PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Corben and Darlene DeKoster
DOCKET NO.: 06-01069.001-R-1
PARCEL NO.: 06/964

The parties of record before the Property Tax Appeal Board are Corben and Darlene DeKoster, the appellants, and the Rock Island County Board of Review.

The subject property composed of 9,750 square feet of land area (75' x 130') has been improved with a one-story single-family dwelling of frame construction which was built in 1979. The dwelling contains 484 square feet of living area and features central air conditioning, a full, unfinished basement, and two garages: one built before 1950 of 360 square feet of building area and one built in 2002 of 720 square feet of building area. There is also a 96 square foot shed. The subject property is located in Hampton, Hampton Township, Illinois.

The appellant Darlene DeKoster appeared before the Property Tax Appeal Board on behalf of the appellants contending unequal treatment in the assessment process with regard to both the land and improvement assessments of the subject property. The primary contention concerned the land assessment and methodology. Appellants submitted numerous packets of data; appellants also presented several analyses of the subject property to properties in the area both from an assessment per front-foot and from an assessment per square-foot of land area perspective. Appellants also had correspondence from the township assessor expounding upon the use of a "Base Lot" method of assessment involving "standard" lots, smaller or "minus" lots, and larger or "plus" lots.

In support of the land inequity argument, appellants presented packet #1 with five comparable properties located in close proximity to the subject and on the same street as the subject. The comparable lots ranged in size from 45' x 130' (5,850 square feet of land area) to 180' x 130' (23,400 square feet of land area). Appellants noted the township assessor placed a land assessment of $3,408 on the smallest or "minus" lot, an

(Continued on Next Page)

Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds ***a reduction*** in the assessment of the property as established by the **Rock Island** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND:	$	5,113
IMPR.:	$	14,400
TOTAL:	$	19,513

Subject only to the State multiplier as applicable.

PTAB/cck/4-10

assessment of $5,113 on the "standard" lots of 60' x 130', and an assessment of $8,520 on each of the "plus" size lots ranging from the subject at 9,750 square feet of land area to a parcel consisting of 23,400 square feet.

In questioning the township's land assessment methodology in packet #2 appellants presented eight properties in a chart. Based on evidence presented at hearing, comparables 2, 3, 4, 7 and 8 are within the subject's assessment neighborhood. Each of these eight properties had land assessments of $5,113 or what was termed a "standard" lot, but the lots ranged in size from 70' x 180' to 200' x 90' or from 11,000 to 21,164 square feet of land area.

Similarly, appellants presented a chart in packet #3 of fourteen "plus" lots. Based on evidence elicited at hearing, all of these properties were outside the subject's assessment neighborhood. Each of the parcels had a land assessment of $6,817 for lots that ranged in size from 80' x 130' to 200' x 120' or from 10,400 to 65,340 square feet of land area.

Appellants' packet #4 consisted of three commercial properties with land assessments of $13,349 or $20,428. These properties were located along State Route 84 and were outside the subject's assessment neighborhood. These three lots were either 120' x 136' or 180' x 138.75' or 16,320 or 24,975 square feet of land area. In the course of the hearing, besides acknowledging that these properties were not within the subject's neighborhood, appellants acknowledged that commercial property land assessments were calculated on a front-foot basis as opposed to a "Base Lot" method.

In packet #5, appellants presented a grid of four vacant lots with land assessments ranging from $5,113 to $7,361 for parcels which ranged in size from 13,737 to 78,485 square feet of land area. Appellants also acknowledged that these properties were located outside the subject's assessment neighborhood.

In support of the appellants' improvement assessment inequity argument packet #6 was presented consisting of an 11,700 square foot lot which had been improved with a part one-story and part two-story frame single-family dwelling built in 1920. The dwelling contains 1,280 square feet of living area and features a basement of 927 square feet and a garage of 280 square feet of building area. The property sold in January 2007 for $52,500. Based on its total assessment, appellants reported this property had an estimated market value of $82,401. Appellants further reported this property had a 2006 land assessment of $8,520 like the subject and a 2006 improvement assessment of $18,947 or $14.80 per square foot of living area. The subject property has an improvement assessment of $14,400 or $29.75 per square foot of living area.

Based on the foregoing evidence, the appellants requested a reduction in the subject's land assessment to $6,817 and a

reduction in the improvement assessment to $14,000 or $28.93 per square foot of living area.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final assessment of $22,920 was disclosed. In support of the subject's assessment, the board of review presented a letter from its chairman and data from the township assessor. In the letter, the board of review asserted that the appellants' own evidence in packet #2 established equity in that all the "plus" size lots were uniformly assessed for $8,520, "standard" lots were uniformly assessed at $5,113, and "minus" lots were uniformly assessed at $3,408.

As to the land valuation methodology, Hampton Township Assessor James Cramblett wrote in pertinent part:

> The subject property is being assessed using the Base Lot method of land valuation. The enclosed Sales Ratio Report done in 2005 of the subject neighborhood indicated undervalues and most parcels had a land value of six to eight thousand, unrealistic for this area. Using vacant land sales in evidence and land values extracted from improved parcel sales, we determined that Base Lot was the most accurate method. We also ran a test grid of square foot and front foot methods, but Base Lot gave a tighter group. Most of the parcels in the original plat were laid out in 60' x 130' and 60' x 140' lots. We called these the base lots and those significantly larger "plus" lots and those smaller "minus" and valued accordingly. These values work as subsequent Sales Ratio Reports show.

Through the township assessor, the board of review also presented a two-page grid analysis of five suggested comparable properties with descriptions and assessment information. One comparable was located on the same street as the subject and the remainder were located on the next parallel street over within the subject's neighborhood as assigned by the assessor.

With regard to land assessments, the five comparables ranged in size from 60' x 130' to 120' x 130'. Each of the four "standard" lots (60' x 130' and 60' x 140') had land assessments of $5,113. Comparable 4 with a land size of 120' x 130', or known to the assessor as a "plus" lot, had a land assessment of $8,520 like the subject lot which consisted of a 75' x 130' land area.

In support of the subject's improvement assessment, the five comparable properties presented by the township assessor consisted of one-story frame dwellings built between 1940 and 1963. The dwellings ranged in size from 672 to 896 square feet of living area. Two comparables had central air conditioning and one comparable had a fireplace. Each comparable had a basement ranging in size from 670 to 896 square feet of building area. Three comparables had garages ranging in size from 240 to 672 square feet of building area; two comparables also had carports

of 180 and 285 square feet of building area, respectively. These five comparables had improvement assessments ranging from $15,554 to $20,179 or from $18.25 to $25.16 per square foot of living area. Based on this evidence, the board of review requested confirmation of the subject's improvement assessment of $29.75 per square foot of living area.

To further support the land assessment methodology, the board of review presented the testimony of the Hampton Township Deputy Assessor Linda Longnecker. As to the township's land assessment methodology, Longnecker testified a "Base Lot" method was used. She testified that there are "minus" lots, "standard" lots (60' x 130' and 60' x 140'), "over-sized" lots and "plus" lots. The deputy township assessor believed the subject lot was defined as a plus lot, but was highly unsure of herself. She further noted the front-foot method of calculating land assessments was used on the river because of river access and views.

When asked to define the size parameters for each of the lot types previously described, other than a "standard" lot, Longnecker had no information to provide. She testified, "This is in Jim's head and he puts all these things into the computer and the computer says 'this' and that's what we go by." When pressed further, Longnecker testified that an "over-sized" lot might be one consisting of four parcels, but it would depend on what neighborhood the property was in; she was unable to state what the land assessment would be for an "over-sized" lot in 2006 since it depended on the neighborhood it was in. Longnecker further testified that the Sales Ratio studies, a sample of which was included in the township's data, are what caused the township assessor to re-assess a given neighborhood.

The board of review concluded that the land assessment methodology has been uniform and consistent. Moreover, the subject's improvement assessment is supported given the small living area, but substantial garages on the property. The board of review requested confirmation of the subject's land and improvement assessments.

Upon questioning by the Hearing Officer as to the appellants' evidence, the chairman of the board of review acknowledged that the five land comparables presented in appellants' packet #1 were located within the subject's neighborhood code as assigned by the township assessor. The chairman further admitted that from appellants' packet #2, comparables 2, 3, 4, 7 and 8, which by their size would be defined as "plus" lots, were within the subject's same neighborhood as assigned by the assessor, but consistently received "standard" lot size assessments of $5,113. When asked by the chairman, Deputy Township Assessor Longnecker had no explanation for the "standard" lot land assessments for these five "plus" size lots within the subject's same assessment neighborhood.

In rebuttal at the hearing appellant Darlene DeKoster pointed out a letter dated November 9, 2006 within packet #1 from the Hampton

Township Assessor to the board of review regarding the subject and the land assessment methodology. She noted that while the assessor defined a "standard" lot size, he simply says lots considered "significantly smaller" or "significantly larger" would be called "minus lots" and "plus lots," respectively, with no defined sizes. She further noted the letter goes on to state, "I believe a bigger, better lot will bring more money and I added $5000 market to the base value, but I'm not sure at what point a bigger lot means too much mowing and the value slows down." (Pages 9-1 & 9-2 of Packet #1). Appellant in summary contended this land assessment methodology of the township assessor was unfair.

After reviewing the record and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds that the evidence in the record supports a reduction in the land assessment of the subject property, but the evidence does not support a reduction in the improvement assessment of the subject.

The appellants contend unequal treatment in the assessment process as the basis of the appeal. The Supreme Court of Illinois in Walsh v. Property Tax Appeal Board, 181 Ill. 2d 228, 692 N.E.2d 260, 229 Ill. Dec. 487 (1998), set forth the basic tenets of the Illinois Constitution's uniformity clause requirement as it relates to the assessment and taxation of real estate. The court stated that:

> The Illinois property tax scheme is grounded in article IX, section 4, of the Illinois Constitution of 1970, which provides in pertinent part that real estate taxes "shall be levied uniformly by valuation ascertained as the General Assembly shall provide by law." Ill.Const.1970, art. IX, §4(a). Uniformity requires equality in the burden of taxation. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1, 20, 136 Ill. Dec. 76, 544 N.E.2d 762 (1989). This, in turn, requires equality of taxation in proportion to the value of property being taxed. Apex Motor Fuel Co. v. Barrett, 20 Ill. 2d 395, 401, 169 N.E.2d 769 (1960). Thus, taxing officials may not value the same kinds of properties within the same taxing boundary at different proportions of their true value. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d at 20, 136 Ill. Dec. 76, 544 N.E.2d 762 (1989). The party objecting to an assessment on lack of uniformity grounds bears the burden of proving the disparity by clear and convincing evidence. . Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d at 22, 136 Ill. Dec. 76, 544 N.E.2d 762 (1989).

Walsh v. Property Tax Appeal Board, 181 Ill. 2d at 234, 229 Ill. Dec. 487, 692 N.E.2d 260 (1998). The uniform assessment

requirement mandates that property not be assessed at a substantially greater proportion of its value when compared to similar properties located within the taxing district. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d at 21, 136 Ill. Dec. 76, 544 N.E.2d 762 (1989). Thus, taxpayers who object to an assessment on the basis of lack of uniformity bear the burden of proving the disparity of assessment valuations by clear and convincing evidence. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill.2d 1 (1989). After an analysis of the assessment data, the Board finds the appellants have met this burden as to the land assessment inequity argument.

The evidence indicates land assessments in the subject's neighborhood were to be determined starting with a "Base Lot" method. Lots that are 60' x 130' and lots that are 60' x 140' would both be considered a "standard" lot with a land assessment of $5,113. Lots smaller than a "standard" lot received a lesser assessment of $3,408; lots larger than a "standard" lot received a greater assessment of $8,520.

Where a land assessment is done on a site basis, there is no consideration of size. It is well-accepted that the site value unit of comparison is used when the market does not indicate a significant difference in lot value even when there is a difference in lot sizes. Property Assessment Valuation, 75, International Association of Assessing Officers 2nd ed. 1996. After reviewing this record, the Board finds the appellant's argument regarding the non-uniform method of establishing assessments has merit. It is noted by the Property Tax Appeal Board that the appellants submitted evidence suggesting the method utilized by the Hampton Township Assessor was unsupported in that the township assessor's own report (Pages 9-1 & 9-2 of appellants' packet #1) indicated the assessor did not know at what point a bigger lot size did not have an effect on its market value. The Board finds it troubling that the very basis for the assessor's site value determination may have no foundation in market value. Uniformity requires not only uniformity in the level of taxation, but also in the basis for achieving the levels. Kankakee County Board of Review v. Property Tax Appeal Board, 131 Ill. 2d 1 (1989).

More important for purposes of a lack of uniformity argument is the lack of uniformity in land assessments within the subject's neighborhood as defined by the assessor. The Property Tax Appeal Board finds that the appellants have established in packet #2 that "plus" size lots (comparables 2, 3, 4, 7 and 8) received "standard" lot land assessments of $5,113. The board of review was unable to explain why these parcels were assessed at $5,113 instead of $8,520 given their size as larger than a "standard" lot. Based on this unrefuted evidence of comparable parcels assessed in a non-uniform manner, the Property Tax Appeal Board finds the appellants have established a lack of uniformity in land assessments within the subject's assessment neighborhood as

defined by the assessor. Based on this evidence, the Board finds similarly situated properties were not assessed uniformly. The Board finds the subject's land assessment is not equitable and a reduction in the subject's land assessment is warranted.

The appellants also attempted to demonstrate the subject's land assessment was inequitable because of the percentage increase in its assessment from 2005 to 2006 of 413%. The Board finds this type of analysis is not an accurate measurement or a persuasive indicator to demonstrate assessment inequity by clear and convincing evidence. The Board finds rising or falling assessments from year to year on a percentage basis do not indicate whether a particular property is inequitably assessed. The assessment methodology and actual assessments together with their salient characteristics of properties must be compared and analyzed to determine whether uniformity of assessments exists. The Board finds assessors and boards of review are required by the Property Tax Code to revise and correct real property assessments, annually if necessary, that reflect fair market value, maintain uniformity of assessments, and are fair and just. This may result in many properties having increased or decreased assessments from year to year of varying amounts and percentage rates depending on prevailing market conditions and prior year's assessments.

As to the improvement inequity argument, the appellants submitted one suggested comparable property for consideration within packet #6 and the board of review provided five suggested comparables. The Board gave less weight to the appellants' comparable due to its significantly larger living area than the subject; even though the property may be close in proximity, it is not similar in size, age or design. The Board also gave less weight to board of review comparables 3 and 4 due to their greater living area square footage than the subject. The Board finds board of review comparables 1, 2 and 5 to be most similar to the subject in terms of style, size and most property characteristics. These properties had improvement assessments ranging from $21.04 to $25.16 per square foot of living area. The subject's improvement assessment of $29.75 per square foot of living area is above this range, but appears justified given its smaller living area square footage and additional garage as compared to the comparables. After considering adjustments and the differences in both parties' suggested comparables when compared to the subject property, the Board finds the subject's improvement assessment is supported by the most comparable properties contained in the record. The Board thus finds the evidence in the record supports the subject's improvement assessment.

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.

Chairman

Member

Member

Member

Member

DISSENTING:

C E R T I F I C A T I O N

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: April 24, 2009

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 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 the subsequent year 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.

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.