

# MINUTES

## GALVESTON CENTRAL APPRAISAL DISTRICT Regular Meeting of the Board of Directors March 10<sup>th</sup>, 2021

The regular meeting of the Galveston Central Appraisal District Board of Directors was held Wednesday, March 10<sup>th</sup>, 2021 at 9850 Emmett F. Lowry Expressway, Suite A, Texas City, Texas.

Members present: Donald Gartman  
Bruce Clawson  
Tom Farmer  
Chad Tressler  
Scott Brast  
Cheryl Johnson; Ex Officio Member

Others present: Chief Appraiser Tommy Watson, Director of Finance & Administration Bertha Curry, Executive Assistant Lauren Frame, Deputy Chief Appraiser Krystal McKinney, In house Staff Attorney Nick Perez, Taxpayer Liaison Officer Norman Franzke and Appraisal Review Board Chairman Leroy Ellis.

### 1. OPEN SESSION

With a quorum present, Chairman, Donald Gartman called the meeting to order at 4:00 PM. He stated that the meeting had been duly called and the public meeting notice was properly posted in accordance with the Open Meetings Act, Texas Government Code; Chapter 551. He asked the attendees to join in the Pledge to the Flag of the United States, followed by the Pledge to the Texas Flag.

### 2. Welcome Guests and Comments from the Public.

There were no comments at this time.

### 3. Review and Consider Approval of the Minutes from the January 13<sup>th</sup>, 2021 meeting.

There were no changes or comments.

Mr. Clawson **MOVED** to accept and approve the minutes from the January 13<sup>th</sup>, 2021 board meeting. Mr. Brast **SECONDED** the motion. The Motion **PASSED UNANIMOUSLY**.

### 4. Review and Consider Approval of the Financial Report for the periods ending January 31<sup>st</sup>, 2021 and February 28<sup>th</sup>, 2021.

There were no questions or comments from the board. Ms. Curry stated the board may see a layout difference in February's report than January's and that is due to a system change.

Mr. Brast **MOVED** to accept and approve the financial report for the periods ending January 31<sup>st</sup>, 2021 and February 28<sup>th</sup>, 2021. Mr. Tressler **SECONDED** the motion. The Motion **PASSED UNANIMOUSLY**.

### 5. Review and Consider Report of the Taxpayer Liaison Officer for the months of January and February 2021.

Mr. Franzke stated he received 4 emails in the month of January and 2 emails in the month of February and asked the board if they would like him to discuss them or if there were any questions. The Chairman stated they are self-explanatory.

### 6. Review and Consider Report of the Appraisal Review Board for the months of January and February 2021.

Mr. Ellis stated the appraisal review board did not meet during the months of January and February 2021 and that the appraisal review board members are getting ready to complete their training.

### **7. Introductions of the New Deputy Chief Krystal McKinney and In-house Attorney Nick Perez.**

Mr. Watson asked that Mrs. McKinney introduce herself and give a little background to the board. Mrs. McKinney stated she worked for an industrial value firm in 2008. She received her RPA within 3 years of being registered. Brazoria CAD hired her to work on their special projects and she then was asked to make a regressive move to Galveston CAD where she began as a field appraiser and made her way to the director of real appraisal and worked directly under the previous Deputy Chief. Mrs. McKinney stated she is excited for this opportunity. Mr. Perez introduced himself to the board and stated he went to Texas Southern University Law and received his Masters of Law from the University of Houston and that he is getting deeply steeped in appraisal laws and the matters of the CAD as of the last month or so.

### **8. Discuss the 2020 Property Value Study Findings**

Mr. Watson stated as you know last year, we did not reach the 95% on schools except for High Island and Galveston ISD. This year we were able to get there on all except Hitchcock, Galveston and Texas City ISD. Mr. Watson mentioned he went to a supplemental and board meeting in Texas City and discussed what we need to do to get to that percentage in Texas City and we cannot get there. The State used 112 residential sales in Texas City and of those, 26 were flippers where they go in and completely redo the property and it looks like a brand-new house. With the State protests you have to have concrete evidence and it's hard to get anything changed without it. Its better to focus on the schools that have state value as they are still in that grace period and all of our school districts are in the grace period. We are \$326,000,000 off in Texas City, that is residential and commercial property. In Hitchcock we are at 96% in residential and are working on the commercial properties and all we need is \$29,000,000 to be in that percentage. What saved us in Clear Creek and Friendswood is that there is enough value in residential that it can pull the others out to make that percentage. We are still working and compiling evidence for Galveston and Hitchcock so that we can get our protest. Mrs. Johnson asked what was the problem in Galveston, was it commercial or residential because it was mostly commercial last year. Mr. Watson stated it was the commercial and the land, but you want to work on every category to get everything you can to reach that total percentage. In a meeting we had with the State, they said that statewide the values are going up 12-12.5%, that the fast-food restaurants didn't suffer anything because of covid an they are looking for those values to triple which puts us in between a rock and a hard place because we have got to raise all the values, plus send a notice every time a property's value raises more than \$1,000. The state will make adjustments on anything that goes in front of the Appraisal Review Board, if the board reduces it then the State will adjust their values to the same percentage. They did that this year but their values were so crazy that we still did not get there in the commercial stuff. Mrs. Johnson stated that representative Mayes Middleton filed a bill that the property value study be held every two years and that in a year of disaster there is no property value study. Mr. Watson stated that would be great.

### **9. Chief Appraisers Report**

Nothing to report

### **10. Comments from the Board of Directors**

The Chairman asked for board comments. Mr. Clawson stated he has talked with a couple school board members and they don't see any way out of this. Their attorneys think they have a plan but I have yet to hear anything on that. Mr. Clawson also stated he went to a zoning meeting the other night and most

of Texas City is turning into a rental or leasing town. The Chairman asked Mr. Watson if this might be due to the younger folk who aren't interested in home ownership or sinking their money into something that solid, Mr. Watson stated that Galveston is at 40% but that he can find out what Texas City is at. Mr. Brast stated nationwide there has been a migration of the traditional value of home ownership, that number now has been around 60% for the last 15 years or so thus the proliferation of apartments and people wanting to be in rentals that don't want to own or be tied down. The Chairman stated that back in the 60's or 70's apartments were growing like mushrooms and Mr. Brast stated that more and more of the older generation in Galveston County are selling their homes and moving into the high amenity apartments while putting the money into savings or traveling more. Mr. Farmer stated this is a cultural shift and it is just beginning. Mr. Tressler had nothing to say at this time. Mrs. Johnson stated she has some questions on the temporary exemption and how are we going to handle the process this year for protests; are you requiring masks here? Mr. Watson stated they are required for the staff and we will be putting out a sign requiring tax payers to wear a mask when they come in but we can't enforce it. Mrs. Johnson asked if it is 105 days from the state declared disaster or the federal declared disaster and does Mr. Watson anticipate lowering values because of the exemption because it was after January 1<sup>st</sup>. Mr. Watson stated it is 105 days from the state declared disaster and as long as the exemption is filed then they will get a cut, but they also have to meet the 15% threshold to get the exemption. Mrs. Johnson asked if the CAD will be offering in-formal's this year and Mr. Watson stated we will be having in-formal's this year, but we want everyone to file the written protest first and then they will receive the in-formal.

#### **11. Correspondence**

There was no correspondence at this time.

#### **12. Set Date of Next Regular Meeting.**

*Wednesday: April 14<sup>th</sup>, 2021 at 4:00PM.*

#### **13. Adjournment**

The regular business meeting of the Galveston Central Appraisal District Board of Directors was adjourned Wednesday, March 10<sup>th</sup>, 2021 at 4:36 PM.

Respectfully Submitted,



**Bruce Clawson**  
Secretary

Approved:



**Donald Gartman**  
Chairman