



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

APPELLANT: Sunrise Counties, LLC
DOCKET NO.: 15-06435.001-C-3
PARCEL NO.: 03-36.0-200-021

The parties of record before the Property Tax Appeal Board are Sunrise Counties, LLC, the appellant, by attorney Linda Italiano in Belleville; and the St. Clair 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 **St. Clair** County Board of Review is warranted. The correct assessed valuation of the property is:

LAND: \$456,682
IMPR.: \$259,268
TOTAL: \$715,950

Subject only to the State multiplier as applicable.

Statement of Jurisdiction

The appellant timely filed the appeal from a decision of the St. Clair County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2015 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

Findings of Fact

The subject property consists of a one-story building of masonry construction with 37,260 square feet of building area. The building was built in 2003. Features of the building include central air conditioning and a sprinkler system. The property has a 4.65 acre or 202,554 square foot site and is located in O'Fallon, Caseyville Township, St. Clair County.

The appellant contends assessment inequity as the basis of the appeal. The appellant explained the subject property was originally constructed as a bowling center but closed in 2007 and all the equipment was removed within one year thereafter. The building sat idle until 2014 when it was leased, exterior windows repaired, and the interior improved for use as a church. The appellant explained the church has a large auditorium/sanctuary, with some additional large open rooms and a few small offices. The appellant contends the subject's substantial increase in the assessment for the 2015 tax year is not warranted based on these interior improvements.

In support of the assessment equity argument the appellant submitted information on three equity comparables located within ¼ mile from the subject property. The appellant asserted each has an operating commercial retail business in each building and are located in a heavily retailed development. The subject property is located across and along the interstate in a development that is dominated by office use and little retail. The appellant's submission included an aerial photograph depicting the location of the subject property and the three comparables. The comparables are improved with one story buildings of concrete tilt-up or frame & drivet exterior construction ranging in size from 40,503 to 142,369 square feet of building area. The buildings range in age from 10 to 18 years old. Each building has central air conditioning. These properties have sites ranging in size from 151,588 to 521,413 square feet of land area. The appellant indicated the comparables have building assessments ranging from \$385,221 to \$666,667 or from \$3.93 to \$9.51 per square foot of building area. Their land assessments range from \$501,536 to \$751,055 or from \$1.28 to \$3.31 per square foot of land area. Based on this evidence the appellant requested the subject's land assessment be reduced to \$350,000 or \$1.73 per square foot of land area and the improvement assessment be reduced to \$335,340 or \$9.00 per square foot of building area.

The appellant's submission indicated the assessments analyzed were prior to equalization. The evidence disclosed the comparables have equalized land assessments ranging from \$507,606 to \$760,143 or from \$1.29 to \$3.35 per square foot of land area. The equalized improvement assessments range from \$389,882 to \$674,734 or from \$3.99 to \$9.63 per square foot of building area.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total equalized assessment for the subject of \$1,171,267. The subject property has an equalized land assessment of \$456,135 or \$2.25 per square foot of land area and an equalized improvement assessment of \$715,312 or \$19.20 per square foot of building area.

The board of review explained that the subject was built as a bowling alley but closed and was vacant many years. Doors and windows were broken and then boarded up. During those years the appellant was given a significant assessment reduction for vacancy and loss. In 2015 the subject was fixed up as a church and leased and occupied by Enjoy Church. The board of review stated that at that time the assessment changed to reflect the building as being fully occupied and the vacancy and loss were removed, explaining the increase in the subject's assessment.

The property sold to Enjoy Church on January 1, 2016 for a price of \$3,700,000. The board of review provided a copy of the PTAX-203 Illinois Real Estate Transfer Declaration and a copy of the PTAX-203-A Illinois Real Estate Transfer Declaration Supplemental Form A associated with the subject's purchase. The transfer declaration disclosed the property was advertised for sale, but the buyer was exercising an option to purchase. The parties, however, indicated in the Supplemental Form A that the net consideration was not a fair reflection of the market value on the date of sale. They explained, "This was a bargain sale so the appraised value is actually more than the purchase price."

In support of its contention of the correct assessment the board of review submitted information on four improved equity comparables composed of one-one-story buildings of brick, concrete block or brick and concrete block construction that range in size from 9,800 to 17,685 square feet

of building area. The buildings range in age from 2 to 10 years old and are located approximately one mile from the subject property. Each property has central air conditioning and forced air heating. These properties have improvement assessments ranging from \$119,446 to \$273,492 or from \$23.63 to \$26.53 per square foot of building area. These same comparables have sites ranging in size from 47,206 to 90,074 square feet of land area with land assessments ranging from \$119,446 to \$273,492 or from \$2.36 to \$3.04 per square foot of land area.

The board of review comparables #1 through #3 sold from March 2013 to October 2015 for prices ranging from \$2,800,000 to \$3,435,000 or from \$204.98 to \$350.51 per square foot of building area, including land. The board of review provided copies of the PTAX-203 Illinois Real Estate Transfer Declaration and the PTAX-203-A Illinois Real Estate Transfer Declaration Supplemental Form A associated with each sale. These forms disclosed comparables #1 and #3 were advertised for sale, the price for each property did not include any personal property, and the parties were of the opinion each purchase price was a fair reflection of the market value on the sale date. The total assessments of these properties ranged from \$351,004 to \$701,476 or from 11.01% to 19.35% of the purchase price. The subject's total assessment of \$1,171,267 is 31.66% of the January 2016 purchase price.

The board of review also submitted three land sales ranging in size from 35,022 to 826,333 square feet of land area. The sales occurred from May 2012 to March 2016 for prices ranging from \$500,000 to \$964,500 or from approximately \$4.00 to \$14.27 per square foot of land area.

In rebuttal, the board of review asserted that appellant's comparables #1 and #2 are discount centers and appellant's comparable #3 had its assessment reduced because the building had been fully or partially vacant many times over the life of the building.

Conclusion of Law

The appellant contends assessment inequity as the basis of the appeal. When unequal treatment in the assessment process is the basis of the appeal, the inequity of the assessments must be proved by clear and convincing evidence. 86 Ill.Admin.Code §1910.63(e). Proof of unequal treatment in the assessment process should consist of documentation of the assessments for the assessment year in question of not less than three comparable properties showing the similarity, proximity and lack of distinguishing characteristics of the assessment comparables to the subject property. 86 Ill.Admin.Code §1910.65(b).

Additionally, the Uniformity Clause of the Illinois Constitution provides that: "Except as otherwise provided in this Section, taxes upon real property shall be levied uniformly by valuation ascertained as the General Assembly shall provide by law." Ill.Const.1970, art. IX, §4(a). Taxation must be uniform in the basis of assessment as well as the rate of taxation. Apex Motor Fuel Co. v. Barrett, 20 Ill.2d 395, 401 (1960). Taxation must be in proportion to the value of the property being taxed. Apex Motor Fuel, 20 Ill. 2d at 401; Kankakee County Board of Review, 131 Ill.2d at 20. Fair cash value of the property in question is the cornerstone of uniform assessment. Kankakee County Board of Review, 131 Ill.2d at 20. It is unconstitutional for one kind of property within a taxing district to be taxed at a certain proportion of its market value while the same kind of property in the same taxing district is taxed at a substantially higher or lower proportion of its market value. Kankakee County Board of Review, 131 Ill.2d at 20;

Apex Motor Fuel, 20 Ill. 2d at 401; Walsh v. Property Tax Appeal Board, 181 Ill.2d 228, 234 (1998). After an analysis of the assessment data the Board finds a reduction is warranted.

The parties submitted information on seven comparables that had varying degrees of similarity to the subject property. However, board of review comparables #1 through #3 had associated market data disclosing these three properties sold from March 2013 to October 2015 for prices ranging from \$2,800,000 to \$3,625,000, a proxy for the market value of these properties. The total assessments on these properties ranged from \$351,004 to \$701,476 or from 11.01% to 19.35% of their respective purchase prices. The subject property sold in January 2016 for a price of \$3,700,000 and had a total assessment of \$1,165,801, which is approximately 31.51% of the purchase price. Even accepting the statement in the supplement transfer declaration associated with the sale of the subject property that the price was a bargain, the subject property appears to be assessed at a substantially higher proportion of market value than board of review comparables #1 through #3, in violation of the uniformity clause of the Illinois Constitution. Based on this record the Board finds a reduction in the subject's assessment is justified.

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(d) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(d)) 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



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: May 26, 2020



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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