

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Nalevanko Enterprises, Inc.
DOCKET NO.: 06-01015.001-C-2 and 07-01647.001-C-2
PARCEL NO.: 11/65-3

The parties of record before the Property Tax Appeal Board are Nalevanko Enterprises, Inc., the appellant, by attorney Mark D. Churchill of Churchill & Churchill, Moline, Illinois; and the Rock Island County Board of Review. The 2006 and 2007 appeals filed before the Property Tax Appeal Board were consolidated for hearing and a decision on the merits without objection.

The subject parcel consists of a 12.97 acre tract of land improved with a 76 pad mobile home park. The parcel is also improved with a rental house and garage, a block rental building, two storage garages, and two pole buildings. Additionally, the parcel has a lagoon used in conjunction with a self contained water treatment plant, which is not individually assessed.

The appellant appeared before the Property Tax Appeal Board claiming unequal treatment in the assessment process as the basis of the appeal. More specifically, the appellant argued the subject's land, roadways and mobile home pads are not uniformly assessed. The appellant did not contest the assessment placed on the other ancillary buildings at \$56,270. During the hearing, the parties stipulated the improvement assessment allocated to the subject's roadways and 76 mobile home pads was \$228,000 or \$3,000 per mobile home pad.

In support of the land inequity claim, the appellant submitted an assessment analysis of three suggested comparable properties that are used as mobile home parks like the subject. The comparables are located from 1.65 to 2.02 miles from the subject. The comparables range in size from 3 to 13.22 acres and have land assessments ranging from \$27,020 to \$218,819 or from \$6,902 to \$9,007 per acre. The subject property has a land assessment of \$103,760 or \$8,000 per acre.

With respect to the roadways and mobile home pad inequity claim, the appellant's counsel argued Rock Island assessment officials advised the taxpayer the assessment for the roadways and mobile

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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 for assessment years 2006 and 2007 is:

LAND:	\$	89,520
IMPR.:	\$	276,670
TOTAL:	\$	366,190

Subject only to the State multiplier as applicable.

home pads are based on the cost of the concrete plus rental income. Therefore, the appellant submitted a 2003 to 2005 profit and loss statement prepared by the accountant for Nalevanko Enterprises, Inc. Counsel reported the 2005 annual income for the trailer park, less depreciation, was \$53,280 or approximately \$700 per mobile home pad. The appellant argued that since the trailer park is over 50 years old with an annual depreciated income of \$700 per mobile home pad, its assessment of \$228,000 or \$3,000 per pad was outrageous. The appellants opined an assessment of \$1,000 to \$1,500 per mobile home pad would more accurately reflect the current value.

Ronald Nalevanko was called as the appellant's witness. Referencing photographic evidence contained in the record, Nalevanko described an area east of the mobile homes as a swampy ravine that gets [water] runoff from a nearby state highway fronting the subject through a natural waterway. At the end of the ravine is the lagoon and water treatment plant operated by Nalevanko Enterprises, Inc. Nalevanko testified the lagoon and ravine is approximately 3 acres in size and is not used as part of the mobile home park area. Nalevanko contends the area where the ravine and water treatment plant is not usable for income generating purposes and is therefore less valuable than the remaining acreage. He further testified the subject has asphalt roads, not concrete. Based on his 47 years in the construction business, Nalevanko testified he is comfortable with an estimated replacement cost minus depreciation for the road and mobile home pads between \$300 and \$800 per mobile home pad or from \$22,800 to \$60,800.

Nalevanko testified land comparable 1 is most similar to the subject in size and has a water treatment plant like the subject, but is assessed less than the subject at \$91,241 or \$6,902 per acre. He argued comparable 1 is superior to the subject in location due to its close proximity of adjoining property owned by the airport authority. He also claimed the airport authority is attempting to buy comparable 1, but offered no credible evidence to support this claim. He testified the subject is surrounded by vacant land or farmland, inferior to comparable 1 and has "conditional" zoning to operate as a mobile home park rather than more valuable commercially zoned property. Nalevanko testified the subject property does not have direct access to the Milan Beltway. Finally he noted comparable 1 is located closer in proximity to the comparable properties chosen by the board of review than the subject.

Nalevanko described land comparable 2 as a larger property located in the city of Milan with paved roads, a swimming pool and club house with city services. He noted residents of this trailer park are within walking distance of schools and businesses, unlike the subject.

Based on this evidence, the appellant requested a reduction in the subject's land assessment to \$87,332 or \$6,733 per acre and a

improvement assessment for the roads and mobile home pads of \$114,000 or \$1,500 per mobile home pad.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's assessment of \$388,030 was disclosed. In support of the subject's assessment, the board of review submitted a letter in response to the appeal and assessment and sales evidence prepared by the township assessor, Winna Pannell, who was present at the hearing.

With respect to the evidenced offered by the appellant, the board of review argued the three acres of ravine land with the lagoon and water treatment plant is essential to the mobile home park operations. In essence, the board of review claimed the mobile home park could not operate without the water treatment facility. The board of review argued the subject property is located on Knoxville Road, one block off the Milan Beltway, which is the main connection between Milan and Moline/Rock Island and the newly constructed Veterans Memorial Bridge, which is approximately one mile from the subject. The board of review claimed the infrastructure improvements have caused land values to increase in the subject's area.

The board of review argued the land comparables submitted by the appellant support the subject's land assessment. The comparables submitted by the appellant range in size from 130,680 to 1,348,182 square feet of land area and have land assessments ranging from \$27,020 to \$218,819 or from \$.16 to \$.21 per square foot of land area. The subject property contains 564,973 square feet of land area with a land assessment of \$103,760 or \$.21 per square foot of land area. The board of review argued the subject's per square foot land assessment falls within the range and is supported by the appellant's own comparables.

The board of review and township assessor provided testimony claiming comparable 1 is a very old mobile home park surrounded by the airport and industrial property, which is not similar to the subject. Thus, comparable 1 is assessed proportionally less than the subject.

The township assessor prepared a land assessment analysis of ten additional comparables. One comparable is a mobile park located two miles from the subject; two comparables are mobile home parks located in different townships, but their proximity to the subject was not disclosed; one comparable is located across Knoxville Road from the subject; and six comparable are located and front the Milan Beltway on the other side of 78th avenue, with four properties being corner sites. They are reported to range in size from 1.48 to 8.86 acres or from 44,753 to 285,797 square feet of land area. They have land assessments ranging from \$14,716 to \$154,885 or from \$.34 to \$1.18 per square foot of land area. The board of review argued the subject's assessment of \$103,760 or \$.18 per square foot of land area is supported.

The 2007 submission of evidence by the board of review, which again was prepared by the township assessor, consists of two land analyses (Exhibits 1 and 2) of 24 other suggested comparable properties. Many of the comparables were also presented for the 2006 appeal. The comparables are reported to be located from .67 of a mile to 1.81 miles from the subject. Many of the comparables are located along the Milan Beltway, unlike the subject. Nine comparables are classified as commercial property and two comparables are classified as residential property. The classifications of the other suggested comparables were not disclosed. The comparables range in size from .16 of an acre to 57.90 acres or from 7,231 to 2,522,126 square feet of land area. They have land assessments ranging from \$6,561 to \$689,759 or from \$.13 to \$1.86 per square foot of land area.

In support of the assessment placed on the subject's roadway and mobile home pads, the board of review submitted descriptions and assessment data on four suggested mobile home parks. The comparables contain from 28 to 226 mobile home pads. After deducting the assessed value for ancillary improvements that is not the subject matter of this appeal, such as swimming pools, houses, offices or storage buildings pursuant to the Board's Order, the comparables have isolated assessments for roadways and mobile home pads from \$79,390 to \$788,817 or from \$2,252 to \$3,490 per mobile home pad. The subject has an assessment for roadways and mobile home pads, pursuant to stipulation, of \$228,000 or \$3,000 per mobile home pad. Based on this evidence, the board of review requested confirmation of the subject property's assessment.

After hearing the testimony 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 Property Tax Appeal Board further finds a reduction in the subject property's assessment is warranted.

The appellant argued unequal treatment in the assessment process. The Illinois Supreme Court has held that 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). The evidence must demonstrate a consistent pattern of assessment inequities within the assessment jurisdiction. After an analysis of the evidence submitted, the Board finds the appellant has overcome this burden.

With respect to the subject's land assessment, the parties submitted 27 land comparables for the Board's consideration. Only six of the suggested comparables were mobile home parks like the subject. Thus, these properties received more weight in the Board's analysis. The Board further finds of these six suggested comparables properties; only one comparable is truly similar to the subject and was submitted by both parties. This mobile home park contains 13.22 acres and has its own water treatment plant

like the subject. It is located near, but off the Milan Beltway, like the subject. It has a land assessment of \$91,241 or \$6,902 per acre. The subject property has a land assessment of \$103,760 or \$8,000 per acre, which is considerably higher than the most similar comparable contained in this record. Therefore, a reduction in the subject's land assessment is justified.

The Board gave little weight to the remaining land comparables submitted by the parties due to their extremely dissimilar size, use and location when compared to the subject. Furthermore, in reviewing all the land comparables contained in this record and considering the testimony offered by the county assessment officials, the Board finds there was no established assessment methodology for the varying types of properties located within the subject's similar geographic area nor was there any credible testimony indicating why similar situated properties have widely varying land assessments.

With respect to the subject's roadways and mobile home pads, the Board finds the record contains four mobile home parks from the subject's township for analysis. The Board placed diminished weight on three suggested comparables because they contain considerably more or less mobile home pads than the subject. The Board finds the remaining comparable is most similar to the subject. This mobile home park contains 13.22 acres and is improved with 70 mobile home pads. Furthermore as previously noted, this most similar property has its own water treatment plant and is located near, but off the Milan Beltway, like the subject. The assessment allocated for its roadways and mobile home pads was \$203,776 or \$2,911 per mobile home pad. The subject has an assessment for roadways and mobile home pads, pursuant to stipulation, of \$228,000 or \$3,000 per mobile home pad, which is higher than this most similar comparable mobile home park. Therefore, the Board finds a reduction in the subject's improvement assessment is justified.

The constitutional provision for uniformity of taxation and valuation does not require mathematical equality. The requirement is satisfied if the intent is evident to adjust the burden with a reasonable degree of uniformity and if such is the effect of the statute enacted by the General Assembly establishing the method of assessing real property in its general operation. A practical uniformity, rather than an absolute one, is the test. Apex Motor Fuel Co. v. Barrett, 20 Ill.2d 395 (1960). The comparables contained in this record disclose that properties located in the same general area are not assessed at consistent levels, which is required by the constitution for practical uniformity purposes, which does not appear to exist within a reasonable degree on the basis of the evidence contained in this record.

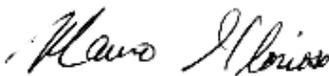
This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



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: August 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.