



**FINAL ADMINISTRATIVE DECISION  
ILLINOIS PROPERTY TAX APPEAL BOARD**

APPELLANT: Heritage Woods of Mt. Vernon II, LLC  
DOCKET NO.: 18-05462.001-C-3  
PARCEL NO.: 06-35-477-010

The parties of record before the Property Tax Appeal Board are Heritage Woods of Mt. Vernon II, LLC, the appellant, by attorney Thom Moss, of Bickes, Wilson & Moss in Decatur; the Jefferson County Board of Review; and the Mt. Vernon City S.D. #80, intervenor, by attorney Brandon K. Wright of Miller, Tracy, Braun, Funk & Miller Ltd. in Monticello.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **A Reduction** in the assessment of the property as established by the **Jefferson** County Board of Review is warranted. The correct assessed valuation of the property is:

**LAND:** \$64,072  
**IMPR.:** \$1,232,728  
**TOTAL:** \$1,296,800

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the Jefferson County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2018 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

**Applicable Legal Authority**

There is no dispute on this record among the parties that the subject property is a supportive living facility, which is to be valued for assessment purposes pursuant to Section 10-390 of the Property Tax Code concerning "Valuation of Supportive Living Facilities." 35 ILCS 200/10-390.

Section 10-390, which became effective on January 19, 2007, provided as follows:

- (a) Notwithstanding Section 1-55, to determine the fair cash value of any supportive living facility established under Section 5-5.01a of the Illinois Public Aid Code, in assessing the facility, a local assessment officer must use the income capitalization approach.

(b) When assessing supportive living facilities, the local assessment officer may not consider:

(1) payments from Medicaid for services provided to residents of supportive living facilities when such payments constitute income that is attributable to services and not attributable to the real estate; or

(2) payments by a resident of a supportive living facility for services that would be paid by Medicaid if the resident were Medicaid-eligible, when such payments constitute income that is attributable to services and not attributable to real estate.

35 ILCS 200/10-390 (as originally enacted on January 19, 2007).<sup>1</sup> The methodology for calculating potential gross income under Section 10-390 was explained by the appellate court in Manteno Cmty. Unit Sch. Dist. No. 5 v. Ill. Prop. Tax Appeal Bd., 2020 IL App (3d) 180384. In that case, the court held that potential gross income must include the potential rental income for private pay residents at comparable market rates that could have been received by a supportive living facility. Id. at ¶ 84-85. The court further stated that potential gross income must include the potential rental income from double-occupancy of one-bedroom units even if that income is “rare or minimal.” Id. at ¶ 76.

An amendment to Section 10-390 became effective June 17, 2021, and provides as follows:

(a) Notwithstanding Section 1-55, to determine the fair cash value of any supportive living facility established under Section 5-5.01a of the Illinois Public Aid Code, in assessing the facility, a local assessment officer must use the income capitalization approach. **For the purposes of this Section, gross potential income must not exceed the maximum individual Supplemental Security Income (SSI) amount, minus a resident’s personal allowance as defined at 89 Ill. Admin. Code 146.205, multiplied by the number of apartments authorized by the supportive living facility certification.**

(b) When assessing supportive living facilities, the local assessment officer may not consider:

(1) payments from Medicaid for services provided to residents of supportive living facilities when such payments constitute income that is attributable to services and not attributable to the real estate; or

(2) payments by a resident of a supportive living facility for services that would be paid by Medicaid if the resident were Medicaid-eligible, when

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<sup>1</sup> The Board notes amendments enacted by P.A. 102-16 are not relevant for this 2018 tax year appeal as the amended provision by its own terms is only effective as of June 17, 2021, after the valuation date at issue herein of January 1, 2018.

such payments constitute income that is attributable to services and not attributable to real estate.

35 ILCS 200/10-390 (current version as amended as of June 17, 2021) (emphasis added).

The Public Aid Code (305 ILCS 5/5-5.01a) mandates the Department of Healthcare and Family Services to establish and provide oversight for a program of supportive living facilities which seek to promote independence, dignity, respect and well-being for residents in the most cost effective manner. The facilities are regulated in creation and operation, including but not limited to, 89 Ill. Admin. Code §146.200 through §146.310 and §146.600 through §146.710. The “Illinois Supportive Living Program” is described, in part, as an alternative to nursing home care for low-income older persons and persons with disabilities under Medicaid. Supportive living facility residents can be both Medicaid-eligible and non-Medicaid-eligible persons.

For Medicaid-eligible residents, a supportive living facility receives a fixed payment amount for services, excluding meals, from the Department of Healthcare and Family Services and residents are responsible for payment of room and board, including meals. 89 Ill. Admin. Code § 146.225. The amount of room and board that may be charged to Medicaid-eligible residents is fixed at the current Supplemental Security Income (“SSI”) rate less \$90. *Id.*

The sole issue before the Property Tax Appeal Board is how to apply Section 10-390 to an income capitalization approach to value for this 2018 tax year appeal. The appellant and the intervenor presented appraisal reports with substantially differing income estimates, which resulted in dramatically different value conclusions. The appellant and the intervenor disagree on whether the methodology for calculating potential gross income is set forth in the original Section 10-390 or in the amended version of Section 10-390 (see Footnote 1).

### **Findings of Fact**

The parties appeared before the Board on October 3, 2022 for a hearing at the Board’s office in Springfield pursuant to prior written notice dated June 15, 2022. Appearing on behalf of the appellant was attorney Thom Moss, appearing on behalf of the Jefferson County Board of Review was Lee Ann Crunk, Supervisor of Assessments, and appearing on behalf of the intervenor was attorney Christine G. Christensen of Miller, Tracy, Braun, Funk & Miller Ltd. in Monticello.<sup>2</sup>

The subject property consists of a 2-story supportive living facility of brick and wood siding exterior construction with approximately 50,021 square feet of total building area.<sup>3</sup> The facility has 66 units, with 29 studio units and 37 one-bedroom units, common areas, and offices.<sup>4</sup> The

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<sup>2</sup> References to the transcript of the hearing will be indicated by “TR” followed by the page number(s).

<sup>3</sup> The parties differ regarding the subject’s building size by 215 square feet of building area. Due to the nature of this appeal, the Board finds that the value analysis is based on rental units, not square footage, such that this discrepancy is not material.

<sup>4</sup> The parties differ regarding the subject property’s number of units. Both appraisals describe 66 units, of which 29 are studio units and 37 are one-bedroom units, whereas the subject’s property record card presented by the board of review describes 65 units, of which 31 are studio units and 34 are one-bedroom units. At hearing, Crunk agreed with

facility was built in 2007<sup>5</sup> on a concrete slab foundation. The subject property has an approximately four acre, site and is located in Mt. Vernon, Shiloh Township, Jefferson County.

### Appellant's Evidence

The appellant contends overvaluation as the basis of this appeal. In support of this argument, the appellant submitted a brief contending that Section 10-390 governs the valuation of a supportive living facility and that the appraisal presented by the appellant is consistent with Section 10-390. The appellant presented copies of an unpublished appellate court decision, Peterson Healthcare II, Inc. v. Property Tax Appeal Bd., 2017 IL App (4th) 150985-U, and several prior Board decisions, namely, Docket No. 13-00306 issued on December 23, 2016, Docket No. 13-00178 issued on June 19, 2018, and Docket No. 15-00068 issued on July 17, 2018.

The appellant also submitted an appraisal (the "Honegger Appraisal") prepared by Keith Honegger, a certified general real estate appraiser, for ad valorem tax purposes. Honegger did not inspect the subject property. (Honegger Appraisal p. 6). Honegger opined the value for the subject property as of January 1, 2018 was \$1,566,390.

At hearing, Moss asserted that Section 10-390 had been interpreted by the Manteno court after the preparation of the Honegger Appraisal on March 5, 2019. Moss further argued that Section 10-390 was subsequently amended on June 17, 2021 and that the intervenor's appraisal was prepared after this amendment. Moss asserted that the amended Section 10-390 should be used to determine the value of the subject property. (TR p. 5-6).

The appellant presented Gregory Echols as a witness. Echols testified that he has been employed since 2017 as the Chief Financial Officer of Gardant Management Solutions, Inc., which has managed the subject property since it opened. Echols stated his duties include financial oversight of operations of supportive living facilities managed by Gardant. Echols explained that the subject property has 66 units and is certified as a supportive living facility. As the subject property is certified as a supportive living facility, Echols explained the appellant entered into an agreement with the State of Illinois under the Illinois Supportive Living Program to provide affordable and accessible care to residents at a prescribed rate. Echols testified that the rate prescribed by the Illinois Supportive Living Program is the SSI amount less \$90. (TR p. 10-12).

Moss showed Echols the certain documents presented within Appendix D of the Honegger Appraisal at pages 39-44.<sup>6</sup> After reviewing these documents, Echols identified the subject's Illinois Supportive Living Facility Program certification, the subject's Long-Term Care Provider Agreement as a supportive living facility, and a table of SSI Federal Payment Amounts from which the prescribed supportive living facility rate is calculated. (TR p. 14-15).

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the appellant's description of the number of units, number of studio units, and number of one-bedroom units. (TR p.76-77).

<sup>5</sup> The parties differ regarding the subject property's age. Both appraisals describe the subject as built in 2007 whereas the subject's property record card describes the subject as built in 2006. At hearing, Crunk agreed with a year built of 2007. (TR p.75).

<sup>6</sup> These documents were marked collectively as Hearing Exhibit 1.

Echols explained that any amounts received by a resident in excess of the prescribed amount are applied to services for that resident. Echols further explained that service income is not included in determining a supportive living facility's income under Section 10-390. (TR p. 16-17).

Moss showed Echols a copy of Section 146.225 of the Illinois Administrative Code contained within Appendix A of the Honegger Appraisal at pages 27-29.<sup>7</sup> After reviewing this Section, Echols stated that he disagreed with the Manteno decision because in his experience residents rarely select double occupancy, unless they are related to the other occupant. Echols opined that the Illinois legislature amended Section 10-390 as a result of the Manteno court's incorrect interpretation of its legislative intent. (TR p. 20-21).

Moss showed Echols a copy of amended Section 10-390.<sup>8</sup> Echols stated he was involved in the drafting of the language of this amendment. The Administrative Law Judge asked whether the appellant was applying funds using amended Section 10-390 in 2018 before it had been enacted. Echols clarified that the method for calculating the room and board revenue a supportive living facility may receive as prescribed by the Illinois Supportive Living Facility Program has not changed since the subject facility opened in 2007. (TR p. 29-30).

On cross-examination by Crunk, Echols clarified that the subject property does not have more than one resident living in any unit. (TR p. 30).

On cross-examination by Christensen, Echols acknowledged that the subject property is certified for a maximum of 95 residents even though the subject has 66 units. When asked about the size of the subject's units, Echols consulted page 9 of the Honegger Appraisal and testified the subject has 29 studio units each having 330 square feet of living area and 37 one-bedroom units each having 550 square feet of living area. Echols testified he was not aware of the minimum size requirements for double occupancy of a unit and did not know whether a one-bedroom unit could accommodate two residents. Echols acknowledged that the subject has private pay residents, but stated that the number of private pay residents is nominal. Echols testified that private pay residents pay the same for room and board as Medicaid residents, but clarified that amounts charged for services vary based on the need for services of each resident. Echols further testified the room and board rates for studio and one-bedroom units are the same. (TR p. 31-36).

The Administrative Law Judge asked Echols to identify the range of rates for private pay residents, including services. Echols responded that these rates generally range from \$3,200 to \$3,500 in the industry. Echols clarified that fewer than thirty percent of the subject facility's residents are private pay residents. Echols further clarified that "board" means only food and that meals are provided by the appellant's employees. Echols did not know whether the subject has a beauty salon, but stated that a beauty salon would be operated by an independent contractor not by the appellant's employees. (TR p. 36-39).

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<sup>7</sup> This document was marked as Hearing Exhibit 2.

<sup>8</sup> This document was marked as Hearing Exhibit 3. Christensen objected to the relevance of amended Section 10-390 and to Echols' testimony regarding his interpretation of the law. Moss asserted that he was seeking to elicit testimony from Echols regarding how the appellant applied its funds, regarding which Echols is qualified to testify. The Administrative Law Judge allowed the testimony for the purpose of explaining how funds were applied. (TR p. 26-28).

Based on this testimony, the Board admits Hearing Exhibit 1 into evidence, namely, the subject's Illinois Supportive Living Facility Program certification, the subject's Long-Term Care Provider Agreement as a supportive living facility, and a table of SSI Federal Payment Amounts from which the prescribed supportive living facility rate is calculated. Hearing Exhibit 2 is a copy of Section 146.225 of the Illinois Administrative Code and Hearing Exhibit 3 is a copy of amended Section 10-390 of the Property Tax Code. The Board takes judicial notice of these provisions of law and admits Hearing Exhibits 2 and 3 into evidence.

The appellant next presented Keith Honegger as a witness. Honegger testified that he has been a certified general real estate appraiser for approximately 30 years, has prepared appraisals for supportive living facilities for the last 20 years, and has prepared appraisals of low-income properties for ad valorem tax purposes for the last 12 years. Honegger stated he also prepares and provides annual income reports to assessors for these types of properties. Honegger testified that his qualifications and experience are more particularly described at page 51 of the Honegger Appraisal. (Honegger Appraisal p. 51, TR p. 40). On cross-examination by Christensen, Honegger acknowledged that he is not a member of the Appraisal Institute and does not have the MAI designation. (TR p. 65).

The Honegger Appraisal presents only the income capitalization approach to value. Honegger stated he did not consider the cost or sales comparison approaches because Section 10-390 mandates the use of the income capitalization approach. (Honegger Appraisal p. 5).

Honegger testified that he prepared the Honegger Appraisal for ad valorem tax purposes in accordance with the original Section 10-390 provision which was effective at the time. Honegger acknowledged that an appellate court had thereafter issued a decision interpreting the methodology under Section 10-390 and that Section 10-390 was subsequently amended. Moss showed Honegger a copy of amended Section 10-390 (Hearing Exhibit 3), which Honegger acknowledged and explained provides for how income is to be calculated for supportive living facilities. Honegger testified that the maximum gross income is the SSI amount less \$90, which was calculated as \$645 in 2017. (TR p. 42-45). Honegger testified that the methodology used in the Honegger Appraisal represents the methodology required by amended Section 10-390. (TR p. 47).

To calculate the subject's potential gross income, Honegger utilized "only the restricted contract rents imposed on the subject property by the Illinois Healthcare and Family Services Supportive Living program." (Honegger Appraisal p. 5). Honegger explained that Section 10-390 requires that service income must be deducted as "income to both the business and real estate and not just to the real estate." (Honegger Appraisal p. 7). Consequently, Honegger excluded from income monthly Medicaid payments for services. (Honegger Appraisal p. 8).

Honegger utilized a monthly room and board amount of \$645 per unit. Honegger explained that a supportive living facility is limited to charging a Medicaid-eligible resident the current SSI rate for an individual less \$90 as room and board. Honegger used the same rate for each unit based on single-occupancy regardless of room type. Honegger explained that any amounts greater than

\$645 received by the appellant are applied by the appellant to services. (Honegger Appraisal p. 12).

Page 13 of the Honegger Appraisal is a summary of the appellant's income and expenses relating to the subject property. Honegger used 2017 actual gross rental income (\$514,188 or \$649 per month per unit) as potential gross rental income, rather than \$510,480, calculated at \$645 per month per unit. (Honegger Appraisal p. 13). Honegger testified that he used the actual gross rental income amount because it was the higher income figure. (TR p. 48).

Appendix B of the Honegger Appraisal contains year-end financial statements relating to the subject property. (Honegger Appraisal p. 30-34). Honegger acknowledged at hearing that the year-end financial statements attached to the Honegger Appraisal were not in fact the actual year-end financial statements.<sup>9</sup> Honegger explained that he relied upon the actual year-end financial statements for his conclusions, but inadvertently attached preliminary financial statements to the Honegger Appraisal. Honegger stated the amounts shown in both statements do not materially differ. (TR, p. 49-50).

Honegger computed a deduction for vacancy at a rate equal to the subject's 2017 vacancy rate of 1.2% based on the 2017 gross actual rental income, calculated at \$6,032. (Honegger Appraisal p. 14).

In order to isolate the income derived from the real estate from the room and board amount, Honegger then deducted an amount equal to 2017 actual raw food costs (\$105,696) from the potential gross rental income to arrive at a potential effective rental income of \$402,460. (Honegger Appraisal p. 14).

Honegger next added other income totaling \$98,337, which is an amount equal to the appellant's 2017 actual other income, including meal program reimbursement (\$5,611), SNAP payments (\$51,596), and other income (\$41,130). (Honegger Appraisal p. 14).

After making the deductions for vacancy and raw food costs and after adding other income, Honegger computed an effective gross income of \$500,797. (Honegger Appraisal p. 13). At hearing, Honegger confirmed this methodology for calculating income is "pretty much in conformity with the new and old version of the law." (TR p. 53).

Honegger then estimated expenses for the subject property. Honegger first examined historical rents and expenses for comparable supportive living facilities. (Honegger Appraisal p. 15). Pages 16 and 17 of the Honegger Appraisal describe 2017 average rents and 2015 to 2017 average expense ratios for 34 supportive living facilities. (Honegger Appraisal p. 16-17). Honegger testified that he selected these comparables because he prepares annual income reports for these properties. Honegger acknowledged that rental and service-related expenses are co-

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<sup>9</sup> Honegger asked to supplement the record with the actual year-end financial statements, but the Administrative Law Judge denied this request as these statements were not part of the Honegger Appraisal and were not otherwise timely submitted into the record. (TR p. 49-50.)

mingled for these comparables. (TR. p. 53-54). Honegger concluded the average monthly rent for these comparables was \$474 not including food and their 2015 to 2017 average expense ratio was 64.93%. Honegger noted the most recent 3-year average expense ratio for the subject was 74.00%. (Honegger Appraisal p. 15).

Honegger next examined historical rents and expenses for comparable Section 42 properties. At hearing, Honegger explained that 26% of all supportive living facilities operate as Section 42 properties, although Honegger acknowledged that he did not fully understand how supportive living facilities are financed. (TR p. 52). Pages 19 and 20 of the Honegger Appraisal describe 2017 average rents and 2015 to 2017 average expense ratios for 22 comparables. (Honegger Appraisal p. 19-20). Honegger noted the rents for these properties do not include services or food costs, but also do not include utilities which are commonly included in supportive living facility room and board expenses. (Honegger Appraisal p. 18). Honegger testified that he selected these comparables because he prepares annual income reports for these properties. (TR. p. 54-55). Honegger concluded the 2017 average monthly rent for these comparables was \$499 and their 2015 to 2017 average expense ratio was 65.71%. Honegger concluded the 2017 average monthly rent for the six most similar comparables was \$504 and their 2015 to 2017 average expense ratio was 65.55%. (Honegger Appraisal p. 18).

Based on the foregoing, Honegger concluded an expense ratio of 65% for the subject. (Honegger Appraisal p. 21). Applying this ratio to effective gross income of \$500,797, Honegger computed expenses of \$325,518, which he subtracted from the effective gross income to arrive at net operating income of \$175,279.

In Appendix C of the Honegger Appraisal, Honegger explained his computation of the capitalization rate. Honegger considered both direct capitalization and band of investments method rates for apartment housing for the 1<sup>st</sup> quarter of 2018 to conclude a rate of 8.11%, to which Honegger added an effective tax rate of 3.08% and computed a loaded capitalization rate of 11.19%. (Honegger Appraisal p. 21, Appendix C).

Applying a loaded capitalization rate of 11.19% to the net operating income of \$175,279, Honegger opined a value for the subject property for ad valorem tax purposes as of January 1, 2018 was \$1,566,390. (Honegger Appraisal p. 21).

Moss then showed Honegger a copy of the Manteno decision and asked the “effective date” of the decision.<sup>10</sup> Honegger acknowledged the decision and read a date of “September 22, 2020” from the document but expressed uncertainty whether that was the “effective date.” (TR p. 62-64).

On cross-examination, Christensen showed Honegger the subject’s certificate (Hearing Exhibit 1) and questioned him regarding the difference between the number of room and maximum occupancy. Honegger responded that a room with more than 450 square feet qualifies for double

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<sup>10</sup> This document was marked as Hearing Exhibit 4. Christensen objected to questioning this witness regarding the decision because Honegger is not a legal expert or attorney. Moss concurred, stating he merely wanted to present the document as a hearing exhibit, to which Christensen had no objection. The parties agreed that the Manteno case was cited in the record.

occupancy so maximum occupancy is calculated by adding the total number of rooms and the number of rooms with more than 450 square feet.<sup>11</sup> (TR p. 68).

Honegger testified on cross-examination that the SSI amount in 2017 for a couple was \$1,103 and agreed that the room and board income for a double occupancy unit was \$923 (\$1,103 less \$180). In testifying regarding this amount, Honegger stated that units are not actually rented as double occupancy so he considers the potential to rent as double occupancy to be an “impractical potential” that should not be considered. Christensen asked whether Honegger’s calculation of income takes into account the potential to rent as double occupancy, and Honegger answered it does based on his definition of what is potential. (TR p. 69-72).

The Administrative Law Judge questioned why Honegger calculated the vacancy deduction based on the potential gross rental income before deducting the raw food costs. Honegger was unable to explain why he made this choice but acknowledged that this choice resulted in a somewhat different vacancy deduction than if it had been calculated based on the potential gross rental income after making the deduction. (TR p. 74).

The Administrative Law Judge asked Honegger to clarify the types of housing considered in developing the capitalization rate. Honegger responded he considered all types of rental housing and that he was not aware of more specific data. (TR p. 74-75).

In conclusion, Moss contended that he believed there to be no dispute regarding the application of amended Section 10-390 because the amended Section 10-390 is quoted and cited with the effective date of the amendment in the intervenor’s brief.<sup>12</sup> Moss argued the amendment is not a new statute but merely clarifies how the law is to be applied. Moss contended that an appraisal prepared after the amendment, like the intervenor’s appraisal, should utilize the methodology set forth in the amended Section 10-390. Moss further contended that the Honegger Appraisal was prepared before the Manteno decision using a methodology that had been previously used before that decision. (TR p. 110-111).

Based on this evidence, the appellant requested the subject’s assessment be reduced to \$522,130 to reflect the appraised value conclusion.

#### Board of Review’s Evidence

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total assessment for the subject of \$1,530,447, together with the subject’s property record card and a list of supportive living facilities as of December 22, 2020. The subject’s assessment reflects a market value of \$4,720,688, when using the 2018 three year average median level of assessment for Jefferson County of 32.42% as determined by the Illinois Department of Revenue.

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<sup>11</sup> The Board notes that Honegger’s calculation (66 total units plus 37 one-bedroom units) results in 103 units, which is greater than the maximum occupancy described in the certificate.

<sup>12</sup> The Board notes that the intervenor’s brief quotes amended Section 10-390, but does not refer to the amendment or the date of the amendment.

At hearing, Crunk admitted that the subject's assessment was incorrectly based on a cost approach to value, rather than the income capitalization approach required by Section 10-390 of the Property Tax Code. (TR p. 6-7, 76). Crunk agreed the subject is registered as a supportive living facility with the Illinois Department of Healthcare and Family Services. (TR p. 76).

#### Intervenor's Evidence

In support of its requested assessment for the subject property, the intervenor submitted a brief contending that the intervenor's appraisal is consistent with the Manteno court's interpretation of Section 10-390, which should be used to value the subject property in this 2018 tax year appeal. Despite this argument, the intervenor quoted the amended Section 10-390 rather than the original Section 10-390, which had been interpreted by the Manteno court. The intervenor submitted a letter dated December 21, 2021, explaining that the intervenor misquoted the amended statute as the original statute in its brief.<sup>13</sup> At hearing, Christensen argued that the Honegger Appraisal is based on a flawed interpretation of Section 10-390 that was rejected by the Manteno court for understating income. (TR, p. 9).

The intervenor submitted an appraisal prepared by Eric Dost, MAI, a certified general real estate appraiser, for ad valorem tax purposes (the "Dost Appraisal"). Dost inspected the exterior of the subject property. (TR p. 86). Dost opined the market value of the subject was \$4,600,000 as of January 1, 2018.

The intervenor presented Dost as a witness. Dost testified that he is employed as the President of Dost Valuation Group, is a certified general real estate appraiser in Illinois and three other states, and has been a commercial real estate appraiser since 1986. Dost testified he has been an MAI designated member of the Appraisal Institute since 1993. Dost explained that the MAI designation is the highest commercial designation offered by the Appraisal Institute, similar to a CPA for accountants. Dost testified he also has an AIGRS designation from the Appraisal Institute, which is a general review specialist. Dost stated he has prepared approximately 4,000 commercial appraisals, with 500 or 600 for senior housing properties and at least 100 for assisted living properties, including about 20 for supportive living facilities. (TR p. 78-80). The Dost Appraisal also contains a summary of Dost's experience and qualifications (Dost Appraisal, Exhibit "Professional Qualifications").

Dost stated that the Dost Appraisal was prepared in accordance with the original Section 10-390 provision and the guidance related thereto in the Manteno decision. (Dost Appraisal, p. 27, TR p. 83). Dost developed all three approaches to value. At hearing, Dost explained that although Section 10-390 requires the income capitalization approach, it does not prohibit an appraiser from developing all three approaches to value. (TR p. 89).

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<sup>13</sup> At hearing, Moss contended that he was unaware of a dispute regarding the applicability of amended Section 10-390. Moss asserted the intervenor quoted the amended Section 10-390 in its brief and stated he had not received the intervenor's letter correcting the error. (TR p. 23). Notwithstanding any question regarding the appellant's receipt of the letter, the Board finds the intervenor's brief clearly advocates for a valuation consistent with the original Section 10-390. Thus, the Board does not find any surprise regarding the intervenor's position which was plainly set forth in its brief in addition to the fact that the amended statute states "effective 6-17-21."

At hearing, Dost testified that the subject is licensed as a supportive living facility with 66 units and a maximum capacity of 95 residents. Dost further testified the subject building has approximately 50,000 square feet of building area and has 29 studio units with an average of 330 square feet and 37 one-bedroom units with an average of 550 square feet. Dost stated that the demand for senior housing is increasing as baby boomers age and that the subject's South Central Illinois region has a relatively older population compared to state medians. (TR p. 84-86).

Under the cost approach, Dost first examined two comparable land sales and three listings located in Mount Vernon. Two comparables, having 198,634 or 437,342 square feet of land area, sold in December 2017 and March 2019 for prices of \$2,275,053 and \$72,500 or \$5.20 and \$0.36 per square foot of land area. Three comparables, ranging in size from 93,218 to 351,094 square feet of land area, were listed for prices ranging from \$89,000 to \$500,000 or from \$0.95 to \$4.78 per square foot of land area. Dost made adjustments to these comparables for sale conditions and for differences from the subject, such as lot size, zoning, utilities, and location, to opine a value of \$205,000, rounded, or \$1.10 per square foot of land area for the subject property. (Dost Appraisal, p. 29).

Dost next computed the replacement cost new of the subject's building improvements, utilizing cost factors obtained from the Marshall Valuation Service for a Class D, Elderly Assisted Living property. (Dost Appraisal, p. 31). At hearing, Dost explained the Marshall Valuation Service is a cost service that provides construction costs and depreciation for "pretty much every kind of building or site improvement there is." (TR p. 87). Dost added entrepreneurial incentive cost of 10.00% and soft costs of 5.00% as necessary components of cost to arrive at a replacement cost new for the building improvements of \$6,226,403. At hearing, Dost explained that the addition of entrepreneurial profit is essential to the cost approach and he relied on appraisal textbooks to conclude an entrepreneurial profit of 10.00%. (TR p. 90).

Dost then deducted depreciation of 27.50% or \$1,712,261, based on the subject's remaining life of 29 years. (Dost Appraisal p. 31-32). Dost computed a depreciated replacement cost of \$4,514,142 for the building improvements. (Dost Appraisal p. 33). Dost testified that he concluded an effective age of 11 years based on his inspection of the subject property and its actual age and that he determined a typical use life of 40 years based on information obtained from the Marshall Valuation Service, resulting in a remaining life of 29 years ( $40 - 11 = 29$ ). (TR p. 87).

Dost estimated the depreciated value of furniture, fixtures, and equipment ("FF&E") at \$82,500; however, Dost acknowledged that no inventory of these items was made. Dost stated that FF&E is not included in the value conclusion under the cost approach. (Dost Appraisal p. 32).

Dost's calculations are summarized at page 33 of the Dost Appraisal. Dost added the indicated land value (\$205,000), the depreciated replacement cost of the building improvements (\$4,514,142), and the depreciated cost of other site improvements (\$199,366) to opine a value for the subject under the cost approach of \$4,900,000, rounded. (Dost Appraisal p. 33).

Under the sales comparison approach, Dost examined five comparable sales of supportive or assisted living facilities located in Aledo, Rockford, Mount Vernon, Collinsville, and Freeburg. (Dost Appraisal p. 35-40). The parcels range in size from 52,133 to 280,522 square feet of land area and are improved with one or two 1-story, 2-story, or 3-story supportive or assisted living facility buildings ranging in size from 45,000 to 100,000 square feet of combined building area. The buildings were constructed from 2001 to 2009. The comparables have from 66 to 136 units. The comparables sold from July 2013 to February 2019 for prices ranging from \$6,000,000 to \$11,600,000 or from \$53,571 to \$163,380 per unit. Dost made adjustments to the comparables for market conditions at the time of sale and for differences from the subject, such as building size, location, building area per unit, and other economic factors, to conclude an indicated value for the subject of \$4,620,000 or \$70,000 per unit. (Dost Appraisal p. 40-43). After subtracting FF&E of \$82,500, Dost opined a market value for the subject under the sales comparison approach of \$4,500,000, rounded. (Dost Appraisal p. 43).

Under the income capitalization approach, Dost excluded Medicaid service income and Medicaid service related expenses. (Dost Appraisal p. 27). Dost described three components of the Medicaid services rate: nursing and direct care, capital costs, and support services, which include general administrative costs such as food, laundry, housekeeping, utilities, maintenance, insurance, and dietary. Dost stated the maximum Medicaid services rate as of July 1, 2017 was \$2,004 per month. (Dost Appraisal p. 50).

At hearing, Dost explained for his income capitalization approach calculations he relied on the subject's historic cost reports, financial statements, and rent roll, and also expense comparable properties, including supportive living facilities and Section 42 senior apartment housing. (TR p. 93-94).

Dost first examined the subject's historical payor mix of Medicaid-eligible residents and private pay residents, respectively, for 2016 (69.2% and 30.8%), 2017 (63.4% and 36.6%), and 2018 (61.5% and 38.5%). Dost concluded the subject had an average of 64.7% (rounded to 65%) Medicaid-eligible residents and 35.3% (rounded to 35%) private pay residents for that three-year period. (Dost Appraisal p. 49). At hearing, Dost pointed out this percentage of private pay residents was substantial, not nominal. (TR p. 94).

With respect to Medicaid-eligible residents, Dost identified the monthly SSI rate for an individual as \$750, which would result in a monthly room and board rate of \$660 for a single-occupancy unit. Dost identified the monthly room and board rate for a double-occupancy unit as \$472.50 per person. (Dost Appraisal p. 50-51).

With respect to private pay residents, Dost identified the subject's monthly private pay rates, as of June 1, 2017, as \$3,125 for a studio unit, \$3,550 for a single-occupancy one-bedroom unit, and \$4,350 for a double-occupancy one-bedroom unit, and the subject's monthly private pay rates for December 2018 as ranging from \$2,600 to \$3,700. At hearing, Dost testified that these rental amount seem to indicate a rent difference based on unit size. (TR p. 96). Dost also examined rental rates for supportive living facility expense comparables #1 and #2, which had monthly private pay rates of \$3,411 and \$3,353 in 2018. Dost stated sales comparable #3, an

assisted living facility, had monthly private pay rates ranging from \$2,995 for a studio unit to \$3,695 for a one-bedroom unit in early 2021. Based on the foregoing, Dost concluded a monthly private pay rate of \$3,500 for the subject, which would include services. Dost then subtracted the Medicaid monthly services amount of \$2,004, as of July 1, 2017, to calculate a monthly private pay rate of \$1,496, not including services. (Dost Appraisal p. 51-52).

Dost next computed total potential gross rental income of \$754,459 based on 35% of units at private pay rates of \$1,496 and 65% of units at Medicaid rates of \$660. (Dost Appraisal p. 58).

Dost then added other income in the amount of \$99,000 based on the subject's historical other income in 2016 (\$84,689), 2017 (\$98,336), and 2018 (\$99,583). (Dost Appraisal p. 52). Dost identified other income as including community fees, SNAP income, telephone, cable and internet charges, salon or barber fees, guest room, and other miscellaneous income. Based on the foregoing, Dost computed potential gross income of \$853,459. (Dost Appraisal p. 58).

Dost calculated a deduction for vacancy at 3.00% or \$25,604, based on the subject's historical vacancy rates in 2016 (2.72%), 2017 (1.28%), and 2018 (3.22%). (Dost Appraisal p. 52-53). After making a deduction for vacancy and adding in other income, Dost computed an effective gross income of \$827,855. (Dost Appraisal p. 58).

Dost then estimated a deduction for expenses for the subject property. Dost first examined the subject's historical expense ratios for a 3-year period ranging from 39.1% to 40.8%, not including payroll and benefits attributable to services, as reported in Illinois Medicaid Cost Reports. Dost stated that the Illinois Property Tax Code requires Medicaid service income and related expenses to be excluded when valuing a supportive living facility. Dost explained that he made adjustments to expenses to exclude Medicaid service related expenses. Dost adjusted repairs, maintenance, housekeeping, and laundry to remove housekeeping and laundry which are included in Medicaid services and to instead reflect typical repair and maintenance expenses for senior apartment housing; employee benefits and payroll taxes to remove expenses related to dietary and health care services which historically account for about 70% of these expenses for the subject; and insurance expenses to reflect the insurance expenses typical for senior apartment housing. (Dost Appraisal p. 53-56).

Dost also examined eight supportive living facility expense comparables with an average expense ratio of 43.4% and five affordable senior housing comparables with an average expense ratio of 46.3%. (Dost Appraisal p. 57).

Based on the foregoing, Dost estimated an expense ratio of 42.7% for the subject, or \$353,573, resulting in a net operating income of \$474,283. (Dost Appraisal p. 58).

For his computation of the capitalization rate, Dost examined three methods. Dost developed a rate of 7.51% using the band of investment method based on equity dividend rates from the 2018 Senior Housing Investment Survey; a rate ranging from 6.0% to 7.0% based on capitalization rates from the 2018 Senior Housing Investment Survey; and a rate of 7.8% based on four of the comparable sales. Dost concluded a rate of 7.00% and added an effective tax rate 3.148% to arrive at a loaded capitalization rate of 10.148%. (Dost Appraisal p. 59-61).

Based on the foregoing, Dost calculated an indicated value for the subject of \$4,700,000, rounded. After deducting \$82,500 for the depreciated value of FF&E, Dost opined a value of \$4,600,000 under the income capitalization approach. (Dost Appraisal p. 62).

In reconciling the three approaches to value, Dost placed the most weight on the income capitalization approach, which Dost explained was the best indicator of value for an income-producing property and was also required by the Property Tax Code. (Dost Appraisal p. 63).

On cross-examination, Moss asked Dost to calculate the income based on amended Section 10-390. Dost declined, stating that he did not use the amended Section 10-390 because it is not relevant to a value conclusion as of 2018. (TR p. 107).

The Administrative Law Judge asked Dost whether the gross potential income includes the food or board costs. Dost testified that the Medicaid monthly services amount includes meals so no additional deduction was needed. (TR p. 108-09).

In conclusion, attorney Christensen argued that the Honegger Appraisal uses the same methodology that was invalidated by the Manteno court and that the Dost Appraisal correctly uses the methodology described in the Manteno decision. (TR p. 113).

Based on this evidence, the intervenor requested the subject's assessment be modified to reflect the appraised value conclusion.

#### Appellant's Rebuttal Evidence

In written rebuttal, the appellant submitted a brief arguing that the calculation of potential gross income presented in the Dost Appraisal is not consistent with the amended Section 10-390. The appellant re-calculated potential gross income using the 2018 Medicaid-eligible resident rate of \$660 (as calculated in the Dost Appraisal) for the subject's 66 units. The appellant accepted the amount of other income (\$99,000) and a vacancy rate of 3% presented in the Dost Appraisal. The appellant reiterated the need for a deduction for meals, which Honegger estimated as \$105,696. The appellant through counsel thus re-calculated effective gross income for the subject of \$500,544.

The appellant disputed the expenses presented in the Dost Appraisal, arguing that Dost relied on Section 8 affordable housing comparables, whereas Honegger relied on Section 42 affordable housing expense comparables, which are more similar to the subject property in rent structure.<sup>14</sup> The appellant further argued that service-related expenses cannot be separated from the total expenses of a supportive living facility and questioned Dost's methodology of removing service-related expenses to estimate expenses for the subject property. Utilizing Honegger's expense ratio of 65%, the appellant re-calculated expenses of \$325,353 based on the effective gross income of \$500,544 to compute net operating income of \$175,190 for the subject property.

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<sup>14</sup> Dost clarified at hearing that the expense comparables used in the Dost Appraisal were Section 42 properties. (TR p. 93-94).

The appellant next applied Honegger's loaded capitalization rate of 11.19% to state a value conclusion of \$1,565,595 for the subject. Based on the foregoing, the appellant requested a reduction in the subject's assessment to \$521,864, which would reflect a market value of \$1,565,749, when applying the statutory level of assessment of 33.33%.

### **Conclusion of Law**

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). For purposes of the assessment of a supportive living facility, the income capitalization approach to value is to be utilized as set forth in Section 10-390.

As an initial matter, the parties have raised a legal question regarding whether the original Section 10-390 or the amended Section 10-390 should be used to value the subject property as of the January 1, 2018 assessment date.

The appellant argued that the law effective when the appraisal is prepared should apply. Accordingly, the appellant contended the Dost Appraisal should have been prepared using the amended Section 10-390. The appellant further contended that the Honegger Appraisal was prepared before the Manteno decision, thereby implying that the validity of the methodology used in the Honegger Appraisal should not be affected by the Manteno decision.

The appellant presented with its brief an unreported appellate court decision, which was issued under Supreme Court Rule 23 and may not be cited as precedent. The appellant also presented several prior Board decisions issued before the Manteno decision. To the extent the appellant relies on these decisions in order to validate the methodology used in the Honegger Appraisal, the Board finds the appellant's reliance is misplaced in light of the Manteno decision.

The appellant further argued that amended Section 10-390 was not a new law, but merely clarified existing law. The appellant elicited testimony from both of its witnesses regarding their understanding that Section 10-390 originally included the same limit on potential gross income that was later codified by the amendment. The Board gives no weight to this testimony as neither witness was qualified as a legal expert, and even if these witnesses were so qualified, their understanding of original Section 10-390 would not supersede the Manteno court's interpretation of the statute.

Moreover, the Board finds Echols' testimony was overall less credible. For instance, Echols seemed to lack basic knowledge about the subject property, such as the number of units and their sizes (for which he had to consult the Honegger Appraisal), whether any units qualify for double occupancy, whether the subject property has a beauty shop, and the range of private pay rates for the subject property (as he was only able to provide industry rates rather than rates specific to the subject property). Echols also misleadingly characterized the percentage of private pay residents, which he later acknowledged was approximately thirty percent, as nominal.

The intervenor contended that the original Section 10-390, which was effective on the January 1, 2018 assessment date, is applicable. The intervenor asserted that the Honegger Appraisal used

the same methodology that was invalidated by the Manteno court and argued that the Dost Appraisal correctly applied the methodology set forth in the original Section 10-390 as interpreted by the Manteno court.

“Retroactive legislation is not favored, and as a general rule statutes are construed to operate prospectively unless the legislative intent that they be given retroactive operation clearly appears from the express language of the acts, or by necessary or unavoidable implication.” United States Steel Credit Union v. Knight, 32 Ill. 2d 138, 142, 204 N.E.2d 4, 6 (Ill. 1965). The legislative purpose of an amendment does not on its own support the retroactive application of an amendment. Ignarski v. Heublein, 171 Ill. App. 3d 830, 837 (1st Dist. 1988).

Both appraisals in this record were prepared as retrospective appraisals as of the January 1, 2018 assessment date. The Board finds that amended Section 10-390 contains no express provision for retroactive application and that a retroactive application is not a necessary or unavoidable implication of the amendment.

The Board disagrees with the appellant’s characterization of the amendment as merely clarifying existing law. The amended Section 10-390 provides for a limitation on potential gross income that did not exist in the original Section 10-390. The Manteno court interpreted the original Section 10-390 as not containing the limitation on potential gross income that was later codified in the amendment, instead requiring potential income from private pay residents and from double occupancy of units to be included. Manteno Cmty. Unit Sch. Dist. No. 5 v. Ill. Prop. Tax Appeal Bd., 2020 IL App (3d) 180384, P76, 84-85. Most importantly, by its own terms, the amendment reflected by P.A. 102-16 states that it is effective as of 6-17-21.

Therefore, the Board finds that the original Section 10-390, which was in effect on the January 1, 2018 assessment date, governs the valuation of the subject property in this 2018 tax year appeal.

In light of the provisions of the original Section 10-390 as interpreted by the Manteno court, the Board will consider the two appraisals in this record. Both appraisers testified at hearing in support of their respective appraisal reports. Both appraisers have years of experience in valuing real estate as licensed appraisers and were qualified as experts in their field. Honegger developed only the income capitalization approach, whereas Dost developed all three approaches to value, which were reconciled by placing the most weight on the income capitalization approach and stating a final value conclusion that is equal to the value developed under the income capitalization approach. Consequently, the Board finds both appraisals substantively present value conclusions in primary reliance upon the income capitalization approach.

To begin the income analysis, each appraiser estimated dramatically different amounts as potential gross income. In determining monthly room and board revenues, Honegger used the 2017 SSI rate of \$735 less \$90 to conclude \$645 per unit, whereas Dost used the 2018 SSI rate of \$750 less \$90 to conclude \$660 per unit. In written rebuttal, the appellant accepted Dost’s use of the 2018 SSI rate.

Honegger calculated potential gross income based on all units being occupied by a single Medicaid-eligible resident. Honegger first calculated a monthly room and board rate of \$645 per unit, but then used the subject’s 2017 actual room and board income of \$649 per unit.

In contrast, Dost considered a payor mix percentage developed from the subject's historical data, concluding that 65% of units were occupied by Medicaid-eligible residents and 35% were occupied by private pay residents. For the Medicaid-eligible residents, Dost used a monthly room and board rate of \$660 per month. For the private pay residents, Dost determined a monthly rental rate of \$1,496 (based on the subject's historical data and rental comparables), expressly considering the subject's private pay rates for studio units, one-bedroom units based on single-occupancy, and one-bedroom units based on double-occupancy.

The methodology for calculating potential gross income presented in the Honegger Appraisal was determined to be inconsistent with the original Section 10-390. Manteno Cmty. Unit Sch. Dist. No. 5 v. Ill. Prop. Tax Appeal Bd., 2020 IL App (3d) 180384, ¶ 84-85. In the Manteno case, the court held that potential gross income must include potential rental income for private pay residents at comparable market rates that could have been received by a supportive living facility. Id. at ¶ 84-85. The court further held that potential gross income must include the potential rental income from double-occupancy of one-bedroom units even if that income is "rare or minimal." Id. at ¶ 76. The court also stated that actual income that does not reflect the potential income of the property should not be used. Id. at ¶ 73-74.

The Board finds Dost's calculation of potential gross rental income to be more consistent with the original Section 10-390. Dost considered a historical payor mix percentage of Medicaid-eligible and private pay residents at the subject property and allocated different rental rates to each resident category. Dost developed a monthly rental rate for the private pay residents by examining both the subject's historical data and market rental comparables and considering the potential for double-occupancy of some one-bedroom units.

The appraisers differ on whether a deduction for meals is needed. Honegger deducted an amount equal to the 2017 actual raw food costs, whereas Dost made no deduction. Dost testified that the Medicaid services amount includes meals so by excluding the Medicaid services amount, meal service income is also excluded. However, Section 146.225(b) of Title 89 of the Illinois Administrative Code provides:

The payment rate received by the SLP from the Department for services, with the exception of meals, provided in accordance with Section 146.230 shall constitute the full and complete charge for services rendered. Additional payment, other than patient credits authorized by the Department, may not be accepted. Meals are included in the room and board amount paid by the resident.

89 Ill. Admin. Code §146.225(b). Accordingly, the Board finds a deduction for meals from the room and board income is appropriate. The Honegger Appraisal presented the only evidence in this record of an amount for food costs, and thus, the Board finds a deduction from potential gross rental income in the amount of \$105,696 for meals is appropriate.

Both appraisers included other miscellaneous income in their calculations. Honegger used the appellant's 2017 actual other income of \$98,337 and Dost estimated \$99,000 of other income based on the subject's historical data. In written rebuttal, the appellant accepted the amount of other income amount stated in the Dost Appraisal (\$99,000).

With respect to potential gross income, the Board finds Dost's methodology to be more credible and consistent with the original Section 10-390, although a deduction for meals is needed. After subtracting food costs, the Board finds the subject's potential gross income is \$747,763, calculated as \$754,459 (the potential gross rental income stated in the Dost Appraisal) plus \$99,000 (the other income stated in the Dost Appraisal) less \$105,696 (the raw food costs stated in the Honegger Appraisal).

With respect to the vacancy rate, Honegger used the most recent 2017 vacancy rate for the subject, whereas Dost determined a vacancy rate based on a three year history of vacancy for the subject. In written rebuttal, the appellant accepted the vacancy rate used in the Dost Appraisal. Based on potential gross income of \$747,763, the Board finds a deduction for vacancy and collection losses in the amount of \$22,433 is appropriate (calculated as 3% of \$747,763). Thus, the Board concludes the subject has effective gross income of \$725,330 (calculated as \$747,763 - \$22,433).

Both appraisers estimated expenses for the subject property. Honegger did not remove Medicaid service-related expenses from the total expenses, but supported his conclusion by comparing the expenses of comparable supportive living facilities, which also include service-related expenses, with low income housing comparables, which do not include service-related expenses. In contrast, Dost adjusted each type of expense in order to extricate Medicaid service-related expenses, relying on comparisons with senior housing comparables, which do not include service-related expenses.

The appraisers agreed that Medicaid service income may not be included in potential gross income pursuant to Section 10-390. Accordingly, the Board finds it is logical to also exclude the expenses related to these services. The Board finds that Dost's methodology of extricating Medicaid service-related expenses is appropriate on this record. Although the total amounts of expenses estimated by Honegger and Dost are somewhat comparable, the expense ratio calculated by Honegger is substantially higher because it was based on a lower effective gross income derived from a lower potential gross income that has already been discredited in this analysis.

Consequently, the Board accepts Dost's expense ratio as the best evidence of the subject's expenses in this record, and finds that expenses in the amount of \$309,716 (calculated as 42.7% of effective gross income of \$725,330) should be deducted to calculate a net operating income of \$415,614 (\$725,330 - \$309,716).

Both appraisers used various methods to compute a capitalization rate to which each appraiser added an effective tax rate to arrive at a loaded capitalization rate. Honegger computed a loaded capitalization rate of 11.19% based on an analysis of statistics for all types of apartment housing. Dost calculated a loaded capitalization rate of 10.148% based on an analysis of statistics for the more limited category of senior housing. The Board finds Dost's consideration of senior housing to be more appropriate for a supportive living facility, and thus, the Board accepts Dost's loaded capitalization rate of 10.148% for the subject property. After applying this rate to the subject's net operating income of \$415,614, the Board concludes an indicated value for the subject of \$4,095,526.

In determining a final value conclusion, the appraisers differ on a deduction for personal property. Dost deducted \$82,500, representing the depreciated value of FF&E, which was calculated in the cost approach section of the Dost Appraisal. Honegger made no deduction for FF&E. The Board finds Dost's deduction for FF&E of \$82,500 is appropriate on this record and lends further credibility to the Dost Appraisal. After deducting \$82,500, the Board concludes the subject property has a value of \$4,000,000, rounded.

In summary, the Board finds the Dost Appraisal to be overall more reliable and credible; however, the Board finds the Dost Appraisal overstates potential gross rental income by failing to deduct for meals, which should be subtracted to calculate the subject's potential gross rental income. Based on the foregoing, the Board concludes the subject property had a market value of \$4,013,026 as of January 1, 2018.

The subject's assessment reflects a market value of \$4,720,688, which is above the best evidence of market value in this record. Based on the above analysis and application of Section 10-390 to the valuation of the subject property, the Board finds the preponderance of the evidence indicates that a reduction in the subject's assessment is warranted. Since market value has been established, the 2018 three year average median level of assessment for Jefferson County of 32.42% as determined by the Illinois Department of Revenue shall apply. (86 Ill. Admin. Code §1910.50(c)(1)).

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code. Pursuant to Section 1910.50(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



\_\_\_\_\_  
Chairman



\_\_\_\_\_  
Member



\_\_\_\_\_  
Member



\_\_\_\_\_  
Member

\_\_\_\_\_  
Member

DISSENTING: \_\_\_\_\_

CERTIFICATION

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: January 17, 2023



\_\_\_\_\_  
Clerk of the Property Tax Appeal Board

**IMPORTANT NOTICE**

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year or years of the same general assessment period, as provided in Sections 9-125 through 9-225, are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for such subsequent year or years directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.

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