-way line of said Melcer Drive, to a point in the West  
26 right-of-way line of Martin Drive;

27           THENCE Northerly, approximately 820 feet, along the West

1 right-of-way line of said Martin Drive, to a point in the South  
2 right-of-way line of Lakeview Parkway;

3       THENCE Easterly, approximately 195 feet, along the South  
4 right-of-way line of said Lakeview Parkway, to a point at the  
5 Northeast corner of Lot 1, Block 1, Carlisle Subdivision, an  
6 addition to the City of Rowlett, Dallas County, Texas, according to  
7 the plat recorded in Volume 85081, page 1854 of the Deed Records of  
8 Dallas County, Texas;

9       THENCE Southerly, approximately 201 along the East boundary  
10 line of said Lot 1, Block 1, Carlisle Subdivision, to a point at the  
11 Southeast corner of said Lot 1;

12       THENCE Westerly, approximately 145 feet along the South  
13 boundary line of said Lot 1, Block 1, Carlisle Subdivision, to a  
14 point in the East right-of-way line of aforesaid Martin Drive;

15       THENCE Southerly, approximately 217 feet, along the East  
16 right-of-way line of said Martin Drive, to a point in the North  
17 right-of-way line of Industrial Street;

18       THENCE Easterly, approximately 1,251 feet along the North  
19 right-of-way line of said Industrial Street, being the South  
20 boundary line of Block 3, of aforesaid Rowlett Business Park, No. 2,  
21 to a point at the most Easterly Southeast corner of Lot 11 of said  
22 Block 3, Rowlett Business Park No. 2;

23       THENCE Southerly, approximately 544 feet, crossing said  
24 Industrial Street, and running along the East boundary line of Lot  
25 24, of Block 5 of said Rowlett Business Park No. 2, to a point at the  
26 Southeast corner of said Lot 24, lying in the North right-of-way  
27 line of aforesaid Dallas Area Rapid Transit railroad;



1           THENCE Southwesterly, approximately 453 feet, along the  
2 North right-of-way line of said Dallas Area Rapid Transit railroad,  
3 and the South boundary line of said Block 5, Rowlett Business Park  
4 No. 2, to a point at the Southwest corner of Lot 22 of said Block 5,  
5 Rowlett Business Park No. 2;

6           THENCE Northerly, approximately 522 feet, along the West  
7 boundary line of said Lot 22, Block 5, Rowlett Business Park No. 2,  
8 to a point at the Northwest corner of said Lot 22, lying in the South  
9 right-of-way line of aforesaid Industrial Street;

10          THENCE Westerly, approximately 420 feet, along the South  
11 right-of-way line of said Industrial Street, and the North boundary  
12 line of said Block 5, Rowlett Business Park No. 2, to a point at the  
13 Northeast corner of Lot 18 of said Block 5, Rowlett Business Park  
14 No. 2;

15          THENCE Southerly, approximately 625 feet, along the East  
16 boundary line of said Lot 18, Block 5, Rowlett Business Park No. 2,  
17 to a point at the Southeast corner of said Lot 18, lying in the North  
18 right-of-way line of aforesaid Dallas Area Rapid Transit railroad;

19          THENCE along the North right-of-way line of said Dallas Area  
20 Rapid Transit railroad as follows:

21                 1. Southwesterly, approximately 377 feet, along the  
22 South boundary line of Lot 14, and 18, of said Block 5,  
23 Rowlett Business Park No. 2, to a point at the Southwest  
24 corner of said Lot 14, lying in the East boundary line of Lot  
25 13, of said Block 5;

26                 2. Southeasterly, approximately 25 feet, along the  
27 East boundary line of said Lot 13, Block 5, to a point at the

1 Southeast corner of said Lot 13;

2 3. Southwesterly, approximately 343 feet, along the  
3 South boundary line of Lots 11, 12, and 13 of said Block 5,  
4 Rowlett Business Park No. 2, to a point at the Southwest  
5 corner of said Lot 11;

6 THENCE Northwesterly, approximately 155 feet, along the West  
7 boundary line of said Lot 11, Block 5, Rowlett Business Park No. 2,  
8 to a point in the most Northerly South boundary line of said Lot 11;

9 THENCE Southwesterly, approximately 11 feet, along the most  
10 Northerly South boundary line of said Lot 11, to a point at the most  
11 Westerly Southwest corner of said Lot 11;

12 THENCE Northerly, approximately 157 feet, along the West  
13 boundary line of said Lot 11, to a point at the Northwest corner of  
14 said Lot 11, lying in the South right-of-way line of aforesaid  
15 Melcer Drive;

16 THENCE Westerly, approximately 500 feet, along the South  
17 right-of-way line of said Melcer Drive, and the most Southerly,  
18 North boundary line of said Block 5, Rowlett Business Park No. 2, to  
19 a point at the Northwest corner of Lot 6 of said Block 5, being the  
20 Northeast corner of the aforesaid tract of land conveyed to the City  
21 of Rowlett by the deed recorded in Volume 99083, page 2213 of the  
22 Deed Records of Dallas County, Texas;

23 THENCE Southerly, approximately 226 feet, along the East  
24 boundary line of said City of Rowlett tract, and the West boundary  
25 line of said Lot 6, to a point at the Southwest corner of said Lot 6,  
26 and the Southeast corner of Lot 5, of said Block 5, Rowlett Business  
27 Park No. 2;

1           THENCE Southwesterly, approximately 11 feet, along the South  
2 boundary line of said Lot 5, to a point at the Northeast corner of  
3 the aforesaid tract of land conveyed to the City of Rowlett by the  
4 deed recorded in Volume 99034, page 4307 of the Deed Records of  
5 Dallas County, Texas;

6           THENCE Southerly, approximately 169 feet, along the East  
7 boundary line of said City of Rowlett tract recorded in Volume  
8 99034, page 4307, and continuing to a point;

9           THENCE Southwesterly, approximately 97 feet, crossing the  
10 aforesaid Dallas Area Rapid Transit railroad, to a point in the  
11 South right-of-way line of said railroad, being the North boundary  
12 line of the aforesaid tract of land conveyed to the City of Rowlett  
13 by the deed recorded in Volume 2004067, page 04282 of the Deed  
14 Records of Dallas County, Texas;

15           THENCE Northeasterly, approximately 362 feet, along the  
16 South right-of-way line of said Dallas Area Rapid Transit railroad,  
17 and the North boundary line of said City of Rowlett tract recorded  
18 in Volume 2004067, page 04282, to a point at the Northeast corner of  
19 said City of Rowlett tract;

20           THENCE Southeasterly, approximately 99 feet, along the East  
21 boundary line of said City of Rowlett tract, to a point at the  
22 Southeast corner of said City of Rowlett tract, lying in the South  
23 boundary line of the tract of land conveyed to Jeffrey D. Mayhall,  
24 and wife Camille Mayhall by the deed recorded in Volume 96198, page  
25 1273 of the Deed Records of Dallas County, Texas;

26           THENCE Easterly, approximately 190 feet along the South  
27 boundary line of said Mayhall tract to a point at the Southeast

1 corner of said Mayhall tract;

2           THENCE Southerly, approximately 10 feet to a point in the  
3 North boundary line of Lot 1, Block B, Municipal Complex Addition,  
4 to the City of Rowlett, Dallas County, Texas according to the plat  
5 recorded in County Clerk's file No. 2006002238027 of the Deed  
6 Records of Dallas County, Texas;

7           THENCE Easterly, approximately 51 feet, along the North  
8 boundary line of said Lot 1, Block B, Municipal Complex Addition, to  
9 a point at the Northeast corner of said Lot 1, Block B;

10           THENCE Southerly, approximately 137 feet, along the East  
11 boundary line of said Lot 1, Block B, Municipal Complex Addition, to  
12 a point at the Southeast corner of said Lot 1, Block B, lying in the  
13 North right-of-way line of Main Street;

14           THENCE Northeasterly, approximately 482 feet, along the  
15 North right-of-way line of said Main Street, to a point in the West  
16 right-of-way line of Skyline Drive;

17           THENCE Southerly, approximately 87 feet, crossing said Main  
18 Street, to a point at the Northeast corner of Lot 1, Block A,  
19 Municipal Complex Addition, to the City of Rowlett, Dallas County,  
20 Texas, according to the plat recorded in Volume 95327, page 2810 of  
21 the Deed Records of Dallas County, Texas;

22           THENCE Southerly, approximately 425 feet, along the East  
23 boundary line of said Lot 1, Block B, Municipal Complex Addition,  
24 and the West right-of-way line of aforesaid Skyline Drive, to a  
25 point at the Southeast corner of said Lot 1, Block A, being the  
26 Northeast corner of Lot 1, Block 1, South Ridge Addition, No. 3, and  
27 addition to the City of Rowlett, Dallas County, Texas, according to

1 the plat recorded in Volume 69117, page 2087 of the Deed Records of  
2 Dallas County, Texas;

3       THENCE Westerly, approximately 150 feet along the North  
4 boundary line of said Lot 1, Block 1, South Ridge Addition, No. 3,  
5 to a point at the Northwest corner of said Lot 1, Block 1, South  
6 Ridge Addition, No. 3;

7       THENCE Southerly, approximately 498 feet, along the West  
8 boundary line of said Block 1, South Ridge Addition, No. 3, to a  
9 point;

10       THENCE Westerly, approximately 360 feet, along the North  
11 boundary line of Lot 7, Block 1, and Lot 1, Block 6 of said South  
12 Ridge Addition, No. 3, to a point;

13       THENCE Southerly, approximately 20 feet, to a point at the  
14 Northeast corner of Lot 2, Block 6, South Ridge Addition, No. 4, an  
15 addition to the City of Rowlett, Dallas County, Texas, according to  
16 the plat recorded in Volume 76104, page 1684 of the Deed Records of  
17 Dallas County, Texas;

18       THENCE Westerly, approximately 185 feet, along the North  
19 boundary line of said Lot 2, Block 6, South Ridge Addition, No. 4,  
20 to a point in the West right-of-way line of Aspen Drive;

21       THENCE Southerly, approximately 32 feet, along the West  
22 right-of-way line of said ASPEN DRIVE, to a point at the Northeast  
23 corner of Lot 12, Block 7 of said South Ridge Addition, No. 4;

24       THENCE Westerly, approximately 150 feet, along the North  
25 boundary line of said Lot 12, Block 7, South Ridge Addition, No. 4,  
26 to a point at the Northwest corner of said Lot 12, Block 7;

27       THENCE Northerly, approximately 740 feet, to a point at the

1 Northwest of Lot 3, Block A, of aforesaid Municipal Complex  
2 Addition, to the City of Rowlett, Dallas County, Texas, according  
3 to the plat recorded in Volume 95237, page 2810 of the Deed Records  
4 of Dallas County, Texas;

5       THENCE Easterly, approximately 131 feet, along the most  
6 Southerly North boundary line of said Lot 3, Block A, Municipal  
7 Complex Addition, to a point;

8       THENCE Northerly, approximately 163 feet, along the most  
9 Easterly, West boundary line of said Lot 3, Block A, Municipal  
10 Complex Addition, to a point at the Northwest corner of said Lot 3,  
11 lying in the South right-of-way line of aforesaid Main Street;

12       THENCE Southwesterly, approximately 65 feet, along the South  
13 right-of-way line of said Main Street, to a point at the Northeast  
14 corner of Lot 43, Original Town Of Rowlett, an addition to the City  
15 of Rowlett, Dallas County, Texas, according to the plat recorded in  
16 Volume 2, page 217 of the Map Records of Dallas County, Texas;

17       THENCE Southerly, approximately 90 feet, along the East  
18 boundary line of said Lot 43, to a point at the Southeast corner of  
19 said Lot 43;

20       THENCE Westerly, approximately 50 feet, along the South  
21 boundary line of Lot 42, and 43 of said Original Town Of Rowlett, to  
22 a point at the Southwest corner of said Lot 42;

23       THENCE Northerly, approximately 90 feet, along the West  
24 boundary line of said Lot 42, to a point at the Northwest corner of  
25 said Lot 42, lying in the South right-of-way of aforesaid Main  
26 Street;

27       THENCE Westerly, approximately 300 feet, along the South

1 right-of-way line of said Main Street, and the North boundary line  
2 of Lots 33, through 41, of said Original Town Of Rowlett, to a point  
3 in the West right-of-way line of aforesaid Commerce Street, and the  
4 East boundary line of Lot 28 of said Original Town Of Rowlett;

5       THENCE Northerly, approximately 262 feet, along the West  
6 right-of-way line of said Commerce Street, and the East boundary  
7 line of Lots 19, through 28, of said Original Town Of Rowlett, to a  
8 point in the North boundary line of aforesaid William Crabtree  
9 Survey, and the South boundary line of the aforesaid Thomas Payne  
10 Survey;

11       THENCE Westerly, approximately 164 feet, along said Survey  
12 line to the Point Of Beginning, containing approximately 38 acres  
13 of land.

14       The foregoing 38 acres description saves and excepts all  
15 portions thereof, and contained therein of Lots 7 through 18 of the  
16 Original Town of Rowlett, as indicated on the plat recorded in  
17 Volume 2, Page 217 of the Map Records of Dallas County, Texas.

18       SECTION 3. (a) The legal notice of the intention to  
19 introduce this Act, setting forth the general substance of this  
20 Act, has been published as provided by law, and the notice and a  
21 copy of this Act have been furnished to all persons, agencies,  
22 officials, or entities to which they are required to be furnished  
23 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
24 Government Code.

25       (b) The governor, one of the required recipients, has  
26 submitted the notice and Act to the Texas Commission on  
27 Environmental Quality.

1           (c) The Texas Commission on Environmental Quality has filed  
2 its recommendations relating to this Act with the governor,  
3 lieutenant governor, and speaker of the house of representatives  
4 within the required time.

5           (d) The general law relating to consent by political  
6 subdivisions to the creation of districts with conservation,  
7 reclamation, and road powers and the inclusion of land in those  
8 districts has been complied with.

9           (e) All requirements of the constitution and laws of this  
10 state and the rules and procedures of the legislature with respect  
11 to the notice, introduction, and passage of this Act have been  
12 fulfilled and accomplished.

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