AN ACT

```
relating to the creation of the Midlothian Municipal Management
District No. 2; providing authority to impose a tax, levy an
assessment, and issue bonds.
    BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
    SECTION 1. Subtitle C, Title 4, Special District Local Laws
    Code, is amended by adding Chapter 3911 to read as follows:
    CHAPTER 3911. MIDLOTHIAN MUNICIPAL MANAGEMENT DISTRICT NO. 2
        SUBCHAPTER A. GENERAL PROVISIONS
        Sec. 3911.001. DEFINITIONS. In this chapter:
        (1) "Board" means the district's board of directors.
        (2) "City" means the City of Midlothian, Texas.
        (3) "County" means Ellis County, Texas.
        (4) "Development agreement" means the development
```

agreement between the city and ECOM Real Estate Management, Inc.,
Trustee.
(5) "Director" means a board member.
(6) "District" means the Midlothian Municipal
Management District No. 2.
(7) "Improvement project" means a project authorized
by Subchapter c-1.
Sec. 3911.002. PRECONDITION; EXPIRATION. (a) In this
section, "finance plan" means a finance plan between the city and
the district that includes a general description of improvement
projects that will be financed by the district, an estimate of the costs for the improvement projects, an estimate of the amount of the costs for the improvement projects that the district will pay directly or that will be reimbursed to the developer, and the means of financing costs related to the planning, design, construction, improvement, maintenance, and operation of the improvement projects.
(b) The district may not exercise any powers under this chapter until the development agreement and finance plan are executed.
(c) This chapter, including Section 3911.062, expires September 1, 2015, if the development agreement and finance plan are not executed by that date.

Sec. 3911.003. CREATION AND NATURE OF DISTRICT. The district is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3911.004. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter. By creating the district and in authorizing the city and other political subdivisions to contract with the district, the legislature has established a program to accomplish the public purposes set out in Section 52-a, Article III, Texas Constitution.
(b) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, housing, tourism, recreation, the arts,
entertainment, economic development, safety, and the public welfare in the district.
(c) This chapter and the creation of the district may not be interpreted to relieve the city or county from providing the level of services provided as of the effective date of the Act enacting this chapter to the area in the district. The district is created to supplement and not to supplant city and county services provided in the district.

Sec. 3911.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.
(b) All land and other property included in the district will benefit from the improvements and services to be provided by the district under powers conferred by Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other powers granted under this chapter.
(c) The creation of the district is in the public interest and is essential to further the public purposes of:
(1) developing and diversifying the economy of the state;

> (2) eliminating unemployment and underemployment;
> (3) providing quality residential housing; and
> (4) developing or expanding transportation and commerce.
(d) The district will:
(1) promote the health, safety, and general welfare of residents, employers, potential employees, employees, visitors, and consumers in the district, and of the public;
(2) provide needed funding for the district to preserve, maintain, and enhance the economic health and vitality of the district territory as a residential community and business center; and
(3) promote the health, safety, welfare, and enjoyment of the public by providing pedestrian ways and by landscaping and developing certain areas in the district, which are necessary for the restoration, preservation, and enhancement of scenic beauty.
(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, vehicle parking, and street art objects are parts of and necessary components of a street and are considered to be an improvement project that includes a street or road improvement.
(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public.

Sec. 3911.006. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.
(b) A mistake in the field notes of the district contained in Section 2 of the Act enacting this chapter or in copying the field notes in the legislative process does not in any way affect:
(1) the district's organization, existence, or validity;
(2) the district's right to contract, including the right to issue any type of bond or other obligation for a purpose for which the district is created;
(3) the district's right to impose or collect an assessment, ad valorem taxes, or any other revenue; or
(4) the legality or operation of the board.

Sec. 3911.007. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.
(a) All or any part of the area of the district is eligible to be included in:
(1) a tax increment reinvestment zone created by the city under Chapter 311, Tax Code;
(2) a tax abatement reinvestment zone created by the city under Chapter 312, Tax Code; or
(3) an enterprise zone created by the city under Chapter 2303, Government Code.
(b) If the city creates a tax increment reinvestment zone described by Subsection (a), the city and the board of directors of the zone, by contract with the district, may grant money deposited in the tax increment fund to the district to be used by the district for the purposes permitted for money granted to a corporation under Section $380.002(\mathrm{~b})$, Local Government Code, including the right to pledge the money as security for any bonds issued by the district for an improvement project.
[Sections 3911.008-3911.050 reserved for expansion] SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3911.051. GOVERNING BODY; TERMS. The district is governed by a board of five voting directors who serve staggered terms of four years, with two or three directors' terms expiring May 31 of each even-numbered year.

Sec. 3911.052. QUALIFICATIONS. (a) To be qualified to

```
serve as a director appointed by the governing body of the city, a
person must be:
    (1) a resident of the district who is also a registered
voter of the city;
    (2) an owner of property in the district; or
    (3) an agent, employee, or tenant of a person
```

    described by Subdivision (2).
    (b) Section 49.052, Water Code, does not apply to the
    district.
    Sec. 3911.053. APPOINTMENT OF DIRECTORS. The governing
    body of the city shall appoint directors from a list of names
    recommended by a majority of the board. The governing body may
    request one additional list of names from the board.
    Sec. 3911.054. EX OFFICIO DIRECTORS. (a) The following
    persons serve ex officio as nonvoting directors:
(1) the city manager of the city; and
(2) the chief financial officer of the city.
(b) An ex officio director is entitled to notice of board
meetings and to speak on a matter before the board.
Sec. 3911.055. VACANCY. The governing body of the city
shall fill a vacancy on the board for the remainder of the unexpired
term in the same manner as the original appointment.
Sec. 3911.056. DIRECTOR'S OATH OR AFFIRMATION. A director
shall file the director's oath or affirmation of office with the
district, and the district shall retain the oath or affirmation in
the district records.
Sec. 3911.057. OFFICERS. The board shall elect from among

```
the directors a chair, a vice chair, and a secretary.
    Sec. 3911.058. COMPENSATION; EXPENSES. (a) The district
may compensate each director in an amount not to exceed $75 for each
board meeting. The total amount of compensation for each director
in a calendar year may not exceed $3,000.
    (b) The governing body of the city, by resolution or
ordinance, may increase:
    (1) the compensation for each director to an amount
not to exceed $150 for each board meeting; and
    (2) the total compensation for each director to an
amount not to exceed $6,000 in a calendar year.
    (c) A director is entitled to reimbursement for necessary
and reasonable expenses incurred in carrying out the duties and
responsibilities of the board.
    Sec. 3911.059. LIABILITY INSURANCE. The district may
obtain and pay for comprehensive general liability insurance
coverage from a commercial insurance company or other source that
protects and insures a director against personal liability and from
all claims relating to:
(1) actions taken by the director in the director's capacity as a member of the board;
(2) actions and activities taken by the district; or
(3) the actions of others acting on behalf of the
    district.
    Sec. 3911.060. BOARD MEETINGS. The board shall hold
    meetings at a place accessible to the public.
    Sec. 3911.061. CONFLICTS OF INTEREST. Chapter 171, Local
```

Government Code, governs conflicts of interest of directors.
Sec. 3911.062. INITIAL DIRECTORS. (a) The governing body of the city shall appoint the initial directors from a list of names recommended by the owners of a majority of the assessed value of property in the district. The governing body may request one additional list of names from the board.
(b) The governing body of the city shall appoint the initial directors after the effective date of the Act enacting this chapter.
(c) The governing body shall stagger the terms, with two or three directors' terms expiring May 31, 2012, and the remaining directors' terms expiring May 31, 2014.
(d) Section 3911.052 does not apply to this section.
(e) This section expires September 1, 2016.
[Sections 3911.063-3911. 100 reserved for expansion] SUBCHAPTER C. POWERS AND DUTIES

Sec. 3911.101. IMPROVEMENT PROJECTS. The district may provide, or it may enter into contracts with a governmental or private entity to provide, the improvement projects described by Subchapter C-1 or activities in support of or incidental to those projects.

Sec. 3911.102. WATER DISTRICT POWERS. The district has the powers provided by the general laws relating to conservation and reclamation districts created under Section 59, Article XVI, Texas Constitution, including Chapters 49 and 54, Water code.

Sec. 3911.103. ROAD DISTRICT POWERS; EXCEPTION. (a) Except as provided by Subsection (b), the district has the powers
provided by the general laws relating to road districts and road utility districts created under Section 52(b), Article III, Texas Constitution, including Chapter 441, Transportation Code.
(b) The district may exercise any power granted by this chapter and by Chapter 441, Transportation Code, without regard to any provision or requirement of, or procedure or maintenance tax rate limitation prescribed by, Chapter 441, Transportation Code.

Sec. 3911.104. PUBLIC IMPROVEMENT DISTRICT POWERS. The district has the powers provided by Subchapter A, Chapter 372, Local Government Code, to a municipality or county.

Sec. 3911.105. MUNICIPAL MANAGEMENT DISTRICT POWERS. The district has the powers provided by Chapter 375, Local Government Code.

Sec. 3911.106. RULES; ENFORCEMENT. (a) The district may adopt rules:
(1) to administer or operate the district; or
(2) for the use, enjoyment, availability, protection, security, and maintenance of the district's property and facilities.
(b) The district may enforce its rules by injunctive relief.

Sec. 3911.107. NOTICE OF NAME CHANGE. The board shall give written notice of any name change to the city.

Sec. 3911.108. TERMS OF EMPLOYMENT; COMPENSATION. The board may employ and establish the terms of employment and compensation of an executive director or general manager and any other district employees the board considers necessary.

Sec. 3911.109. NO EMINENT DOMAIN POWER. The district may

```
not exercise the power of eminent domain.
    [Sections 3911.110-3911.150 reserved for expansion]
    SUBCHAPTER C-1. IMPROVEMENT PROJECTS
    Sec. 3911.151. BOARD DETERMINATION REQUIRED. The district
may not undertake an improvement project or service unless the
board determines the project or service:
    (1) is necessary to accomplish a public purpose of the
district; and
    (2) complies with the development agreement or the
parties to the development agreement agree to the project or
service, in writing.
    Sec. 3911.152. CITY REQUIREMENTS. (a) An improvement
    project must comply with any applicable city construction codes and
    construction ordinances.
    (b) The district may not provide, conduct, or authorize any
    improvement project on the city streets, highways, rights-of-way,
    or easements without the consent of the governing body of the city.
    Sec. 3911.153. ADDITIONAL CITY POWERS REGARDING
    IMPROVEMENT PROJECTS. (a) Unless the district and the city agree
    otherwise, the city may:
    (1) by ordinance, order, or resolution require that
    title to all or any portion of an improvement project vest in the
    city; or
    (2) by ordinance, order, or resolution or other
    directive authorize the district to own, encumber, maintain, and
    operate an improvement project or convey the project to the city at
    a later date.
```

(b) The district shall immediately comply with any city ordinance, order, or resolution adopted under this section.

Sec. 3911.154. LAKE. For the purposes of this subchapter, planning, design, construction, improvement, or maintenance of a lake includes work done for drainage, reclamation, or recreation.

Sec. 3911.155. WATER; EXCEPTION. (a) Except as provided by Subsection (b), an improvement project may include a supply and distribution facility or system to provide potable and nonpotable water to the residents and businesses of the district, including a wastewater collection facility.
(b) The district may not engage in the business of wholesale or retail sale of potable water or the wholesale or retail collection and treatment of wastewater.

Sec. 3911.156. ROADS. An improvement project may include a paved, macadamized, or graveled road or street inside and outside the district, to the full extent authorized by Section 52, Article III, Texas Constitution.

Sec. 3911.157. STORM WATER. An improvement project may include protection and improvement of the quality of storm water that flows through the district.

Sec. 3911.158. PARKING OR HELIPORT. An improvement project may include the planning, design, construction, improvement, maintenance, and operation of an off-street parking facility or heliport.

Sec. 3911.159. EDUCATION AND CULTURE. An improvement project may include the planning and acquisition of:
(1) public art and sculpture and related exhibits and

```
facilities; or
    (2) an educational facility and a cultural exhibit or
facility.
    Sec. 3911.160. CONVENTION CENTER. An improvement project
may include the planning, design, construction, acquisition,
lease, rental, improvement, maintenance, installation, and
management of and provision of furnishings for a facility for:
    (1) a conference, convention, or exhibition;
    (2) a manufacturer, consumer, or trade show;
    (3) a civic, community, or institutional event; or
    (4) an exhibit, display, attraction, special event, or
seasonal or cultural celebration or holiday.
    Sec. 3911.161. DEMOLITION. An improvement project may
include the removal, razing, demolition, or clearing of land or
improvements in connection with an improvement project.
    Sec. 3911.162. MITIGATION OF ENVIRONMENTAL EFFECTS. An
    improvement project may include the acquisition and improvement of
    land or other property for the mitigation of the environmental
effects of an improvement project.
    Sec. 3911.163. ACQUISITION OF PROPERTY. An improvement
project may include the acquisition of property or an interest in
property in connection with an improvement project, including a
project authorized by Subchapter A, Chapter 372, Local Government
Code.
    Sec. 3911.164. SPECIAL OR SUPPLEMENTAL SERVICES. An
    improvement project may include a special or supplemental service
    for the improvement and promotion of the district or an area
```

```
adjacent to the district or for the protection of public health and
safety in or adjacent to the district, including:
    (1) tourism;
    (2) fire protection or emergency medical services; and
    (3) educational improvements, enhancements, and
    services.
    Sec. 3911.165. MISCELLANEOUS DESIGN, CONSTRUCTION, AND
    MAINTENANCE. An improvement project may include the planning,
    design, construction, improvement, and maintenance of:
    (1) highway right-of-way or transit corridor
beautification and improvement;
    (2) a hiking and cycling path or trail;
    (3) a pedestrian walkway; or
    (4) a garden, recreational facility, community
activity center, dock, wharf, sports facility, open space, scenic
area, or related exhibit or preserve.
    Sec. 3911.166. SIMILAR IMPROVEMENT PROJECTS. An
    improvement project may include a public improvement, facility, or
service similar to a project described by this subchapter.
    [Sections 3911.167-3911.200 reserved for expansion]
                    SUBCHAPTER C-2. CONTRACTS
    Sec. 3911.201. GENERAL CONTRACT POWERS. The district may
    contract with any person to accomplish any district purpose.
    Sec. 3911.202. CONTRACT TERMS. A contract the district
    enters into to carry out a purpose of this chapter may be on any
    terms and for any period the board determines, including an
    obligation to issue a negotiable or nonnegotiable note or warrant
```

```
payable to the city, the county, or any other person.
    Sec. 3911.203. REIMBURSEMENT OF COSTS. The district may
contract with any person for the payment, repayment, or
reimbursement of costs incurred by that person on behalf of the
district, including all or part of the costs of an improvement
project and interest on the reimbursed cost.
    Sec. 3911.204. CONTRACT FOR IMPROVEMENT PROJECT. (a) The
district may contract with any person for the use, occupancy,
lease, rental, operation, maintenance, or management of all or part
of a proposed or existing improvement project.
(b) The district may apply for and contract with any person to receive, administer, and perform a duty or obligation of the district under a federal, state, local, or private gift, grant, loan, conveyance, transfer, bequest, or other financial assistance arrangement relating to the investigation, planning, analysis, study, design, acquisition, construction, improvement, completion, implementation, or operation by the district or others of a proposed or existing improvement project.
Sec. 3911.205. NO FURTHER CONTRACT AUTHORIZATION REQUIRED. Except as provided by Section 3911.206, any person, including the city, may contract with the district to carry out the purposes of this chapter without further statutory or other authorization.
Sec. 3911.206. CITY APPROVAL OF CERTAIN CONTRACTS. A contract payable from ad valorem taxes for a period longer than one year must be approved by the governing body of the city.
[Sections 3911.207-3911.250 reserved for expansion] SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS
```

Sec. 3911.251. DEVELOPMENT AGREEMENT REQUIRED TO BORROW MONEY OR IMPOSE TAXES OR ASSESSMENTS, INCLUDING BONDS. Before the district may issue bonds, impose taxes or assessments, or borrow money, the district and the city must negotiate and execute $a$ development agreement regarding the development plans and rules for:
(1) the development and operation of the district; and
(2) the financing of improvement projects.

Sec. 3911.252. BORROWING MONEY. The district may borrow money for a district purpose by issuing or executing bonds, notes, credit agreements, or other obligations of any kind found by the board to be necessary or appropriate for a district purpose. The bond, note, credit agreement, or other obligation must be secured by and payable from any combination of ad valorem taxes, assessments, or any other district revenue.

Sec. 3911.253. GENERAL POWERS REGARDING PAYMENT OF DISTRICT BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or secure the payment or repayment of any bond, note, or other temporary or permanent obligation or reimbursement or other contract with any person and the costs and expenses of the establishment, administration, and operation of the district and the district's costs or share of the costs or revenue of an improvement project or district contractual obligation or debt by:
(1) the imposition of a tax or an assessment, user fee, or rental charge;
(2) a lease, installment purchase contract, or other agreement; or
(3) any other revenue or resources of the district or other revenue authorized by the city, including revenue from a tax increment reinvestment zone created by the city.

Sec. 3911.254. ASSESSMENTS. (a) The district may impose an assessment on property in the district to pay the cost or the cost of maintenance of any authorized district improvement in the manner provided for:
(1) a district under Subchapters A, E, and F, Chapter 375, Local Government Code; or
(2) a municipality or county under Subchapter $A$, Chapter 372, Local Government Code.
(b) An assessment, a reassessment, or an assessment resulting from an addition to or correction of the assessment roll by the district, penalties and interest on an assessment or reassessment, an expense of collection, and reasonable attorney's fees incurred by the district:
(1) are a first and prior lien against the property assessed; and
(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes.
(c) The lien of an assessment against property runs with the land. The portion of an assessment payment obligation that has not yet come due is not eliminated by the foreclosure of an ad valorem tax lien, and any purchaser of property in a foreclosure of an ad valorem tax lien takes the property subject to the assessment payment obligations that have not yet come due and to the lien and
terms of the lien's payment under the applicable assessment ordinance or order.
(d) The board may make a correction to or deletion from the assessment roll that does not increase the amount of assessment of any parcel of land without providing notice and holding a hearing in the manner required for additional assessments.
(e) Section 372.023(e), Local Government Code, does not apply to the district.

Sec. 3911.255. IMPACT FEES; EXEMPTION. (a) The district may impose an impact fee on property in the district, including an impact fee on residential or commercial property, only in the manner provided by Subchapter A, Chapter 372 , or Subchapter $F$, Chapter 375, Local Government Code, for a municipality, county, or public improvement district.
(b) An impact fee for residential property must be for the limited purpose of providing capital funding for:
(1) public water and wastewater facilities;
(2) drainage and storm water facilities; and
(3) streets and alleys.
(c) The district may not impose an impact fee on the property, including equipment and facilities, of a public utility provider in the district.

Sec. 3911.256. NONPOTABLE WATER USER CHARGES; CITY APPROVAL. The district may establish user charges for the use of nonpotable water for irrigation purposes, subject to approval of the governing body of the city.

Sec. 3911.257. COSTS FOR IMPROVEMENT PROJECTS. The

```
district may undertake separately or jointly with other persons,
```

including the city or county, all or part of the cost of an
improvement project, including an improvement project:
(1) for improving, enhancing, and supporting public
safety and security, fire protection and emergency medical
services, and law enforcement in and adjacent to the district; or
(2) that confers a general benefit on the entire
district or a special benefit on a definable part of the district.
Sec. 3911.258. RESIDENTIAL PROPERTY NOT EXEMPT. Section
375.161, Local Government Code, does not apply to the district.
[Sections 3911.259-3911.300 reserved for expansion]
SUBCHAPTER E. TAXES AND BONDS
Sec. 3911.301. PROPERTY TAX AUTHORIZED. The district may
impose an ad valorem tax on all taxable property in the district,
including industrial, commercial, and residential property, to pay
for an improvement project.
Sec. 3911.302. MAINTENANCE AND OPERATION TAX; ELECTION.
(a) The district may impose a tax for maintenance and operation
purposes, including for:
(1) planning, constructing, acquiring, maintaining, repairing, and operating all improvement projects, including land, plants, works, facilities, improvements, appliances, and equipment of the district; and
(2) paying costs of services, engineering and legal fees, and organization and administrative expenses.
(b) The district may not impose a maintenance and operation tax unless a maximum tax rate is approved by the governing body of
the city and a majority of the district voters voting at an election held for that purpose. The proposition in a maintenance and operation tax election may be for a specific maximum rate or for an unlimited rate. If a maximum tax rate is approved, the board may impose the tax at any rate that does not exceed the approved rate.
(c) A maintenance and operation tax election may be held at the same time and in conjunction with any other district election. The election may be called by a separate election order or as part of any other election order.

Sec. 3911.303. USE OF SURPLUS MAINTENANCE AND OPERATION MONEY. If the district has maintenance and operation tax money that is not needed for the purposes for which it was collected, the money may be used for any authorized purpose.

Sec. 3911.304. TAX ABATEMENT. The district may enter into a tax abatement agreement regarding the district's ad valorem taxes in accordance with the general laws of this state authorizing and applicable to a tax abatement agreement by a municipality.

Sec. 3911.305. BONDS AND OTHER OBLIGATIONS; MUNICIPAL APPROVAL. (a) The district by competitive bid or negotiated sale may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments in the manner provided by Subchapter A, Chapter 372, or Subchapter J, Chapter 375, Local Government Code.
(b) In exercising the district's borrowing power, the district may issue a bond or other obligation in the form of a bond, note, certificate of participation or other instrument to be made by the district, or any other type of obligation.
(c) In addition to the sources of money described by Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local Government Code, district bonds may be secured and made payable, wholly or partly, by a pledge of any part of the money the district receives from system or improvement revenue or from any other source.

Sec. 3911.306. BOND MATURITY. Bonds may mature not more than 40 years from their date of issue.

Sec. 3911.307. TAXES FOR BONDS AND OTHER OBLIGATIONS; ELECTION. (a) At the time bonds or other obligations payable wholly or partly from ad valorem taxes are issued:
(1) the board shall impose a continuing direct annual ad valorem tax, without limit as to rate or amount, for each year that all or part of the bonds are outstanding; and
(2) the district annually shall impose an ad valorem tax on all taxable property in the district in an amount sufficient to:
(A) pay the interest on the bonds or other obligations as the interest becomes due;
(B) create a sinking fund for the payment of the principal of the bonds or other obligations when due or the redemption price at any earlier required redemption date; and
(C) pay the expenses of imposing the taxes.
(b) Bonds or other obligations that are secured by and payable from ad valorem taxes may not be issued unless the bonds and the imposition of the taxes are approved by:
(1) a majority of the district voters voting at an

```
election held for that purpose; and
        (2) the governing body of the city.
    (c) The district shall hold an election required by this
section in the manner provided by Chapter 54, Water code, and the
Election Code.
    Sec. 3911.308. ISSUER POWERS FOR CERTAIN PUBLIC
    IMPROVEMENTS. The district may exercise any power of an issuer
    under Chapter 1371, Government Code.
    [Sections 3911.309-3911.350 reserved for expansion]
        SUBCHAPTER F. DISSOLUTION
    Sec. 3911.351. DISSOLUTION BY CITY ORDINANCE. (a) The city
by ordinance may dissolve the district.
(b) The city may not dissolve the district until the district's outstanding debt or contractual obligations have been repaid or discharged, including the defeasance of any outstanding debt issued by the city.
(c) The city may not dissolve the district until the development agreement under Section 3911.251 has been executed and the district's performance under the agreement has been fulfilled, including any right or obligation the district has to reimburse a developer or owner for the costs of improvement projects.
Sec. 3911.352. COLLECTION OF ASSESSMENTS AND OTHER REVENUE. (a) If the dissolved district has bonds or other obligations outstanding secured by and payable from assessments or other revenue, other than ad valorem taxes, the city shall succeed to the rights and obligations of the district regarding enforcement and collection of the assessments or other revenue.
```

(b) The city shall have and exercise all district powers to enforce and collect the assessments or other revenue to pay:
(1) the bonds or other obligations when due and payable according to their terms; or
(2) special revenue or assessment bonds or other obligations issued by the city to refund the outstanding bonds or obligations.

Sec. 3911.353. ASSUMPTION OF ASSETS AND LIABILITIES. (a) After the city dissolves the district, the city assumes the obligations of the district, including any bonds or other debt payable from assessments or other district revenue.
(b) If the city dissolves the district, the board shall transfer ownership of all district property to the city.

SECTION 2. The Midlothian Municipal Management District No. 2 initially includes all the territory contained in the following area:

## LEGAL DESCRIPTION

TRACT 1:
BEING a tract of land located in the JOHN EARLY SURVEY ABSTRACT NO. 343, JOSEPH H. WITHERSPOON SURVEY, ABSTRACT NO. 1137, ISAAC COOPER SURVEY, ABSTRACT NO. 226, ELIZABETH RICE SURVEY, ABSTRACT NO. 929, A.R. NEWTON SURVEY, ABSTRACT NO. 807, WEST WILKINS SURVEY, ABSTRACT NO. 1162, J. KYSER SURVEY, ABSTRACT NO. 597, Z. HEATH SURVEY, ABSTRACT NO. 455, PUERTA IRRIGATION COMPANY SURVEY, ABSTRACT NO. 1240, and the JAMES P. NEILL SURVEY, ABSTRACT NO. 1387, Ellis County, Texas and being a part of those tracts of land described Tract 3 and Tract 5 in Deed to ECOM Real Estate Management, Inc.,
recorded in Volume 1792, Page 136, Deed Records, Ellis County, Texas and being more particularly described as follows:

BEGINNING at a 1 inch iron pipe found in the East line of Walnut Grove Road, a variable width right-of-way, at the most Westerly Southwest corner of said Tract 3;

THENCE North 00 degrees 36 minutes 12 seconds West, along said East line of Walnut Grove Road, a distance of $1,675.84$ feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for the most Westerly Northwest corner of said Tract 3 , said point being in the South line of a tract of land described in Deed to Harold L. Curtis, recorded in Volume 669, Page 548, Deed Records, Ellis County, Texas;

THENCE North 88 degrees 46 minutes 56 seconds East, along the South line of said Curtis tract and a tract of land described in Deed to Homer Dudley and wife, Nana Dudley, recorded in Volume 1679, Page 407, Deed Records, Ellis County, Texas and a tract of land described in Deed to Homer Dudley, recorded in Volume 1201, Page 416, Deed Records, Ellis County, Texas, a distance of $1,648.23$ feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "BMI" found for corner;

THENCE North 01 degrees 01 minutes 38 seconds West, a distance of 821.39 feet to a $1 / 2$ inch iron rod with a red plastic cap found at the Northeast corner of said Dudley tract recorded in Volume 1201, Page 387 and the Southeast corner of a tract of land described in Deed to Homer Dudley and wife, Nana Dudley recorded in Volume 1576, page 387, Deed Records, Ellis County, Texas;
THENCE North 01 degrees 04 minutes 29 seconds West, a distance of
401.46 feet to a $1 / 2$ inch iron rod found at the Northeast corner of said Dudley tract recorded in Volume 1576, Page 387 and the most Southerly Southeast corner of a tract of land described in Deed to Gwendolyn Larue, recorded in Volume 669, Page 548, Deed Records, Ellis County, Texas;

THENCE North 01 degrees 16 minutes 41 seconds West, along the East line of said Larue tract, a distance of 71.65 feet to a $1 / 2$ inch iron rod found at the most Northerly Northwest corner of said Tract 3; THENCE North 88 degrees 00 minutes 34 seconds East, along the South line of said Larue tract, a distance of 324.01 feet to a $1 / 2$ inch iron rod found for corner;

THENCE South 06 degrees 01 minutes 23 seconds East, a distance of 50.05 feet to a $1 / 2$ inch iron rod found at the most Southerly Southwest corner of a tract of land described as Tract 2 in Deed to Richard A. Brouwer, recorded in Volume 2033, Page 377, Deed Records, Ellis County, Texas;

THENCE North 89 degrees 20 minutes 47 seconds East, along the most Northerly South line of said Brouwer Tract 2, a distance of 910.39 feet to a 1 inch iron pipe found at the Southeast corner of said Houchin Tract 2 and the Southwest corner of a tract of land described as Tract 1 in Deed to James Richard Houchin, recorded in Volume 1931, Page 1469, Deed Records, Ellis County, Texas; THENCE South 89 degrees 50 minutes 14 seconds East, along the South line of said Brouwer Tract 1, a distance of 235.15 feet to a $1 / 2$ inch iron rod found at an ell corner of said Houchin Tract 1; THENCE South 01 degrees 27 minutes 53 seconds East, a distance of 425.66 feet to a $1 / 2$ inch iron rod found at the most Southerly

[^0]27 THENCE South 00 degrees 26 minutes 57 seconds East, a distance of
523.52 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set at the Southeast corner of said tract described in Cause No. 25281, said point being in the South line of a tract of land described in Deed to Alma Ann Seale, recorded in Volume 693, Page 425, Deed Records, Ellis County, Texas;

THENCE North 89 degrees 00 minutes 13 seconds East, along the South line of said Seale tract, a distance of $1,737.72$ feet to a wood fence post found for corner;

THENCE South 00 degrees 48 minutes 00 seconds East, along the West line of said seale tract and the west line of a tract of land described in Deed to Alma Ann Seale, recorded in Volume 633, Page 750, Deed Records, Ellis County, Texas, a distance of $3,390.10$ feet to a $1 / 2$ inch iron rod found at the Southwest corner of said Seale tract recorded in Volume 633, Page 750;

THENCE North 89 degrees 32 minutes 26 seconds East, along the South line of said Seale tract, a distance of 937.08 feet to a $1 / 2$ inch iron rod found at the Northwest corner of a tract of land described in Deed as a Save \& Except from said Tract 3 to the City Of Midlothian And City Of Waxahachie;

THENCE South 03 degrees 09 minutes 09 seconds West, along the West line of said Save \& Except, a distance of $1,370.83$ feet to a 2-1/2 inch aluminum disk found for corner;

THENCE South 86 degrees 51 minutes 59 seconds East, along the South line of said Save \& Except, a distance of 799.67 feet to a $2-1 / 2$ inch aluminum disk found for corner;

THENCE South 03 degrees 09 minutes 18 seconds West, along the West line of said Save \& Except, a distance of 706.20 feet to a $2-1 / 2$ inch
aluminum disk found at the most Southerly Southwest corner of said Save \& Except tract and the Northeast corner of a tract of land described in Deed to City Of Midlothian And City Of Waxahachie, recorded in Volume 828, Page 86, Deed Records, Ellis County, Texas, said point being in the North line of a tract of land described in Deed to Alma Ann Seale, recorded in Volume 571, Page 811, Deed Records, Ellis County, Texas;

THENCE South 89 degrees 02 minutes 26 seconds West, along said North line, a distance of $1,833.21$ feet to a $1 / 2$ inch iron rod found for corner;

THENCE North 00 degrees 46 minutes 36 seconds West, along the most Westerly East line of said Seale tract, a distance of 790.80 feet to a $1 / 2$ inch iron rod found for corner;

THENCE North 26 degrees 47 minutes 39 seconds West, a distance of 332.61 feet to a $1 / 2$ inch iron rod found for corner;

THENCE South 89 degrees 26 minutes 15 seconds West, along the North line of said Seale tract, a distance of 751.98 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for corner in the East line of a tract of land described as Tract II in Deed to Garland Boles, recorded in Volume 996, Page 531, Deed records, Ellis County, Texas;

THENCE North 10 degrees 15 minutes 25 seconds East, along said East line, a distance of 30.73 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set at the Northeast corner of said Boles tract;

THENCE South 83 degrees 14 minutes 25 seconds West, along the North line of said Bole tract, passing a 5/8 inch iron rod found at a

21 North 50 degrees 39 minutes 07 seconds West, a distance of 502.49
22 feet to a Texas Department of Transportation aluminum disk found
23 for corner;
24 North 45 degrees 59 minutes 38 seconds West, a distance of 418.55 25 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA"
distance of 8.81 feet, and continuing for a total distance of 279.60 feet to a $1 / 2$ inch iron rod found for corner;

THENCE South 00 degrees 33 minutes 25 seconds West, along the West line of said Boles tract, a distance of $1,238.49$ feet to a $1 / 2$ inch iron rod found for corner;

THENCE North 88 degrees 29 minutes 08 seconds West, a distance of 88.26 feet to a Texas Department of Transportation aluminum disk found for corner in the Northeast line of U.S. Highway No. 287, a variable width right-of-way;

THENCE Northwesterly along said Northeast right-of-way line the following five (5) courses and distances:

North 48 degrees 39 minutes 02 seconds West, a distance of 692.86 feet to a Texas Department of Transportation aluminum disk found for corner;

North 44 degrees 56 minutes 29 seconds West, a distance of $2,196.70$ feet to a Texas Department of Transportation aluminum disk found for corner;

North 39 degrees 54 minutes 45 seconds West, a distance of 501.93 feet to a Texas Department of Transportation aluminum disk found for corner; set for corner in the Southeast line of Lot 1 , Block A of Walnut Grove Center North, an Addition to the City of Midlothian according
to the Plat thereof recorded in Cabinet $F$, Slide 185, Plat records, Ellis County, Texas, said point being North 56 degrees 12 minutes 08 seconds East, 0.39 feet from a found $1 / 2$ inch iron rod with a yellow plastic cap stamped "BRITTAIN \& CRAWFORD";

THENCE North 44 degrees 38 minutes 36 seconds East, along the Southeast line of said Addition, a distance of 432.10 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "BRITTAIN \& CRAWFORD" found at the most Easterly corner of said Addition; THENCE North 45 degrees 21 minutes 24 seconds West, a distance of 1,300.00 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "BRITTAIN \& CRAWFORD" found at the most Northerly corner of said Addition;

THENCE North 00 degrees 05 minutes 21 seconds East, a distance of 907.03 feet to a $1 / 2$ inch iron rod found at the Northeast corner of a tract of land described as Tract 1 in Deed to Sara Jane Properties, Ltd., recorded in Volume 1808, Page 242, Deed Records, Ellis County, Texas and the Southeast corner of a tract of land described in Deed to Sara Jane Properties, Ltd., recorded in Volume 1808, Page 248, Deed Records, Ellis County, Texas;

THENCE North 00 degrees 07 minutes 42 seconds West, a distance of 1,013.26 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "RPLS 4480" found at the Southeast corner of Lot 2 of Turner Homestead Estates, an Addition to the City of Midlothian according to the Plat thereof recorded in Cabinet E, Slide 194, Plat records, Ellis County, Texas; THENCE North 00 degrees 02 minutes 12 seconds West, a distance of 604.57 feet to a $1 / 2$ inch iron rod found at the Northeast corner of

Lot 1 of said Addition and the Southeast corner of a tract of land described in Deed to Stephen M. Guerrero and wife, Melissa M. Guerrero, recorded in Volume 1657, Page 41, Deed Records, Ellis County, Texas;

THENCE North 01 degrees 40 minutes 57 seconds West, a distance of 164.79 feet to a $1 / 2$ inch iron rod found at the Northeast corner of said Guerrero tract;

THENCE South 88 degrees 59 minutes 29 seconds West, along the North line of said Guerrero tract, a distance of $1,550.61$ feet to the POINT OF BEGINNING and containing 839.041 acres of land, more or less.

LEGAL DESCRIPTION
TRACT 2:
BEING a tract of land located in the ROBERT HOSFORD SURVEY, ABSTRACT NO. 533, J.L. BLANTON SURVEY, ABSTRACT NO. 1284 and the JOURDAN POWERS SURVEY, ABSTRACT NO. 838, Ellis County, Texas and being all of a tract of land described as Tract 2 in Deed to ECOM Real Estate Management, Inc., recorded in Volume 1792, Page 136, Deed Records, Ellis County, Texas and being more particularly described as follows:

BEGINNING at a point for corner near the approximate centerline of Walnut Grove Road, a variable width right-of-way, at the most Westerly Northwest corner of said Tract 2;

THENCE North 88 degrees 33 minutes 24 seconds East, passing at a distance of 20.61 feet a $3 / 4$ inch iron rod found at the Southwest corner of a tract of land described in Deed to Joseph L. Rodgers and wife, Merry Nicol Rodgers, recorded in Volume 845, Page 711, Deed

Records, Ellis County, Texas, and continuing for a total distance of $1,971.70$ feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

THENCE North 88 degrees 26 minutes 34 seconds East, a distance of 32.90 feet to a $1 / 2$ inch iron rod found at an inner ell corner of said Tract 2 ;

THENCE North 00 degrees 06 minutes 53 seconds West, a distance of 1,815.01 feet to an axle found at the most Northerly Northwest corner of said Tract 2 and the Southwest corner of a tract of land described in Deed to MCDC, Ltd., L.P., recorded in Volume 1979, page 1154, Deed Records, Ellis County, Texas, said point also being the Southwest corner of Lot 9, Block 1 of HIDDEN MEADOW, an Addition to the City of Midlothian, Ellis County, Texas according to the Plat thereof recorded in Cabinet $H$, Slide 157, Plat Records, Ellis County, Texas;

THENCE North 77 degrees 08 minutes 11 seconds East, along the common line of said Tract 2 , said MCDC tract and said Addition, a distance of 909.33 feet to a $1 / 2$ inch iron rod found at the Most Northerly Northeast corner of said Tract 2 and the Northwest corner of a tract of land described in Deed to Charles Fairbanks, Jr., recorded in Volume 1979, Page 1127, Deed Records, Ellis County, Texas; THENCE South 07 degrees 01 minutes 08 seconds East, along the common line of said Tract 2 and said Fairbanks tract, a distance of 1,198.90 feet to a wood fence post found for corner; THENCE North 89 degrees 41 minutes 59 seconds East, continuing along the common line of said Tract 2 and said Fairbanks tract, a distance of 475.12 feet to a point for corner in the West line of a
tract of land described in Deed to Terry G. Weaver, recorded in Volume 1878, Page 684, Deed Records, Ellis County, Texas, said point being near the approximate centerline of a creek;

THENCE Southerly with the West line of said Weaver tract and the approximate centerline of said creek the following three (3) courses and distances:

South 22 degrees 06 minutes 29 seconds West, a distance of 58.05 feet to a point for corner; South 09 degrees 30 minutes 50 seconds East, a distance of 342.74 feet to a point for corner; South 19 degrees 53 minutes 00 seconds East, a distance of 210.41 feet to a point at the Northeast corner of a tract of land described as Tract 1 in Deed to Richard A. Brouwer and wife, Mary K. Brouwer, recorded in Volume 2033, Page 377, Deed Records, Ellis County, Texas;

THENCE along the Northerly and Westerly lines of said Brouwer tract the following eight (8) courses and distances:

North 72 degrees 02 minutes 30 seconds West, a distance of 58.66 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 89 degrees 17 minutes 47 seconds West, a distance of 127.79 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

South 75 degrees 33 minutes 32 seconds West, a distance of 132.00 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

North 61 degrees 42 minutes 14 seconds West, a distance of 33.00
feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "COTTON SURVEYING" found for corner;

South 02 degrees 43 minutes 46 seconds East, a distance of 129.00 feet to a $1 / 2$ inch iron rod found for corner; South 53 degrees 49 minutes 45 seconds West, a distance of 179.66 feet to a 5/8 inch iron rod found for corner; South 53 degrees 47 minutes 16 seconds West, a distance of 303.27 feet to a $1 / 2$ inch iron rod found for corner; South 02 degrees 11 minutes 06 seconds East, a distance of $1,196.11$ feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for the Southeast corner of said Tract 2 and the most Easterly Northeast corner of a tract of land described as Tract 2 in Deed to Richard A. Brouwer and wife, Mary K. Brouwer, recorded in Volume 2033, Page 377, Deed Records, Ellis County, Texas, said point being North 02 degrees 11 minutes 06 seconds West, 30.00 feet from a 1 inch iron pipe found at the Southwest corner of said Brouwer Tract 1;

THENCE along the common line of said ECOM Real Estate Management Company Tract 2 and said Brouwer Tract 2 the following three courses and distances:

South 89 degrees 25 minutes 42 seconds West, a distance of 880.81 feet to a 10 inch wood fence post for corner; North 03 degrees 02 minutes 05 seconds West, a distance of 335.12 feet to a $1 / 2$ inch iron rod found for corner; South 89 degrees 09 minutes 22 seconds West, a distance of $2,010.01$ feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for corner near the approximate centerline of said Walnut Grove

[^1]27 With said curve to the left an arc distance of 155.35 feet to a point
for a corner of this tract;
THENCE North 04 degrees 26 minutes 34 seconds East, 435.87 feet to a
point for corner;
THENCE North 3 degrees 18 minutes East, 208.3 feet to a point for
corner;
THENCE North 19 degrees 16 minutes West, 303.3 feet to a point for
corner;
THENCE North 25 degrees 43 minutes East, 289.3 feet to a point for
corner;
THENCE North O degrees 45 minutes West, 687.13 feet to a point for
corner in the South Line of the H. \& T.C. Railroad;
THENCE South 56 degrees 37 minutes 50 seconds East, with said South
Line, a distance of 2327.68 feet to a point for a corner at the
beginning of a curve to right having a radius of 15566.77 feet, a
central angle of 01 degrees 32 minutes 51 seconds and a chord
bearing and distance of South 55 degrees 04 minutes 32 seconds East,
420.40 feet;
With said curve to the right an arc distance of 420.42 feet to a
point for a corner at the beginning of a curve to the right having
aradius of 2814.79 feet, a central angle of 19 degrees 59 minutes 08
seconds and a chord bearing and distance of South 41 degrees 26
minutes 36 seconds East, 976.87 feet;
With said curve to the right an arc distance of 981.84 feet to a
point for a corner at the beginning of a curve to the right having a
radius of 22649.48 feet, a central angle of 0 degrees 33 minutes 30
seconds and a chord bearing and distance of South 30 degrees 13
minutes 42 seconds East, 220.70 feet;

With said curve to the right an arc distance of 220.71 feet to a point for a corner;

THENCE South29 degrees 40 minutes 07 seconds East, 561.82 feet to a point for corner;

THENCE South 89 degrees 47 minutes West, leaving said Railroad South Line, a distance of 378.59 feet to a point for corner at the Northeast corner of the M. J. Pogue Survey;

THENCE North 89 degrees 21 minutes West, with the North Line of said Pogue Survey, a distance of 72.3 feet to the West line of the above mentioned Cooper Survey;

THENCE North 89 degrees 21 minutes West, with fence and common line of said Pogue Survey and the above mentioned Geo. L. Williams Survey, a distance of 1584.9 feet to the POINT OF BEGINNING, containing 201.01 acres of land, more or less.

SECTION 3. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.
(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.
(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, lieutenant governor, and speaker of the house of representatives

1 within the required time.

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

President of the Senate
Speaker of the House

I certify that H.B. No. 3852 was passed by the House on May 13, 2011, by the following vote: Yeas 144, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3852 was passed by the Senate on May 24, 2011, by the following vote: Yeas 31, Nays 0 .

Secretary of the Senate

APPROVED: $\qquad$
Date

Governor


[^0]:    Southwest corner of said Brouwer Tract 1; THENCE North 89 degrees 52 minutes 06 seconds East, along the most Southerly South line of said Brouwer Tract 1, a distance of 500.00 feet to a point for corner;

    THENCE South 00 degrees 52 minutes 06 seconds West, a distance of 1,103.00 feet to a point for corner;

    THENCE North 89 degrees 52 minutes 06 seconds East, a distance of 519.21 feet to a point for corner; THENCE South 00 degrees 07 minutes 54 seconds East, a distance of 643.49 feet to a point for corner; THENCE North 89 degrees 52 minutes 06 seconds East, a distance of 388.00 feet to a point for corner; THENCE South 00 degrees 07 minutes 54 seconds East, a distance of 196.94 feet to a point for corner; THENCE South 89 degrees 12 minutes 10 seconds West, a distance of 288.51 feet to a point for corner;

    THENCE South 29 degrees 00 minutes 50 seconds East, a distance of 109. 18 feet to a 1 point for corner; THENCE South 44 degrees 37 minutes 50 seconds East, a distance of 231.94 feet to a point for corner; THENCE South 24 degrees 04 minutes 50 seconds East, a distance of 133.89 feet to a point for corner; THENCE South 35 degrees 57 minutes 50 seconds East, a distance of 98.06 feet to a point for corner; THENCE South 30 degrees 47 minutes 50 seconds East, a distance of 138.89 feet to a $1 / 2$ inch iron rod with a yellow plastic cap stamped "DAA" set for corner;

[^1]:    Road;
    THENCE North 01 degrees 34 minutes 39 seconds West, a distance of 1,020.13 feet to the POINT OF BEGINNING and containing 127.324 acres of land, more or less.

    FIELD NOTE DESCRIPTION
    TRACT 3:
    BEING a tract of land situated in the J. H. Witherspoon Survey, Abstract 1137, the I. Cooper Survey, Abstract No. 226, the Mary T. Castor Survey, Abstract 236, the James P. Alford Survey, Abstract 7 and the J. H. Witherspoon Survey, Abstract 1136, all of Ellis County, Texas, said tract being a portion of that tract of land conveyed to ECOM Real Estate Management, Inc. according to the document filed of record in Volume 1177, Page 555, Deed Records of Ellis County, Texas, said tract being more particularly described as follows:

    BEGINNING at a point in the North Line of the M.J. Pogue Survey for the Southwest corner of said C. L. Williams Survey, same being common with the most Easterly Southeast corner of said M. T. Castor Survey;

    THENCE North 2 degrees 26 minutes West, along a fence and the Survey line, 546.60 feet to a point for corner; THENCE South 50 degrees 01 minutes West, 440.9 feet to a point for corner;

    THENCE South 4 degrees 25 minutes East, 152.3 feet to a point for corner;

    THENCE South 35 degrees 05 minutes West 126.0 feet to a point in the
    27 North line of the M. J. Pogue Survey;

