

Norfolk redevelopment authority lands significant new federal funding source

By Nancy Chapman



NRHA's New Markets Tax Credits will be used to help develop a shopping center in Norfolk's inner-city Berkley neighborhood. Standing on the shopping center site are (l-r) Hampton Road Ventures executives Stephen Blair and Bob Jenkins; Norfolk City Councilman Paul Riddick; NRHA Board Chairman W. Sheppard Miller III, and NRHA Executive Director Ernie Freeman.

Few people at the Norfolk Redevelopment & Housing Authority took its deputy executive director seriously when he started tossing around the phrase New Markets Tax Credits.

But when NRHA turned out to be the nation's only redevelopment and/or housing authority to win an allocation of them, Robert K. Jenkins Jr. turned out to be man of the hour.

"We didn't realize what Bob was on to at first," said NRHA Executive Director Ernest Freeman. "Then again, Bob often helps us break new ground."

In March 2003, after what is known to be an arduous application process and rigorous competitive review, the U.S. Treasury Department awarded NRHA a \$15 million allocation of New Markets Tax Credits during the program's first round. The agency was one of only 66 organizations chosen from the 345 that applied, as well as the only entity in Virginia to win an allocation.

A tax attorney, Jenkins quickly realized that the new federal program, created through the Community Renewal Tax Relief Act of 2000, could be an innovative source of funding for NRHA development projects.

Albert L. Elder III is interim commissioner for the D.C. Department of Banking and Financial Institutions and has known Jenkins for 20 years.

"Bob has demonstrated a history of developing creative approaches for generating significant capital for historically underserved communities," Elder said.

NRHA's executive team also knew that federal and state funding for community development was declining every year.

"We're in the business of building neighborhoods, not just houses," Jenkins explained. "So the question we were asking was, how do we continue to serve our neighborhoods well with fewer public dollars?" He saw the NMTC program as a much-needed incentive to attract private-sector investments into inner-city developments.

"It was designed to stimulate economic growth and job opportunities in low-income neighborhoods," Jenkins explained, "areas that historically have had little access to low-interest development capital."

The NMTC program focuses primarily on commercial development opportunities. Other eligible categories include healthcare centers, charter schools, daycare centers, and small business loans. Raymond Christman, president of the Federal Home Loan Bank of Atlanta, described the NMTC program as "the biggest stimulus for economic development in the last 20 years."

As required by the Treasury Department, NRHA created a community development entity, Hampton Roads Ventures, as the company to manage the NMTC allocation and work with the private-sector investors. Jenkins is managing director of Hampton Roads Ventures; Stephen Blair, NRHA's programs planning manager, is operations director. Blair now spends most of his hours handling the myriad details that go into NMTC administration.