

October 23, 2013

Honorable Mike Thompson  
U.S. House of Representatives  
Washington, DC 20515

Dear Congressman Thompson:

On behalf of the Association of Defense Communities Board of Directors, I want to express my deep appreciation for your leadership to support defense communities across the country. As the leading organization serving communities with active, realigned or closed military installations, ADC represents more than 200 communities, states, regions and partners.

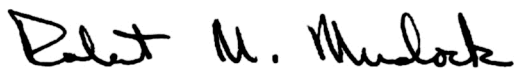
As you know, many communities across our country continue struggling to overcome the unique challenges posed from seeing nearby military missions closed or realigned through five rounds of the base closure and realignment process. Such actions can leave civilian employees out of work, small businesses and other employers struggling to stay afloat, reduced federal funding and a drop in the local tax base as uniformed and civilian personnel move away. Communities that are home to closed or realigned installations work actively to redevelop the former sites and recruit new employers, but success is often hampered by a dramatic reduction in the level of federal support available to assist in redeveloping infrastructure on these sites.

One important tool that has proven to be successful in helping defense communities recover is the New Markets Tax Credit (NMTC), established by Congress to promote private sector investment in lower-income communities by extending tax credits to communities and their partner organizations to undertake projects that drive further economic growth. Every dollar invested in the program spurs about \$12 of private investment in distressed communities, promoting job growth and economic stability while providing a positive return on taxpayer dollars. Strong competition for limited credits, however, has put redevelopment projects at a disadvantage.

As such, ADC endorses your legislation to provide additional NMTC opportunities to defense communities. The solution you have proposed will be extremely helpful as many across the country continue to overcome the distinct economic challenges facing communities that support and have supported our nation's military missions.

Thank you again for your leadership on this important issue. We look forward to working with you and your colleagues to further support the continued growth of America's defense communities.

Sincerely,



Robert M. Murdock  
President  
Association of Defense Communities