

Hays Central Appraisal District



512-268-2522 ■ Lex Word Building ■ 21001 IH 35 ■ Kyle, Texas 78640

June 18, 2026

City of San Marcos
630 E. Hopkins
San Marcos, TX 78666

Dear City of San Marcos,

It is essential that the Hays Central Appraisal District (District) certify the appraisal roll each year in a timely manner so that taxing units can complete budget preparations and establish tax rates. The District has very limited flexibility in adjusting the timeline for completing this work because the certification deadline is established by statute. As a result, the only practical alternative is to increase the staffing and physical resources dedicated to the certification process. **The District's existing facilities at 21001 North IH 35 in Kyle, do not provide sufficient capacity to support the resources necessary to consistently meet statutory certification deadlines.**

Before the District can certify the appraisal roll the Appraisal Review Board (ARB) must resolve at least 95% of filed protests and approve the appraisal records. Since 2019, the number of protests filed has increased from 22,000 to more than 55,000. To address this growth, the Board of Directors expanded the number of members of the ARB, but the District office does not have the capacity to house more than three panels per day. Even with these efforts, the increasing volume of protests continues to place significant demands on District facilities and resources.

The current District office does not adequately support our public visitors, staffing levels, operational needs, or future growth. Parking shortages create ongoing logistical and safety concerns for staff and visitors alike. We must be better positioned to serve the public, support the ARB process, and produce timely appraisal rolls for all taxing units.

To evaluate long-term solutions, the District recently completed a feasibility study for a new facility. The study determined the best option is for the District to purchase a parcel of land between two and five acres, then construct a building of approximately 26,000 square feet with the capacity to support up to 80 employees, allowing the District to not only address current deficiencies but also plan responsibly for future growth.

Based on an estimated project cost of \$15 million with 100% financing, issuance costs of approximately \$187,500 (0.125%), and deferred payments for one full year from funding, a 25-year term at a fixed interest rate of 5.15% would result in an estimated annual payment of approximately \$1,100,000. This estimated payment amount is included in the District's 2027 proposed budget and in your entity's allocation share.

This project represents an investment in the District's long-term operational efficiency, employee effectiveness, public accessibility, and ability to continue serving our community at the highest level. A

properly designed facility will improve workflow, support current and future staffing needs, provide adequate parking and meeting space, and demonstrate responsible planning for the future.

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. Please find enclosed a copy of the resolution from the Hays Central Appraisal District for the purchase of real estate and construction of a building to serve the public and the staff of the District. **The District needs a resolution from your governing body approving the real estate purchase by July 18, 2026. A sample resolution and sample agenda item language has been included for your convenience.**

Thank you for your consideration and continued commitment to the success of the Appraisal District. Please feel free to contact me if you have any questions or need additional information. I can be reached at (512) 268-2522 ext. 232 or by email at laura.raven@hayscad.com.

Sincerely,

Laura Raven

Laura Raven
Chief Appraiser
Hays Central Appraisal District



**RESOLUTION BY THE HAYS CENTRAL APPRAISAL DISTRICT
REQUESTING AUTHORIZATION TO PURCHASE LAND AND CONSTRUCT
IMPROVEMENTS TO ESTABLISH AND OPERATE THE APPRAISAL
DISTRICT OFFICE**

WHEREAS, Section 6.01 of the Texas Tax Code establishes the Hays Central Appraisal District ("**District**") as a political subdivision of the State of Texas; and

WHEREAS, the District has outgrown their current location which was built in 1993 to accommodate twenty employees and the District is currently operating with forty-nine employees; and

WHEREAS, the Board of Directors ("**Board**") of the District proposed and authorized the purchase of a building site for the relocation of the District's appraisal office; and

WHEREAS, the Board intends to construct office space to accommodate the District's staff and operating needs to better serve the taxing entities and taxpayers of Hays County; and

WHEREAS, Section 6.051 of the Texas Tax Code requires acquisition or conveyance of real property by the appraisal district to be approved by the governing body of three-fourths of the taxing units entitled to vote on the appointment of board members; and

WHEREAS, Section 6.051 of the Texas Tax Code requires the construction or renovation of a building by an appraisal district to be approved by the governing body of three-fourths of the taxing units entitled to vote on the appointment of board members; and

WHEREAS, Section 6.051 of the Texas Tax Code permits the Board to finance the purchase of or finance the renovation of real property without approval of the taxing units; and

WHEREAS, sufficient funds exist in the dedicated and budgeted reserves of the District to purchase the preferred real estate and the proposed transaction will not necessitate a request from the District to the taxing units for any additional funds; and

WHEREAS, purchasing land and constructing improvements and financing the project, offers the most effective solution to provide the District with office space needed to house additional staff and service the taxing entities and the taxpayers of Hays County;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Hays Central Appraisal District, that the District's purchase and construction of a new office in Kyle, Texas, 78640 for the relocation of the District's appraisal office be approved.

PASSED AND APPROVED on the 21 day of May, 2026 by the Board of Directors of the Hays Central Appraisal District.

HAYS CENTRAL APPRAISAL DISTRICT

By: Joe Castillo
Printed Name: Joe Castillo
Title: Chairman

ATTEST:

By: Jane Hughson
Printed Name: JANE HUGHSON
Title: Secretary

RESOLUTION NO. _____

WHEREAS, Texas Property Tax Code, Section 6.051, allows the acquisition of real property by purchase or lease, the conveyance of real property, and the construction or renovation of a building or other improvement by an appraisal district for the purpose of establishing and operating the appraisal office or a branch appraisal office; and

WHEREAS, Section 6.051 requires that the board of directors of an appraisal district must propose the property transaction by resolution which must be approved by the governing bodies of three-fourths of the taxing units entitled to vote on the appointment of board members; and

WHEREAS, the governing body of the City of _____ received notification of the resolution adopted by the Board of Directors of Hays Central Appraisal District as required by Section 6.051;

WHEREAS, purchase of the proposed real estate and construction of a new facility offers the most effective solution to provide the Hays Central Appraisal District with a permanent location in which to provide service to the taxing units and taxpayers of Hays County;

NOW, THEREFORE BE IT RESOLVED that on this date, the City Council approves by a majority vote taken in a public meeting, Hays Central Appraisal District's purchase of land and construction of an office building, situated in Kyle, Hays County, not to exceed \$15,000,000.

Also, described in the resolution of the Board of Directors of the Hays Central Appraisal District;

BE IT FURTHER RESOLVED that this document be filed with the Chief Appraiser of the Hays Central Appraisal District on or before the 30th day after the receipt of notification of the aforementioned resolution.

SIGNED this ____ day of _____, 2026.

City of _____

Mayor

Name:

City Secretary

Name: