

This 7th day of July, 2020
Posted
at 10:38pm

APPRAISAL REVIEW BOARD MEETING

AGENDA

Meeting to be held in the Deaf Smith County Appraisal District
located at 140 E. 3rd Street, Hereford, Texas, July 20, 2020 at 9:00 A.M.

- I. Roll Call.
- II. Review and approve minutes from June 18, 2020 meeting.
- III. Administer Oath of Office to members
- IV. Administer Statement of Elected/Appointed Officer to board members
- V. Administer Affidavit of Sworn Testimony to Danny Jones, Chief Appraiser and Mark Powers, Assistant Appraiser.
- VI. Administer Exparte Affidavit to board members.
- VII. Hear Protests.
- VIII. Approve 2020 Appraisal Records.
- IX. Approve supplement records of the appraisal roll.

DATED THIS 15th DAY OF JULY 2020

Deaf Smith County Appraisal District

140 E. 3rd Street • P.O. BOX 2298 • Hereford, TX 79045
Phone: 806-364-0625 • Fax: 806-364-6895

Minutes for ARB Meeting, July 20, 2020

- I. Meeting began at 9:05 a.m.
 - A. Members present:
 1. Randy Paetzold
 2. Raul Pesina
 3. Joe Ward
 - B. Others present:
 1. Danny Jones, DSCAD Staff
 2. Mark Powers, DSCAD Staff
 3. Anthony Soto, DSCAD Staff
 4. Miguel Enriquez, DSCAD Staff
- II. Minutes from the June 18, 2020 meeting were reviewed and approved.
 - A. Motion to approve minutes by Joe Ward.
 - B. 2nd by Raul Pesina.
 - C. Approved unanimously
- III. Oath of Office was administered by Anthony Soto to Randy Paetzold.
- IV. Statement of Elected/Appointed Officer was read and signed by Randy Paetzold.
- V. Affidavit of Sworn Testimony to Danny Jones, Chief Appraiser and Mark Powers, Assistant Appraiser was administered.
- VI. Exparte Affidavit was administered by Anthony Soto to all Board Members.
- VII. Protest Hearings:

9:20 A.M., Luis Torres Parra, Situs: 216 Star (PID 1588)

(This protest was originally scheduled for 10:20 A.M. However, Mr. Parra showed up early and the ARB agreed to see him. Since Mr. Parra spoke Spanish, Miguel Enriquez, who works for Deaf Smith CAD, interpreted for both parties.)

Mr. Parra was protesting the value of his property. His opinion of value was \$88,935.

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Mr. Mark Powers, representing the Deaf Smith County Appraisal District, began his testimony describing the property as a 2,070 sq. ft. home with three bedrooms, two bathrooms and a two-car garage. The 2020 appraisal is at \$102,950 or \$50/sq. ft. Mr. Powers then presented the following comparable homes:

Comp #1: 336 Ave. I, 1,800 sq. ft. It sold in March 2020 for \$135,000. This property is about the same age and condition as the subject property. This property has three large, old storage buildings and extra land. Mr. Powers accounted for this and subtracted the value of that (\$23,640) which left \$111,360 or \$62/sq. ft.

Comp #2 413 Star, 2,075 sq. ft. Sold in October 2019 for \$145,000 or \$58/sq. ft. This home is like the subject property since it is on Star Street and is similar in age and size. One difference is this home has an attached carport, whereas Mr. Parra's has a two car garage.

Comp #3 603 S 25 Mile Ave, 1,638 sq. ft. It is smaller, over 100 years old, in a poor location, and has only one bathroom, yet it sold for \$87,000 \$53/sq. ft. in December 2019.

Mr. Parra said 336 Ave. I was not a good comp because of all the storage buildings. He noted that his storage building was in bad shape. He also said that 413 Star was fully bricked while his was only partially bricked.

Discussion: Mr. Ward asked for visual evidence proving the condition of the shed. Mr. Powers noted that he did not go down the alley and look at the shed. Mr. Parra felt the value of the shed should be "less than half;" Mr. Powers agreed with that. Mr. Ward and Mr. Paetzold thought everything else was fair. Mr. Parra's concern was the \$10,000 increase each year for the last two years. Mr. Ward and Mr. Pesina said the value needed to stay where it was. Mr. Pesina added "to replace it, you couldn't do it for \$50/sq. ft."

- A. Motion to change the value of the storage building and leave the residence at the 2020 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously

ARB decision: Lower the value of the storage building; no change in value for the residence.

Mr. Parra was given a copy of the ARB survey to fill out.

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10:00 A.M., Susie Cluck and Kyle Smith, Legal Desc: Block K-8 Section 10 2 AC PID 25682, Situs: 3376 CR 1058

Mrs. Cluck and Mr. Smith were protesting the value of her home and did not think it should increase because of coronavirus. Mr. Smith noted that when the protest was filed, they did not know that they could not use coronavirus and that he had a different reason besides that.

Mr. Smith started with the residence. He said they had not made any improvements and did not know why the value went up \$26,220. Mr. Jones said the value "has been the same for 2016, 2017, 2018 and 2019. We worked our rural maps and most properties have been appreciating quite a bit, even rural property" Mr. Smith pointed out that "nothing has changed in five years...the value has gone up 11.79%" Mr. Jones asked the ARB to share how much their values had gone up. Mr. Paetzold and Mr. Pesina said 20%. Mr. Jones asked if he could show his comps, and Mr. Smith agreed. Mr. Jones reminded the ARB that the subject property was at \$77.85/sq ft. Mr. Jones then presented the following comparable homes:

Comp #1: 3477 FM 1058, 2,955 sq. ft. It sold in 2018 for \$340,000 (\$90/sq. ft.) The CAD Value is \$95/sq. ft.

Comp #2 4176 CR B, 2,337 sq. ft. It sold in 2016 for \$249,905 (\$75.77/sq. ft.) The CAD Value is \$76/ sq. ft.

Comp #3 5403 FM 809, 2,239 sq. ft. It sold in 2019 for \$327,000 or \$100/sq. ft. The CAD Value is \$89/ sq. ft.

Comp #4 3774 CR HH, 2,788 sq. ft. This home just sold on July 13, 2020 for \$415,000 or \$85/sq. ft. Mr. Jones said, "the market hasn't changed...houses are still selling for a lot." It is close to the subject property but is on a rough dirt road, whereas the subject property is on paved road.

Comp #5 218 N Texas, 2,620 sq. ft. It sold in 2019 for \$229,000 or \$79.65/sq. ft. The CAD Value is \$80.

Comp #6 128 Nueces, 2,514 sq. ft. It sold in 2019 for \$230,000 or \$87/sq. ft.

Comp #7 210 N Texas, 4,060 sq. ft. It just sold on July 7, 2020 for \$325,000 or \$75/ sq. ft.

Mr. Smith accepted Mr. Jones proof.

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Legal Desc: Block K-8 Sec 10, 1.27 acres; PID 920408

Mr. Smith was wondering why the value went up \$3,810. He said it is a garden with caliche rock. Mr. Jones explained that while the Market value went up \$3,810, the Appraised value went up \$10. Mr. Jones also said he would "put the market on whatever you want."

Legal Desc: Block K-8 Sec 10, 5 acres; PID 919016

Mr. Smith observed that the value increased \$15,000 (from \$25,000 in 2019 to \$40,000) He said he "could buy the best irrigated in the country for \$2500 – how do we get 8,000 an acre on dryland?" Mr. Jones explained that the Appraised value was \$820 (from \$790 in 2019) and that "anything along the highway, on small tracts, sells for about \$8,000, especially when you're two miles outside city limits."

Mr. Paetzold asked if Mr. Smith and Mrs. Cluck were dropping their dispute, and Mr. Smith said yes.

Mr. Smith and Mrs. Cluck were informed about the online survey.

10:30 A.M., AutoZone, Personal Property; PID 1905

Mr. David G Wilson, agent for Wilson & Franco, filed an affidavit to the Appraisal Review Board. A copy was provided to each board member. The protest was due to the property being "appraised unequally in that its appraised value exceeds the median appraised value of a reasonable number of comparable properties appropriately adjusted." The affidavit stated in part that the value should be either \$345,782 (using the cost approach) or \$316,592 (using the income approach).

Mr. Jones showed eight comps that were on 25 Mile Ave (except for one located on E Park). The median was \$207,693., compared to AutoZone's \$185,490 value. Also, using Marshall & Swift's cost approach, it was \$46-\$51/sq. ft. (AutoZone's sq. ft. is \$34.35) Mr. Jones also showed how the appraisal value has been going down since 2017 when it was \$372,222 and this year he said he wasn't going to change the value.

Discussion: Mr. Ward said based on the "comparables [the appraisal district] were fair." Mr. Paetzold added "it's a corner lot, it's a good location." Mr. Ward agreed, saying "it's better, because you got more access to get the trucks in and out."

- A. Motion to keep the 2020 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2020

2:10 P.M., Policarpio Hernandez Jr., Legal Desc: Hereford Housing Block 3, Lot 9 & 10 PID 4269, Situs: 207 San Jose

Mrs. Hernandez's opinion of value was \$60,000 or \$28/sq. ft.

Mr. Powers began his testimony describing the property as a 2,166 sq. ft. brick home. It does not have a garage but does have a carport and a shed. The 2020 appraisal is at \$80,160 or \$37/sq. ft. Mr. Powers noted that there are not many sales in the San Jose area, so he took sales from similar neighborhoods and made a 25% location adjustment. Mr. Powers then presented the following comparable homes:

Comp #1: 110 Kibbe, 2,248 sq. ft with three bedrooms and two bathrooms. It sold in 2017 for \$101,000 (\$45/sq. ft.) This home is two story and 100 years old. After adjusting for location, features, and time, the value is \$38/sq. ft.

Comp #2 608 Forest, 2,210 sq. ft with three bedrooms and two bathrooms. It sold in 2017 for \$135,000 (\$61/sq. ft.) It is in an industrial area, which is a poor location for a home. After adjusting for location, features, and time, the value is \$42/sq. ft.

Comp #3 603 S 25 Mile Ave, 1,638 sq. ft with three bedrooms and two bathrooms. It sold in 2019 for \$87,000 or \$53/sq. ft. It is 100-year-old home, also in a poor location, and 528 sq. ft smaller. After adjusting for location, features, and time, the value is \$48/sq. ft.

Mrs. Hernandez noted she does not have a paved road and that she had not made any improvements to her home. She does not think her home would sell for \$80,000 because of the location.

Discussion: Mr. Ward thought Mrs. Hernandez value was fair and low. Mr. Ward complimented Mrs. Hernandez home saying, "it's a nice home", and she agreed. She said she is "trying to make the neighborhood look good...I want my community to have the value we're valued at, but it's not because of the reputation we had back in the 60's and 70's."

- A. Motion to keep the 2020 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

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Policarpio Hernandez Jr, Personal Property; PID 20550

Mr. Powers stated that he did not receive the rendition until he received the protest, which was on July 7, 2020. Two trucks and two trailers were rendered. The total amount rendered was \$21,000. The current appraisal total is \$49,500. To determine the value of the trucks, Mr. Powers looked at what similar trucks were selling for at auction where prices ranged from \$13,000-\$19,000. Mr. Powers observed that there were more trucks and trailers at the property than was listed on the rendition (according to an aerial photograph, there are 6 trucks and 13 trailers) and asked how they were being used. Mrs. Hernandez said that these do belong to her or her husband, but the trucks are out of service and the trailers are used for storage.

Mrs. Hernandez said that she bought the 2008 Peterbilt used for \$25,000 and the 2007 Kenworth for \$10,000. She also said that the trailers are not in good condition and have a lot of wear and tear.

Discussion: Mr. Ward said "I buy and sell some trucks over the years and those trucks are valued pretty cheap. For what you have on your yard, you got a deal here...with the appraised value." Mr. Paetzold asked what the value was for 2019; Mr. Powers stated it was \$58,690. Mr. Paetzold said that "grain trailers will bring a fair amount of money...they'll bring a lot more than that. I understand, when you put miles on [vehicles], they depreciate, but it's amazing how many years you can put on these trucks." Mr. Ward added there were some worn-out, day cab, trucks used for hauling hay listed for \$22,000-\$24,000...they're not going to go down to \$10,000 or \$12,000."

- A. Motion to keep the 2020 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2020

Griselda Hernandez, Situs: 203 San Jose (PID 4272)

For this and the next six properties, Mr. Powers used the following comparables:

Comp #1: 134 Ave. A, 924 sq. ft. It sold in 3/25/2020 for \$30,000 (\$32/sq. ft.) This home is bad on the inside and not rentable until the bathroom was fixed up. After adjusting for location, the value is \$24/sq. ft.

Comp #2 208 N Ave. K, 736 sq. ft sold in 2019 for \$22,500 (\$31/sq. ft.) After adjusting for location, the value is \$23/sq. ft.

Comp #3 109 Pearl, 927 sq. ft sold in 2018 for \$22,000 or \$23/sq. ft. This house was not liveable when it sold and has since been remodeled. After adjusting for location, the value is \$17.25/sq. ft.

Comp #4 3903 CR 6A, 864 sq. ft sold in 2019 for \$20,000 or \$23/sq. ft. No location adjustment was made because it's in a poor location (there's a feedyard south of it) Mr. Powers commented that he'd rather live in the San Jose Community than across a feedyard.

Mrs. Hernandez opinion of value was \$1,500.

Mr. Powers showed a photo of how the property looked when it was bought 13 years ago. It was acquired through a tax sale for \$1,200. It is an old, unoccupied 1.181 sq. ft. residence next to her homestead. It has been fixed up a little (windows and door put in) The 2020 appraised value is \$5,610. The highest and best use is as a storage building.

Discussion: Mr. Ward said, 'you can't buy a storage building this big for \$3,800.' Mr. Pesina added that "you can't build it for \$3,800." Mr. Paetzold reasoned that if Mrs. Hernandez had to rent a storage unit, it could cost more.

- A. Motion to lower the 2020 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: Lower the total value to \$3,800.

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Esequiel Hernandez, Situs: 112 Dayton (PID 7819)

Mrs. Hernandez opinion of value is \$9,000 or \$10.8/sq. ft.

Mr. Powers noted that the residence is 832 sq. ft, has refrigerated air, and is rents it for \$300. The 2020 appraised value is \$14,090 or \$17/ sq. ft.

Mrs. Hernandez said she bought this home from a tax sale for \$2,000 and that it was "horrible on the inside." She also added that the central air and heat unit cost \$8,000 to put in.

- A. Motion to keep the 2020 appraised value by Raul Pesina.
- B. 2nd by Joe Ward.
- C. Approved unanimously.

ARB decision: No change in value.

Esequiel Hernandez, Situs: 111 Domingo (PID 4256)

Mrs. Hernandez opinion of value is \$21,000 or \$17/sq. ft.

Mr. Powers noted that the residence is a moved-in, 100-year-old 1,212 sq. ft. home and has refrigerated air. The 2020 appraised value is \$28,090 or \$23/sq. ft. Mr. Paetzold "I feel your pain. I'm working too. I don't want all my dollars going for taxes either...We're listening to what they're saying. It's hard for us to do much different. If you could bring to us houses in your neighborhood were not bringing that kind of money, it makes us easier to understand your argument. You're not giving us enough information. You know your neighborhood better than we do."

- A. Motion to keep the 2020 appraised value by Raul Pesina.
- B. 2nd by Joe Ward.
- C. Approved unanimously.

ARB decision: No change in value.

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Minutes for ARB Meeting, July 20, 2020

Esequiel Hernandez, Situs: 113 Domingo (PID 4257)

Mrs. Hernandez opinion of value is \$12,000 or \$12/sq. ft.

Mr. Powers stated that it is a 992 sq. ft. rental property. Mrs. Hernandez rents it for \$450/month. The 2020 appraised value is \$23,570 (up \$2,200 from last year) or \$23.8/ sq. ft. Mrs. Hernandez said she had fixed it up some due to fire damage but was not finished.

Mr. Paetzold thought 'the values were right on, if not a little low.'

- A. Motion to keep the 2020 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: No change in value.

Esequiel Hernandez, Situs: 205 San Jose (PID 4274)

It is a 575 sq. ft. rental property. Mr. Powers noted homes like this are hard to appraise. He felt the value should be \$10,000-\$12,000.

Mrs. Hernandez said it is an old house that is not very good on the inside and it does not have a HVAC unit, good roof, or windows. Because of that and the property's small size, she is unable to rent it year-round. When she can rent it, she asks for \$400/month. Her opinion of value was \$6,000.

- A. Motion to lower the value to \$11,250 by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: Lower value to \$11,250

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Esequiel Hernandez, Situs: 316 Ave. D (PID 10648)

It is a 784 sq. ft. residence. Mr. Powers agreed that the value of 31,420 was too high and should be lowered, recommending the value be \$25,100. Mr. Powers compared this property to the comps from earlier:

Comp #1: 134 Ave. A, 924 sq. ft. It sold in 3/25/2020 for \$30,000 (\$32/sq. ft.) This home is bad on the inside and not rentable until the bathroom was fixed up.

Comp #2 208 N Ave. K, 736 sq. ft sold in 2019 for \$22,500 (\$31/sq. ft.)

When using \$32/sq. ft., the value comes to \$25,100, which is lower than the 2019 value of \$30,140.

Mrs. Hernandez opinion of value was \$22,000. She was fine with Mr. Powers' recommended value. She noted that the house was falling.

- A. Motion to lower the value to \$25,100 by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

ARB decision: Lower value to \$25,100

Esequiel Hernandez, Situs: 201 San Jose (PID 4273)

Mrs. Hernandez said that no one was living in the mobile home but there was someone living in a travel trailer northwest of it. Her opinion of value for the mobile home and land is \$2,500.

Comp #1: 913 Cherokee, 552 sq. ft. sold in 2019 for \$8,600. (\$15/ sq. ft.)

Comp #2: 404 W Gracy, 672 sq. ft. sold in 2019 for \$4,500. (\$6.70/sq. ft.)

Comp #3: 617 Ave. H, 840 sq. ft. sold in 2017 for \$8,300. (\$9.90/sq. ft.)

Mrs. Hernandez said this mobile home is older (from 1960) and smaller (12 feet wide) than the comps; Mr. Ward agreed but pointed out that this appraisal includes the land. Mr. Pesina observed that her mobile home's roof had been redone. When she rents it, she asks for \$250. She noted that it is smaller than the comps. She has not rented it the past two years because she wants to improve it.

- A. Motion to keep the 2020 appraised value by Joe Ward.
- B. 2nd by Raul Pesina.
- C. Approved unanimously.

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2:20 P.M., Pablo and Eva Garcia, Situs: 126 Ave. C (PID 1216)

Neither Mr. or Mrs. Garcia or their agent from O'Connor & Associates called or showed up for the hearing.

ARB decision: Failure to appear or have representation, case dismissed.

3:20 P.M., Golden Spread Electric Coop, (PID 7563); Oncor Electric Delivery Co., (PID 919869); Oncor Electric Delivery Co, (Substation) (PID 921812); WT Services, Situs: 204 W 4th St. (PID 4473); WT Services, Legal Desc: Block K-3 Sec. 58, SE Pt W/2 SE/4, 4 acres (PID 5785); WT Services, Situs: 3429 US Hwy 385 (PID 7891); WT Services, Situs: 119 E 4th St. (PID 4363); West Texas Rural Telephone, PID 6222, Situs: 3425 US Hwy 385 (PID 6222); West Texas Rural Telephone, Situs: 3415 US Hwy 385 (PID 7890)

The agent did not call or show up for the hearing.

ARB decision: Failure to appear or have representation, case dismissed.

3:40 P.M., Southland

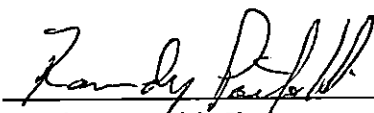
ARB decision: Failure to appear or have representation, case dismissed.

- VIII. The 2020 Appraisal Records were approved by the board.
- A. Motion to approve by Raul Pesina.
 - B. 2nd by Joe Ward.
 - C. Approved unanimously.
- IX. Supplement records were not prepared in time for this meeting.

Meeting adjourned at 4:30 p.m.

Approved:

Date:



Randy Paetzold, Chairperson