

**2016 BOARD OF REVIEW  
VILLAGE OF PLEASANT PRAIRIE  
JULY 8, 2016  
9:00 A.M.**

A Meeting of the Pleasant Prairie 2016 Board of Review was held on Friday, July 8, 2016 and called to order at 9:00 a.m. Present were Board members Jill Sikorski, David Hildreth, Mark Riley, Jim Bilotti and the Board's attorney, Tom Camilli. Lena Schlater and Bill Morris were excused. Also present were Rocco Vita, Village Assessor, Ed Judt, Deputy Village Assessor and Jane Romanowski, Village Clerk.

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. HEARINGS**

**a. 9:00 a.m. - Keith Kull**

Jill Sikorski:

O.K., can the Clerk please read the objection form into the record.

Jane Romanowski:

This is the case of Keith Kull, Objection to Real Property Assessment. The objection form is completed so we I will read it into the record.

Again, Keith Kull – the property address is 3609 122<sup>nd</sup> Street. Tax Parcel No. 92-4-122-363-0032. The total assessment shown on the notice was \$302,700. Mr. Kull's opinion of the assessed value is \$290,000. Section 3 – the reason for the objection – a certified appraisal was completed in June 2016 for refinance. Appraisal was \$300,000. The basis for his opinion of assessed value – no significant improvements have been done to my property since 2001. Property was purchased for \$200,000 on June 1, 2001. There were no changes to the property since then. The property was offered for sale in the last five years. It was listed January 1 of 2011 to May 20 of 2011 for \$260,000. No offers were received. The property was appraised within the last five years. The date of appraisal was June 10, 2016 and the value was \$300,000 and the purpose of the appraisal was for a refinance. Board of Review Hearing – he requested a person by the name of Rocko to be removed but we do not have a person by that name on the Board of Review. That is the objection form.

Jill Sikorski:

Thank you. Will you please swear in the objector and any witnesses please?

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**THE CLERK SWORE IN KEITH KULL, 3609 122<sup>ND</sup> STREET; ROCCO VITA, ASSESSOR FOR THE VILLAGE OF PLEASANT PRAIRIE, 9915 39<sup>TH</sup> AVENUE AND EDWARD JUDT, DEPUTY ASSESSOR FOR THE VILLAGE OF PLEASANT PRAIRIE, 9915 39<sup>TH</sup> AVENUE.**

Jill Sikorski:

Mr. Kull. The Board of Review wants you to understand that under state law the Board of Review is required to uphold the Assessor's valuation of your property as being correct unless you, by your testimony, can show the Assessor's valuation to be incorrect. So in other words, the burden is upon you as the taxpayer. Do you understand that?

Keith Kull:

I'd like to understand how the Village comes up with their assessed value.

Jill Sikorski:

I just need you to answer if you understood my statement.

Keith Kull:

Yeah, I understand.

Jill Sikorski:

Thank you. You can go ahead and provide your testimony.

Keith Kull:

Well, I think first of all, the Village has been over assessing my property since the day it was built. I would like to get a clear understanding from this Board and the folks that are in this room exactly how it is you come up with determining the assessed value specifically for my property and what goes into that to make up that particular number. I can say right now, based upon what Jane had mentioned and you all heard, that my property was up for sale a few years ago for \$260,000. The number of offers I got on that was zero. At that time and according to this letter I think it was assessed at \$286,000. So the Village had been over assessing my property back then. Same situation we are having right now. I'm being assessed at what, \$302,700. I had an appraisal done. I hear that its hearsay. So if that's hearsay, I got it. What do you accept and what goes into this particular factor? Is it other homes in the area and if that is the case, has anyone really come out and taken a look at my particular home or in my particular neighborhood, done a walk thru, walk thru my home. I mean this appraisal, if it is just hearsay, the person walked through the home. They took pictures. It is all here. I guess this didn't happen, whatever.

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Jill Sikorski:

Under state law, we cannot accept . . .

Keith Kull:

Basically, I'm feeling that the home is over assessed one again.

Jill Sikorski:

Do you have any information or evidence you want to provide the Board to support that?

Keith Kull:

Other than what I have already submitted, no.

Jill Sikorski:

O.K. Do you have any other testimony you want to provide; otherwise, we'll let the Village go ahead.

Keith Kull:

No, let the Village go ahead.

Jill Sikorski:

O.K. Thank you.

Jane Romanowski:

The Assessor's Valuation Report will be labeled Exhibit 1.

Ed Judt:

What you have there is a sales analysis comparing Mr. Kull's house with three other recent sales. Since this is our only residential case this year, let me very briefly how this works again. We will take those three sales and we will make adjustments for differences between those homes and Mr. Kull's house. So if one of those sole homes has an amenity that is superior to Mr. Kull's house, we'll make a negative adjustment. If it has an amenity that's inferior to Mr. Kull's house, we'll make a positive adjustment. Those adjustments added up will result in an adjusted sale price. And then at the bottom you'll see that we simply average those three adjusted sales prices to give you an indication of value. It is important for you to understand that that indicated value by sales comparison approach on the bottom will almost never equal the assessment. The reason for that is that when we develop our assessed values, we're taking a mass approach. We're using a

statistical model to arrive at our values and we use all of the sales of that style of house in that neighborhood and, in many instances, in that neighborhood group. In other words in other parts of the Village that are similar to the neighborhood that the subject property is in. You will generally see a number that is different from the assessed value but will be relatively close to the assessed value.

So, again, the subject property is Parcel No. 92-4-122-363-0032 at 3609 122<sup>nd</sup> Street. The house sits on a lot of 18,835 sq. ft. It is in Oakridge Subdivision, a subdivision incidentally that Mr. Kull developed. This is a two-story home. We classify it as B- in relative quality – that is a little bit above average quality. The house was built in 2000. It is generally in good condition. It is typical for design and utility. It has full basement of 1,393 sq. ft. The first floor is 1,393 sq. ft. The second floor is 1,503 sq. ft. There are four bedrooms; two family rooms; two full baths; a one-half bath; there is whirlpool tub; a fireplace. The exterior of the home is cedar. We classify the kitchen and the baths separately because of the influence that those rooms typically have on the value of the home and the eventual sale price of a home. So we classify those both as good in Mr. Kull's case. There's forced air central heat; central air conditioning; there's an attached garage of 546 sq. ft. There are some additional features - there is a porch of 201 sq. ft.; a deck of 160 sq. ft. and a detached shed of 120 sq. ft. I just wanted to do a quick calculation for the total living area for you and that is 2,896 sq. ft., nearly 2,900 sq. ft.

The first comparable - and I am not going to read all of those adjustments to you individually but they are there for you to see – I am just going to read a brief description of the house into the record along with the actual selling price and the adjusted selling price taking into account all of those adjustments. So our first comparable is Parcel No. 92-4-122-362-1059. It is at 3320 121<sup>st</sup> Place. It sold in March of 2016 – we make a small time adjustment there of \$2,400. The lot is 22,057 sq. ft. in size. This is in Prairie Trails Subdivision – the house is actually right about a block down from Mr. Kull's house. Also B- quality. This house was built in 2001, generally in good condition, typical for a house of this type in terms of design and utility. There is a full basement of 1,367 sq. ft.; first floor is 1,398 sq. ft.; second floor 1,008 sq. ft. for a total of just over 2,400 sq. ft., 2,406. There are four bedrooms; one family room; two full baths; one half bath; a whirlpool; a fireplace; the exterior is vinyl; the kitchen and baths are both rated as good; forced air heat with central air; five additional plumbing fixtures; 124 sq. ft. of masonry on the house that is some sort of brick or stone accent. There is an attached garage of 552 sq. ft. There is a porch of 76 sq. ft. and a deck of 432 sq. ft. Adding up all of those adjustments results in a net adjustment of \$12,500 and an adjusted sale price of \$311,500.

Comparable No. 2 is Parcel No. 91-4-122-133-0107 and that house is located at 9079 39<sup>th</sup> Avenue. It sold for \$302,000 in June of 2015. It sits on a lot of 20,496 sq. ft. We put this into, what we refer to, our highway and rural neighborhood. It is not part of a subdivision. Two story home - this is slightly less quality. We classify it as C+. It was built in 2006. Generally in good condition and typical utility. This has a basement of 1,330 sq. ft. There is a small rec room of 173 sq. ft. First floor, 1,344 sq. ft; second floor 1,293 sq. ft. for a total of 2,637 sq. ft. There are four bedrooms; two family rooms; two

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full baths; one half bath; there is a whirlpool; a fireplace; the exterior is aluminum. This has a somewhat nicer kitchen, or a kitchen that is better than typical for a house of this type so we classify it as excellent. We classify the bath as good. This house has forced air heat with central air. There is 254 sq. ft. of masonry accent on this house. There is an attached garage of 731 sq. ft.; porch of 54 sq. ft.; deck of 178 sq. ft. and a detached garage of 240 sq. ft. All of those adjustments sum to \$29,600 for an adjusted sale price of \$331,600.

And finally our third comparable – this is Parcel No. 92-4-122-253-0302 at 3818 116<sup>th</sup> Street. This house sold for \$285,000 in August of 2015. It sits on a lot of 20,909 sq. ft. You'll notice, by the way, on Comparables 2 and 3 a fairly significant land value adjustment that doesn't look like it is commensurate with the size of the lots, that true, that also takes into account the locational difference here between the subdivision and these locations on thoroughfares. This is a two-story home, B- quality. It was built in 1998. It is generally in good condition and of typical utility. This has a basement of 938 sq. ft. It has a better quality finished basement that we classify as basement living area of 648 sq. ft. The first floor is 938 sq. ft. The second floor, 1,112 sq. ft. for a total of 2,050 sq. ft. This house has five bedrooms; one family room; three full baths; one half bath; has a fireplace; the exterior is aluminum; kitchen and bath both rated as good. It has forced air heat with central air conditioning. There is no masonry accent on this particular home. Has an attached garage of 856 sq. ft. and a porch of 50 sq. ft. All of those adjustments equate to \$36,000 for an adjusted selling price of \$321,000 and averaging those results in a value of \$321,400.

And I'll take your questions.

Jill Sikorski:

Do you have any questions for the Village?

Keith Kull:

Yeah, I'm looking at these pictures. When were these taken, at least of the subject property?

Ed Judt:

I probably took that picture shortly after you built the house, although I don't know precisely when any of these pictures were taken. They are the pictures that are in our database.

Keith Kull:

I can say its old, that's for sure. I don't know when the other pictures were taken but certainly the one of the subject property is old as we're all trying to look and get some sort of understanding what's going on. What about the neighborhood? Do you take into

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consideration the neighborhood and the other homes in the area, other than the ones that are blocks or miles away?

Ed Judt:

I didn't catch the last thing you said there.

Keith Kull:

I said do you take into consideration the neighborhood, the immediate neighborhood, of the subject property because that is what I am here for is the subject property and the assessed value on that. What considerations go in for that because I am not seeing – I'm seeing home here that are – one is a few blocks away, the other ones are much further away. Pictures are old. I can say that I know just looking at the back picture where it shows subject property - its covering up a home there. Actually that thing hasn't been painted since the day it was built either, 2001. Somebody ought to walk through the neighborhood and take a look at. And then if you look where the Oakridge sign is at, there is another one. The guy painted half of it at least and it looks like he tried to strip off the paint on the south wall, I don't know, it looks like it has a bunch of primer on it. The condition of the neighborhood ought to take into some kind of consideration of far as what the assessed value is.

Ed Judt:

Well the answer to your question is yes, we take into account the area as I explained before I started making my way through this comp sheet. And, in fact, Comparable No. 1 is in Prairie Trails which is immediately adjacent to your little subdivision. Mr. Kull developed Oakridge and it is sort of a bridge between the Prairie Trails Subdivision and Green Tree Estates and you might view Oakridge as part of the larger Prairie Trails. Rocco is bringing up an aerial depiction of the location. The lot, in yellow there, is Mr. Kull's parcel.

Keith Kull:

The one I was referring to immediately west was built in essentially the timeframe as mine was built and I guess when this picture is showing here, it doesn't really give you a good indication of condition of the home. I don't know how you come up with these assessments every couple of years. If you walk through the neighborhoods, I mean that home there was built in 2001 and hasn't been painted since. The house just to the south of me is another one that was built in about the same year. Guess the subdivision all went together about the same time. I mean, my objection to that is to say do you do a walk thru? I mean, do you take a look at the neighborhood? I mean other than from an aerial view of about 3,000 feet here.

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Ed Judt:

I'm responsible for adjusting values every year for all of the various kinds of new construction that occur from sheds and air conditioners and new decks, new porches, so I spend at least some time in virtually every subdivision in Pleasant Prairie. So the answer to the question is yes.

Keith Kull:

O.K.

Ed Judt:

Now do I look at your particular house and think about the minor influence that the two neighboring house might have on your property, obviously not. We have in excess of 6,000 single family homes in this community that we revalue every two years so we take a mass appraisal approach to those values.

Jill Sikorski:

Mr. Kull. Would you like to provide a brief summary of your case?

Keith Kull:

I don't think there is really much more to add other than to say for years I think that the Village has been over assessing at least my property based upon some of the information that you've all heard. It was on the market a few years ago for months. Started at \$300,000, not a single look. Went down to \$275,000. Guess what, I think there was one person that kind of came through. Was there an offer, no. Went down to \$260,000 or something, still nothing.

Ed Judt:

I have that listing history if you are interested.

Jill Sikorski:

Sure, go ahead.

Ed Judt:

The house was initially listed in February of 2011. Now remember, this is 2011, it is now 2016. The house was initially listed in January of 2011 at \$300,000. In February of 2011, the asking price was lowered to \$275,000. In April of 2011, the asking price was dropped to \$265,000 and then in July of 2011, the listing expired.

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Keith Kull:

That is pretty much what happened.

Jill Sikorski:

Would like to provide any further summary?

Ed Judt:

No, I think that the comparables we have shared with you speak for themselves. I think all of you are at least somewhat acquainted with Prairie Trails Subdivision and that area down there at the very southern end of the Village. Unless you have any more questions, I don't think I have anything more to share with you.

Jill Sikorski:

Does anyone on the Board have any questions of the Village or the objector?

Mark Riley:

Yes, I just have a quick question. There was an appraisal done recently?

Keith Kull:

Yeah.

Mark Riley:

And what was the value of that appraisal?

Keith Kull:

It came in at \$300,000.

Mark Riley:

Thank you.

Keith Kull:

And the person walked through the home and I know it's all hearsay. Ya know, another question that I have is regarding the pictures, how old are those other homes, 2, 3 & 4? I mean when were they built, just out of curiosity.



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Ed Judt:

What? When were they taken?

Rocco Vita:

Comparable No. 1 was built in 2001. Comparable No. 3 was built in 1998 and Comparable No. 2 was the most recent. It was constructed during 2006.

Keith Kull:

O.K.

Jill Sikorski:

Any further questions from the Board?

Jim Bilotti:

Just a quick question for Ed. Maybe I missed it. When was the sale in Comparable No. 1?

Ed Judt:

It is in the first box there on the sheet. It was in March of 2016.

Jim Bilotti:

O.K. Thank you.

Mark Riley:

Just a follow up to my other question. Why is that appraisal hearsay?

Attorney Camilli:

It would be considered hearsay because the appraiser is not here to actually testify about it and be cross examined.

Mark Riley:

O.K. And do you have an opinion on that appraisal?

Keith Kull:

Do I have an opinion? Yeah, I mean it was thorough, I think.

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Mark Riley:

It was a thorough appraisal?

Keith Kull:

I think it was a very thorough.

Mark Riley:

So you believe they came in at the right number?

Keith Kull:

Honestly, I think it came in a little bit high. But I think it was very thorough. I've seen appraisals before. This one is 21 pages. I mean, the person went through and they provided an opinion in there in terms of the condition of different things. Yes, there was no improvements and they made note of that as they did their appraisal that the floor hasn't been upgraded. The kitchen hasn't been upgraded. No upgrades to the home since so that is my opinion of the appraisal. I think that it is probably a little bit high. It was done as refi.

Mark Riley:

Thank you.

Jill Sikorski:

Any further questions? All right, I'm going close the testimony and the Board will go into deliberations. Any discussion amongst the Board members? All right, then I need a motion to support the Village of Pleasant Prairie's assessment of the property of Mr. Kull.

**BILOTTI MOVED TO UPHOLD THE 2016 ASSESSMENT FOR PROPERTY OWNED BY KEITH KULL LOCATED AT 3609 122<sup>ND</sup> STREET, TAX PROPERTY NO 92-4-122-363-0302, IN THE TOTAL AMOUNT OF \$302,700; SECONDED BY RILEY; ROLL CALL VOTE – SIKORSKI – AYE; RILEY – AYE; HILDRETH – AYE; BILOTTI – AYE; MOTION CARRIED 4-0.**

Jane Romanowski:

I will prepare the Notice of Determination and deliver it to Mr. Kull right now.

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Jill Sikorski:

Thank you. Mr. Kull that will also contain information regarding your ability to appeal to a higher court.

Is there any other business for the Board of Review for 2016?

Jane Romanowski:

I just want to state for the record that the Notices of Board of Review Determinations that were issued yesterday, with the three Waivers of the Board of Review Hearings, went out certified mail to the property owners and the agents on record also got copies of those emailed to them. Yesterday, the Notice of Determination was personally delivered to Mr. Patel for the Holiday Inn and since I just delivered Mr. Kull's Notice of Determination, there is no further on the Clerk's end for delivering notices and for record purposes, the Board can final adjourn.

Jill Sikorski:

Do I have motion to adjourn?

**4. FINAL ADJOURNMENT**

**RILEY MOVED TO ADJOURN THE 2016 BOARD OF REVIEW; SECONDED BY BILOTTI; MOTION CARRIED AND FINAL ADJOURNMENT WAS AT 9:35 A.M.**