



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

APPELLANT: Tom & Peggy Bokros
DOCKET NO.: 08-00897.001-R-1
PARCEL NO.: 18-07-101-001

The parties of record before the Property Tax Appeal Board are Tom & Peggy Bokros, the appellants, and the Rock Island County Board of Review.

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: \$9,456
IMPR.: \$54,265
TOTAL: \$63,721

Subject only to the State multiplier as applicable.

ANALYSIS

The subject parcel of 105,066 square feet or 2.41-acres is improved with a one and one-half-story single-family dwelling of frame construction. The property is located in East Moline, Hampton Township, Rock Island County.

The appellant Tom Bokros appeared before the Property Tax Appeal Board on behalf of the appellants contending unequal treatment in the assessment process as to the land assessment only; no dispute was raised concerning the improvement assessment. In support of the land inequity argument, the appellants submitted information on six comparable parcels in a grid analysis along with a three-page brief, applicable property record cards, and aerial photographs, some with topographical data.

At hearing, the appellant testified that the subject parcel, as also shown in topographical data and a plat drawing submitted in this matter, has a large drainage easement flowing through the property. As a result of these drainage easements, appellant

Bokros testified that only about $\frac{3}{4}$ of an acre of the parcel is flat ground with the remainder being gullies.

In the brief, the initial argument concerned the percentage increases in the land valuation of the subject from 2006 to 2008. Namely, the appellants argued the change in land assessment from 2006 of \$9,939 to 2007 at \$17,686 was a 77.95% increase followed by a 1% increase in 2008. In further support in the brief, the appellants contended that the land assessment increase was not justified given the land assessment of properties located to the north and across Archer Drive, namely, appellants' comparables #1, #2 and #3 located in neighboring South Moline Township. These three comparables ranged in size from 62,291 to 145,490 square feet of land area. Appellants further contended these three properties like the subject experience the inconveniences of the Rock Island County Fairgrounds located directly to the north of the subject and to the east of the three comparables mentioned. The fairgrounds host a yearly county fair and weekly stock car races. Appellants noted, however, despite these similarities in location and 'nuisances,' these three comparables have a lower assessed value than the subject on a per square foot basis.

In addition, appellant Bokros pointed out that comparable #6 was perhaps the most similar comparable to the subject and had a land assessment of \$0.09 per square foot of land area.

The six comparables in the grid analysis were located from a "block northwest" to up to 2-miles from the subject parcel. The comparable parcels ranged in size from 62,291 to 363,290 square feet of land area. The comparables have land assessments ranging from \$7,270 to \$28,075 or from \$0.08 to \$0.13 per square foot of land area. The subject's land assessment is \$17,863 or \$0.17 per square foot of land area. Based on this evidence and assessing the subject at \$0.09 per square foot, rounded, the appellants requested a reduction in the subject's land assessment to \$9,323 or \$0.09 per square foot of land area.

The board of review submitted its "Board of Review Notes on Appeal" wherein the subject's final land assessment of \$17,863 was disclosed along with a two-page letter from the township assessor, an aerial photograph of the subject, and a grid of four comparables. The board of review also proposed to stipulate to a reduced land assessment for the subject property of \$13,659 or \$0.13 per square foot of land area. Appellants rejected that proposed reduction and requested to proceed with this hearing.

At hearing and in support of the subject's current land assessment, the board of review representative contended that properties from other townships should not be included as comparable parcels; the appellants' comparables #1, #2 and #3 were from neighboring South Moline Township. The board of review representative also contended that the subject property, due to its wooded nature, has more value because it is somewhat secluded as compared to appellants' comparables #4 and #5 that were in

more commercial areas and did not have the ease of access to the property as the subject has. The board of review representative also noted that the subject parcel had all the drainage and related lack of flat ground when the property was purchased and despite those issues, the property was still purchased by the appellants. The board of review representative also noted that all properties near the fairgrounds are "in the same situation." Lastly, the board of review representative acknowledged that there was no market data regarding neighboring South Moline Township to establish differences, if any, in market values as the board did not feel that was something necessary to present for an equity claim such as this matter.

Hampton Township Assessor James Cramblett was next called to testify regarding the land assessment methodology utilized. In determining value, Cramblett testified¹ that many elements besides just size must be considered including location, privacy and other factors. In determining the neighborhood, Cramblett examined location, privacy, distance from neighbors, and view. The final element in determining valuation was related to economy of scale wherein Cramblett testified that as the size of the parcel increases, the cost per square foot is reduced. As set forth in his letter, Cramblett extracted an allocation from improved sales along with raw land sales data to arrive at a market value for parcels based on size: under 12,000 square feet of \$1.40 per square foot; 12,000 to 30,000 square feet of \$1.20 per square foot; 30,001 to 50,000 square feet of \$1.00 per square foot; 50,001 to 96,000 square feet of \$0.70 per square foot; and 96,001 square feet and over of \$0.50 per square foot. In this manner and within his model, Cramblett had assessed the subject parcel of 105,066 square feet at \$17,863 or approximately \$0.17 per square foot of land area (roughly 1/3 of \$0.50 per square foot).

At hearing, Cramblett further testified that the land value increase in one year was just a reflection of the market changes that can occur over time. Moreover, Cramblett referenced the data in his letter regarding the purchase of the subject property which also changed over time. Appellant Bokros purchased 4.74-acres (including the portion comprising the subject parcel) in 1991 for \$39,000 or \$8,230 per acre. Subsequently, Bokros platted the acreage into three parcels: keeping parcel number 8501 for himself and constructing his dwelling thereon; selling parcel number 8503 consisting of 22,000 square feet in 1995 to Ralph Watson for \$20,000 or the equivalent of \$39,600 per acre; and selling parcel number 8502, the subject parcel, to his daughter Lori Jansen (one of the appellants in Docket No. 08-00896) in 2001 for \$20,000 or the equivalent of \$10,811 per acre. Given the foregoing sales data, Cramblett further wrote in his

¹ The hearing for this matter and similar matter, Docket No. 08-00896, were held consecutively; Cramblett abbreviated his remarks in this matter, but for purposes of a complete record, the Board has summarized the testimony regarding land valuation methodology from the similar case.

letter that "land valuation can be very subjective but in my opinion a lot of importance is placed in the surrounding parcels and in the access point to the parcel."

As to the drainage and easements, Cramblett testified that if there was evidence, he would look at those. Cramblett further noted that when doing models to analyze sales, he would examine outliers and typically can determine why the property differed from most other properties. As to minimal flat ground and/or drainage easements, Cramblett has not been able to discern a value difference for those types of factors since keeping records and making sales models in 1997. Cramblett further testified that he reassessed the land values in the subject neighborhood in 2007 as a result of his land sales model work.

In his letter, Cramblett further noted that appellants' comparables #1, #2 and #3 not only were in South Moline Township, but they also faced the barns at the fairgrounds which detracted from the view and were bordered by "a less than affluent development" also detracting from the view. Cramblett further wrote that appellants' comparables #4 and #5 were surrounded by "an even older and less affluent neighborhood with access through industrial and commercial areas. Their highest and best use would probably be commercial." As to the subject parcel, Cramblett noted that being bordered by the fairgrounds and the Deere & Co. World Headquarters meant the possibility of development or disturbance around the subject parcel was minimal, thus inferring the land had greater value than the comparables presented by the appellants.

On a grid prepared by Cramblett there were four comparables listed by parcel number, size in both acreage² and square footage, total land assessment, and assessment per square foot. The four comparables ranged in size from 22,000 to 1,474,114 square feet of land area. These properties had land assessments ranging from \$8,977 to \$71,115 or from \$0.05 to \$0.41 per square foot of land area. The location of the comparables was displayed on an attached parcel map; one comparable is an adjoining parcel also on appeal before the Board as Docket No. 08-00896; and two others are directly to the north.

Based on this evidence, the board of review requested a reduction in the subject's land assessment to \$0.13 per square foot of land area (see page three of board of review letter).

In rebuttal, appellant Bokros argued that it was not appropriate for the assessor to ignore variances between properties in the process of valuing land since many different factors will play a role in the market value of land.

² The subject parcel in the grid is described as containing 5.89-acres and 105,067 square feet. There is an apparent error in the acreage figure.

Upon questioning by the Hearing Officer of the board of review regarding market value differences between properties located in Hampton Township like the subject and across the street in South Moline Township, the board of review had no data to support differences between the townships in market value.

After hearing the testimony and considering the record, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds a reduction in the subject's land assessment is warranted.

The appellants contend unequal treatment in the subject's improvement assessment as the basis of the appeal. 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 assessment data, the Board finds the appellants have met this burden.

The appellants first argued that the subject's land assessment was inequitable because of the percentage increases in its assessment from 2006 to 2008. 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. In fact, the Property Tax Appeal 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 stated by 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):

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." (*Citation omitted.*) Uniformity requires equality in the burden of taxation. (*Citation omitted.*) This, in turn, requires equality of taxation in proportion to the

value of the property taxed. (*Citation omitted.*)
Thus, taxing officials may not value the same kinds of properties within the same taxing boundary at different proportions of their true value. (*Citation omitted.*)

Walsh, 181 Ill.2d at 234.

Both parties submitted assessment information on ten suggested comparables for the Board's consideration. Three of the comparables submitted by the appellants were located "across the street," but in a different township than the subject. All of the comparables are located within two miles of the subject, with four comparables sharing the same street name as the subject. The board of review submitted four comparables to demonstrate the subject land was uniformly assessed under the model employed by the township assessor. The board of review's comparables include one other property on appeal and three properties virtually adjoining the subject that are within the subject's township.

The board of review argued three of the appellants' comparables are not located in the same township as the subject and therefore should not be considered. The Property Tax Appeal Board accords this aspect of the board of review's argument little merit. Upon specific questioning by the Hearing Officer, the board of review was unable to present any evidence indicating similar real property within the same geographical area, but situated in different townships, carries dissimilar values. Without specific market value evidence, the Property Tax Appeal Board finds it logical that comparable land in the same geographic area would be within the same geographic competing market area and likely have similar values.

The Board gave less weight to appellants' comparables #1, #4, #5 and #6 due to distance from the subject and/or size. The Board has also given less weight to three of the four comparables presented by the board of review due to differences in land size when compared to the subject; by the township assessor's own valuation model, only one of the comparables presented was in the same size range of over 96,001 square feet like the subject with a like valuation. The Board further recognizes that the other "over-sized" parcel presented by the board of review, over 1 million square feet, does not fit the model utilized by the township assessor since it was assessed at \$0.05 per square foot. Most importantly, while the township assessor was very specific that valuation considerations include factors such as privacy, distance to neighbors, view and economy of scale, none of the comparables presented by the board of review was described in detail or aerial photographs provided to suggest that they were similar to the subject in any of these characteristics. In fact, the Board finds that the assessor's scale as set forth was a valuation model based solely on size of the parcel.

The Property Tax Appeal Board finds the one board of review parcel of 98,446 square feet assessed at \$0.17 per square foot

along with the remaining two comparables presented by the appellants were the most similar when compared to the subject in location, size, view and distance from neighbors. Appellants comparables #2 and #3 were shown on an aerial map with comparable #2 being along Archer Drive and, but for a few trees, facing the barns of the fairgrounds. Comparable #2 of 94,525 square feet was located in South Moline Township and was assessed at \$0.09 per square foot of land area. Appellants' comparable #3 of 145,490 square feet has a long driveway to the larger section of the parcel and has woods surrounding the dwelling, therefore, detracting from the view of the barns of the fairgrounds and/or the view of the "less desirable" subdivision to the north as mentioned by the board of review; this comparable also has a land assessment of \$0.09 per square foot of land area and was also somewhat similar in size to the subject parcel. In further examining these three comparables, the Board finds the lack of descriptive information regarding the board of review's comparable detracts from its similarity to the subject; the parcel is clearly close in proximity to the subject, but whether it has woods and/or a view of its neighbors is unknown on this record. The subject parcel of 105,066 square feet has a land assessment of \$17,863 or \$0.17 per square foot of land area, which the Board finds falls above the two most similar land assessment comparables contained in this record, both of which were in South Moline Township, across the street from the subject and assessed at \$0.09 per square foot of land area. After considering adjustments to the comparables for any differences when compared to the subject, the Board finds the subject's land assessment is excessive and a reduction is warranted.

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.

Ronald R. Cuit

Chairman

K. L. Fern

Member

Frank A. Huff

Member

Mario M. Louie

Member

Shawn R. Lerski

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 20, 2010

Allen Castrovillari

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.