SENATE AMENDMENTS

2nd Printing

By: Wray H.B. No. 4347

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the creation of the Midlothian Municipal Management
3	District No. 3; providing authority to issue bonds; providing
4	authority to impose assessments, fees, or taxes.
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 3952 to read as follows:
8	CHAPTER 3952. MIDLOTHIAN MUNICIPAL MANAGEMENT DISTRICT NO. 3
9	SUBCHAPTER A. GENERAL PROVISIONS
10	Sec. 3952.001. 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) "County" means Ellis County, Texas.
14	(4) "Development agreement and consent application"
15	means the Development Agreement made between the city and Hawkins
16	Midlothian Development, LLC, and the Second Amended and Restated
17	Application for Consent to Create a Municipal Management District
18	submitted to the city by Hawkins Midlothian Development, LLC.
19	(5) "Director" means a board member.
20	(6) "District" means the Midlothian Municipal
21	Management District No. 3.
22	Sec. 3952.002. PRECONDITION. (a) In this section,
23	"finance plan" means a plan that includes a general description of
24	proposed improvement projects that will be financed by the

- 1 district, an estimate of the costs for the proposed improvement
- 2 projects, an estimate of the amount of the costs for the proposed
- 3 improvement projects that the district will pay directly or that
- 4 will be reimbursed to a developer of property in the district, and
- 5 the means of financing costs related to the planning, design,
- 6 construction, improvement, maintenance, and operation of the
- 7 proposed improvement projects.
- 8 (b) The district may not exercise any powers under this
- 9 chapter until:
- 10 (1) the development agreement and consent application
- 11 are executed and effective; and
- 12 (2) the finance plan is approved by the governing body
- 13 of the city.
- 14 Sec. 3952.003. CREATION AND NATURE OF DISTRICT. The
- 15 district is a special district created under Section 59, Article
- 16 XVI, Texas Constitution.
- 17 Sec. 3952.004. PURPOSE; LEGISLATIVE FINDINGS. (a) The
- 18 creation of the district is essential to accomplish the purposes of
- 19 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
- 20 Texas Constitution, and other public purposes stated in this
- 21 chapter. By creating the district and in authorizing the city and
- 22 other political subdivisions to contract with the district, the
- 23 legislature has estab<u>lished a program to accomplish the public</u>
- 24 purposes set out in Section 52-a, Article III, Texas Constitution.
- (b) The creation of the district is necessary to promote,
- 26 develop, encourage, and maintain employment, commerce,
- 27 transportation, housing, tourism, recreation, the arts,

- 1 entertainment, economic development, safety, and the public
- 2 welfare in the district.
- 3 (c) This chapter and the creation of the district may not be
- 4 interpreted to relieve the city or county from providing the level
- 5 of services provided as of the effective date of the Act enacting
- 6 this chapter to the area in the district. The district is created
- 7 to supplement and not to supplant city and county services provided
- 8 in the district.
- 9 Sec. 3952.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
- 10 The district is created to serve a public use and benefit.
- 11 (b) All land and other property included in the district
- 12 will benefit from the improvements and services to be provided by
- 13 the district under powers conferred by Sections 52 and 52-a,
- 14 Article III, and Section 59, Article XVI, Texas Constitution, and
- 15 other powers granted under this chapter.
- 16 <u>(c) The creation of the district is in the public interest</u>
- 17 and is essential to further the public purposes of:
- 18 (1) developing and diversifying the economy of the
- 19 state;
- 20 (2) eliminating unemployment and underemployment;
- 21 (3) providing quality residential housing; and
- 22 (4) developing or expanding transportation and
- 23 <u>commerce.</u>
- 24 (d) The district will:
- (1) promote the health, safety, and general welfare of
- 26 residents, employers, potential employees, employees, visitors,
- 27 and consumers in the district, and of the public;

- 1 (2) provide needed funding for the district to
- 2 preserve, maintain, and enhance the economic health and vitality of
- 3 the district territory as a residential community and business
- 4 center; and
- 5 (3) promote the health, safety, welfare, and enjoyment
- 6 of the public by providing pedestrian ways and by landscaping and
- 7 developing certain areas in the district, which are necessary for
- 8 the restoration, preservation, and enhancement of scenic beauty.
- 9 <u>(e) Pedestrian ways along or across a street, whether at</u>
- 10 grade or above or below the surface, and street lighting, street
- 11 landscaping, vehicle parking, and street art objects are parts of
- 12 and necessary components of a street and are considered to be an
- 13 improvement project that includes a street or road improvement.
- 14 (f) The district will not act as the agent or
- 15 <u>instrumentality of any private interest even though the district</u>
- 16 will benefit many private interests as well as the public.
- 17 Sec. 3952.006. INITIAL DISTRICT TERRITORY. (a) The
- 18 district is initially composed of the territory described by
- 19 Section 2 of the Act enacting this chapter.
- 20 (b) A mistake in the field notes of the district contained
- 21 in Section 2 of the Act enacting this chapter or in copying the
- 22 <u>field notes in the legislative process does not in any way affect:</u>
- 23 <u>(1) the district's organization, existence, or</u>
- 24 validity;
- 25 (2) the district's right to contract, including the
- 26 right to issue any type of bond or other obligation for a purpose
- 27 for which the district is created;

- 1 (3) the district's right to impose or collect an
- 2 assessment, ad valorem taxes, or any other revenue; or
- 3 (4) the legality or operation of the board.
- 4 SUBCHAPTER B. BOARD OF DIRECTORS
- 5 Sec. 3952.051. GOVERNING BODY; TERMS. The district is
- 6 governed by a board of five voting directors who serve staggered
- 7 terms of four years, with two or three directors' terms expiring May
- 8 31 of each even-numbered year.
- 9 Sec. 3952.052. QUALIFICATIONS. (a) To be qualified to
- 10 serve as a director appointed by the governing body of the city, a
- 11 person must be:
- 12 (1) a resident of the city who is also a registered
- 13 voter of the city;
- 14 (2) an owner of property in the district; or
- 15 (3) an agent, employee, or tenant of a person
- 16 <u>described by Subdivision (2).</u>
- 17 (b) A person who is an agent, employee, or tenant of Hawkins
- 18 Midlothian Development, LLC, is not qualified to be appointed as a
- 19 director solely because the person is an agent, employee, or tenant
- 20 of that corporation if the corporation does not own property in the
- 21 <u>district.</u>
- (c) Section 49.052, Water Code, does not apply to the
- 23 <u>district.</u>
- Sec. 3952.053. APPOINTMENT OF DIRECTORS. The governing
- 25 body of the city shall appoint directors from a list of names
- 26 recommended by the board as provided by Section 375.064, Local
- 27 Government Code.

- 1 Sec. 3952.054. EX OFFICIO DIRECTORS. (a) The following
- 2 persons serve ex officio as nonvoting directors:
- 3 (1) the city manager of the city; and
- 4 (2) the chief financial officer of the city.
- 5 (b) An ex officio director is entitled to notice of board
- 6 meetings and to speak on a matter before the board.
- 7 Sec. 3952.055. VACANCY. The governing body of the city
- 8 shall fill a vacancy on the board for the remainder of the unexpired
- 9 term in the same manner as the original appointment.
- 10 Sec. 3952.056. DIRECTOR'S OATH OR AFFIRMATION. A director
- 11 <u>shall file the director's oath or affirmation of office</u> with the
- 12 district, and the district shall retain the oath or affirmation in
- 13 the district records.
- Sec. 3952.057. OFFICERS. The board shall elect from among
- 15 the directors a chair, a vice chair, and a secretary.
- Sec. 3952.058. COMPENSATION; EXPENSES. (a) The district
- 17 may compensate each director in an amount not to exceed \$75 for each
- 18 board meeting. The total amount of compensation for each director
- 19 in a calendar year may not exceed \$3,000.
- (b) The governing body of the city, by resolution or
- 21 ordinance, may increase:
- (1) the compensation for each director to an amount
- 23 not to exceed \$150 for each board meeting; and
- 24 (2) the total compensation for each director to an
- 25 <u>amount not to exceed \$7,200 in a calendar year.</u>
- 26 (c) A director is entitled to reimbursement for necessary
- 27 and reasonable expenses incurred in carrying out the duties and

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   responsibilities of the board.
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         Sec. 3952.059. LIABILITY INSURANCE. The district may
   obtain and pay for comprehensive general liability insurance
 3
   coverage from a commercial insurance company or other source that
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5
   protects and insures a director against personal liability and from
   all claims relating to:
6
7
               (1) actions taken by the director in the director's
8
   capacity as a member of the board;
9
               (2) actions and activities taken by the district; or
10
               (3) the actions of others acting on behalf of the
   district.
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12
         Sec. 3952.060. BOARD MEETINGS. The board shall hold
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   meetings at a place accessible to the public.
         Sec. 3952.061. CONFLICTS OF INTEREST. Chapter 171, Local
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15
   Government Code, governs conflicts of interest of directors.
         Sec. 3952.062. INITIAL DIRECTORS. (a) The initial board
16
17
   consists of:
18
           Pos. No.
                             Name of Director
19
              1
                             Terrance Jobe
20
              2
                             Tiffany Jobe
21
              3
                             Jonathan Jobe
22
              4
                             Tiffany Roath
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Travis Hudson

directors' terms, with two or three directors' terms expiring May

31, 2018. The remaining directors' terms must expire May 31, 2020.

(c) Section 3952.052 does not apply to this section.

(b) The governing body of the city shall stagger the initial

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1 SUBCHAPTER C. POWERS AND DUTIES

- 2 Sec. 3952.101. IMPROVEMENT PROJECTS. (a) The district may
- 3 provide, or it may enter into contracts with a governmental or
- 4 private entity to provide, the improvement projects described by
- 5 Subchapter D or activities in support of or incidental to those
- 6 projects.
- 7 (b) An improvement project authorized under this chapter
- 8 may be located inside or outside the district.
- 9 Sec. 3952.102. WATER DISTRICT POWERS. The district has the
- 10 powers provided by the general laws relating to conservation and
- 11 reclamation districts created under Section 59, Article XVI, Texas
- 12 Constitution, including Chapters 49 and 54, Water Code.
- 13 Sec. 3952.103. ROAD DISTRICT POWERS; EXCEPTION. (a)
- 14 Except as provided by Subsection (b), the district has the powers
- 15 provided by the general laws relating to road districts and road
- 16 utility districts created under Section 52(b), Article III, Texas
- 17 Constitution, including Chapter 441, Transportation Code.
- 18 (b) The district may exercise any power granted by this
- 19 chapter and by Chapter 441, Transportation Code, without regard to
- 20 any provision or requirement of, or procedure prescribed by,
- 21 Chapter 441, Transportation Code.
- 22 <u>Sec. 3952.104.</u> <u>PUBLIC IMPROVEMENT DISTRICT POWERS.</u> The
- 23 district has the powers provided by Subchapter A, Chapter 372,
- 24 Local Government Code, to a municipality or county.
- 25 Sec. 3952.105. MUNICIPAL MANAGEMENT DISTRICT POWERS. The
- 26 district has the powers provided by Chapter 375, Local Government
- 27 Code.

- 1 Sec. 3952.106. RULES; ENFORCEMENT. (a) The district may
- 2 adopt rules:
- 3 (1) to administer or operate the district; or
- 4 (2) for the use, enjoyment, availability, protection,
- 5 security, and maintenance of the district's property and
- 6 facilities.
- 7 (b) The district may enforce its rules by injunctive relief.
- 8 Sec. 3952.107. NAME CHANGE; NOTICE. (a) The board by
- 9 resolution may change the district's name.
- 10 (b) The board shall give written notice of a name change to
- 11 the city.
- 12 Sec. 3952.108. TERMS OF EMPLOYMENT; COMPENSATION. The
- 13 board may employ and establish the terms of employment and
- 14 compensation of an executive director or general manager and any
- 15 other district employees the board considers necessary.
- Sec. 3952.109. NO EMINENT DOMAIN POWER. The district may
- 17 not exercise the power of eminent domain.
- 18 SUBCHAPTER D. IMPROVEMENT PROJECTS
- 19 Sec. 3952.151. BOARD DETERMINATION REQUIRED. The district
- 20 may not undertake an improvement project or service unless the
- 21 board determines the project or service:
- (1) is necessary to accomplish a public purpose of the
- 23 <u>district;</u>
- 24 (2) complies with the development agreement and
- 25 consent application or the parties to the development agreement and
- 26 consent application agree to the project or service, in writing;
- 27 and

- 1 (3) is authorized by an ordinance of the city that
- 2 consents to the creation of the district.
- 3 Sec. 3952.152. CITY REQUIREMENTS. (a) An improvement
- 4 project must comply with any applicable city construction codes and
- 5 construction ordinances.
- 6 (b) The district may not provide, conduct, or authorize any
- 7 improvement project on the city streets, highways, rights-of-way,
- 8 or easements without the consent of the governing body of the city.
- 9 Sec. 3952.153. ADDITIONAL CITY POWERS REGARDING
- 10 IMPROVEMENT PROJECTS. (a) Unless the district and the city agree
- 11 otherwise, the city may:
- 12 (1) by ordinance, order, or resolution require that
- 13 title to all or any portion of an improvement project vest in the
- 14 city; or
- (2) by ordinance, order, or resolution or other
- 16 <u>directive authorize the district to own, encumber, maintain, and</u>
- 17 operate an improvement project or convey the project to the city at
- 18 a later date.
- 19 (b) The district shall immediately comply with any city
- 20 ordinance, order, or resolution adopted under this section.
- Sec. 3952.154. LAKE. For the purposes of this subchapter,
- 22 planning, design, construction, improvement, or maintenance of a
- 23 lake includes work done for drainage, reclamation, or recreation.
- SUBCHAPTER E. CONTRACTS
- Sec. 3952.201. GENERAL CONTRACT POWERS. The district may
- 26 contract with any person to accomplish any district purpose.
- Sec. 3952.202. CONTRACT TERMS. A contract the district

- 1 enters into to carry out a purpose of this chapter may be on any
- 2 terms and for any period the board determines, including an
- 3 obligation to issue a negotiable or nonnegotiable note or warrant
- 4 payable to the city, the county, or any other person.
- 5 Sec. 3952.203. REIMBURSEMENT OF COSTS. The district may
- 6 contract with any person for the payment, repayment, or
- 7 reimbursement of costs incurred by that person on behalf of the
- 8 district, including all or part of the costs of an improvement
- 9 project and interest on the reimbursed cost.
- Sec. 3952.204. CONTRACT FOR IMPROVEMENT PROJECT. (a) The
- 11 district may contract with any person for the use, occupancy,
- 12 lease, rental, operation, maintenance, or management of all or part
- 13 of a proposed or existing improvement project.
- 14 (b) The district may apply for and contract with any person
- 15 to receive, administer, and perform a duty or obligation of the
- 16 district under a federal, state, local, or private gift, grant,
- 17 loan, conveyance, transfer, bequest, or other financial assistance
- 18 arrangement relating to the investigation, planning, analysis,
- 19 study, design, acquisition, construction, improvement, completion,
- 20 implementation, or operation by the district or others of a
- 21 proposed or existing improvement project.
- 22 <u>Sec. 3952.205. NO FURTHER CONTRACT AUTHORIZATION REQUIRED.</u>
- 23 Any person, including the city, may contract with the district to
- 24 carry out the purposes of this chapter without further statutory or
- 25 other kind of authorization.
- SUBCHAPTER F. GENERAL FINANCIAL PROVISIONS
- 27 Sec. 3952.251. DEVELOPMENT AGREEMENT AND CONSENT

- 1 APPLICATION REQUIRED TO BORROW MONEY OR IMPOSE TAXES OR
- 2 ASSESSMENTS, INCLUDING BONDS. Before the district may issue bonds,
- 3 impose taxes or assessments, or borrow money, the district must
- 4 obtain from the city confirmation that the development agreement
- 5 and consent application are enforceable and no defaults are known.
- 6 Sec. 3952.252. BORROWING MONEY. The district may borrow
- 7 money for a district purpose by issuing or executing bonds, notes,
- 8 credit agreements, or other obligations of any kind found by the
- 9 board to be necessary or appropriate for a district purpose. The
- 10 bond, note, credit agreement, or other obligation must be secured
- 11 by and payable from any combination of ad valorem taxes,
- 12 assessments, or any other district revenue.
- 13 Sec. 3952.253. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
- 14 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or
- 15 secure the payment or repayment of any bond, note, or other
- 16 temporary or permanent obligation or reimbursement or other
- 17 contract with any person and the costs and expenses of the
- 18 establishment, administration, and operation of the district and
- 19 the district's costs or share of the costs or revenue of an
- 20 improvement project or district contractual obligation or debt by:
- 21 <u>(1) a lease, installment purchase contract, or other</u>
- 22 <u>agreement; or</u>
- 23 (2) any other revenue or resources of the district or
- 24 other revenue authorized by the city, including revenue from a tax
- 25 <u>increment reinvestment zone created by the city.</u>
- Sec. 3952.254. ASSESSMENTS. (a) The district may impose an
- 27 assessment on property in the district, if the assessment is

- 1 authorized by an ordinance of the city, to pay the cost or the cost
- 2 of maintenance of any authorized district improvement in the manner
- 3 provided for:
- 4 (1) a district under Subchapters A, E, and F, Chapter
- 5 375, Local Government Code; or
- 6 (2) a municipality or county under Subchapter A,
- 7 Chapter 372, Local Government Code.
- 8 <u>(b) An assessment, a reassessment, or an assessment</u>
- 9 resulting from an addition to or correction of the assessment roll
- 10 by the district, penalties and interest on an assessment or
- 11 reassessment, an expense of collection, and reasonable attorney's
- 12 fees incurred by the district:
- 13 (1) are a first and prior lien against the property
- 14 assessed; and
- 15 (2) are superior to any other lien or claim other than
- 16 <u>a lien or claim for county, school district, or municipal ad valorem</u>
- 17 taxes.
- 18 (c) The lien of an assessment against property runs with the
- 19 land. The portion of an assessment payment obligation that has not
- 20 yet come due is not eliminated by the foreclosure of an ad valorem
- 21 tax lien, and any purchaser of property in a foreclosure of an ad
- 22 <u>valorem tax lien takes the property subject to the assessment</u>
- 23 payment obligations that have not yet come due and to the lien and
- 24 terms of the lien's payment under the applicable assessment
- 25 ordinance or order.
- 26 (d) The board may make a correction to or deletion from the
- 27 assessment roll that does not increase the amount of assessment of

- 1 any parcel of land without providing notice and holding a hearing in
- 2 the manner required for additional assessments.
- 3 (e) Section 372.023(e), Local Government Code, does not
- 4 apply to the district.
- 5 Sec. 3952.255. NONPOTABLE WATER USER CHARGES; CITY
- 6 APPROVAL. The district may establish user charges for the use of
- 7 nonpotable water for irrigation purposes, subject to approval of
- 8 the governing body of the city.
- 9 Sec. 3952.256. COSTS FOR IMPROVEMENT PROJECTS. The
- 10 district may undertake separately or jointly with other persons,
- 11 including the city or county, all or part of the cost of an
- 12 improvement project, including an improvement project:
- (1) for improving, enhancing, and supporting public
- 14 safety and security, fire protection and emergency medical
- 15 <u>services</u>, and law enforcement in and adjacent to the district; or
- 16 (2) that confers a general benefit on the entire
- 17 district or a special benefit on a definable part of the district.
- 18 Sec. 3952.257. RESIDENTIAL PROPERTY NOT EXEMPT. Section
- 19 375.161, Local Government Code, does not apply to the district.
- SUBCHAPTER G. TAXES AND BONDS
- Sec. 3952.301. BONDS AND OTHER OBLIGATIONS. (a) The
- 22 district may issue, by competitive bid or negotiated sale, bonds,
- 23 notes, or other obligations payable wholly or partly from ad
- 24 valorem taxes or assessments in the manner provided by Subchapter
- 25 A, Chapter 372, or Subchapter J, Chapter 375, Local Government
- 26 Code.
- 27 (b) In exercising the district's borrowing power, the

- 1 district may issue a bond or other obligation in the form of a bond,
- 2 note, certificate of participation or other instrument evidencing a
- 3 proportionate interest in payments to be made by the district, or
- 4 other type of obligation.
- 5 (c) In addition to the sources of money described by
- 6 Subchapter A, Chapter 372, and Subchapter J, Chapter 375, Local
- 7 Government Code, district bonds may be secured and made payable
- 8 wholly or partly by a pledge of any part of the money the district
- 9 receives from improvement revenue or from any other source.
- 10 (d) Sections 375.208, Local Government Code, and 49.181 and
- 11 49.182, Water Code, do not apply to the district.
- 12 Sec. 3952.302. BOND MATURITY. Bonds may mature not more
- 13 than 40 years from their date of issue.
- 14 Sec. 3952.303. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
- 15 the time bonds or other obligations payable wholly or partly from ad
- 16 <u>valorem taxes are issued:</u>
- 17 (1) the board shall impose a continuing direct annual
- 18 ad valorem tax for each year that all or part of the bonds are
- 19 outstanding; and
- 20 (2) the district annually shall impose an ad valorem
- 21 tax on all taxable property in the district in an amount sufficient
- 22 <u>to:</u>
- (A) pay the interest on the bonds or other
- 24 obligations as the interest becomes due; and
- 25 (B) create a sinking fund for the payment of the
- 26 principal of the bonds or other obligations when due or the
- 27 redemption price at any earlier required redemption date.

- 1 Sec. 3952.304. ELECTION REQUIRED FOR TAXES OR BONDS. The
- 2 district must hold an election in the manner provided by Subchapter
- 3 L, Chapter 375, Local Government Code, to obtain voter approval
- 4 before the district may impose an ad valorem tax or issue bonds
- 5 payable from ad valorem taxes.
- 6 Sec. 3952.305. TAX RATE. The district's ad valorem tax rate
- 7 may not exceed 40 cents per \$100 valuation.
- 8 Sec. 3952.306. ISSUER POWERS FOR CERTAIN PUBLIC
- 9 IMPROVEMENTS. The district may exercise any power of an issuer
- 10 under Chapter 1371, Government Code.
- SUBCHAPTER H. DISSOLUTION
- 12 Sec. 3952.351. <u>DISSOLUTION BY CITY ORDINANCE</u>. (a) The city
- 13 by ordinance may dissolve the district.
- 14 (b) The city may not dissolve the district until the
- 15 <u>district's outstanding debt or contractual obligations have been</u>
- 16 repaid or discharged, including the defeasance of any outstanding
- 17 debt issued by the city.
- 18 (c) The city may not dissolve the district until the
- 19 development agreement and consent application have been executed
- 20 and the district's performance under the agreement has been
- 21 <u>fulfilled</u>, including any right or obligation the district has to
- 22 reimburse a developer or owner for the costs of improvement
- 23 projects.
- Sec. 3952.352. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.
- 25 (a) If the dissolved district has bonds or other obligations
- 26 outstanding secured by and payable from assessments or other
- 27 revenue, the city shall succeed to the rights and obligations of the

- 1 district regarding enforcement and collection of the assessments or
- 2 other revenue.
- 3 (b) The city shall have and exercise all district powers to
- 4 enforce and collect the assessments or other revenue to pay:
- 5 (1) the bonds or other obligations when due and
- 6 payable according to their terms; or
- 7 (2) special revenue or assessment bonds or other
- 8 obligations issued by the city to refund the outstanding bonds or
- 9 obligations.
- Sec. 3952.353. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
- 11 After the city dissolves the district, the city assumes the
- 12 obligations of the district, including any bonds or other debt
- 13 payable from assessments or other district revenue.
- 14 (b) If the city dissolves the district, the board shall
- 15 transfer ownership of all district property to the city.
- 16 SECTION 2. The Midlothian Municipal Management District No.
- 17 3 initially includes all the territory contained in the following
- 18 area:
- 19 LEGAL LAND DESCRIPTION
- 20 BEING 175.834 acres (7,659,336 square feet) in the
- William W. Rawls Survey, Abstract No. 915, Benjamin F.
- Hawkins Survey, Abstract Number 464, Marcellus T.
- Hawkins Survey, Abstract No. 463, and John M. Garvin
- Survey, Abstract No. 424, Ellis County, Texas; being a
- 25 175.834 acres (7,659,336 square feet) of land being
- all of that certain tract of land described in a
- 27 Special Warranty Deed to Hawkins Midlothian

Development, LLC (hereinafter referred to as Hawkins 1 2 Midlothian Development tract), recorded as in Instrument Number 1521607, Official Public Records, 3 Ellis County, Texas (O.P.R.E.C.T.); said 175.834 acres 4 (7,659,336 square feet) being more particularly 5 described, by metes and bounds, as follows: 6 BEGINNING at a 60D nail found for the Westerly 7 8 Southwest corner of said Hawkins Midlothian Development tract, same being the existing Easterly 9 right-of-way line of F.M. Road 663 (80' right-of-way), 10 as recorded in Volume 387, Page 161, Deed Records, 11 Ellis County, Texas (D.R.E.C.T.), same also being the 12 North line of Lawson Farms - Phase One (hereinafter 13 referred to as Lawson Farms - Phase One), an addition 14 15 to the City of Midlothian, Ellis County, Texas, according to the plat recorded in Cabinet G, Slide 388, 16 17 Plat Records, Ellis County, Texas, from which the Northwest corner of Lot 20, Block 1 of said Lawson 18 Farms - Phase One bears North 89 degrees 45 minutes 57 19 seconds East, a distance of 13.69 feet; 20 THENCE North 05 degrees 16 minutes 20 seconds East, 21 departing the North line of said Lawson Farms - Phase 22 One and with the common line between said Hawkins 23 24 Midlothian Development tract and the existing Easterly right-of-way line of said F.M. Road 663, a distance of 25 575.72 feet to a five-eighths inch iron rod found for 26 the Southerly corner of that certain tract of land 27

- described in a Deed to the State of Texas for
- 2 right-of-way of said F.M. Road 663, as recorded in
- 3 Volume 1465, Page 1208, D.R.E.C.T.;
- 4 THENCE with the common line between the remainder of
- 5 said Hawkins Midlothian Development tract and the
- 6 existing Easterly right-of-way line of said F.M. Road
- 7 663 for the following 7 courses:
- 8 1. North 08 degrees 21 minutes 23 seconds East, a
- 9 distance of 200.25 feet to a fence post found for
- 10 corner;

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- 11 2. North 06 degrees 48 minutes 13 seconds East, a
- distance of 85.00 feet to a five-eighths inch iron rod
- found for corner;
- 3. North 09 degrees 25 minutes 21 seconds East, a
- distance of 85.00 feet to a five-eighths inch iron rod
- 16 found for corner;
- 17 4. North 12 degrees 02 minutes 28 seconds East, a
- distance of 85.00 feet to a one-half inch iron rod with
- 19 plastic cap stamped "VOTEX" found for corner;
- 20 5. North 14 degrees 39 minutes 36 seconds East, at a
- distance of 6.91 feet, pass a TxDOT monument found for
- 22 the Southeast corner that certain tract of land
- 23 described in a Deed to the State of Texas for
- right-of-way of said F.M. Road 663, as recorded in
- total distance of 85.00 feet to a one-half inch iron
- 27 rod with plastic cap stamped "VOTEX" found for corner;

Volume 1747, Page 1109, D.R.E.C.T, and continue a

distance of 85.00 feet to a one-half inch iron rod with 2 plastic cap stamped "VOTEX" found for corner; 3 North 19 degrees 53 minutes 51 seconds East, a 4 distance of 52.97 feet to a one-half inch iron rod with 5 plastic cap stamped "VOTEX" found for corner, same 6 being the Westerly Northwest corner of said Hawkins 7 8 Midlothian Development tract and the Southwest corner 9 the remainder of that certain tract of land described in a deed to Wilbur L. Stephenson and Wife 10 Stephenson (hereinafter referred to 11 Jo. Μ. 12 Stephenson tract), as recorded in Volume 1866, Page 2280, D.R.E.C.T.; 13 THENCE South 68 degrees 03 minutes 05 seconds East, 14 15 departing the existing Easterly right-of-way line of said F.M. Road 663 and with the common line between 16 17 said Hawkins Midlothian Development tract and the remainder of said Stephenson tract, a distance of 18 337.59 feet to a one-half inch iron rod with plastic 19 cap stamped "VOTEX" found for the beginning of a curve 20 to the left, whose long chord bears South 79 degrees 19 21 minutes 22 seconds East, a distance of 390.93 feet; 2.2 23 THENCE Easterly continue with the common line between 24 said Hawkins Midlothian Development tract and the remainder of said Stephenson tract and with said curve 25 to the left having a radius of 1000.00 feet, through a 26 central angle of 22 degrees 32 minutes 39 seconds, for 27

North 17 degrees 16 minutes 43 seconds East, a

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an arc distance of 393.47 feet to a one-half inch iron 1 rod with plastic cap stamped "VOTEX" found for the end 2 3 of said curve; THENCE North 89 degrees 24 minutes 17 seconds East 4 continue with the common line between said Hawkins 5 Midlothian Development tract and the remainder of said 6 Stephenson tract and generally with a fence line, a 7 8 distance of 1149.39 feet to a fence post for an said 9 inner-ell corner of Hawkins Midlothian 10 Development tract; THENCE North 01 degree 48 minutes 16 seconds West with 11 common line between said Hawkins Midlothian 12 the Development tract and said Stephenson tract, 13 14 distance of 45.01 feet to a one-half inch iron rod with 15 plastic cap stamped "VOTEX" found for the Southwest corner of that certain tract of land described in a 16 Special Warranty Deed to The Board of Trustees of the 17 Midlothian Independent School District (hereinafter 18 referred to as MISD tract), as recorded in Instrument 19 Number 1522030, O.P.R.E.C.T.; 20 THENCE North 89 degrees 23 minutes 54 seconds East, 21 departing the Easterly line of said Stephenson tract 22 and with the common line between said Hawkins 23 24 Midlothian Development tract and said MISD tract, a distance of 474.84 feet to a one-half inch iron rod 25 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813" 26 found for the Southerly Southeast corner of said MISD 27

1 tract; THENCE North 44 degrees 18 minutes 23 seconds East 2 continue with the common line between said Hawkins 3 Midlothian Development tract and said Hawkins Meadow 4 tract, a distance of 63.58 feet to a one-half inch iron 5 rod with yellow plastic cap stamped "VOTEX R.P.L.S. 6 4813" found for the Easterly Southeast corner of said 7 8 Hawkins Meadow tract; THENCE North 00 degrees 47 minutes 14 seconds West, 9 continue with the common line between said Hawkins 10 Midlothian Development tract and said MISD tract, a 11 distance of 1004.02 feet to a one-half inch iron rod 12 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813" 13 14 found for the Northeast corner of said MISD tract; 15 THENCE South 88 degrees 44 minutes 42 seconds West continue with the common line between said Midlothian 16 17 Development tract and said MISD tract, a distance of 30.26 feet to a three-quarter inch iron rod found for 18 19 an angle point on the West line of said Hawkins Midlothian Development tract; 20 21 THENCE North 01 degree 36 minutes 49 seconds West, departing the North line of said MISD tract and with 22 the West line of said Hawkins Midlothian Development 23 24 tract, a distance of 574.65 feet to a three-quarters inch pipe found for the Northwest corner of said 25 Hawkins Midlothian Development tract; 26 27 THENCE South 89 degrees 25 minutes 31 seconds East with

- a Nand the existing South right-of-way line of said Mt.
- 2 Zion Road, a distance of 56.72 feet to a one-half inch
- 3 iron rod with yellow plastic cap stamped "VOTEX
- 4 R.P.L.S. 4813" found for the beginning of a
- 5 non-tangent curve to the left, whose long chord bears
- 6 South 14 degrees 42 minutes 34 seconds East, a distance
- 7 of 103.35 feet;
- 8 THENCE with a Northerly line of said Hawkins
- 9 Midlothian Development tract for the following 6
- 10 courses:
- 1. Southerly, departing the existing South
- 12 right-of-way line of said Mt. Zion Road and with said
- non-tangent curve to the left having a radius of
- 14 1000.00 feet, through a central angle of 5 degrees 55
- minutes 26 seconds, for an arc distance of 103.39 feet
- to a one-half inch iron rod with yellow plastic cap
- stamped "VOTEX R.P.L.S. 4813" found for the beginning
- of a reverse curve whose long chord bears South 09
- 19 degrees 34 minutes 03 seconds East, a distance of
- 20 307.31 feet;
- 2. Southerly with said reverse curve having a radius
- of 1090.00 feet, through a central angle of 16 degrees
- 23 12 minutes 28 seconds, for an arc distance of 308.34
- feet to a one-half inch iron rod with yellow plastic
- cap stamped "VOTEX R.P.L.S. 4813" found for corner;
- 3. North 88 degrees 57 minutes 58 seconds East, a
- distance of 170.22 feet to a one-half inch iron rod

- with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- 2 found for corner;
- 3 4. North 00 degrees 18 minutes 59 seconds West, a
- 4 distance of 255.12 feet to a one-half inch iron rod
- with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- 6 found for corner;
- 7 5. South 89 degrees 41 minutes 01 second West, a
- 8 distance of 113.27 feet to a one-half inch iron rod
- 9 with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- 10 found for corner;
- 11 6. North 00 degrees 18 minutes 59 seconds West, a
- distance of 139.90 feet to a one-half inch iron rod
- with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- found for the existing South right-of-way line of said
- 15 Mt. Zion Road, same being the beginning of a
- 16 non-tangent curve to the right, whose long chord bears
- 17 South 74 degrees 38 minutes 51 seconds East, a distance
- 18 of 227.69 feet;
- 19 THENCE Easterly with the common line between said
- 20 Hawkins Midlothian Development tract and the existing
- 21 South right-of-way line of Mt. Zion Road and with said
- 22 non-tangent curve to the right having a radius of
- 755.00 feet, through a central angle of 17 degrees 20
- minutes 43 seconds, for an arc distance of 228.56 feet
- 25 to a five-eighths inch iron rod with plastic cap
- 26 stamped "RPLS 4838" set for corner;
- 27 THENCE South 67 degrees 58 minutes 31 seconds East

continue with the common line between said Hawkins Midlothian Development tract and the existing South right-of-way line of Mt. Zion Road, a distance of 460.94 feet to a five-eighths inch iron rod with plastic cap stamped "RPLS 4838" set for the beginning of a curve to the left, whose long chord bears South 68 degrees 55 minutes 06 seconds East, a distance of 86.66 feet;
THENCE Southeasterly continue with the common line between said Hawkins Midlothian Development tract and

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THENCE Southeasterly continue with the common line between said Hawkins Midlothian Development tract and the existing South right-of-way line of Mt. Zion Road and with said curve to the left having a radius of 842.75 feet, through a central angle of 5 degrees 53 minutes 40 seconds, for an arc distance of 86.70 feet to a five-eighths inch iron rod with plastic cap stamped "RPLS 4838" set for the Northerly Northeast corner of said Hawkins Midlothian Development tract; THENCE South 00 degrees 13 minutes 36 seconds West with Easterly line of said Hawkins Midlothian Development tract, passing at a distance of 9.50 feet, the Northwest corner of that certain tract of land described in a General Warranty Deed to Midlothian Economic Development (hereinafter referred to Midlothian Economic Development tract), as recorded in Instrument Number 1517886, O.P.R.E.C.T. and continue with said course and the common line between said Hawkins Midlothian Development tract and Midlothian

1 Economic Development tract for a total distance of 241.18 feet to a one inch iron pipe found for an 2 3 inner-ell corner of said Hawkins Midlothian Development tract, same being the Southwest corner of 4 said Midlothian Economic Development tract; 5 THENCE South 89 degrees 55 minutes 29 seconds East 6 continue with the common line between said Hawkins 7 8 Midlothian Development tract and said Midlothian Economic Development tract, a distance of 188.11 feet 9 to a five-eighths inch iron rod found for an angle 10 point in a Northerly line of said Hawkins Midlothian 11 12 Development tract, same being the Southeasterly corner of said Midlothian Economic Development tract; 13 THENCE North 89 degrees 29 minutes 47 seconds East with 14 of said 15 Northerly line Hawkins Midlothian Development tract, passing at a distance of 93.18 16 feet, the Southwest corner of that certain tract of 17 land described in a deed to Christina Marie Luther 18 (hereinafter referred to as Luther tract), as recorded 19 in Volume 1652, Page 287, O.P.R.E.C.T. and continue 20 with said course and the common line between said 21 Hawkins Midlothian Development tract and said Luther 2.2 tract for a total distance of 380.22 feet to a fence 23 24 post found for the Easterly Northeast corner of said Hawkins Midlothian Development tract, same being the 25 26 Southeast corner of said Luther tract; THENCE South 02 degrees 37 minutes 04 seconds East with 2.7

the East line of said Hawkins Midlothian Development tract, passing at a distance of 155.04 feet, the Northwest corner of that certain tract of described in a General Warranty Deed with Third Party Vendor's Lien to Lee Morgan Whitehead and wife, Deborah Lei Whitehead (hereinafter referred to as Whitehead tract), as recorded in Volume 2555, Page 1721, O.P.R.E.C.T. and continue with said course and the between common line said Hawkins Midlothian Development tract and said Whitehead tract for a total distance of 675.55 feet to a five-eighths inch pipe found for the Easterly Southeast corner of said Hawkins Midlothian Development tract, same being the Southwest corner of said Whitehead tract, same being the North line of that certain tract of land described in a deed to Billy Ray Brandon (hereinafter referred to as Brandon tract), as recorded in Volume 548, Page 79, Deed Records, Ellis County, Texas (D.R.E.C.T.); THENCE South 89 degrees 36 minutes 52 seconds West with common line between said Hawkins Midlothian the Development tract and said Brandon tract, a distance of 571.25 feet to a five-eighths inch iron pipe found for an inner-ell corner of said Hawkins Midlothian Development tract, same being the Northwest corner of said Brandon tract; THENCE South 01 degree 30 minutes 18 seconds East continue with the common line between said Hawkins

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Midlothian Development tract and said Brandon tract, passing at a distance of 660.17 feet, the Southwest corner of said Brandon tract, same being the Northwest corner of that certain tract of land described in a Warranty Deed to City of Midlothian (hereinafter referred to as City of Midlothian tract), as recorded in Volume 2540, Page 2088, D.R.E.C.T. and continue with said course and the common line between said Hawkins Midlothian Development tract and said City of Midlothian tract, passing at a distance of 1980.54 feet, the Southwest corner of said City of Midlothian tract, same being the Northerly Northwest corner of that certain tract of land described as Lakegrove (hereinafter referred to as Lakegrove), an addition to Ellis County, Texas, according to the plat recorded in Cabinet A, Page 753, P.R.E.C.T. and continue with said course for a total distance of 3388.12 feet to a fence post found for the Southeast corner of said Hawkins Midlothian Development tract, same being an inner-ell corner of said Lakegrove; THENCE South 88 degrees 56 minutes 48 seconds West continue with the common line between said Hawkins Midlothian Development tract and said Lakegrove, passing at a distance of 361.12 feet, the Westerly Northwest corner of said Lakegrove, same being the Northeast corner of that certain tract of described in a deed to the City of Midlothian

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(hereinafter referred to as City of Midlothian 2 1 2 tract), as recorded in Volume 2540, Page 1952, D.R.E.C.T., and continue with said course and the 3 line between said Hawkins Midlothian 4 Development tract and said City of Midlothian 2 tract 5 for a total distance of 452.58 feet to a five-eighths 6 inch iron rod with plastic cap stamped "RPLS 4838" set 7 8 for corner; 9 THENCE South 86 degrees 33 minutes 50 seconds West, 10 continue with the common line between said Hawkins Midlothian Development tract and said City of 11 Midlothian 2 tract, a distance of 380.52 feet to a 12 one-half inch iron rod found for the 13 Southerly 14 Southwest corner of said Hawkins Midlothian 15 Development tract; THENCE North 01 degree 50 minutes 27 seconds East, 16 17 continue with the common line between said Hawkins Midlothian Development tract and said City of 18 Midlothian 2 tract, a distance of 562.86 feet to a 19 one-half inch iron rod found for corner; 20 THENCE South 89 degrees 50 minutes 48 seconds West, 21 continue with the common line between said Hawkins 22 23 Midlothian Development tract and said City of 24 Midlothian 2 tract, passing at a distance of 456.78 feet, the Northeast corner of Lot 32, Block 2 of that 25 26 certain tract of land described as Lawson Farms - Phase 2A (hereinafter referred to as Lawson Farms - Phase 27

2A), an addition to the City of Midlothian, Ellis 1 County, Texas, according to the plat recorded in 2 Cabinet H, Page 252, P.R.E.C.T., and continue with 3 said course and with the common line between said 4 Hawkins Midlothian Development tract and said Lawson 5 Farms - Phase 2A, a total distance of 620.49 feet to a 6 one-half inch iron rod found for corner; 7 8 THENCE North 00 degrees 20 minutes 17 seconds West 9 continue with the common line between said Hawkins Midlothian Development tract and said Lawson Farms -10 Phase 2A, passing at a distance of 154.34 feet, a 11 Northerly corner of said Lawson Farms - Phase 2A, same 12 being the Southeast corner of the remainder of that 13 14 certain tract of land described in a deed to SKJ Lawson 15 Farms Development, L.P., (hereinafter referred to as SKJ Lawson Farms Development tract), as recorded in 16 17 Volume 2005, Page 2309, O.P.R.E.C.T. and continue with said course and the common line between said Hawkins 18 Midlothian Development tract and the remainder of said 19 SKJ Lawson Farms Development tract for a total 20 21 distance of 1330.40 feet to a one-half inch iron rod found for an inner-ell corner of said Hawkins 2.2 Midlothian Development tract, same being the Northeast 23 24 corner of said SKJ Lawson Farms Development tract; THENCE South 89 degrees 45 minutes 57 seconds West with 25 26 the common line between said Hawkins Midlothian Development tract and said SKJ Lawson 27 Farms

Development tract, passing at a distance of 1209.51 feet, a one-half inch iron rod found for the Northeast corner of the aforesaid Lawson Farms - Phase One and continue with said course and the common line between said Hawkins Midlothian Development tract and said Lawson Farms - Phase One, for a total distance of 2082.59 feet to the PLACE OF BEGINNING, and containing a calculated area of 175.834 acres (7,659,336 square feet) of land.

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SAVE AND EXCEPT

LEGAL LAND DESCRIPTION:

BEING 4.339 acres or (188,987 square feet) in the Marcellus T. Hawkins Survey, Abstract No. 463 and Benjamin F. Hawkins Survey, Abstract No. 464, Ellis County, Texas; said 4.339 acres or (188,987 square feet) of land being all of that certain tract of land described in a Correction Warranty Deed to James Marcus Pitts, as recorded in Volume 2132, Page 442, Official Public Records, Ellis County, (O.P.R.E.C.T.); said 4.339 acres or (188,987 square feet) of land being all of that certain tract of land described as SAVE AND EXCEPT TRACT in a Special Warranty Deed to Hawkins Midlothian Development, LLC (hereinafter referred to as SAVE AND EXCEPT TRACT), as recorded in Instrument Number 1521607, O.P.R.E.C.T.; said 4.339 acres or (188,987 square feet) being more particularly described, by metes and bounds,

1 follows: BEGINNING at a three-quarters inch iron rod found for 2 the Northwest corner of said SAVE AND EXCEPT TRACT, 3 same being an inner-ell corner of that certain tract of 4 land described in a Special Warranty Deed to Hawkins 5 Midlothian Development, LLC (hereinafter referred to 6 as Hawkins Midlothian Development tract), as recorded 7 in Instrument Number 1521607, O.P.R.E.C.T.; 8 THENCE North 89 degrees 47 minutes 57 seconds East with 9 the common line between said SAVE AND EXCEPT TRACT and 10 said Hawkins Midlothian Development tract, a distance 11 of 477.86 feet to a three-eighths inch iron rod found 12 for the Northeast corner of said SAVE AND EXCEPT TRACT, 13 being an inner-ell corner of said Hawkins 14 15 Midlothian Development tract; THENCE South 02 degrees 32 minutes 45 seconds West 16 17 continue with the common line between said SAVE AND EXCEPT TRACT and said Hawkins Midlothian Development 18 tract, a distance of 399.01 feet to a one-half inch 19 iron rod found for the Southeast corner of said SAVE 20 21 AND EXCEPT TRACT, same being an inner-ell corner of said Hawkins Midlothian Development tract; 22 THENCE South 87 degrees 30 minutes 51 seconds West 23 24 continue with the common line between said SAVE AND EXCEPT TRACT and said Hawkins Midlothian Development 25 tract, a distance of 450.20 feet to a five-eighths inch 26 iron rod with plastic cap stamped "RPLS 4838" set for 27

- 1 the Southwest corner of said SAVE AND EXCEPT TRACT,
- 2 same being an inner-ell corner of said Hawkins
- 3 Midlothian Development tract;
- 4 THENCE North 01 degree 25 minutes 30 seconds West
- 5 continue with the common line between said SAVE AND
- 6 EXCEPT TRACT and said Hawkins Midlothian Development
- 7 tract, a distance of 416.60 feet to the PLACE OF
- 8 BEGINNING, and containing a calculated area of 4.339
- 9 acres or (188,987 square feet) of land.
- 10 LEAVING A NET ACREAGE OF 171.496 ACRES or (7,470,349
- 11 SQUARE FEET).
- 12 SECTION 3. (a) The legal notice of the intention to
- 13 introduce this Act, setting forth the general substance of this
- 14 Act, has been published as provided by law, and the notice and a
- 15 copy of this Act have been furnished to all persons, agencies,
- 16 officials, or entities to which they are required to be furnished
- 17 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
- 18 Government Code.
- 19 (b) The governor, one of the required recipients, has
- 20 submitted the notice and Act to the Texas Commission on
- 21 Environmental Quality.
- (c) The Texas Commission on Environmental Quality has filed
- 23 its recommendations relating to this Act with the governor,
- 24 lieutenant governor, and speaker of the house of representatives
- 25 within the required time.
- 26 (d) The general law relating to consent by political
- 27 subdivisions to the creation of districts with conservation,

- 1 reclamation, and road powers and the inclusion of land in those
- 2 districts has been complied with.
- 3 (e) 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 4. This Act takes effect immediately if it receives
- 8 a vote of two-thirds of all the members elected to each house, as
- 9 provided by Section 39, Article III, Texas Constitution. If this
- 10 Act does not receive the vote necessary for immediate effect, this
- 11 Act takes effect September 1, 2017.

ADOPTED

MAY 2 4 2017

Actay Spans
Secretary of the Senate

H.B. No. 4347

Substitute the following for H.B. No. 4347:

By: Following

C.S. H.B. No. 4347

A BILL TO BE ENTITLED

1	AN ACT
2	relating to the creation of the Midlothian Municipal Management
3	District No. 3; providing authority to issue bonds; providing
4	authority to impose assessments, fees, or taxes.
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 3952 to read as follows:
8	CHAPTER 3952. MIDLOTHIAN MUNICIPAL MANAGEMENT DISTRICT NO. 3
9	SUBCHAPTER A. GENERAL PROVISIONS
10	Sec. 3952.001. 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) "County" means Ellis County, Texas.
14	(4) "Development agreement and consent application"
15	means the Development Agreement made between the city and Hawkins
16	Midlothian Development, LLC, and the Second Amended and Restated
17	Application for Consent to Create a Municipal Management District
18	submitted to the city by Hawkins Midlothian Development, LLC.
19	(5) "Director" means a board member.
20	(6) "District" means the Midlothian Municipal
21	Management District No. 3.
22	Sec. 3952.002. PRECONDITION. (a) In this section,
23	"finance plan" means a plan that includes a general description of
24	proposed improvement projects that will be financed by the

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1 district, an estimate of the costs for the proposed improvement
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- 2 projects, an estimate of the amount of the costs for the proposed
- 3 improvement projects that the district will pay directly or that
- 4 will be reimbursed to a developer of property in the district, and
- 5 the means of financing costs related to the planning, design,
- 6 construction, improvement, maintenance, and operation of the
- 7 proposed improvement projects.
- 8 (b) The district may not exercise any powers under this
- 9 chapter until:
- 10 (1) the development agreement and consent application
- 11 are executed and effective; and
- 12 (2) the finance plan is approved by the governing body
- 13 of the city.
- 14 Sec. 3952.003. CREATION AND NATURE OF DISTRICT. The
- 15 district is a special district created under Section 59, Article
- 16 XVI, Texas Constitution.
- Sec. 3952.004. PURPOSE; LEGISLATIVE FINDINGS. (a) The
- 18 creation of the district is essential to accomplish the purposes of
- 19 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
- 20 Texas Constitution, and other public purposes stated in this
- 21 chapter. By creating the district and in authorizing the city and
- 22 other political subdivisions to contract with the district, the
- 23 legislature has established a program to accomplish the public
- 24 purposes set out in Section 52-a, Article III, Texas Constitution.
- 25 (b) The creation of the district is necessary to promote,
- 26 develop, encourage, and maintain employment, commerce,
- 27 transportation, housing, tourism, recreation, the arts,

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1 entertainment, economic development, safety, and the public
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- 2 welfare in the district.
- 3 (c) This chapter and the creation of the district may not be
- 4 interpreted to relieve the city or county from providing the level
- 5 of services provided as of the effective date of the Act enacting
- 6 this chapter to the area in the district. The district is created
- 7 to supplement and not to supplant city and county services provided
- 8 in the district.
- 9 Sec. 3952.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a)
- 10 The district is created to serve a public use and benefit.
- 11 (b) All land and other property included in the district
- 12 will benefit from the improvements and services to be provided by
- 13 the district under powers conferred by Sections 52 and 52-a,
- 14 Article III, and Section 59, Article XVI, Texas Constitution, and
- 15 other powers granted under this chapter.
- 16 (c) The creation of the district is in the public interest
- 17 and is essential to further the public purposes of:
- 18 (1) developing and diversifying the economy of the
- 19 state;
- 20 (2) eliminating unemployment and underemployment;
- 21 (3) providing quality residential housing; and
- 22 (4) developing or expanding transportation and
- 23 commerce.
- 24 (d) The district will:
- 25 (1) promote the health, safety, and general welfare of
- 26 residents, employers, potential employees, employees, visitors,
- 27 and consumers in the district, and of the public;

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(2) provide needed funding for the district to
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   preserve, maintain, and enhance the economic health and vitality of
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   the district territory as a residential community and business
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   center; and
               (3) promote the health, safety, welfare, and enjoyment
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   of the public by providing pedestrian ways and by landscaping and
 6
   developing certain areas in the district, which are necessary for
 7
   the restoration, preservation, and enhancement of scenic beauty.
8
         (e) Pedestrian ways along or across a street, whether at
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   grade or above or below the surface, and street lighting, street
10
   landscaping, vehicle parking, and street art objects are parts of
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   and necessary components of a street and are considered to be an
   improvement project that includes a street or road improvement.
13
         (f) The district will not act as the agent or
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   instrumentality of any private interest even though the district
15
   will benefit many private interests as well as the public.
16
         Sec. 3952.006. INITIAL DISTRICT TERRITORY. (a) The
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   district is initially composed of the territory described by
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   Section 2 of the Act enacting this chapter.
19
          (b) A mistake in the field notes of the district contained
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   in Section 2 of the Act enacting this chapter or in copying the
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   field notes in the legislative process does not in any way affect:
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               (1) the district's organization, existence, or
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   validity;
               (2) the district's right to contract, including the
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for which the district is created;

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right to issue any type of bond or other obligation for a purpose

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(3) the district's right to impose or collect an
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   assessment, ad valorem taxes, or any other revenue; or
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               (4) the legality or operation of the board.
 3
          Sec. 3952.007. APPLICABILITY OF MUNICIPAL
                                                         MANAGEMENT
 4
   DISTRICT LAW. Except as provided by this chapter, Chapter 375,
 5
   Local Government Code, applies to the district.
6
                    SUBCHAPTER B. BOARD OF DIRECTORS
 7
          Sec. 3952.051. GOVERNING BODY; TERMS. The district is
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   governed by a board of five voting directors who serve staggered
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   terms of four years, with two or three directors' terms expiring May
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   31 of each even-numbered year.
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          Sec. 3952.052. QUALIFICATIONS. (a) To be qualified to
   serve as a director appointed by the governing body of the city, a
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   person must be:
               (1) a resident of the city who is also a registered
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   voter of the city;
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               (2) an owner of property in the district; or
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               (3) an agent, employee, or tenant of a person
   described by Subdivision (2).
19
          (b) A person who is an agent, employee, or tenant of Hawkins
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   Midlothian Development, LLC, is not qualified to be appointed as a
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   director solely because the person is an agent, employee, or tenant
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district.

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Sec. 3952.053. APPOINTMENT OF DIRECTORS.

of that corporation if the corporation does not own property in the

(c) Section 49.052, Water Code, does not apply to the

The governing

- 1 body of the city shall appoint directors from a list of names
- 2 recommended by the board as provided by Section 375.064, Local
- 3 Government Code.
- 4 Sec. 3952.054. EX OFFICIO DIRECTORS. (a) The following
- 5 persons serve ex officio as nonvoting directors:
- 6 (1) the city manager of the city; and
- 7 (2) the chief financial officer of the city.
- 8 (b) An ex officio director is entitled to notice of board
- 9 meetings and to speak on a matter before the board.
- 10 Sec. 3952.055. VACANCY. The governing body of the city
- 11 shall fill a vacancy on the board for the remainder of the unexpired
- 12 term in the same manner as the original appointment.
- Sec. 3952.056. DIRECTOR'S OATH OR AFFIRMATION. A director
- 14 shall file the director's oath or affirmation of office with the
- 15 district, and the district shall retain the oath or affirmation in
- 16 the district records.
- Sec. 3952.057. OFFICERS. The board shall elect from among
- 18 the directors a chair, a vice chair, and a secretary.
- 19 Sec. 3952.058. COMPENSATION. A director is entitled to
- 20 receive fees of office and reimbursement for actual expenses in the
- 21 manner provided by Section 49.060, Water Code. Sections 375.069 and
- 22 375.070, Local Government Code, do not apply to the board.
- Sec. 3952.059. LIABILITY INSURANCE. The district may
- 24 obtain and pay for comprehensive general liability insurance
- 25 coverage from a commercial insurance company or other source that
- 26 protects and insures a director against personal liability and from
- 27 all claims relating to:

```
(1) actions taken by the director in the director's
 1
   capacity as a member of the board;
 2
               (2) actions and activities taken by the district; or
 3
               (3) the actions of others acting on behalf of the
 4
5
   district.
          Sec. 3952.060. BOARD MEETINGS. The board shall hold
6
   meetings at a place accessible to the public.
7
          Sec. 3952.061. CONFLICTS OF INTEREST. Chapter 171, Local
8
   Government Code, governs conflicts of interest of directors.
9
          Sec. 3952.062. INITIAL DIRECTORS. (a) The initial board
10
   consists of:
11
           Pos. No.
                             Name of Director
12
                             Terrance Jobe
13
              1
                             Tiffany Jobe
14
              2
                              Jonathan Jobe
              3
15
                             Tiffany Roath
              4
16
              5
                             Travis Hudson
17
          (b) The governing body of the city shall stagger the initial
18
   directors' terms, with two or three directors' terms expiring May
19
   31, 2018. The remaining directors' terms must expire May 31, 2020.
20
              Section 3952.052 does not apply to this section.
          (c)
21
                     SUBCHAPTER C. POWERS AND DUTIES
22
          Sec. 3952.101. IMPROVEMENT PROJECTS. The district may
23
   provide, or it may enter into contracts with a governmental or
24
   private entity to provide, the improvement projects described by
25
   Subchapter D or activities in support of or incidental to those
26
27
   projects.
```

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Sec. 3952.102. WATER DISTRICT POWERS. The district has the
```

- 2 powers provided by the general laws relating to conservation and
- 3 reclamation districts created under Section 59, Article XVI, Texas
- 4 Constitution, including Chapters 49 and 54, Water Code.
- 5 Sec. 3952.103. ROAD DISTRICT POWERS; EXCEPTION. (a)
- 6 Except as provided by Subsection (b), the district has the powers
- 7 provided by the general laws relating to road districts and road
- 8 utility districts created under Section 52(b), Article III, Texas
- 9 Constitution, including Chapter 441, Transportation Code.
- 10 (b) The district may exercise any power granted by this
- 11 chapter and by Chapter 441, Transportation Code, without regard to
- 12 any provision or requirement of, or procedure prescribed by,
- 13 Chapter 441, Transportation Code.
- 14 Sec. 3952.104. RULES; ENFORCEMENT. (a) The district may
- 15 adopt rules:
- 16 (1) to administer or operate the district; or
- 17 (2) for the use, enjoyment, availability, protection,
- 18 security, and maintenance of the district's property and
- 19 <u>facilities</u>.
- 20 (b) The district may enforce its rules by injunctive relief.
- Sec. 3952.105. NAME CHANGE; NOTICE. (a) The board by
- 22 resolution may change the district's name.
- (b) The board shall give written notice of a name change to
- 24 the city.
- Sec. 3952.106. TERMS OF EMPLOYMENT; COMPENSATION. The
- 26 board may employ and establish the terms of employment and
- 27 compensation of an executive director or general manager and any

```
1 other district employees the board considers necessary.
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- 2 Sec. 3952.107. NO EMINENT DOMAIN POWER. The district may
- 3 not exercise the power of eminent domain.
- 4 SUBCHAPTER D. IMPROVEMENT PROJECTS
- 5 Sec. 3952.151. BOARD DETERMINATION REQUIRED. The district
- 6 may not undertake an improvement project or service unless the
- 7 board determines the project or service:
- 8 (1) is necessary to accomplish a public purpose of the
- 9 district;
- 10 (2) complies with the development agreement and
- 11 consent application or the parties to the development agreement and
- 12 consent application agree to the project or service, in writing;
- 13 and
- 14 (3) is authorized by an ordinance of the city that
- 15 consents to the creation of the district.
- Sec. 3952.152. CITY REQUIREMENTS. (a) An improvement
- 17 project must comply with any applicable city construction codes and
- 18 construction ordinances.
- 19 (b) The district may not provide, conduct, or authorize any
- 20 improvement project on the city streets, highways, rights-of-way,
- 21 or easements without the consent of the governing body of the city.
- 22 Sec. 3952.153. ADDITIONAL CITY POWERS REGARDING
- 23 IMPROVEMENT PROJECTS. (a) Unless the district and the city agree
- 24 otherwise, the city may:
- 25 (1) by ordinance, order, or resolution require that
- 26 title to all or any portion of an improvement project vest in the
- 27 city; or

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1 (2) by ordinance, order, or resolution or other
```

- 2 directive authorize the district to own, encumber, maintain, and
- 3 operate an improvement project or convey the project to the city at
- 4 a later date.
- 5 (b) The district shall immediately comply with any city
- 6 ordinance, order, or resolution adopted under this section.
- 7 Sec. 3952.154. LAKE. For the purposes of this subchapter,
- 8 planning, design, construction, improvement, or maintenance of a
- 9 lake includes work done for drainage, reclamation, or recreation.
- 10 SUBCHAPTER E. CONTRACTS
- 11 Sec. 3952.201. GENERAL CONTRACT POWERS. The district may
- 12 contract with any person to accomplish any district purpose.
- 13 Sec. 3952.202. CONTRACT TERMS. A contract the district
- 14 enters into to carry out a purpose of this chapter may be on any
- 15 terms and for any period the board determines, including an
- 16 obligation to issue a negotiable or nonnegotiable note or warrant
- 17 payable to the city, the county, or any other person.
- 18 Sec. 3952.203. REIMBURSEMENT OF COSTS. The district may
- 19 contract with any person for the payment, repayment, or
- 20 reimbursement of costs incurred by that person on behalf of the
- 21 district, including all or part of the costs of an improvement
- 22 project and interest on the reimbursed cost.
- Sec. 3952.204. CONTRACT FOR IMPROVEMENT PROJECT. (a) The
- 24 district may contract with any person for the use, occupancy,
- 25 lease, rental, operation, maintenance, or management of all or part
- 26 of a proposed or existing improvement project.
- (b) The district may apply for and contract with any person

- 1 to receive, administer, and perform a duty or obligation of the
- 2 district under a federal, state, local, or private gift, grant,
- 3 loan, conveyance, transfer, bequest, or other financial assistance
- 4 arrangement relating to the investigation, planning, analysis,
- 5 study, design, acquisition, construction, improvement, completion,
- 6 implementation, or operation by the district or others of a
- 7 proposed or existing improvement project.
- 8 Sec. 3952.205. NO FURTHER CONTRACT AUTHORIZATION REQUIRED.
- 9 Any person, including the city, may contract with the district to
- 10 carry out the purposes of this chapter without further statutory or
- 11 other kind of authorization.
- 12 SUBCHAPTER F. GENERAL FINANCIAL PROVISIONS
- 13 Sec. 3952.251. DEVELOPMENT AGREEMENT AND CONSENT
- 14 APPLICATION REQUIRED TO BORROW MONEY OR IMPOSE TAXES OR
- 15 ASSESSMENTS, INCLUDING BONDS. Before the district may issue bonds,
- 16 impose taxes or assessments, or borrow money, the district must
- 17 obtain from the city confirmation that the development agreement
- 18 and consent application are enforceable and no defaults are known.
- 19 Sec. 3952.252. BORROWING MONEY. The district may borrow
- 20 money for a district purpose by issuing or executing bonds, notes,
- 21 credit agreements, or other obligations of any kind found by the
- 22 board to be necessary or appropriate for a district purpose. The
- 23 bond, note, credit agreement, or other obligation must be secured
- 24 by and payable from any combination of ad valorem taxes,
- 25 assessments, or any other district revenue.
- Sec. 3952.253. GENERAL POWERS REGARDING PAYMENT OF DISTRICT
- 27 BONDS, OBLIGATIONS, OR OTHER COSTS. The district may provide or

- 1 secure the payment or repayment of any bond, note, or other
- 2 temporary or permanent obligation or reimbursement or other
- 3 contract with any person and the costs and expenses of the
- 4 establishment, administration, and operation of the district and
- 5 the district's costs or share of the costs or revenue of an
- 6 improvement project or district contractual obligation or debt by:
- 7 (1) a lease, installment purchase contract, or other
- 8 agreement; or
- 9 (2) any other revenue or resources of the district or
- 10 other revenue authorized by the city, including revenue from a tax
- 11 increment reinvestment zone created by the city.
- 12 Sec. 3952.254. PETITION REQUIRED FOR FINANCING SERVICES AND
- 13 IMPROVEMENTS WITH ASSESSMENTS. The board may not finance a service
- 14 or improvement project with assessments under this chapter unless a
- 15 written petition requesting that service or improvement has been
- 16 filed with the board in the manner provided by Section 375.114,
- 17 Local Government Code.
- 18 Sec. 3952.255. ASSESSMENTS. (a) The district may impose an
- 19 assessment on property in the district, if the assessment is
- 20 authorized by an ordinance of the city, to pay the cost or the cost
- 21 of maintenance of any authorized district improvement in the manner
- 22 provided for a district under Subchapters A, E, and F, Chapter 375,
- 23 Local Government Code.
- (b) An assessment, a reassessment, or an assessment
- 25 resulting from an addition to or correction of the assessment roll
- 26 by the district, penalties and interest on an assessment or
- 27 reassessment, an expense of collection, and reasonable attorney's

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1 fees incurred by the district:
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- 2 (1) are a first and prior lien against the property
- 3 assessed; and
- 4 (2) are superior to any other lien or claim other than
- 5 a lien or claim for county, school district, or municipal ad valorem
- 6 taxes.
- 7 (c) The lien of an assessment against property runs with the
- 8 land. The portion of an assessment payment obligation that has not
- 9 yet come due is not eliminated by the foreclosure of an ad valorem
- 10 tax lien, and any purchaser of property in a foreclosure of an ad
- 11 valorem tax lien takes the property subject to the assessment
- 12 payment obligations that have not yet come due and to the lien and
- 13 terms of the lien's payment under the applicable assessment
- 14 ordinance or order.
- 15 (d) The board may make a correction to or deletion from the
- 16 assessment roll that does not increase the amount of assessment of
- 17 any parcel of land without providing notice and holding a hearing in
- 18 the manner required for additional assessments.
- 19 Sec. 3952.256. NONPOTABLE WATER USER CHARGES; CITY
- 20 APPROVAL. The district may establish user charges for the use of
- 21 nonpotable water for irrigation purposes, subject to approval of
- 22 the governing body of the city.
- Sec. 3952.257. COSTS FOR IMPROVEMENT PROJECTS. The
- 24 district may undertake separately or jointly with other persons,
- 25 including the city or county, all or part of the cost of an
- 26 improvement project, including an improvement project:
- 27 (1) for improving, enhancing, and supporting public

- 1 safety and security, fire protection and emergency medical
- 2 services, and law enforcement in and adjacent to the district; or
- 3 (2) that confers a general benefit on the entire
- 4 district or a special benefit on a definable part of the district.
- 5 SUBCHAPTER G. TAXES AND BONDS
- 6 Sec. 3952.301. BONDS AND OTHER OBLIGATIONS. (a) The
- 7 district may issue, by competitive bid or negotiated sale, bonds,
- 8 notes, or other obligations payable wholly or partly from ad
- 9 valorem taxes or assessments in the manner provided by Subchapter
- 10 J, Chapter 375, Local Government Code.
- 11 (b) In exercising the district's borrowing power, the
- 12 district may issue a bond or other obligation in the form of a bond,
- 13 note, certificate of participation or other instrument evidencing a
- 14 proportionate interest in payments to be made by the district, or
- 15 other type of obligation.
- 16 (c) In addition to the sources of money described by
- 17 Subchapter J, Chapter 375, Local Government Code, district bonds
- 18 may be secured and made payable wholly or partly by a pledge of any
- 19 part of the money the district receives from improvement revenue or
- 20 from any other source.
- Sec. 3952.302. BOND MATURITY. Bonds may mature not more
- 22 than 40 years from their date of issue.
- Sec. 3952.303. TAXES FOR BONDS AND OTHER OBLIGATIONS. At
- 24 the time bonds or other obligations payable wholly or partly from ad
- 25 valorem taxes are issued:
- 26 (1) the board shall impose a continuing direct annual
- 27 ad valorem tax for each year that all or part of the bonds are

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1 outstanding; and
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- 2 (2) the district annually shall impose an ad valorem
- 3 tax on all taxable property in the district in an amount sufficient
- 4 to:
- 5 (A) pay the interest on the bonds or other
- 6 obligations as the interest becomes due; and
- 7 (B) create a sinking fund for the payment of the
- 8 principal of the bonds or other obligations when due or the
- 9 redemption price at any earlier required redemption date.
- 10 Sec. 3952.304. ELECTION REQUIRED FOR TAXES OR BONDS. The
- 11 district must hold an election in the manner provided by Subchapter
- 12 L, Chapter 375, Local Government Code, to obtain voter approval
- 13 before the district may impose an ad valorem tax or issue bonds
- 14 payable from ad valorem taxes.
- Sec. 3952.305. TAX RATE. The district's ad valorem tax rate
- 16 may not exceed 40 cents per \$100 valuation.
- 17 Sec. 3952.306. ISSUER POWERS FOR CERTAIN PUBLIC
- 18 IMPROVEMENTS. The district may exercise any power of an issuer
- 19 under Chapter 1371, Government Code.
- 20 <u>SUBCHAPTER H. DISSOLUTION</u>
- Sec. 3952.351. DISSOLUTION BY CITY ORDINANCE. (a) The city
- 22 by ordinance may dissolve the district.
- 23 (b) The city may not dissolve the district until the
- 24 district's outstanding debt or contractual obligations have been
- 25 repaid or discharged, including the defeasance of any outstanding
- 26 debt issued by the city.
- 27 (c) The city may not dissolve the district until the

- 1 development agreement and consent application have been executed
- 2 and the district's performance under the agreement has been
- 3 fulfilled, including any right or obligation the district has to
- 4 reimburse a developer or owner for the costs of improvement
- 5 projects.
- 6 Sec. 3952.352. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.
- 7 (a) If the dissolved district has bonds or other obligations
- 8 outstanding secured by and payable from assessments or other
- 9 revenue, the city shall succeed to the rights and obligations of the
- 10 district regarding enforcement and collection of the assessments or
- 11 other revenue.
- 12 (b) The city shall have and exercise all district powers to
- 13 enforce and collect the assessments or other revenue to pay:
- (1) the bonds or other obligations when due and
- 15 payable according to their terms; or
- 16 (2) special revenue or assessment bonds or other
- 17 obligations issued by the city to refund the outstanding bonds or
- 18 obligations.
- 19 Sec. 3952.353. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
- 20 After the city dissolves the district, the city assumes the
- 21 obligations of the district, including any bonds or other debt
- 22 payable from assessments or other district revenue.
- (b) If the city dissolves the district, the board shall
- 24 transfer ownership of all district property to the city.
- 25 SECTION 2. The Midlothian Municipal Management District No.
- 26 3 initially includes all the territory contained in the following
- 27 area:

LEGAL LAND DESCRIPTION

BEING 175.834 acres (7,659,336 square feet) in the 2 William W. Rawls Survey, Abstract No. 915, Benjamin F. 3 Hawkins Survey, Abstract Number 464, Marcellus T. 4 Hawkins Survey, Abstract No. 463, and John M. Garvin 5 Survey, Abstract No. 424, Ellis County, Texas; being a 6 175.834 acres (7,659,336 square feet) of land being 7 all of that certain tract of land described in a 8 Warranty Deed to Hawkins Midlothian Special 9 Development, LLC (hereinafter referred to as Hawkins 10 Development tract), as recorded Midlothian 11 Instrument Number 1521607, Official Public Records, 12 Ellis County, Texas (O.P.R.E.C.T.); said 175.834 acres 13 (7,659,336 square feet) being more particularly 14 described, by metes and bounds, as follows: 15 BEGINNING at a 60D nail found for the Westerly 16 of said Hawkins Midlothian Southwest corner 17 Development tract, same being the existing Easterly 18 right-of-way line of F.M. Road 663 (80' right-of-way), 19 as recorded in Volume 387, Page 161, Deed Records, 20 Ellis County, Texas (D.R.E.C.T.), same also being the 21 North line of Lawson Farms - Phase One (hereinafter 22 referred to as Lawson Farms - Phase One), an addition 23 to the City of Midlothian, Ellis County, Texas, 24 according to the plat recorded in Cabinet G, Slide 388, 25 Plat Records, Ellis County, Texas, from which the 26 Northwest corner of Lot 20, Block 1 of said Lawson 27

1

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Farms - Phase One bears North 89 degrees 45 minutes 57
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- 2 seconds East, a distance of 13.69 feet;
- 3 THENCE North 05 degrees 16 minutes 20 seconds East,
- 4 departing the North line of said Lawson Farms Phase
- 5 One and with the common line between said Hawkins
- 6 Midlothian Development tract and the existing Easterly
- 7 right-of-way line of said F.M. Road 663, a distance of
- 8 575.72 feet to a five-eighths inch iron rod found for
- 9 the Southerly corner of that certain tract of land
- 10 described in a Deed to the State of Texas for
- 11 right-of-way of said F.M. Road 663, as recorded in
- 12 Volume 1465, Page 1208, D.R.E.C.T.;
- 13 THENCE with the common line between the remainder of
- 14 said Hawkins Midlothian Development tract and the
- existing Easterly right-of-way line of said F.M. Road
- 16 663 for the following 7 courses:
- 1. North 08 degrees 21 minutes 23 seconds East, a
- distance of 200.25 feet to a fence post found for
- 19 corner;
- 20 2. North 06 degrees 48 minutes 13 seconds East, a
- 21 distance of 85.00 feet to a five-eighths inch iron rod
- 22 found for corner;
- 3. North 09 degrees 25 minutes 21 seconds East, a
- 24 distance of 85.00 feet to a five-eighths inch iron rod
- 25 found for corner;
- 4. North 12 degrees 02 minutes 28 seconds East, a
- distance of 85.00 feet to a one-half inch iron rod with

```
plastic cap stamped "VOTEX" found for corner;
 1
             North 14 degrees 39 minutes 36 seconds East, at a
 2
          distance of 6.91 feet, pass a TxDOT monument found for
 3
          the Southeast corner that certain tract of land
 4
          described in a Deed to the State of Texas for
 5
         right-of-way of said F.M. Road 663, as recorded in
 6
         Volume 1747, Page 1109, D.R.E.C.T, and continue a
          total distance of 85.00 feet to a one-half inch iron
 8
          rod with plastic cap stamped "VOTEX" found for corner;
 9
             North 17 degrees 16 minutes 43 seconds East, a
10
          distance of 85.00 feet to a one-half inch iron rod with
11
         plastic cap stamped "VOTEX" found for corner;
12
13
          7. North 19 degrees 53 minutes 51 seconds East, a
         distance of 52.97 feet to a one-half inch iron rod with
14
         plastic cap stamped "VOTEX" found for corner, same
15
         being the Westerly Northwest corner of said Hawkins
16
         Midlothian Development tract and the Southwest corner
17
          of the remainder of that certain tract of land
18
          described in a deed to Wilbur L. Stephenson and Wife
19
                   Stephenson (hereinafter referred to
20
          Stephenson tract), as recorded in Volume 1866, Page
21
22
          2280, D.R.E.C.T.;
         THENCE South 68 degrees 03 minutes 05 seconds East,
23
          departing the existing Easterly right-of-way line of
24
          said F.M. Road 663 and with the common line between
25
          said Hawkins Midlothian Development tract and the
26
          remainder of said Stephenson tract, a distance of
```

27

337.59 feet to a one-half inch iron rod with plastic 1 cap stamped "VOTEX" found for the beginning of a curve 2 to the left, whose long chord bears South 79 degrees 19 3 minutes 22 seconds East, a distance of 390.93 feet; 4 THENCE Easterly continue with the common line between 5 said Hawkins Midlothian Development tract and the 6 remainder of said Stephenson tract and with said curve to the left having a radius of 1000.00 feet, through a 8 central angle of 22 degrees 32 minutes 39 seconds, for 9 an arc distance of 393.47 feet to a one-half inch iron 10 rod with plastic cap stamped "VOTEX" found for the end 11 12 of said curve; THENCE North 89 degrees 24 minutes 17 seconds East 13 continue with the common line between said Hawkins 14 Midlothian Development tract and the remainder of said 15 Stephenson tract and generally with a fence line, a 16 distance of 1149.39 feet to a fence post for an 17 of said Hawkins Midlothian inner-ell corner 18 19 Development tract; THENCE North 01 degree 48 minutes 16 seconds West with 20 the common line between said Hawkins Midlothian 21 Development tract and said Stephenson tract, 22 distance of 45.01 feet to a one-half inch iron rod with 23 plastic cap stamped "VOTEX" found for the Southwest 24 corner of that certain tract of land described in a 25 Special Warranty Deed to The Board of Trustees of the 26 Midlothian Independent School District (hereinafter 27

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referred to as MISD tract), as recorded in Instrument
 1
          Number 1522030, O.P.R.E.C.T.;
 2
          THENCE North 89 degrees 23 minutes 54 seconds East,
 3
          departing the Easterly line of said Stephenson tract
 4
          and with the common line between said Hawkins
 5
          Midlothian Development tract and said MISD tract, a
 6
          distance of 474.84 feet to a one-half inch iron rod
 7
          with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
 8
          found for the Southerly Southeast corner of said MISD
 9
          tract;
10
          THENCE North 44 degrees 18 minutes 23 seconds East
11
          continue with the common line between said Hawkins
12
          Midlothian Development tract and said Hawkins Meadow
13
          tract, a distance of 63.58 feet to a one-half inch iron
14
          rod with yellow plastic cap stamped "VOTEX R.P.L.S.
15
          4813" found for the Easterly Southeast corner of said
16
          Hawkins Meadow tract;
17
18
          THENCE North 00 degrees 47 minutes 14 seconds West,
          continue with the common line between said Hawkins
19
          Midlothian Development tract and said MISD tract, a
20
          distance of 1004.02 feet to a one-half inch iron rod
21
          with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
22
          found for the Northeast corner of said MISD tract;
23
24
          THENCE South 88 degrees 44 minutes 42 seconds West
          continue with the common line between said Midlothian
25
          Development tract and said MISD tract, a distance of
26
          30.26 feet to a three-quarter inch iron rod found for
27
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```
an angle point on the West line of said Hawkins
 1
         Midlothian Development tract;
 2
          THENCE North 01 degree 36 minutes 49 seconds West,
 3
          departing the North line of said MISD tract and with
 4
          the West line of said Hawkins Midlothian Development
 5
          tract, a distance of 574.65 feet to a three-quarters
6
          inch pipe found for the Northwest corner of said
 7
         Hawkins Midlothian Development tract;
8
         THENCE South 89 degrees 25 minutes 31 seconds East with
9
          a Nand the existing South right-of-way line of said Mt.
10
          Zion Road, a distance of 56.72 feet to a one-half inch
11
          iron rod with yellow plastic cap stamped "VOTEX
12
         R.P.L.S. 4813" found for the beginning of
13
         non-tangent curve to the left, whose long chord bears
14
          South 14 degrees 42 minutes 34 seconds East, a distance
15
         of 103.35 feet;
16
         THENCE with a Northerly line of said Hawkins
17
18
         Midlothian Development tract for the following 6
19
         courses:
                                              existing
          1. Southerly,
                           departing
                                     the
20
          right-of-way line of said Mt. Zion Road and with said
21
         non-tangent curve to the left having a radius of
22
          1000.00 feet, through a central angle of 5 degrees 55
23
         minutes 26 seconds, for an arc distance of 103.39 feet
24
25
          to a one-half inch iron rod with yellow plastic cap
          stamped "VOTEX R.P.L.S. 4813" found for the beginning
26
          of a reverse curve whose long chord bears South 09
27
```

- degrees 34 minutes 03 seconds East, a distance of 307.31 feet;
- 3 2. Southerly with said reverse curve having a radius
- of 1090.00 feet, through a central angle of 16 degrees
- 5 12 minutes 28 seconds, for an arc distance of 308.34
- feet to a one-half inch iron rod with yellow plastic
- 7 cap stamped "VOTEX R.P.L.S. 4813" found for corner;
- 8 3. North 88 degrees 57 minutes 58 seconds East, a
- 9 distance of 170.22 feet to a one-half inch iron rod
- with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- 11 found for corner;
- 12 4. North 00 degrees 18 minutes 59 seconds West, a
- distance of 255.12 feet to a one-half inch iron rod
- with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- 15 found for corner;
- 5. South 89 degrees 41 minutes 01 second West, a
- distance of 113.27 feet to a one-half inch iron rod
- with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- 19 found for corner;
- 20 6. North 00 degrees 18 minutes 59 seconds West, a
- distance of 139.90 feet to a one-half inch iron rod
- with yellow plastic cap stamped "VOTEX R.P.L.S. 4813"
- found for the existing South right-of-way line of said
- 24 Mt. Zion Road, same being the beginning of a
- 25 non-tangent curve to the right, whose long chord bears
- South 74 degrees 38 minutes 51 seconds East, a distance
- 27 of 227.69 feet;

THENCE Easterly with the common line between said 1 Hawkins Midlothian Development tract and the existing 2 South right-of-way line of Mt. Zion Road and with said 3 non-tangent curve to the right having a radius of 4 755.00 feet, through a central angle of 17 degrees 20 5 minutes 43 seconds, for an arc distance of 228.56 feet 6 to a five-eighths inch iron rod with plastic cap 7 stamped "RPLS 4838" set for corner; 8 THENCE South 67 degrees 58 minutes 31 seconds East 9 continue with the common line between said Hawkins 10 Midlothian Development tract and the existing South 11 right-of-way line of Mt. Zion Road, a distance of 12 460.94 feet to a five-eighths inch iron rod with 13 plastic cap stamped "RPLS 4838" set for the beginning 14 of a curve to the left, whose long chord bears South 68 15 degrees 55 minutes 06 seconds East, a distance of 86.66 16 17 feet; 18 THENCE Southeasterly continue with the common line between said Hawkins Midlothian Development tract and 19 the existing South right-of-way line of Mt. Zion Road 20 and with said curve to the left having a radius of 21 842.75 feet, through a central angle of 5 degrees 53 22 minutes 40 seconds, for an arc distance of 86.70 feet 23 to a five-eighths inch iron rod with plastic cap 24 stamped "RPLS 4838" set for the Northerly Northeast 25 corner of said Hawkins Midlothian Development tract; 26 THENCE South 00 degrees 13 minutes 36 seconds West with 27

Easterly line of said Hawkins Midlothian 1 an Development tract, passing at a distance of 9.50 feet, 2 the Northwest corner of that certain tract of land 3 described in a General Warranty Deed to Midlothian 4 Economic Development (hereinafter referred to as 5 Midlothian Economic Development tract/), as recorded in 6 Instrument Number 1517886, O.P.R.E.C.T. and continue 7 with said course and the common line between said 8 Hawkins Midlothian Development tract and Midlothian 9 Economic Development tract for a total distance of 10 241.18 feet to a one inch iron pipe found for an 11 inner-ell corner of said Hawkins Midlothian 12 Development tract, same being the Southwest corner of 13 said Midlothian Economic Development tract; 14 THENCE South 89 degrees 55 minutes 29 seconds East 15 continue with the common line between said Hawkins 16 Midlothian Development tract and said Midlothian 17 Economic Development tract, a distance of 188.11 feet 18 to a five-eighths inch iron rod found for an angle 19 point in a Northerly line of said Hawkins Midlothian 20 Development tract, same being the Southeasterly corner 21 of said Midlothian Economic Development tract; 22 THENCE North 89 degrees 29 minutes 47 seconds East with 23 24 Northerly line of said Hawkins Midlothian Development tract, passing at a distance of 93.18 25 feet, the Southwest corner of that certain tract of 26 land described in a deed to Christina Marie Luther 27

(hereinafter referred to as Luther tract), as recorded 1 in Volume 1652, Page 287, O.P.R.E.C.T. and continue 2 with said course and the common line between said 3 Hawkins Midlothian Development tract and said Luther 4 tract for a total distance of 380.22 feet to a fence 5 post found for the Easterly Northeast corner of said 6 Hawkins Midlothian Development tract, same being the Southeast corner of said Luther tract; 8 THENCE South 02 degrees 37 minutes 04 seconds East with 9 the East line of said Hawkins Midlothian Development 10 tract, passing at a distance of 155.04 feet, the 11 Northwest corner of that certain tract of land 12 13 described in a General Warranty Deed with Third Party Vendor's Lien to Lee Morgan Whitehead and wife, Deborah 14 Lei Whitehead (hereinafter referred to as Whitehead 15 tract), as recorded in Volume 2555, Page 1721, 16 O.P.R.E.C.T. and continue with said course and the 17 Hawkins Midlothian 18 common line between said 19 Development tract and said Whitehead tract for a total distance of 675.55 feet to a five-eighths inch pipe 20 found for the Easterly Southeast corner of said 21 Hawkins Midlothian Development tract, same being the 22 Southwest corner of said Whitehead tract, same being 23 the North line of that certain tract of land described 24 in a deed to Billy Ray Brandon (hereinafter referred to 25 as Brandon tract), as recorded in Volume 548, Page 79, 26 Deed Records, Ellis County, Texas (D.R.E.C.T.); 27

THENCE South 89 degrees 36 minutes 52 seconds West with 1 common line between said Hawkins Midlothian 2 Development tract and said Brandon tract, a distance 3 of 571.25 feet to a five-eighths inch iron pipe found 4 for an inner-ell corner of said Hawkins Midlothian 5 Development tract, same being the Northwest corner of 6 said Brandon tract; THENCE South 01 degree 30 minutes 18 seconds East 8 continue with the common line between said Hawkins 9 Midlothian Development tract and said Brandon tract, 10 passing at a distance of 660.17 feet, the Southwest 11 corner of said Brandon tract, same being the Northwest 12 corner of that certain tract of land described in a 13 Warranty Deed to City of Midlothian (hereinafter 14 referred to as City of Midlothian tract), as recorded 15 in Volume 2540, Page 2088, D.R.E.C.T. and continue 16 with said course and the common line between said 17 Hawkins Midlothian Development tract and said City of 18 Midlothian tract, passing at a distance of 1980.54 19 feet, the Southwest corner of said City of Midlothian 20 tract, same being the Northerly Northwest corner of 21 that certain tract of land described as Lakegrove 22 (hereinafter referred to as Lakegrove), an addition to 23 Ellis County, Texas, according to the plat recorded in 24 Cabinet A, Page 753, P.R.E.C.T. and continue with said 25 course for a total distance of 3388.12 feet to a fence 26 post found for the Southeast corner of said Hawkins 27

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Midlothian Development tract, same being an inner-ell
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 2
         corner of said Lakegrove;
         THENCE South 88 degrees 56 minutes 48 seconds West
 3
         continue with the common line between said Hawkins
 4
         Midlothian Development tract and said Lakegrove,
5
         passing at a distance of 361.12 feet, the Westerly
6
         Northwest corner of said Lakegrove, same being the
7
         Northeast corner of that certain tract of land
8
         described in a deed to the City of Midlothian
9
         (hereinafter referred to as City of Midlothian 2
10
         tract), as recorded in Volume 2540, Page 1952,
11
         D.R.E.C.T., and continue with said course and the
12
                 line between said Hawkins Midlothian
         common
13
         Development tract and said City of Midlothian 2 tract
14
         for a total distance of 452.58 feet to a five-eighths
15
         inch iron rod with plastic cap stamped "RPLS 4838" set
16
         for corner;
17
         THENCE South 86 degrees 33 minutes 50 seconds West,
18
         continue with the common line between said Hawkins
19
         Midlothian Development tract and said City of
20
         Midlothian 2 tract, a distance of 380.52 feet to a
21
         one-half inch iron rod found for the Southerly
22
                                 said Hawkins Midlothian
         Southwest
                    corner
                             of
23
24
         Development tract;
         THENCE North 01 degree 50 minutes 27 seconds East,
25
         continue with the common line between said Hawkins
26
27
         Midlothian Development tract and said City of
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Midlothian 2 tract, a distance of 562.86 feet to a 1 one-half inch iron rod found for corner; 2 THENCE South 89 degrees 50 minutes 48 seconds West, 3 continue with the common line between said Hawkins 4 Midlothian Development tract and said City of 5 Midlothian 2 tract, passing at a distance of 456.78 6 7 feet, the Northeast corner of Lot 32, Block 2 of that certain tract of land described as Lawson Farms - Phase 8 2A (hereinafter referred to as Lawson Farms - Phase 9 2A), an addition to the City of Midlothian, Ellis 10 County, Texas, according to the plat recorded in 11 Cabinet H, Page 252, P.R.E.C.T., and continue with 12 said course and with the common line between said 13 Hawkins Midlothian Development tract and said Lawson 14 Farms - Phase 2A, a total distance of 620.49 feet to a 15 one-half inch iron rod found for corner; 16 THENCE North 00 degrees 20 minutes 17 seconds West 17 continue with the common line between said Hawkins 18 19 Midlothian Development tract and said Lawson Farms -Phase 2A, passing at a distance of 154.34 feet, a 20 Northerly corner of said Lawson Farms - Phase 2A, same 21 being the Southeast corner of the remainder of that 22 certain tract of land described in a deed to SKJ Lawson 23 Farms Development, L.P., (hereinafter referred to as 24 SKJ Lawson Farms Development tract), as recorded in 25 Volume 2005, Page 2309, O.P.R.E.C.T. and continue with 26 said course and the common line between said Hawkins 27

Midlothian Development tract and the remainder of said SKJ Lawson Farms Development tract for a total distance of 1330.40 feet to a one-half inch iron rod found for an inner-ell corner of said Hawkins Midlothian Development tract, same being the Northeast corner of said SKJ Lawson Farms Development tract; THENCE South 89 degrees 45 minutes 57 seconds West with the common line between said Hawkins Midlothian and said SKJ Lawson Development tract Farms Development tract, passing at a distance of 1209.51 feet, a one-half inch iron rod found for the Northeast corner of the aforesaid Lawson Farms - Phase One and continue with said course and the common line between said Hawkins Midlothian Development tract and said Lawson Farms - Phase One, for a total distance of 2082.59 feet to the PLACE OF BEGINNING, and containing a calculated area of 175.834 acres (7,659,336 square feet) of land.

SAVE AND EXCEPT

LEGAL LAND DESCRIPTION:

BEING 4.339 acres or (188,987 square feet) in the Marcellus T. Hawkins Survey, Abstract No. 463 and Benjamin F. Hawkins Survey, Abstract No. 464, Ellis County, Texas; said 4.339 acres or (188,987 square feet) of land being all of that certain tract of land described in a Correction Warranty Deed to James Marcus Pitts, as recorded in Volume 2132, Page 442,

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Official
                   Public Records, Ellis County,
                                                          Texas
 1
          (O.P.R.E.C.T.); said 4.339 acres or (188,987 square
 2
          feet) of land being all of that certain tract of land
 3
          described as SAVE AND EXCEPT TRACT in a Special
 4
          Warranty Deed to Hawkins Midlothian Development, LLC
 5
          (hereinafter referred to as SAVE AND EXCEPT TRACT), as
 6
          recorded in Instrument Number 1521607, O.P.R.E.C.T.;
 7
          said 4.339 acres or (188,987 square feet) being more
 8
          particularly described, by metes and bounds, as
 9
10
         follows:
          BEGINNING at a three-quarters inch iron rod found for
11
          the Northwest corner of said SAVE AND EXCEPT TRACT,
12
          same being an inner-ell corner of that certain tract of
13
          land described in a Special Warranty Deed to Hawkins
14
          Midlothian Development, LLC (hereinafter referred to
15
          as Hawkins Midlothian Development tract), as recorded
16
          in Instrument Number 1521607, O.P.R.E.C.T.;
17
          THENCE North 89 degrees 47 minutes 57 seconds East with
18
          the common line between said SAVE AND EXCEPT TRACT and
19
          said Hawkins Midlothian Development tract, a distance
20
          of 477.86 feet to a three-eighths inch iron rod found
21
          for the Northeast corner of said SAVE AND EXCEPT TRACT,
22
          same being an inner-ell corner of said Hawkins
23
          Midlothian Development tract;
24
25
          THENCE South 02 degrees 32 minutes 45 seconds West
          continue with the common line between said SAVE AND
26
          EXCEPT TRACT and said Hawkins Midlothian Development
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tract, a distance of 399.01 feet to a one-half inch
 1
          iron rod found for the Southeast corner of said SAVE
 2
          AND EXCEPT TRACT, same being an inner-ell corner of
 3
          said Hawkins Midlothian Development tract;
 4
          THENCE South 87 degrees 30 minutes 51 seconds West
 5
          continue with the common line between said SAVE AND
 6
          EXCEPT TRACT and said Hawkins Midlothian Development
 7
          tract, a distance of 450.20 feet to a five-eighths inch
 8
          iron rod with plastic cap stamped "RPLS 4838" set for
 9
          the Southwest corner of said SAVE AND EXCEPT TRACT,
10
          same being an inner-ell corner of said Hawkins
11
          Midlothian Development tract;
12
          THENCE North 01 degree 25 minutes 30 seconds West
13
          continue with the common line between said SAVE AND
14
          EXCEPT TRACT and said Hawkins Midlothian Development
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          tract, a distance of 416.60 feet to the PLACE OF
16
          BEGINNING, and containing a calculated area of 4.339
17
          acres or (188,987 square feet) of land.
18
19
         LEAVING A NET ACREAGE OF 171.496 ACRES or (7,470,349
20
          SQUARE FEET).
          SECTION 3. (a)
                            The legal notice of the intention to
21
    introduce this Act, setting forth the general substance of this
22
   Act, has been published as provided by law, and the notice and a
23
   copy of this Act have been furnished to all persons, agencies,
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   officials, or entities to which they are required to be furnished
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   under Section 59, Article XVI, Texas Constitution, and Chapter 313,
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Government Code.

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- 1 (b) The governor, one of the required recipients, has
- 2 submitted the notice and Act to the Texas Commission on
- 3 Environmental Quality.
- 4 (c) The Texas Commission on Environmental Quality has filed
- 5 its recommendations relating to this Act with the governor,
- 6 lieutenant governor, and speaker of the house of representatives
- 7 within the required time.
- 8 (d) The general law relating to consent by political
- 9 subdivisions to the creation of districts with conservation,
- 10 reclamation, and road powers and the inclusion of land in those
- 11 districts has been complied with.
- 12 (e) 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 4. This Act takes effect immediately if it receives
- 17 a vote of two-thirds of all the members elected to each house, as
- 18 provided by Section 39, Article III, Texas Constitution. If this
- 19 Act does not receive the vote necessary for immediate effect, this
- 20 Act takes effect September 1, 2017.

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: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Midlothian Municipal Management District No. 3. The district would have authority of a water district and a road district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, 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

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: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), 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 Midlothian Municipal Management District No. 3. The district would have authority of a water district and a road district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, 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

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: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Midlothian Municipal Management District No. 3. The district would have authority of a water district, road district, public improvement district, and a municipal management district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, 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

FISCAL NOTE, 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: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose

assessments, fees, or taxes.), As Introduced

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the Midlothian Municipal Management District No. 3. The district would have authority of a water district, road district, public improvement district, and a municipal management district. The district would have authority to issue bonds and other obligations. The district would have authority to impose an ad valorem tax.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, 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

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: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), 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 amends the Special District Local Laws code by adding Chapter 3952 which creates Midlothian Municipal Management District No. 3 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375, a standard municipal utility district under Water Code Chapters 49 and 54, and a standard road utility district under Section 52(b), Article III, Texas Constitution, including chapter 441, Transportation 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 4347, 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 0.27 square miles in northwestern Ellis County, located partially within the city limits of the City of Midlothian along Farm to Market Road 663. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by the City of Midlothian, Sardis-Lone Elm WSC, or Mountain Peak SUD.

Comments on Powers/Duties Different from Similar Types of Districts: House Committee Substitute 2 adds section 3952.007, applicability of municipal management district law: except as provided by this chapter, Chapter 375, Local Government Code, applies to the District. 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. Local Government Code Section 375.069 states 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; House Committee Substitute 2 specifies that this section does not apply to the board. Local Government Code Section 375.070 states 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; House Committee Substitute 2 specifies that this section does not apply to the board. House Committee Substitute 2 removes Section 3952.101 stating that an improvement project may be located inside or outside the District. The substitute removes Public Improvement District powers. The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board in the manner provided by Local Government Code Section 375.14. The substitute removes the provision stating that Local Government Code Section 372.023 does not apply to the District. The substitute removes the provision stating that Local Government Code Section 375.161 does not apply to the District.

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 from a list of persons recommended by the board; 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 bill specifies that the District may adopt rules to administer or operate the district and enforce its rules by injunctive relief; the District may not exercise the power of eminent domain; 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; complies with the development agreement and consent application agree to the project or service, in writing; and is authorized by an ordinance of the city that consents to the creation of the District; the bill specifies that planning, design, construction, improvement, or maintenance of a lake includes work done for drainage, reclamation, or recreation; the bill specifies that the District may contract with any person to accomplish any district purpose; before the District may issue bonds, impose taxes or assessments, or borrow money, the District must obtain city confirmation that the development agreement and consent application are enforceable and no defaults are known; the District may impose an assessment on property in the District if the assessment is authorized by an ordinance of the city to pay the cost or the cost of maintenance of any authorized district improvement; this bill specifies that Local Government Code Section 372.023(e), that states that the interest rate on unpaid amounts due under an installment sales contract, reimbursement agreement, temporary note, or time warrant of costs payable from a special assessment that is payable in installments, does not apply to the District; 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 bill specifies that the District may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments; Local Government Code Section 375.208 states that a District must obtain approval from the TCEO if it issues bonds to provide, water, wastewater, or drainage facilities; Texas Water Code Chapter 49.181 and 49.182 state that a District may not issue bonds without TCEQ approval of feasibility and no substantial alterations may be made in the plans and specifications without the approval of the TCEQ; the bill specifies that these sections do not apply to the District; the District may 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 4347 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

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: HB4347 by Wray (Relating to the creation of the Midlothian Municipal Management District No. 3; providing authority to issue bonds; providing authority to impose assessments, fees, or taxes.), **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 amends the Special District Local Laws code by adding Chapter 3952 which creates Midlothian Municipal Management District No. 3 (District) with the powers and duties of a standard municipal management district under Local Government Code Chapter 375, a standard municipal utility district under Water Code Chapters 49 and 54, a standard road utility district under Section 52(b), Article III, Texas Constitution, including chapter 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 4347, 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 0.27 square miles in northwestern Ellis County, located partially within the city limits of the City of Midlothian along Farm to Market Road 663. The proposed district may overlap portions of an existing Certificate of Convenience and Necessity (CCN) boundary held by the City of Midlothian, Sardis-Lone Elm WSC, or Mountain Peak SUD.

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 from a list of persons recommended by the board; 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 bill specifies that the District may adopt rules to administer or operate the district and enforce its rules by injunctive relief; the District may not exercise the power of eminent domain; 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; complies with the development agreement and consent application agree to the project or service, in writing; and is authorized by an ordinance of the city that consents to the creation of the District; the bill specifies that planning, design, construction, improvement, or maintenance of a lake includes work done for drainage, reclamation, or recreation; the bill specifies that the District may contract with any person to accomplish any district purpose; before the District may issue bonds, impose taxes or assessments, or borrow money, the District must obtain city confirmation that the development agreement and consent application are enforceable and no defaults are known; the District may impose an assessment on property in the District if the assessment is authorized by an ordinance of the city to pay the cost or the cost of maintenance of any authorized district improvement; this bill specifies that Local Government Code Section 372.023(e), that states that the interest rate on unpaid amounts due under an installment sales contract, reimbursement agreement, temporary note, or time warrant of costs payable from a special assessment that is payable in installments, does not apply to the District; 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 bill specifies that the District may issue bonds, notes, or other obligations payable wholly or partly from ad valorem taxes or assessments; Local Government Code Section 375.208 states that a District must obtain approval from the TCEO if it issues bonds to provide, water, wastewater, or drainage facilities; Texas Water Code Chapter 49.181 and 49.182 state that a District may not issue bonds without TCEQ approval of feasibility and no substantial alterations may be made in the plans and specifications without the approval of the TCEQ; the bill specifies that these sections do not apply to the District; the District may 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 4347 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

Page 3 of 3