

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

December 21, 1970
9:00 A.M.

COUNCIL CHAMBER, CITY HALL

The meeting was called to order with Mayor LaRue presiding.

Roll Call:

Present: Councilmen Janes, MacCorkle, Price, Mayor LaRue
Absent: Councilmen Atkison, Gage, Johnson

Mayor LaRue announced that this was a Special Meeting called for the purpose of considering Tax Appeals.

APPEAL WITHDRAWN

Mayor LaRue noted that the following Tax Appeal had been withdrawn:

JOEL M. CHILDRESS

APPEALS HEARD

	<u>Full Value by the Tax Dept. 1969</u>	<u>Full Value by the Tax Dept. 1970</u>	<u>Assessed Value by Tax Dept.</u>	<u>Value Rendered by Owner</u>	<u>Assessed Value Fixed by Board</u>
IDA LOREAN ELLIS					
7209 North Lamar					
100 x 395 LAND	\$10,315	\$21,762	\$16,320	\$7,740	\$16,320
feet James IMPS	1,600	1,600	1,200	1,200	1,200
P. Wallace Survey	TOTAL \$11,915	\$23,362	\$17,520	\$8,940	\$17,520
Parcel No. 2-3310-0501					

	Full Value by the Tax Dept. 1969	Full Value by the Tax Dept. 1970	Assessed Value by Tax Dept.	Value Rendered by Owner	Assessed Value Fixed by Board
IDA LOREAN ELLIS					
7219-7221 North Lamar					
100 x 395 feet James P. Wallace Survey	LAND \$10,319 IMPS <u>1,250</u>	\$21,762 <u>1,250</u>	\$16,320 <u>940</u>	\$7,740 <u>940</u>	\$16,320 <u>940</u>
TOTAL	\$11,569	\$23,012	\$17,260	\$8,680	\$17,260
Parcel No. 2-3310-0502					

Miss Ida Ellis appealed the valuation on the land which had been doubled. She believed this was too high as the property had no City utilities.

Mr. Jack Klitgaard, Tax Assessor-Collector, stated that the value set averaged 50¢ per square foot, contrary to figures presented by Miss Ellis. He cited sales in the area and valuations placed on other property in the area. He stated that City utilities were available for this property.

Councilman Janes moved that the Council sustain the assessed value set by the Board of Equalization as follows:

IDA LOREAN ELLIS		Assessed Value Fixed by Board	Council Action
7209 North Lamar	LAND	\$16,320	\$16,320
100 x 395 feet James P. Wallace Survey	IMPROVEMENTS	<u>1,200</u>	<u>1,200</u>
Parcel No. 2-3310-0501	TOTAL	\$17,520	\$17,520
7219-7221 North Lamar	LAND	\$16,320	\$16,320
100 x 395 feet James P. Wallace Survey	IMPROVEMENTS	<u>940</u>	<u>940</u>
Parcel No. 2-3310-0502	TOTAL	\$17,260	\$17,260

The motion, seconded by Councilman MacCorkle, carried by the following vote:

- Ayes: Councilmen Janes, MacCorkle, Price, Mayor LaRue
- Noes: None
- Absent: Councilmen Atkison, Gage, Johnson

Full Value
by the Tax

		<u>Full Value by the Tax Dept. 1969</u>	<u>Full Value by the Tax Dept. 1970</u>	<u>Assessed Value by Tax Dept.</u>	<u>Value Rendered by Owner</u>	<u>Assessed Value Fixed by Board</u>
EULA BROWN						
1402 Alguno	LAND	\$1,233	\$2,272	\$1,700	Not Signed	\$1,700
Lot 30,	IMPS	<u>5,986</u>	<u>6,517</u>	<u>4,890</u>		<u>4,890</u>
Block T, Resub. of	TOTAL	\$7,219	\$8,789	\$6,590		\$6,590
Violet Crown Heights Section 2 Parcel No. 2-3105-1415						

Mrs. Eula Brown questioned the reason for the increase in valuation. Mr. Klitgaard stated that this property was treated as residential, not commercial, at \$35 per front-foot, the same as for nearly all other residential property in the area.

Councilman Atkison Enters

Councilman Atkison entered the Council Chamber at this time. He made the following statement:

"Since the Attorney has ruled that my vote may not be counted and two Council members are absent today, I feel that this group is not properly represented here today and I would like to see this meeting adjourned until such time as they have proper representation."

Councilman MacCorkle moved that the Council sustain the assessed value set by the Board of Equalization as follows:

EULA BROWN		<u>Assessed Value Fixed by Board</u>	<u>Council Action</u>
1402 Alguno	LAND	\$1,700	\$1,700
Lot 30, Block T, Resub. of Violet Crown	IMPROVEMENTS	<u>4,890</u>	<u>4,890</u>
Heights Section 2 Parcel No. 2-3105-1415	TOTAL	\$6,590	\$6,590

The motion, seconded by Councilman Janes, carried by the following vote:

Ayes: Councilmen Janes, MacCorkle, Price, Mayor LaRue

Noes: Councilman Atkison*

Absent: Councilmen Gage, Johnson

*Councilman Atkison's vote was not counted in accord with the ruling of the City Attorney.

CITY OF AUSTIN, TEXAS

	Full Value by the Tax Dept. 1969	Full Value by the Tax Dept. 1970	Assessed Value by Tax Dept.	Value Rendered by Owner	Assessed Value Fixed by Board
DELWOOD CENTER, INC.					
By Rogan Giles					
3901-3925 East Avenue					
LAND \$		\$285,533	\$214,150	Signed	\$214,150
4.43 acres IMPS		<u>338,237</u>	<u>253,680</u>		<u>253,680</u>
Thomas Hawkins Survey					
TOTAL		\$623,770	\$467,830		\$467,830
Parcel No. 2-1611-0605					
1300 East 38 1/2 St.					
LAND		\$27,106	\$20,330	Signed	\$20,330
1.01 acres Thomas IMPS		<u>54,388</u>	<u>40,790</u>		<u>40,790</u>
Hawkins Survey					
TOTAL		\$81,494	\$61,120		\$61,120
Parcel No. 2-1611-0608					
J. BASCOM GILES					
By Rogan Giles					
East 38 1/2 Street					
.42 acres LAND \$3,350		\$6,600	\$4,950	Not Signed	\$3,730
Thomas IMPS 0		0	0		0
Hawkins Survey TOTAL \$3,350					
		<u>\$6,600</u>	<u>\$4,950</u>		<u>\$3,730</u>
Parcel No. 2-1611-0603					
J.B. GILES, JR. & ROGAN GILES					
By Rogan Giles					
1406 East 38 1/2 St.					
.84 Acres LAND \$14,765		\$29,530	\$22,150	\$11,070	\$16,610
Thomas IMPS 27,409		<u>35,218</u>	<u>26,410</u>	<u>20,560</u>	<u>26,410</u>
Hawkins Survey					
TOTAL \$42,174		\$64,748	\$48,560	\$31,630	\$43,020
Parcel No. 2-1611-0604					

Mr. Rogan Giles stated that of about 13 acres encompassing these parcels of land, 6.95 acres had been sold for \$260,000 in May, 1968, for an average of 85¢ per square foot. He noted that the Tax Department had valued the land in Parcel No. 2-1611-0605 at \$1.50 per square foot, and the land in Parcels No. 2-1611-0608 and 2-1611-0604 at 61-62¢ per square foot. He believed that the highest value which should be set on the land in Parcel No. 2-1611-0605 would be \$1.25 per square foot. He believed a fair value for the land in Parcels No. 2-1611-0608 and 2-1611-0604 would be 50¢ per square foot, noting that the use of the former for a warehouse was committed by a 15-year lease. He objected to the valuation on the property in Parcel No. 2-1611-0603 because it contained a ditch which could not be built on. Regarding Parcel No. 2-1611-0604, he objected to the increase in valuation on the improvements as the only change that had occurred was the moving in of a metal building at less than \$5,700 expense.

Mr. Giles stated that the income returned on this property was slightly down from what it was in 1960, and he believed that revenue generated was one of the tests of fair market value. He stated that the income information would be made

available to the Tax Department. He stated that their leases did not have tax escalator clauses in them.

Councilman Janes felt that the information offered by Mr. Giles to the Tax Department should be evaluated before the Council made a decision.

Mr. Klitgaard stated that all approaches, not just the income approach, should be used to determine market value. He agreed to examine the income figures offered by Mr. Giles. He stated that the appraisals made on these properties were on the same basis as for other nearby property on the Interregional Highway. He did not believe the sale of 6.95 acres to which Mr. Giles had referred was comparable because this property did not have Interregional Highway frontage. He noted that the State had had to purchase land from the Hancock Shopping Center at \$3.00 per square foot. Regarding Parcel No. 2-1611-0603, Mr. Klitgaard stated that the ditch area had been valued at a flat \$100, and the Board of Equalization had allowed a 25% discount on the remainder of the property in the parcel, which yielded an average value of 60¢ per square foot. Regarding the improvements in Parcel No. 2-1611-0604, he stated that the metal building had been valued at \$5,084, and the rest of the increase was due to increased unit values.

Mayor LaRue noted that it was the will of the Council that this case be reviewed by the Tax Department in light of income information to be provided by Mr. Giles.

RECESSED MEETING

11:00 A.M.

At 11:00 A.M., the Council heard the following Tax Appeals:

	Full Value by the Tax Dept. 1969	Full Value by the Tax Dept. 1970	Assessed Value by Tax Dept.	Value Rendered by Owner	Assessed Value Fixed by Board
MRS. MYRTLE CUTHBERTSON					
1212 West 38th St.					
Lot 1, LAND	\$ 5,599	\$11,196	\$ 8,400	\$ 4,200	\$ 8,400
Block C IMPS	<u>10,289</u>	<u>11,763</u>	<u>8,820</u>	<u>7,720</u>	<u>8,820</u>
Tonkawa Bluff					
Addition TOTAL	\$15,888	\$22,959	\$17,220	\$11,920	\$17,220
Parcel No. 2-2102-0401					

Mrs. Myrtle Cuthbertson stated that she wished to re-zone this property in order to sell flowers but had been informed that she would have to dedicate 10' of right of way on 38th Street and 5' of right of way on Bailey Lane which would leave too small an area for this purpose. She stated that she had purchased this property in 1966 for \$21,000, and she did not believe its value had increased since then.

Mr. Klitgaard stated that the basis for appraisal on this property was the same or less per front-foot as for all adjoining property. He did not know how the market value would be affected if the rights-of-way were dedicated.

Mayor LaRue noted that it was the will of the Council that this case be reviewed by the Tax Department to determine what effect on market value would result from the dedication of rights-of-way.

CITY OF AUSTIN, TEXAS

		<u>Full Value by the Tax Dept. 1969</u>	<u>Full Value by the Tax Dept. 1970</u>	<u>Assessed Value by Tax Dept.</u>	<u>Value Rendered by Owner</u>	<u>Assessed Value Fixed by Board</u>
CHRIS CROW, TR. By James Crow						
959 Reinli						
Lot 1,	LAND	\$38,884	\$165,872	\$124,250	\$29,160	\$124,250
Resub. of	IMPS	<u>7,500</u>	<u>132,372</u>	<u>99,280</u>	<u>5,630</u>	<u>99,280</u>
Lot 40						
Duval Hgts.	TOTAL	\$46,384	\$298,044	\$223,530	\$34,790	\$223,530
Parcel No. 2-2512-0446						

Mr. James Crow appealed the valuation placed on the land only. Mr. Joe Crow stated that he did not believe the quadrant system used for property valuations by the City could make for the equal and uniform assessments required by the State Constitution. He discussed at some length how market value should be determined. He believed that re-assessments should be made on all property at the same time. He discussed the problems created by the present system. There was discussion as to the legal status of the current system.

Mr. Klitgaard explained the basis for valuation of this property, noting sales in the area. While the back portion of this property might be less valuable than the front portion, he felt that the average valuation of \$1.00 per square foot was fair market value. Councilman Price felt the back portion should receive a lower valuation.

Councilman James moved that the Council sustain the assessed value set by the Board of Equalization on this property. The motion, seconded by Councilman MacCorkle, failed to carry by the following vote:

- Ayes: Councilmen James, MacCorkle, Mayor LaRue
- Noes: Councilmen Atkison*, Price
- Absent: Councilmen Gage, Johnson

Mayor LaRue noted that this case would be re-heard when more Council members were present.

RECESSED MEETING

1:00 P.M.

At 1:00 P.M. the Council heard the following Tax Appeals:

		<u>Full Value by the Tax Dept. 1969</u>	<u>Full Value by the Tax Dept. 1970</u>	<u>Assessed Value by Tax Dept.</u>	<u>Value Rendered by Owner</u>	<u>Assessed Value Fixed by Board</u>
ALGER L. BYRD						
By Mrs. Alger L. Byrd						
6707 Tulane Drive						
Lot 4,	LAND	\$1,215	\$ 2,363	\$1,770	\$ 910	\$1,770
Block 2	IMPS	<u>6,768</u>	<u>8,140</u>	<u>6,110</u>	<u>5,080</u>	<u>6,110</u>
University Hills Section 3						
Phase 1	TOTAL	\$7,983	\$10,503	\$7,880	\$5,990	\$7,880
Parcel No. 2-2326-0301						

*Councilman Atkison's vote was not counted in accord with the ruling of the City Attorney

Mrs. Alger Byrd feared that she would not be able to afford to live in her home with this increase in taxes. She stated that the loan which she assumed on this property in 1968 was for \$11,625. It was noted that her increase in taxes from 1969 to 1970 would be about \$50 per year.

Mr. Klitgaard stated that this property was appraised on the same basis as all other property in the area.

Councilman Janes moved that the Council sustain the assessed value set by the Board of Equalization as follows:

ALGER L. BYRD			
By Mrs. Alger L. Byrd		Assessed Value Fixed by Board	Council Action
6707 Tulane Drive	LAND	\$1,770	\$1,770
Lot 4, Block 2,	IMPROVEMENTS	<u>6,110</u>	<u>6,110</u>
University Hills Section 3, Phase 1			
Parcel No. 2-2326-0301	TOTAL	\$7,880	\$7,880

The motion, seconded by Councilman MacCorkle, carried by the following vote:

- Ayes: Councilmen Janes, MacCorkle, Price, Mayor LaRue
- Noes: Councilman Atkison*
- Absent: Councilmen Gage, Johnson

	Full Value by the Tax Dept. 1969	Full Value by the Tax Dept. 1970	Assessed Value by Tax Dept.	Value Rendered by Owner	Assessed Value Fixed by Board
WARREN S. FREUND					
By James P. Hart					
3209 Shoal Creek Drive	LAND \$ 3,042	\$34,848	\$26,140	Not Signed	\$22,870
.4 acres	IMPS <u>7,106</u>	<u>8,877</u>	<u>6,660</u>		<u>6,660</u>
George W. Spear League	TOTAL \$10,148	\$43,725	\$32,800		\$29,530
Parcel No. 2-1901-0125					

Mr. James Hart appealed the valuation on the land only which was over eleven times the 1969 value, reduced somewhat by the Board of Equalization. He believed this was an excessive increase. He noted a previous offer to purchase the land at \$1.20 per square foot, while the Board of Equalization valuation was on the basis of \$1.75 per square foot. No firm offer any higher than \$1.20 per square foot had been since offered, so Mr. Hart believed this was the rate at which the land should be appraised. He stated that the owner did not wish to sell at this time.

*Councilman Atkison's vote was not counted in accord with the ruling of the City Attorney.

Mr. Klitgaard stated that about 30 recent sales had occurred in this area noting that 1969 and 1970 sales were between \$2.00 and \$3.00 per square foot. Councilman Price expressed concern about placing a value on this land which might force Mrs. Freund to sell her home.

Councilman Price moved that the full value on the land be adjusted to \$1.20 per square foot. Councilman Atkison seconded the motion.** The motion died for lack of a second.

Councilman MacCorkle moved that the Council sustain the assessed value set by the Board of Equalization. The motion, seconded by Councilman Janes, failed to carry by the following vote:

Ayes: Councilmen Janes, MacCorkle, Mayor LaRue
Noes: Councilmen Atkison*, Price
Absent: Councilmen Gage, Johnson

Councilman Atkison made this statement: "I would like to ask each member of the Council here whether their intent, when they sent my case to Court, was to place it where I could not represent the people that elected me, and was it their intent that I could not vote until this case was decided, and was their decision to judge me guilty until I had time to prove my innocence in Court? If that is the case, I have no reason to continue to vote here."

Mayor LaRue noted that this case would be re-heard when more Council members were present.

APPEALS NOT HEARD

The following Tax Appeals were not heard due to the absence of the appellants:

ORDELL DUBE
MARTIN J. DESTEFANO

ATKISON'S VOTE DISCUSSED

In response to Councilman Atkison's question, Councilmen Janes and MacCorkle and Mayor LaRue stated their views that they had to abide by the ruling of the City Attorney that Councilman Atkison's vote did not count.

ADJOURNMENT

Councilman Price moved the Council adjourn. The motion, seconded by Councilman Janes, carried by the following vote:

Ayes: Councilmen Atkison*, Janes, MacCorkle, Price, Mayor LaRue
Noes: None
Absent: Councilmen Gage, Johnson

*Councilman Atkison's vote was not counted in accord with the ruling of the City Attorney.

**Councilman Atkison's second was not counted in accord with the ruling of the City Attorney.

December 21, 1970 1379

CITY OF AUSTIN, TEXAS

The Council then adjourned.

APPROVED: _____
Mayor

ATTEST: _____
City Clerk