

Overassessments Underassessments: Mega-Mansion Valuations, Unrestrained Riparian Rights, & Country Club Challenges

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2025

IAAO ANNUAL

LEGAL SEMINAR

PROPERTY TAXATION AND THE LAW:
CHALLENGES AND SOLUTIONS



Overassessments & Underassessments

Property Taxation and the Law: Challenges and Solutions

2025

Andrea Raila, BA Economics, (Loyola University/Mundelein College) an IAAO 30+ year member, Founder & CEO for Training Research Advocacy & Education Network (www.TRAENInc.com) a public policy and tax consulting think tank. Ms. Raila's 40 years in the property tax assessment fields includes governmental experience, as a former tax case reviewer at the Cook County Board of Review, and as an advocate for property taxpayers at the Chicago Comptroller's Office. Ms. Raila co-authored with the former Chicago Comptroller, Ron Picur, ***"The Illinois Property Tax System: Taxation without Representation"*** commissioned by the Taxpayers' Federation of Illinois. Ms. Raila has served on property tax taskforces and commissions, and mentors students to explore careers in the property tax assessment field. Ms. Raila is a frequent source for local and national media outlets, including as a guest commentator and resource for the national syndicated financial advisor Terry Savage.

Emily Frank, BS Physics and Certificate of Paralegal Studies (DePaul University), an International Association of Assessing Officers (IAAO) member, and is a Real Estate Property Tax Senior Analyst in Chicagoland. Ms. Frank specializes in evaluating residential property tax assessments by utilizing Cook County's GIS System, assessment and sales data, appraisals, inspection reports, statistics and ratios, easements, and permits to ensure fairness and equity guided by assessment law and national assessment standards. Ms. Frank is an unwavering advocate for clients in property tax appeals in multiple Illinois counties and at the state level. Ms. Frank's skill sets are built on 15 years of prior professional development in scientific measurement, quality control, auditing of conformance reporting, and technical consulting which involved conformance to international standards.

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PROPERTY TAXATION AND THE LAW:
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- The “ad valorem” property tax is the foundation of local government funding in Illinois.
- Illinois collects \$34 billion in property taxes statewide.
- Cook County is the second largest assessment system in the nation with 1.8 million parcels and collects \$19 billion dollars annually.
- It is essential that the administration of this property tax distribution be fair & equitable.
- An underassessment or overassessment of one property, or an entire class of properties, will result in unfair shifts of the tax burden between taxpayers.

**FAIR+
EQUITABLE**



Exclusive, breathtaking views: North Shore mansion owners with riparian restricted access along the pristine Lake Michigan beaches appear to have no Assessors on duty.



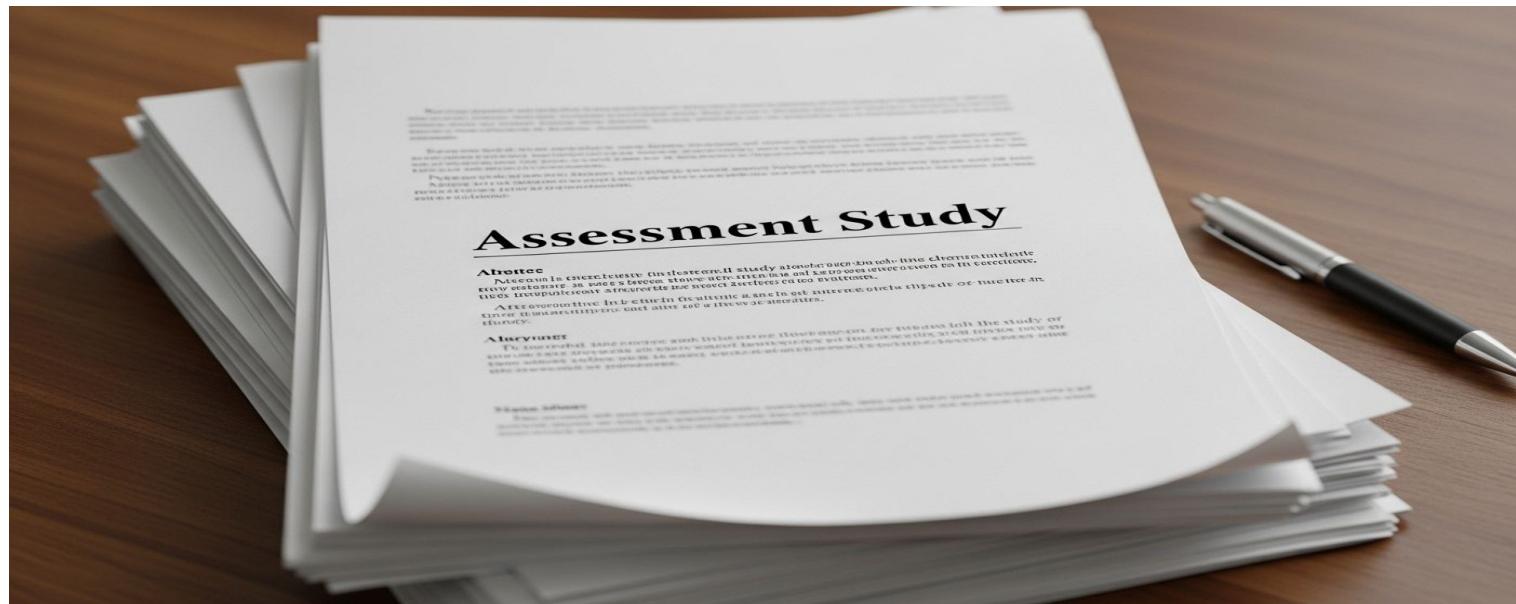
11 mansion owners in New Trier Township, Cook County, have slowly encroached on public lands for decades.

Restricted access to the public prairie grassland bluffs and parts of the public beach makes it difficult to discover added untaxed improvements.

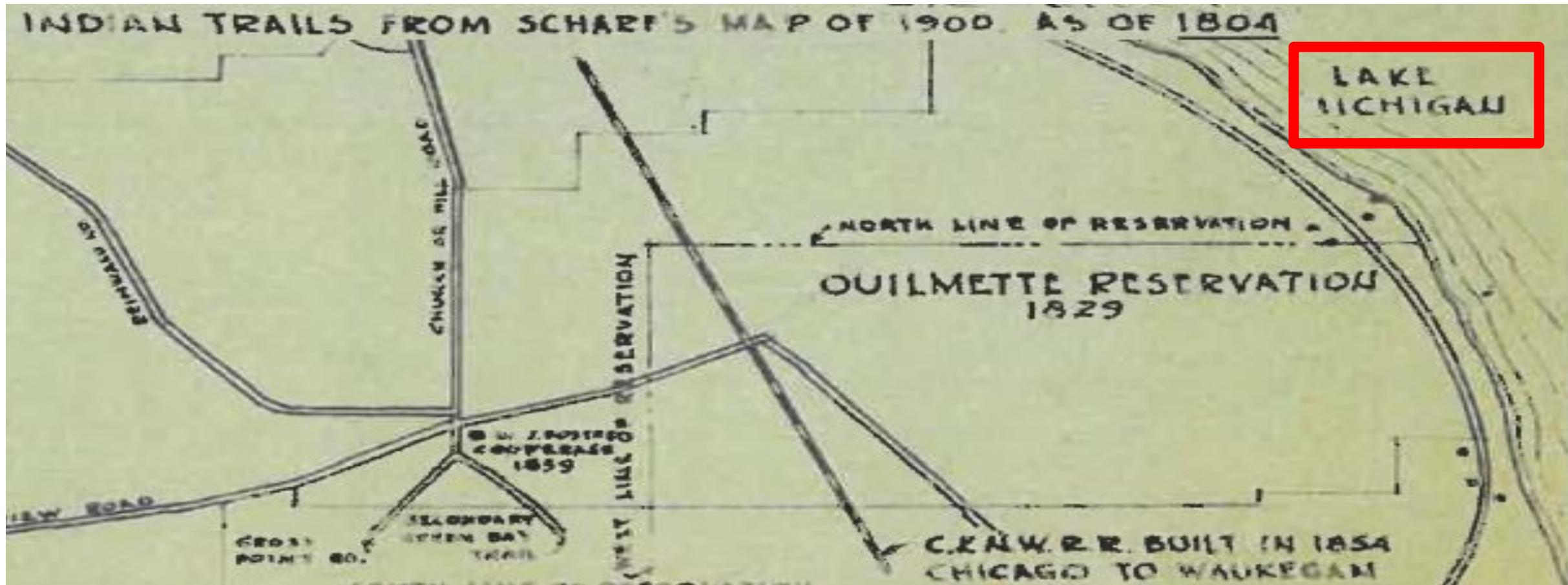
Yet, amenities have appeared on public lands far beyond the legal descriptions of private parcel plat boundaries of mega-mansions for decades.

Discovery Process & Audit of Long Overlooked Parcels

357 untaxed areas with permanent index numbers (PINs) fixed within assessment block **999** were audited across Cook County, Illinois. Some of the PINs, i.e., 05-26-**999**-001 revealed untaxed or undertaxed parcels. Aerial audits using Cook Viewer GIS, Google Earth and historical pilot photos, along with several on-site field inspections by assessment professionals with both private and governmental sector expertise, discovered what appear to be untaxed improvements on public land.

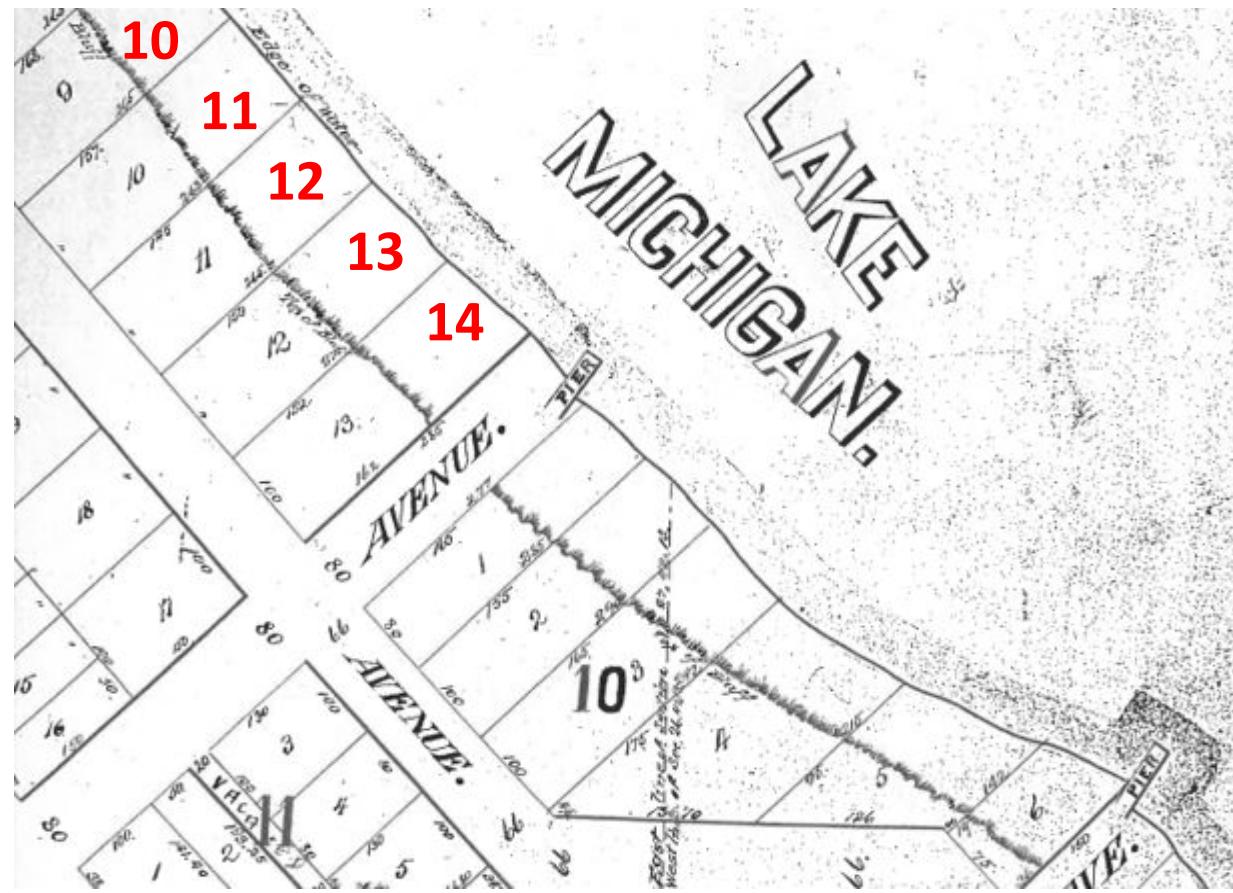
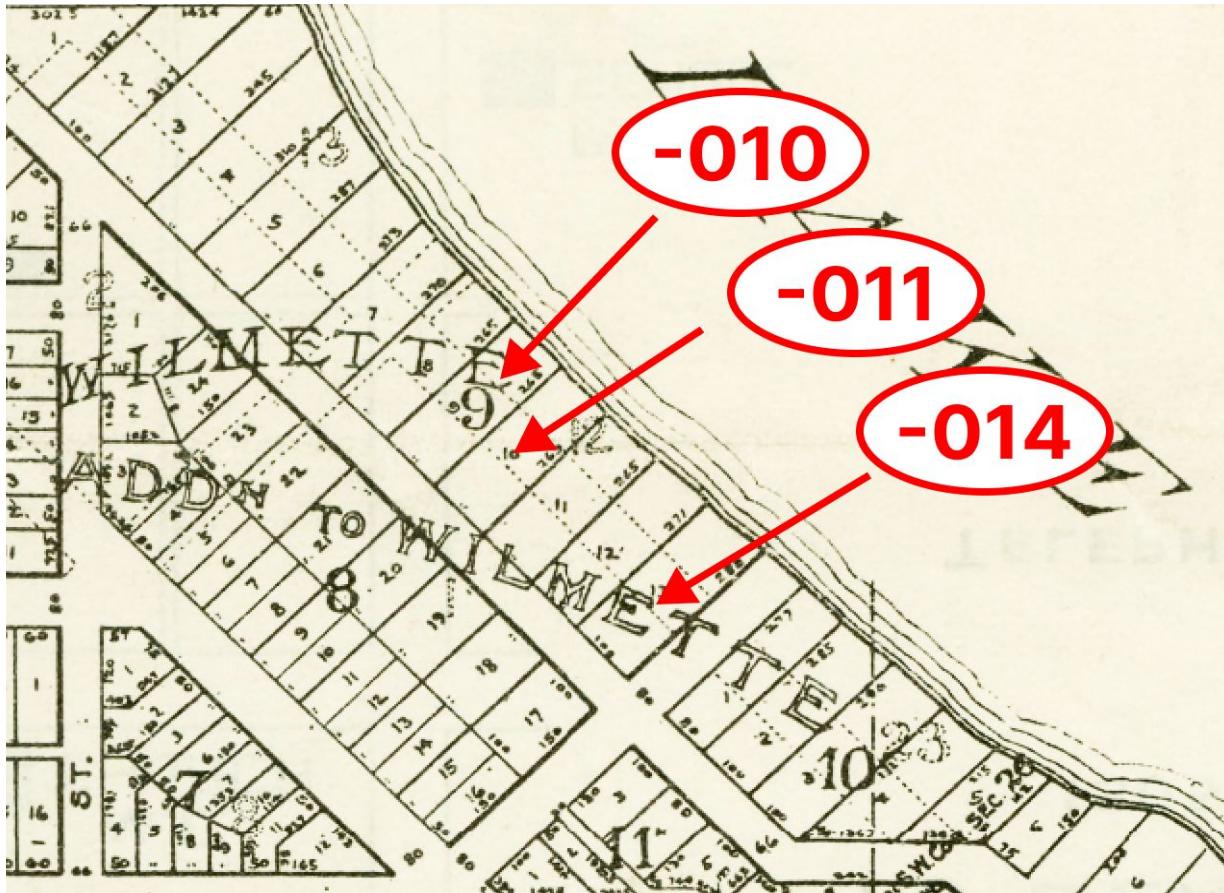


Case 2 *Historical Maps of Illinois' Lake Michigan Shoreline*



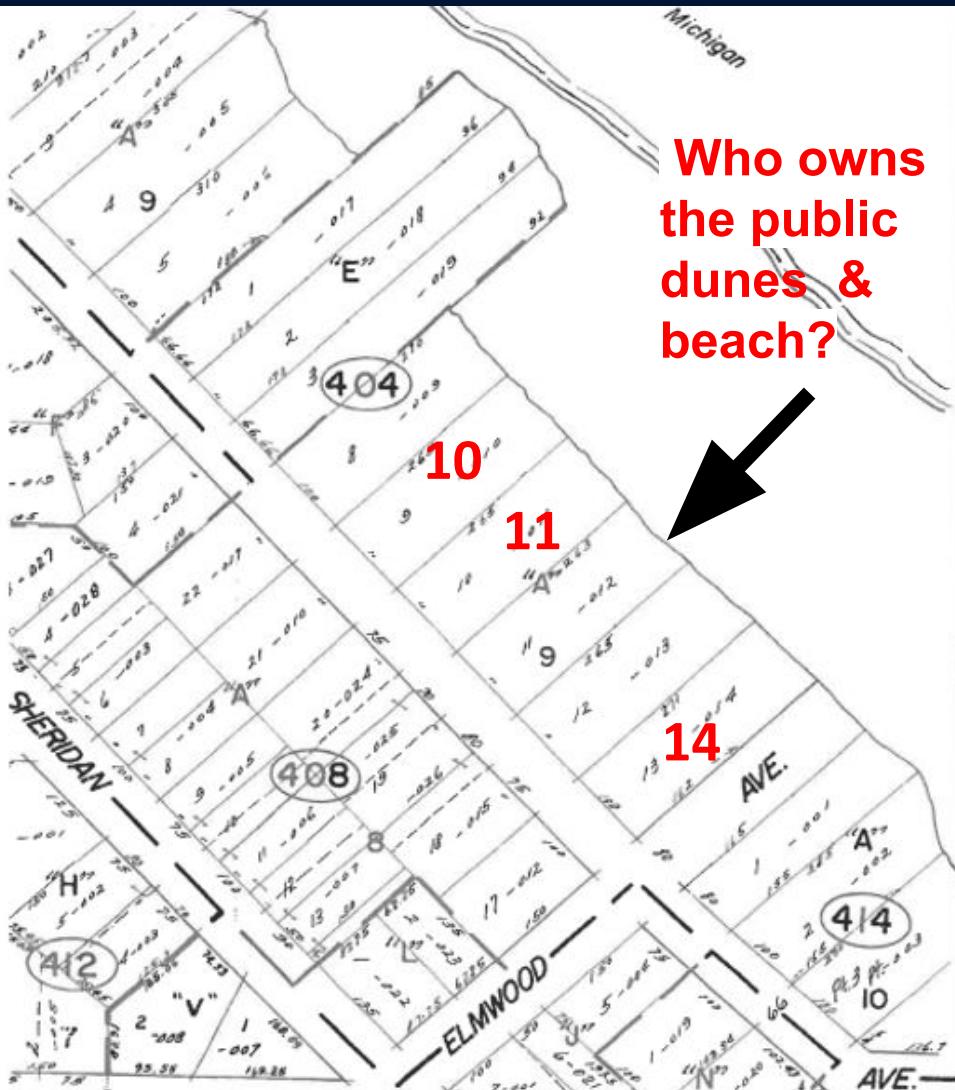
In 1949, Cartographer Charles C. Henderson compiled numerous maps of the Wilmette area to depict railroads, "Indian Trails," and other historical destinations throughout 1829-1842.

Case 2 *Historical Maps of Lake Michigan's Shoreline*



Wilmette had grown considerably by 1885 (left), and in 1897 the plat for properties along the shoreline (right) was recorded. 3 Mega-Mansions in this area will be the focus of the slides.

2024 Shoreline Tax Map: Who Owns the Beach?



In Blk. 9 of Milton H. Wilson's Add. to in the S.E. 1/4 of Sec. 27-42-13, Recd. Oct. 2, 1951. Doc. 148 "K"
STEWART'S RESUB. of Lots 6 & 7 in M. Wilson's Add. to Wilmette (see "A") in 27-42-13. Rec. Oct. 8, 1950. Doc. 149 "K"
LIBONATE RESUB. of Lots 1 & 2, 23, 4 Blk. 8 in Milton H. Wilson's Add. to Wilmette (see "A") in Sec. 27-42-13. Rec. May 1 1951. Doc. 15072351. "Q"
UNION ADD. TO WILMETTE, a sub. of Blk. 1, S.E. 1/4 of Sec. 27-42-13 (except W. 5 ft. clu. and that part of the S.E. 1/4 allotted in Dingee's Add. in Sec. 28, Rec. Oct. 2, 1951. Doc. 15072351. "R"
OWNER'S RESUB. of Blk. 7 in Milton H. Add. to Wilmette (see "A"). Rec. Sept. Doc. 5258832. "S"
RESUB. of Blk. 14 and vacated alley in Blk. 15 in Milton H. Wilson's Add. to Wilmette in Sec. 27-42-13 (see "A"). Rec. May 28, 1952. Doc. 49751 "T"
RESUB. of part of Blk. 2 in Dingee's Add. Wilmette in Quilmette Reserve in Sections 27-42-13. Rec. June 3, 1951. Doc. 47209 "L"
SUB. of Lots 15 & 16 and the S.E. 1/4 by 36 ft. (measured on the front and rear lines) of Blk. 8 in Milton H. Wilson's Add. to Wilmette (see "A"). Rec. Nov. 16, 1951. Doc. 15218431. "M"
RESUB. of Lots 1 & 3 (except the S.W. 20 of the N.W. 30 ft.) in Resub. of part of Blk. 15 in Dingee's Add. to Wilmette (see "C"). Rec. June 3, 1951. Doc. 47209 "N"
SUB. of Lots 3 & 4 and Lot 5 (except the N. 25 ft. thereof) in Resub. of Blk. 11 (see "B" in Sec. 28, Rec. Oct. 2, 1951. Doc. 15072351 "O"
DINGEE'S ADD. TO WILMETTE VILLAGE Quilmette Reserve in Sections 28 & 27-42-13. Rec. Oct. 2, 1951. Doc. 15072351 "P"
SHERIDAN ROAD RESUB. of Blk. 3 of Dingee's Add. to Wilmette Village (see "O"). Rec. 11, 1950. Book 60, Page 12. Doc. 15072351. "Q"
RESUB. of the E. 5 ft. of Lot 2 and Lot 3 in Sheridan Road Resub. of Blk. 3 (see "P"), in Sec. 27-42-13. Rec. June 4, 1951. Doc. 15072351 "R"
SHERIDAN ROAD SUB. of Blk. 3 in Dingee's Add. to Wilmette (see "O"). Rec. June 4, 1951. Doc. 15072351 "S"
EVERS CONSOLIDATION in Wilmette, T. 4 R. 13, 1st - Lot 2, except that part thereof lying N.E. of the N.E. line of Lot 2 in Resub. of part of Blk. 2 of Dingee's Add. to Wilmette 2nd - the N.W. 50 ft. of the S.W. 200 ft. of S of above resub. 3rd - Lot 2 of Resub. of Blk. 11 and vacated alley in Blk. 11 of Milton H. Wilson's Add. to Wilmette in Sections 26 & 27-42-13. Rec. Oct. 12, 1951. "T"

LAKOTA & sub. of Blk. 3 & 4



Above: Google Earth view of Wilmette lakefront

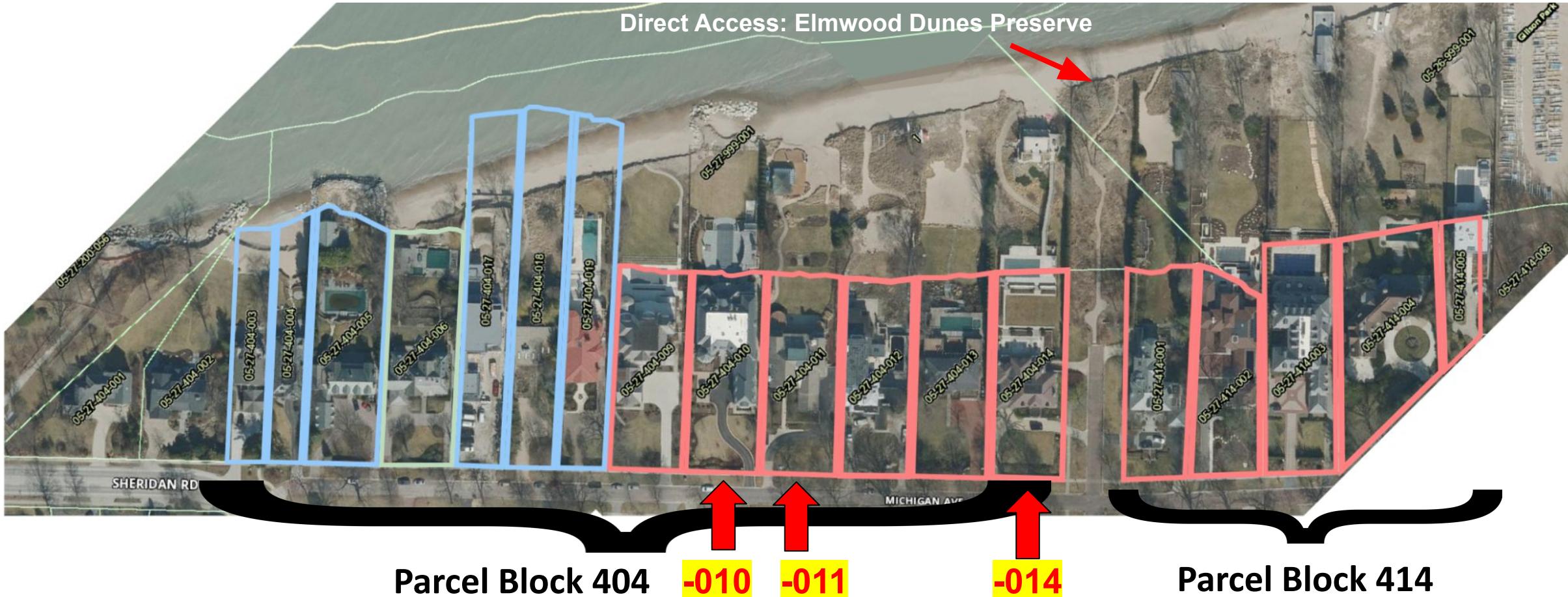
At Left: Cook County, Illinois E 1/2 SE 1/4
 Section 27 - 42 - 13 NEW TRIER 2024 Tax Map
 Page 0527H 42-13-27H © Cook County Illinois

Unassigned Shoreline Land: 2022 GIS Parcel Viewer Block 999



The tax map gives no parcel tax PINs for the land from the bluffs to the shore. It is also not a right of way, with exception of the Elmwood Dunes Preserve. Until 2022, the bluffs and beaches were issued 2 placeholder PINs (Block 999 parcels) by the GIS Department with the current parcel map.

Case 2 Map Area Audited by Assessment Professionals



Audit of 7 miles of Lake Michigan shoreline reveals encroachment on public lands by 11 mansion owners along $\frac{1}{3}$ -mile stretch. Several signs are posted that say "Private Beach."

Review of 6 Sample Properties Encroaching

H Actual Size: 40,400 SF
 AO Lot Size: 26,800 SF

I Actual Size: 41,600 SF
 AO Lot Size: 26,500 SF

J Actual Size: 44,250 SF
 AO Lot Size: 26,400 SF

K Actual Size: 34,620 SF
 AO Lot Size: 26,400 SF

L Actual Size: 33,000 SF
 AO Lot Size: 26,800 SF

M Actual Size: 48,350 SF
 AO Lot Size: 27,900 SF

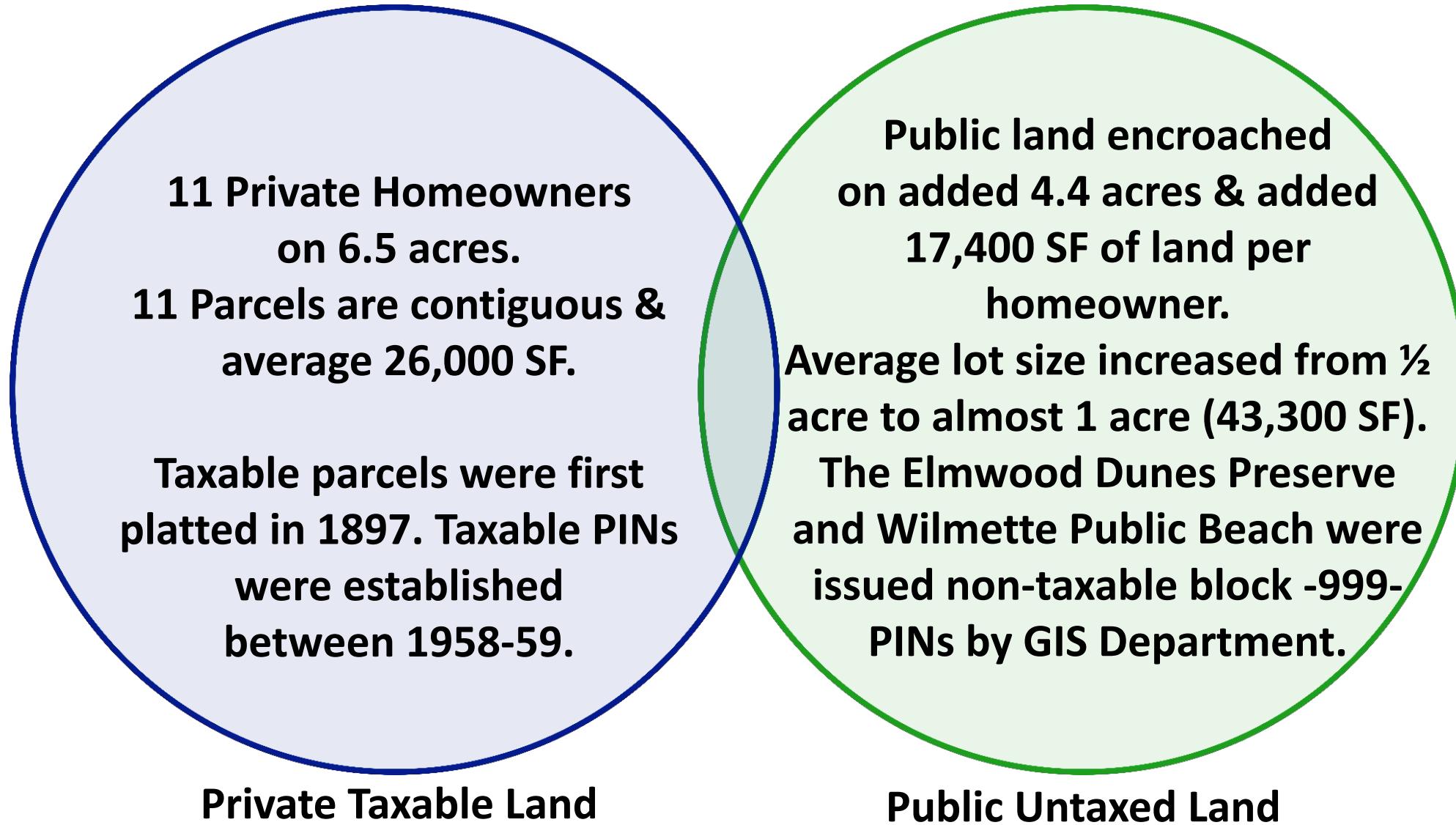


6 Legal Descriptions show private lots of 26,400 to 27,900 SF for a total of 160,800 SF (~3.7 acres)

The area of the public lands encroached upon totals 81,420 SF (~1.9 acres)

Parcel owners increased the area under private use by ~50% to a total of 242,220 SF (~5.6 acres)

Encroachment on Public Lands by 11 Parcel Owners



Encroachments Over 13 Years onto Public Beach, 1998 & 2011



2011

Encroachments Over 6 Years onto Public Beach, 2018 & 2024



2018

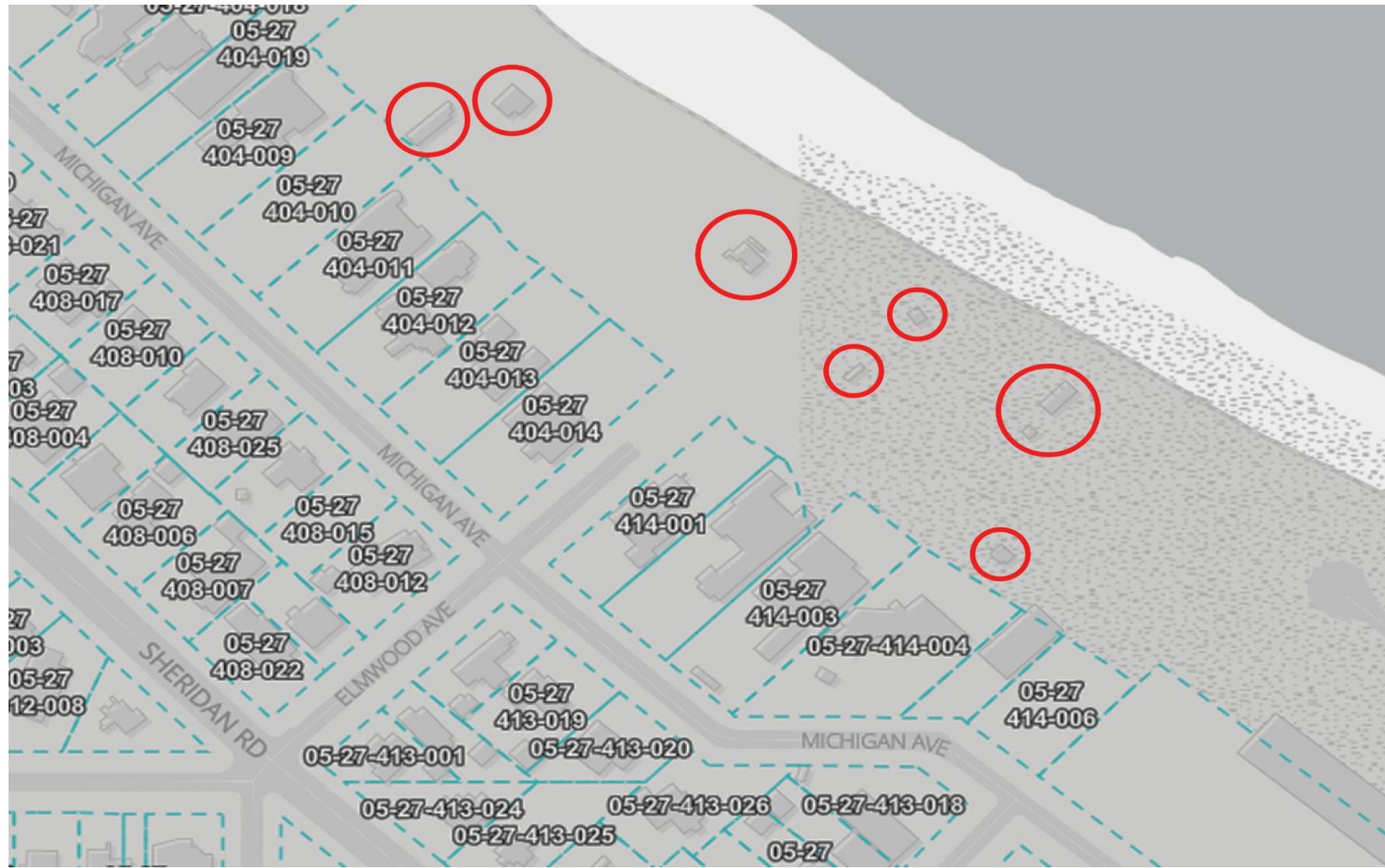


6 years

2024



**Red Line:
Approx. Parcel
Boundary Line
from County**



County and Township Professionals Weigh-In: Block 999

“The parcels are managed and maintained by the Cook County Clerk’s map department. When the paper maps were converted to a digital system in 2001, it was discovered that there were polygons that were neither Parcels or RightOfWays, block 999 was used to denote these polygons... eventually the county will review these polygons and convert them into their respective types (water, road, etc.)”

— GIS Program Coordinator, Cook County Government, February 17, 2022

“... In my opinion the use of the PIN 05-27-999-001 is just a placeholder and refers to unsurveyed, unplatted “land” at the shore of Lake Michigan. Land covered by that PIN receives no tax bill. ... Whether such land at low water belongs to the owners of the lots to the west or to the State of Illinois is a legal question that has probably been resolved by prior decisions of Illinois appeal and supreme courts.”

— Deputy Assessor, New Trier Township, February 22, 2022

Dune Rebuilding Restricts Public Access to Public Land



2022 Sign



2025 Sign

Dune preservation signs and fences serve to keep the public away from the areas encroached on by private mansion owners. The Elmwood Dunes Preserve was opened to the public in 2015 after being restricted to the public for dune rebuilding.

Source: Chicago Tribune, Nov. 4, 2015

Dune Rebuilding Restricts Public Access to Public Land



Some properties are bordered by rocks and a metal fence. A garage and a boat ramp give the owners amenities while denying public access to untaxed public land. Signs say the shoreline property is private and there are outdoor surveillance cameras.



Signage stretching across one-third of a mile along the backyards of 11 private-public lots states:

Dune Rebuilding
Keep Off Dunes
PRIVATE PROPERTY
No Public Access

Surveillance cameras and beach fencing restricts public access.

Other private signs warn that the the property is private and under surveillance.

Case 2

Dune Rebuilding on Private Property



Boat House & Recreation Room Near the Water's Edge



2022



2025

Case 2 New Owners Build New Home & Beach House



**“Private
Property”**



**“No Trespassing
Private Property
Violators will be
Prosecuted”**



**2nd Owner's
Encroachment
Remodeled
Beach House**

Estimating Land Tax Losses Across 11 Parcels, 1999-2025

The Estimated Tax Loss was based on aerial verification of encroachment back to 1999 to determine the earliest known year of encroachment.

PARCEL -014 (shown) →

Private / Taxed Land:
 27,900 SF

Public / Missed Land:
 20,450 SF

Encroachment began 2009

Parcel -014 Total Est. Land
 Tax Loss, 2009-2025:
\$341,202

11 Parcels Total Est. Land
 Tax Losses, 1999-2025:
\$3,346,579

Tax Year	Land MV/SF	Missed AV	Est. Tax Loss
2009	\$20.50	41,923	\$7,067
2010	\$20.25	41,411	\$8,303
2011	\$20.25	41,411	\$8,541
2012	\$20.25	41,411	\$8,977
2013	\$40.00	81,800	\$19,084
2014	\$40.00	81,800	\$19,983
2015	\$40.00	81,800	\$20,307
2016	\$44.00	89,980	\$19,558
2017	\$44.00	89,980	\$20,815
2018	\$44.00	89,980	\$21,407
2019	\$55.00	112,475	\$25,658
2020	\$55.00	112,475	\$28,743
2021	\$55.00	112,475	\$29,220
2022	\$50.00	102,250	\$21,961
2023	\$50.00	102,250	\$23,202
2024	\$50.00	102,250	\$23,350
2025	\$75.00	153,375	\$35,025
	Total	1,479,045	\$341,202

Tax Year	Land MV/SF	Est. Tax Loss
1999	\$13.30	\$16,272
2000	\$13.30	\$16,272
2001	\$22.17	\$23,550
2002	\$22.17	\$25,652
2003	\$22.17	\$42,991
2004	\$24.80	\$43,609
2005	\$24.80	\$44,231
2006	\$24.80	\$45,427
2007	\$32.80	\$47,230
2008	\$32.80	\$48,330
2009	\$20.50	\$47,169
2010	\$20.25	\$55,421
2011	\$20.25	\$57,008
2012	\$20.25	\$59,921
2013	\$40.00	\$127,382
2014	\$40.00	\$133,382
2015	\$40.00	\$152,640
2016	\$44.00	\$147,011
2017	\$44.00	\$201,864
2018	\$44.00	\$207,606
2019	\$55.00	\$248,830
2020	\$55.00	\$278,753
2021	\$55.00	\$281,032
2022	\$50.00	\$211,918
2023	\$50.00	\$223,898
2024	\$50.00	\$225,323
2025	\$75.00	\$333,855
	Total	\$3,346,579



Land & an unknown amount of improvement taxes are missing off the tax rolls. The private improvements on public lands include but not exclusively discovered:

- Beach & Boat houses
- Outdoor Fireplaces & Fusion Fire Outdoor Kitchens
- Spas, Swimming Pools
- Manicured landscapes, gardens, statuaries, fountains, stone pathways, boardwalks
- Greenhouse, pergolas
- State-of-the-art lighting and security systems

Case 2 *Solutions to the Encroachment on Public Land* 2025

After the audit of the 357 parcels with Block 999, the parcels cannot be seen in the current year. However, they can be viewed on parcel archive layers dating back to 2000.



Numerous FOIA requests were sent to the Village of Wilmette. No records of public special use agreements or riparian right of way arrangements were provided in response. Approximately 25 of 200 permits appear to be related to construction of improvements.

FREEDOM OF INFORMATION REQUEST FORM

What government agencies have the primary responsibility for a resolution?

- A The New Trier Township Assessor**
- B The Cook County Assessor**
- C The Village of Wilmette**
- D U.S. Army Corps of Engineers**
- E Cook County Circuit Court**
- F Wilmette Park District**

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Questions Discussions

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This presentation would not have been made possible if it were not for the skilled GIS piloting, deep data mining and research, writing and editing skills of the following assessment and housing professionals:

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