

RESOLUTION NO.

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

WHEREAS, most Austin homeowners have experienced 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 by the *Austin American-Statesman*, Real
Values for Texas, and others demonstrates 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, Harris County has filed a petition with its Appraisal Review Board challenging valuations on unimproved commercial property; and

WHEREAS, the Travis County Commissioners Court ~~is contemplating~~ contemplated filing a challenge petition for commercial properties; and

WHEREAS, the City seeks to present a comprehensive and well-researched body of data to document its concerns about the setting of commercial property values; and

~~WHEREAS, if Travis County Commissioners elect to proceed with a challenge petition, the City may be able to share the costs of hiring experts and other legal preparations;~~ **NOW THEREFORE,**

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

The City Manager is directed:

- (a) To work with other area taxing entities and experts to compile comprehensive evidence to prepare a targeted challenge petition challenging the appraisals of categories of commercial properties that can be proved to be undervalued by the Travis Central Appraisal District; and
- (b) To procure experts; and
- (c) To provide bimonthly updates to the Audit and Finance Committee and an interim report to council with sufficient time to allow council to consider

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filing the challenge petition as early as possible after 2015 appraisals are
complete and before the appropriate deadline in 2015.

ADOPTED: _____, 2014 ATTEST: _____
Jannette S. Goodall
City Clerk