

1-1 By: Driver (Senate Sponsor - Deuell) H.B. No. 427
1-2 (In the Senate - Received from the House May 16, 2011;
1-3 May 16, 2011, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 21, 2011, reported favorably by
1-5 the following vote: Yeas 3, Nays 0; May 21, 2011, sent to printer.)

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

1-8 relating to the creation of the Rowlett Waterfront Entertainment
1-9 Management District; providing authority to impose a tax, levy an
1-10 assessment, and issue bonds.

1-11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-12 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-13 Code, is amended by adding Chapter 3896 to read as follows:

1-14 CHAPTER 3896. ROWLETT WATERFRONT ENTERTAINMENT MANAGEMENT DISTRICT

1-15 SUBCHAPTER A. GENERAL PROVISIONS

1-16 Sec. 3896.001. DEFINITIONS. In this chapter:

1-17 (1) "Board" means the district's board of directors.

1-18 (2) "City" means the City of Rowlett, Texas.

1-19 (3) "Director" means a board member.

1-20 (4) "District" means the Rowlett Waterfront
1-21 Entertainment Management District.

1-22 (5) "Improvement project" means any program or project
1-23 authorized by Section 3896.102, inside or outside the district.

1-24 Sec. 3896.002. CREATION AND NATURE OF DISTRICT. The
1-25 district is a special district created under Sections 52 and 52-a,
1-26 Article III, and Section 59, Article XVI, Texas Constitution.

1-27 Sec. 3896.003. PURPOSE; DECLARATION OF INTENT. (a) The
1-28 creation of the district is essential to accomplish the purposes of
1-29 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-30 Texas Constitution, and other public purposes stated in this
1-31 chapter. By creating the district and in authorizing the city and
1-32 other political subdivisions to contract with the district, the
1-33 legislature has established a program to accomplish the public
1-34 purposes set out in Section 52-a, Article III, Texas Constitution.

1-35 (b) The creation of the district is necessary to promote,
1-36 develop, encourage, and maintain employment, commerce,
1-37 transportation, housing, tourism, recreation, the arts,
1-38 entertainment, economic development, safety, and the public
1-39 welfare in the district.

1-40 (c) This chapter and the creation of the district may not be
1-41 interpreted to relieve the city or Dallas County from providing the
1-42 level of services provided to the area in the district as of the
1-43 effective date of the Act enacting this chapter. The district is
1-44 created to supplement and not to supplant the city and county
1-45 services provided in the district.

1-46 Sec. 3896.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
1-47 The district is created to serve a public use and benefit.

1-48 (b) All land and other property included in the district
1-49 will benefit from the improvements and services to be provided by
1-50 the district under powers conferred by Sections 52 and 52-a,
1-51 Article III, and Section 59, Article XVI, Texas Constitution, and
1-52 other powers granted under this chapter.

1-53 (c) The creation of the district is in the public interest
1-54 and is essential to further the public purposes of:

1-55 (1) developing and diversifying the economy of the
1-56 state;

1-57 (2) eliminating unemployment and underemployment; and

1-58 (3) developing or expanding transportation and
1-59 commerce.

1-60 (d) The district will:

1-61 (1) promote the health, safety, and general welfare of
1-62 residents, employers, employees, potential employees, visitors,
1-63 and consumers in the district, and of the public;

1-64 (2) provide needed funding for the district to

2-1 preserve, maintain, and enhance the economic health and vitality of
2-2 the district territory as a community and business center; and

2-3 (3) promote the health, safety, welfare, and enjoyment
2-4 of the public by providing pedestrian ways and by landscaping and
2-5 developing certain areas in the district, which are necessary for
2-6 the restoration, preservation, and enhancement of scenic and
2-7 aesthetic beauty.

2-8 (e) Pedestrian ways along or across a street, whether at
2-9 grade or above or below the surface, and street lighting, street
2-10 landscaping, parking, and street art objects are parts of and
2-11 necessary components of a street and are considered to be an
2-12 improvement project that includes a street or road improvement.

2-13 (f) The district will not act as the agent or
2-14 instrumentality of any private interest even though the district
2-15 will benefit many private interests as well as the public.

2-16 Sec. 3896.005. DISTRICT TERRITORY. (a) The district is
2-17 composed of the territory described by Section 2 of the Act creating
2-18 this chapter, as that territory may have been modified under
2-19 Section 3896.108 or other law.

2-20 (b) The boundaries and field notes of the district contained
2-21 in Section 2 of the Act creating this chapter form a closure. A
2-22 mistake in the field notes of the district contained in Section 2 of
2-23 the Act creating this chapter or in copying the field notes in the
2-24 legislative process does not in any way affect the district's:

2-25 (1) organization, existence, or validity;

2-26 (2) right to contract, including the right to issue
2-27 any type of bond or other obligation for a purpose for which the
2-28 district is created;

2-29 (3) right to impose or collect an assessment, tax, or
2-30 any other revenue; or

2-31 (4) legality or operation.

2-32 Sec. 3896.006. ELIGIBILITY FOR REINVESTMENT OR ENTERPRISE
2-33 ZONES. (a) All or any part of the area of the district is eligible,
2-34 regardless of other statutory criteria, to be included in:

2-35 (1) a tax increment reinvestment zone created by the
2-36 city under Chapter 311, Tax Code; or

2-37 (2) a tax abatement reinvestment zone created by the
2-38 city under Chapter 312, Tax Code.

2-39 (b) All or any part of the area of the district is eligible
2-40 to be nominated for inclusion in an enterprise zone by the city
2-41 under Chapter 2303, Government Code.

2-42 Sec. 3896.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
2-43 DISTRICTS LAW. Except as otherwise provided by this chapter,
2-44 Chapter 375, Local Government Code, applies to the district.

2-45 Sec. 3896.008. LIBERAL CONSTRUCTION OF CHAPTER. This
2-46 chapter shall be liberally construed in conformity with the
2-47 findings and purposes stated in this chapter.

2-48 [Sections 3896.009-3896.050 reserved for expansion]

2-49 SUBCHAPTER B. BOARD OF DIRECTORS

2-50 Sec. 3896.051. BOARD OF DIRECTORS. The district is
2-51 governed by a board of five directors appointed under Section
2-52 3896.052 and three directors serving ex officio under Section
2-53 3896.053.

2-54 Sec. 3896.052. APPOINTMENT OF DIRECTORS; TERMS. (a) The
2-55 mayor and governing body of the city shall appoint voting
2-56 directors. A person is appointed if a majority of the members of
2-57 the governing body, including the mayor, vote to appoint that
2-58 person. A member of the governing body of the city may not be
2-59 appointed to the board.

2-60 (b) Section 375.063, Local Government Code, does not apply
2-61 to the district.

2-62 (c) The appointed directors serve staggered terms of four
2-63 years, with two or three directors' terms expiring June 1 of each
2-64 odd-numbered year.

2-65 (d) A person may not be appointed to the board if the
2-66 appointment of that person would result in fewer than three of the
2-67 directors residing in the city.

2-68 (e) The governing body of the city shall appoint a director
2-69 to fill a vacancy that occurs on the board.

3-1 (f) A director is a public official entitled to governmental
3-2 immunity for the director's official actions.

3-3 Sec. 3896.053. NONVOTING DIRECTORS. (a) The following
3-4 persons serve as nonvoting ex officio directors:

- 3-5 (1) the manager of the city;
- 3-6 (2) the financial director of the city; and
- 3-7 (3) the planning director of the city.

3-8 (b) If an office described by Subsection (a) is renamed,
3-9 changed, or abolished, the governing body of the city may appoint
3-10 another city officer or employee who performs duties comparable to
3-11 those performed by the officer described by Subsection (a).

3-12 Sec. 3896.054. CONFLICTS OF INTEREST. (a) Except as
3-13 provided by Section 3896.053 or this section:

- 3-14 (1) a director may participate in all board votes and
3-15 decisions; and
- 3-16 (2) Chapter 171, Local Government Code, governs
3-17 conflicts of interest of board members.

3-18 (b) A director who has a beneficial interest in a business
3-19 entity that will receive a pecuniary benefit from an action of the
3-20 board may participate in discussion and vote on that action if a
3-21 majority of the board has a similar interest in the same action or
3-22 if all other similar business entities in the district will receive
3-23 a similar pecuniary benefit.

3-24 (c) A director who is also an officer or employee of a public
3-25 entity may not participate in a discussion of or vote on a matter
3-26 regarding a contract with that same public entity.

3-27 Sec. 3896.055. DIRECTOR'S OATH OR AFFIRMATION. A
3-28 director's oath or affirmation of office shall be filed with the
3-29 district and the district shall retain the oath or affirmation in
3-30 the district records.

3-31 Sec. 3896.056. OFFICERS. The board shall elect from among
3-32 the directors a chair, vice chair, and secretary.

3-33 Sec. 3896.057. COMPENSATION OF DIRECTORS; REIMBURSEMENT OF
3-34 EXPENSES. A director is not entitled to compensation for service on
3-35 the board but is entitled to be reimbursed for necessary expenses
3-36 incurred in carrying out the duties and responsibilities of a
3-37 director.

3-38 Sec. 3896.058. INITIAL DIRECTORS. (a) The initial board
3-39 consists of the following directors:

- 3-40 (1) _____;
- 3-41 (2) _____;
- 3-42 (3) _____;
- 3-43 (4) _____; and
- 3-44 (5) _____.

3-45 (b) Of the initial directors, the terms of directors
3-46 appointed for positions 1 and 2 expire June 1, 2013, and the terms
3-47 of directors appointed for positions 3 through 5 expire June 1,
3-48 2015.

3-49 (c) This section expires September 1, 2015.

3-50 Sec. 3896.059. QUORUM. For purposes of determining whether
3-51 a quorum of the board is present, the following are not counted:

- 3-52 (1) a board position vacant for any reason, including
3-53 death, resignation, or disqualification;
- 3-54 (2) a director who is abstaining from participation in
3-55 a vote because of a conflict of interest; or
- 3-56 (3) a nonvoting director.

3-57 [Sections 3896.060-3896.100 reserved for expansion]

3-58 SUBCHAPTER C. POWERS AND DUTIES

3-59 Sec. 3896.101. GENERAL POWERS AND DUTIES. The district has
3-60 the powers and duties provided by:

- 3-61 (1) the general laws relating to conservation and
3-62 reclamation districts created under Section 59, Article XVI, Texas
3-63 Constitution, including Chapters 49 and 54, Water Code;
- 3-64 (2) the general laws relating to road districts and
3-65 road utility districts created under Section 52(b), Article III,
3-66 Texas Constitution, including Chapter 441, Transportation Code;
- 3-67 (3) Subchapter A, Chapter 372, Local Government Code,
3-68 in the same manner as a municipality or a county;
- 3-69 (4) Chapter 375, Local Government Code; and

4-1 (5) Chapter 505, Local Government Code, as if the
4-2 district were a municipality to which that chapter applies.
4-3 Sec. 3896.102. IMPROVEMENT PROJECTS. (a) The district may
4-4 provide, or it may enter into contracts with a governmental or
4-5 private entity to provide, the following types of improvement
4-6 projects or activities in support of or incidental to those
4-7 projects:
4-8 (1) a supply and distribution facility or system to
4-9 provide potable and city-approved nonpotable water to the residents
4-10 and businesses of the district, including a wastewater collection
4-11 facility;
4-12 (2) a paved road or street, inside and outside the
4-13 district, to the extent authorized by Section 52, Article III,
4-14 Texas Constitution;
4-15 (3) the planning, design, construction, improvement,
4-16 and maintenance of:
4-17 (A) landscaping;
4-18 (B) highway right-of-way or transit corridor
4-19 beautification and improvement;
4-20 (C) lighting, banners, and signs;
4-21 (D) a street or sidewalk;
4-22 (E) a hiking and cycling path or trail;
4-23 (F) a pedestrian walkway, skywalk, crosswalk, or
4-24 tunnel;
4-25 (G) a park, lake, garden, recreational facility,
4-26 sports facility, open space, scenic area, or related exhibit or
4-27 preserve;
4-28 (H) a fountain, plaza, or pedestrian mall; or
4-29 (I) a drainage or storm-water detention
4-30 improvement;
4-31 (4) protection and improvement of the quality of storm
4-32 water that flows through the district;
4-33 (5) the planning, design, construction, improvement,
4-34 maintenance, and operation of:
4-35 (A) a water or sewer facility; or
4-36 (B) an off-street parking facility or heliport;
4-37 (6) the planning and acquisition of:
4-38 (A) public art and sculpture and related exhibits
4-39 and facilities; or
4-40 (B) an educational and cultural exhibit or
4-41 facility;
4-42 (7) the planning, design, construction, acquisition,
4-43 lease, rental, improvement, maintenance, installation, and
4-44 management of and provision of furnishings for a facility for:
4-45 (A) a conference, convention, or exhibition;
4-46 (B) a manufacturer, consumer, or trade show;
4-47 (C) a civic, community, or institutional event;
4-48 or
4-49 (D) an exhibit, display, attraction, special
4-50 event, or seasonal or cultural celebration or holiday;
4-51 (8) the removal, razing, demolition, or clearing of
4-52 land or improvements in connection with an improvement project;
4-53 (9) the acquisition and improvement of land or other
4-54 property for the mitigation of the environmental effects of an
4-55 improvement project;
4-56 (10) the acquisition of property or an interest in
4-57 property in connection with an authorized improvement project;
4-58 (11) a special or supplemental service for the
4-59 improvement and promotion of the district or an area adjacent to the
4-60 district or for the protection of public health and safety in or
4-61 adjacent to the district, including:
4-62 (A) advertising;
4-63 (B) promotion;
4-64 (C) tourism;
4-65 (D) health and sanitation;
4-66 (E) public safety;
4-67 (F) security;
4-68 (G) fire protection or emergency medical
4-69 services;

5-1 (H) business recruitment;
 5-2 (I) development;
 5-3 (J) elimination of traffic congestion; and
 5-4 (K) recreational, educational, or cultural
 5-5 improvements, enhancements, and services; or
 5-6 (12) any similar public improvement, facility, or
 5-7 service.
 5-8 (b) The district may not undertake an improvement project
 5-9 under this section unless the board determines the project to be
 5-10 necessary to accomplish a public purpose of the district.
 5-11 (c) An improvement project must comply with any applicable
 5-12 city requirements, including codes and ordinances.
 5-13 (d) The district may not provide, conduct, or authorize any
 5-14 improvement project on the city streets, highways, rights-of-way,
 5-15 or easements without the consent of the governing body of the city.
 5-16 (e) The district shall immediately comply with any city
 5-17 ordinance, order, or resolution that:
 5-18 (1) requires the district to transfer to the city the
 5-19 title to all or any portion of an improvement project; or
 5-20 (2) authorizes the district to own, encumber,
 5-21 maintain, and operate an improvement project, subject to the right
 5-22 of the city to order a conveyance of the project to the city on a
 5-23 date determined by the city.
 5-24 (f) For the purposes of this section, planning, design,
 5-25 construction, improvement, and maintenance of a lake include work
 5-26 done for drainage, reclamation, or recreation.
 5-27 Sec. 3896.103. GENERAL POWERS REGARDING CONTRACTS. (a)
 5-28 The district may:
 5-29 (1) contract with any person to accomplish any
 5-30 district purpose, including a contract for:
 5-31 (A) the payment, repayment, or reimbursement of
 5-32 costs incurred by that person on behalf of the district, including
 5-33 all or part of the costs of an improvement project and interest on
 5-34 the reimbursed cost; or
 5-35 (B) the use, occupancy, lease, rental,
 5-36 operation, maintenance, or management of all or part of a proposed
 5-37 or existing improvement project; and
 5-38 (2) apply for and contract with any person to receive,
 5-39 administer, and perform a duty or obligation of the district under a
 5-40 federal, state, local, or private gift, grant, loan, conveyance,
 5-41 transfer, bequest, or other financial assistance arrangement
 5-42 relating to the investigation, planning, analysis, study, design,
 5-43 acquisition, construction, improvement, completion,
 5-44 implementation, or operation by the district or others of a
 5-45 proposed or existing improvement project.
 5-46 (b) A contract the district enters into to carry out a
 5-47 purpose of this chapter may be on any terms and for any period the
 5-48 board determines, including a negotiable or nonnegotiable note or
 5-49 warrant payable to the city, Dallas County, and any other person.
 5-50 (c) Any person may contract with the district to carry out
 5-51 the purposes of this chapter without further statutory or other
 5-52 authorization.
 5-53 (d) A contract payable from ad valorem taxes for a period
 5-54 longer than one year must be approved by the governing body of the
 5-55 city.
 5-56 Sec. 3896.104. COMPETITIVE BIDDING. Section 375.221, Local
 5-57 Government Code, applies only to a district contract that has a
 5-58 value of more than \$50,000.
 5-59 Sec. 3896.105. ECONOMIC DEVELOPMENT. The district may
 5-60 create economic development programs and exercise the economic
 5-61 development powers that:
 5-62 (1) Chapter 380, Local Government Code, provides to a
 5-63 municipality with a population of more than 100,000; and
 5-64 (2) Chapter 1509, Government Code, provides to a
 5-65 municipality.
 5-66 Sec. 3896.106. RULES; ENFORCEMENT. (a) The district may
 5-67 adopt rules:
 5-68 (1) to administer or operate the district;
 5-69 (2) for the use, enjoyment, availability, protection,

6-1 security, and maintenance of the district's property and
6-2 facilities; or
6-3 (3) to provide for public safety and security in the
6-4 district.
6-5 (b) The district may enforce its rules by injunctive relief.
6-6 (c) To the extent a district rule conflicts with a city rule
6-7 or order, the city rule or order controls.
6-8 Sec. 3896.107. NAME CHANGE. The board by resolution may
6-9 change the district's name. The board shall give written notice of
6-10 the change to the city.
6-11 Sec. 3896.108. ADDING OR REMOVING TERRITORY. The board may
6-12 add or remove territory under Subchapter J, Chapter 49, and Section
6-13 54.016, Water Code, except that:
6-14 (1) the addition or removal of the territory must be
6-15 approved by:
6-16 (A) the governing body of the city; and
6-17 (B) the owners of the territory being added or
6-18 removed;
6-19 (2) a reference to a tax in Subchapter J, Chapter 49,
6-20 or Section 54.016, Water Code, means an ad valorem tax; and
6-21 (3) territory may not be removed from the district if
6-22 bonds or other obligations of the district payable wholly or partly
6-23 from ad valorem taxes on the territory are outstanding.
6-24 Sec. 3896.109. NO EMINENT DOMAIN POWER. The district may
6-25 not exercise the power of eminent domain.
6-26 Sec. 3896.110. DISTRICT EMPLOYEES; TERMS OF EMPLOYMENT;
6-27 COMPENSATION. The board may employ and establish the terms of
6-28 employment and compensation of:
6-29 (1) an executive director or general manager; or
6-30 (2) any other district employee the board considers
6-31 necessary.
6-32 [Sections 3896.111-3896.150 reserved for expansion]
6-33 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
6-34 Sec. 3896.151. GENERAL POWERS REGARDING FINANCIAL MATTERS.
6-35 Except as provided by Section 3896.161, the district may:
6-36 (1) impose an ad valorem tax on all taxable property in
6-37 the district, including industrial, commercial, and residential
6-38 property, to pay for an improvement project;
6-39 (2) impose an assessment on property in the district
6-40 in the manner provided for:
6-41 (A) a district under Subchapter F, Chapter 375,
6-42 Local Government Code; or
6-43 (B) a municipality or county under Subchapter A,
6-44 Chapter 372, Local Government Code;
6-45 (3) provide or secure the payment or repayment of the
6-46 costs and expenses of the establishment, administration, and
6-47 operation of the district and the district's costs or share of the
6-48 costs or revenue of an improvement project or district contractual
6-49 obligation or indebtedness by or through:
6-50 (A) a lease, installment purchase contract, or
6-51 other agreement with any person;
6-52 (B) the imposition of a tax, assessment, user
6-53 fee, concession fee, or rental charge; or
6-54 (C) any other revenue or resource of the
6-55 district;
6-56 (4) establish user charges related to the operation of
6-57 storm-water facilities, including the regulation of storm water for
6-58 the protection of water quality in the district;
6-59 (5) establish user charges for the use of nonpotable
6-60 water for irrigation purposes, subject to the approval of the
6-61 governing body of the city;
6-62 (6) undertake separately or jointly with other
6-63 persons, including the city or Dallas County, all or part of the
6-64 cost of an improvement project, including an improvement project:
6-65 (A) for improving, enhancing, and supporting
6-66 public safety and security, fire protection and emergency medical
6-67 services, and law enforcement in and adjacent to the district; or
6-68 (B) that confers a general benefit on the entire
6-69 district or a special benefit on a definable part of the district;

7-1 and

7-2 (7) enter into a tax abatement agreement in accordance
7-3 with the general laws of this state authorizing and applicable to
7-4 tax abatement agreements by municipalities.

7-5 Sec. 3896.152. BORROWING MONEY. The district may borrow
7-6 money for a district purpose by issuing or executing bonds, notes,
7-7 credit agreements, or other obligations of any kind found by the
7-8 board to be necessary or appropriate for the district purpose. The
7-9 bond, note, credit agreement, or other obligation must be secured
7-10 by and payable from ad valorem taxes, assessments, or other
7-11 district revenue.

7-12 Sec. 3896.153. IMPACT FEES AND ASSESSMENTS; EXEMPTION. (a)
7-13 The district may impose an impact fee or assessment on property in
7-14 the district, including an impact fee or assessment on residential
7-15 or commercial property, only in the manner provided by Subchapter
7-16 A, Chapter 372, or Subchapter F, Chapter 375, Local Government
7-17 Code, for a municipality, county, or public improvement district,
7-18 according to the benefit received by the property.

7-19 (b) An impact fee for residential property must be for the
7-20 limited purpose of providing capital funding for:

- 7-21 (1) public water and wastewater facilities;
7-22 (2) drainage and storm-water facilities; and
7-23 (3) streets and alleys.

7-24 (c) An assessment, a reassessment, or an assessment
7-25 resulting from an addition to or correction of the assessment roll
7-26 by the district, penalties and interest on an assessment or
7-27 reassessment, or an expense of collection of an assessment,
7-28 including reasonable attorney's fees, incurred by the district:

7-29 (1) is a first and prior lien against the property
7-30 assessed; and

7-31 (2) is superior to any other lien or claim other than a
7-32 lien or claim for county, school district, or municipal ad valorem
7-33 taxes.

7-34 (d) The board may make a correction to or deletion from the
7-35 assessment roll that does not increase the amount of assessment of
7-36 any parcel of land without providing notice and holding a hearing in
7-37 the manner required for additional assessments.

7-38 (e) The district may not impose an impact fee on the
7-39 property, including equipment and facilities, of a public utility
7-40 provider in the district.

7-41 Sec. 3896.154. CERTAIN RESIDENTIAL PROPERTY NOT EXEMPT.
7-42 Section 375.161, Local Government Code, does not apply to the
7-43 district.

7-44 Sec. 3896.155. MAINTENANCE AND OPERATION TAX; ELECTION.

7-45 (a) Except as provided by Section 3896.161, the district may impose
7-46 a tax for maintenance and operation purposes, including for:

7-47 (1) planning, constructing, acquiring, maintaining,
7-48 repairing, and operating all improvement projects, including land,
7-49 plants, works, facilities, improvements, appliances, and equipment
7-50 of the district; and

7-51 (2) paying costs of services, engineering and legal
7-52 fees, and organization and administrative expenses.

7-53 (b) The district may not impose a maintenance and operation
7-54 tax unless the maximum tax rate is approved by the governing body of
7-55 the city and a majority of the district voters voting at an election
7-56 held for that purpose. If the maximum tax rate is approved, the
7-57 board may impose the tax at any rate that does not exceed the
7-58 approved rate.

7-59 (c) A maintenance and operation tax election may be held at
7-60 the same time and in conjunction with any other district election.
7-61 The election may be called by a separate election order or as part
7-62 of any other election order.

7-63 (d) The proposition in a maintenance and operation tax
7-64 election may be for a specific maximum rate.

7-65 Sec. 3896.156. USE OF SURPLUS MAINTENANCE AND OPERATION
7-66 MONEY. If the district has surplus maintenance and operation tax
7-67 money that is not needed for the purposes for which it was
7-68 collected, the money may be used for any authorized purpose.

7-69 Sec. 3896.157. BOND ISSUANCE PLAN REQUIRED BEFORE ISSUING

8-1 BONDS. The district may not issue bonds until the governing body of
 8-2 the city approves a bond issuance plan authorizing and setting
 8-3 forth the limitations on the issuance of the bonds.

8-4 Sec. 3896.158. BONDS AND OTHER OBLIGATIONS; MUNICIPAL
 8-5 APPROVAL. (a) Except as provided by Sections 3896.157 and
 8-6 3896.161, the district may issue, by competitive bid or negotiated
 8-7 sale, bonds, notes, or other obligations payable wholly or partly
 8-8 from ad valorem taxes or assessments in the manner provided by
 8-9 Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local
 8-10 Government Code.

8-11 (b) In exercising the district's borrowing power, the
 8-12 district may issue a bond or other obligation in the form of a bond,
 8-13 note, certificate of participation or other instrument evidencing a
 8-14 proportionate interest in payments to be made by the district, or
 8-15 other type of obligation.

8-16 (c) In addition to the sources of money described by
 8-17 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
 8-18 Government Code, district bonds may be secured and made payable
 8-19 wholly or partly by a pledge of any part of the net proceeds the
 8-20 district receives from any other district revenue.

8-21 Sec. 3896.159. BOND MATURITY. Bonds must mature not more
 8-22 than 40 years from their date of issue.

8-23 Sec. 3896.160. TAXES FOR BONDS AND OTHER OBLIGATIONS. (a)
 8-24 At the time bonds or other obligations payable wholly or partly from
 8-25 ad valorem taxes are issued:

8-26 (1) the board shall impose a continuing direct annual
 8-27 ad valorem tax, without limit as to rate or amount, for each year
 8-28 that all or part of the bonds are outstanding; and

8-29 (2) the district annually shall impose an ad valorem
 8-30 tax on all taxable property in the district in an amount sufficient
 8-31 to:

8-32 (A) pay the interest on the bonds or other
 8-33 obligations as the interest becomes due;

8-34 (B) create a sinking fund for the payment of the
 8-35 principal of the bonds or other obligations when due or the
 8-36 redemption price at any earlier required redemption date; and

8-37 (C) pay the expenses of imposing the taxes.

8-38 (b) Bonds or other obligations that are secured by and
 8-39 payable from ad valorem taxes may not be issued unless the bonds and
 8-40 the imposition of the taxes are approved by:

8-41 (1) a majority of the district voters voting at an
 8-42 election held for that purpose; and

8-43 (2) the governing body of the city.

8-44 (c) The district shall hold an election required by this
 8-45 section in the manner provided by Chapter 54, Water Code.

8-46 Sec. 3896.161. PROJECT DEVELOPMENT AGREEMENT REQUIRED TO
 8-47 IMPOSE TAXES OR BORROW MONEY, INCLUDING BONDS. Before the district
 8-48 may issue bonds, impose taxes, or borrow money, the district and the
 8-49 city must negotiate and execute a mutually approved and accepted
 8-50 interlocal project development agreement regarding the development
 8-51 plans and rules for:

8-52 (1) the development and operation of the district; and

8-53 (2) the financing of improvement projects.

8-54 Sec. 3896.162. CITY NOT REQUIRED TO PAY DISTRICT
 8-55 OBLIGATIONS. Except as provided by Section 375.263, Local
 8-56 Government Code, the city is not required to pay a bond, note, or
 8-57 other obligation of the district.

8-58 [Sections 3896.163-3896.200 reserved for expansion]

8-59 SUBCHAPTER E. DISSOLUTION

8-60 Sec. 3896.201. DISSOLUTION BY CITY ORDINANCE. (a) If the
 8-61 city adopts by a two-thirds vote of its governing body an ordinance
 8-62 to dissolve the district, the district is dissolved.

8-63 (b) The district may not be dissolved until the district's
 8-64 outstanding indebtedness or contractual obligations payable from
 8-65 ad valorem taxes have been repaid or discharged.

8-66 (c) The district may not be dissolved until any agreement
 8-67 under Section 3896.161 has been executed and the district's
 8-68 performance under the agreement has been fulfilled, including any
 8-69 right or obligation the district has to reimburse a developer or

9-1 owner for the costs of improvement projects.

9-2 Sec. 3896.202. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

9-3 (a) If the dissolved district has bonds or other obligations
 9-4 outstanding secured by and payable from assessments or other
 9-5 revenue, other than ad valorem taxes, the city succeeds to the
 9-6 rights and obligations of the district regarding enforcement and
 9-7 collection of the assessments or other revenue.

9-8 (b) If the district is dissolved, the city has and may
 9-9 exercise all district powers to enforce and collect the assessments
 9-10 or other revenue to pay:

9-11 (1) the bonds or other obligations when due and
 9-12 payable according to their terms; or

9-13 (2) special revenue or assessment bonds or other
 9-14 obligations issued by the city to refund the outstanding bonds or
 9-15 obligations.

9-16 Sec. 3896.203. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
 9-17 The district may not be dissolved by the city unless the city
 9-18 assumes the obligations of the district, including any bonds or
 9-19 other indebtedness payable from assessments or other district
 9-20 revenue.

9-21 (b) If the city dissolves the district, the board shall
 9-22 transfer ownership of all district property to the city.

9-23 SECTION 2. The Rowlett Waterfront Entertainment Management
 9-24 District initially includes all territory contained in the
 9-25 following area:

9-26 BEING approximately 97.6 acres of land located in the J. D.
 9-27 ALSTON SURVEY, Abstract No. 7, and the O. V. LEDBETTER SURVEY,
 9-28 Abstract No. 790, City of Rowlett, Dallas County, Texas. Said 97.6
 9-29 acres of land being more particularly described by metes and bounds
 9-30 as follows:

9-31 BEGINNING at a point at the Southeast corner of Harborview
 9-32 Addition No. 3, an addition to the City of Rowlett, Dallas County,
 9-33 Texas, according to the plat recorded in Volume 97214, page 2715 of
 9-34 the Deed Records of Dallas County, Texas, and said point of
 9-35 beginning also being the Southwest corner of the tract of land
 9-36 conveyed to RP ASSOCIATES, LLP by the deed recorded in Volume
 9-37 2002018, page 01522 of the Deed Records of Dallas County, Texas;

9-38 THENCE Northeasterly, approximately 651 feet, along the East
 9-39 boundary line of said Harborview Addition No. 3, and the West
 9-40 boundary line of said RP Associates, LLP tract to a point at the
 9-41 Northeast corner of said HARBORVIEW ADDITION NO. 3, and the
 9-42 Southeast corner of Harborview Addition No. 2, an addition to the
 9-43 City of Rowlett, Dallas County, Texas, according to the plat
 9-44 recorded in Volume 96058, page 3079 of the Deed Records of Dallas
 9-45 County, Texas;

9-46 THENCE Northeasterly, approximately 890 feet, along the East
 9-47 boundary line of said Harborview Addition No. 2, and the West
 9-48 boundary line of said RP Associates, LLP tract, to a point at the
 9-49 Northeast corner of said Harborview Addition No. 2, and the
 9-50 Southeast corner of Harborview Addition No. 1, an addition to the
 9-51 City of Rowlett, Dallas County, Texas, according to the plat
 9-52 recorded in Volume 94032, page 5571 of the Deed Records of Dallas
 9-53 County, Texas;

9-54 THENCE Northerly, approximately 170 feet, along the East
 9-55 boundary line of said Harborview Addition No. 1, and the West
 9-56 boundary line of said RP Associates, LLP tract, to a point at the
 9-57 Northwest corner of said RP Associates, LLP tract;

9-58 THENCE Northeasterly, approximately 683.31 feet, along the
 9-59 North boundary line of said RP Associates, LLP tract to a point at
 9-60 the Northeast corner of said RP Associates, LLP tract, and the West
 9-61 boundary line of the City Of Dallas, Lake Ray Hubbard take line;

9-62 THENCE Southerly, approximately 2279 feet, along the East
 9-63 boundary line of said RP Associates, LLP tract, and the West
 9-64 boundary line of said City Of Dallas, Lake Ray Hubbard take line, to
 9-65 a point at the Southeast corner of said RP Associates, LLP tract,
 9-66 and the Northeast corner of the tract of land conveyed to Lake
 9-67 Horizons, L.L.C. by the deed recorded in Volume 99106, page 04449 of
 9-68 the Deed Records of Dallas County, Texas;

9-69 THENCE Southerly, approximately 2026 feet, along the East

10-1 boundary line of said Lake Horizons, L.L.C. tract, and the West
10-2 boundary line of said City Of Dallas, Lake Ray Hubbard take line, to
10-3 a concrete monument marked K24-8, at the Southeast corner of said
10-4 Lake Horizons, L.L.C. tract;

10-5 THENCE Westerly, approximately 1700 feet, along the South
10-6 boundary line of said Lake Horizons, L.L.C. tract, and the North
10-7 boundary line of said City Of Dallas, Lake Ray Hubbard take line, to
10-8 a monument marked K24-3 at the Southwest corner of said Lake
10-9 Horizons, L.L.C. tract;

10-10 THENCE Northerly, approximately 956 feet along the West
10-11 boundary line of said Lake Horizons, L.L.C. tract, and the East
10-12 boundary line of said City Of Dallas, Lake Ray Hubbard take line, to
10-13 a monument marked K26-8, at the Northwest corner of said Lake
10-14 Horizons, L.L.C. tract, being the Southwest corner of the tract of
10-15 land designated as TRACT II in the Deed to MBI Commercial Realty,
10-16 recorded in Volume 98185, page 00072 of the Deed Records of Dallas
10-17 County, Texas;

10-18 THENCE Northwesterly, approximately 1186 feet, along the
10-19 Southwest boundary line of said TRACT II, to MBI Commercial Realty,
10-20 a point at the Northwest corner of said TRACT II to MBI Commercial
10-21 Realty;

10-22 THENCE EASTERLY, approximately 829.6 feet along the North
10-23 boundary line of said TRACT II to MBI Commercial Realty, and the
10-24 South boundary line of aforesaid Harborview Addition No. 3, to the
10-25 Point Of Beginning, containing approximately 97.6 acres of land.

10-26 SECTION 3. (a) The legal notice of the intention to
10-27 introduce this Act, setting forth the general substance of this
10-28 Act, has been published as provided by law, and the notice and a
10-29 copy of this Act have been furnished to all persons, agencies,
10-30 officials, or entities to which they are required to be furnished
10-31 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
10-32 Government Code.

10-33 (b) The governor, one of the required recipients, has
10-34 submitted the notice and Act to the Texas Commission on
10-35 Environmental Quality.

10-36 (c) The Texas Commission on Environmental Quality has filed
10-37 its recommendations relating to this Act with the governor,
10-38 lieutenant governor, and speaker of the house of representatives
10-39 within the required time.

10-40 (d) The general law relating to consent by political
10-41 subdivisions to the creation of districts with conservation,
10-42 reclamation, and road powers and the inclusion of land in those
10-43 districts has been complied with.

10-44 (e) All requirements of the constitution and laws of this
10-45 state and the rules and procedures of the legislature with respect
10-46 to the notice, introduction, and passage of this Act have been
10-47 fulfilled and accomplished.

10-48 SECTION 4. This Act takes effect immediately if it receives
10-49 a vote of two-thirds of all the members elected to each house, as
10-50 provided by Section 39, Article III, Texas Constitution. If this
10-51 Act does not receive the vote necessary for immediate effect, this
10-52 Act takes effect September 1, 2011.

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