



Recommendation for Action

File #: 19-1670, **Agenda Item #:** 2.

5/9/2019

Posting Language

Approve a resolution, as required by Texas Property Tax Code Section 6.051, authorizing the Travis Central Appraisal District (District) to purchase and acquire real estate located at 850 E. Anderson Lane, Austin, Texas, for an amount not to exceed \$10,000,000 of District funds to allow the District to expand their existing office facilities to accommodate additional Appraisal Review Board panels.

Lead Department

Budget Office

Fiscal Note

This item has no fiscal impact.

For More Information:

Marya Crigler, Chief Appraiser, Travis Central Appraisal District / 512-834-9317; Ed Van Eenoo, Deputy Chief Financial Officer / 974-2628

Additional Backup Information:

The Travis Central Appraisal District (District) has demonstrated a need for additional office workspace to meet the growing demand for appraisal services. In order for the District to certify the appraisal roll the Appraisal Review Board (ARB) must first resolve 95% of protests filed and approve the records. To address the increased protest demand in 2018, the number of members of the ARB was increased to allow for maximum capacity of 20 panels, and because the facilities at 8314 Cross Park Drive can only accommodate 10 panels, the District rented space at the Travis County Expo Center in 2018 to hold formal hearings at the maximum capacity of 20 panels.

Because certification is time sensitive, the District urgently needs a long term reliable solution to address the lack of workspace so that the District can continue to provide quality service to the taxing jurisdictions and the taxpayers of Travis County. New construction is a more expensive option and the time required for new construction would delay operational use for the 2019 and 2020 protest seasons. The District determined the best option is to purchase an existing larger facility with sufficient space for expanded ARB panels that could be leased, contingent upon sale, for the use by the ARB for the upcoming 2019 season.

The District will not request any additional funds from the taxing units for this real estate purchase. The District holds sufficient funds in dedicated reserves and annually budgeted reserves for the building purchase and renovations. Additionally, the District requests that any funds from the sale or lease of its current facility be placed into its reserve accounts. The District will hold the proceeds from the sale or lease in reserve and will use the proceeds to make payments or payoff the loan. The District found a building located within two miles of its current facilities, with easy access from both IH-35 and 183. The total loan amount for the building and necessary renovations will not exceed \$10,000,000. The District negotiated financing for a 20 year fixed note at 4.3% interest.

The Texas Property Tax Code Section 6.051 requires acquisition or conveyance of real property by the appraisal district be approved by the governing bodies of three-fourths of the taxing units entitled to vote on the

appointment of board members. The District needs a resolution from the City of Austin governing body approving the real estate purchase by June 1, 2019.