## A BILL TO BE ENTITLED

AN ACT
relating to the creation of Mesquite Medical Center Management District; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.

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 3922 to read as follows:

CHAPTER 3922. MESQUITE MEDICAL CENTER MANAGEMENT DISTRICT
SUBCHAPTER A. GENERAL PROVISIONS
Sec. 3922.001. DEFINITIONS. In this chapter:
(1) "Board" means the district's board of directors.
(2) "City" means the City of Mesquite.
(3) "County" means Dallas County.
(4) "Director" means a board member.
(5) "District" means the Mesquite Medical Center

Management District.
Sec. 3922.002. NATURE OF DISTRICT. The Mesquite Medical Center Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 3922.003. PURPOSE; DECLARATION OF INTENT. (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, the

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county, 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 the 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 or county services
provided in the district.
    Sec. 3922.004. 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; and
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(3) 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 community and business center;
(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; and
(4) provide for water, wastewater, drainage, road, and recreational facilities for the district.
(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, and street art objects are parts of and necessary components of a street and are considered to be 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. 3922.005. INITIAL DISTRICT TERRITORY. (a) The district is initially composed of the territory described by Section 2 of the Act enacting this chapter.
(b) The boundaries and field notes contained in Section 2 of the Act enacting this chapter form a closure. A mistake in the field notes or in copying the field notes in the legislative process does not affect the district's:
(1) organization, existence, or validity;
(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;
(3) right to impose or collect an assessment or tax; or
(4) legality or operation.

Sec. 3922.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES. All or any part of the area of the district is eligible to be included in:
(1) a tax increment reinvestment zone created under Chapter 311, Tax Code;
(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code;
(3) an enterprise zone created under Chapter 2303, Government Code; or
(4) an industrial district created under Chapter 42, Local Government Code.

Sec. 3922.007. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3922.008. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS
Sec. 3922.051. GOVERNING BODY; TERMS. (a) 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 June 1 of each odd-numbered year.
(b) The board by resolution may change the number of voting directors on the board if the board determines that the change is in the best interest of the district. The board may not consist of fewer than 5 or more than 11 voting directors.

Sec. 3922.052. APPOINTMENT OF VOTING DIRECTORS. (a) The mayor and members of the governing body of the city shall appoint voting directors from persons recommended by the board.
(b) A person is appointed if a majority of the members of the governing body and the mayor vote to appoint that person.

Sec. 3922.053. NONVOTING DIRECTORS. The board may appoint nonvoting directors to serve at the pleasure of the voting
directors.

Sec. 3922.054. QUORUM. For purposes of determining the requirements for a quorum of the board, the following are not counted:
(1) a board position vacant for any reason, including death, resignation, or disqualification;
(2) a director who is abstaining from participation in a vote because of a conflict of interest; or
(3) a nonvoting director.

Sec. 3922.055. COMPENSATION. A director is entitled to receive fees of office and reimbursement for actual expenses as

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provided by Section 49.060, Water Code. Sections 375.069 and
375.070, Local Government Code, do not apply to the board.
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Sec. 3922.056. INITIAL VOTING DIRECTORS. (a) The mayor and members of the governing body of the city shall appoint initial voting directors by position in accordance with Section $3922.052(\mathrm{~b})$.
(b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2015, and the terms of directors appointed for positions four and five expire June 1, 2017.
(c) Section $3922.052(a)$ does not apply to this section.
(d) This section expires September 1, 2017.

SUBCHAPTER C. POWERS AND DUTIES
Sec. 3922.101. GENERAL POWERS AND DUTIES. The district has the powers and duties necessary to accomplish the purposes for which the district is created.

Sec. 3922.102. IMPROVEMENT PROJECTS AND SERVICES. The district may provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service using any money available to the district, or contract with a governmental or private entity to provide, design, construct, acquire, improve, relocate, operate, maintain, or finance an improvement project or service authorized under this chapter or Chapter 375, Local Government Code.

Sec. 3922.103. DEVELOPMENT CORPORATION POWERS. The district, using money available to the district, may exercise the powers given to a development corporation under Chapter 505, Local

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Government Code, including the power to own, operate, acquire,
construct, lease, improve, or maintain a project under that
chapter.
    Sec. 3922.104. NONPROFIT CORPORATION. (a) The board by
resolution may authorize the creation of a nonprofit corporation to
assist and act for the district in implementing a project or
providing a service authorized by this chapter.
    (b) The nonprofit corporation:
        (1) has each power of and is considered to be a local
government corporation created under Subchapter D, Chapter 431,
Transportation Code; and
    (2) may implement any project and provide any service
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authorized by this chapter.
(c) The board shall appoint the board of directors of the
nonprofit corporation. The board of directors of the nonprofit
corporation shall serve in the same manner as the board of directors
of a local government corporation created under Subchapter D,
Chapter 431, Transportation Code, except that a board member is not
required to reside in the district.

Sec. 3922.105. AGREEMENTS; GRANTS. (a) As provided by Chapter 375, Local Government Code, the district may make an agreement with or accept a gift, grant, or loan from any person.
(b) The implementation of a project is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 3922.106. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party,

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including the county or the city, to provide law enforcement
services in the district for a fee.
    Sec. 3922.107. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The
district may join and pay dues to a charitable or nonprofit
organization that performs a service or provides an activity
consistent with the furtherance of a district purpose.
    Sec. 3922.108. ECONOMIC DEVELOPMENT. (a) The district may
engage in activities that accomplish the economic development
purposes of the district.
(b) The district may establish and provide for the administration of one or more programs to promote state or local economic development and to stimulate business and commercial activity in the district, including programs to:
(1) make loans and grants of public money; and
(2) provide district personnel and services.
(c) The district may create economic development programs and exercise the economic development powers provided to municipalities by:
(1) Chapter 380, Local Government Code; and
(2) Subchapter A, Chapter 1509, Government Code.
Sec. 3922.109. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other structures or accommodations for parking motor vehicles off the streets and related appurtenances.
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(b) The district's parking facilities serve the public

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purposes of the district and are owned, used, and held for a public
purpose even if leased or operated by a private entity for a term of
years.
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    (c) The district's parking facilities are parts of and
    necessary components of a street and are considered to be a street
or road improvement.
(d) The development and operation of the district's parking facilities may be considered an economic development program.

Sec. 3922.110. ANNEXATION OF LAND. The district may annex land as provided by Subchapter J, Chapter 49, Water Code.

Sec. 3922.111. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS
Sec. 3922.151. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of district money.

Sec. 3922.152. MONEY USED FOR IMPROVEMENTS OR SERVICES. The district may acquire, construct, finance, operate, or maintain any improvement or service authorized under this chapter or Chapter 375, Local Government Code, using any money available to the district.

Sec. 3922.153. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.
(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county.

Sec. 3922.154. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.
(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;
(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and
(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.
(c) The lien is effective from the date of the board's resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property.
(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. <br> Sec. 3922.155. EXEMPTIONS. Section 375.162, Local Government Code, does not apply to an organization exempt from federal income tax under Section 501(a), Internal Revenue Code of 1986, by being described by Section 501(c)(3) of that code, operating in the district. The organization is not exempt from paying a district assessment. <br> Sec. 3922.156. RESIDENTIAL PROPERTY NOT EXEMPT. Section 375.161, Local Government Code, does not apply to a tax authorized or approved by the voters of the district or a required payment for a service provided by the district, including water and sewer services. <br> Sec. 3922.157. TAX AND ASSESSMENT ABATEMENTS. The district may designate reinvestment zones and may grant abatements of district taxes or assessments on property in the zones. SUBCHAPTER E. TAXES AND BONDS <br> Sec. 3922.201. ELECTIONS REGARDING TAXES AND BONDS.

 (a) The district may issue, without an election, bonds, notes, and other obligations secured by:(1) revenue other than ad valorem taxes; or
(2) contract payments described by Section 3922.203.
(b) The district must hold an election in the manner provided by Subchapter L, Chapter 375, Local Government Code, to obtain voter approval before the district may impose an ad valorem tax or issue bonds payable from ad valorem taxes.
(c) Section 375.243, Local Government Code, does not apply

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determined by the board. Section 375.205, Local Government Code,
does not apply to a loan, line of credit, or other borrowing from a
bank or financial institution secured by revenue other than ad
valorem taxes.
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(b) The district may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Sec. 3922.205. TAXES FOR BONDS. At the time the district issues bonds payable wholly or partly from ad valorem taxes, the board shall provide for the annual imposition of 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 as required and in the manner provided by Sections 54.601 and 54.602 , Water Code.

Sec. 3922.206. CITY NOT REQUIRED TO PAY DISTRICT OBLIGATIONS. Except as provided by Section 375.263, Local Government Code, the city is not required to pay a bond, note, or other obligation of the district.

SECTION 2. The Mesquite Medical Center Management District initially includes all territory contained in the following area:

BEING a tract of land situated in the Daniel Tanner Survey, Abstract No. 1426, in the City of Mesquite, Dallas County, Texas, and being part of that called 85.204 acre tract of land described in deed to The City of Mesquite, Texas, as recorded in Volume 95191, Page 00916 of the Deed Records of Dallas County, Texas (D.R.D.C.T.), and being more particularly described as follows:

COMMENCING at a $1 / 2$-inch found iron rod for the west corner of Lot 1, Block 1 of Peachtree/Gross Addition, and addition to the City of Mesquite, Texas, as recorded in Volume 99074, Page 00009, D.R.D.C.T., said point being on the easterly right-of-way line of Peachtree Road (a 100 foot wide public right-of-way) as described in deed recorded in Volume 71054, Page 0405, D.R.D.C.T., said point also being the most westerly north corner of that tract of land described in deed to Golden Shamrock Realty, Inc., as recorded in Volume 2001007, Page 02031, D.R.D.C.T.;

THENCE South 46 degrees 16 minutes 40 seconds West, along the common westerly line of said Golden Shamrock Realty tract and said easterly right-of-way line of Peachtree Road, a distance of 120.96 feet to a $1 / 2$-inch set iron rod with yellow plastic cap stamped "HALFF ASSOC INC." (hereinafter referred to as "with cap") for the POINT OF BEGINNING;

THENCE South 43 degrees 43 minutes 20 seconds East, departing said common line along the southeasterly line of said Golden Shamrock Realty tract, a distance of 269.56 feet (deed 270.00 feet) to a 5/8-inch found iron rod for corner;

THENCE South 21 degrees 45 minutes 55 seconds East, continuing along said southeasterly line, a distance of 650.20 feet (deed 650.00 feet) to a $1 / 2$-inch set iron rod with cap for the southwest corner of said Golden Shamrock Realty tract;

THENCE North 77 degrees 14 minutes 05 seconds East, along the southerly line of said Golden Shamrock Realty tract, a distance of 312.75 feet (deed 313.33 feet) to a $1 / 2$-inch set iron rod with cap
for the southeast corner of said Golden Shamrock Realty tract, said point being on the common westerly right-of-way line of Interstate Highway 635 (L.B.J. Freeway, a variable width public right-of-way) and the easterly line of said City of Mesquite tract;

THENCE South 15 degrees 17 minutes 27 seconds East, along said common line, a distance of 503.14 feet to a point for corner, from which point a found aluminum TXDOT monument bears North 65 degrees 26 minutes 11 seconds East a distance of 0.68 feet;

THENCE South 09 degrees 56 minutes 00 seconds East, continuing along said common line, a distance of 250.56 feet to a point for corner, from which point a found aluminum TXDOT monument bears North 63 degrees 51 minutes 49 seconds East a distance of 0.74 feet;

THENCE South 02 degrees 28 minutes 33 seconds East, continuing along said common line, a distance of 800.01 feet to a 1/2-inch set iron rod with cap for corner;

THENCE South 06 degrees 24 minutes 28 seconds East, continuing along said common line, a distance of 311.76 feet to a 1/2-inch found iron rod with cap stamped ''BRITTAIN AND CRAWFORD" for the northeast corner of Lots 2 and 3, Block 1, Peachtree Center, an addition to the City of Mesquite as recorded in Volume 2003092, Page 00027, D.R.D.C.T.;

THENCE departing said common line and along the northerly line of said Peachtree Center addition, the following courses and distances:

North 70 degrees 39 minutes 48 seconds West a distance of 578.50 feet to a found 2-inch diameter disk stamped "MLA RPLS \#4873"

## for corner;

North 19 degrees 20 minutes 12 seconds East a distance of 60.00 feet to a $1 / 2$-inch found iron rod with cap stamped "BRITTAIN AND CRAWFORD" for corner;

North 70 degrees 39 minutes 48 seconds West a distance of 70.00 feet to a $1 / 2$-inch found iron rod with cap stamped "BRITTAIN AND CRAWFORD" for corner;

South 80 degrees 33 minutes 59 seconds West a distance of 124.66 feet to a found 2-inch diameter disk stamped "MLA RPLS \#4873" for corner;

North 05 degrees 37 minutes 15 seconds East a distance of 103.27 feet to a point for corner from which a found 2-inch diameter disk stamped "MLA RPLS \#4873" bears North 21 degrees 18 minutes 56 seconds East a distance of 0.26 feet;

North 84 degrees 22 minutes 45 seconds West a distance of 150.41 feet to a found 2-inch diameter disk stamped "MLA RPLS \#4873" for the point of curvature of a tangent circular curve to the left having a radius of 535.10 feet whose chord bears South 82 degrees 19 minutes 40 seconds West a distance of 246.07 feet;

Westerly, along said circular curve to the left, through a central angle of 26 degrees 35 minutes 10 seconds, an arc distance of 248.29 feet to a found 2-inch diameter disk stamped "MLA RPLS \#4873" for the point of tangency;

South 69 degrees 02 minutes 05 seconds West a distance of 15.00 feet to a found 2-inch diameter disk stamped "MLA RPLS \#4873" for corner,

North 65 degrees 11 minutes 14 seconds West a distance of
45.81 feet to a $1 / 2$-inch set iron rod with cap for the most westerly northwest corner of said Peachtree Center addition, said point also being in the common westerly line of said City of Mesquite tract and the aforementioned easterly right-of-way line of Peachtree Road, said point being on a circular curve to the left having a radius of 759.73 feet whose chord bears North 31 degrees 03 minutes 06 seconds West a distance of 136.50 feet, said curve being non-tangent to the last described course;

THENCE Northwesterly, departing said northerly line of said Peachtree Center addition, along said common line between said City of Mesquite tract and said Peachtree Road and along said circular curve, through a central angle of 10 degrees 18 minutes 29 seconds, an arc distance of 136.68 feet to a $1 / 2$-inch set iron rod with cap for the point of tangency;

THENCE North 36 degrees 12 minutes 20 seconds West, along said common line, a distance of 248.77 feet to a $1 / 2$-inch set iron rod with cap for the point of curvature of a tangent circular curve to the right having a radius of $1,269.75$ feet whose chord bears North 05 degrees 02 minutes 10 seconds East a distance of $1,674.13$ feet;

THENCE Northerly, continuing along said common line and along said circular curve, through a central angle of 82 degrees 29 minutes 00 seconds, an arc distance of $1,827.94$ feet to a $1 / 2$-inch set iron rod with cap for the point of tangency;

THENCE North 46 degrees 16 minutes 40 seconds East, continuing along said common line, a distance of 341.44 feet to the POINT OF BEGINNING AND CONTAINING $2,626,887$ square feet or 60.31

## 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 within the required time.
(d) The general law relating to consent by political subdivisions to the creation of districts with conservation, reclamation, and road powers and the inclusion of land in those districts has been complied with.
(e) All requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act have been fulfilled and accomplished.

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

1 Act takes effect September 1, 2013 .


[^0]:    to the district.
    (d) All or any part of any facilities or improvements that may be acquired by a district by the issuance of its bonds may be submitted as a single proposition or as several propositions to be voted on at the election.

    Sec. 3922.202. OPERATION AND MAINTENANCE TAX. (a) If authorized by a majority of the district voters voting at an election held in accordance with Section 3922.201 , the district may impose an operation and maintenance tax on taxable property in the district in accordance with Section 49.107, Water Code, for any district purpose, including to:
    (1) maintain and operate the district;
    (2) construct or acquire improvements; or
    (3) provide a service.
    (b) The board shall determine the tax rate. The rate may not exceed the rate approved at the election.

    Sec. 3922.203. CONTRACT TAXES. (a) In accordance with Section 49.108, Water Code, the district may impose a tax other than an operation and maintenance tax and use the revenue derived from the tax to make payments under a contract after the provisions of the contract have been approved by a majority of the district voters voting at an election held for that purpose.
    (b) A contract approved by the district voters may contain a provision stating that the contract may be modified or amended by the board without further voter approval.

    Sec. 3922.204. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms

