

By: Zaffirini

S.B. No. 3047

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Pura Vida Municipal Management District No. 1; providing authority to issue bonds; providing authority to impose assessments, fees, and taxes; granting a limited power of eminent domain.

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

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 4013 to read as follows:

CHAPTER 4013. PURA VIDA MUNICIPAL MANAGEMENT DISTRICT NO. 1

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 4013.0101. DEFINITIONS. In this chapter:

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

(2) "City" means the City of Mustang Ridge.

(3) "Director" means a board member.

(4) "District" means the Pura Vida Municipal Management District No. 1.

Sec. 4013.0102. NATURE OF DISTRICT. The Pura Vida Municipal Management District No. 1 is a special district created under Section 59, Article XVI, Texas Constitution.

Sec. 4013.0103. PURPOSE; DECLARATION OF INTENT. (a) The creation of the district is essential to accomplish the purposes of Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution, and other public purposes stated in this chapter.

1        (b) By creating the district and in authorizing the city and  
2 other political subdivisions to contract with the district, the  
3 legislature has established a program to accomplish the public  
4 purposes set out in Section 52-a, Article III, Texas Constitution.

5        (c) The creation of the district is necessary to promote,  
6 develop, encourage, and maintain employment, commerce,  
7 transportation, housing, tourism, recreation, the arts,  
8 entertainment, economic development, safety, and the public  
9 welfare in the district.

10       (d) This chapter and the creation of the district may not be  
11 interpreted to relieve the city from providing the level of  
12 services provided as of the effective date of the Act enacting this  
13 chapter to the area in the district. The district is created to  
14 supplement and not to supplant city services provided in the  
15 district.

16       Sec. 4013.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

17       (a) All land and other property included in the district will  
18 benefit from the improvements and services to be provided by the  
19 district under powers conferred by Sections 52 and 52-a, Article  
20 III, and Section 59, Article XVI, Texas Constitution, and other  
21 powers granted under this chapter.

22       (b) The district is created to serve a public use and  
23 benefit.

24       (c) The creation of the district is in the public interest  
25 and is essential to further the public purposes of:

26           (1) developing and diversifying the economy of the  
27 state;

1           (2) eliminating unemployment and underemployment; and  
2           (3) developing or expanding transportation and  
3 commerce.

4           (d) The district will:

5           (1) promote the health, safety, and general welfare of  
6 residents, employers, potential employees, employees, visitors,  
7 and consumers in the district, and of the public;

8           (2) provide needed funding for the district to  
9 preserve, maintain, and enhance the economic health and vitality of  
10 the district territory as a community and business center;

11           (3) promote the health, safety, welfare, and enjoyment  
12 of the public by providing pedestrian ways and by landscaping and  
13 developing certain areas in the district, which are necessary for  
14 the restoration, preservation, and enhancement of scenic beauty;  
15 and

16           (4) provide for water, wastewater, drainage, road, and  
17 recreational facilities for the district.

18           (e) Pedestrian ways along or across a street, whether at  
19 grade or above or below the surface, and street lighting, street  
20 landscaping, parking, and street art objects are parts of and  
21 necessary components of a street and are considered to be a street  
22 or road improvement.

23           (f) The district will not act as the agent or  
24 instrumentality of any private interest even though the district  
25 will benefit many private interests as well as the public.

26           Sec. 4013.0105. INITIAL DISTRICT TERRITORY. (a) The  
27 district is initially composed of the territory described by

Section 2 of the Act enacting this chapter.

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

(1) organization, existence, or validity;

(2) right to issue any type of bonds for the purposes for which the district is created or to pay the principal of and interest on the bonds;

(3) right to impose or collect an assessment or tax; or

(4) legality or operation.

Sec. 4013.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

All or any part of the area of the district is eligible to be included in:

(1) a tax increment reinvestment zone created under Chapter 311, Tax Code; or

(2) a tax abatement reinvestment zone created under Chapter 312, Tax Code.

Sec. 4013.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 4013.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 4013.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors who serve staggered

1 terms of four years.

2 (b) Directors are elected in the manner provided by  
3 Subchapter D, Chapter 49, Water Code.

4 Sec. 4013.0202. COMPENSATION; EXPENSES. (a) The district  
5 may compensate each director in an amount not to exceed \$150 for  
6 each board meeting. The total amount of compensation for each  
7 director in one year may not exceed \$7,200.

8 (b) A director is entitled to reimbursement for necessary  
9 and reasonable expenses incurred in carrying out the duties and  
10 responsibilities of the board.

11 (c) Sections 375.069 and 375.070, Local Government Code, do  
12 not apply to the board.

13 Sec. 4013.0203. TEMPORARY DIRECTORS. (a) On or after the  
14 effective date of the Act enacting this chapter, the owner or owners  
15 of a majority of the assessed value of the real property in the  
16 district according to the most recent certified county tax  
17 appraisal roll may submit a petition to the Texas Commission on  
18 Environmental Quality requesting that the commission appoint as  
19 temporary directors the five persons named in the petition. The  
20 commission shall appoint as temporary directors the five persons  
21 named in the petition.

22 (b) The temporary or successor temporary directors shall  
23 hold an election to elect five permanent directors as provided by  
24 Section 4013.0201.

25 (c) Temporary directors serve until the earlier of:

26 (1) the date permanent directors are elected under  
27 Subsection (b); or

1           (2) the fourth anniversary of the effective date of  
2 the Act enacting this chapter.

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

8                 (1) the date permanent directors are elected under  
9 Subsection (b); or

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

12           (e) If Subsection (d) applies, the owner or owners of a  
13 majority of the assessed value of the real property in the district  
14 according to the most recent certified county tax appraisal roll  
15 may submit a petition to the Texas Commission on Environmental  
16 Quality requesting that the commission appoint as successor  
17 temporary directors the five persons named in the petition. The  
18 commission shall appoint as successor temporary directors the five  
19 persons named in the petition.

20                         SUBCHAPTER C. POWERS AND DUTIES

21           Sec. 4013.0301. GENERAL POWERS AND DUTIES. The district  
22 has the powers and duties necessary to accomplish the purposes for  
23 which the district is created.

24           Sec. 4013.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The  
25 district, using any money available to the district for the  
26 purpose, may provide, design, construct, acquire, improve,  
27 relocate, operate, maintain, or finance an improvement project or

service authorized under this chapter or Chapter 375, Local Government Code.

(b) The district may contract with a governmental or private entity to carry out an action under Subsection (a).

(c) The implementation of a district project or service is a governmental function or service for the purposes of Chapter 791, Government Code.

Sec. 4013.0303. NONPROFIT CORPORATION. (a) The board by resolution may authorize the creation of a nonprofit corporation to assist and act for the district in implementing a project or providing a service authorized by this chapter.

(b) The nonprofit corporation:

(1) has each power of and is considered to be a local government corporation created under Subchapter D, Chapter 431, Transportation Code; and

(2) may implement any project and provide any service authorized by this chapter.

(c) The board shall appoint the board of directors of the nonprofit corporation. The board of directors of the nonprofit corporation shall serve in the same manner as the board of directors of a local government corporation created under Subchapter D, Chapter 431, Transportation Code, except that a board member is not required to reside in the district.

Sec. 4013.0304. LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a qualified party, including the city, to provide additional law enforcement services in the district for a fee.

1       Sec. 4013.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.

2       The district may join and pay dues to a charitable or nonprofit  
3       organization that performs a service or provides an activity  
4       consistent with the furtherance of a district purpose.

5       Sec. 4013.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The

6       district may engage in activities that accomplish the economic  
7       development purposes of the district.

8       (b) The district may establish and provide for the  
9       administration of one or more programs to promote state or local  
10       economic development and to stimulate business and commercial  
11       activity in the district, including programs to:

12               (1) make loans and grants of public money; and

13               (2) provide district personnel and services.

14       (c) The district may create economic development programs  
15       and exercise the economic development powers provided to  
16       municipalities by:

17               (1) Chapter 380, Local Government Code; and

18               (2) Subchapter A, Chapter 1509, Government Code.

19       Sec. 4013.0307. PARKING FACILITIES. (a) The district may

20       acquire, lease as lessor or lessee, construct, develop, own,  
21       operate, and maintain parking facilities or a system of parking  
22       facilities, including lots, garages, parking terminals, or other  
23       structures or accommodations for parking motor vehicles off the  
24       streets and related appurtenances.

25       (b) The district's parking facilities serve the public  
26       purposes of the district and are owned, used, and held for a public  
27       purpose even if leased or operated by a private entity for a term of



1 years.

2 (c) The district's parking facilities are parts of and  
3 necessary components of a street and are considered to be a street  
4 or road improvement.

5 (d) The development and operation of the district's parking  
6 facilities may be considered an economic development program.

7 Sec. 4013.0308. DISBURSEMENTS AND TRANSFERS OF MONEY. The  
8 board by resolution shall establish the number of directors'  
9 signatures and the procedure required for a disbursement or  
10 transfer of district money.

11 Sec. 4013.0309. ADDING OR EXCLUDING LAND. Except as  
12 provided by Section 4013.0310, the district may add or exclude land  
13 in the manner provided by Subchapter J, Chapter 49, Water Code, or  
14 by Subchapter H, Chapter 54, Water Code.

15 Sec. 4013.0310. DIVISION OF DISTRICT. (a) The district may  
16 be divided into two or more new districts only if the district:

17 (1) has no outstanding bonded debt; and

18 (2) is not imposing ad valorem taxes.

19 (b) This chapter applies to any new district created by the  
20 division of the district, and a new district has all the powers and  
21 duties of the district.

22 (c) Any new district created by the division of the district  
23 may not, at the time the new district is created, contain any land  
24 outside the area described by Section 2 of the Act enacting this  
25 chapter.

26 (d) The board, on its own motion or on receipt of a petition  
27 signed by the owner or owners of a majority of the assessed value of

1 the real property in the district, may adopt an order dividing the  
2 district.

3 (e) An order dividing the district must:

4 (1) name each new district;

5 (2) include the metes and bounds description of the  
6 territory of each new district;

7 (3) appoint initial directors for each new district;  
8 and

9 (4) provide for the division of assets and liabilities  
10 between or among the new districts.

11 (f) On or before the 30th day after the date of adoption of  
12 an order dividing the district, the district shall file the order  
13 with the Texas Commission on Environmental Quality and record the  
14 order in the real property records of each county in which the  
15 district is located.

16 (g) Any new district created by the division of the district  
17 must hold an election as required by this chapter to obtain voter  
18 approval before the district may impose a maintenance tax or issue  
19 bonds payable wholly or partly from ad valorem taxes.

20 (h) Municipal consent to the creation of the district and to  
21 the inclusion of land in the district granted under Section  
22 4013.0506 acts as municipal consent to the creation of any new  
23 district created by the division of the district and to the  
24 inclusion of land in the new district.

25 Sec. 4013.0311. EMINENT DOMAIN. The district may exercise  
26 the power of eminent domain in the manner provided by Section  
27 [49.222](#), Water Code.

SUBCHAPTER D. ASSESSMENTS

Sec. 4013.0401. PETITION REQUIRED FOR FINANCING SERVICES AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a service or improvement project with assessments under this chapter unless a written petition requesting that service or improvement has been filed with the board.

(b) A petition filed under Subsection (a) must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified county tax appraisal roll.

Sec. 4013.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter in all or any part of the district.

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

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

(2) are superior to any other lien or claim other than a lien or claim for county, school district, or municipal ad valorem taxes; and

(3) are the personal liability of and a charge against the owners of the property even if the owners are not named in the assessment proceedings.

1        (c) The lien is effective from the date of the board's  
2 resolution imposing the assessment until the date the assessment is  
3 paid. The board may enforce the lien in the same manner that the  
4 board may enforce an ad valorem tax lien against real property.

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

9                    SUBCHAPTER E. TAXES AND BONDS

10        Sec. 4013.0501. TAX ELECTION REQUIRED. (a) The district  
11 must hold an election in the manner provided by Chapter 49, Water  
12 Code, or, if applicable, Chapter 375, Local Government Code, to  
13 obtain voter approval before the district may impose an ad valorem  
14 tax.

15        (b) Section 375.243, Local Government Code, does not apply  
16 to the district.

17        Sec. 4013.0502. OPERATION AND MAINTENANCE TAX. (a) If  
18 authorized by a majority of the district voters voting at an  
19 election under Section 4013.0501, the district may impose an  
20 operation and maintenance tax on taxable property in the district  
21 in the manner provided by Section 49.107, Water Code, for any  
22 district purpose, including to:

23                    (1) maintain and operate the district;

24                    (2) construct or acquire improvements; or

25                    (3) provide a service.

26        (b) The board shall determine the operation and maintenance  
27 tax rate. The rate may not exceed the rate approved at the

1 election.

2 Sec. 4013.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE  
3 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on  
4 terms determined by the board.

5 (b) The district may issue, by public or private sale,  
6 bonds, notes, or other obligations payable wholly or partly from ad  
7 valorem taxes, assessments, impact fees, revenue, contract  
8 payments, grants, or other district money, or any combination of  
9 those sources of money, to pay for any authorized district purpose.

10 (c) The limitation on the outstanding principal amount of  
11 bonds, notes, or other obligations provided by Section [49.4645](#),  
12 Water Code, does not apply to the district.

13 (d) The district may issue, by public or private sale,  
14 bonds, notes, or other obligations payable wholly or partly from  
15 assessments in the manner provided by Subchapter [A](#), Chapter [372](#),  
16 Local Government Code, if the improvement financed by the  
17 obligation issued under this section will be conveyed to or  
18 operated and maintained by a municipality or other retail utility  
19 provider pursuant to an agreement with the district entered into  
20 before the issuance of the obligation.

21 Sec. 4013.0504. BONDS SECURED BY REVENUE OR CONTRACT  
22 PAYMENTS. The district may issue, without an election, bonds  
23 secured by:

24 (1) revenue other than ad valorem taxes, including  
25 contract revenues; or

26 (2) contract payments, provided that the requirements  
27 of Section [49.108](#), Water Code, have been met.

1       Sec. 4013.0505. BONDS SECURED BY AD VALOREM TAXES;  
2 ELECTIONS. (a) If authorized at an election under Section  
3 4013.0501, the district may issue bonds payable from ad valorem  
4 taxes.

5       (b) At the time the district issues bonds payable wholly or  
6 partly from ad valorem taxes, the board shall provide for the annual  
7 imposition of a continuing direct annual ad valorem tax, without  
8 limit as to rate or amount, for each year that all or part of the  
9 bonds are outstanding as required and in the manner provided by  
10 Sections 54.601 and 54.602, Water Code.

11       (c) All or any part of any facilities or improvements that  
12 may be acquired by a district by the issuance of its bonds may be  
13 submitted as a single proposition or as several propositions to be  
14 voted on at the election.

15       Sec. 4013.0506. CONSENT OF MUNICIPALITY REQUIRED. (a) The  
16 board may not issue bonds until each municipality in whose  
17 corporate limits or extraterritorial jurisdiction the district is  
18 located has consented by ordinance or resolution to the creation of  
19 the district and to the inclusion of land in the district as  
20 required by applicable law.

21       (b) This section applies only to the district's first  
22 issuance of bonds payable from ad valorem taxes.

23               SUBCHAPTER F. SALES AND USE TAX

24       Sec. 4013.0601. MEANINGS OF WORDS AND PHRASES. A word or  
25 phrase used in this subchapter that is defined by Chapter 151 or  
26 321, Tax Code, has the meaning assigned by Chapter 151 or 321, Tax  
27 Code.

1       Sec. 4013.0602. APPLICABILITY OF CERTAIN TAX CODE  
2 PROVISIONS. (a) The provisions of Subchapters C, D, E, and F,  
3 Chapter 323, Tax Code, relating to county sales and use taxes apply  
4 to the application, collection, and administration of a sales and  
5 use tax imposed under this subchapter to the extent consistent with  
6 this chapter, as if references in Chapter 323, Tax Code, to a county  
7 referred to the district and references to a commissioners court  
8 referred to the board.

9       (b) Sections 323.401-323.404 and 323.505, Tax Code, do not  
10 apply to a tax imposed under this subchapter.

11       Sec. 4013.0603. AUTHORIZATION; ELECTION. (a) The district  
12 shall adopt, reduce, or repeal the sales and use tax authorized by  
13 this subchapter at an election in which a majority of the voters of  
14 the district voting in the election approve the adoption,  
15 reduction, or repeal of the tax, as applicable.

16       (b) The board by order shall call an election to adopt,  
17 reduce, or repeal a sales and use tax. The election shall be held on  
18 the first authorized uniform election date that occurs after the  
19 time required by Section 3.005, Election Code.

20       (c) The district shall provide notice of the election and  
21 shall hold the election in the manner prescribed by Chapter 54,  
22 Water Code, for bond elections for municipal utility districts.

23       (d) The ballots shall be printed to provide for voting for  
24 or against the following appropriate proposition:

25               (1) "Adoption of a \_\_\_\_ percent district sales and use  
26 tax in the district";

27               (2) "Reduction of the district sales and use tax in the

1 district from \_\_\_ percent to \_\_\_ percent"; or

2 (3) "Repeal of the district sales and use tax in the  
3 district."

4 Sec. 4013.0604. EFFECTIVE DATE OF TAX. A tax imposed under  
5 this subchapter or the repeal or reduction of a tax under this  
6 subchapter takes effect on the first day of the first calendar  
7 quarter that occurs after the date the comptroller receives the  
8 copy of the resolution as required by Section 323.405(b), Tax Code.

9 Sec. 4013.0605. SALES AND USE TAX RATE. (a) On adoption  
10 of the tax authorized by this subchapter, there is imposed a tax of  
11 two percent, or the maximum rate at which the combined tax rate of  
12 all local sales and use taxes in any location in the district does  
13 not exceed two percent, on the receipts from the sale at retail of  
14 taxable items in the district, and an excise tax on the use,  
15 storage, or other consumption in the district of taxable items  
16 purchased, leased, or rented from a retailer in the district during  
17 the period that the tax is in effect.

18 (b) The rate of the excise tax is the same as the rate of the  
19 sales tax portion of the tax and is applied to the sales price of the  
20 taxable item.

21 Sec. 4013.0606. EXAMINATION AND RECEIPT OF  
22 INFORMATION. The district may examine and receive information  
23 related to the imposition of a sales and use tax to the same extent  
24 as if the district were a municipality.

25 Sec. 4013.0607. ALTERNATIVE METHOD OF IMPOSITION.  
26 Notwithstanding any other provision of this subchapter, the  
27 district may impose the sales and use tax as provided by Subchapter



1 F, Chapter 383, Local Government Code, instead of as provided by the  
2 other provisions of this subchapter.

3 SUBCHAPTER G. HOTEL OCCUPANCY TAX

4 Sec. 4013.0701. DEFINITION. In this subchapter, "hotel"  
5 has the meaning assigned by Section 156.001, Tax Code.

6 Sec. 4013.0702. APPLICABILITY OF CERTAIN TAX CODE  
7 PROVISIONS. (a) In this subchapter:

8 (1) a reference in Chapter 352, Tax Code, to a county  
9 is a reference to the district; and

10 (2) a reference in Chapter 352, Tax Code, to the  
11 commissioners court is a reference to the board.

12 (b) Except as inconsistent with this subchapter, Subchapter  
13 A, Chapter 352, Tax Code, governs a hotel occupancy tax authorized  
14 by this subchapter, including the collection of the tax, subject to  
15 the limitations prescribed by Sections 352.002(b) and (c), Tax  
16 Code.

17 Sec. 4013.0703. TAX AUTHORIZED; TAX RATE. (a) The district  
18 may impose a hotel occupancy tax for the purposes described by  
19 Section 4013.0705.

20 (b) The amount of the tax may not exceed seven percent of the  
21 price paid for a room in a hotel.

22 Sec. 4013.0704. INFORMATION. The district may examine and  
23 receive information related to the imposition of hotel occupancy  
24 taxes to the same extent as if the district were a municipality.

25 Sec. 4013.0705. USE OF HOTEL OCCUPANCY TAX. (a) The  
26 district may use the proceeds from a hotel occupancy tax imposed  
27 under this subchapter for any of the district's purposes and for the

purposes described by Section 352.1015, Tax Code, to the extent the board considers appropriate.

(b) During each interval of three calendar years following the date on which a hotel occupancy tax imposed under this subchapter is initially collected, the board may not apply an annual average of more than 10 percent of the amount of tax collected under that section, excluding any interest earnings or investment profits and after a deduction for the costs of imposing and collecting the taxes, for the administrative expenses of the district or a district purpose other than:

(1) the costs of advertising and promoting tourism; or

(2) the costs of business development and commerce, including the costs of planning, designing, constructing, acquiring, leasing, financing, owning, operating, maintaining, managing, improving, repairing, rehabilitating, or reconstructing improvement projects for:

(A) conferences, conventions, meeting space, and exhibitions;

(B) manufacturer, consumer, or trade shows;

(C) hotels, lodging, and hospitality;

(D) arts and entertainment;

(E) parks and recreation;

(F) economic development; and

(G) civic, community, or institutional events.

#### SUBCHAPTER H. HOTEL AND CONVENTION CENTER PROJECTS

Sec. 4013.0801. DEFINITIONS. (a) In this subchapter, "qualified convention center facility," "qualified hotel," and

"qualified project" have the meanings assigned by Section 351.151, Tax Code.

(b) Notwithstanding Section 351.157(a), Tax Code, for purposes of a qualified project of the district, "qualified establishment" means an establishment:

(1) that is:

(A) a restaurant, bar, or retail establishment;

(B) located on land owned by the district; and

(C) constructed on or after the date the district commences a qualified project under this subchapter; and

(2) the nearest exterior wall of which is located not more than 1,000 feet from the nearest exterior wall of a qualified convention center facility or qualified hotel.

Sec. 4013.0802. HOTEL AND CONVENTION CENTER PROJECTS. (a) The board by order may authorize proceeds from the hotel occupancy tax imposed under Subchapter G of this chapter to be used for a qualified project under Subchapter C, Chapter 351, Tax Code. The use authorized by this subsection is in addition to any other use authorized by law.

(b) If the board adopts an order described by Subsection (a):

(1) a reference in Subchapter C, Chapter 351, Tax Code, to a municipality is a reference to the district; and

(2) the district is considered to be a municipality for purposes of Subchapter C, Chapter 351, Tax Code, with the same rights, privileges, and responsibilities as a municipality under that subchapter, including the ability to pledge or commit revenue

1 under Section 351.155, Tax Code, for bonds or other obligations  
2 issued for a qualified project or contractual obligations for a  
3 qualified project and to receive certain tax revenue under Sections  
4 351.156 and 351.157, Tax Code.

5 (c) In the event of a conflict between this section and  
6 another provision of this chapter, this section controls.

7 (d) The comptroller may adopt rules necessary to implement  
8 and administer this section.

9 SUBCHAPTER I. DISSOLUTION

10 Sec. 4013.0901. DISSOLUTION. (a) The board shall dissolve  
11 the district on written petition filed with the board by the owners  
12 of:

13 (1) at least two-thirds of the assessed value of the  
14 property subject to assessment by the district based on the most  
15 recent certified county property tax rolls; or

16 (2) at least two-thirds of the surface area of the  
17 district, excluding roads, streets, highways, utility  
18 rights-of-way, other public areas, and other property exempt from  
19 assessment by the district according to the most recent certified  
20 county property tax rolls.

21 (b) The board by majority vote may dissolve the district at  
22 any time.

23 (c) The district may not be dissolved by its board under  
24 Subsection (a) or (b) if the district:

25 (1) has any outstanding bonded indebtedness until that  
26 bonded indebtedness has been repaid or defeased in accordance with  
27 the order or resolution authorizing the issuance of the bonds;

1           (2) has a contractual obligation to pay money until  
2 that obligation has been fully paid in accordance with the  
3 contract; or

4           (3) owns, operates, or maintains public works,  
5 facilities, or improvements unless the district contracts with  
6 another person for the ownership, operation, or maintenance of the  
7 public works, facilities, or improvements.

8           (d) Sections [375.261](#), [375.262](#), and [375.264](#), Local  
9 Government Code, do not apply to the district.

10           SECTION 2. The Pura Vida Municipal Management District  
11 No. 1 initially includes all territory contained in the following  
12 area:

13           211.348 ACRES LAND OUT THE WILLIAM LEWIS, SR. SURVEY,  
14 ABSTRACT NO. 479 AND THE AUGUSTAS KINCHELOE SURVEY NUMBER 2,  
15 ABSTRACT NO. 457, TRAVIS COUNTY, TEXAS, BEING ALL OR A PORTION OF  
16 THE FOLLOWING EIGHT (8) TRACTS:

17           TRACT 1: A 70.887 ACRE PORTION OF THAT CERTAIN 141.321 ACRE  
18 TRACT CALLED FIRST TRACT CONVEYED TO MUSTANG RIDGE, LLC BY DEED  
19 RECORDED IN DOCUMENT NUMBER 2019142513, OFFICIAL PUBLIC RECORDS  
20 TRAVIS COUNTY, TEXAS;

21           TRACT 2: ALL OF THAT CERTAIN 23.625 ACRE TRACT DESCRIBED IN A  
22 DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2020003359,  
23 OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

24           TRACT 3: ALL OF THAT CERTAIN 0.892 ACRE TRACT CALLED SECOND  
25 TRACT DESCRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT  
26 NUMBER 2019142513, OFFICIAL PUBLIC RECORDS TRAVIS COUNTY, TEXAS;

27           TRACT 4: ALL OF THAT CERTAIN 19.283 ACRE TRACT DESCRIBED IN A

S.B. No. 3047

DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2023073358,  
OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 5: ALL OF THAT CERTAIN 2.986 ACRE TRACT DESCRIBED IN A  
DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2022052056,  
OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 6: ALL OF THAT CERTAIN 16.383 ACRE TRACT DESCRIBED IN A  
DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2021040262,  
OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

TRACT 7: ALL OF THAT CERTAIN 74.555 ACRE TRACT, CALLED 74.557  
ACRES, DESCRIBED IN A DEED TO MUSTANG RIDGE, LLC RECORDED IN  
DOCUMENT NUMBER 2022039968 OFFICIAL PUBLIC RECORDS OF TRAVIS  
COUNTY, TEXAS;

TRACT 8: ALL OF THAT CERTAIN 2.737 ACRE TRACT DESCRIBED IN A  
DEED TO MUSTANG RIDGE, LLC RECORDED IN DOCUMENT NUMBER 2020099394,  
OFFICIAL PUBLIC RECORDS OF TRAVIS COUNTY, TEXAS;

THE SAID 211.348 ACRES BEING MORE PARTICULARLY DESCRIBED BY  
METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2 INCH DIAMETER STEEL PIN FOUND WITH CAP  
MARKED LENZ & ASSOC ON THE WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY  
183 AT THE NORTHERLY MOST CORNER OF THE SAID TRACT 3;

THENCE, S 04°08'59" E, A DISTANCE OF 1924.31 FEET ALONG THE  
WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 183, THE SAME BEING THE EAST  
LINE OF THE SAID TRACT 3, TRACT 2 AND TRACT 6, TO A 1/2 INCH DIAMETER  
STEEL PIN FOUND WITH CAP MARKED LENZ & ASSOC AT THE SOUTHEAST CORNER  
OF THE SAID TRACT 6;

THENCE, S 85°47'49" W, A DISTANCE OF 825.12 FEET TO A 1/2 INCH  
DIAMETER STEEL PIN FOUND WITH CAP MARKED HINKLE AT THE SOUTHWEST

CORNER OF THE SAID TRACT 6, THE SAME BEING THE SOUTHEAST CORNER OF THE SAID TRACT 5;

THENCE S 71°51'32" W, A DISTANCE OF 668.21 FEET TO A COMPUTED POINT AT THE SOUTHWEST CORNER OF THE SAID TRACT 5 ON THE NORTHEAST LINE OF THE SAID TRACT 7;

THENCE, S 47°08'40" E, A DISTANCE OF 630.54 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND ON THE NORTH RIGHT-OF-WAY LINE OF F.M. HIGHWAY 1327 AT THE SOUTHEAST CORNER OF THE SAID TRACT 7;

THENCE, S 73°47'17" W, A DISTANCE OF 1483.54 FEET ALONG THE NORTH RIGHT-OF-WAY LINE OF F.M. HIGHWAY 1327 TO A COMPUTED POINT AT AN EXTERIOR CORNER OF THE SAID TRACT 7;

THENCE, N 47°25'48" W, A DISTANCE OF 478.19 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT AN INTERIOR CORNER OF THE SAID TRACT 7;

THENCE, S 42°24'52" W, A DISTANCE OF 313.00 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT AN EXTERIOR CORNER OF THE SAID TRACT 7;

THENCE, N 62°17'17" W, A DISTANCE OF 1295.87 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT THE MOST WESTERLY OR SOUTHWEST CORNER OF THE SAID TRACT 7;

THENCE, N 28°02'48" E, A DISTANCE OF 1393.50 FEET TO A 1/2 INCH DIAMETER STEEL PIN FOUND WITH CAP MARKED LENZ & ASSOC AT THE NORTHWEST CORNER OF THE SAID TRACT 7, THE SAME BEING THE SOUTHWEST CORNER OF THE SAID TRACT 8;

THENCE, N 27°41'52" E A DISTANCE OF 1635.14 FEET ALONG THE WEST LINE OF THE SAID TRACT 8 AND TRACT 1, CROSSING THE SAID 141.321 ACRE MUSTANG RIDGE, LLC TRACT, TO A 1/2 INCH DIAMETER STEEL PIN FOUND AT THE SOUTHWEST CORNER OF THE SAID TRACT 4;

THENCE, N 27°30'40" E, A DISTANCE OF 378.90 FEET TO A 1/2 INCH

1 DIAMETER STEEL PIN FOUND WITH CAP MARKED CHAPARRAL AT THE NORTHWEST  
2 CORNER OF THE SAID TRACT 4;

3 THENCE, S 61°49'55" E, A DISTANCE OF 2300.72 FEET TO A 1/2 INCH  
4 DIAMETER STEEL PIN FOUND AT THE NORTHEAST CORNER OF THE SAID TRACT 4  
5 ON WEST LINE OF THE SAID TRACT 3;

6 THENCE, N 42°24'59" E, A DISTANCE OF 552.95 FEET TO THE PLACE  
7 OF BEGINNING, CONTAINING 211.348 ACRES OF LAND, MORE OR LESS.

8 SECTION 3. (a) The legal notice of the intention to  
9 introduce this Act, setting forth the general substance of this  
10 Act, has been published as provided by law, and the notice and a  
11 copy of this Act have been furnished to all persons, agencies,  
12 officials, or entities to which they are required to be furnished  
13 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
14 Government Code.

15 (b) The governor, one of the required recipients, has  
16 submitted the notice and Act to the Texas Commission on  
17 Environmental Quality.

18 (c) The Texas Commission on Environmental Quality has filed  
19 its recommendations relating to this Act with the governor,  
20 lieutenant governor, and speaker of the house of representatives  
21 within the required time.

22 (d) All requirements of the constitution and laws of this  
23 state and the rules and procedures of the legislature with respect  
24 to the notice, introduction, and passage of this Act have been  
25 fulfilled and accomplished.

26 SECTION 4. (a) Section 4013.0311, Special District Local  
27 Laws Code, as added by Section 1 of this Act, takes effect only if



1 this Act receives a two-thirds vote of all the members elected to  
2 each house.

3 (b) If this Act does not receive a two-thirds vote of all the  
4 members elected to each house, Subchapter C, Chapter 4013, Special  
5 District Local Laws Code, as added by Section 1 of this Act, is  
6 amended by adding Section 4013.0311 to read as follows:

7 Sec. 4013.0311. NO EMINENT DOMAIN POWER. The district may  
8 not exercise the power of eminent domain.

9 SECTION 5. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2025.