

## **RESOLUTION NO.**

**WHEREAS**, the City supports a fair and equitable property tax system; and

**WHEREAS**, most Austin homeowners continue to experience large increases in their property valuations and thus their property taxes; and

**WHEREAS**, rapidly escalating property taxes are driving an increasing number of homeowners out of Austin's neighborhoods; and

**WHEREAS**, in 2013, the Austin Independent School District, one of the seven districts within the City boundaries, experienced a decrease in student enrollment for the first time since 2001 and attributes this decrease in large part to increased housing costs; and

**WHEREAS**, the Travis Central Appraisal District sets the appraised value for residential and commercial properties; and

**WHEREAS**, research conducted in 2013 and 2014 by the *Austin American-Statesman*, Real Values for Texas, and others demonstrated that commercial property is often valued lower than actual sales prices and its real market value; and

**WHEREAS**, the undervaluation of commercial property imposes an unfair tax burden on residential property owners; and

**WHEREAS**, valuations of commercial property should be based on the fair market value; and

**WHEREAS**, in June 2014 the City Council considered filing a challenge petition with the Travis County Appraisal Review Board challenging valuations for commercial properties but determined that there was insufficient time to prepare an evidence-based case; and

**WHEREAS**, Resolution 20140612-065 directed the City Manager to hire experts to compile a comprehensive and well-researched body of data related to the setting of commercial property values; and

**WHEREAS**, the confidential analysis prepared for the City of Austin provides evidence that commercial properties are undervalued by the Travis Central Appraisal District; and

**WHEREAS**, a successful challenge of undervalued commercial properties could result in lower taxes for Austin homeowners and renters; and

**WHEREAS**, the City of Austin's filing of a challenge petition could delay certification of the tax rolls to November for approximately 100 entities within the Travis Central Appraisal District; **NOW THEREFORE**,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

The City Manager is directed to file a challenge petition with the Appraisal Review Board by May 30, 2015, regarding the level of appraisals of commercial property in the portion of the City within Travis County by the Travis Central Appraisal District pursuant to Chapter 41 of the Texas Tax Code.

**BE IT FURTHER RESOLVED:**

The City Manager shall notify the approximately 100 individual taxing units with the Appraisal District of the City of Austin's intent to file a challenge petition.

**ADOPTED:** \_\_\_\_\_, 2015    **ATTEST:** \_\_\_\_\_

Jannette S. Goodall  
City Clerk

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