



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

APPELLANT: Spring Valley Senior Housing LP II
DOCKET NO.: 12-05438.001-R-2
PARCEL NO.: 18-34-126-007

The parties of record before the Property Tax Appeal Board are Spring Valley Senior Housing LP II, the appellant, by Michael Pizzuto, Attorney at Law, in Burr Ridge, and the Bureau County Board of Review.

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 **Bureau** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$71,104
IMPR.: \$63,054
TOTAL: \$134,158

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a 2011 Final Administrative Decision of the Property Tax Appeal Board pursuant to section 16-185 of the Property Tax Code (35 ILCS 200/16-185) (2016) in order to challenge the assessment for the 2012 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.¹

Findings of Fact

The subject property consists of a 50-unit senior retirement development built pursuant to a federal program encouraging the development of rent-restricted housing for low-income individuals 62 years of age or older. (26 U.S.C. § 42) (Section 42) The development was constructed in 2011. The development includes ten one-story, slab on grade apartment buildings, a community building, coach house and auxiliary garage along with surface parking. Each apartment unit contains approximately 750 square feet of living area featuring one bedroom and

¹ The Property Tax Appeal Board recognizes that the Bureau County Board of Review untimely filed a Motion to Dismiss this appeal on the grounds that no appeal was pursued before the county board of review for tax year 2012. In accordance with Section 16-185 of the Property Tax Code as it existed in 2016, the appellant was entitled to file an appeal directly with the Property Tax Appeal Board within 30 days of the decision issued in Docket No. 11-03988.001-R-2 that was issued on May 20, 2016.

one bathroom. The property has a 9.82-acre site and is located in Spring Valley, Hall Township, Bureau County.

The appellant submitted evidence before the Property Tax Appeal Board with the basis of appeal being a contention of law. In support of this argument, the appellant contended that the assessing officials did not consider the subject's restricted rent and other requirements imposed by Section 42 and thereby failed to determine the subject's actual restricted net operating income in accordance with the Property Tax Code (35 ILCS 200/10-245) which states:

Method of valuation of low-income housing projects. Notwithstanding Section 1-55 and except in counties with a population of more than 200,000 that classify property for the purposes of taxation, to determine 33 and one-third percent of the fair cash value of any low-income housing project developed under the Section 515 program or that qualifies for the low-income housing tax credit under Section 42 of the Internal Revenue Code, in assessing the project, local assessment officers must consider the actual or probable net operating income attributable to the property, using a vacancy rate of not more than 5%, capitalized at normal market rates. The interest rate to be used in developing the normal market value capitalization rate shall be one that reflects the prevailing cost of cash for other types of commercial real estate in the geographic market in which the low-income housing project is located.

As part of its evidentiary submission, the appellant calculated the fair cash value of the subject property pursuant to the statutory provision at \$402,475 or a 2012 total assessment of \$134,158.

The appellant also submitted a printout of the final 2012 assessment of the subject property. The subject property had a final assessment of \$277,602, which reflects an estimated market value of \$836,655, including land, when applying Bureau County's 2012 three-year median level of assessments of 33.18%. Based on this evidence, the appellant requested a reduction in the subject's assessment.

The board of review did not timely submit its "Board of Review Notes on Appeal" or any evidence in support of its assessed valuation of the subject property as required by section 1910.40(a) of the rules of the Property Tax Appeal Board. (86 Ill.Admin.Code §1910.40(a)). Therefore, the board of review was found to be in default pursuant to section 1910.69(a) of the rules of the Property Tax Appeal Board by a letter issued on June 27, 2017. (86 Ill.Admin.Code §1910.69(a)).

Conclusion of Law

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation as mandated by Section 10-245 of the Property Tax Code (35 ILCS 200/10-245). When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002); 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales

or construction costs. (86 Ill.Admin.Code §1910.65(c)). The Board finds the appellant met this burden of proof and a reduction in the subject's assessment is warranted.

The Property Tax Appeal Board finds this record contains unrefuted evidence showing a net operating income for the subject of \$45,278 capitalized at 11.25% resulting in an estimated market value for the subject of \$402,475, rounded. The board of review did not timely seek dismissal of the appeal, did not timely submit any evidence in support of the assessment of the subject property or timely refute the valuation evidence submitted by the appellant as required by section 1910.40(a) of the rules of the Property Tax Appeal Board. (86 Ill.Admin.Code §1910.40(a)). Therefore, the board of review was found to be in default pursuant to section 1910.69(a) of the rules of the Property Tax Appeal Board. (86 Ill.Admin.Code §1910.69(a)). Based on this record, the Board finds the best evidence of fair market value is the appellant's brief calculating a fair market value of \$402,475, rounded, which is less than its estimated market value of \$836,655 as reflected by the 2012 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. Pursuant to Section 1910.50(b) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(b)) 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



Acting 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: November 21, 2017



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.

PARTIES OF RECORD

AGENCY

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APPELLANT

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COUNTY

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