

Facility Acquisition Proposal

240 N. Burleson Blvd. • Burleson, Texas

Request for taxing unit approval under Texas Property Tax Code § 6.051 which requires 3/4's of the voting taxing units to approve the transaction.

Presentation summary

Purpose • Need • Alternatives • Property • Financing • Action



Requested Action

Approve a resolution authorizing the building acquisition proposal.

Taxing Unit Decision

JCAD requests approval to purchase and renovate an existing office building.

The proposal location is 240 N. Burleson Blvd., Burleson, Texas.

The governing body is asked to place an action item on its next agenda.

Section 6.051 requires action to approve or disapprove within 30 days after receiving the request.

Suggested agenda wording

“To consider a resolution approving the Central Appraisal District of Johnson County to purchase an appraisal office.”

Resolution No. _____

RESOLUTION FOR THE CENTRAL APPRAISAL DISTRICT OF JOHNSON COUNTY
BUILDING ACQUISITION PROPOSAL

WHEREAS, Section 6.051(b) of the Texas Property Tax Code requires that each taxing unit entitled to vote on the appointment of board members receive the Central Appraisal District of Johnson County's resolution, together with information showing the costs of other available alternatives to the proposal on or before the 30th day after receiving the notice of proposal, the governing body may approve or disapprove the proposal.

THEREFORE, submits their:

_____ (approval/disapproval) of the Central Appraisal District of Johnson County building acquisition proposal.

ACTION TAKEN this _____ day of _____, 2026, in Open Session of the governing body of the above-mentioned taxing unit, as authorized under Section 6.051(b) of the Texas Property Tax Code, for the purpose of acting on the proposal.

ATTEST:

Resolution template

Why a Facility Solution Is Needed

Current facilities are limiting public service, operations, and hearing capacity.

1

Facility condition

Significant disrepair, very limited space, and no practical expansion path.

2

Health & safety

Independent organizational audit documented employee health and safety concerns and overcrowding.

3

Public access

Insufficient onsite parking; offsite parking must be leased each month.

4

Meeting capacity

Board meetings require outside space because the current office lacks a large enough meeting room.

5

ARB hearings

Current hearing rooms remain undersized for the growing appeal workload.

4

dedicated ARB hearing rooms recommended for concurrent panels

Johnson County Central Appraisal District Facility Proposal
August 3, 2026

1 OBJECTIVE:

To obtain a facility that will better serve the public and accommodate JCAD operations for the next 20-30 years.

2 BACKGROUND:

- The current CAD office has fallen into significant disrepair, has very limited space for required operations and has insufficient room to expand the current facility.
- The Organizational Audit, conducted by an independent consultant, documented that the employees have health and safety concerns in the current building in addition to overcrowding. The space is simply too small for efficient operations.
- Additionally, onsite parking is insufficient, and the CAD pays for offsite parking each month.
- The CAD also pays for the use of the Cleburne Conference Center for its Board meetings because the CAD office does not have a meeting space large enough.
- Finally, property tax protest hearings are conducted in meeting rooms within the CAD building. While the CAD recently converted additional space to create a third hearing room, the rooms remain undersized and the facility lacks the capacity to efficiently handle the growing number of appeals. A new building should include four dedicated ARB hearing rooms designed specifically for this purpose. Operating four ARB panels simultaneously would shorten the hearing season, improve the experience for property owners, and allow appraisal rolls to be certified earlier. Earlier certification gives taxing entities more reliable property value information sooner, supporting more informed budget and tax rate decisions.

The Board Subcommittee evaluated at three possibilities:

- 1) **Rebuilding the existing facilities.** The Subcommittee determined that the current facility could not be reasonably rehabilitated, especially due to the very limited ground space to expand the building or add parking.
- 2) **Locating, obtaining land and building a new facility.** The Subcommittee searched the county and located 3 potentially suitable land sites. These sites were reduced to the 2 most desirable and affordable. The cost of buying land and building a facility has been estimated

Alternatives Evaluated

The subcommittee reviewed three broad paths before recommending purchase/rehabilitation.

1

Rebuild current facility

Not reasonably rehabilitable due to limited ground space for expansion and parking.

2

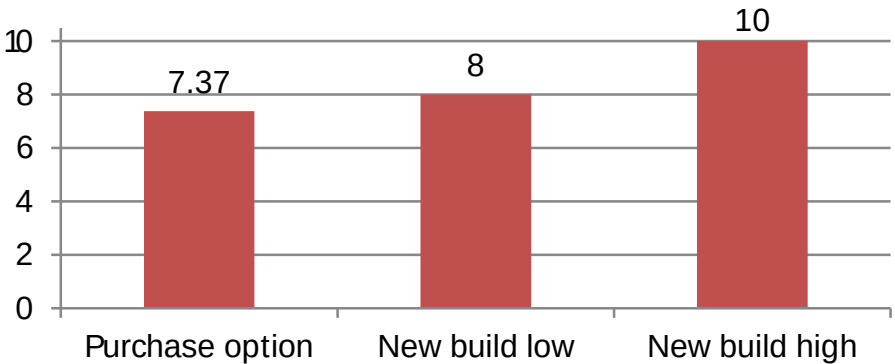
Buy land + build new

Estimated at \$8-10 million and approximately 15 to 2 years to completion.

3

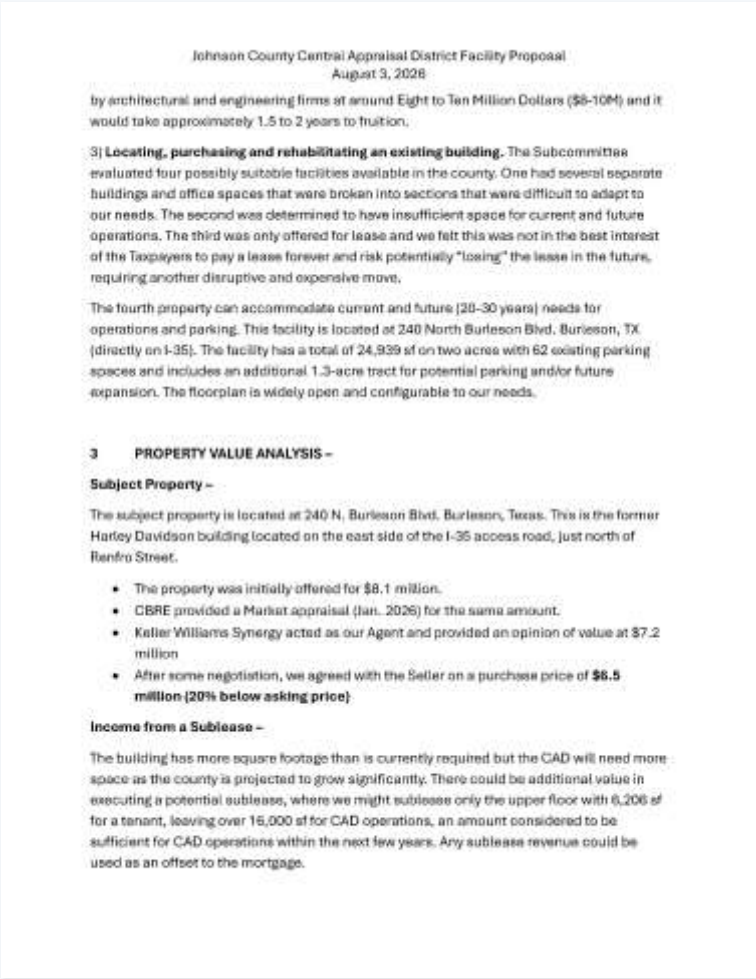
Purchase/rehabilitate existing

Recommended path: suitable space, parking, configurability, and faster occupancy.



Recommended Property

240 N. Burleson Blvd. provides capacity for current and future operations.



\$6.5M

negotiated purchase price

24,939 sf

building area

2 acres

site size

62

existing parking spaces

1.3 acres

additional tract for parking / expansion

20-30 yrs

current and future operational needs

Open and configurable floorplan suitable for offices, conference space, public service needs, and dedicated hearing rooms.

Financial Framework

The plan uses financing for the purchase and reserves for finish-out.

Use of funds

Purchase price	\$6,500,000	100% bank loan
Finish-out	\$900,000	Building Purchase Fund
Closing costs	\$130,000	Building Purchase Fund
Potential sublease income	(\$155,150)	Offset opportunity
Total transaction expenditures	\$7,374,850	Before final offsets

Budget impact

No CAD budget increase is expected for 2027. The 2028 budget is anticipated to include mortgage payments and additional operational expenses due to the new facility

Recommendation & Public Service Benefit

The proposed purchase supports capacity, service, and operational continuity.

Cost-effective path

Negotiated purchase price of \$6.5M is below asking price and below market appraisal indications.

Faster solution

Avoids the longer timeframe associated with constructing a new facility.

Better public access

Improved parking, more meeting capacity, and room for future growth.

ARB efficiency

More concurrent hearing rooms can shorten hearing season and improve taxpayer experience.

Board recommendation: proceed with purchase, financing, and finish-out plan

Johnson County Central Appraisal District Facility Proposal
August 3, 2026

Proforma Use of Funds –

Purchase price of \$6.5M from 100% Bank loan

Finish Out of \$900K & Closing Costs of \$130K from balance sheet Building Purchase Fund

Less Potential Sublease Income of \$155,150 (\$13k/month for 12 months – and longer)

Total Transaction Expenditures = \$7,374,850 (probably less than new build)

6 FINAL RECOMMENDATION

Since:

- 1) the current facility cannot be reasonably rehabilitated, and
 - 2) the estimated cost is less than building a new facility, and
 - 3) it would be years before we could construct and move into a new facility;
- therefore,

We have negotiated an acceptable price on the subject Burtleson property. We plan to finance 100% of the purchase price with tax revenues as collateral, use our balance sheet cash for the finish-out, and use the cash from the sale of our current CAD property to make payments until we can include the mortgage payments in the next fiscal year budget.

Basis for offered value –

1. Asking price of this property was **\$7,380,000**
2. Market appraisal (Jan. 2026) provided by CBRE = **\$8,100,000**
3. Buyer Agent Market analysis = **\$7,228,256**
4. Seller accepted our offer of **\$6,500,000**
5. We will save money from currently paying to lessee parking spaces from the City of Cleburne, and for the use of the Conference Center for our CAD Board meetings.
6. The public is better served with a new building. We would certainly be able to schedule more concurrent ARB hearings if we had 4 hearing rooms. After all, our customers are also customers of the taxing entities.

Next Step for Taxing Units

Approve or disapprove the building acquisition proposal by resolution.

Resolution No. _____

RESOLUTION FOR THE CENTRAL APPRAISAL DISTRICT OF JOHNSON COUNTY
BUILDING ACQUISITION PROPOSAL

WHEREAS, Section 6.051(b) of the Texas Property Tax Code requires that each taxing unit entitled to vote on the appointment of board members receive the Central Appraisal District of Johnson County's resolution, together with information showing the costs of other available alternatives to the proposal on or before the 50th day after receiving the notice of proposal, the governing body may approve or disapprove the proposal.

THEREFORE, submits their

_____ (approval/disapproval) of the Central Appraisal District
of Johnson County building acquisition proposal.

ACTION TAKEN this _____ day of _____, 2025, in Open Session of
the governing body of the above-mentioned taxing unit, as authorized under Section 6.051(b)
of the Texas Property Tax Code, for the purpose of acting on the proposal.

ATTEST:

Action requested

Review the JCAD Board resolution and facility proposal.
Place the resolution on the governing body agenda.
Take action to approve or disapprove the proposal under
Section 6.051(b).
Return the completed resolution to JCAD.

Contact

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