

SENATE AMENDMENTS

2nd Printing

By: Wray

H.B. No. 3136

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the Windsor Hills Municipal Management
3 District No. 1; providing authority to issue bonds; providing
4 authority to impose assessments.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws
7 Code, is amended by adding Chapter 3946 to read as follows:

8 CHAPTER 3946. WINDSOR HILLS MUNICIPAL MANAGEMENT DISTRICT NO. 1

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3946.001. DEFINITIONS. In this chapter:

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

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

13 (3) "Commission" means the Texas Commission on
14 Environmental Quality.

15 (4) "Development agreement" means a development
16 agreement between the city and One Windsor Hills, L.P., that
17 establishes the standards that apply to development in the district
18 and includes zoning provisions for the district that allow a
19 maximum of 545 residential units.

20 (5) "Director" means a board member.

21 (6) "District" means the Windsor Hills Municipal
22 Management District No. 1.

23 (7) "Finance plan" means a finance plan between the
24 city and the district that includes a general description of

1 proposed improvement projects that will be financed by the
2 district, an estimate of the costs for the proposed improvement
3 projects, and the means of financing costs related to the planning,
4 design, construction, and improvement of the proposed improvement
5 projects.

6 Sec. 3946.002. PRECONDITION; EXPIRATION. (a) The district
7 may not exercise any powers under this chapter until the
8 development agreement and finance plan are executed.

9 (b) This chapter, including Section 3946.052, expires
10 September 1, 2019, if the development agreement and finance plan
11 are not executed by that date.

12 Sec. 3946.003. CREATION AND NATURE OF DISTRICT. The
13 district is a special district created under Section 59, Article
14 XVI, Texas Constitution.

15 Sec. 3946.004. PURPOSE; LEGISLATIVE FINDINGS. (a) The
16 creation of the district is essential to accomplish the purposes of
17 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
18 Texas Constitution, and other public purposes stated in this
19 chapter. By creating the district and in authorizing the city and
20 other political subdivisions to contract with the district, the
21 legislature has established a program to accomplish the public
22 purposes set out in Section 52-a, Article III, Texas Constitution.

23 (b) The creation of the district is necessary to promote,
24 develop, encourage, and maintain employment, commerce,
25 transportation, housing, tourism, recreation, the arts,
26 entertainment, economic development, safety, and the public
27 welfare in the district.

1 (c) This chapter and the creation of the district may not be
2 interpreted to relieve the city from providing the level of
3 services provided to the area in the district as of the effective
4 date of the Act enacting this chapter. The district is created to
5 supplement and not to supplant the city services provided in the
6 district.

7 Sec. 3946.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
8 The district is created to serve a public use and benefit.

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

14 (c) The district is created to accomplish the purposes of a
15 municipal management district as provided by general law and
16 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
17 Texas Constitution.

18 (d) The creation of the district is in the public interest
19 and is essential to further the public purposes of:

20 (1) developing and diversifying the economy of the
21 state;

22 (2) eliminating unemployment and underemployment;

23 (3) providing quality residential housing; and

24 (4) developing or expanding transportation and
25 commerce.

26 (e) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, potential employees, employees, visitors,
2 and consumers in the district, and of the public;

3 (2) provide needed funding for the district to
4 preserve, maintain, and enhance the economic health and vitality of
5 the district territory as a residential community and business
6 center; and

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

11 (f) Pedestrian ways along or across a street, whether at
12 grade or above or below the surface, and street lighting, street
13 landscaping, parking, and street art objects are parts of and
14 necessary components of a street and are considered to be a street
15 or road improvement.

16 (g) The district will not act as the agent or
17 instrumentality of any private interest even though the district
18 will benefit many private interests as well as the public.

19 Sec. 3946.006. INITIAL DISTRICT TERRITORY. (a) The
20 district is initially composed of the territory described by
21 Section 2 of the Act enacting this chapter.

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

26 (1) organization, existence, or validity;

27 (2) right to contract;

1 (3) authority to borrow money or issue any type of
2 bonds or other obligations for a purpose for which the district is
3 created;

4 (4) right to impose or collect an assessment, or
5 collect other revenue; or

6 (5) legality or operation.

7 Sec. 3946.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
8 DISTRICT LAW. Except as provided by this chapter, Chapter 375,
9 Local Government Code, applies to the district.

10 Sec. 3946.008. CONFIRMATION AND DIRECTORS' ELECTION
11 REQUIRED. The initial directors shall hold an election to confirm
12 the creation of the district and to elect five permanent directors
13 as provided by Section 49.102, Water Code.

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 3946.051. GOVERNING BODY; TERMS. (a) The district is
16 governed by a board of five elected directors.

17 (b) Except as provided by Section 3946.052, directors serve
18 staggered four-year terms, with two or three directors' terms
19 expiring May 31 of each even-numbered year.

20 Sec. 3946.052. INITIAL DIRECTORS. (a) The initial board
21 consists of:

22 (1) John Malloy;

23 (2) Jon Hendrickson;

24 (3) Suzanne Disette;

25 (4) Katie Martin Brown; and

26 (5) Christopher Alan Cain.

27 (b) Initial directors serve until the earlier of:

1 (1) the date permanent directors are elected under
2 Section 3946.008; or

3 (2) June 1, 2021.

4 (c) If permanent directors have not been elected and the
5 terms of the initial directors have expired, successor directors
6 shall be appointed or reappointed as provided by Subsection (d) to
7 serve terms that expire on the earlier of:

8 (1) the date permanent directors are elected under
9 Section 3946.008; or

10 (2) the fourth anniversary of the date of the
11 appointment or reappointment.

12 (d) If Subsection (c) applies, the owner or owners of a
13 majority of the assessed value of the real property in the district
14 may submit a petition to the commission requesting that the
15 commission appoint as successor directors the five persons named in
16 the petition. The commission shall appoint as successor directors
17 the five persons named in the petition.

18 Sec. 3946.053. ELIGIBILITY. To be qualified to serve as a
19 director, a person must meet the qualifications prescribed by
20 Section 375.063, Local Government Code.

21 Sec. 3946.054. EX OFFICIO DIRECTORS. (a) The following
22 persons serve ex officio as nonvoting directors:

23 (1) the city manager of the city; and

24 (2) the chief financial officer of the city.

25 (b) An ex officio director is entitled to speak on a matter
26 before the board.

27 Sec. 3946.055. VACANCY. A vacancy on the board shall be

1 filled by the remaining members of the board for the unexpired term.

2 Sec. 3946.056. DIRECTOR'S OATH OR AFFIRMATION. A director
3 shall file the director's oath or affirmation of office with the
4 district, and the district shall retain the oath or affirmation in
5 the district records.

6 Sec. 3946.057. OFFICERS. The board shall elect from among
7 the directors a chair, a vice chair, and a secretary.

8 Sec. 3946.058. COMPENSATION; EXPENSES. (a) The district
9 may compensate each director in an amount not to exceed \$75 for each
10 board meeting. The total amount of compensation for each director
11 in a calendar year may not exceed \$3,000.

12 (b) The governing body of the city, by resolution or
13 ordinance, may increase:

14 (1) the compensation for each director to an amount
15 not to exceed \$150 for each board meeting; and

16 (2) the total compensation for each director to an
17 amount not to exceed \$7,200 in a calendar year.

18 (c) A director is entitled to reimbursement for necessary
19 and reasonable expenses incurred in carrying out the duties and
20 responsibilities of the board.

21 Sec. 3946.059. LIABILITY INSURANCE. The district may
22 obtain and pay for comprehensive general liability insurance
23 coverage from a commercial insurance company or other source that
24 protects and insures a director against personal liability and from
25 all claims relating to:

26 (1) actions taken by the director in the director's
27 capacity as a member of the board;

1 (2) actions and activities taken by the district; or
2 (3) the actions of others acting on behalf of the
3 district.

4 Sec. 3946.060. CONFLICTS OF INTEREST. Chapter 171, Local
5 Government Code, governs conflicts of interest of directors.

6 SUBCHAPTER C. POWERS AND DUTIES

7 Sec. 3946.101. IMPROVEMENT PROJECTS. (a) The district may
8 provide, or it may enter into contracts with a governmental or
9 private entity to provide, the improvement projects described by
10 Subchapter D.

11 (b) An improvement project authorized under this chapter
12 may be located inside or outside the district.

13 Sec. 3946.102. RULES; ENFORCEMENT. (a) The district may
14 adopt rules:

15 (1) to administer or operate the district; or
16 (2) for the use, enjoyment, availability, protection,
17 security, and maintenance of the district's property and
18 facilities.

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

20 Sec. 3946.103. NAME CHANGE; NOTICE. (a) The board by
21 resolution may change the district's name.

22 (b) The board shall give written notice of a name change to
23 the city.

24 Sec. 3946.104. TERMS OF EMPLOYMENT; COMPENSATION. The
25 board may employ and establish the terms of employment and
26 compensation of an executive director or general manager and any
27 other district employees the board considers necessary.

1 Sec. 3946.105. NO EMINENT DOMAIN POWER. The district may
2 not exercise the power of eminent domain.

3 SUBCHAPTER D. IMPROVEMENT PROJECTS AND SERVICES

4 Sec. 3946.151. IMPROVEMENT PROJECTS AND SERVICES. Except
5 as otherwise provided by this chapter, the district may provide, or
6 contract with a governmental or private entity to provide, water,
7 wastewater, drainage, or roadway projects, or related projects and
8 services.

9 Sec. 3946.152. BOARD DETERMINATION REQUIRED. The district
10 may not undertake an improvement project unless the board
11 determines the project is necessary to accomplish a public purpose
12 of the district.

13 Sec. 3946.153. CITY REQUIREMENTS. (a) An improvement
14 project must comply with any applicable city construction codes and
15 construction ordinances.

16 (b) The district may not provide, conduct, or authorize any
17 improvement project on the city's streets, highways,
18 rights-of-way, or easements without the consent of the city.

19 Sec. 3946.154. ADDITIONAL CITY POWERS REGARDING
20 IMPROVEMENT PROJECTS. (a) Except as otherwise provided by an
21 agreement between the district and the city, the city may:

22 (1) by ordinance, order, resolution, or other
23 directive require that title to all or any portion of an improvement
24 project vest in the city; or

25 (2) by ordinance, order, resolution, or other
26 directive authorize the district to own, encumber, maintain, and
27 operate an improvement project or convey the project to the city at

1 a later date.

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

4 SUBCHAPTER E. CONTRACTS

5 Sec. 3946.201. GENERAL CONTRACT POWERS. The district may
6 contract with any person to accomplish any district purpose.

7 Sec. 3946.202. CONTRACT TERMS. A contract the district
8 enters into to carry out a purpose of this chapter may be on any
9 terms and for any period the board determines, including an
10 obligation to issue a negotiable or nonnegotiable note or warrant
11 payable to the city or any other person.

12 Sec. 3946.203. REIMBURSEMENT OF COSTS. The district may
13 contract with any person for the payment, repayment, or
14 reimbursement of costs incurred by that person on behalf of the
15 district, including all or part of the costs of an improvement
16 project and interest on the reimbursed cost.

17 Sec. 3946.204. CONTRACT FOR IMPROVEMENT PROJECT. (a) The
18 district may contract with any person for the use, occupancy,
19 lease, rental, operation, maintenance, or management of all or part
20 of a proposed or existing improvement project.

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

1 proposed or existing improvement project.

2 Sec. 3946.205. NO FURTHER CONTRACT AUTHORIZATION REQUIRED.

3 Any person, including the city, may contract with the district to
4 carry out the purposes of this chapter without further statutory or
5 other kind of authorization.

6 SUBCHAPTER F. GENERAL FINANCIAL PROVISIONS

7 Sec. 3946.251. DEVELOPMENT AGREEMENT REQUIRED TO BORROW
8 MONEY OR IMPOSE ASSESSMENTS. Before the district may issue bonds,
9 impose assessments, or borrow money, the district must obtain from
10 the city confirmation that no defaults under the development
11 agreement are known.

12 Sec. 3946.252. BORROWING MONEY. The district may borrow
13 money for a district purpose by issuing or executing bonds, notes,
14 credit agreements, or other obligations of any kind found by the
15 board to be necessary or appropriate for a district purpose. The
16 bond, note, credit agreement, or other obligation must be secured
17 by and payable from assessments or any other district revenue.

18 Sec. 3946.253. BONDS AND OTHER OBLIGATIONS. (a) The
19 district may issue, by public or private sale, bonds, notes, or
20 other obligations payable wholly or partly from assessments in the
21 manner provided by Subchapter J, Chapter 375, Local Government
22 Code.

23 (b) If the improvements financed by an obligation will be
24 conveyed to or operated and maintained by a municipality or retail
25 utility provider pursuant to an agreement between the district and
26 the municipality or retail utility provider entered into before the
27 issuance of the obligation, the obligation may be issued in the

1 manner provided by Subchapter A, Chapter 372, Local Government
2 Code.

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

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

13 Sec. 3946.254. BOND MATURITY. Bonds may mature not more
14 than 40 years from their date of issue.

15 Sec. 3946.255. ISSUER POWERS FOR CERTAIN PUBLIC
16 IMPROVEMENTS. The district may exercise any power of an issuer
17 under Chapter 1371, Government Code.

18 Sec. 3946.256. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
19 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
20 secure the payment or repayment of any bond, note, or other
21 temporary or permanent obligation or reimbursement or other
22 contract with any person and the costs and expenses of the
23 establishment, administration, and operation of the district and
24 the district's costs or share of the costs or revenue of an
25 improvement project or district contractual obligation or debt by:

26 (1) a lease, installment purchase contract, or other
27 agreement; or

1 (2) any other revenue or resources of the district or
2 other revenue authorized by the city, including revenue from a tax
3 increment reinvestment zone created by the city.

4 Sec. 3946.257. ASSESSMENTS. (a) The district may impose an
5 assessment on property in the district to pay the cost of any
6 authorized district improvement or to pay the costs of establishing
7 and operating the district in the manner provided for:

8 (1) a district under Subchapters A, E, and F, Chapter
9 375, Local Government Code; or

10 (2) a municipality or county under Subchapter A,
11 Chapter 372, Local Government Code.

12 (b) An assessment may not exceed the equivalent of 43 cents
13 per \$100 of valuation on the average residential lot in the
14 district.

15 (c) An assessment, a reassessment, or an assessment
16 resulting from an addition to or correction of the assessment roll
17 by the district, penalties and interest on an assessment or
18 reassessment, an expense of collection, and reasonable attorney's
19 fees incurred by the district:

20 (1) are a first and prior lien against the property
21 assessed; and

22 (2) are superior to any other lien or claim other than
23 a lien or claim for county, school district, or municipal ad valorem
24 taxes.

25 (d) The lien of an assessment against property runs with the
26 land. The portion of an assessment payment obligation that has not
27 yet come due is not eliminated by the foreclosure of an ad valorem

1 tax lien, and any purchaser of property in a foreclosure of an ad
2 valorem tax lien takes the property subject to the assessment
3 payment obligations that have not yet come due and to the lien and
4 terms of the lien's payment under the applicable assessment
5 ordinance or order.

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

10 Sec. 3946.258. COSTS FOR IMPROVEMENT PROJECTS. The
11 district may undertake separately or jointly with other persons,
12 including the city, all or part of the cost of an improvement
13 project, including an improvement project that confers a general
14 benefit on the entire district or a special benefit on a definable
15 part of the district.

16 Sec. 3946.259. RESIDENTIAL PROPERTY NOT EXEMPT. Section
17 375.161, Local Government Code, does not apply to the district.

18 Sec. 3946.260. NO IMPACT FEES. The district may not impose
19 an impact fee.

20 Sec. 3946.261. NO AD VALOREM TAX. The district may not
21 impose an ad valorem tax.

22 SUBCHAPTER G. DISSOLUTION

23 Sec. 3946.301. DISSOLUTION BY CITY ORDINANCE. (a) The city
24 by ordinance may dissolve the district.

25 (b) The city may not dissolve the district until:

26 (1) the district's outstanding debt or other
27 obligations have been repaid, assumed, or discharged, including the

1 defeasance of any outstanding bonds or other obligations through
2 the issuance of debt by the city; and

3 (2) each party to the development agreement fulfills
4 the party's obligations under the agreement and the plan, including
5 a district obligation to reimburse a developer or owner for the
6 costs of an improvement project or service.

7 Sec. 3946.302. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

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

13 (b) The city shall have and exercise all district powers to
14 enforce and collect the assessments or other revenue to pay:

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

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

20 Sec. 3946.303. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
21 After the city dissolves the district, the city assumes, subject to
22 the appropriation and availability of funds, the obligations of the
23 district, including any bonds or other debt payable from
24 assessments or other district revenue.

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

27 SECTION 2. The Windsor Hills Municipal Management District

1 No. 1 initially includes all the territory contained in the
2 following area:

3 TRACT ONE

4 BEING a tract of land out of the JOSEPH STEWART Survey,
5 Abstract Number 961, M.E.P. & P.R.R. COMPANY Survey, Abstract
6 Number 761, JAMES JONES Survey, Abstract Number 583, ALLEN REEVES
7 Survey, Abstract Number 939 and the B.F. BERRY Survey, Abstract
8 Number 1547 and being part of a tract of land described to One
9 Windsor Hills L.P. as recorded in Volume 2199, Page 2425, Volume
10 2181, Page 1640 and Volume 2206, Page 1415, Deed Records, Ellis
11 County, Texas, and being more particularly described by metes and
12 bounds as follows:

13 BEGINNING at the northwesterly corner of a tract of land
14 described to One Windsor Hills L.P. in Volume 2206, Page 1415, Deed
15 Records, Ellis County, Texas, and the southwesterly corner of a
16 tract of land described to Suburban Residential, L.P. as recorded
17 in Volume 2061, Page 1487, Deed Records, Ellis County, Texas, said
18 point also being in the easterly right-of-way of U.S. Highway
19 Number 287 (a variable width right-of-way).

20 THENCE North $59^{\circ}34'56''$ East along said common line and
21 departing said east right-of-way line passing at a distance of
22 223.98 feet the easterly line of said Suburban Residential, L.P.
23 tract and the westerly line of said tract of land described to One
24 Windsor Hills, L.P. in Volume 2181, Page 1640 in all a total
25 distance of 2878.85 feet to a point for corner;

26 THENCE North $30^{\circ}22'31''$ West, a distance of 623.90 feet to a
27 point for corner;

1 THENCE North $81^{\circ}43'06''$ East, a distance of 488.08 feet to a
2 point for corner;

3 THENCE North $72^{\circ}00'40''$ East, a distance of 320.19 feet to a
4 point for corner;

5 THENCE North $71^{\circ}30'14''$ East, a distance of 275.16 feet to a
6 point for corner;

7 THENCE North $60^{\circ}21'33''$ East, a distance of 306.11 feet to a
8 point for corner;

9 THENCE North $60^{\circ}52'42''$ East, a distance of 324.51 feet to a
10 point for corner;

11 THENCE North $62^{\circ}51'56''$ East, a distance of 737.24 feet to a
12 point for corner;

13 THENCE North $77^{\circ}31'00''$ East, a distance of 184.84 feet to a
14 point for corner;

15 THENCE South $54^{\circ}36'52''$ East, a distance of 94.36 feet to a
16 point for corner;

17 THENCE South $45^{\circ}11'54''$ East, a distance of 143.80 feet to a
18 point for corner;

19 THENCE North $00^{\circ}06'23''$ East, a distance of 2809.23 feet to a
20 point for corner, said point being at the beginning of tangent curve
21 to the right whose chord bears North $04^{\circ}50'09''$ East, and a chord
22 length of 454.89;

23 THENCE in a northeasterly direction with said curve to the
24 right having a central angle $09^{\circ}53'05''$, with a radius of 2640.00
25 feet, an arc length of 455.45 feet to a point for corner, said point
26 being in the northeasterly line of said tract of land described to
27 One Windsor Hills, L.P. in Volume 2199, Page 2425, and southerly

1 line of a tract of land described to JAS Holdings, L.L.C. as
2 recorded in Volume 2051, Page 2082, Deed Records, Ellis County,
3 Texas;

4 THENCE North 88°55'17" East, along said common line a distance
5 of 627.82 feet to a point for corner;

6 THENCE South 01°20'17" East continuing along said common line
7 a distance of 491.92 feet to a point for corner;

8 THENCE North 87°52'20" East continuing along said common line
9 a distance of 765.58 feet to a point for corner;

10 THENCE North 89°07'31" East continuing along said common line
11 a distance of 1045.64 feet to a point for corner said point being in
12 the apparent westerly line of Quarry Road (a variable width
13 right-of-way);

14 THENCE along said Quarry Road the following calls: South
15 00°31'02" East, a distance of 2176.51 feet to a point for corner;
16 South 00°12'55" West, a distance of 619.03 feet to a point for
17 corner; South 00°11'45" West, a distance of 2361.69 feet to a point
18 for corner, said point being the northerly line of a tract of land
19 described to Fulson Midlothian Partners L.P., in Volume 2220, Page
20 0194, Deed Records, Ellis County, Texas;

21 THENCE South 73°40'45" West, departing said Quarry Road, a
22 distance of 1024.70 feet to a point for corner, said point being in
23 the easterly line of said tract of land described to One Windsor
24 Hills, L.P. in Volume 2206, Page 1415, and the northerly line of
25 said Fulson Midlothian Partners L.P. tract;

26 THENCE South 30°37'38" East, continuing along said common
27 line a distance of 350.99 feet to a point for corner;

1 THENCE South 59°15'58" West, continuing along said common
2 line a distance of 3738.60 feet to a point for corner;

3 THENCE South 00°20'54" West, continuing along said common
4 line a distance of 423.54 feet to a point for corner, said point
5 being in the said northerly right-of-way line of U.S. Highway
6 Number 287;

7 THENCE along said northerly right-of-way line of U.S. Highway
8 Number 287 the following calls: North 63°06'06" West, a distance of
9 291.86 feet to a point for corner; North 59°56'14" West, a distance
10 of 490.32 feet to a point for corner; North 57°00'04" West, a
11 distance of 447.27 feet to a point for corner; North 56°34'07" West,
12 a distance of 486.37 feet to a point for corner; North 50°47'17"
13 West, a distance of 387.41 feet to a point for corner; North
14 49°12'36" West, a distance of 604.08 feet to a point for corner;
15 North 48°29'20" West, a distance of 123.15 feet to a point for
16 corner, said point being in the southeasterly line of a tract of
17 land described to City of Midlothian, Cause Number 04-C-3616 County
18 Court of Law, Ellis County, Texas;

19 THENCE North 41°28'19" East, departing the said northerly
20 right-of-way line of U.S Highway 287, a distance of 100.00 feet to a
21 point for corner;

22 THENCE North 48°53'44" West continuing along said common line
23 a distance of 99.72 feet to a point for corner;

24 THENCE South 41°38'09" West continuing along said common line
25 a distance of 99.36 feet to a point for corner, said point being in
26 the said northerly right-of-way line of U.S. Highway 287;

27 THENCE along said northerly right-of-way line of U.S. Highway

1 Number 287 the following calls: North 48°36'14" West, a distance of
2 247.58 feet to a point for corner; North 42°50'51" West, a distance
3 of 458.34 feet to a point for corner; North 51°04'02" West, a
4 distance of 466.39 feet to a point for corner; North 27°30'07" West,
5 a distance of 3.46 feet to the POINT OF BEGINNING, containing
6 29,532,612 square feet or 677.97 acres, more or less.

7 TRACT TWO

8 BEING a tract of land out of the ALLEN REEVES Survey,
9 Abstract Number 939 and being part of a tract of land described to
10 One Windsor Hills L.P. as recorded in Volume 2202, Page 2425, Deed
11 Records, Ellis County, Texas, and being more particularly described
12 by metes and bounds as follows:

13 BEGINNING at the southeasterly corner of a tract of land
14 described to One Windsor Hills L.P. Tract 2 in Volume 2202, Page
15 1295, Deed Records, Ellis County, Texas, said point also being in
16 the southwesterly line of a tract of land described to City of
17 Midlothian in Volume 491, Page 081, Deed Records, Ellis County,
18 Texas, said point also being in the apparent northerly line of Auger
19 Road (a variable width right-of-way);

20 THENCE along said northerly line of Auger Road the following
21 calls: South 81°59'52" West, a distance of 520.79 feet to a point for
22 corner; North 84°51'18" West, a distance of 617.43 feet to a point
23 for corner; South 79°50'03" West, a distance of 442.41 feet to a
24 point for corner, said point also being in the apparent easterly
25 line of Quarry Road (a variable width right-of-way) and also being
26 in the westerly line of said One Windsor Hills, L.P. Tract Two;

27 THENCE North 00°09'14" West, a distance of 2342.31 feet to a

1 point for corner, said point being in the southwesterly line of a
2 tract of land described to North Texas Cement Company in Volume 846,
3 Page 138, Deed Records, Ellis County, Texas;

4 THENCE North 88°56'09" East departing said easterly line of
5 Quarry Road and continuing along said common line a distance of
6 563.53 feet to a point for corner;

7 THENCE North 00°21'10" West, continuing along said common
8 line a distance of 250.88 feet to a point for corner;

9 THENCE North 89°56'37" East, a distance of 2097.82 feet to
10 appoint for corner, said point being in the westerly line of a tract
11 of land described to City of Midlothian in Volume 2451, Page 0414,
12 Deed Records, Ellis County, Texas;

13 THENCE South 00°22'22" East, continuing along said common
14 line a distance of 1414.75 feet to a point for corner;

15 THENCE South 89°25'13" West, a distance of 563.27 feet to a
16 point for corner;

17 THENCE South 36°57'24" West, a distance of 156.39 feet to a
18 point for corner;

19 THENCE South 42°37'28" West, a distance of 220.86 feet to a
20 point for corner;

21 THENCE South 17°07'08" West, a distance of 110.49 feet to a
22 point for corner;

23 THENCE South 29°56'28" West, a distance of 283.81 feet to a
24 point for corner;

25 THENCE South 83°24'38" West, a distance of 135.84 feet to a
26 point for corner.

27 THENCE South 02°33'31" East, a distance of 435.91 feet to the

1 POINT OF BEGINNING, containing 5,604,605 square feet or 128.66
2 acres, more or less.

3 TRACT THREE

4 BEING a tract of land out of the ALLEN REEVES Survey, Abstract
5 Number 939 and being part of a tract of land described to Jas
6 Holdings, LLC, as recorded in Volume 2051, Page 2082, Deed Records,
7 Ellis County, Texas, and being more particularly described by metes
8 and bounds as follows:

9 BEGINNNG at the northwesterly line of said Holdings tract,
10 said point being at the intersection of the southerly line of Gifco
11 Road and the westerly line of Quarry Road;

12 THENCE South 06°40'47" West, a distance of 443.05 feet to a
13 point for corner;

14 THENCE South 06°09'13" East, a distance of 220.20 feet to a
15 point for corner;

16 THENCE South 10°13'13" East, a distance of 536.49 feet to a
17 point for corner;

18 THENCE South 08°58'47" West, a distance of 136.00 feet to a
19 point for corner;

20 THENCE South 10°19'36" West, a distance of 210.10 feet to a
21 point for corner;

22 THENCE South 00°07'52" East, a distance of 565.79 feet to a
23 point for corner, said point being in the southerly line of said
24 Holdings tract and the northerly line of a tract of land described
25 to One Windsor Hills, L.P. as recorded in Volume 2199, Page 2425,
26 Deed Records, Ellis County, Texas;

27 THENCE with said common line the following calls: South

1 89°07'31" West, a distance of 1045.64 feet to a point for corner;
2 South 87°52'20" West, a distance of 765.58 feet to a point for
3 corner; North 01°20'17" West, a distance of 491.92 feet to a point
4 for corner; South 88°55'27" West, a distance of 627.82 feet to a
5 point for corner, said point being at the beginning of a non-tangent
6 curve to the right whose chord bears North 31°16'58" East, a
7 distance of 1935.46 feet;

8 THENCE in a northeasterly direction with said non-tangent
9 curve to the right having a central angle of 43°00'28", with a radius
10 of 2640.00 feet, an arc length of 1981.66 feet to a point for
11 corner, said point being in the northerly line of said Holdings
12 tract;

13 THENCE North 89°50'10" East, along the northerly line of said
14 Holdings tract a distance of 1436.81 feet to the POINT OF BEGINNING,
15 containing 4,273,854 square feet or 98.11 acres, more or less.

16 SECTION 3. (a) The legislature finds that the Windsor Hills
17 Municipal Management District No. 1 created under Chapter 3907,
18 Special District Local Laws Code, as added by Chapter 858 (H.B.
19 3836), Acts of the 82nd Legislature, Regular Session, 2011, did not
20 execute a development agreement and finance plan by September 1,
21 2012. Therefore, Chapter 3907, Special District Local Laws Code,
22 expired by operation of Section 3907.002(b), Special District Local
23 Laws Code, on September 1, 2012.

24 (b) The legislature finds that the Windsor Hills Municipal
25 Management District No. 1 created under Chapter 3907A, Special
26 District Local Laws Code, as added by Chapter 253 (H.B. 518), Acts
27 of the 83rd Legislature, Regular Session, 2013, did not execute a

1 development agreement and finance plan by September 1, 2015.
2 Therefore, Chapter 3907A, Special District Local Laws Code, expired
3 by operation of Section 3907A.002(b), Special District Local Laws
4 Code, on September 1, 2015.

5 SECTION 4. (a) The legal notice of the intention to
6 introduce this Act, setting forth the general substance of this
7 Act, has been published as provided by law, and the notice and a
8 copy of this Act have been furnished to all persons, agencies,
9 officials, or entities to which they are required to be furnished
10 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
11 Government Code.

12 (b) All requirements of the constitution and laws of this
13 state and the rules and procedures of the legislature with respect
14 to the notice, introduction, and passage of this Act have been
15 fulfilled and accomplished.

16 SECTION 5. This Act takes effect September 1, 2017.

ADOPTED

MAY 24 2017

Lataj Spaul
Secretary of the Senate

Wrag/
By: Brian Birdwell

H.B. No. 3136

Substitute the following for H.B. No. 3136:

By: Paul Bellercont

C.S. H.B. No. 3136

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the creation of the Windsor Hills Municipal Management
3 District No. 1; providing authority to issue bonds; providing
4 authority to impose assessments.

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

6 SECTION 1. Subtitle C, Title 4, Special District Local Laws
7 Code, is amended by adding Chapter 3946 to read as follows:

8 CHAPTER 3946. WINDSOR HILLS MUNICIPAL MANAGEMENT DISTRICT NO. 1

9 SUBCHAPTER A. GENERAL PROVISIONS

10 Sec. 3946.001. DEFINITIONS. In this chapter:

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

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

13 (3) "Commission" means the Texas Commission on
14 Environmental Quality.

15 (4) "Development agreement" means a development
16 agreement between the city and One Windsor Hills, L.P., that
17 establishes the standards that apply to development in the district
18 and includes zoning provisions for the district that allow a
19 maximum of 545 residential units.

20 (5) "Director" means a board member.

21 (6) "District" means the Windsor Hills Municipal
22 Management District No. 1.

23 (7) "Finance plan" means a finance plan between the
24 city and the district that includes a general description of

1 proposed improvement projects that will be financed by the
2 district, an estimate of the costs for the proposed improvement
3 projects, and the means of financing costs related to the planning,
4 design, construction, and improvement of the proposed improvement
5 projects.

6 Sec. 3946.002. PRECONDITION; EXPIRATION. (a) The district
7 may not exercise any powers under this chapter until the
8 development agreement and finance plan are executed.

9 (b) This chapter, including Section 3946.052, expires
10 September 1, 2019, if the development agreement and finance plan
11 are not executed by that date.

12 Sec. 3946.003. CREATION AND NATURE OF DISTRICT. The
13 district is a special district created under Section 59, Article
14 XVI, Texas Constitution.

15 Sec. 3946.004. PURPOSE; LEGISLATIVE FINDINGS. (a) The
16 creation of the district is essential to accomplish the purposes of
17 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
18 Texas Constitution, and other public purposes stated in this
19 chapter. By creating the district and in authorizing the city and
20 other political subdivisions to contract with the district, the
21 legislature has established a program to accomplish the public
22 purposes set out in Section 52-a, Article III, Texas Constitution.

23 (b) The creation of the district is necessary to promote,
24 develop, encourage, and maintain employment, commerce,
25 transportation, housing, tourism, recreation, the arts,
26 entertainment, economic development, safety, and the public
27 welfare in the district.

1 (c) This chapter and the creation of the district may not be
2 interpreted to relieve the city from providing the level of
3 services provided to the area in the district as of the effective
4 date of the Act enacting this chapter. The district is created to
5 supplement and not to supplant the city services provided in the
6 district.

7 Sec. 3946.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
8 The district is created to serve a public use and benefit.

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

14 (c) The district is created to accomplish the purposes of a
15 municipal management district as provided by general law and
16 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
17 Texas Constitution.

18 (d) The creation of the district is in the public interest
19 and is essential to further the public purposes of:

20 (1) developing and diversifying the economy of the
21 state;

22 (2) eliminating unemployment and underemployment;

23 (3) providing quality residential housing; and

24 (4) developing or expanding transportation and
25 commerce.

26 (e) The district will:

27 (1) promote the health, safety, and general welfare of

1 residents, employers, potential employees, employees, visitors,
2 and consumers in the district, and of the public;

3 (2) provide needed funding for the district to
4 preserve, maintain, and enhance the economic health and vitality of
5 the district territory as a residential community and business
6 center; and

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

11 (f) Pedestrian ways along or across a street, whether at
12 grade or above or below the surface, and street lighting, street
13 landscaping, parking, and street art objects are parts of and
14 necessary components of a street and are considered to be a street
15 or road improvement.

16 (g) The district will not act as the agent or
17 instrumentality of any private interest even though the district
18 will benefit many private interests as well as the public.

19 Sec. 3946.006. INITIAL DISTRICT TERRITORY. (a) The
20 district is initially composed of the territory described by
21 Section 2 of the Act enacting this chapter.

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

26 (1) organization, existence, or validity;

27 (2) right to contract;

1 (3) authority to borrow money or issue any type of
2 bonds or other obligations for a purpose for which the district is
3 created;

4 (4) right to impose or collect an assessment, or
5 collect other revenue; or

6 (5) legality or operation.

7 Sec. 3946.007. APPLICABILITY OF MUNICIPAL MANAGEMENT
8 DISTRICT LAW. Except as provided by this chapter, Chapter 375,
9 Local Government Code, applies to the district.

10 Sec. 3946.008. CONFIRMATION AND DIRECTORS' ELECTION
11 REQUIRED. The initial directors shall hold an election to confirm
12 the creation of the district and to elect five permanent directors
13 as provided by Section 49.102, Water Code.

14 SUBCHAPTER B. BOARD OF DIRECTORS

15 Sec. 3946.051. GOVERNING BODY; TERMS. (a) The district is
16 governed by a board of five elected directors.

17 (b) Except as provided by Section 3946.052, directors serve
18 staggered four-year terms, with two or three directors' terms
19 expiring May 31 of each even-numbered year.

20 Sec. 3946.052. INITIAL DIRECTORS. (a) The initial board
21 consists of:

22 (1) John Malloy;

23 (2) Jon Hendrickson;

24 (3) Suzanne Disette;

25 (4) Katie Martin Brown; and

26 (5) Christopher Alan Cain.

27 (b) Initial directors serve until the earlier of:

1 (1) the date permanent directors are elected under
2 Section 3946.008; or

3 (2) June 1, 2021.

4 (c) If permanent directors have not been elected and the
5 terms of the initial directors have expired, successor directors
6 shall be appointed or reappointed as provided by Subsection (d) to
7 serve terms that expire on the earlier of:

8 (1) the date permanent directors are elected under
9 Section 3946.008; or

10 (2) the fourth anniversary of the date of the
11 appointment or reappointment.

12 (d) If Subsection (c) applies, the owner or owners of a
13 majority of the assessed value of the real property in the district
14 may submit a petition to the commission requesting that the
15 commission appoint as successor directors the five persons named in
16 the petition. The commission shall appoint as successor directors
17 the five persons named in the petition.

18 Sec. 3946.053. ELIGIBILITY. To be qualified to serve as a
19 director, a person must meet the qualifications prescribed by
20 Section 375.063, Local Government Code.

21 Sec. 3946.054. EX OFFICIO DIRECTORS. (a) The following
22 persons serve ex officio as nonvoting directors:

23 (1) the city manager of the city; and

24 (2) the chief financial officer of the city.

25 (b) An ex officio director is entitled to speak on a matter
26 before the board.

27 Sec. 3946.055. VACANCY. A vacancy on the board shall be

1 filled by the remaining members of the board for the unexpired term.

2 Sec. 3946.056. DIRECTOR'S OATH OR AFFIRMATION. A director
3 shall file the director's oath or affirmation of office with the
4 district, and the district shall retain the oath or affirmation in
5 the district records.

6 Sec. 3946.057. OFFICERS. The board shall elect from among
7 the directors a chair, a vice chair, and a secretary.

8 Sec. 3946.058. COMPENSATION. A director is entitled to
9 receive fees of office and reimbursement for actual expenses in the
10 manner provided by Section 49.060, Water Code. Sections 375.069 and
11 375.070, Local Government Code, do not apply to the board.

12 Sec. 3946.059. LIABILITY INSURANCE. The district may
13 obtain and pay for comprehensive general liability insurance
14 coverage from a commercial insurance company or other source that
15 protects and insures a director against personal liability and from
16 all claims relating to:

17 (1) actions taken by the director in the director's
18 capacity as a member of the board;

19 (2) actions and activities taken by the district; or

20 (3) the actions of others acting on behalf of the
21 district.

22 Sec. 3946.060. CONFLICTS OF INTEREST. Chapter 171, Local
23 Government Code, governs conflicts of interest of directors.

24 SUBCHAPTER C. POWERS AND DUTIES

25 Sec. 3946.101. IMPROVEMENT PROJECTS. (a) The district may
26 provide, or it may enter into contracts with a governmental or
27 private entity to provide, the improvement projects described by

1 Subchapter D.

2 (b) An improvement project authorized under this chapter
3 may be located inside or outside the district.

4 Sec. 3946.102. RULES; ENFORCEMENT. (a) The district may
5 adopt rules:

6 (1) to administer or operate the district; or

7 (2) for the use, enjoyment, availability, protection,
8 security, and maintenance of the district's property and
9 facilities.

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

11 Sec. 3946.103. NAME CHANGE; NOTICE. (a) The board by
12 resolution may change the district's name.

13 (b) The board shall give written notice of a name change to
14 the city.

15 Sec. 3946.104. TERMS OF EMPLOYMENT; COMPENSATION. The
16 board may employ and establish the terms of employment and
17 compensation of an executive director or general manager and any
18 other district employees the board considers necessary.

19 Sec. 3946.105. NO EMINENT DOMAIN POWER. The district may
20 not exercise the power of eminent domain.

21 SUBCHAPTER D. IMPROVEMENT PROJECTS AND SERVICES

22 Sec. 3946.151. IMPROVEMENT PROJECTS AND SERVICES. Except
23 as otherwise provided by this chapter, the district may provide, or
24 contract with a governmental or private entity to provide, water,
25 wastewater, drainage, or roadway projects, or related projects and
26 services.

27 Sec. 3946.152. BOARD DETERMINATION REQUIRED. The district

1 may not undertake an improvement project unless the board
2 determines the project is necessary to accomplish a public purpose
3 of the district.

4 Sec. 3946.153. CITY REQUIREMENTS. (a) An improvement
5 project must comply with any applicable city construction codes and
6 construction ordinances.

7 (b) The district may not provide, conduct, or authorize any
8 improvement project on the city's streets, highways,
9 rights-of-way, or easements without the consent of the city.

10 Sec. 3946.154. ADDITIONAL CITY POWERS REGARDING
11 IMPROVEMENT PROJECTS. (a) Except as otherwise provided by an
12 agreement between the district and the city, the city may:

13 (1) by ordinance, order, resolution, or other
14 directive require that title to all or any portion of an improvement
15 project vest in the city; or

16 (2) by ordinance, order, resolution, or other
17 directive authorize the district to own, encumber, maintain, and
18 operate an improvement project or convey the project to the city at
19 a later date.

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

22 SUBCHAPTER E. CONTRACTS

23 Sec. 3946.201. GENERAL CONTRACT POWERS. The district may
24 contract with any person to accomplish any district purpose.

25 Sec. 3946.202. CONTRACT TERMS. A contract the district
26 enters into to carry out a purpose of this chapter may be on any
27 terms and for any period the board determines, including an

1 obligation to issue a negotiable or nonnegotiable note or warrant
2 payable to the city or any other person.

3 Sec. 3946.203. REIMBURSEMENT OF COSTS. The district may
4 contract with any person for the payment, repayment, or
5 reimbursement of costs incurred by that person on behalf of the
6 district, including all or part of the costs of an improvement
7 project and interest on the reimbursed cost.

8 Sec. 3946.204. CONTRACT FOR IMPROVEMENT PROJECT. (a) The
9 district may contract with any person for the use, occupancy,
10 lease, rental, operation, maintenance, or management of all or part
11 of a proposed or existing improvement project.

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

20 Sec. 3946.205. NO FURTHER CONTRACT AUTHORIZATION REQUIRED.
21 Any person, including the city, may contract with the district to
22 carry out the purposes of this chapter without further statutory or
23 other kind of authorization.

24 SUBCHAPTER F. GENERAL FINANCIAL PROVISIONS

25 Sec. 3946.251. DEVELOPMENT AGREEMENT REQUIRED TO BORROW
26 MONEY OR IMPOSE ASSESSMENTS. Before the district may issue bonds,
27 impose assessments, or borrow money, the district must obtain from

1 the city confirmation that no defaults under the development
2 agreement are known.

3 Sec. 3946.252. BORROWING MONEY. The district may borrow
4 money for a district purpose by issuing or executing bonds, notes,
5 credit agreements, or other obligations of any kind found by the
6 board to be necessary or appropriate for a district purpose. The
7 bond, note, credit agreement, or other obligation must be secured
8 by and payable from assessments or any other district revenue.

9 Sec. 3946.253. BONDS AND OTHER OBLIGATIONS. (a) The
10 district may issue, by public or private sale, bonds, notes, or
11 other obligations payable wholly or partly from assessments in the
12 manner provided by Subchapter J, Chapter 375, Local Government
13 Code.

14 (b) If the improvements financed by an obligation will be
15 conveyed to or operated and maintained by a municipality or retail
16 utility provider pursuant to an agreement between the district and
17 the municipality or retail utility provider entered into before the
18 issuance of the obligation, the obligation may be issued in the
19 manner provided by Subchapter A, Chapter 372, Local Government
20 Code.

21 (c) In exercising the district's borrowing power, the
22 district may issue a bond or other obligation in the form of a bond,
23 note, certificate of participation or other instrument evidencing a
24 proportionate interest in payments to be made by the district, or
25 other type of obligation.

26 (d) In addition to the sources of money described by
27 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local

1 Government Code, district bonds may be secured and made payable
2 wholly or partly by a pledge of any part of the money the district
3 receives from improvement revenue or from any other source.

4 Sec. 3946.254. BOND MATURITY. Bonds may mature not more
5 than 40 years from their date of issue.

6 Sec. 3946.255. ISSUER POWERS FOR CERTAIN PUBLIC
7 IMPROVEMENTS. The district may exercise any power of an issuer
8 under Chapter 1371, Government Code.

9 Sec. 3946.256. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
10 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
11 secure the payment or repayment of any bond, note, or other
12 temporary or permanent obligation or reimbursement or other
13 contract with any person and the costs and expenses of the
14 establishment, administration, and operation of the district and
15 the district's costs or share of the costs or revenue of an
16 improvement project or district contractual obligation or debt by:

17 (1) a lease, installment purchase contract, or other
18 agreement; or

19 (2) any other revenue or resources of the district or
20 other revenue authorized by the city, including revenue from a tax
21 increment reinvestment zone created by the city.

22 Sec. 3946.257. ASSESSMENTS. (a) The district may impose an
23 assessment on property in the district to pay the cost of any
24 authorized district improvement or to pay the costs of establishing
25 and operating the district in the manner provided for:

26 (1) a district under Subchapters A, E, and F, Chapter
27 375, Local Government Code; or

1 (2) a municipality or county under Subchapter A,
2 Chapter 372, Local Government Code.

3 (b) An assessment may not exceed the equivalent of 43 cents
4 per \$100 of valuation on the average residential lot in the
5 district.

6 (c) An assessment, a reassessment, or an assessment
7 resulting from an addition to or correction of the assessment roll
8 by the district, penalties and interest on an assessment or
9 reassessment, an expense of collection, and reasonable attorney's
10 fees incurred by the district:

11 (1) are a first and prior lien against the property
12 assessed; and

13 (2) are superior to any other lien or claim other than
14 a lien or claim for county, school district, or municipal ad valorem
15 taxes.

16 (d) The lien of an assessment against property runs with the
17 land. The portion of an assessment payment obligation that has not
18 yet come due is not eliminated by the foreclosure of an ad valorem
19 tax lien, and any purchaser of property in a foreclosure of an ad
20 valorem tax lien takes the property subject to the assessment
21 payment obligations that have not yet come due and to the lien and
22 terms of the lien's payment under the applicable assessment
23 ordinance or order.

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

1 Sec. 3946.258. COSTS FOR IMPROVEMENT PROJECTS. The
2 district may undertake separately or jointly with other persons,
3 including the city, all or part of the cost of an improvement
4 project, including an improvement project that confers a general
5 benefit on the entire district or a special benefit on a definable
6 part of the district.

7 Sec. 3946.259. RESIDENTIAL PROPERTY NOT EXEMPT. Section
8 375.161, Local Government Code, does not apply to the district.

9 Sec. 3946.260. NO IMPACT FEES. The district may not impose
10 an impact fee.

11 Sec. 3946.261. NO AD VALOREM TAX. The district may not
12 impose an ad valorem tax.

13 SUBCHAPTER G. DISSOLUTION

14 Sec. 3946.301. DISSOLUTION BY CITY ORDINANCE. (a) The city
15 by ordinance may dissolve the district.

16 (b) The city may not dissolve the district until:

17 (1) the district's outstanding debt or other
18 obligations have been repaid, assumed, or discharged, including the
19 defeasance of any outstanding bonds or other obligations through
20 the issuance of debt by the city; and

21 (2) each party to the development agreement fulfills
22 the party's obligations under the agreement and the plan, including
23 a district obligation to reimburse a developer or owner for the
24 costs of an improvement project or service.

25 Sec. 3946.302. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

26 (a) If the dissolved district has bonds or other obligations
27 outstanding secured by and payable from assessments or other

1 revenue, the city shall succeed to the rights and obligations of the
2 district regarding enforcement and collection of the assessments or
3 other revenue.

4 (b) The city shall have and exercise all district powers to
5 enforce and collect the assessments or other revenue to pay:

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

8 (2) special revenue or assessment bonds or other
9 obligations issued by the city to refund the outstanding bonds or
10 obligations.

11 Sec. 3946.303. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
12 After the city dissolves the district, the city assumes, subject to
13 the appropriation and availability of funds, the obligations of the
14 district, including any bonds or other debt payable from
15 assessments or other district revenue.

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

18 SECTION 2. The Windsor Hills Municipal Management District
19 No. 1 initially includes all the territory contained in the
20 following area:

21 TRACT ONE.

22 BEING a tract of land out of the JOSEPH STEWART Survey,
23 Abstract Number 961, M.E.P. & P.R.R. COMPANY Survey, Abstract
24 Number 761, JAMES JONES Survey, Abstract Number 583, ALLEN REEVES
25 Survey, Abstract Number 939 and the B.F. BERRY Survey, Abstract
26 Number 1547 and being part of a tract of land described to One
27 Windsor Hills L.P. as recorded in Volume 2199, Page 2425, Volume

1 2181, Page 1640 and Volume 2206, Page 1415, Deed Records, Ellis
2 County, Texas, and being more particularly described by metes and
3 bounds as follows:

4 BEGINNING at the northwesterly corner of a tract of land
5 described to One Windsor Hills L.P. in Volume 2206, Page 1415, Deed
6 Records, Ellis County, Texas, and the southwesterly corner of a
7 tract of land described to Suburban Residential, L.P. as recorded
8 in Volume 2061, Page 1487, Deed Records, Ellis County, Texas, said
9 point also being in the easterly right-of-way of U.S. Highway
10 Number 287 (a variable width right-of-way).

11 THENCE North $59^{\circ}34'56''$ East along said common line and
12 departing said east right-of-way line passing at a distance of
13 223.98 feet the easterly line of said Suburban Residential, L.P.
14 tract and the westerly line of said tract of land described to One
15 Windsor Hills, L.P. in Volume 2181, Page 1640 in all a total
16 distance of 2878.85 feet to a point for corner;

17 THENCE North $30^{\circ}22'31''$ West, a distance of 623.90 feet to a
18 point for corner;

19 THENCE North $81^{\circ}43'06''$ East, a distance of 488.08 feet to a
20 point for corner;

21 THENCE North $72^{\circ}00'40''$ East, a distance of 320.19 feet to a
22 point for corner;

23 THENCE North $71^{\circ}30'14''$ East, a distance of 275.16 feet to a
24 point for corner;

25 THENCE North $60^{\circ}21'33''$ East, a distance of 306.11 feet to a
26 point for corner;

27 THENCE North $60^{\circ}52'42''$ East, a distance of 324.51 feet to a

1 point for corner;
2 THENCE North 62°51'56" East, a distance of 737.24 feet to a
3 point for corner;
4 THENCE North 77°31'00" East, a distance of 184.84 feet to a
5 point for corner;
6 THENCE South 54°36'52" East, a distance of 94.36 feet to a
7 point for corner;
8 THENCE South 45°11'54" East, a distance of 143.80 feet to a
9 point for corner;
10 THENCE North 00°06'23" East, a distance of 2809.23 feet to a
11 point for corner, said point being at the beginning of tangent curve
12 to the right whose chord bears North 04°50'09" East, and a chord
13 length of 454.89;
14 THENCE in a northeasterly direction with said curve to the
15 right having a central angle 09°53'05", with a radius of 2640.00
16 feet, an arc length of 455.45 feet to a point for corner, said point
17 being in the northeasterly line of said tract of land described to
18 One Windsor Hills, L.P. in Volume 2199, Page 2425, and southerly
19 line of a tract of land described to JAS Holdings, L.L.C. as
20 recorded in Volume 2051, Page 2082, Deed Records, Ellis County,
21 Texas;
22 THENCE North 88°55'17" East, along said common line a distance
23 of 627.82 feet to a point for corner;
24 THENCE South 01°20'17" East continuing along said common line
25 a distance of 491.92 feet to a point for corner;
26 THENCE North 87°52'20" East continuing along said common line
27 a distance of 765.58 feet to a point for corner;

1 THENCE North 89°07'31" East continuing along said common line
2 a distance of 1045.64 feet to a point for corner said point being in
3 the apparent westerly line of Quarry Road (a variable width
4 right-of-way);

5 THENCE along said Quarry Road the following calls: South
6 00°31'02" East, a distance of 2176.51 feet to a point for corner;
7 South 00°12'55" West, a distance of 619.03 feet to a point for
8 corner; South 00°11'45" West, a distance of 2361.69 feet to a point
9 for corner, said point being the northerly line of a tract of land
10 described to Fulson Midlothian Partners L.P., in Volume 2220, Page
11 0194, Deed Records, Ellis County, Texas;

12 THENCE South 73°40'45" West, departing said Quarry Road, a
13 distance of 1024.70 feet to a point for corner, said point being in
14 the easterly line of said tract of land described to One Windsor
15 Hills, L.P. in Volume 2206, Page 1415, and the northerly line of
16 said Fulson Midlothian Partners L.P. tract;

17 THENCE South 30°37'38" East, continuing along said common
18 line a distance of 350.99 feet to a point for corner;

19 THENCE South 59°15'58" West, continuing along said common
20 line a distance of 3738.60 feet to a point for corner;

21 THENCE South 00°20'54" West, continuing along said common
22 line a distance of 423.54 feet to a point for corner, said point
23 being in the said northerly right-of-way line of U.S. Highway
24 Number 287;

25 THENCE along said northerly right-of-way line of U.S. Highway
26 Number 287 the following calls: North 63°06'06" West, a distance of
27 291.86 feet to a point for corner; North 59°56'14" West, a distance

1 of 490.32 feet to a point for corner; North 57°00'04" West, a
2 distance of 447.27 feet to a point for corner; North 56°34'07" West,
3 a distance of 486.37 feet to a point for corner; North 50°47'17"
4 West, a distance of 387.41 feet to a point for corner; North
5 49°12'36" West, a distance of 604.08 feet to a point for corner;
6 North 48°29'20" West, a distance of 123.15 feet to a point for
7 corner, said point being in the southeasterly line of a tract of
8 land described to City of Midlothian, Cause Number 04-C-3616 County
9 Court of Law, Ellis County, Texas;

10 THENCE North 41°28'19" East, departing the said northerly
11 right-of-way line of U.S Highway 287, a distance of 100.00 feet to a
12 point for corner;

13 THENCE North 48°53'44" West continuing along said common line
14 a distance of 99.72 feet to a point for corner;

15 THENCE South 41°38'09" West continuing along said common line
16 a distance of 99.36 feet to a point for corner, said point being in
17 the said northerly right-of-way line of U.S. Highway 287;

18 THENCE along said northerly right-of-way line of U.S. Highway
19 Number 287 the following calls: North 48°36'14" West, a distance of
20 247.58 feet to a point for corner; North 42°50'51" West, a distance
21 of 458.34 feet to a point for corner; North 51°04'02" West, a
22 distance of 466.39 feet to a point for corner; North 27°30'07" West,
23 a distance of 3.46 feet to the POINT OF BEGINNING, containing
24 29,532,612 square feet or 677.97 acres, more or less.

25 TRACT TWO

26 BEING a tract of land out of the ALLEN REEVES Survey,
27 Abstract Number 939 and being part of a tract of land described to

1 One Windsor Hills L.P. as recorded in Volume 2202, Page 2425, Deed
2 Records, Ellis County, Texas, and being more particularly described
3 by metes and bounds as follows:

4 BEGINNING at the southeasterly corner of a tract of land
5 described to One Windsor Hills L.P. Tract 2 in Volume 2202, Page
6 1295, Deed Records, Ellis County, Texas, said point also being in
7 the southwesterly line of a tract of land described to City of
8 Midlothian in Volume 491, Page 081, Deed Records, Ellis County,
9 Texas, said point also being in the apparent northerly line of Auger
10 Road (a variable width right-of-way);

11 THENCE along said northerly line of Auger Road the following
12 calls: South 81°59'52" West, a distance of 520.79 feet to a point for
13 corner; North 84°51'18" West, a distance of 617.43 feet to a point
14 for corner; South 79°50'03" West, a distance of 442.41 feet to a
15 point for corner, said point also being in the apparent easterly
16 line of Quarry Road (a variable width right-of-way) and also being
17 in the westerly line of said One Windsor Hills, L.P. Tract Two;

18 THENCE North 00°09'14" West, a distance of 2342.31 feet to a
19 point for corner, said point being in the southwesterly line of a
20 tract of land described to North Texas Cement Company in Volume 846,
21 Page 138, Deed Records, Ellis County, Texas;

22 THENCE North 88°56'09" East departing said easterly line of
23 Quarry Road and continuing along said common line a distance of
24 563.53 feet to a point for corner;

25 THENCE North 00°21'10" West, continuing along said common
26 line a distance of 250.88 feet to a point for corner;

27 THENCE North 89°56'37" East, a distance of 2097.82 feet to

1 appoint for corner, said point being in the westerly line of a tract
2 of land described to City of Midlothian in Volume 2451, Page 0414,
3 Deed Records, Ellis County, Texas;

4 THENCE South 00°22'22" East, continuing along said common
5 line a distance of 1414.75 feet to a point for corner;

6 THENCE South 89°25'13" West, a distance of 563.27 feet to a
7 point for corner;

8 THENCE South 36°57'24" West, a distance of 156.39 feet to a
9 point for corner;

10 THENCE South 42°37'28" West, a distance of 220.86 feet to a
11 point for corner;

12 THENCE South 17°07'08" West, a distance of 110.49 feet to a
13 point for corner;

14 THENCE South 29°56'28" West, a distance of 283.81 feet to a
15 point for corner;

16 THENCE South 83°24'38" West, a distance of 135.84 feet to a
17 point for corner.

18 THENCE South 02°33'31" East, a distance of 435.91 feet to the
19 POINT OF BEGINNING, containing 5,604,605 square feet or 128.66
20 acres, more or less.

21 TRACT THREE

22 BEING a tract of land out of the ALLEN REEVES Survey, Abstract
23 Number 939 and being part of a tract of land described to Jas
24 Holdings, LLC, as recorded in Volume 2051, Page 2082, Deed Records,
25 Ellis County, Texas, and being more particularly described by metes
26 and bounds as follows:

27 BEGINNNG at the northwesterly line of said Holdings tract,

1 said point being at the intersection of the southerly line of Gifco
2 Road and the westerly line of Quarry Road;

3 THENCE South 06°40'47" West, a distance of 443.05 feet to a
4 point for corner;

5 THENCE South 06°09'13" East, a distance of 220.20 feet to a
6 point for corner;

7 THENCE South 10°13'13" East, a distance of 536.49 feet to a
8 point for corner;

9 THENCE South 08°58'47" West, a distance of 136.00 feet to a
10 point for corner;

11 THENCE South 10°19'36" West, a distance of 210.10 feet to a
12 point for corner;

13 THENCE South 00°07'52" East, a distance of 565.79 feet to a
14 point for corner, said point being in the southerly line of said
15 Holdings tract and the northerly line of a tract of land described
16 to One Windsor Hills, L.P. as recorded in Volume 2199, Page 2425,
17 Deed Records, Ellis County, Texas;

18 THENCE with said common line the following calls: South
19 89°07'31" West, a distance of 1045.64 feet to a point for corner;
20 South 87°52'20" West, a distance of 765.58 feet to a point for
21 corner; North 01°20'17" West, a distance of 491.92 feet to a point
22 for corner; South 88°55'27" West, a distance of 627.82 feet to a
23 point for corner, said point being at the beginning of a non-tangent
24 curve to the right whose chord bears North 31°16'58" East, a
25 distance of 1935.46 feet;

26 THENCE in a northeasterly direction with said non-tangent
27 curve to the right having a central angle of 43°00'28", with a radius

1 of 2640.00 feet, an arc length of 1981.66 feet to a point for
2 corner, said point being in the northerly line of said Holdings
3 tract;

4 THENCE North 89°50'10" East, along the northerly line of said
5 Holdings tract a distance of 1436.81 feet to the POINT OF BEGINNING,
6 containing 4,273,854 square feet or 98.11 acres, more or less.

7 SECTION 3. (a) The legislature finds that the Windsor Hills
8 Municipal Management District No. 1 created under Chapter 3907,
9 Special District Local Laws Code, as added by Chapter 858 (H.B.
10 3836), Acts of the 82nd Legislature, Regular Session, 2011, did not
11 execute a development agreement and finance plan by September 1,
12 2012. Therefore, Chapter 3907, Special District Local Laws Code,
13 expired by operation of Section 3907.002(b), Special District Local
14 Laws Code, on September 1, 2012.

15 (b) The legislature finds that the Windsor Hills Municipal
16 Management District No. 1 created under Chapter 3907A, Special
17 District Local Laws Code, as added by Chapter 253 (H.B. 518), Acts
18 of the 83rd Legislature, Regular Session, 2013, did not execute a
19 development agreement and finance plan by September 1, 2015.
20 Therefore, Chapter 3907A, Special District Local Laws Code, expired
21 by operation of Section 3907A.002(b), Special District Local Laws
22 Code, on September 1, 2015.

23 SECTION 4. (a) The legal notice of the intention to
24 introduce this Act, setting forth the general substance of this
25 Act, has been published as provided by law, and the notice and a
26 copy of this Act have been furnished to all persons, agencies,
27 officials, or entities to which they are required to be furnished

1 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
2 Government Code.

3 (b) All requirements of the constitution and laws of this
4 state and the rules and procedures of the legislature with respect
5 to the notice, introduction, and passage of this Act have been
6 fulfilled and accomplished.

7 SECTION 5. This Act takes effect September 1, 2017.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 24, 2017

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3136 by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Windsor Hills Municipal Management District No. 1. The district would have authority for improvement projects. The district would have authority to impose an assessment on property in the district. The district would not have authority to exercise the power of eminent domain.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, SD, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 23, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3136** by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Windsor Hills Municipal Management District No. 1. The district would have authority for improvement projects. The district would have authority to impose an assessment on property in the district. The district would not have authority to exercise the power of eminent domain.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 20, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3136** by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments.), **As Engrossed**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend the Special District Local Laws Code establishing the Windsor Hills Municipal Management District No. 1. The district would have authority for improvement projects. The district would have authority to impose an assessment on property in the district. The district would not have authority to exercise the power of eminent domain.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 4, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3136 by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Windsor Hills Municipal Management District No. 1. The district would have authority for improvement projects. The district would have authority to impose an assessment on property in the district. The district would not have authority to exercise the power of eminent domain.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 26, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3136 by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments and fees.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Windsor Hills Municipal Management District No. 1. The district would have authority of a water district, road district, and municipal management district. The district would have authority to impose an assessment on property in the district. The district would not have authority to exercise the power of eminent domain.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, JGA, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 23, 2017

TO: Honorable Eddie Lucio, Jr., Chair, Senate Committee on Intergovernmental Relations

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3136** by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments.), **Committee Report 2nd House, Substituted**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Windsor Hills Municipal Management District No. 1 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in CSHB 3136, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Ellis County served by small systems or private wells (County-Other) is 6,012. The Ellis County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 6,100 in 2020, 6,500 in 2030 and 7,177 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Ellis County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 1.41 square miles in northwestern Ellis County, located north of U.S. Highway 287 between the cities of Midlothian and Mansfield. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by the City of Midlothian.

Comments on Powers/Duties Different from Similar Types of Districts: House Committee Substitute 2 removes dollar limit amounts on board of directors' compensation and instead states that directors are entitled to receive fees of office and reimbursement for actual expenses in the manner provided by Water Code, Chapter 49.060. House Committee Substitute 2 specifies that Local Government Code Section 375.069, stating that a position on the board may not be construed to be a civil office of emolument for any purpose, including those purposes described

by Article XVI, Section 40, of the Texas Constitution, does not apply to the board. Local Government Code Section 375.070 stating that a director is not entitled to compensation for service on the board but is entitled to be reimbursed for necessary expenses incurred in carrying out the duties and responsibilities of a directors does not apply to the board.

The District may not exercise any powers under this chapter until the development agreement is executed; the District is to be governed by a board of five voting directors that are appointed by the governing body of the City of Midlothian (City); the board of directors will also include the City's manager, and chief financial officer that will serve as non-voting directors; Texas Water Code, Section 49.052 (Disqualifications of Directors) will not apply to the District's board members; the District may contract with a governmental or private entity, on terms determined by the board, to carry out a power or duty authorized by this chapter or to accomplish a purpose for which the District is created; the district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities; the District may not exercise the power of eminent domain; the District may not construct, acquire, maintain, or operate a toll road; the District may not undertake an improvement project or service unless the board determines the project or service: is necessary to accomplish a public purpose of the district; and complies with the development agreement or the parties to the development agreement agree to the project or service, in writing; the District may undertake an improvement project or service that confers a special benefit on a definable area in the district and levy and collect a special assessment on benefited property in the district; before the District may issue bonds, impose taxes, or borrow money, the obligation must be authorized by the City's finance plan; Local Government Code Section 375.161 states that an MMD may not impose an impact fee, assessment, tax, or other requirement for payment, construction, alteration, or dedication under this chapter on single-family detached residential property, duplexes, triplexes, and fourplexes. The bill specifies that this section does not apply to the District; the District may not impose an ad valorem tax; the governing body of the City may dissolve the district by ordinance.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - CSHB 3136 specifies that "the district has the powers provided by the general laws "relating to a special district created under Section 59, Article XVI, and Section 52 and 52-a, Article III Texas Constitution."

Within Ellis County, 69 percent of the total water use was surface water in 2014. Seventy eight percent of all the surface water use was for municipal use. The water source of the proposed district might pursue is unknown.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

May 5, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3136 by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments.), **Committee Report 1st House, Substituted**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Windsor Hills Municipal Management District No. 1 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in CSHB 3136, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Ellis County served by small systems or private wells (County-Other) is 6,012. The Ellis County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 6,100 in 2020, 6,500 in 2030 and 7,177 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Ellis County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 1.41 square miles in northwestern Ellis County, located north of U.S. Highway 287 between the cities of Midlothian and Mansfield. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by the City of Midlothian.

Comments on Powers/Duties Different from Similar Types of Districts: The House Committee Substitute defines the Commission as the TCEQ; the House Committee Substitute clarifies that the development agreement allows for a maximum of 545 residential units; the House Committee Substitute removes reference to the term services from the finance plan; the House Committee Substitute adds that the District may not exercise any powers until the finance plan is executed; the House Committee Substitute clarifies that the District territory refers to the initial territory; the

House Committee Substitute removes the District's eligibility of inclusion in special zones; the board of directors is governed by five elected voters; the House Committee Substitute names the directors that will serve on the initial board and describes term limits until permanent directors are elected; board director qualifications are governed by Local Government Code Section 375.063; members of the board will fill a vacancy on the board; the House Committee substitute adds that Local Government Code Chapter 171 governs conflicts of interest; the House Committee Substitute removes Sections 3946.103-105: water district powers, road district powers, and public improvement district powers; improvement projects may be located inside or outside the district; the House Committee Substitute specifies that the District may adopt rules to administer or operate the district and enforce its rules by injunctive relief; the House Committee Substitute removes District authority to acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities; the House Committee Substitute removes the stipulation that the District may not construct, acquire, maintain, or operate a toll road; the House Committee Substitute removes the requirement that the District must comply with the development agreement before undertaking an improvement project; the House Committee Substitute adds city requirements for improvement projects and grants additional city powers regarding improvement projects; the City may, by ordinance, order, or resolution require that title to all or any portion on an improvement projects vest in the city; authorize the District to convey the project to the City; comply with any City Ordinance; the House Committee Substitute creates terms for contracts the District enters into, and specifies the District may contract for improvement projects; the House Committee Substitute specifies that Chapter 372, Local Government Code applies to improvements financed by an obligation that will be conveyed to or operated and maintained by a municipality or retail utility provider; District bonds may be secured and made payable wholly or partly by a pledge of any part of the money the District receives from improvement revenue; the House Committee Substitute specifies that an assessment may be imposed to pay the cost of any authorized district improvement; the House Committee Substitute specifies that the District may not impose an impact fee; the House Committee Substitute specifies that after the City dissolves the District, the City shall succeed to the rights and obligations of the District regarding enforcement and collection of assessments or other revenue; have and exercise all district powers to enforce and collect; and assume assets and liabilities.

The District may not exercise any powers under this chapter until the development agreement is executed; the District is to be governed by a board of five voting directors that are appointed by the governing body of the City of Midlothian (City); the board of directors will also include the City's manager, and chief financial officer that will serve as non-voting directors; Texas Water Code, Section 49.052 (Disqualifications of Directors) will not apply to the District's board members; the District may contract with a governmental or private entity, on terms determined by the board, to carry out a power or duty authorized by this chapter or to accomplish a purpose for which the District is created; the district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities; the District may not exercise the power of eminent domain; the District may not construct, acquire, maintain, or operate a toll road; the District may not undertake an improvement project or service unless the board determines the project or service: is necessary to accomplish a public purpose of the district; and complies with the development agreement or the parties to the development agreement agree to the project or service, in writing; the District may undertake an improvement project or service that confers a special benefit on a definable area in the district and levy and collect a special assessment on benefited property in the district; before the District may issue bonds, impose taxes, or borrow money, the obligation must be authorized by the City's finance plan; Local Government Code Section 375.161 states that an MMD may not impose an impact fee, assessment, tax, or other requirement for payment, construction, alteration, or dedication under this chapter on single-family detached residential property, duplexes, triplexes, and fourplexes. The bill specifies that

this section does not apply to the District; the District may not impose an ad valorem tax; the governing body of the City may dissolve the district by ordinance.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - CSHB 3136 specifies that "the district has the powers provided by the general laws "relating to a special district created under Section 59, Article XVI, and Section 52 and 52-a, Article III Texas Constitution."

Within Ellis County, 69 percent of the total water use was surface water in 2014. Seventy eight percent of all the surface water use was for municipal use. The water source of the proposed district might pursue is unknown.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ

LEGISLATIVE BUDGET BOARD
Austin, Texas

WATER DEVELOPMENT POLICY IMPACT STATEMENT

85TH LEGISLATIVE REGULAR SESSION

April 24, 2017

TO: Honorable Jim Murphy, Chair, House Committee on Special Purpose Districts

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3136 by Wray (Relating to the creation of the Windsor Hills Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments and fees.), **As Introduced**

The Legislative Budget Board, in cooperation with the Texas Water Development Board (TWDB) and the Texas Commission on Environmental Quality (TCEQ), has determined that:

This bill creates Windsor Hills Municipal Management District No. 1 (District) with the powers and duties of a standard municipal utility district under Water Code Chapters 49 and 54, a standard municipal management district under Local Government Code Chapter 375, a standard road utility district under Section 52(b), Article III, Texas Constitution, including Chapters 365 and 441, Transportation Code, and a standard public improvement district under Chapter 372, Local Government Code.

Population - The very specific description of the proposed boundaries does not allow staff to develop precise population estimates. Based on the Original Texas Land Surveys mentioned in HB 3136, staff is unable to determine a population estimate.

Population growth in the specific area since the 2010 census is unknown. The 2010 population estimate for areas of Ellis County served by small systems or private wells (County-Other) is 6,012. The Ellis County-Other population projections approved for the 2017 State Water Plan projects the population to grow to 6,100 in 2020, 6,500 in 2030 and 7,177 in 2040.

Location - The Proposed district's initial boundaries are described with a combination of Original Texas Land Surveys, Ellis County Real Property Records and metes and bounds. Due to the complexity of these boundaries for the various sub areas of the district, staff is able to determine only the general location of the proposed district.

The proposed district's area is approximately 1.41 square miles in northwestern Ellis County, located north of U.S. Highway 287 between the cities of Midlothian and Mansfield. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by the City of Midlothian.

Comments on Powers/Duties Different from Similar Types of Districts: The District may not exercise any powers under this chapter until the development agreement is executed; the District is to be governed by a board of five voting directors that are appointed by the governing body of

the City of Midlothian (City); the board of directors will also include the City's manager, and chief financial officer that will serve as non-voting directors; Texas Water Code, Section 49.052 (Disqualifications of Directors) will not apply to the District's board members; the District may contract with a governmental or private entity, on terms determined by the board, to carry out a power or duty authorized by this chapter or to accomplish a purpose for which the District is created; the district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities; the District may not exercise the power of eminent domain; the District may not construct, acquire, maintain, or operate a toll road; the District may not undertake an improvement project or service unless the board determines the project or service: is necessary to accomplish a public purpose of the district; and complies with the development agreement or the parties to the development agreement agree to the project or service, in writing; the District may undertake an improvement project or service that confers a special benefit on a definable area in the district and levy and collect a special assessment on benefited property in the district; before the District may issue bonds, impose taxes, or borrow money, the obligation must be authorized by the City's finance plan; Local Government Code Section 375.161 states that an MMD may not impose an impact fee, assessment, tax, or other requirement for payment, construction, alteration, or dedication under this chapter on single-family detached residential property, duplexes, triplexes, and fourplexes. The bill specifies that this section does not apply to the District; the District may not impose an ad valorem tax; the governing body of the City may dissolve the district by ordinance.

Overlapping Services: TCEQ does not have mapping information for water and/or wastewater providers because this function was transferred from the TCEQ to the Public Utility Commission on September 1, 2014. As a result, TCEQ is unaware of possible overlapping service providers.

TCEQ's Supervision: As with general law districts, the TCEQ will have general supervisory authority, including bond review authority and review of financial reports.

Water Use - HB 3136 specifies that "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".

Within Ellis County, 69 percent of the total water use was surface water in 2014. Seventy eight percent of all the surface water use was for municipal use. The water source of the proposed district might pursue is unknown.

Source Agencies: 582 Commission on Environmental Quality, 580 Water Development Board

LBB Staff: UP, SZ