



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

APPELLANT: Neil Dahlmann
DOCKET NO.: 10-02354.001-R-1
PARCEL NO.: 12-21-203-016

The parties of record before the Property Tax Appeal Board are Neil Dahlmann, the appellant, and the Lake 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 Lake County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$327,936
IMPR.: \$64,580
TOTAL: \$392,516

Subject only to the State multiplier as applicable.

ANALYSIS

The subject property consists of a 61,077 square foot site improved with a split-level single family dwelling with 1,481 square feet of above grade living area. The dwelling was built in 1964. The dwelling has a 1,138 square foot lower level that is partially finished, central air conditioning, one fireplace and a 552 square foot attached garage. The property is a lakefront lot with a conservation easement and is located in Lake Bluff, Shields Township, Lake County.

The appellant filed the appeal contending the land assessment was incorrect due to the conservation easement assessment not being calculated correctly. The appellant explained the subject lot is encumbered by a conservation easement and is to be assessed at 8 1/3% of its fair market value estimated as if it were not registered or encumbered with the easement as provided by section 10-166 of the Property Tax Code. (35 ILCS 200/10-166). The appellant explained in his rebuttal submission that the conservation easement assessment was calculated in 2010 after the State had approved the conservation easement. His complaint was that in calculating the conservation easement assessment the Lake County assessment officials did not began the calculation using the 2007 actual land assessment but recalculated the 2007 land value resulting an 11.1% increase in value. The appellant

submitted a copy of an assessment notice disclosing the subject's 2007 land assessment was \$640,547. This land assessment reflects a market value of \$1,921,833 or \$31.47 per square foot of land area using the statutory level of assessments.

The appellant submitted a copy of the conservation easement calculations developed by the Lake County Chief County Assessment Office, marked as Attachment A. According to its calculation, the 2007 land value without the easement encumbrance was \$2,135,370. The 2008 land value was calculated to be \$2,194,306 when applying the township equalization factor of 1.0276. The 2009 land value was calculated to be \$2,151,298 when applying the township equalization factor of 0.9804. Using a township equalization factor of 0.9157, the 2010 unencumbered land value was calculated to be \$1,969,943 or \$32.25 per square foot of land area. The calculation indicated that 24,835 square feet of the subject site was not encumbered and valued at \$32.25 per square foot and assessed at 33 1/3% resulting in a land assessment of \$266,950. The remaining land area of 36,242 square feet was encumbered by the conservation easement and valued at \$32.25 per square foot and assessed at 8 1/3% resulting in a land assessment of \$97,361. Using this process the Lake County Chief County Assessment Office calculated the 2010 land assessment to be \$364,311.

The appellant argued the 2007 land assessment was reflective of the property's value and should be used as the starting point to calculate the subject's 2010 land assessment as encumbered by the conservation easement. Starting with the 2007 land assessment of \$640,547 and applying the 2008, 2009 and 2010 equalization factors of 1.0276, .9804 and .9157, results in an unencumbered land assessment for tax year 2010 of \$590,924. This assessment equates to a market value of \$1,772,950 or approximately \$29.028 per square foot of land area when applying the statutory level of assessments. According to the appellant's calculations using this unit value would result in a market value for the unencumbered 24,835 square feet of land area of \$720,913 and an assessment of \$240,280. When applying the unit value of \$29.028 per square foot of land area to the 36,242 square foot area encumbered by the easement results in a value of \$1,052,037 and an assessment of \$87,635. Based on these calculations the appellant requested the subject's land assessment be reduced to \$327,915. The appellant submitted Attachment B, which included his calculations and copies of the tax bills for tax years 2007 through 2009 showing land assessments of \$640,547, \$658,226 and \$645,325, respectively.

The board of review submitted its "Board of Review Notes on Appeal" wherein its final assessment of the subject totaling \$428,891 was disclosed. The subject had a land assessment of \$364,311 and an improvement assessment of \$64,580.

The board of review acknowledged the subject lot had a conservation easement. It further noted the subject's total assessment reflects a market value of \$1,286,801 or \$868.87 per

square foot of above grade living area, including land. The board of review noted that in an effort to resolve the question regarding the subject's land assessment for 2010 a revision was made in which it reduced the subject's land assessment from \$420,992 to \$364,311. The Lake County Board of Review was of the opinion that the methods employed were appropriate and the calculations are correct. The board of review submitted a copy of the subject's property record card, a copy of the appellant's Attachment A and Attachment B and one comparable. The comparable had a 24,596 square foot site with a land assessment of \$112,855 or \$4.59 per square foot of land area. In the grid the board of review used the subject's 2011 land assessment of \$218,631. The subject's land assessment for 2010 was \$428,891 or \$7.02 per square foot of land area.

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 the appeal. The Board further finds a reduction in the subject's assessment is justified.

The appellant contends the subject's land assessment was miscalculated considering the conservation easement given to a portion of the site. The parties agreed the subject property was subject to a conservation easement which applied to 36,242 square feet of land area and 24,835 square feet of land area was not encumbered by the easement. The parties also agreed that the area encumbered by the conservation easement was to be assessed at 8 1/3% of fair cash value. The parties disagree on the starting point in calculating the conservation easement. The appellant was of the opinion the subject's 2007 assessment of \$640,547, reflecting a market value of \$1,921,833, should be used as the basis for establishing the 2010 land assessment as encumbered. The Lake County Chief County Assessment Office recalculated the 2007 land assessment to be \$2,135,370 using the land standards in 2007, which would result in a 2007 land assessment of \$711,719, which is \$71,172 greater than the actual 2007 land assessment. The Lake County Chief County Assessment Office used this as the basis for calculating the 2010 land assessment. The Property Tax Appeal Board finds there was no basis in this record for the Lake County assessing officials to calculate the land assessment by revising the value as established for the subject's land in 2007. The Board finds the appellant's methodology in calculating the land assessment in 2010 is more logical.

In summary, the evidence disclosed that for tax years 2008, 2009 and 2010 equalization factors of 1.0276, .9804 and .9157 were applied in Shields Township, respectively. The subject property had a land assessment in 2007, which was the beginning of the general assessment period, of \$640,547. The record, through the tax bills, disclosed the land assessments for 2008 and 2009 were \$658,226 and \$645,325, respectively, confirming the land assessment was changed by the respective equalization factors for those years. When applying the 2010 equalization factor of .9157 to the 2009 land assessment results in a land assessment of

\$590,924 which reflects a market value of \$1,772,949 or \$29.03 per square foot of land area, rounded. Applying \$29.03 per square foot to the 24,835 square feet of unencumbered land area calculates a value of \$720,960 and an assessment of \$240,296 using the statutory level of assessment. Applying \$29.03 per square foot to the 36,242 square feet of encumbered land area calculates a value of \$1,052,105 and an assessment of \$87,640 using the 8 1/3% level of assessment for the conservation easement as provided in section 10-166 of the Property Tax Code. Adding the two components calculates into a revised land assessment of \$327,936. Based on this record the Board finds a reduction in the subject's land assessment is appropriate.

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

Marko M. Louie

Member

J. R.

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 19, 2013

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.