

By: Driver

H.B. No. 425

Substitute the following for H.B. No. 425:

By: Simpson

C.S.H.B. No. 425

A BILL TO BE ENTITLED

AN ACT

1
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 to the area in the district as of the
13 effective date of the Act enacting this chapter. 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 the district's:

- 5 (1) organization, existence, or validity;
- 6 (2) right to contract, including the right to issue
7 any type of bond or other obligation for a purpose for which the
8 district is created;
- 9 (3) right to impose or collect an assessment, tax, or
10 any other revenue; or
- 11 (4) legality or operation.

12 Sec. 3894.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE
13 ZONES. (a) All or any part of the area of the district is eligible,
14 regardless of other statutory criteria, to be included in:

- 15 (1) a tax increment reinvestment zone created by the
16 city under Chapter 311, Tax Code; or
- 17 (2) a tax abatement reinvestment zone created by the
18 city under Chapter 312, Tax Code.

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

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

25 Sec. 3894.008. LIBERAL CONSTRUCTION OF CHAPTER. This
26 chapter shall be liberally construed in conformity with the
27 findings and purposes stated in this chapter.

1 [Sections 3894.009-3894.050 reserved for expansion]

2 SUBCHAPTER B. BOARD OF DIRECTORS

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

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

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

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

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

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

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

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

27 (1) the manager of the city;

1 (2) the financial director of the city; and

2 (3) the planning director of the city.

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

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

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

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

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

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

22 Sec. 3894.055. DIRECTOR'S OATH OR AFFIRMATION. A
23 director's oath or affirmation of office shall be filed with the
24 district and the district shall retain the oath or affirmation in
25 the district records.

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

1 Sec. 3894.057. COMPENSATION OF DIRECTORS; REIMBURSEMENT OF
2 EXPENSES. A director is not entitled to compensation for service on
3 the board but is entitled to be reimbursed for necessary expenses
4 incurred in carrying out the duties and responsibilities of a
5 director.

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

- 8 (1) _____ ;
- 9 (2) _____ ;
- 10 (3) _____ ;
- 11 (4) _____ ; and
- 12 (5) _____ .

13 (b) Of the initial directors, the terms of directors
14 appointed for positions 1 and 2 expire June 1, 2013, and the terms
15 of directors appointed for positions 3 through 5 expire June 1,
16 2015.

17 (c) This section expires September 1, 2015.

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

- 20 (1) a board position vacant for any reason, including
21 death, resignation, or disqualification;
- 22 (2) a director who is abstaining from participation in
23 a vote because of a conflict of interest; or
- 24 (3) a nonvoting director.

25 [Sections 3894.060-3894.100 reserved for expansion]

26 SUBCHAPTER C. POWERS AND DUTIES

27 Sec. 3894.101. GENERAL POWERS AND DUTIES. The district has

1 the powers and duties provided by:

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

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

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

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

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

13 Sec. 3894.102. IMPROVEMENT PROJECTS. (a) The district may
14 provide, or it may enter into contracts with a governmental or
15 private entity to provide, the following types of improvement
16 projects or activities in support of or incidental to those
17 projects:

18 (1) a supply and distribution facility or system to
19 provide potable and city-approved nonpotable water to the residents
20 and businesses of the district, including a wastewater collection
21 facility;

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

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

27 (A) landscaping;

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

1 (A) a conference, convention, or exhibition;

2 (B) a manufacturer, consumer, or trade show;

3 (C) a civic, community, or institutional event;

4 or

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

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

9 (9) the acquisition and improvement of land or other
10 property for the mitigation of the environmental effects of an
11 improvement project;

12 (10) the acquisition of property or an interest in
13 property in connection with an authorized improvement project;

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

18 (A) advertising;

19 (B) promotion;

20 (C) tourism;

21 (D) health and sanitation;

22 (E) public safety;

23 (F) security;

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

26 (H) business recruitment;

27 (I) development;

1 (J) elimination of traffic congestion; and

2 (K) recreational, educational, or cultural
3 improvements, enhancements, and services; or

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

6 (b) The district may not undertake an improvement project
7 under this section unless the board determines the project to be
8 necessary to accomplish a public purpose of the district.

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

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

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

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

18 (2) authorizes the district to own, encumber,
19 maintain, and operate an improvement project, subject to the right
20 of the city to order a conveyance of the project to the city on a
21 date determined by the city.

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

25 Sec. 3894.103. GENERAL POWERS REGARDING CONTRACTS. (a)
26 The district may:

27 (1) contract with any person to accomplish any

1 district purpose, including a contract for:

2 (A) the payment, repayment, or reimbursement of
3 costs incurred by that person on behalf of the district, including
4 all or part of the costs of an improvement project and interest on
5 the reimbursed cost; or

6 (B) the use, occupancy, lease, rental,
7 operation, maintenance, or management of all or part of a proposed
8 or existing improvement project; and

9 (2) apply for and contract with any person to receive,
10 administer, and perform a duty or obligation of the district under a
11 federal, state, local, or private gift, grant, loan, conveyance,
12 transfer, bequest, or other financial assistance arrangement
13 relating to the investigation, planning, analysis, study, design,
14 acquisition, construction, improvement, completion,
15 implementation, or operation by the district or others of a
16 proposed or existing improvement project.

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

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

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

27 Sec. 3894.104. COMPETITIVE BIDDING. Section 375.221, Local

1 Government Code, applies only to a district contract that has a
2 value of more than \$50,000.

3 Sec. 3894.105. ECONOMIC DEVELOPMENT. The district may
4 create economic development programs and exercise the economic
5 development powers that:

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

8 (2) Chapter 1509, Government Code, provides to a
9 municipality.

10 Sec. 3894.106. RULES; ENFORCEMENT. (a) The district may
11 adopt rules:

12 (1) to administer or operate the district;

13 (2) for the use, enjoyment, availability, protection,
14 security, and maintenance of the district's property and
15 facilities; or

16 (3) to provide for public safety and security in the
17 district.

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

19 (c) To the extent a district rule conflicts with a city
20 rule, order, or regulation, the city rule, order, or regulation
21 controls.

22 Sec. 3894.107. NAME CHANGE. The board by resolution may
23 change the district's name. The board shall give written notice of
24 the change to the city.

25 Sec. 3894.108. ADDING OR REMOVING TERRITORY. The board may
26 add or remove territory under Subchapter J, Chapter 49, and Section
27 54.016, Water Code, except that:

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

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

4 (B) the owners of the territory being added or
5 removed;

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

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

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

13 Sec. 3894.110. DISTRICT EMPLOYEES; TERMS OF EMPLOYMENT;
14 COMPENSATION. The board may employ and establish the terms of
15 employment and compensation of:

16 (1) an executive director or general manager; or

17 (2) any other district employee the board considers
18 necessary.

19 [Sections 3894.111-3894.150 reserved for expansion]

20 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

21 Sec. 3894.151. GENERAL POWERS REGARDING FINANCIAL MATTERS.
22 Except as provided by Section 3894.161, the district may:

23 (1) impose an ad valorem tax on all taxable property in
24 the district, including industrial, commercial, and residential
25 property, to pay for an improvement project;

26 (2) impose an assessment on property in the district
27 in the manner provided for:

1 (A) a district under Subchapter F, Chapter 375,
2 Local Government Code; or

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

5 (3) provide or secure the payment or repayment of the
6 costs and expenses of the establishment, administration, and
7 operation of the district and the district's costs or share of the
8 costs or revenue of an improvement project or district contractual
9 obligation or indebtedness by or through:

10 (A) a lease, installment purchase contract, or
11 other agreement with any person;

12 (B) the imposition of a tax, assessment, user
13 fee, concession fee, or rental charge; or

14 (C) any other revenue or resource of the
15 district;

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

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

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

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

1 (B) that confers a general benefit on the entire
2 district or a special benefit on a definable part of the district;
3 and

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

7 Sec. 3894.152. BORROWING MONEY. The district may borrow
8 money for a district purpose by issuing or executing bonds, notes,
9 credit agreements, or other obligations of any kind found by the
10 board to be necessary or appropriate for the district purpose. The
11 bond, note, credit agreement, or other obligation must be secured
12 by and payable from ad valorem taxes, assessments, or other
13 district revenue.

14 Sec. 3894.153. IMPACT FEES AND ASSESSMENTS; EXEMPTION. (a)
15 The district may impose an impact fee or assessment on property in
16 the district, including an impact fee or assessment on residential
17 or commercial property, only in the manner provided by Subchapter
18 A, Chapter 372, or Subchapter F, Chapter 375, Local Government
19 Code, for a municipality, county, or public improvement district,
20 according to the benefit received by the property.

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

23 (1) public water and wastewater facilities;

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

25 (3) streets and alleys.

26 (c) An assessment, a reassessment, or an assessment
27 resulting from an addition to or correction of the assessment roll

1 by the district, penalties and interest on an assessment or
2 reassessment, or an expense of collection of an assessment,
3 including reasonable attorney's fees, incurred by the district:

4 (1) is a first and prior lien against the property
5 assessed; and

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

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

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

16 Sec. 3894.154. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.
17 Section 375.161, Local Government Code, does not apply to the
18 district.

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

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

22 (1) planning, constructing, acquiring, maintaining,
23 repairing, and operating all improvement projects, including land,
24 plants, works, facilities, improvements, appliances, and equipment
25 of the district; and

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

1 (b) The district may not impose a maintenance and operation
2 tax unless the maximum tax rate is approved by the governing body of
3 the city and a majority of the district voters voting at an election
4 held for that purpose. If the maximum tax rate is approved, the
5 board may impose the tax at any rate that does not exceed the
6 approved rate.

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

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

13 Sec. 3894.156. USE OF SURPLUS MAINTENANCE AND OPERATION
14 MONEY. If the district has surplus maintenance and operation tax
15 money that is not needed for the purposes for which it was
16 collected, the money may be used for any authorized purpose.

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

21 Sec. 3894.158. BONDS AND OTHER OBLIGATIONS; MUNICIPAL
22 APPROVAL. (a) Except as provided by Sections 3894.157 and
23 3894.161, the district may issue, by competitive bid or negotiated
24 sale, bonds, notes, or other obligations payable wholly or partly
25 from ad valorem taxes or assessments in the manner provided by
26 Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local
27 Government Code.

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

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

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

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

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

19 (2) the district annually shall impose an ad valorem
20 tax on all taxable property in the district in an amount sufficient
21 to:

22 (A) pay the interest on the bonds or other
23 obligations as the interest becomes due;

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

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

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

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

6 (2) the governing body of the city.

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

9 Sec. 3894.161. PROJECT DEVELOPMENT AGREEMENT REQUIRED TO
10 IMPOSE TAXES OR BORROW MONEY, INCLUDING BONDS. Before the district
11 may issue bonds, impose taxes, or borrow money, the district and the
12 city must negotiate and execute a mutually approved and accepted
13 interlocal project development agreement regarding the development
14 plans and rules for:

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

16 (2) the financing of improvement projects.

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

21 [Sections 3894.163-3894.200 reserved for expansion]

22 SUBCHAPTER E. DISSOLUTION

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

26 (b) The district may not be dissolved until the district's
27 outstanding indebtedness or contractual obligations payable from

1 ad valorem taxes have been repaid or discharged.

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

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

8 (a) If the dissolved district has bonds or other obligations
9 outstanding secured by and payable from assessments or other
10 revenue, other than ad valorem taxes, the city succeeds to the
11 rights and obligations of the district regarding enforcement and
12 collection of the assessments or other revenue.

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

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

18 (2) special revenue or assessment bonds or other
19 obligations issued by the city to refund the outstanding bonds or
20 obligations.

21 Sec. 3894.203. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
22 The district may not be dissolved by the city unless the city
23 assumes the obligations of the district, including any bonds or
24 other indebtedness payable from assessments or other district
25 revenue.

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

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

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

8 BEGINNING at a 1/2" iron pipe found in the South boundary line
9 of said Payne Survey, and the North boundary line of said Crabtree
10 Survey, at the point of intersection of said Survey line with the
11 South right-of-way line of The Dallas Area Rapid Transit railroad,
12 and said Point Of Beginning also being the West corner of the tract
13 of land conveyed to the City of Rowlett by the deed recorded in
14 Volume 2004067, page 04282 of the Deed Records of Dallas County,
15 Texas;

16 THENCE Northeasterly, approximately 166 feet, along the
17 South right-of-way line of said Dallas Area Rapid Transit railroad
18 to a point at the intersection of the West right-of-way line of
19 Commerce Street;

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

27 THENCE Northerly, approximately 155 feet, along the most

1 Southerly East boundary line of said Lot 5, and the West boundary
2 line of the tract of land conveyed to the City of Rowlett by the deed
3 recorded in Volume 99034, page 4307 of the Deed Records of Dallas
4 County, Texas, to a point at the Northwest corner of said City of
5 Rowlett tract, being the Southwest corner of the tract of land
6 conveyed to the City of Rowlett by the deed recorded in Volume
7 99083, page 2213 of the Deed Records of Dallas County, Texas;

8 THENCE Northerly, approximately 285 feet, along the West
9 boundary line of said City of Rowlett tract recorded in Volume
10 99083, page 2213 of the Deed Records of Dallas County, Texas, to a
11 point in the North right-of-way line of Melcer Drive;

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

15 THENCE Northerly, approximately 820 feet, along the West
16 right-of-way line of said Martin Drive, to a point in the South
17 right-of-way line of Lakeview Parkway;

18 THENCE Easterly, approximately 195 feet, along the South
19 right-of-way line of said Lakeview Parkway, to a point at the
20 Northeast corner of Lot 1, Block 1, Carlisle Subdivision, an
21 addition to the City of Rowlett, Dallas County, Texas, according to
22 the plat recorded in Volume 85081, page 1854 of the Deed Records of
23 Dallas County, Texas;

24 THENCE Southerly, approximately 201 feet along the East
25 boundary line of said Lot 1, Block 1, Carlisle Subdivision, to a
26 point at the Southeast corner of said Lot 1;

27 THENCE Westerly, approximately 145 feet along the South

1 boundary line of said Lot 1, Block 1, Carlisle Subdivision, to a
2 point in the East right-of-way line of aforesaid Martin Drive;

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

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

11 THENCE Southerly, approximately 544 feet, crossing said
12 Industrial Street, and running along the East boundary line of Lot
13 24, of Block 5 of said Rowlett Business Park No. 2, to a point at the
14 Southeast corner of said Lot 24, lying in the North right-of-way
15 line of aforesaid Dallas Area Rapid Transit railroad;

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

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

25 THENCE Westerly, approximately 420 feet, along the South
26 right-of-way line of said Industrial Street, and the North boundary
27 line of said Block 5, Rowlett Business Park No. 2, to a point at the

1 Northeast corner of Lot 18 of said Block 5, Rowlett Business Park
2 No. 2;

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

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

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

14 2. Southeasterly, approximately 25 feet, along the
15 East boundary line of said Lot 13, Block 5, to a point at the
16 Southeast corner of said Lot 13;

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

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

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

27 THENCE Northerly, approximately 157 feet, along the West

1 boundary line of said Lot 11, to a point at the Northwest corner of
2 said Lot 11, lying in the South right-of-way line of aforesaid
3 Melcer Drive;

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

11 THENCE Southerly, approximately 226 feet, along the East
12 boundary line of said City of Rowlett tract, and the West boundary
13 line of said Lot 6, to a point at the Southwest corner of said Lot 6,
14 and the Southeast corner of Lot 5, of said Block 5, Rowlett Business
15 Park No. 2;

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

21 THENCE Southerly, approximately 169 feet, along the East
22 boundary line of said City of Rowlett tract recorded in Volume
23 99034, page 4307, and continuing to a point;

24 THENCE Southwesterly, approximately 97 feet, crossing the
25 aforesaid Dallas Area Rapid Transit railroad, to a point in the
26 South right-of-way line of said railroad, being the North boundary
27 line of the aforesaid tract of land conveyed to the City of Rowlett

1 by the deed recorded in Volume 2004067, page 04282 of the Deed
2 Records of Dallas County, Texas;

3 THENCE Northeasterly, approximately 362 feet, along the
4 South right-of-way line of said Dallas Area Rapid Transit railroad,
5 and the North boundary line of said City of Rowlett tract recorded
6 in Volume 2004067, page 04282, to a point at the Northeast corner of
7 said City of Rowlett tract;

8 THENCE Southeasterly, approximately 99 feet, along the East
9 boundary line of said City of Rowlett tract, to a point at the
10 Southeast corner of said City of Rowlett tract, lying in the South
11 boundary line of the tract of land conveyed to Jeffrey D. Mayhall,
12 and wife Camille Mayhall by the deed recorded in Volume 96198, page
13 1273 of the Deed Records of Dallas County, Texas;

14 THENCE Easterly, approximately 190 feet along the South
15 boundary line of said Mayhall tract to a point at the Southeast
16 corner of said Mayhall tract;

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

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

25 THENCE Southerly, approximately 137 feet, along the East
26 boundary line of said Lot 1, Block B, Municipal Complex Addition, to
27 a point at the Southeast corner of said Lot 1, Block B, lying in the

1 North right-of-way line of Main Street;

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

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

10 THENCE Southerly, approximately 425 feet, along the East
11 boundary line of said Lot 1, Block B, Municipal Complex Addition,
12 and the West right-of-way line of aforesaid Skyline Drive, to a
13 point at the Southeast corner of said Lot 1, Block A, being the
14 Northeast corner of Lot 1, Block 1, South Ridge Addition, No. 3, and
15 addition to the City of Rowlett, Dallas County, Texas, according to
16 the plat recorded in Volume 69117, page 2087 of the Deed Records of
17 Dallas County, Texas;

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

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

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

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

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

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

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

15 THENCE Northerly, approximately 740 feet, to a point at the
16 Northwest of Lot 3, Block A, of aforesaid Municipal Complex
17 Addition, to the City of Rowlett, Dallas County, Texas, according
18 to the plat recorded in Volume 95237, page 2810 of the Deed Records
19 of Dallas County, Texas;

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

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

27 THENCE Southwesterly, approximately 65 feet, along the South

1 right-of-way line of said Main Street, to a point at the Northeast
2 corner of Lot 43, Original Town Of Rowlett, an addition to the City
3 of Rowlett, Dallas County, Texas, according to the plat recorded in
4 Volume 2, page 217 of the Map Records of Dallas County, Texas;

5 THENCE Southerly, approximately 90 feet, along the East
6 boundary line of said Lot 43, to a point at the Southeast corner of
7 said Lot 43;

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

11 THENCE Northerly, approximately 90 feet, along the West
12 boundary line of said Lot 42, to a point at the Northwest corner of
13 said Lot 42, lying in the South right-of-way of aforesaid Main
14 Street;

15 THENCE Westerly, approximately 300 feet, along the South
16 right-of-way line of said Main Street, and the North boundary line
17 of Lots 33, through 41, of said Original Town Of Rowlett, to a point
18 in the West right-of-way line of aforesaid Commerce Street, and the
19 East boundary line of Lot 28 of said Original Town Of Rowlett;

20 THENCE Northerly, approximately 262 feet, along the West
21 right-of-way line of said Commerce Street, and the East boundary
22 line of Lots 19, through 28, of said Original Town Of Rowlett, to a
23 point in the North boundary line of aforesaid William Crabtree
24 Survey, and the South boundary line of the aforesaid Thomas Payne
25 Survey;

26 THENCE Westerly, approximately 164 feet, along said Survey
27 line to the Point Of Beginning, containing approximately 38 acres

1 of land.

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

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

13 (b) The governor, one of the required recipients, has
14 submitted the notice and Act to the Texas Commission on
15 Environmental Quality.

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

20 (d) The general law relating to consent by political
21 subdivisions to the creation of districts with conservation,
22 reclamation, and road powers and the inclusion of land in those
23 districts has been complied with.

24 (e) All requirements of the constitution and laws of this
25 state and the rules and procedures of the legislature with respect
26 to the notice, introduction, and passage of this Act have been
27 fulfilled and accomplished.

1 SECTION 4. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2011.