

SPECIAL DISTRICT LOCAL LAWS CODE

TITLE 4. DEVELOPMENT AND IMPROVEMENT

SUBTITLE C. DEVELOPMENT, IMPROVEMENT, AND MANAGEMENT

For contingent expiration of this chapter, see Section 3983.03011.

CHAPTER 3983. OAK FARMS MUNICIPAL MANAGEMENT DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 3983.0101. DEFINITIONS. In this chapter:

- (1) "Board" means the district's board of directors.
- (2) "City" means the City of Dallas.
- (3) "Director" means a board member.
- (4) "District" means the Oak Farms Municipal Management District.
- (5) "Exempt property" means property owned by a governmental entity, including the city.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0102. NATURE OF DISTRICT. The Oak Farms Municipal Management District is a special district created under Section 59, Article XVI, Texas Constitution.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0103. 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.

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

(c) The creation of the district is necessary to promote, develop, encourage, and maintain employment, commerce, transportation, tourism, recreation, the arts, entertainment,

economic development, safety, and the public welfare in the district.

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

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

(a) 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.

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

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

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

(2) eliminating unemployment and underemployment; and

(3) developing or expanding transportation and commerce.

(d) The district will:

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

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

(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;

and

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

(e) Pedestrian ways along or across a street, whether at grade or above or below the surface, and street lighting, street landscaping, parking, 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 2019, 86th Leg., R.S., Ch. 475 (H.B. [4733](#)), Sec. 1, eff. June 7, 2019.

Sec. 3983.0105. INITIAL DISTRICT TERRITORY. (a) The 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

(4) legality or operation.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. [4733](#)), Sec. 1, eff. June 7, 2019.

Sec. 3983.0106. 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.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT DISTRICTS LAW. Except as otherwise provided by this chapter, Chapter 375, Local Government Code, applies to the district.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0108. CONSTRUCTION OF CHAPTER. This chapter shall be liberally construed in conformity with the findings and purposes stated in this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

SUBCHAPTER B. BOARD OF DIRECTORS

Sec. 3983.0201. GOVERNING BODY; TERMS. (a) The district is governed by a board of five elected directors who serve staggered terms of four years.

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

(c) The board may not create an executive committee to exercise the powers of the board.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0202. EX OFFICIO DIRECTORS. (a) The city manager, city auditor, and city attorney serve as nonvoting ex officio directors.

(b) The city manager, city auditor, or city attorney may appoint a designee to serve as an ex officio director in place of that person.

(c) An ex officio director is entitled to speak on any matter before the board.

(d) An ex officio director is not counted as a director for purposes of establishing a quorum.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0203. MEETINGS; NOTICE. (a) The board shall hold meetings at a place accessible to the public.

(b) The board must post notice of each meeting with the city secretary not later than 72 hours before the scheduled time of the meeting.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0204. COMPENSATION; EXPENSES. (a) The district may compensate each voting director in an amount not to exceed \$150 for each board meeting. The total amount of compensation for each director in one year may not exceed \$7,200.

(b) An ex officio director is not entitled to receive compensation from the district.

(c) A voting director or an ex officio director is entitled to reimbursement for necessary and reasonable expenses incurred in carrying out the duties and responsibilities of the board.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0205. INITIAL DIRECTORS. (a) The initial board consists of the following directors:

Pos. No.	Name of Director
1	Randall Tate Roush
2	Megan Wohr
3	Anatoly C. Elberg
4	Steven Pierret
5	Jami Greenville

(b) Of the initial directors, the terms of directors appointed for positions one through three expire June 1, 2021, and the terms of directors appointed for positions four and five expire June 1, 2023.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 3983.0301. GENERAL POWERS AND DUTIES. (a) The district has the powers and duties necessary to accomplish the purposes for which the district is created.

(b) The board may not take any action or exercise any power granted under this chapter other than to hold an initial organizational meeting until the development agreement described by Section 3983.03011 is approved by the city and executed by the parties to the agreement.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.03011. DEVELOPMENT AGREEMENT. (a) The city, the district, and any other entities the city determines are necessary to the agreement may execute a development agreement if approved by the city.

(b) This chapter expires on the fourth anniversary of the effective date of the Act enacting this chapter if the development agreement under Subsection (a) is not executed before that date.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The district, using any money available to the district for the purpose, may provide, design, construct, acquire, improve, 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.

(d) A district improvement project or service must comply with:

(1) the city charter and any city zoning and subdivision requirements; and

(2) city codes and ordinances.

(e) The district may not provide, conduct, or authorize an improvement project on any street, highway, right-of-way, or easement owned or controlled by the city unless the governing body of the city by resolution consents to the improvement.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0303. NONPROFIT CORPORATION. (a) The board by resolution, with the consent of the governing body of the city 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.

(d) The board of the nonprofit corporation shall hold meetings at a place accessible to the public.

(e) The board of the nonprofit corporation must post notice of each meeting with the city secretary not later than 72 hours before the scheduled time of the meeting.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0304. LAW ENFORCEMENT SERVICES. To protect the public interest, with the consent of the governing body of the city

by resolution, the district may contract with a qualified party, including the city, to provide law enforcement services in the district for a fee.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. [4733](#)), Sec. 1, eff. June 7, 2019.

Sec. 3983.0305. MEMBERSHIP IN CHARITABLE ORGANIZATIONS. The district, with the consent of the governing body of the city by resolution, may join and pay dues to a charitable or nonprofit organization that performs a service or provides an activity consistent with the furtherance of a district purpose.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. [4733](#)), Sec. 1, eff. June 7, 2019.

Sec. 3983.0306. ECONOMIC DEVELOPMENT PROGRAMS. (a) The district, with the consent of the governing body of the city by resolution, may engage in activities that accomplish the economic development purposes of the district.

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

- (1) make loans and grants of public money; and
- (2) provide district personnel and services.

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

- (1) Chapter [380](#), Local Government Code; and
- (2) Subchapter [A](#), Chapter [1509](#), Government Code.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. [4733](#)), Sec. 1, eff. June 7, 2019.

Sec. 3983.0307. PARKING FACILITIES. (a) The district may acquire, lease as lessor or lessee, construct, develop, own, operate, and maintain parking facilities or a system of parking facilities, including lots, garages, parking terminals, or other

structures or accommodations for parking motor vehicles off the streets and related appurtenances.

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

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

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

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0308. ADDING OR EXCLUDING LAND. The district, with the consent of the governing body of the city by resolution, may add or exclude land in the manner provided by Subchapter J, Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code. Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0309. 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 district money.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0310. EXEMPT PROPERTY. The district may not impose an assessment, fee, tax, or other charge on an exempt property.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0311. NO AD VALOREM TAXATION. The district may not impose an ad valorem tax.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1,

eff. June 7, 2019.

Sec. 3983.0312. NO EMINENT DOMAIN POWER. The district may not exercise the power of eminent domain.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

SUBCHAPTER D. ASSESSMENTS

Sec. 3983.0401. 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 tax appraisal roll for the county.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0402. 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) a lien or claim for county, school district, or municipal ad valorem taxes; or

(B) a lien filed by the city or securing an obligation owed to the city; 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.

(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 a taxing unit, as defined by Section 1.04, Tax Code, may enforce an ad valorem tax lien against real property.

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

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

SUBCHAPTER E. BONDS

Sec. 3983.0501. AUTHORITY TO BORROW MONEY AND TO ISSUE BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on terms determined by the board.

(b) The district may issue bonds, notes, or other obligations payable wholly or partly from assessments, impact fees, revenue, contract payments, grants, or other district money, or any combination of those sources of money, to pay for any authorized district purpose.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0502. BONDS SECURED BY REVENUE OR CONTRACT PAYMENTS. The district may issue, without an election, bonds secured by:

(1) revenue, including contract revenues; or

(2) contract payments, provided that the requirements of Section 49.108, Water Code, have been met.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0503. BONDS AND OTHER OBLIGATIONS FOR IMPROVEMENT UNDER AGREEMENT. If an improvement will be financed by an obligation and the obligation will be secured by the pledge of assessments, the district must enter into an agreement, which may be the development agreement, governing the financing of the improvement before the issuance of the obligation. An obligation issued under this section may be in the form of bonds, notes, or other obligations, payable wholly or partly from assessments, and may be issued, by public or private sale, in the manner provided by Subchapter A, Chapter 372, Local Government Code.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

Sec. 3983.0504. CONSENT OF MUNICIPALITY REQUIRED. (a) The board may not issue bonds 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.

(b) This section applies only to the district's first issuance of bonds.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. 4733), Sec. 1, eff. June 7, 2019.

SUBCHAPTER I. DISSOLUTION

Sec. 3983.0901. DISSOLUTION. (a) The board shall dissolve the district on written petition filed with the board by the owners of:

(1) 66 percent or more of the assessed value of the property subject to assessment by the district based on the most recent certified county property tax rolls; or

(2) 66 percent or more of the surface area of the district, excluding roads, streets, highways, utility rights-of-way, other public areas, and other property exempt from assessment by the district according to the most recent certified county property tax rolls.

(b) The board by majority vote may dissolve the district at

any time.

(c) The city may dissolve the district at any time if:

(1) the development agreement has been executed; and

(2) the district's performance under the agreement has been fulfilled, including any right or obligation the district has to reimburse a developer or owner for the costs of an improvement project.

(d) If the district is dissolved, the board shall transfer ownership of all district property to the city.

(e) The district may not be dissolved if the district:

(1) has any outstanding debt until that debt has been repaid or defeased in accordance with the order or resolution authorizing the issuance of the debt;

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

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

(f) Subchapter [M](#), Chapter [375](#), Local Government Code, does not apply to the district.

Added by Acts 2019, 86th Leg., R.S., Ch. 475 (H.B. [4733](#)), Sec. 1, eff. June 7, 2019.