

**Testimony of William H Jordan, Member Park Morton Equity Team (whj@melanet.com) on
RESOLUTION 20-21 TO AUTHORIZE DC HOUSING ENTERPRISES TO MAKE FINAL DEPLOYMENT OF
REMAINING \$6,000,000 IN NEW MARKETS TAX CREDIT AUTHORITY TO THE RENAISSANCE NEW
MARKETS FUND LLC**

Chairman Albert and Board,

I urge the board to seize the opportunity of the current New Market Tax Credit (NMTC) debacle to make the necessary structural and operational changes to the New Communities Initiative (NCI) and DCHA's ongoing role. The current \$6M allocation emergency and the jeopardy to DCHE's \$122M NMTC program is a direct result of structural inequities for DCHA residents inherent in the city's NCI program and operational deficiencies in the execution of NCI's Build-First and replacement unit principles.

The Board would be foregoing its fiducial and moral responsibility by passing Resolution 20-21 without simultaneously changing DCHA's structural relationship to NCI. Moving forward as being proposed is akin to shaving 6 feet from the tip of the iceberg after the Titanic struck it to save the passengers' grandchildren.

The primary **PROBLEM** here is DMPED's mission creep and rudderless management of NCI "Build-First", replacement unit obligations and related financing gaps. This pattern was evident here at Lincoln Heights NCI, but also Barry Farm and Park Morton. The immediate **SOLOUTION** is to transfer the responsibility for NCI to DCHE, beginning with Park Morton NCI and related Park Morton Equity Plan (PMEP). In fact, DMPED no longer has an executive/senior level Director of NCI.

I urge the board today to avoid Titanic results adopt the following modifications to **Resolution 20-21**:

The 6th WHEREAS - after *'(the "Strand Project")'* add *"for the purposes of financing and building 28 Lincoln Heights Build-First units;"*

The 8th WHERAS – after *"NHP Foundation"* insert *"and its public partner DMPED"*

Add after the final and addition BE IT RESOLVED saying - *"BE IT RESOLVED, DCHA Board urges DMPED to begin the transfer the responsibility for the NCI program to DCHE. And beginning this transfer process with Park Morton NCI project with the purpose of moving the project forward including the implementation of the PMEP."*

See Attached Backup Materials:

- Excerpt Committee Report Bill 21-658, "Extension to Time to Dispose of the Strand Theater Act of 2016" (12/6/16)
- Contract CA22-0551 - \$15,600,000 DMPED Loan to developer (6/20/18)
- Z.C. Case No. 17-19 The Warrenton Group and NHP Foundation (6/11/18)
- PR23-0322 – 15 Year LRSP Contract valued at \$456,456 per year to developer (5/20/19)
- DCHA Resolution 19-17 LRSP (5/8/19)
- Z.C. Case No. 17-19A The Warrenton Group – 2yr Zoning Extension (9/14/20)

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