

MOHS, MACDONALD, WIDDER & PARADISE

ATTORNEYS AT LAW

20 N. CARROLL STREET

MADISON, WISCONSIN 53703

FREDERIC E. MOHS

DANIEL A. MACDONALD

THEODORE C. WIDDER III

GREGORY J. PARADISE

JOHN W. VAN NOTE

608-256-1978

FAX 608-257-1106

September 21, 2004

Ms. Laura D. Rose, Deputy Director
Wisconsin Joint Legislative Council
One East Main Street
Suite 401
P.O. Box 2536
Madison, WI 53701-2536

RE: Tax Exempt Housing

Dear Laura:

In order to study the effect of the Columbus Park exemption, it will be useful to know the nature and extent of tax exempt housing in Wisconsin both now and for purposes of examining trends what the picture looked like ten years ago.

Tax exempt housing is not appraised and therefore, local assessors who have tax exempt housing in their district would have to do a curbside appraisal or estimate of the value of that property. In that we are looking at the big picture, I do not see any problem in having such an estimate based on unit value or other comparable approaches that the assessor might use.

I believe that the assessors should also try to describe what type of housing is involved in their community into certain categories. Those categories could be housing for mentally disabled or totally dependent populations, those for low income and then those for moderate income and finally, luxury senior housing. It would be useful to know how much of each type existed ten years ago and what the inventory looks like today.

Somehow or other, we should also begin to define the benefits to the community from each category of tax exempt housing. Those benefits should be defined in dollar terms as much as possible. In other words, if the tax exempt housing was not available, what would the financial impact on the community.

Ms. Laura D. Rose, Deputy Director
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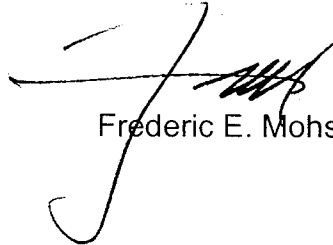
As the committee looks at community benefits from non-profit housing, it should also look at mechanisms that will satisfy the public that present and future benefits are commensurate with the sacrifice in taxes that the community is foregoing. We should ask will the members of the community agree that the taxes they are foregoing are what they want to do now and that they are confident that as long as the benefits continue, they will continue to be satisfied.

In that everyone agrees that tax uniformity has great value, the committee should also look at mechanisms for supporting worthy housing ventures in ways that do not involve tax exemption as a source.

These are my thoughts at the moment. It was a pleasure meeting you and learning a little bit about how the study committee will proceed with its work.

Sincerely,

MOHS, MACDONALD, WIDDER & PARADISE

A handwritten signature in black ink, appearing to be 'F. Mohs', written over a horizontal line.

Frederic E. Mohs

FEM:kjc