

CONFERENCE COMMITTEE REPORT FORM

Austin, Texas

5-27-2017

Date

Honorable Dan Patrick
President of the Senate

Honorable Joe Straus
Speaker of the House of Representatives

Sirs:

We, Your Conference Committee, appointed to adjust the differences between the Senate and the House of Representatives on SB 2244 have had the same under consideration, and beg to report it back with the recommendation that it do pass in the form and text hereto attached.

Ryan W. West
SEN. WEST

Al Campbell
SEN. CAMPBELL

Bruce Wright
SEN. CREIGHTON

Laddie L. Lujan Jr.
SEN. LUJAN

Thom Nichols
On the part of the Senate
SEN. NICHOLS

Walter Bolding

Scott Cooper
Rep. COOPER

Justin Holland
Rep Holland

Rep Murphy
Mary Kay Perry
On the part of the House
Rep Perry

Note to Conference Committee Clerk:

Please type the names of the members of the Conference Committee under the lines provided for signature. Those members desiring to sign the report should sign each of the six copies. Attach a copy of the Conference Committee Report and a Section by Section side by side comparison to each of the six reporting forms. The original and two copies are filed in house of origin of the bill, and three copies in the other house.

CONFERENCE COMMITTEE REPORT

3rd Printing

S.B. No. 2244

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the University Hills Municipal Management District; providing authority to issue bonds; providing authority to impose assessments or fees.

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 3947 to read as follows:

CHAPTER 3947. UNIVERSITY HILLS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3947.001. DEFINITIONS. In this chapter:

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

(2) "City" means the City of Dallas, Texas.

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

(4) "County" means Dallas County, Texas.

(5) "Director" means a board member.

(6) "District" means the University Hills Municipal Management District.

Sec. 3947.002. CREATION AND NATURE OF DISTRICT. The University Hills Municipal Management District is a special district created under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

Sec. 3947.003. PURPOSE; LEGISLATIVE FINDINGS. (a) The creation of the district is essential to accomplish the purposes of

1 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
2 Texas Constitution, and other public purposes stated in this
3 chapter. By creating the district and in authorizing the city and
4 other political subdivisions to contract with the district, the
5 legislature has established a program to accomplish the public
6 purposes set out in Section 52-a, Article III, Texas Constitution.

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

12 Sec. 3947.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

13 (a) The district is created to serve a public use and benefit.

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

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

23 (d) The creation of the district is in the public interest
24 and is essential to:

25 (1) further the public purposes of developing and
26 diversifying the economy of the state;

27 (2) eliminate unemployment and underemployment; and

1 (3) develop or expand transportation and commerce.

2 (e) The district will:

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

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

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

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

18 Sec. 3947.005. INITIAL DISTRICT TERRITORY. (a) The
19 district is initially composed of the territory described by
20 Section 2 of the Act enacting this chapter.

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

25 (1) organization, existence, or validity;

26 (2) right to contract;

27 (3) authority to borrow money or issue bonds or other

1 obligations described by Section 3947.203 or to pay the principal
2 and interest of the bonds or other obligations;

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

5 (5) legality or operation.

6 Sec. 3947.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

7 (a) All or any part of the area of the district is eligible to be
8 included in:

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

11 (2) a tax abatement reinvestment zone created under
12 Chapter 312, Tax Code; or

13 (3) an enterprise zone created under Chapter 2303,
14 Government Code.

15 (b) If the city creates a tax increment reinvestment zone
16 described by Subsection (a), the city and the board of directors of
17 the zone, by contract with the district, may grant money deposited
18 in the tax increment fund to the district to be used by the district
19 for:

20 (1) the purposes permitted for money granted to a
21 corporation under Section 380.002(b), Local Government Code; and

22 (2) any other district purpose, including the right to
23 pledge the money as security for any bonds or other obligations
24 issued by the district under Section 3947.203.

25 (c) If the city creates a tax increment reinvestment zone
26 described by Subsection (a), the city may determine the percentage
27 of the property in the zone that may be used for residential

1 purposes and is not subject to the limitations provided by Section
2 311.006, Tax Code.

3 Sec. 3947.007. CONFIRMATION AND DIRECTORS' ELECTION
4 REQUIRED. On receipt of a petition signed by the owners of a
5 majority of the acreage and the assessed value of real property in
6 the district according to the most recent certified tax appraisal
7 roll for the county, the initial directors shall hold an election to
8 confirm the creation of the district and to elect five permanent
9 directors as provided by Section 49.102, Water Code.

10 Sec. 3947.008. APPLICABILITY OF MUNICIPAL MANAGEMENT
11 DISTRICT LAW. Except as provided by this chapter, Chapter 375,
12 Local Government Code, applies to the district.

13 Sec. 3947.009. CONSTRUCTION OF CHAPTER. This chapter shall
14 be construed in conformity with the findings and purposes stated in
15 this chapter.

16 Sec. 3947.010. CONSENT OF MUNICIPALITY REQUIRED. The
17 temporary directors may not hold an election under Section 3947.007
18 until each municipality in whose corporate limits or
19 extraterritorial jurisdiction the district is located has
20 consented by ordinance or resolution to the creation of the
21 district and to the inclusion of land in the district.

22 Sec. 3947.011. CONCURRENCE ON ADDITIONAL POWERS. If the
23 legislature grants the district a power that is in addition to the
24 powers approved by the initial resolution of the governing body of
25 the city consenting to the creation of the district, the district
26 may not exercise that power unless the governing body of the city
27 consents to that change by ordinance or resolution.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3947.051. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors.

(b) Except as provided by Section 3947.054, directors serve staggered four-year terms, with two or three directors' terms expiring June 1 of each odd-numbered year.

Sec. 3947.052. BOARD MEETINGS. The board shall hold meetings at a place accessible to the public.

Sec. 3947.053. REMOVAL OF DIRECTORS. (a) The board may remove a director by unanimous vote of the other directors if the director has missed at least half of the meetings scheduled during the preceding 12 months.

(b) A director removed under this section may file a written appeal with the commission not later than the 30th day after the date the director receives written notice of the board action. The commission may reinstate the director if the commission finds that the removal was unwarranted under the circumstances after considering the reasons for the absences, the time and place of the meetings, the business conducted at the meetings missed, and any other relevant circumstances.

Sec. 3947.054. INITIAL DIRECTORS. (a) The initial board consists of:

<u>Pos. No.</u>	<u>Name of Director</u>
<u>1</u>	<u>Kenneth Medlock</u>
<u>2</u>	<u>Michael Williams</u>
<u>3</u>	<u>Susan Larson</u>
<u>4</u>	<u>Alan Michlin</u>

1 5 Michael Warner

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

3 (1) the date permanent directors are elected under
4 Section 3947.007; or

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

7 (c) If permanent directors have not been elected under
8 Section 3947.007 and the terms of the initial directors have
9 expired, successor initial directors shall be appointed or
10 reappointed as provided by Subsection (d) to serve terms that
11 expire on the earlier of:

12 (1) the date permanent directors are elected under
13 Section 3947.007; or

14 (2) the fourth anniversary of the date of the
15 appointment or reappointment.

16 (d) If Subsection (c) applies, the owner or owners of a
17 majority of the assessed value of the real property in the district
18 according to the most recent certified tax appraisal rolls for the
19 county may submit a petition to the commission requesting that the
20 commission appoint as successor initial directors the five persons
21 named in the petition. The commission shall appoint as successor
22 initial directors the five persons named in the petition.

23 SUBCHAPTER C. POWERS AND DUTIES

24 Sec. 3947.101. GENERAL POWERS AND DUTIES. The district has
25 the powers and duties necessary to accomplish the purposes for
26 which the district is created.

27 Sec. 3947.102. IMPROVEMENT PROJECTS. The district may

1 provide, or it may enter into contracts with a governmental or
2 private entity to provide, the improvement projects described by
3 Subchapter D or activities in support of or incidental to those
4 projects.

5 Sec. 3947.103. WATER DISTRICT POWERS. The district has the
6 powers provided by the general laws relating to conservation and
7 reclamation districts created under Section 59, Article XVI, Texas
8 Constitution, including Chapters 49 and 54, Water Code.

9 Sec. 3947.104. AUTHORITY FOR ROAD PROJECTS. Under Section
10 52, Article III, Texas Constitution, the district may design,
11 acquire, construct, finance, issue bonds for, improve, operate,
12 maintain, and convey to this state, a county, or a municipality for
13 operation and maintenance macadamized, graveled, or paved roads or
14 improvements, including storm drainage, in aid of those roads.

15 Sec. 3947.105. ROAD STANDARDS AND REQUIREMENTS. (a) A
16 road project must meet all applicable construction standards,
17 zoning and subdivision requirements, and regulations of each
18 municipality in whose corporate limits or extraterritorial
19 jurisdiction the road project is located.

20 (b) If a road project is not located in the corporate limits
21 or extraterritorial jurisdiction of a municipality, the road
22 project must meet all applicable construction standards,
23 subdivision requirements, and regulations of each county in which
24 the road project is located.

25 (c) If the state will maintain and operate the road, the
26 Texas Transportation Commission must approve the plans and
27 specifications of the road project.

1 Sec. 3947.106. NO TOLL ROADS. The district may not
2 construct, acquire, maintain, or operate a toll road.

3 Sec. 3947.107. PUBLIC IMPROVEMENT DISTRICT POWERS. The
4 district has the powers provided by Chapter 372, Local Government
5 Code, to a municipality or county.

6 Sec. 3947.108. CONTRACT POWERS. The district may contract
7 with a governmental or private entity, on terms determined by the
8 board, to carry out a power or duty authorized by this chapter or to
9 accomplish a purpose for which the district is created.

10 Sec. 3947.109. AD VALOREM TAXATION. The district may not
11 impose an ad valorem tax.

12 Sec. 3947.110. LIMITATIONS ON EMERGENCY SERVICES POWERS.
13 The district may not establish, operate, maintain, or finance a
14 police or fire department without the consent of the city by
15 ordinance or resolution.

16 Sec. 3947.111. ADDING OR REMOVING TERRITORY. As provided
17 by Subchapter J, Chapter 49, Water Code, the board may add territory
18 inside the corporate boundaries or the extraterritorial
19 jurisdiction of the city to the district or remove territory inside
20 the corporate boundaries or the extraterritorial jurisdiction of
21 the city from the district, except that:

22 (1) the addition or removal of the territory must be
23 approved by the city;

24 (2) the addition or removal may not occur without
25 petition by the owners of the territory being added or removed; and

26 (3) territory may not be removed from the district if
27 bonds or other obligations of the district payable wholly or partly

1 from assessments assessed on the territory are outstanding.

2 Sec. 3947.112. DIVISION OF DISTRICT. (a) The district may
3 be divided into two or more new districts only if the district:

4 (1) has no outstanding bonded debt; and

5 (2) is not imposing ad valorem taxes.

6 (b) This chapter applies to any new district created by the
7 division of the district, and a new district has all the powers and
8 duties of the district.

9 (c) Any new district created by the division of the district
10 may not, at the time the new district is created, contain any land
11 outside the area described by Section 2 of the Act enacting this
12 chapter.

13 (d) The board, on its own motion or on receipt of a petition
14 signed by the owner or owners of a majority of the assessed value of
15 the real property in the district, may adopt an order dividing the
16 district.

17 (e) The board may adopt an order dividing the district
18 before or after the date the board holds an election under Section
19 3947.007 to confirm the creation of the district.

20 (f) An order dividing the district must:

21 (1) name each new district;

22 (2) include the metes and bounds description of the
23 territory of each new district;

24 (3) appoint initial directors for each new district;

25 and

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

1 (g) On or before the 30th day after the date of adoption of
2 an order dividing the district, the district shall file the order
3 with the commission and record the order in the real property
4 records of each county in which the district is located.

5 (h) Any new district created by the division of the district
6 shall hold a confirmation and directors' election as required by
7 Section 3947.007.

8 (i) Municipal consent to the creation of the district and to
9 the inclusion of land in the district granted under Section
10 3947.010 acts as municipal consent to the creation of any new
11 district created by the division of the district and to the
12 inclusion of land in the new district.

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

17 (k) If the creation of the new district is confirmed, the
18 new district shall provide the election date and results to the
19 commission.

20 Sec. 3947.113. ENFORCEMENT OF REAL PROPERTY RESTRICTIONS.
21 The district may enforce a real property restriction in the manner
22 provided by Section 54.237, Water Code, if, in the reasonable
23 judgment of the board, the enforcement of the restriction is
24 necessary.

25 Sec. 3947.114. PROPERTY OF CERTAIN UTILITIES EXEMPT FROM
26 ASSESSMENTS AND FEES. The district may not impose an assessment,
27 impact fee, or standby fee on the property, including the

1 equipment, rights-of-way, easements, facilities, or improvements,
2 of:

3 (1) an electric utility or a power generation company
4 as defined by Section 31.002, Utilities Code;

5 (2) a gas utility, as defined by Section 101.003 or
6 121.001, Utilities Code, or a person who owns pipelines used for the
7 transportation or sale of oil or gas or a product or constituent of
8 oil or gas;

9 (3) a person who owns pipelines used for the
10 transportation or sale of carbon dioxide;

11 (4) a telecommunications provider as defined by
12 Section 51.002, Utilities Code; or

13 (5) a cable service provider or video service provider
14 as defined by Section 66.002, Utilities Code.

15 Sec. 3947.115. NO EMINENT DOMAIN POWER. The district may
16 not exercise the power of eminent domain.

17 SUBCHAPTER D. IMPROVEMENT PROJECTS AND SERVICES

18 Sec. 3947.151. IMPROVEMENT PROJECTS AND SERVICES. The
19 district may provide, design, construct, acquire, improve,
20 relocate, operate, maintain, or finance an improvement project or
21 service, including water, wastewater, drainage, and roadway
22 projects or services, using any money available to the district, or
23 contract with a governmental or private entity and reimburse that
24 entity for the provision, design, construction, acquisition,
25 improvement, relocation, operation, maintenance, or financing of
26 an improvement project, service, or cost, for the provision of
27 credit enhancement, or for any cost of operating or maintaining the

1 district or the issuance of district obligations authorized under
2 this chapter, Chapter 372 or 375, Local Government Code, or Chapter
3 49 or 54, Water Code.

4 Sec. 3947.152. BOARD DETERMINATION REQUIRED. The district
5 may not undertake an improvement project unless the board
6 determines the project is necessary to accomplish a public purpose
7 of the district.

8 Sec. 3947.153. LOCATION OF IMPROVEMENT PROJECT. An
9 improvement project may be located or provide service inside or
10 outside the district.

11 Sec. 3947.154. CITY REQUIREMENTS. An improvement project
12 in the district must comply with any applicable requirements of the
13 city, including codes and ordinances, unless specifically waived or
14 superseded by agreement with the city.

15 Sec. 3947.155. IMPROVEMENT PROJECT AND SERVICE IN DEFINABLE
16 AREA; BENEFIT BASIS. The district may undertake an improvement
17 project or service that confers a special benefit on a definable
18 area in the district and levy and collect a special assessment on
19 benefited property in the district in accordance with:

- 20 (1) Chapter 372, Local Government Code; or
21 (2) Chapter 375, Local Government Code.

22 SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

23 Sec. 3947.201. DISBURSEMENTS AND TRANSFERS OF MONEY. The
24 board by resolution shall establish the number of directors'
25 signatures and the procedure required for a disbursement or
26 transfer of the district's money.

27 Sec. 3947.202. MONEY USED FOR IMPROVEMENTS OR SERVICES.

1 The district may undertake and provide an improvement project or
2 service authorized by this chapter using any money available to the
3 district.

4 Sec. 3947.203. BORROWING MONEY; OBLIGATIONS. (a) The
5 district may borrow money for a district purpose, including the
6 acquisition or construction of improvement projects authorized by
7 this chapter and the reimbursement of a person who develops or owns
8 an improvement project authorized by this chapter, by issuing
9 bonds, notes, time warrants, or other obligations, or by entering
10 into a contract or other agreement payable wholly or partly from an
11 assessment, a contract payment, a grant, revenue from a zone
12 created under Chapter 311 or 312, Tax Code, other district revenue,
13 or a combination of these sources.

14 (b) An obligation described by Subsection (a):

15 (1) may bear interest at a rate determined by the
16 board; and

17 (2) may include a term or condition as determined by
18 the board.

19 (c) The board may issue an obligation under this section
20 without an election.

21 (d) The district may issue, by public or private sale,
22 bonds, notes, or other obligations payable wholly or partly from
23 assessments in the manner provided by Subchapter J, Chapter 375,
24 Local Government Code.

25 (e) If the improvements financed by an obligation will be
26 conveyed to or operated and maintained by a municipality or retail
27 utility provider pursuant to an agreement between the district and

1 the municipality or retail utility provider entered into before the
2 issuance of the obligation, the obligation may be issued in the
3 manner provided by Subchapter A, Chapter 372, Local Government
4 Code.

5 Sec. 3947.204. ASSESSMENTS. (a) Except as provided by
6 Subsections (b) and (c), the district may impose an assessment on
7 property in the district to pay for an obligation described by
8 Section 3947.203 or an improvement project authorized by Section
9 3947.151 in the manner provided for:

10 (1) a district under Subchapters A, E, and F, Chapter
11 375, Local Government Code; or

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

14 (b) The district may not impose an assessment on a
15 municipality, county, or other political subdivision.

16 (c) The board may not finance an improvement project or
17 service with assessments unless a written petition requesting that
18 improvement project or service has been filed with the board. The
19 petition must be signed by the owners of a majority of the assessed
20 value of real property in the district subject to assessment
21 according to the most recent certified tax appraisal roll for the
22 county.

23 Sec. 3947.205. RESIDENTIAL PROPERTY NOT EXEMPT. Sections
24 375.161 and 375.164, Local Government Code, do not apply to the
25 district.

26 Sec. 3947.206. COLLECTION OF ASSESSMENTS. The district may
27 contract as provided by Chapter 791, Government Code, with the

1 commissioners court of the county for the assessment and collection
2 of assessments imposed under this subchapter.

3 Sec. 3947.207. RATES, FEES, AND CHARGES. The district may
4 establish, revise, repeal, enforce, and collect rates, fees, and
5 charges for the enjoyment, sale, rental, or other use of:

- 6 (1) an improvement project;
7 (2) a product resulting from an improvement project;
8 or
9 (3) another district facility, service, or property.

10 SUBCHAPTER F. DISSOLUTION

11 Sec. 3947.251. DISSOLUTION BY BOARD. The board may
12 dissolve the district in the manner provided by Section 375.261,
13 Local Government Code, subject to Section 375.264, Local Government
14 Code.

15 Sec. 3947.252. DISSOLUTION BY CITY. (a) The city may
16 dissolve the district by ordinance.

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

18 (1) the district's outstanding debt or contractual
19 obligations have been repaid or discharged; or

20 (2) the city agrees to succeed to the rights and
21 obligations of the district, including an obligation described by
22 Section 3947.254.

23 Sec. 3947.253. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

24 (a) If the dissolved district has bonds or other obligations
25 outstanding secured by and payable from assessments or other
26 revenue, the city succeeds to the rights and obligations of the
27 district regarding enforcement and collection of the assessments or

1 other revenue.

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

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

6 (2) revenue or assessment bonds or other obligations
7 issued by the city to refund the outstanding bonds or obligations of
8 the district.

9 Sec. 3947.254. ASSUMPTION OF ASSETS AND LIABILITIES. (a)
10 After the city dissolves the district, the city assumes the
11 obligations of the district, including any contractual obligations
12 or bonds or other debt payable from assessments or other district
13 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 University Hills Municipal Management
17 District initially includes all the territory contained in the
18 following area:

19 BEING a 281.112-acres tract or parcel of land out of Abstract
20 Number 1277, Abstract Number 0014 and Abstract Number 0380 situated
21 in the City of Dallas, Dallas County, Texas; and being part of that
22 tract of land conveyed to Patriot Real Estate Holdings RS10 by Deed
23 recorded in Instrument Number 201200385008, Deed Records, Dallas
24 County Texas, and being part of that tract of land conveyed to CADG
25 Property Holdings I, LLC by deed recorded in Instrument Number
26 201600055916, Deed Records, Dallas County, Texas, and being part of
27 that tract of land conveyed to CADG Property Holdings I, LLC by deed

1 recorded in Instrument Number 201500029116, Deed Records, Dallas
2 County, and being part of that tract of land conveyed to CADG
3 Property Holdings SPV, LLC by deed recorded in Instrument Number
4 201400314231, Deed Recorded, Dallas County, Texas, and being part
5 of that tract of land conveyed to St. Marks Believers Temple by deed
6 recorded in Volume 81014, Page 976, Deed Records, Dallas County,
7 Texas; and being more particularly described as follows:

8 COMMENCING at the northeast corner of a tract of land
9 conveyed to Patriot Real Estate Holdings RS10 by deed recorded in
10 Instrument Number 201200385008, Deed Records, Dallas County,
11 Texas, said point being in the west right-of-way line of Lancaster
12 Road (variable width right-of-way);

13 THENCE South 07 degrees 07 minutes 07 seconds East along the
14 easterly line of said Patriot Real Estate Holdings RS10 tract and
15 along the westerly right-of-way line of said Lancaster Road a
16 distance of 433.04 feet to the POINT OF BEGINNING;

17 THENCE South 07 degrees 25 minutes 01 seconds East,
18 continuing along the easterly line of said Instrument Number
19 201600198606 tract and the westerly right-of-way line of said
20 Lancaster Road, a total distance of 734.79 feet to a point for
21 corner;

22 THENCE South 07 degrees 25 minutes 18 seconds East, following
23 the easterly line of said Instrument Number 201600055154 and the
24 westerly right-of-way line of Lancaster Road, a total distance of
25 583.17 feet to a point for corner;

26 THENCE South 06 degrees 24 minutes 46 seconds East,
27 continuing along said westerly right-of-way line, a total distance

1 of 105.30 feet to a point for corner;

2 THENCE South 07 degrees 54 minutes 14 seconds East,
3 continuing along said westerly right-of-way line, a total distance
4 of 193.87 feet to a point for corner;

5 THENCE South 07 degrees 27 minutes 10 seconds East,
6 continuing along said westerly right-of-way line and following the
7 easterly line of said Instrument Number 201600055916a total
8 distance of 401.82 feet to a point for corner, said point being the
9 northeast corner of a tract of land conveyed to Yvonne Simmons by
10 deed recorded in Volume 2005121, Page 3183, Deed Records, Dallas
11 County, Texas;

12 THENCE South 82 degrees 29 minutes 50 seconds West,
13 continuing along the easterly line of said Instrument Number
14 201600055916 tract and the northerly line of said Simmons tract, a
15 total distance of 150.00 feet to a point for corner; said point
16 being the northwesterly corner of said Simmons tract;

17 THENCE South 07 degrees 27 minutes 10 seconds East,
18 continuing along the easterly line of said Instrument Number
19 201600055916 tract and the westerly line of said Simmons tract, a
20 total distance of 68.00 feet to a point for corner, said point being
21 the southwest corner of said Simmons tract;

22 THENCE North 82 degrees 29 minutes 50 seconds East,
23 continuing along the easterly line of said Instrument Number
24 201600055916 tract and the southerly line of said Simmons tract, a
25 total distance of 150.00 feet to a point for corner, said point
26 being the southeast corner of said Simmons tract;

27 THENCE South 07 degrees 27 minutes 10 seconds East, following

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1 said westerly right-of-way line of Lancaster Road, a total distance
2 of 251.73 feet to a point for corner, said point being the beginning
3 of a tangent curve to the left;

4 THENCE in a southeasterly direction along a curve to the
5 left, having a central angle of 00 degrees 23 minutes 50 seconds, a
6 radius of 8654.40 feet, and a chord bearing and distance of South 07
7 degrees 39 minutes 05 seconds East, 60.00 feet, a total arc length
8 of 60.00 feet to a point for corner, said point being in an easterly
9 corner of a tract of land conveyed to King E. Rhodes, by deed
10 recorded in Volume 2002187, Page 0125, Deed Records, Dallas County,
11 Texas;

12 THENCE South 77 degrees 25 minutes 31 seconds West, along the
13 southerly line of said Instrument Number 201600055916 tract and the
14 easterly line of said Rhodes tract, a total distance of 323.66 feet
15 to a point for corner, said point being the southwest corner of said
16 Instrument Number 201600055916 tract, said point also being a
17 easterly corner of said Rhodes tract;

18 THENCE North 07 degrees 22 minutes 14 seconds West, along the
19 westerly line of said Instrument Number 201600055916 tract and the
20 easterly line of said Rhodes tract, a total distance of 890.11 feet,
21 to a point for corner, said point being the northwest corner of said
22 Instrument Number 20160055916 tract and the northeast corner of
23 said Rhodes tract, said point also being in a call centerline of
24 Wheatland Road;

25 THENCE South 58 degrees 38 minutes 34 seconds West, following
26 the centerline of said Wheatland Road, a total distance of 287.40
27 feet to a point for corner;

1 THENCE South 58 degrees 50 minutes 23 seconds West,
2 continuing along the centerline of said Wheatland Road, a total
3 distance of 834.11 feet to a point for corner, said point being the
4 northwest corner of said Rhodes tract;

5 THENCE South 37 degrees 05 minutes 08 seconds East, following
6 the westerly line of said Rhodes tract and the easterly line of said
7 Instrument Number 201400314231, a total distance of 1206.46 feet to
8 a point for corner, said point being the southwest corner of said
9 Rhodes tract;

10 THENCE North 52 degrees 54 minutes 29 seconds East, following
11 the southerly line of said Rhodes tract, a total distance of 492.84
12 feet to a point for corner;

13 THENCE North 07 degrees 22 minutes 14 seconds West, following
14 the southeasterly line of said Rhodes tract, a total distance of
15 235.91 feet to a point for corner;

16 THENCE North 77 degrees 25 minutes 15 seconds East,
17 continuing along said southeasterly line of said Rhodes tract, a
18 total distance of 323.99 feet to a point for corner, said point
19 being in said westerly right-of-way line of Lancaster Road, said
20 point also being the beginning of a non-tangent curve to the left;

21 THENCE in a southeasterly direction along said curve to the
22 left and following said westerly right-of-way line, having a
23 central angle of 05 degrees 25 minutes 56 seconds, a radius of
24 8654.40 feet, and a chord bearing and distance of South 11 degrees
25 25 minutes 46 seconds East, 820.22 feet, a total arc length of
26 820.53 feet, to a point for corner, said point being in the
27 southerly line of said Instrument Number 201600055916 tract, said

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1 point also being the most northeasterly corner of a tract of land
2 conveyed to DFW Oil Inc. as recorded in Instrument #2008038074,
3 Deed Records, Dallas County, Texas;

4 THENCE South 75 degrees 57 minutes 36 seconds West, along the
5 southerly line of said Instrument Number 201600055916 tract and the
6 northerly line of said DFW Oil Inc. tract, a total distance of
7 225.00 feet to a point for corner;

8 THENCE South 15 degrees 36 minutes 40 seconds East,
9 continuing along the southerly line of Instrument Number
10 201600055916 tract and the northerly line of said DFW Oil Inc.
11 tract, a total distance of 385.17 feet, to a point for corner, said
12 point being the northeast corner of a tract of land conveyed to All
13 Saints Inc., as recorded Instrument Number 200900059010, Deed
14 Records, Dallas County, Texas, said point being in the southerly
15 line of said Instrument Number 201600055916 tract;

16 THENCE South 69 degrees 59 minutes 35 seconds West, along the
17 southerly line of said Instrument Number 201600055916 tract and the
18 northerly line of said All Saints Inc. tract, a total distance of
19 295.42 feet, a point for corner, said point being in the southerly
20 line of said Instrument #201600055916 tract and the northwesterly
21 corner of said All Saints Inc. tract;

22 THENCE South 20 degrees 24 minutes 03 seconds East, along the
23 southerly line of said Instrument Number 201600055916 tract and the
24 westerly line of said All Saints Inc. tract a total distance of
25 231.52 feet to a point for corner, said point being the southwest
26 corner of said All Saints Inc. tract and the southerly line of said
27 Instrument Number 201600055916 tract and the northerly line of said

1 DFW Oil Inc. tract;

2 THENCE South 69 degrees 51 minutes 21 seconds West, along the
3 southerly line of said Instrument Number 201600055916 tract and the
4 northerly line of said DFW Oil Inc. tract a total distance of 221.74
5 feet to a point for corner, said point being the southerly line of
6 said Instrument Number 201600055916 tract and the northwest corner
7 of said DFW Oil Inc. tract;

8 THENCE South 20 degrees 08 minutes 39 seconds East, along the
9 southerly line of said Instrument Number 201600055916 tract and the
10 west line of said DFW Oil Inc. tract, a total distance of 250.00
11 feet to a point for corner, said point being the most southerly
12 corner of said Instrument Number 201600055916 tract and being the
13 southwest corner of said DFW Oil Inc. tract, said point also being
14 in the northerly line of Interstate Highway 20 (LBJ Freeway a
15 variable width right-of-way);

16 THENCE South 69 degrees 51 minutes 21 seconds West, along the
17 southerly line of said Instrument Number 201600055916 tract and the
18 northerly right-of-way line of said Interstate Highway 20, a total
19 distance of 315.04 feet;

20 THENCE South 71 degrees 39 minutes 35 seconds West,
21 continuing along the southerly line of said Instrument Number
22 201600055916 tract with the northerly line of said Interstate
23 Highway 20, a total distance of 1338.56 feet;

24 THENCE South 55 degrees 12 minutes 20 seconds West,
25 continuing along the southerly line of said Instrument Number
26 201600055916 tract with the northerly line of said Interstate
27 Highway 20, a total distance of 39.62 feet said point being the

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1 southwest corner of said Instrument #201600055916 tract and the
2 southeast corner of a tract of land conveyed to Susan Wright Key, by
3 deed recorded in Volume 88021, Page 1852, Deed Records, Dallas
4 County, Texas;

5 THENCE North 30 degrees 14 minutes 08 seconds West, along the
6 westerly line of said Instrument Number 201600055916 tract and
7 along the easterly line of said Susan Wright Key tract and the
8 easterly line of a tract of land conveyed to Wycliff Bible
9 Translators, Inc. as recorded in Volume 74198, Page 104, Deed
10 Records, Dallas County, Texas and the easterly line of a tract of
11 land conveyed to George P. Shropulos Family Limited Partnership as
12 recorded in Volume 94043, Page 2846, Deed Records, Dallas County,
13 Texas, a total distance of 2132.27 feet to a point for corner, said
14 point being in the south right-of-way line of Wheatland Road (a
15 variable width right-of-way), said point being the northwest corner
16 of said Instrument Number 201600055916 tract;

17 THENCE with the westerly line of said Instrument
18 #201500029116 tract and the easterly line of said RK CJ LLC tract the
19 following courses and distances:

20 South 58 degrees 50 minutes 23 seconds West, a total
21 distance of 22.99 feet to a point for corner;

22 North 30 degrees 26 minutes 17 seconds West, a total
23 distance of 472.69 feet to a point for corner;

24 North 62 degrees 56 minutes 00 seconds East, a total
25 distance of 17.96 feet to a point for corner;

26 North 31 degrees 11 minutes 24 seconds West, a total
27 distance of 1205.27 feet to a point for corner, said point being

1 approximately the center line of a creek;

2 THENCE along said approximately centerline of creek the
3 following courses and distances;

4 North 18 degrees 56 minutes 06 seconds East, a total
5 distance of 154.49 feet to a point for corner;

6 North 53 degrees 46 minutes 06 seconds East, a total
7 distance of 203.00 feet to a point for corner;

8 South 68 degrees 22 minutes 54 seconds East, a total
9 distance of 133.72 feet to a point for corner;

10 North 86 degrees 02 minutes 06 seconds East, a total
11 distance of 111.50 feet to a point for corner;

12 North 10 degrees 48 minutes 06 seconds East, a total
13 distance of 107.15 feet to a point for corner;

14 North 35 degrees 39 minutes 06 seconds East, a total
15 distance of 141.00 feet to a point for corner;

16 North 78 degrees 20 minutes 06 seconds East, a total
17 distance of 97.05 feet to a point for corner;

18 North 28 degrees 27 minutes 54 seconds West, a total
19 distance of 140.57 feet to a point for corner;

20 North 47 degrees 08 minutes 06 seconds East, a total
21 distance of 150.88 feet to a point for corner;

22 North 31 degrees 12 minutes 06 seconds East, a total
23 distance of 130.56 feet to a point for corner;

24 North 63 degrees 34 minutes 36 seconds East, a total
25 distance of 134.95 feet to a point for corner;

26 North 87 degrees 41 minutes 36 seconds East, a total
27 distance of 129.10 feet to a point for corner;

1 North 03 degrees 13 minutes 36 seconds East, a total
2 distance of 132.20 feet to a point for corner;

3 North 34 degrees 51 minutes 36 seconds East, a total
4 distance of 164.10 feet to a point for corner;

5 North 11 degrees 51 minutes 36 seconds East, a total
6 distance of 124.70 feet to a point for corner;

7 THENCE North 23 degrees 47 minutes 24 seconds West, a total
8 distance of 139.58 feet to a point for corner, said point being in
9 the northerly line of said Instrument Number 201500029116 tract and
10 the southerly line of a tract of land conveyed to the City of Dallas
11 as recorded in Volume 95095, Page 5779, Deed Records, Dallas
12 County, Texas;

13 THENCE North 54 degrees 24 minutes 43 seconds East, along the
14 northerly line of said Instrument Number 201500029116 tract and
15 along the southerly line of said City of Dallas tract a total
16 distance of 537.89 feet to a point for corner;

17 THENCE North 32 degrees 43 minutes 59 seconds West,
18 continuing along said common line a total distance of 1.62 feet;

19 THENCE North 58 degrees 51 minutes 51 seconds East,
20 continuing along said common line and passing along the southerly
21 line of a tract of land conveyed to 154 Lancaster Ltd., as recorded
22 in Volume 98055, Page 0435, Deed Records, Dallas County, Texas, a
23 total distance of 471.29 feet to a point for corner, said point
24 being the northeasterly corner of said Instrument #201500029116
25 tract;

26 THENCE South 31 degrees 05 minutes 57 seconds East, departing
27 the southerly line of said 154 Lancaster Ltd. tract along the

1 easterly line of said Instrument Number 201500029116 tract passing
2 along the westerly line of a tract of land conveyed to Camplanc
3 Investments as recorded in Instrument Number 201100097436, Deed
4 Records, Dallas County, Texas and passing along the westerly line
5 of said Proton Properties LLC tract, a total distance of 634.03 feet
6 to a point for corner, said point being the southwesterly corner of
7 said Proton Properties LLC tract, and being a northerly corner of
8 said Instrument Number 201500029116 tract;

9 THENCE along the northerly line of said Instrument Number
10 201500029116 tract and the southerly line of said Proton Properties
11 LLC tract the following courses and distances:

12 North 58 degrees 57 minutes 36 seconds East, a total
13 distance of 894.69 feet to a point for corner;

14 South 07 degrees 25 minutes 01 seconds East, a total
15 distance of 277.11 feet to a point for corner;

16 North 82 degrees 34 minutes 59 seconds East, a total
17 distance of 439.00 feet to the POINT OF BEGINNING and containing a
18 total area of 12,245,246.54 square feet, or 281.112 acres of land,
19 more or less.

20 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,
24 officials, or entities to which they are required to be furnished
25 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
26 Government Code.

27 (b) The governor, one of the required recipients, has

1 submitted the notice and Act to the Texas Commission on
2 Environmental Quality.

3 (c) The Texas Commission on Environmental Quality has filed
4 its recommendations relating to this Act with the governor,
5 lieutenant governor, and speaker of the house of representatives
6 within the required time.

7 (d) The general law relating to consent by political
8 subdivisions to the creation of districts with conservation,
9 reclamation, and road powers and the inclusion of land in those
10 districts has been complied with.

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

15 SECTION 4. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2017.

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SENATE VERSION

SECTION 1. Subtitle C, Title 4, Special District Local Laws Code, is amended by adding Chapter 3947 to read as follows:

CHAPTER 3947. UNIVERSITY HILLS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3947.001. DEFINITIONS.

Sec. 3947.002. CREATION AND NATURE OF DISTRICT.

Sec. 3947.003. PURPOSE; LEGISLATIVE FINDINGS.

Sec. 3947.004. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

Sec. 3947.005. INITIAL DISTRICT TERRITORY.

Sec. 3947.006. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

Sec. 3947.007. CONFIRMATION AND DIRECTORS' ELECTION REQUIRED.

Sec. 3947.008. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICT LAW. (a) Except as provided by this chapter, Chapter 375, Local Government Code, applies to the district.

(b) Subchapters B and O, Chapter 375, Local Government Code, do not apply to the district.

Sec. 3947.009. CONSTRUCTION OF CHAPTER.

HOUSE VERSION (CS)

SECTION 1. Same as Senate version except as follows:

CHAPTER 3947. UNIVERSITY HILLS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3947.001. Same as Senate version.

Sec. 3947.002. Same as Senate version.

Sec. 3947.003. Same as Senate version.

Sec. 3947.004. Same as Senate version.

Sec. 3947.005. Substantially the same as Senate version.

Sec. 3947.006. Substantially the same as Senate version.

Sec. 3947.007. Same as Senate version.

Sec. 3947.008. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICT LAW. Except as provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Sec. 3947.009. Same as Senate version.

CONFERENCE

SECTION 1. Same as Senate version except as follows:

CHAPTER 3947. UNIVERSITY HILLS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3947.001. Same as Senate version.

Sec. 3947.002. Same as Senate version.

Sec. 3947.003. Same as Senate version.

Sec. 3947.004. Same as Senate version.

Sec. 3947.005. Same as House version.

Sec. 3947.006. Same as House version.

Sec. 3947.007. Same as Senate version.

Sec. 3947.008. Same as House version.

Sec. 3947.009. Same as Senate version.

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HOUSE VERSION (CS)

CONFERENCE

No equivalent provision.

Sec. 3947.010. CONSENT OF MUNICIPALITY REQUIRED. The temporary directors may not hold an election under Section 3947.007 until each municipality in whose corporate limits or extraterritorial jurisdiction the district is located has consented by ordinance or resolution to the creation of the district and to the inclusion of land in the district.

Sec. 3947.10. Same as House version.

Sec. 3947.010. CONCURRENCE ON ADDITIONAL POWERS.

Sec. 3947.011. Same as Senate version.

Sec. 3947.011. Same as Senate version.

SUBCHAPTER B. BOARD OF DIRECTORS

SUBCHAPTER B. BOARD OF DIRECTORS

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3947.051. GOVERNING BODY; TERMS.

Sec. 3947.051. Same as Senate version.

Sec. 3947.051. Same as Senate version.

Sec. 3947.052. BOARD MEETINGS.

Sec. 3947.052. Same as Senate version.

Sec. 3947.052. Same as Senate version.

Sec. 3947.053. REMOVAL OF DIRECTORS.

Sec. 3947.053. Same as Senate version.

Sec. 3947.053. Same as Senate version.

Sec. 3947.054. INITIAL DIRECTORS.

(a) The initial board consists of:

Pos. No. Name of Director

1Michael Beaty

2Curtis Clinesmith

3Susan Larson

4Alan Michlin

5Michael Warner

Sec. 3947.054. INITIAL DIRECTORS.

(a) The initial board consists of:

Pos. No. Name of Director

1Kenneth Medlock

2Michael Williams

3Susan Larson

4Alan Michlin

5Michael Warner

Sec. 3947.054.

(a) Same as House version.

(b)-(d)

(b)-(d) Same as Senate version.

(b)-(d) Same as Senate version.

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<u>SUBCHAPTER C. POWERS AND DUTIES</u>	<u>SUBCHAPTER C. POWERS AND DUTIES</u>	<u>SUBCHAPTER C. POWERS AND DUTIES</u>
<u>Sec. 3947.101. GENERAL POWERS AND DUTIES.</u>	Sec. 3947.101. Same as Senate version.	Sec. 3947.101. Same as Senate version.
<u>Sec. 3947.102. IMPROVEMENT PROJECTS.</u>	Sec. 3947.102. Substantially the same as Senate version.	Sec. 3947.102. Same as House version.
<u>Sec. 3947.103. WATER DISTRICT POWERS.</u>	Sec. 3947.103. Same as Senate version.	Sec. 3947.103. Same as Senate version.
<u>Sec. 3947.104. AUTHORITY FOR ROAD PROJECTS.</u>	Sec. 3947.104. Same as Senate version.	Sec. 3947.104. Same as Senate version.
<u>Sec. 3947.105. ROAD STANDARDS AND REQUIREMENTS.</u>	Sec. 3947.105. Same as Senate version.	Sec. 3947.105. Same as Senate version.
<u>Sec. 3947.106. NO TOLL ROADS.</u>	Sec. 3947.106. Same as Senate version.	Sec. 3947.106. Same as Senate version.
<u>Sec. 3947.107. PUBLIC IMPROVEMENT DISTRICT POWERS.</u>	Sec. 3947.107. Same as Senate version.	Sec. 3947.107. Same as Senate version.
<u>Sec. 3947.108. CONTRACT POWERS.</u>	Sec. 3947.108. Same as Senate version.	Sec. 3947.108. Same as Senate version.
<u>Sec. 3947.109. AD VALOREM TAXATION.</u>	Sec. 3947.109. Same as Senate version.	Sec. 3947.109. Same as Senate version.
<u>Sec. 3947.110. LIMITATIONS ON EMERGENCY SERVICES POWERS.</u>	Sec. 3947.110. Same as Senate version.	Sec. 3947.110. Same as Senate version.
<u>Sec. 3947.111. ADDING OR REMOVING TERRITORY.</u>	Sec. 3947.111. Same as Senate version.	Sec. 3947.111. Same as Senate version.
<i>No equivalent provision.</i>	<u>Sec. 3947.112. DIVISION OF DISTRICT. (a) The district may be divided into two or more new districts only if the district:</u> <u>(1) has no outstanding bonded debt; and</u> <u>(2) is not imposing ad valorem taxes.</u>	Sec. 3947.112. Same as House version.

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

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

(d) The board, on its own motion or on receipt of a petition signed by the owner or owners of a majority of the assessed value of the real property in the district, may adopt an order dividing the district.

(e) The board may adopt an order dividing the district before or after the date the board holds an election under Section 3947.007 to confirm the creation of the district.

(f) An order dividing the district must:

(1) name each new district;

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

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

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

(g) On or before the 30th day after the date of adoption of an order dividing the district, the district shall file the order with the commission and record the order in the real property records of each county in which the district is located.

(h) Any new district created by the division of the district shall hold a confirmation and directors' election as required by Section 3947.007.

(i) Municipal consent to the creation of the district and to the inclusion of land in the district granted under Section 3947.010 acts as municipal consent to the creation of any new district created by the division of the district and to the

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inclusion of land in the new district.

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

(k) If the creation of the new district is confirmed, the new district shall provide the election date and results to the commission.

Sec. 3947.112. ENFORCEMENT OF REAL PROPERTY RESTRICTIONS.

No equivalent provision.

Sec. 3947.113. Same as Senate version.

Sec. 3947.113. Same as Senate version.

Sec. 3947.114. PROPERTY OF CERTAIN UTILITIES EXEMPT FROM ASSESSMENTS AND FEES. The district may not impose an assessment, impact fee, or standby fee on the property, including the equipment, rights-of-way, easements, facilities, or improvements, of:

(1) an electric utility or a power generation company as defined by Section 31.002, Utilities Code;

(2) a gas utility, as defined by Section 101.003 or 121.001, Utilities Code, or a person who owns pipelines used for the transportation or sale of oil or gas or a product or constituent of oil or gas;

(3) a person who owns pipelines used for the transportation or sale of carbon dioxide;

(4) a telecommunications provider as defined by Section 51.002, Utilities Code; or

(5) a cable service provider or video service provider as defined by Section 66.002, Utilities Code.

Sec. 3947.114. Same as House version.

Sec. 3947.113. NO EMINENT DOMAIN POWER.

Sec. 3947.115. Same as Senate version.

Sec. 3947.115. Same as Senate version.

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SUBCHAPTER C-1. IMPROVEMENT PROJECTS AND SERVICES

SUBCHAPTER D. Same as Senate version.

SUBCHAPTER D. Same as Senate version.

SUBCHAPTER D. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

No equivalent provision.

Same as House version.

Sec. 3947.201. DIVISION OF DISTRICT; PREREQUISITES. (a) Subject to Subsection (b), the district, including territory added to the district under Section 3947.111, may be divided into two or more new districts only if the district has no outstanding bonded debt. Territory previously added to the district under Section 3947.111 may be included in a new district.

(b) If the board adds territory inside the corporate boundaries or the extraterritorial jurisdiction of the city or any other municipality to the district under Section 3947.111, the district may be divided under Subsection (a) only with the consent by ordinance or resolution of the city and any other municipality whose territory or extraterritorial jurisdiction is included in the district.

Sec. 3947.202. LAW APPLICABLE TO NEW DISTRICT. This chapter applies to any new district created by division of the district, and a new district has all the powers and duties of the district.

Sec. 3947.203. DIVISION PROCEDURES. (a) The board, on its own motion or on receipt of a petition signed by an owner of real property in the district, may adopt an order proposing to divide the district.

(b) If the board decides to divide the district, the board shall:
(1) set the terms of the division, including names for the new

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districts and a plan for the payment or performance of any outstanding district obligations;

(2) prepare a metes and bounds description for each proposed district; and

(3) appoint initial directors for each new district.

Sec. 3947.204. NOTICE AND RECORDING OF ORDER.

Not later than the 30th day after the date of an order dividing the district, the district shall:

(1) file the order with the commission; and

(2) record the order in the real property records of the county.

Sec. 3947.205. CONTRACT AUTHORITY OF NEW

DISTRICTS. The new districts may contract with each other

for any matter the boards of the new districts consider

appropriate, including the joint construction or financing of an

improvement project and the joint financing of a maintenance

obligation.

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS;
ASSESSMENTS

Sec. 3947.251. DISBURSEMENTS AND TRANSFERS OF
MONEY.

Sec. 3947.252. MONEY USED FOR IMPROVEMENTS OR
SERVICES.

Sec. 3947.253. BORROWING MONEY; OBLIGATIONS.
(a)-(c)

No equivalent provision.

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS;
ASSESSMENTS

Sec. 3947.201. Same as Senate version.

Sec. 3947.202. Same as Senate version.

Sec. 3947.203. BORROWING MONEY; OBLIGATIONS.
(a)-(c) Same as Senate version.

(d) The district may issue, by public or private sale, bonds,
notes, or other obligations payable wholly or partly from

SUBCHAPTER E. GENERAL FINANCIAL PROVISIONS;
ASSESSMENTS

Sec. 3947.201. Same as Senate version.

Sec. 3947.202. Same as Senate version.

Sec. 3947.203.
(a)-(c) Same as Senate version.

(d) Same as House version.

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assessments in the manner provided by Subchapter J, Chapter 375, Local Government Code.

No equivalent provision.

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

(e) Same as House version.

Sec. 3947.254. ASSESSMENTS.

Sec. 3947.204. Substantially the same as Senate version.

Sec. 3947.204. Same as House version.

Sec. 3947.255. RESIDENTIAL PROPERTY NOT EXEMPT.

Sec. 3947.205. Same as Senate version.

Sec. 3947.205. Same as Senate version.

Sec. 3947.256. COLLECTION OF ASSESSMENTS.

Sec. 3947.206. Same as Senate version.

Sec. 3947.206. Same as Senate version.

Sec. 3947.257. RATES, FEES, AND CHARGES.

Sec. 3947.207. Same as Senate version.

Sec. 3947.207. Same as Senate version.

SUBCHAPTER F. DISSOLUTION

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SUBCHAPTER F. DISSOLUTION

Sec. 3947.301. DISSOLUTION BY BOARD.

Sec. 3947.251. Same as Senate version.

Sec. 3947.251. Same as Senate version.

Sec. 3947.302. DISSOLUTION BY CITY.

Sec. 3947.252. Substantially the same as Senate version.

Sec. 3947.252. Same as House version.

Sec. 3947.303. COLLECTION OF ASSESSMENTS AND OTHER REVENUE.

Sec. 3947.253. Same as Senate version.

Sec. 3947.253. Same as Senate version.

Sec. 3947.304. ASSUMPTION OF ASSETS AND LIABILITIES.

Sec. 3947.254. Same as Senate version.

Sec. 3947.254. Same as Senate version.

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Sec. 3947.305. NO DISSOLUTION BY PETITION. Section 375.262, Local Government Code, does not apply to the district.

SUBCHAPTER Z. SPECIAL BOND PROVISIONS

Sec. 3947.901. APPLICABILITY. This subchapter applies only to bonds payable wholly or partly from revenue derived from assessments on real property in the district.

Sec. 3947.902. CONFLICT OF LAWS. In the event of a conflict between this subchapter and any other law, this subchapter prevails.

Sec. 3947.903. WRITTEN AGREEMENT REGARDING SPECIAL APPRAISALS. Before the district may issue bonds, the district and any person to whom the board intends that proceeds of the bonds be distributed, including the developer, another owner of land in the district, and any entity acting as a lender to the developer or other landowner for the purpose of a project relating to the district, must enter into a written agreement that:

- (1) waives for the term of the agreement the right to a special appraisal with respect to taxation by the district under Subchapters B, C, D, E, F, and H, Chapter 23, Tax Code; and
- (2) remains in effect for 30 years and is binding on the parties, on entities related to or affiliated with the parties, and on their successors and assignees.

Sec. 3947.904. REQUIREMENTS FOR ADVERTISING BOND ISSUE. A district may not advertise for an issuance of bonds until the completion of at least 25 percent of the projected value of the improvements, including houses and other buildings, that are liable for district assessments and

HOUSE VERSION (CS)

Sec. 3947.255. Same as Senate version.

No equivalent provision.

CONFERENCE

No equivalent provision.

(The conference committee may have exceeded the limitations imposed on its jurisdiction, but only the presiding officer can make the final determination on this issue.)

Same as House version.

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necessary to support the district bonds.

Sec. 3947.905. REQUIREMENTS FOR BOND ISSUE. The district may not issue bonds until:

(1) the district submits to the commission:

(A) an engineer's report describing the project for which the bonds will provide funding, including data, profiles, maps, plans, and specifications related to the project; and

(B) a cash flow analysis to determine the projected rate of assessment, which includes the following assumptions:

(i) each ending balance for debt service in the analysis is not less than 25 percent of the following year's debt service requirement;

(ii) interest income is only shown on the ending balance for debt service for the first two years; and

(iii) the projected rate of assessment is level or decreasing for the life of the bonds issued by the district;

(2) the completion of at least 75 percent of the projected value of the improvements, including houses and other buildings, that are liable for district assessments and necessary to support the district bonds; and

(3) the district has obtained an independent market study from a firm recognized in the area of real estate market analysis supporting the development projects for the real property that is liable for district assessments and necessary to support the district bonds.

Sec. 3947.906. REQUIREMENTS FOR COLLECTION OF REVENUE TO PAY BONDS. The district may not collect an assessment to be used for the payment of bonds until:

(1) the completion of at least 95 percent of the underground water, wastewater, and drainage facilities financed from bond proceeds that are necessary to serve the projected build-out, as certified by the district's engineer;

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(2) the district or other appropriate party has secured the groundwater, surface water, and water discharge permits that are necessary to secure capacity to support the projected build-out;

(3) the completion of at least 95 percent of lift station, water plant, and sewage treatment plant capacity sufficient to serve the connections constructed in the project for a period of not less than 18 months, as certified by the district's engineer; and

(4) the completion of at least 95 percent of the streets and roads that are necessary to provide access to the areas served by utilities and financed by the proceeds of bonds issued by the district, as certified by the district's engineer and constructed in accordance with municipal or county standards.

SECTION 2. Metes and bounds.

SECTION 2. Same as Senate version.

SECTION 2. Same as Senate version.

SECTION 3. Procedural provision relating to compliance with relevant requirements.

SECTION 3. Same as Senate version.

SECTION 3. Same as Senate version.

SECTION 4. Effective Date.

SECTION 4. Same as Senate version.

SECTION 4. Same as Senate version.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 27, 2017

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB2244 by West (Relating to the creation of the University Hills Municipal Management District; providing authority to issue bonds; providing authority to impose assessments or fees.), **Conference Committee Report**

No fiscal implication to the State is anticipated.

The bill would amend the Special District Local Laws Code establishing the University Hills Municipal Management District. The district would have authority for road projects. The district would have authority to impose assessments on property. The district would not have authority to exercise the power of eminent domain.

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