

LOCUS



Smart Growth America
Making Neighborhoods Great Together

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November 15, 2017

The Honorable Paul Ryan
Speaker, United States House of Representatives
H-232, The Capitol
Washington, D.C. 20515

Dear Speaker Ryan,

We, members of LOCUS, representing a national coalition of real estate developers and investors who advocate for sustainable, equitable, walkable development in America's metropolitan areas, write to reiterate our strong belief as the House begins consideration of H.R.1, the *Tax Cuts and Jobs Act*, that this once in a generation tax reform process should be an opportunity to incentivize private sector investment in rebuilding our nation's communities.

In the first instance, we believe this means strengthening the community development provisions of the tax code. We are extremely disappointed that H.R. 1 repeals both the Rehabilitation Tax Credit and the New Markets Tax Credit, as well as private activity bonds, which support the Low-Income Housing Tax Credit program. These have all been invaluable tools for encouraging development in communities of all sizes across the country and as currently written, H.R. 1 would have a devastating effect on community development.

As the legislative process continues, we respectfully urge you, and all Members of the House, to support restoring the Rehabilitation Credit, the New Markets Credit, private activity bonds and taking this opportunity to consider ways to strengthen all of these incentives.

We support the proposals that have been introduced by Members of the Ways & Means Committee to strengthen these programs. Furthermore, LOCUS has developed a proposal to convert the existing Rehabilitation Tax Credit under Section 47 into a Neighborhood Rehabilitation and Investment Credit. Finally, we recognize that reform involves trade-offs and have proposed ways to reduce existing real estate-related tax expenditures.

LOCUS members are among our nation's leading developers – representing billions of dollars of investment annually – and they see every day the pent-up demand for

attainable residential and commercial development in communities with a great sense of place.

We urge Congress to first do no harm – preserving the current law incentives for private investment in community development – and then, as part of this legislation or a future effort, consider how we can strengthen these vital tools for rebuilding our nation's communities.

Thank you for your consideration and we look forward to working with you and your staff.

Sincerely,

LOCUS Developers

3 Square Blocks, LLC
Addis Communications, Inc.
Alta Planning + Design
American in Bloom
Arcadia Land Company
Bicycle Federation of Wisconsin
Black Bear Holdings, LLC
Boston Heights – Mount Hope Neighborhood Association
Brooksville Vision Foundation, Inc.
BRP Companies
Cairncross & Hempelmann
Center for Creative Land Recycling
Chance Partners, LLC
Christopher W. Closs and Company
CityLabs USA
Concord Engineering
Connecticut Main Street Center, Inc.
Crane Development Ltd.
Crosby Schlessinger Smallridge
D.I. Crawford Associates, Inc.
Dakota Partners, Inc.
Dantes Partners
DCRI
Delaware Valley Regional Planning Commission
Diva Imaging
dpInk Ltd. Liability Company
East Metro Strong
EXP REALTY, LLC
Feet First Philly, A Project of the Clean Air Council
GAINS
Garland Properties, LLC
Gonzalez Companies
Grayslake Business Partnership, LLC
Greenway Partners
Grinder, Taber, & Grinder
Hawbaker Engineering, LLC

Heart of New Ulm Project
HLR Architects
Holland Partner Group
HRI Properties
HRS Communities, Inc.
Idaho Parks and Recreation
Integral Design and Development
Jair Lynch Real Estate Partners
John J. Lynch AICP
Joseph Vallone Architects & Development Studio, LLC
Kansas City Area Transportation Authority
Kerry Blind & Associates, LLC
KTUA
Lindsey & Jeffers
Living Streets Tucson
Maine Preservation
Mainland Northwest, LLC
Massachusetts Smart Growth Alliance
Maui Bicycling League
McMahon
Minnesota Housing Partnership
Mogavero Architects
Montgomery Housing Partnership
Movement Mortgage
Nebraska Main Street Network
New Jersey Future
New Ulm Economic Development Authority
North Florida Bicycle Club
Olsson Associates
Oregon Law Group
PEDS
pointC
REgeneration Development Strategies
Renaissance Downtowns
Restoration Housing
Santa Clara Valley Transportation Authority
Sloss Real Estate
Smart Growth America
Southern Maryland Association of Realtors
Southmoreland Neighborhood Association
Springfield Preservation and Revitalization
Storyful
Supporter of Environmental Defense Fund
The Louis Berger Group
The Walker Collaborative
Timothy 618, LLC
Town Management
Tr Advisors
Trinity Financial
Tru-Home Montana
TVO North America

UrbanBiology, LLC
VIKA MD, LLC
Winkler Development Corporation
Wood Partners

Affiliates of:

City of Brockton
City of Royal Oak, Michigan
City of Salisbury
Portland State University
State of Minnesota
Town of Herndon
Town of Pagosa Springs
University of Illinois at Chicago
University of Minnesota

cc: Members, U.S. House of Representatives