DATE

Auditor NAME

Address 1

Address 2

City, State ZIP

Re: [PROJECT NAME]

[PARCEL NUMBER]

Dear Auditor NAME:

As you may or may not know, [COMPANY NAME] is a [X]-year old organization providing desperately needed affordable housing in [COUNTY] and [OTHER PARTS OF STATE]. [MORE ABOUT YOUR MISSION OR ROLE IN COMMUNITY]

[PROJECT NAME] is a [NUMofUNITS]-unit housing facility serving [FAMILY/ELDERLY] households located at [ADDRESS]. This community was made possible as result of its participation in the federal program administered by the Internal Revenue Service known as the Low Income Housing Tax Credit (LIHTC) program. Under this program, this property is subject to a 15-year [Restrictive Covenant OR Land Use Restrictive Agreement] which maintains rent rates that are below market (thereby creating affordability for residents) in exchange for the income tax benefits to the underlying equity providers. The LIHTC program also prohibits the property from being used for market-rate housing.

I wanted to draw to your attention that the above referenced property is subject to the rules, regulations and restrictive covenants of the federal LIHTC program, which is administered by the Ohio Housing Finance Agency (OHFA).

5713.03 of the Ohio Revised Code was amended in 2013 to provide specific guidance to County Auditors as it relates to the valuation of LIHTC properties. Specifically, an excerpt from 5713.03 reads *(emphasis added):*

"The county auditor, from the best sources of information available, shall determine, as nearly as practicable, the true value of the fee simple estate, as if unencumbered but subject to any effects from the exercise of police powers or from other governmental actions…”

We wanted to bring the above referenced property to your attention, as it is clearly ‘subject to the effects of governmental actions’ as result of the restrictive covenant that is limiting the rents being charged by virtue of its participation in the federal LIHTC program. The Ohio Supreme Court has ruled that the LIHTC restrictions described above are “police powers” and “governmental actions.”

As such, the use restrictions encumbering the above referenced property must be considered when assessing its proposed valuation. As you prepare to assess the valuation for the above referenced property next year, we wanted to draw your attention to the use restrictions associated with this property.

For your reference, we have attached a copy of the [Restrictive Covenant OR Land Use Restrictive Agreement] for the above referenced property to evidence its involvement in the federal LIHTC program. We are available to provide any additional information that you may require to enable you to reassess this property in conformance with the provisions of ORC 5713.03. We understand that this is a time-sensitive matter, as your office must submit valuations to the State in the near future for certification.

Thank you for your continued good work in serving our community, and we look forward to the favor of your reply.

Sincerely,

[NAME]

[TITLE]