

1-1 By: Stucky (Senate Sponsor - Nelson) H.B. No. 4693
1-2 (In the Senate - Received from the House May 13, 2019;
1-3 May 14, 2019, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 17, 2019, reported favorably by
1-5 the following vote: Yeas 7, Nays 0; May 17, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to the creation of the Cole Ranch Improvement District No.
1-18 1 of Denton County, Texas; providing authority to impose an
1-19 assessment, impose a tax, and issue bonds.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-21 SECTION 1. Subtitle C, Title 4, Special District Local Laws
1-22 Code, is amended by adding Chapter 3981 to read as follows:

1-23 CHAPTER 3981. COLE RANCH IMPROVEMENT DISTRICT NO. 1 OF DENTON
1-24 COUNTY, TEXAS

1-25 SUBCHAPTER A. GENERAL PROVISIONS

1-26 Sec. 3981.0101. DEFINITIONS. In this chapter:

1-27 (1) "Board" means the district's board of directors.

1-28 (2) "City" means the City of Denton, Texas.

1-29 (3) "County" means Denton County, Texas.

1-30 (4) "Developer of property in the district" means a
1-31 developer of property in the district as determined by the
1-32 governing body of the city.

1-33 (5) "Director" means a board member.

1-34 (6) "District" means the Cole Ranch Improvement
1-35 District No. 1 of Denton County, Texas.

1-36 (7) "Operating agreement" means an agreement that
1-37 provides for:

1-38 (A) a general description of the improvement
1-39 projects that may be financed by the district; and

1-40 (B) the terms and conditions of:

1-41 (i) the financing of the improvement
1-42 projects described by Paragraph (A); and

1-43 (ii) the operation of the district.

1-44 (8) "Project agreement" means an agreement between the
1-45 city and a developer of property in the district that relates to any
1-46 aspect of the development of property in or outside the district.
1-47 The governing body of the city may determine whether an agreement
1-48 constitutes a project agreement for purposes of this chapter.

1-49 Sec. 3981.0102. NATURE OF DISTRICT. The Cole Ranch
1-50 Improvement District No. 1 of Denton County, Texas, is a special
1-51 district created under Section 59, Article XVI, Texas Constitution.

1-52 Sec. 3981.0103. PURPOSE; DECLARATION OF INTENT. (a) The
1-53 creation of the district is essential to accomplish the purposes of
1-54 Sections 52 and 52-a, Article III, and Section 59, Article XVI,
1-55 Texas Constitution, and other public purposes stated in this
1-56 chapter.

1-57 (b) By creating the district and in authorizing the city,
1-58 the county, and other political subdivisions to contract with the
1-59 district, the legislature has established a program to accomplish
1-60 the public purposes set out in Section 52-a, Article III, Texas
1-61 Constitution.

2-1 (c) The creation of the district is necessary to promote,
 2-2 develop, encourage, and maintain employment, commerce,
 2-3 transportation, housing, tourism, recreation, the arts,
 2-4 entertainment, economic development, safety, and the public
 2-5 welfare in the district.

2-6 (d) This chapter and the creation of the district may not be
 2-7 interpreted to relieve the city and the county from providing the
 2-8 level of services provided as of the effective date of the Act
 2-9 enacting this chapter to the area in the district. The district is
 2-10 created to supplement and not to supplant city or county services
 2-11 provided in the district.

2-12 Sec. 3981.0104. FINDINGS OF BENEFIT AND PUBLIC PURPOSE.

2-13 (a) All land and other property included in the district will
 2-14 benefit from the improvements and services to be provided by the
 2-15 district under powers conferred by Sections 52 and 52-a, Article
 2-16 III, and Section 59, Article XVI, Texas Constitution, and other
 2-17 powers granted under this chapter.

2-18 (b) The district is created to serve a public use and
 2-19 benefit.

2-20 (c) The creation of the district is in the public interest
 2-21 and is essential to further the public purposes of:

2-22 (1) developing and diversifying the economy of the
 2-23 state;

2-24 (2) eliminating unemployment and underemployment;

2-25 (3) promoting the affordability of housing; and

2-26 (4) developing or expanding transportation and
 2-27 commerce.

2-28 (d) The district will:

2-29 (1) promote the health, safety, and general welfare of
 2-30 residents, employers, potential employees, employees, visitors,
 2-31 and consumers in the district, and of the public;

2-32 (2) provide needed funding for the district to
 2-33 preserve, maintain, and enhance the economic health and vitality of
 2-34 the district territory as a community and business center;

2-35 (3) promote the health, safety, welfare, and enjoyment
 2-36 of the public by providing pedestrian ways and by landscaping and
 2-37 developing certain areas in the district, which are necessary for
 2-38 the restoration, preservation, and enhancement of scenic beauty;
 2-39 and

2-40 (4) provide for water, wastewater, drainage, road, and
 2-41 recreational facilities for the district.

2-42 (e) Pedestrian ways along or across a street, whether at
 2-43 grade or above or below the surface, and street lighting, street
 2-44 landscaping, parking, and street art objects are parts of and
 2-45 necessary components of a street and are considered to be a street
 2-46 or road improvement.

2-47 (f) The district will not act as the agent or
 2-48 instrumentality of any private interest even though the district
 2-49 will benefit many private interests as well as the public.

2-50 Sec. 3981.0105. INITIAL DISTRICT TERRITORY. (a) The
 2-51 district is initially composed of the territory described by
 2-52 Section 2 of the Act enacting this chapter.

2-53 (b) The boundaries and field notes contained in Section 2 of
 2-54 the Act enacting this chapter form a closure. A mistake in the
 2-55 field notes or in copying the field notes in the legislative process
 2-56 does not affect the district's:

2-57 (1) organization, existence, or validity;

2-58 (2) right to issue any type of bonds for the purposes
 2-59 for which the district is created or to pay the principal of and
 2-60 interest on the bonds;

2-61 (3) right to impose or collect an assessment or tax; or

2-62 (4) legality or operation.

2-63 Sec. 3981.0106. ELIGIBILITY FOR INCLUSION IN SPECIAL ZONES.

2-64 All or any part of the area of the district is eligible to be
 2-65 included in:

2-66 (1) a tax increment reinvestment zone created by the
 2-67 city under Chapter 311, Tax Code; or

2-68 (2) a tax abatement reinvestment zone created by the
 2-69 city under Chapter 312, Tax Code.

3-1 Sec. 3981.0107. APPLICABILITY OF MUNICIPAL MANAGEMENT
3-2 DISTRICTS LAW. Except as otherwise provided by this chapter,
3-3 Chapter 375, Local Government Code, applies to the district.
3-4 Sec. 3981.0108. CONSTRUCTION OF CHAPTER. This chapter
3-5 shall be liberally construed in conformity with the findings and
3-6 purposes stated in this chapter.
3-7 Sec. 3981.0109. CITY CONSENT; OPERATING AGREEMENT AND
3-8 PROJECT AGREEMENT REQUIRED. (a) Except as provided in Subsection
3-9 (c), before the district may exercise any powers under this
3-10 chapter:
3-11 (1) the city must adopt an ordinance or resolution
3-12 consenting to the creation of the district and to the inclusion of
3-13 land in the district;
3-14 (2) the city and the district must negotiate and
3-15 execute a mutually approved and accepted operating agreement; and
3-16 (3) the city and each developer of property in the
3-17 district must negotiate and execute a project agreement.
3-18 (b) This chapter expires December 31, 2020, if:
3-19 (1) the city and the district have not executed the
3-20 operating agreement required by Subsection (a)(2); or
3-21 (2) the city and each developer of property in the
3-22 district have not executed a project agreement as required by
3-23 Subsection (a)(3).
3-24 (c) The board has the powers necessary, convenient, or
3-25 desirable to negotiate and execute a mutually approved and accepted
3-26 operating agreement.
3-27 SUBCHAPTER B. BOARD OF DIRECTORS
3-28 Sec. 3981.0201. GOVERNING BODY; TERMS. (a) The district is
3-29 governed by a board of directors as provided in this section.
3-30 (b) Five directors are elected in the manner provided by
3-31 Subchapter D, Chapter 49, Water Code.
3-32 (c) The city may appoint one additional director to the
3-33 board.
3-34 (d) Section 375.063, Local Government Code, does not apply
3-35 to a director appointed by the city.
3-36 (e) If the city exercises its right to appoint a director
3-37 under Subsection (c), the board consists of six directors while the
3-38 appointed director serves on the board. If the city does not
3-39 exercise its right to appoint or reappoint a director under
3-40 Subsection (c), the board consists of five directors.
3-41 (f) Except as provided by Section 3981.0204, directors
3-42 serve staggered four-year terms.
3-43 Sec. 3981.0202. QUORUM. (a) Three members of the board
3-44 constitute a quorum regardless of whether the board has five or six
3-45 members.
3-46 (b) A majority vote of a quorum of the board is required for
3-47 official action.
3-48 (c) For purposes of determining the requirements for a
3-49 quorum of the board, the following are not counted:
3-50 (1) a board position vacant for any reason, including
3-51 death, resignation, or disqualification; or
3-52 (2) a director who is abstaining from participation in
3-53 a vote because of a conflict of interest.
3-54 Sec. 3981.0203. COMPENSATION. A director is entitled to
3-55 receive fees of office and reimbursement for actual expenses as
3-56 provided by Section 49.060, Water Code. Sections 375.069 and
3-57 375.070, Local Government Code, do not apply to the board.
3-58 Sec. 3981.0204. TEMPORARY DIRECTORS. (a) The temporary
3-59 board consists of:
3-60 (1) Byron Campbell;
3-61 (2) Ryan Miller;
3-62 (3) Shawn Street;
3-63 (4) Russell Hickey;
3-64 (5) Warren Threadgill; and
3-65 (6) a temporary director appointed by the city if the
3-66 city appoints a temporary director under Section 3981.0201(c).
3-67 (b) The temporary or successor temporary directors shall
3-68 hold an election as provided by Section 49.102, Water Code, to elect
3-69 the five permanent elected directors.

4-1 (c) Except for a temporary director appointed by the city,
 4-2 temporary directors serve until the earlier of:

4-3 (1) the date the permanent elected directors are
 4-4 elected under Subsection (b); or

4-5 (2) the fourth anniversary of the effective date of
 4-6 the Act enacting this chapter.

4-7 (d) If the permanent elected directors have not been elected
 4-8 under Subsection (b) and the terms of the temporary directors have
 4-9 expired, successor temporary directors, other than a temporary
 4-10 director appointed by the city, shall be appointed or reappointed
 4-11 as provided by Subsection (e) to serve terms that expire on the
 4-12 earlier of:

4-13 (1) the date the permanent elected directors are
 4-14 elected under Subsection (b); or

4-15 (2) the fourth anniversary of the date of the
 4-16 appointment or reappointment.

4-17 (e) If Subsection (d) applies, the owner or owners of a
 4-18 majority of the assessed value of the real property in the district
 4-19 may submit a petition to the Texas Commission on Environmental
 4-20 Quality requesting that the commission appoint as successor
 4-21 temporary directors the five persons named in the petition. The
 4-22 commission shall appoint as successor temporary directors the five
 4-23 persons named in the petition.

4-24 (f) A temporary director appointed by the city serves until
 4-25 the fourth anniversary of the effective date of the Act enacting
 4-26 this chapter.

4-27 SUBCHAPTER C. POWERS AND DUTIES

4-28 Sec. 3981.0301. GENERAL POWERS AND DUTIES. The district
 4-29 has the powers and duties necessary to accomplish the purposes for
 4-30 which the district is created.

4-31 Sec. 3981.0302. IMPROVEMENT PROJECTS AND SERVICES. (a) The
 4-32 district, using any money available to the district for the
 4-33 purpose, may provide, design, construct, acquire, improve,
 4-34 relocate, operate, maintain, or finance an improvement project or
 4-35 service authorized under this chapter or Chapter 375, Local
 4-36 Government Code.

4-37 (b) The district may contract with a governmental or private
 4-38 entity to carry out an action under Subsection (a).

4-39 (c) The implementation of a district project or service is a
 4-40 governmental function or service for the purposes of Chapter 791,
 4-41 Government Code.

4-42 Sec. 3981.0303. MEMBERSHIP IN CHARITABLE ORGANIZATIONS.
 4-43 The district may join and pay dues to a charitable or nonprofit
 4-44 organization that performs a service or provides an activity
 4-45 consistent with the furtherance of a district purpose.

4-46 Sec. 3981.0304. ADDING OR EXCLUDING LAND. (a) The district
 4-47 may add or exclude land in the manner provided by Subchapter J,
 4-48 Chapter 49, Water Code, or by Subchapter H, Chapter 54, Water Code.

4-49 (b) A district may not add or exclude land unless the city
 4-50 consents to the addition or exclusion.

4-51 Sec. 3981.0305. DISBURSEMENTS AND TRANSFERS OF MONEY. The
 4-52 board by resolution shall establish the number of directors'
 4-53 signatures and the procedure required for a disbursement or
 4-54 transfer of district money.

4-55 Sec. 3981.0306. APPROVAL BY THE CITY. (a) The district
 4-56 must obtain the approval of the city for:

4-57 (1) the plans and specifications of an improvement
 4-58 project financed by bonds, notes, or other obligations; and

4-59 (2) the plans and specifications of an improvement
 4-60 project related to the use of land owned by the city, an easement
 4-61 granted by the city, or a right-of-way of a street, road, or
 4-62 highway.

4-63 (b) City approval may be by an administrative process that
 4-64 does not involve the city's governing body, unless approval of the
 4-65 city's governing body is required by federal, state, or local law,
 4-66 ordinance, or regulation.

4-67 (c) Before issuing bonds, the district must:

4-68 (1) provide to the city the documents authorizing the
 4-69 bonds;

5-1 (2) provide to the city a certification from each
5-2 developer of property in the district that the developer is in
5-3 compliance with the terms and conditions of the developer's project
5-4 agreement with the city; and

5-5 (3) certify that the district is in compliance with
5-6 the terms and conditions of the ordinance or resolution consenting
5-7 to the creation of the district under Section 3981.0109 and the
5-8 operating agreement entered into under that section.

5-9 (d) The city must complete the city's review of the
5-10 documents and certifications required by Subsection (c) not later
5-11 than the 30th day after the date the city receives the documents and
5-12 certifications. The city may object to the issuance of the bonds if
5-13 the city determines that:

5-14 (1) the district is not in compliance with the terms
5-15 and conditions of the ordinance or resolution consenting to the
5-16 creation of the district under Section 3981.0109;

5-17 (2) the district is not in compliance with the
5-18 operating agreement entered into under Section 3981.0109; or

5-19 (3) a developer of property in the district is not in
5-20 compliance with the terms and conditions of a project agreement
5-21 that applies to the developer.

5-22 (e) If the city objects to the district's issuance of bonds,
5-23 the district must obtain the consent of the city's governing body to
5-24 the issuance of the bonds. The city's governing body may not
5-25 unreasonably withhold consent to the issuance of bonds.

5-26 (f) Section 375.207, Local Government Code, does not apply
5-27 to the district.

5-28 Sec. 3981.0307. NO EMINENT DOMAIN POWER. The district may
5-29 not exercise the power of eminent domain.

5-30 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS; ASSESSMENTS

5-31 Sec. 3981.0401. PETITION REQUIRED FOR FINANCING SERVICES
5-32 AND IMPROVEMENTS WITH ASSESSMENTS. (a) The board may not finance a
5-33 service or improvement project with assessments under this chapter
5-34 unless a written petition requesting that service or improvement
5-35 has been filed with the board.

5-36 (b) A petition filed under Subsection (a) must be signed by
5-37 the owner or owners of a majority of the assessed value of real
5-38 property in the district subject to assessment according to the
5-39 most recent certified tax appraisal roll for the county.

5-40 Sec. 3981.0402. ASSESSMENTS; LIENS FOR ASSESSMENTS. (a)
5-41 The board by resolution may impose and collect an assessment for any
5-42 purpose authorized by this chapter in all or any part of the
5-43 district. Section 375.161, Local Government Code, does not apply
5-44 to an assessment imposed by the district.

5-45 (b) An assessment, a reassessment, or an assessment
5-46 resulting from an addition to or correction of the assessment roll
5-47 by the district, penalties and interest on an assessment or
5-48 reassessment, an expense of collection, and reasonable attorney's
5-49 fees incurred by the district:

5-50 (1) are a first and prior lien against the property
5-51 assessed;

5-52 (2) are superior to any other lien or claim other than
5-53 a lien or claim for county, school district, or municipal ad valorem
5-54 taxes; and

5-55 (3) are the personal liability of and a charge against
5-56 the owners of the property even if the owners are not named in the
5-57 assessment proceedings.

5-58 (c) The lien is effective from the date of the board's
5-59 resolution imposing the assessment until the date the assessment is
5-60 paid. The board may enforce the lien in the same manner that the
5-61 board may enforce an ad valorem tax lien against real property.

5-62 (d) The board may make a correction to or deletion from the
5-63 assessment roll that does not increase the amount of assessment of
5-64 any parcel of land without providing notice and holding a hearing in
5-65 the manner required for additional assessments.

5-66 Sec. 3981.0403. IMPACT FEES PROHIBITED. The district may
5-67 not adopt or impose an impact fee.

5-68 SUBCHAPTER E. TAXES AND BONDS

5-69 Sec. 3981.0501. TAX ELECTION REQUIRED. The district must

6-1 hold an election in the manner provided by Chapter 49, Water Code,
6-2 or, if applicable, Chapter 375, Local Government Code, to obtain
6-3 voter approval before the district may impose an ad valorem tax.

6-4 Sec. 3981.0502. OPERATION AND MAINTENANCE TAX. (a) If
6-5 authorized by a majority of the district voters voting at an
6-6 election under Section 3981.0501, the district may impose an
6-7 operation and maintenance tax on taxable property in the district
6-8 in the manner provided by Section 49.107, Water Code, for any
6-9 district purpose, including to:

- 6-10 (1) maintain and operate the district;
- 6-11 (2) construct or acquire improvements; or
- 6-12 (3) provide a service.

6-13 (b) The board shall determine the operation and maintenance
6-14 tax rate. The rate may not exceed the rate approved at the
6-15 election.

6-16 Sec. 3981.0503. AUTHORITY TO BORROW MONEY AND TO ISSUE
6-17 BONDS AND OTHER OBLIGATIONS. (a) The district may borrow money on
6-18 terms determined by the board.

6-19 (b) The district may issue bonds, notes, or other
6-20 obligations payable wholly or partly from ad valorem taxes,
6-21 assessments, revenue, contract payments, grants, or other district
6-22 money, or any combination of those sources of money, to pay for any
6-23 authorized district purpose.

6-24 (c) The principal amount of bonds issued by the district in
6-25 aggregate may not exceed 10 percent of the assessed value of all
6-26 real property in the district.

6-27 Sec. 3981.0504. BONDS SECURED BY REVENUE OR CONTRACT
6-28 PAYMENTS. The district may issue, without an election, bonds
6-29 secured by:

- 6-30 (1) revenue other than ad valorem taxes, including
- 6-31 contract revenues; or
- 6-32 (2) contract payments, provided that the requirements
- 6-33 of Section 49.108, Water Code, have been met.

6-34 Sec. 3981.0505. BONDS SECURED BY AD VALOREM TAXES;
6-35 ELECTIONS. (a) If authorized at an election under Section
6-36 3981.0501, the district may issue bonds payable from ad valorem
6-37 taxes.

6-38 (b) Section 375.243, Local Government Code, does not apply
6-39 to the district.

6-40 (c) At the time the district issues bonds payable wholly or
6-41 partly from ad valorem taxes, the board shall provide for the annual
6-42 imposition of a continuing direct annual ad valorem tax, without
6-43 limit as to rate or amount, for each year that all or part of the
6-44 bonds are outstanding as required and in the manner provided by
6-45 Sections 54.601 and 54.602, Water Code.

6-46 (d) All or any part of any facilities or improvements that
6-47 may be acquired by a district by the issuance of its bonds may be
6-48 submitted as a single proposition or as several propositions to be
6-49 voted on at the election.

6-50 Sec. 3981.0506. CITY NOT REQUIRED TO PAY DISTRICT
6-51 OBLIGATIONS. Except as provided by Section 375.263, Local
6-52 Government Code, the city is not required to pay a bond, note, or
6-53 other obligation of the district.

6-54 SUBCHAPTER F. DEFINED AREAS

6-55 Sec. 3981.0601. AUTHORITY TO ESTABLISH DEFINED AREAS OR
6-56 DESIGNATED PROPERTY. The district may define areas or designate
6-57 certain property of the district to pay for improvements,
6-58 facilities, or services that primarily benefit that area or
6-59 property and do not generally and directly benefit the district as a
6-60 whole.

6-61 Sec. 3981.0602. PROCEDURE FOR ELECTION. (a) Before the
6-62 district may impose an ad valorem tax applicable only to the defined
6-63 area or designated property or issue bonds payable from ad valorem
6-64 taxes of the defined area or designated property, the board shall
6-65 hold an election as provided by Section 3981.0501 in the defined
6-66 area or designated property only.

6-67 (b) The board may submit the proposition to the voters on
6-68 the same ballot to be used in another election.

6-69 Sec. 3981.0603. DECLARING RESULT AND ISSUING ORDER.

7-1 (a) If a majority of the voters voting at the election held under
 7-2 Section 3981.0602 approve the proposition or propositions, the
 7-3 board shall declare the results and, by order, shall establish the
 7-4 defined area or designated property and describe it by metes and
 7-5 bounds or designate the specific area or property.

7-6 (b) The board's order is not subject to judicial review
 7-7 except on the ground of fraud, palpable error, or arbitrary and
 7-8 confiscatory abuse of discretion.

7-9 Sec. 3981.0604. TAXES FOR SERVICES, IMPROVEMENTS, AND
 7-10 FACILITIES IN DEFINED AREAS OR DESIGNATED PROPERTY. On voter
 7-11 approval and adoption of the order described by Section 3981.0603,
 7-12 the district may apply separately, differently, equitably, and
 7-13 specifically its taxing power and lien authority to the defined
 7-14 area or designated property to provide money to construct,
 7-15 administer, maintain, and operate services, improvements, and
 7-16 facilities that primarily benefit the defined area or designated
 7-17 property.

7-18 Sec. 3981.0605. ISSUANCE OF BONDS FOR DEFINED AREA OR
 7-19 DESIGNATED PROPERTY. After the order under Section 3981.0603 is
 7-20 adopted, the district may issue bonds to provide for any land,
 7-21 improvements, facilities, plants, equipment, and appliances for
 7-22 the defined area or designated property.

7-23 SUBCHAPTER G. DIVISION OF DISTRICT INTO MULTIPLE DISTRICTS

7-24 Sec. 3981.0701. DIVISION OF DISTRICT; PREREQUISITES. The
 7-25 district may be divided into two or more new districts only if the
 7-26 district:

- 7-27 (1) has never issued any bonds; and
 7-28 (2) is not imposing ad valorem taxes.

7-29 Sec. 3981.0702. LAW APPLICABLE TO NEW DISTRICT. This
 7-30 chapter applies to any new district created by division of the
 7-31 district, and a new district has all the powers and duties of the
 7-32 district.

7-33 Sec. 3981.0703. LIMITATION ON AREA OF NEW DISTRICT. A new
 7-34 district created by the division of the district may not, at the
 7-35 time the new district is created, contain any land outside the area
 7-36 described by Section 2 of the Act enacting this chapter.

7-37 Sec. 3981.0704. DIVISION PROCEDURES. (a) The board, on its
 7-38 own motion or on receipt of a petition signed by the owner or owners
 7-39 of a majority of the assessed value of the real property in the
 7-40 district, may adopt an order dividing the district.

7-41 (b) An order dividing the district must:

- 7-42 (1) name each new district;
 7-43 (2) include the metes and bounds description of the
 7-44 territory of each new district;
 7-45 (3) appoint temporary directors for each new district;
 7-46 and
 7-47 (4) provide for the division of assets and liabilities
 7-48 between the new districts.

7-49 (c) On or before the 30th day after the date of adoption of
 7-50 an order dividing the district, the district shall file the order
 7-51 with the Texas Commission on Environmental Quality and record the
 7-52 order in the real property records of each county in which the
 7-53 district is located.

7-54 Sec. 3981.0705. DIRECTORS' ELECTION FOR NEW DISTRICT. A
 7-55 new district created by the division of the district shall hold a
 7-56 directors' election in the manner provided by Section 3981.0201.

7-57 Sec. 3981.0706. TAX OR BOND ELECTION. Before a new district
 7-58 created by the division of the district may impose an operation and
 7-59 maintenance tax under Section 3981.0502 or issue bonds payable
 7-60 wholly or partly from ad valorem taxes, the new district must hold
 7-61 an election as required by this chapter to obtain voter approval.

7-62 Sec. 3981.0707. CITY CONSENT. (a) City consent to the
 7-63 creation of the district and to the inclusion of land in the
 7-64 district granted under Section 3981.0109 acts as municipal consent
 7-65 to the creation of any new district created by the division of the
 7-66 district and to the inclusion of land in the new district.

7-67 (b) A new district created by division of the district is
 7-68 subject to the terms and conditions contained in the ordinance or
 7-69 resolution consenting to the creation of the district under Section

8-1 3981.0109.

8-2 Sec. 3981.0708. OPERATING AGREEMENT AND PROJECT AGREEMENT.

8-3 (a) Except as provided by Subsection (b), before a new district
8-4 created by division of the district may exercise any powers under
8-5 this chapter:

8-6 (1) the new district must enter into:

8-7 (A) a joinder to the existing operating agreement
8-8 between the city and the district; or

8-9 (B) a separate operating agreement with the city;
8-10 and

8-11 (2) each developer of property in the new district
8-12 must enter into:

8-13 (A) a joinder to an existing project agreement
8-14 between the city and a developer of property in the district
8-15 applicable to the territory in the new district; or

8-16 (B) a separate project agreement with the city.

8-17 (b) A new district created by division of the district has
8-18 the powers necessary, convenient, or desirable to negotiate and
8-19 execute an agreement described by Subsection (a).

8-20 SUBCHAPTER H. DISSOLUTION

8-21 Sec. 3981.0801. DISSOLUTION. (a) The board shall dissolve
8-22 the district on written petition filed with the board by the owner
8-23 or owners of:

8-24 (1) 66 percent or more of the assessed value of the
8-25 property subject to assessment by the district based on the most
8-26 recent certified county property tax rolls; or

8-27 (2) 66 percent or more of the surface area of the
8-28 district, excluding roads, streets, highways, utility
8-29 rights-of-way, other public areas, and other property exempt from
8-30 assessment by the district according to the most recent certified
8-31 county property tax rolls.

8-32 (b) The board by majority vote may dissolve the district at
8-33 any time.

8-34 (c) The district may not be dissolved by its board under
8-35 Subsection (a) or (b) if the district:

8-36 (1) has any outstanding bonded indebtedness until that
8-37 bonded indebtedness has been repaid or defeased in accordance with
8-38 the order or resolution authorizing the issuance of the bonds;

8-39 (2) has a contractual obligation to pay money until
8-40 that obligation has been fully paid in accordance with the
8-41 contract; or

8-42 (3) owns, operates, or maintains public works,
8-43 facilities, or improvements unless the district contracts with
8-44 another person for the ownership, operation, or maintenance of the
8-45 public works, facilities, or improvements.

8-46 (d) Sections [375.261](#), [375.262](#), and [375.264](#), Local
8-47 Government Code, do not apply to the district.

8-48 SECTION 2. The Cole Ranch Improvement District No. 1 of
8-49 Denton County, Texas, initially includes all territory contained in
8-50 the following area:

8-51 TRACT 1 (North Tract):

8-52 SITUATED in Denton County, Texas in the J. W. Kjellberg
8-53 Survey, Abstract No. 1610, the James McDonald Survey, Abstract
8-54 No. 873, the I.W. Byerly Survey, Abstract No. 1458, the J. Dalton
8-55 Survey, Abstract No. 353, the J. A. Burn Survey, Abstract No. 132,
8-56 the T. & P. R. R., Abstract No. 1292, the A. C. Madden Survey,
8-57 Abstract No. 851, the I. N. Hembree Survey, Abstract No. 594, the
8-58 J. Bacon Survey, Abstract No. 1540, the Wm. Neill Survey, Abstract
8-59 No. 970, the B. B. B. & C.R.R. Co. Survey, Abstract No. 176, the T.
8-60 E. Carruth Survey, Abstract 1707, being a Survey of part of the
8-61 562.8 acre "First tract", a Survey of the 798.2 acre "Second Tract",
8-62 a Survey of part of the 640 acre "Third Tract" described in a deed
8-63 from T. E. Carruth, et al to M. T. Cole, dated December 22, 1931,
8-64 recorded in Volume 238, Page 410, a Survey of part of the 415 acre
8-65 tract described in a deed from Rudy Copeland and wife, Mary A.
8-66 Copeland to M. T. Cole, dated September 26, 1933, recorded in Volume
8-67 243, Page 572, both deeds of the Denton County Deed Records, being
8-68 described by metes and bounds as follows:

8-69 BEGINNING at an 1/2-inch iron pin found at the Northwest

9-1 corner of said 798.2 acre tract in the center of Tom Cole Road
9-2 (East-West asphalt road) and C. Wolfe Road (rock road) from the
9-3 South;
9-4 THENCE South 88 degrees 55 minutes 44 seconds East, generally
9-5 with the center of said Tom Cole Road, 4685.36 feet to an "x" cut in
9-6 a concrete bridge;
9-7 THENCE North 89 degrees 43 minutes 13 seconds East, generally
9-8 with the center of said Tom Cole Road, 2521.29 feet to a 3/4-inch
9-9 iron pin set in place of a nail found at the Northeast corner of said
9-10 798.2 acre tract;
9-11 THENCE South 00 degrees 23 minutes 40 seconds West, with the
9-12 East line of said 798.2 acre tract and generally near an old fence,
9-13 1865.00 feet to an 1/2-inch iron pin set by a corner post at the
9-14 East-Southeast corner of said 798.2 acre tract; same being in the
9-15 North line of said 640 acre tract;
9-16 THENCE South 88 degrees 52 minutes 00 seconds East, with the
9-17 North line of said 640 acre tract and generally near an old fence,
9-18 1616.90 feet to an 1/2-inch iron pin set near a corner post at the
9-19 Northwest corner of the 24.73 acre "Tract One" recorded in Volume
9-20 871, Page 137;
9-21 THENCE South 01 degree 07 minutes 58 seconds West, with the
9-22 West line of said 24.73 acre tract and generally near a fence,
9-23 950.05 feet to an 1/2-inch iron pin found at the West-Southwest
9-24 corner of said 24.73 acre tract;
9-25 THENCE South 88 degrees 58 minutes 35 seconds East, with a
9-26 South line of said 24.73 acre tract, 144.97 feet to an 1/2-inch iron
9-27 pin found at an inside corner of said 24.73 acre tract;
9-28 THENCE South 01 degree 05 minutes 17 seconds West, with a West
9-29 line of said 24.73 acre tract and with the West line of the 13.89
9-30 acre "Tract Two" in said Volume 871, Page 137, 699.86 feet to an
9-31 1/2-inch iron pin found at the Southwest corner of said 13.89 acre
9-32 tract; same being the Northwest corner of the 31.107 acre tract
9-33 recorded in Clerk's File No. 94-71013;
9-34 THENCE South 09 degrees 20 minutes 01 second West, with the
9-35 West line of said 31.107 acre tract, 1010.79 feet to an 1/2-inch
9-36 iron pin found at the Southwest corner of said 31.107 acre tract;
9-37 THENCE South 88 degrees 53 minutes 58 seconds East, with the
9-38 South line of said 31.107 acre tract, 1499.78 feet to an 1/2-inch
9-39 iron pin found at the Southeast corner of said 31.107 acre tract;
9-40 THENCE North 07 degrees 10 minutes 06 seconds West, with the
9-41 East line of said 31.107 acre tract, 1009.80 feet to an 1/2-inch
9-42 iron pin found at the Northeast corner of said 31.107 acre tract;
9-43 same being the Southeast corner of said 13.89 acre tract;
9-44 THENCE North 01 degree 06 minutes 57 seconds East, with the
9-45 East line of said 13.89 acre tract and an East line of said 24.73
9-46 acre tract 699.98 feet to an 1/2-inch iron pin found at an inside
9-47 corner of said 24.73 acre tract;
9-48 THENCE South 88 degrees 52 minutes 57 seconds East, with a
9-49 South line of said 24.73 acre tract, 144.76 feet to an 1/2-inch iron
9-50 pin found at the East-Southeast corner of said 24.73 acre tract;
9-51 THENCE North 01 degree 04 minutes 51 seconds East, with the
9-52 East line of said 24.73 acre tract, 629.19 feet to an 1/2-inch iron
9-53 pin found at the Northeast corner of said 24.73 acre tract;
9-54 THENCE North 89 degrees 25 minutes 26 seconds East, with the
9-55 South line of the Southeast Airport Addition recorded in Volume G,
9-56 Page 295 of the Denton County Plat Records, 1534.00 feet to an
9-57 1/2-inch iron pin found at the Southeast corner of said Airport
9-58 Addition, in the center of Westcourt Road (North-South asphalt
9-59 road);
9-60 THENCE South 00 degrees 38 minutes 25 seconds West, with an
9-61 East line of said 415 acre tract and generally with the center of
9-62 said Westcourt Road, 1150.78 feet to a 5/8-inch iron pin found at an
9-63 inside corner of said 415 acre tract;
9-64 THENCE North 89 degrees 48 minutes 14 seconds East, generally
9-65 along Spring Side Road, 870.00 feet to an 1/2-inch iron pin found at
9-66 the Northwest corner of the 10 acre tract recorded in Volume 971,
9-67 Page 251;
9-68 THENCE southerly along the East side of Underwood Road
9-69 (North-South asphalt road) as follows:

10-1 South 00 degrees 11 minutes 34 seconds East, 646.53 feet to a
10-2 5-inch pipe corner post;
10-3 South 00 degrees 48 minutes 00 seconds East, generally near a
10-4 fence for part of the way, 645.16 feet to a 5-inch pipe corner post;
10-5 South 00 degrees 41 minutes 32 seconds East, 547.42 feet to a
10-6 5/8-inch iron pin found at the North-Northwest corner of the 76.768
10-7 acre tract recorded in Volume 1166, Page 235;
10-8 South 00 degrees 00 minutes 11 seconds West, with a West line
10-9 of said 76.768 acre tract and generally near a wood fence for part
10-10 of the way, 344.00 feet to an 1/2-inch iron pin set at an inside
10-11 corner of said 76.768 acre tract;
10-12 THENCE South 89 degrees 58 minutes 11 seconds West, with a
10-13 North line of said 76.768 acre tract and crossing said Underwood
10-14 Road, 125.00 feet to an 1/2-inch iron pin set at the West-Northwest
10-15 corner of said 76.768 acre tract;
10-16 THENCE South 00 degrees 15 minutes 42 seconds East, with the
10-17 West line of said 76.768 acre tract and on the West side of said
10-18 Underwood Road, passing the Southwest corner of said 76.768 acre
10-19 tract and continuing in all, 1561.35 feet to an 1/2-inch iron pin
10-20 found near said Underwood Road; same being the North-Northwest
10-21 corner of the 96.85 acre tract recorded in Clerk's File
10-22 No. 98-117450;
10-23 THENCE South 01 degree 54 minutes 54 seconds West, with a West
10-24 line of said 96.85 acre tract and generally with said Underwood
10-25 Road, 1205.51 feet to an one inch iron pin found at the an inside
10-26 corner of said 96.85 acre tract; same being the Southeast corner of
10-27 said 415 acre tract; same being where said road turns West;
10-28 THENCE North 89 degrees 27 minutes 33 seconds West, with the
10-29 South line of said 415 acre tract and generally with the center of
10-30 said Underwood Road, 1362.76 feet to an 1/2-inch iron pin set at the
10-31 East-Southeast corner of the 18.726 acre "Tract II" recorded in
10-32 Volume 489, Page 551 of the right-of-way of Farm Road No. 2449;
10-33 THENCE North 00 degrees 28 minutes 37 seconds East, with the
10-34 East line of said 18.726 acre tract and the right-of-way line of
10-35 said Farm Road No. 2449, 45.00 feet to an 1/2-inch iron pin set at
10-36 the Northeast corner of said 18.726 acre tract;
10-37 THENCE with the North line of said 18.726 acre tract, the
10-38 North right-of-way line of said Farm Road No. 2449 and generally
10-39 near a fence as follows:
10-40 North 89 degrees 31 minutes 23 seconds West, 2944.75 feet to
10-41 an 1/2-inch iron pin set;
10-42 South 89 degrees 46 minutes 37 seconds West, 7200.01 feet to
10-43 an 1/2-inch iron pin set;
10-44 North 84 degrees 30 minutes 45 seconds West, 100.50 feet to an
10-45 1/2-inch iron pin set;
10-46 South 89 degrees 46 minutes 37 seconds West, 200.00 feet to an
10-47 1/2-inch iron pin set;
10-48 South 84 degrees 03 minutes 59 seconds West, 100.50 feet to an
10-49 1/2-inch iron pin set;
10-50 South 89 degrees 46 minutes 37 seconds West, 678.22 feet to an
10-51 1/2-inch iron pin set;
10-52 North 44 degrees 49 minutes 38 seconds West, 39.98 feet to an
10-53 1/2-inch iron pin set at the Northwest corner of said 18.726 acre
10-54 tract; same being in the East line of said C. Wolfe Road;
10-55 THENCE North 00 degrees 30 minutes 56 seconds East, with the
10-56 East line of said C. Wolfe Road and generally near a fence, 1353.53
10-57 feet to an 1/2-inch iron pin set;
10-58 THENCE North 89 degrees 32 minutes 13 seconds West, 17.14
10-59 feet to an 1/2-inch iron pin set in the center of said C. Wolfe Road,
10-60 in the West line of said 798.2 acre tract;
10-61 THENCE North 00 degrees 32 minutes 15 seconds East, with the
10-62 West line of said 798.2 acre tract and generally with the center of
10-63 said C. Wolfe Road, 6972.35 feet to the PLACE OF BEGINNING and
10-64 containing 2049.00 acres.
10-65 TRACT 2 (South Tract):
10-66 SITUATED in Denton County, Texas in the S. Paine Survey,
10-67 Abstract No. 1035, the M. Paine Survey, Abstract No. 1036, the
10-68 George West Survey, Abstract No. 1393, the B. B. B. & C.R.R. Co.
10-69 Survey, Abstract No. 176, the E.N. Oliver Survey, Abstract No. 989,

11-1 the J. T. Evans Survey, Abstract No. 411, the C. Manchaca Survey,
 11-2 Abstract No. 789, the G. W. Pettingale Survey, Abstract No. 1041,
 11-3 the J. W. Kjellberg Survey, Abstract No. 1610, being a Survey of
 11-4 part of 1.086 acre tract described in a deed from Maurine P. Myers,
 11-5 et al to M. T. Cole Trust NO. 1, recorded in Volume 1018, Page 453,
 11-6 being a Survey of part of the 562.8 acre "First tract" described in
 11-7 a deed from T. E. Carruth, et al to M. T. Cole, dated December 22,
 11-8 1931, recorded in Volume 238, Page 410, a Survey of the 640 acre
 11-9 tract described in a Deed from T. E. Carruth, et al to M. T. Cole,
 11-10 dated January 4, 1935, recorded in Volume 250, Page 121, a Survey of
 11-11 the 429-3/4 acre tract described in a deed from T. E. Carruth, et al
 11-12 to M. T. Cole, dated March 28, 1936, recorded in Volume 256, Page
 11-13 285, all Deeds of the Denton County Deed Records, being described by
 11-14 metes and bounds as follows:

11-15 BEGINNING at an 1/2-inch iron pin set in a broke off Bois
 11-16 d'arc corner post at the Southwest corner of said 640 acre tract;
 11-17 same being in the East line of the 320.350 acre tract recorded in
 11-18 Clerk's File No. 99-67258;

11-19 THENCE North 00 degrees 35 minutes 15 seconds East, with the
 11-20 East line of said 320.350 acre tract and generally near a fence,
 11-21 3057.12 feet to a 5/8-inch iron pin found at the Northeast corner of
 11-22 said 320.350 acre tract;

11-23 THENCE North 89 degrees 23 minutes 04 seconds West, with the
 11-24 North line of said 320.350 acre tract, 153.52 feet to an 1/2-inch
 11-25 iron pin set in the West line of said 1.086 acre tract; same being on
 11-26 the East side of H. Lively Road (rock road);

11-27 THENCE northerly with the East side of said H. Lively Road,
 11-28 with the West line of said 1.086 acre tract and generally near a
 11-29 fence as follows:

11-30 North 49 degrees 11 minutes 19 seconds East, 31.80 feet to an
 11-31 1/2-inch iron pin set;

11-32 North 06 degrees 29 minutes 42 seconds East, 103.71 feet to an
 11-33 1/2-inch iron pin set;

11-34 North 07 degrees 48 minutes 12 seconds East, 90.24 feet to an
 11-35 1/2-inch iron pin set;

11-36 North 19 degrees 36 minutes 29 seconds East, 83.19 feet to an
 11-37 1/2-inch iron pin set;

11-38 North 17 degrees 17 minutes 59 seconds East, 221.61 feet to an
 11-39 1/2-inch iron pin set at the Northwest corner of said 1.086 acre
 11-40 tract;

11-41 THENCE South 89 degrees 52 minutes 01 second East, with the
 11-42 North line of said 1.086 acre tract, 17.07 feet to an 1/2-inch iron
 11-43 pin found at the Northeast corner of said 1.086 acre tract; same
 11-44 being in the East line of the 160.939 acre tract recorded in Volume
 11-45 1300, Page 933;

11-46 THENCE northerly with the East line of said 160.939 acre
 11-47 tract, the East side of said H. Lively Road and generally near a
 11-48 fence as follows:

11-49 North 00 degrees 48 minutes 45 seconds East, 72.34 feet to an
 11-50 1/2-inch iron pin found;

11-51 North 00 degrees 23 minutes 31 seconds East, 2695.55 feet to
 11-52 an 1/2-inch iron pin set in the South right-of-way line of Farm Road
 11-53 No. 2449;

11-54 THENCE easterly with the South right-of-way line of said Farm
 11-55 Road No. 2449 and generally near a fence as follows:

11-56 North 45 degrees 10 minutes 52 seconds East, 41.58 feet to an
 11-57 1/2-inch iron pin set;

11-58 North 89 degrees 46 minutes 37 seconds East, 679.48 feet to an
 11-59 1/2-inch iron pin set;

11-60 South 84 degrees 30 minutes 45 seconds East, 100.50 feet to an
 11-61 1/2-inch iron pin set;

11-62 North 89 degrees 46 minutes 37 seconds East, 200.00 feet to an
 11-63 60d nail set in top of a wood right-of-way marker;

11-64 North 84 degrees 03 minutes 59 seconds East, 100.50 feet to an
 11-65 1/2-inch iron pin set;

11-66 North 89 degrees 46 minutes 37 seconds East, 1462.48 feet to
 11-67 an 1/2-inch iron pin found at the Northwest corner of the 18.28 acre
 11-68 tract recorded in Volume 5, Page 709 of the Lis Pendens records of
 11-69 Denton County, Texas

- 12-1 THENCE South 00 degrees 16 minutes 13 seconds East, with an
12-2 West line of said 18.28 acre tract and generally near a fence 711.07
12-3 feet to an 1/2-inch iron pin found by a corner post at the Southwest
12-4 corner of said 18.28 acre tract;
- 12-5 THENCE North 89 degrees 45 minutes 23 seconds East, with the
12-6 South line of said 18.28 acre tract and generally near a fence,
12-7 1119.68 feet to an 1/2-inch iron pin found by a corner post at the
12-8 Southeast corner of said 18.28 acre tract;
- 12-9 THENCE North 00 degrees 12 minutes 56 seconds West, with the
12-10 East line of said 18.28 acre tract and generally near a fence,
12-11 710.67 feet to an 1/2-inch iron pin set at the Northeast corner of
12-12 said 18.28 acre tract, in the South right-of-way line of said Farm
12-13 Road No. 2449;
- 12-14 THENCE North 89 degrees 46 minutes 37 seconds East, with the
12-15 North right-of-way line of said Farm Road No. 2449 and generally
12-16 near a fence, 4616.62 feet to an 1/2-inch iron pin set in an East
12-17 line of said 562.8 acre tract;
- 12-18 THENCE South 00 degrees 09 minutes 33 seconds West, with an
12-19 East line of said 562.8 acre tract and generally with the center of
12-20 a rock road 1652.60 feet to an 1/2-inch iron pin set at the
12-21 South-Southeast corner of said 562.8 acre tract, where said road
12-22 turns to the West;
- 12-23 THENCE North 89 degrees 28 minutes 35 seconds West, with the
12-24 South line of said 562.8 acre tract and generally with the center of
12-25 said rock road, 254.68 feet to an 1/2-inch iron pin set in place of a
12-26 60d nail found at the North-Northeast corner of said 429-3/4 acre
12-27 tract;
- 12-28 THENCE South 00 degrees 24 minutes 30 seconds West, with an
12-29 East line of said 429-3/4 acre tract and generally near an old
12-30 fence, 2169.07 feet to a Bois d'arc corner post found at the inside
12-31 corner of said 429-3/4 acre tract;
- 12-32 THENCE South 89 degrees 56 minutes 06 seconds East, with a
12-33 North line of said 429-3/4 acre tract and generally near the
12-34 evidence of an old fence, passing an 1/2-inch iron pin set by a
12-35 corner post at 3125.59 feet and continuing in all, 3151.06 feet to a
12-36 point on the West edge of John Paine Road (North-South rock road);
12-37 same being in a West line of the 2329.49 acre tract recorded in
12-38 Clerk's File No. 98-117450;
- 12-39 THENCE South 00 degrees 33 minutes 24 seconds West, with a
12-40 West line of said 2329.49 acre tract and with the West edge of said
12-41 John Paine Road, 2545.07 feet to an 1/2-inch iron pin found at the
12-42 Southeast corner of said 429-3/4 acre tract and an inside corner of
12-43 said 2329.49 acre tract;
- 12-44 THENCE North 89 degrees 47 minutes 59 seconds West, with the
12-45 South line of said 429-3/4 acre tract, a North line of said 2329.49
12-46 acre tract and generally near an old fence, 5406.60 feet to a Bois
12-47 d'arc corner post found at the Southwest corner of said 429-3/4 acre
12-48 tract and a Northwest corner of said 2329.49 acre tract;
- 12-49 THENCE South 01 degree 59 minutes 48 seconds West, with a West
12-50 line of said 2329.49 acre tract and generally near a fence, 92.25
12-51 feet to a Bois d'arc corner post found at an inside corner of said
12-52 2329.49 acre tract and the Southeast corner of said 640 acre tract;
12-53 an one inch iron pipe found bears South 87 degrees 45 minutes 56
12-54 seconds East, 3.46 feet;
- 12-55 THENCE North 89 degrees 30 minutes 24 seconds West, with the
12-56 South line of said 640 acre tract, a North line of said 2329.49 acre
12-57 tract and generally near an old fence for most of the way, 5806.65
12-58 feet to the PLACE OF BEGINNING and containing 1357.12 acres.
- 12-59 SAVE AND EXCEPT THE FOLLOWING TRACTS OF LAND:
- 12-60 Except Tract 1:
- 12-61 22.18748 acres of land situated in Denton County, Texas, in
12-62 the George West Survey, Abstract No. 1393 and the G.W. Pettingale
12-63 Survey, Abstract No. 1041, being more particularly described in
12-64 that certain Special Warranty Deed from SLF II Cole Property, L.P.
12-65 to Corporation of the Episcopal Diocese of Dallas dated to be
12-66 effective as of February 29, 2008 and recorded on March 4, 2008 as
12-67 Instrument No. 2008-22241 in the Real Property Records of Denton
12-68 County, Texas.
- 12-69 Except Tract 2:

13-1 184.812 acres of land situated in Denton County, Texas, in
13-2 the William Neill Survey, Abstract No. 970, the John Bacon Survey,
13-3 Abstract No. 1540, the Isaac N. Hambree Survey, Abstract No. 594,
13-4 the Jeremiah Dalton Survey, Abstract No. 353 and the J.W. Kjellberg
13-5 Survey, Abstract No. 1610, being more particularly described in
13-6 that certain Special Warranty Deed from SLF II Cole Property, L.P.
13-7 to Aldi (Texas) L.L.C. dated to be effective as of May 8, 2008 and
13-8 recorded on May 8, 2008 as Instrument No. 2008-50360 in the Real
13-9 Property Records of Denton County, Texas.

13-10 Except Tract 3:

13-11 0.247 acre of land situated in Denton County, Texas, in the
13-12 Jeremiah Dalton Survey, Abstract No. 353, being more particularly
13-13 described in that certain Donation Deed from SLF II Cole Property,
13-14 L.P. to Denton County, Texas dated to be effective as of September
13-15 1, 2010 and recorded on October 26, 2010 as Instrument
13-16 No. 2010-107113 in the Real Property Records of Denton County,
13-17 Texas, and recorded again on July 25, 2011 as Instrument
13-18 No. 2011-68617 in the Real Property Records of Denton County,
13-19 Texas.

13-20 Except Tract 4:

13-21 29.444 acres of land, situated in the J. McDonald Survey,
13-22 A-873, Denton County, Texas, and being more particularly described
13-23 in that certain Special Warranty Deed from SLF II Cole Property,
13-24 L.P. to the City of Denton, Texas dated to be effective as of
13-25 December 27, 2016 and recorded on December 29, 2016 as Instrument
13-26 No. 163835 in the Real Property Records of Denton County, Texas.

13-27 SECTION 3. (a) The legal notice of the intention to
13-28 introduce this Act, setting forth the general substance of this
13-29 Act, has been published as provided by law, and the notice and a
13-30 copy of this Act have been furnished to all persons, agencies,
13-31 officials, or entities to which they are required to be furnished
13-32 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
13-33 Government Code.

13-34 (b) The governor, one of the required recipients, has
13-35 submitted the notice and Act to the Texas Commission on
13-36 Environmental Quality.

13-37 (c) The Texas Commission on Environmental Quality has filed
13-38 its recommendations relating to this Act with the governor,
13-39 lieutenant governor, and speaker of the house of representatives
13-40 within the required time.

13-41 (d) All requirements of the constitution and laws of this
13-42 state and the rules and procedures of the legislature with respect
13-43 to the notice, introduction, and passage of this Act have been
13-44 fulfilled and accomplished.

13-45 SECTION 4. This Act takes effect immediately if it receives
13-46 a vote of two-thirds of all the members elected to each house, as
13-47 provided by Section 39, Article III, Texas Constitution. If this
13-48 Act does not receive the vote necessary for immediate effect, this
13-49 Act takes effect September 1, 2019.

13-50

* * * * *