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Other Taxing Bodies Expected to Join In

Village to Join Township in Challenging Oak Park Hospital Property Assessment

The Village Board has added its voice and resources to the Oak Park Township's effort to convince the Cook County Board of Review that the Oak Park Hospital medical office building at Maple and Wisconsin avenues is underassessed.

In resolution passed unanimously Monday night, the Village Board directed the Village Manager to "take all reasonable and necessary steps to pursue" an undervaluation complaint against the hospital expected to be filed with the county later this week.

School Districts 97 and 200 also are expected to pass similar resolutions, as may the Park District of Oak Park and other taxing bodies. The deadline for filing an undervaluation complaint with the Cook County Board of Review is Thursday.

"Support for the hospital expansion in 1999 was based in large measure on the favorable impact the new building would have on the property tax rolls," said Village Manager Carl Swenson. "Since they made this largely revenue-based case before the public, the hospital has used the property tax appeals process to essentially negate much of the financial benefit that convinced many to support the project.

"This resolution by the Village Board, and those that may come from other taxing bodies, should send a clear signal to everyone that we represent a united front for fairness and an equitable distribution of the tax burden among commercial and residential property owners."

The hospital did not appeal its 2001 \$6.9 million county assessment, but did appeal its 2002 assessment, citing a high vacancy rate, and received a one-year reduction to \$4.1 million from the County Assessor and a further reduction to \$2.2 million from the Board of Review. At the same time, the hospital filed a "certificate of error" for its 2001 assessment, which, after approval by the County Assessor, required all Oak Park taxing bodies to refund nearly \$1.8 million in property taxes to the hospital.

Now, the hospital is asking the Board of Review to once again apply a reduced vacancy formula to the property to keep the 2003 assessment well below the original level set when the building was first occupied.

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Hospital Assessment Challenge

“The Village certainly has no objection to property owners using the appeals process to challenge what they feel are incorrect assessments,” Swenson said. “But in this particular case, it appears the hospital has acted contrary to its representations before the Plan Commission and the public.

“In the many hours of public testimony, representatives of the project’s developers made numerous assertions about the level of tax revenue the community could expect. They even made specific references to how leasing would be managed and their intent not to seek any kind of tax relief. This is an extremely troubling turn of events that we intend to join the Oak Park Township in fully investigating and challenging.”

Swenson said in discussions with Oak Park Township officials, filing underassessment challenges is a relatively new approach to ensuring large commercial properties are properly assessed and taxed. While the challenge expected to be filed Thursday applies primarily to the hospital’s 2003 appeal, he said legal resources also likely will be applied to determining if the earlier year assessment reductions can be reversed as well.

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