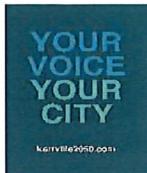




**KERRVILLE CITY COUNCIL**  
**SPECIAL-CALLED MEETING AGENDA**  
**MAY 05, 2020 10:00 AM**  
**CITY HALL, COUNCIL CHAMBERS**  
**701 MAIN STREET, KERRVILLE, TEXAS**



K  
KERRVILLE  
2050

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***Council Meeting Procedures during the Disaster Declaration***

*COVID-19 (Coronavirus) provides a unique concern in that gathering members of the public, City Council, and City staff within a physical setting constitutes a public health risk. Pursuant to the Governor's Executive Order of April 27, 2020 to Open Texas, City Council meetings will be open to the public beginning May 01, 2020; however occupancy level of the Council Chambers will be limited. If capacity is reached, additional access will be denied. If attending a City Council meeting, please observe COVID-19 sanitation guidelines and social distancing. Face masks are not required, but recommended.*

*A person may also submit written comments on specific agenda items, and comments will be read into the meeting record. Comments must include a name, address, and a reference to the relevant item. Comments that do not include such information will not be read and the City must receive all comments by 9:30 a.m., May 05, 2020.*

- a. *Comments may be dropped off at the City Hall Utility Payments Drop-Box; or*
- b. *Comments may be emailed to [shelley.mcelhannon@kerrilletx.gov](mailto:shelley.mcelhannon@kerrilletx.gov).*

*Citizens may view and hear the City Council meetings on Spectrum Channel 2 or by live-streaming via the City's website ([www.kerrilletx.gov](http://www.kerrilletx.gov)). City Council meetings are recorded, and the recordings are posted on the City's website.*

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**CALL TO ORDER**

**1. CONSIDERATION AND POSSIBLE ACTION:**

- 1.A. Resolution No. 10-2020. A Resolution requesting that the State of Texas take action to suspend the 2020 appraisals of taxable property and to use the value established for the previous year.

**ADJOURN**



**TO BE CONSIDERED BY THE CITY COUNCIL  
CITY OF KERRVILLE, TEXAS**

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**SUBJECT:** A resolution requesting that the State of Texas take action to suspend the 2020 appraisals of taxable property and to use the value established for the previous year.

**AGENDA DATE OF:** 5/5/2020

**DATE SUBMITTED:** 4/30/2020

**SUBMITTED BY:** Amy Dozier

**EXHIBITS:** Resolution No. 10-2020

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<b>Expenditure Required:</b> \$0	<b>Current Balance in Account:</b> N/A	<b>Amount Budgeted:</b> N/A	<b>Account Number:</b> N/A
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**PAYMENT TO BE MADE TO:** N/A

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<b>Kerrville 2050 Item?</b>	<b>Yes:</b> <input type="checkbox"/>	<b>No:</b> <input checked="" type="checkbox"/>
<b>Key Priority Area</b>	N/A	
<b>Guiding Principle</b>	N/A	
<b>Action Item</b>		

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**SUMMARY STATEMENT:**

In accordance with State law, Kerr Central Appraisal District (KCAD) determined the appraised value of property in the City of Kerrville as of January 1, 2020. Based on a preliminary tax roll received from KCAD on April 29, 2020, the City is expecting most property owners will see an increase in appraised value when KCAD mails notices of appraised value to residents on May 11, 2020.

In light of COVID-19, which has created a national emergency, state disaster, significant economic hardship and potential economic damage to property values, the City is proactively seeking ways to provide financial stability for citizens. This resolution recommends providing a measure of financial stability by freezing all property tax appraisal valuations within the City to levels set on January 1, 2019.

The resolution urges the Texas Governor and Legislature to take immediate action to freeze property valuations as of January 1, 2019, with updates in 2020 only for ownership changes, new value or exemption changes.

**RECOMMENDED ACTION:**

Approve Resolution No. 10-2020

**CITY OF KERRVILLE, TEXAS  
RESOLUTION NO. 10-2020**

**A RESOLUTION REQUESTING THAT THE STATE OF TEXAS  
TAKE ACTION TO SUSPEND THE 2020 APPRAISALS OF  
TAXABLE PROPERTY AND TO USE THE VALUE  
ESTABLISHED FOR THE PREVIOUS YEAR**

**WHEREAS**, the novel coronavirus (COVID-19) has been recognized globally as a contagious respiratory virus; and

**WHEREAS**, President Trump has declared a national emergency to combat the COVID-19 pandemic; and

**WHEREAS**, On March 13, 2020, the Governor of Texas certified that COVID-19 poses an imminent threat of disaster and declared a state of disaster for all counties in Texas; and

**WHEREAS**, financial markets throughout the world and the United States have plummeted and established record economic losses; and

**WHEREAS**, dramatic emergency efforts to contain COVID-19 in Texas have led the Governor and others to restrict certain activities and businesses, resulting in a significant decrease in business, trade, and commerce in numerous segments of the economy; and

**WHEREAS**, many businesses within the City and throughout the state have closed or have limited their operations in an effort to significantly reduce expenses, which has meant laying off workers, reducing hours of work, and/or implementing salary cuts in reaction to the economic devastation fueled by COVID-19; and

**WHEREAS**, under such ongoing, dire, and extreme circumstances, many Kerrville and state residents have justifiable fears and panic concerning the their ability to pay home mortgages, maintain employment, and pay other expenses; and

**WHEREAS**, such conditions has added great stress on the Kerrville community and others in the state such that the City is considering any and all ways that it may help provide some level of certainty; and

**WHEREAS**, per Section 23.01 of the Texas Tax Code, most all taxable property is appraised at its market value as of January 1, a time that this year was many weeks before the COVID-19 outbreak and the subsequent devastation to both health and the economy; and

**WHEREAS**, City Council submits that the actual fair market value of taxable property within the City and throughout the state is now and for the foreseeable

future, substantially less than the tax appraisal valuations set on January 1, 2020; and

**WHEREAS**, City Council submits that the COVID-19 pandemic coupled with the significant downturn in the economy at all levels, has and will continue to result in historic lows as to employment and other economic indicators; and

**WHEREAS**, Section 11.35 of the Tax Code establishes a temporary exemption to ad valorem taxes for qualified property damaged by a disaster, such that if a declared disaster occurs prior to the date a taxing unit adopts its tax rate, property owners are entitled to a temporary exemption on property at least 15% damaged by the disaster; and

**WHEREAS**, following a request for a legal opinion from Texas Senator Bettencourt as to the applicability of Section 11.35 to the COVID-19 pandemic, the Texas Attorney General concluded that this section does not apply to the current situation, as the Texas Legislature intended Section 11.35 and its temporary tax exemption to apply to property physically harmed as a result of a declared disaster, and thus, purely economic, non-physical damage to property caused by the COVID-19 disaster is not eligible for this exemption; and

**WHEREAS**, based upon the reasons and arguments provided above, City Council hereby finds that the Governor and the Texas Legislature should take whatever actions are necessary to help with the downward trending economic conditions caused by the COVID-19 disaster, including to adopt an order, the adoption of a law similar to Section 11.35, or any other official action, which will suspend and/or freeze the market value of taxable property within Kerr County and the entire state to the previous year appraisal, with the exceptions provided herein; and

**WHEREAS**, the City's request, that the Texas Governor and the Texas Legislature consider an additional measure to suspend the requirement for Appraisal Districts to re-appraise property for tax year 2020, including market value and appraised value, would mitigate the economic impact on Texas residents and facilitate recovery efforts in a way that does not call for direct expenditures from the State; and

**WHEREAS**, City Council believes that the suspension of reappraisal activity is a moral and ethical imperative to, first and foremost, preserve the health of our citizens and serve as a meaningful proactive initiative that will provide a small measure of financial stability for a public navigating a future that is uncertain;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KERRVILLE, KERR COUNTY, TEXAS:**

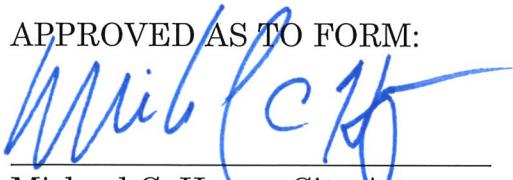
**SECTION ONE.** City Council hereby strongly recommends that the Texas Governor, Texas Legislature, and any other state officials to take immediate action to suspend and/or freeze all property tax appraisal valuations within the City and the state to levels set on January 1, 2019.

**SECTION TWO.** The recommendation from the City Council that the State suspend reappraisal activities statewide for 2020, including market value and appraised value, should include the exceptions as to applicable ownership updates, value added to the appraisal records due to new value, and exemptions being modified, added, or cancelled or in the case of reductions on value.

**SECTION THREE.** City Council directs the City Secretary to send copies of this Resolution to the office of the Texas Governor, to State Senator and State Representative for the City, and to the local government entities that may have an interest in this matter.

**PASSED AND APPROVED ON** this the \_\_\_\_\_ day of \_\_\_\_\_ A.D.,  
2020.

APPROVED AS TO FORM:

  
Michael C. Hayes, City Attorney

\_\_\_\_\_  
Bill Blackburn, Mayor

ATTEST:

\_\_\_\_\_  
Shelley McElhannon, City Secretary