SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 4. DEVELOPMENT AND IMPROVEMENT SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT CHAPTER 3866. KENNEDALE TOWNCENTER DEVELOPMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3866.001. DEFINITIONS. In this chapter:

eff. May 27, 2009.

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

(2) "District" means Kennedale TownCenter Development District. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1,

Sec. 3866.002. CREATION AND NATURE OF DISTRICT. (a) Kennedale TownCenter Development District is created as a special district under Sections 52 and 52-a, Article III, and Section 59, Article XVI, Texas Constitution.

(b) The board by resolution may change the district's name. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.003. PURPOSE; LEGISLATIVE FINDINGS. (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.

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

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.004. BOUNDARIES. The district includes all the

territory contained in the following described area:

Block A Lot 1, Lot 2, Lot 3, and Lot 4A of the Kennedale Retail Center Addition; Block A Lot 2 and Lot 3 of the B.T. Webb Subdivision; and Municipal Drive from Third Street to Kennedale Parkway (US Business Highway 287).

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.005. FINDINGS OF BENEFIT AND PUBLIC PURPOSE. (a) The district is created to serve a public use and benefit.

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

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

(1) further the public purposes of the development and diversification of the economy of the state;

(2) eliminate unemployment and underemployment; and

(3) develop or expand transportation and commerce.

(d) The district will:

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

(2) provide needed funding to preserve, maintain, and enhance the economic health and vitality of the district as a community; and

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

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

(f) The district will not act as the agent or instrumentality of any private interest even though the district will benefit many private interests as well as the public. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.006. LIBERAL CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3866.051. BOARD OF DIRECTORS; TERMS. (a) The district is governed by a board of five voting directors appointed under Section 3866.052 who serve staggered two-year terms.

(b) The governing body of the City of Kennedale may appoint one nonvoting director to serve a term prescribed by the governing body. The nonvoting director must be an employee of the City of Kennedale and shall serve as an ex officio member in an advisory capacity to provide assistance on matters in the district that involve the city.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.052. APPOINTMENT OF DIRECTORS. (a) The governing body of the City of Kennedale shall appoint directors to the board.

(b) Sections 375.063, Local Government Code, and 49.052,
Water Code, do not apply to the district.
Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.053. REMOVAL OF DIRECTOR. The members of the board serve at the pleasure of the governing body of the City of Kennedale. The governing body may remove any board member by majority vote.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.054. VACANCIES. A vacancy on the board shall be filled by the governing body of the City of Kennedale. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.055. CONFLICTS OF INTEREST. Except as provided by Chapter 171, Local Government Code, a director may participate in all board votes and decisions. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1,

eff. May 27, 2009.

Sec. 3866.056. DISBURSEMENTS AND TRANSFERS OF MONEY. The board by resolution shall establish the number of directors' signatures and the procedure required for a disbursement or transfer of the district's money.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3866.101. POWERS OF DISTRICT. The district has all powers provided by the general laws on road districts and road utility districts created under Section 52, Article III, Texas Constitution, and conservation and reclamation districts and municipal management districts created under Section 59, Article XVI, Texas Constitution, including:

(1) Chapters 257 and 441, Transportation Code;

(2) Chapter 375, Local Government Code; and

(3) Chapters 49 and 54, Water Code.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.102. AGREEMENTS; GRANTS. (a) The district may make an agreement with or accept a gift, grant, or loan from any

person.

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

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.103. CONTRACT FOR LAW ENFORCEMENT SERVICES. To protect the public interest, the district may contract with a municipality or county to provide law enforcement services in the district for a fee.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

SUBCHAPTER D. FINANCIAL PROVISIONS

Sec. 3866.151. COMPETITIVE BIDDING. Section 375.221, Local Government Code, applies to the district only for a contract that has a value of more than \$25,000.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.152. AUTHORITY TO IMPOSE AD VALOREM TAXES, ASSESSMENTS, AND IMPACT FEES. The district may impose an ad valorem tax, assessment, or impact fee and use the proceeds of the tax, assessment, or impact fee for:

(1) any district purpose, including the payment of debt or other contractual obligations; or

(2) the payment of maintenance and operating expenses. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.153. ELECTIONS REGARDING TAXES OR BONDS. (a) The district must hold an election in the manner provided by Chapters 49 and 54, Water Code, to obtain voter approval before the district imposes a maintenance tax or issues bonds payable from ad valorem taxes.

(b) The board may include more than one purpose in a single proposition at an election.

(c) If the district obtains the written consent of all property owners in the district to impose a maintenance tax or issue bonds payable from ad valorem taxes or assessments, the district is exempt from the election requirement under Subsection (a) and may cancel an election called under Subsection (a). Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1,

eff. May 27, 2009.

Sec. 3866.154. MAINTENANCE TAX. (a) The district may impose an annual ad valorem tax on taxable property in the district for any district purpose, including to:

(1) maintain and operate the district, including improvements constructed or acquired by the district; or

(2) provide a service.

(b) The board shall determine the tax rate. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.155. ASSESSMENTS. (a) The board by resolution may impose and collect an assessment for any purpose authorized by this chapter.

(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 charge against the owners of the property even if the owners are not named in the assessment proceeding.

(c) The lien is effective from the date of the board's

resolution imposing the assessment until the date the assessment is paid. The board may enforce the lien in the same manner that the board may enforce an ad valorem tax lien against real property. Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.156. 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 requesting a project financed by assessment must be signed by the owners of a majority of the assessed value of real property in the district subject to assessment according to the most recent certified tax appraisal roll for the county in which the property is located.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.157. BONDS AND OTHER OBLIGATIONS. (a) The district may issue bonds or other obligations payable wholly or partly from ad valorem taxes, assessments, impact fees, revenue, grants, or other money of the district, or any combination of those sources of money, to pay for any authorized purpose of the district.

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

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

Sec. 3866.158. APPROVAL OF CERTAIN IMPROVEMENT PROJECTS. The district must obtain the approval of the governing body of the City of Kennedale for:

(1) the issuance of bonds for an improvement project;(2) the plans and specifications of an improvement

project financed by the bonds; and

(3) the plans and specifications of a district improvement project related to the use of land owned by the City of Kennedale, an easement granted by the City of Kennedale, or a right-of-way of a street, road, or highway.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.

SUBCHAPTER E. DISSOLUTION

Sec. 3866.201. DISSOLUTION. (a) The district may be dissolved by:

(1) the governing body of the City of Kennedale on a vote of not less than two-thirds of its membership and adoption of an ordinance dissolving the district; or

(2) majority vote of the board of directors.

(b) Section 375.264, Local Government Code, does not apply to the district.

(c) If the district has debt when it is dissolved, the district shall remain in existence solely for the purpose of discharging its debts. The dissolution is effective when all debts have been discharged.

Added by Acts 2009, 81st Leg., R.S., Ch. 172 (H.B. 1300), Sec. 1, eff. May 27, 2009.