



BMO Harris Bank

BMO HARRIS BANK, N.A., AND BMO HARRIS NEW MARKETS FUND LLC

Other Key Players: All: Baker Tilly Virchow Krause LLP. *Mitchell Street Library*: Gorman & Co. Inc., City of Milwaukee. *Festival Foods*: Skogen's Festival Foods. *Trianon Lofts*: Preservation of Affordable Housing, City of Chicago, U.S. Department of Housing and Urban Development.

Deal Locations: Milwaukee and Green Bay, Wisconsin, and Chicago, Illinois

Type of Deals: New Markets Tax Credits financing

Sizes of Deals: *Mitchell Street Library*: \$7.6 million. *Festival Foods*: \$19 million. *Trianon Lofts*: \$10 million.

Principal Husch Blackwell Team Members: Paul Dombrowski, Rebecca Mitich, Hal Karas, Deborah Hall (senior paralegal)

Industry Groups and Practice Areas Involved: Financial Services & Capital Markets; Real Estate, Development & Construction; Banking & Finance; Tax; Corporate

HUSCH BLACKWELL ASSISTS IN DEPLOYING TAX CREDITS TO BOOST COMMUNITY DEVELOPMENT

Focused on community development, BMO Harris Bank deploys New Markets Tax Credits (NMTC) financing to distressed regions of the country. These federal tax credits are part of a bipartisan effort to stimulate investment and economic growth in low-income urban and rural communities that do not have the means to create jobs, and support and grow businesses. The bank successfully deployed its \$45 million NMTC allocation over a variety of complex projects, three of which involved Husch Blackwell.

MITCHELL STREET LIBRARY

During its prime, Mitchell Street on Milwaukee's near south side was a thriving commercial district and, famously, a shopping destination for brides. But over time, businesses left and the area lost its vitality.

The neighborhood is now undergoing a renaissance. At its heart, a new public library is being constructed on the first three levels of a nearly century-old, five-story building that once housed appliance and hardware stores and, most recently, offices. The library is possible thanks, in part, to a \$6.5 million NMTC allocation from BMO Harris New Markets Fund LLC and additional construction financing provided by BMO Harris Bank, N.A.

The 23,000-square-foot facility, which should be completed in July 2017, will replace Milwaukee Public Library's Forest Home branch. The mixed-use project will also include 60 market-rate apartments, eight townhouse apartments and parking.

FESTIVAL FOODS

Farther north, the underserved area of Green Bay's north side had devolved into a "food desert" due to a lack of grocery stores and other providers of healthy food. Enter Festival Foods, no stranger to Wisconsin with 24 stores in the state. To construct this new location, BMO Harris provided \$9 million in NMTC financing, along with \$8.5 million in construction financing.

In addition to offering an extensive selection of meats, seafood, produce, and natural and organic foods, the store, which opened in

December 2016, houses a dining deck and a conference room open to the community at no charge. A complimentary, supervised play area for children is also available while parents and guardians shop the store.

The new store, which promotes value-driven pricing, is among the most energy-efficient of all Festival Foods locations. Most importantly, the community now has access to high-quality foods 24 hours a day, and more than 225 of its residents are employed as associates.

TRIANON LOFTS

In the Woodlawn neighborhood of Chicago's south side, financing from BMO helped enable groundbreaking for Trianon Lofts, the first predominantly market rate rental housing to be constructed in the area in nearly a half century. The bank provided \$7 million in NMTC and conventional financing of \$3 million.

When complete in mid-2017, the building will house 24 two-bedroom apartments, as well as 7,000 square feet of commercial space. The development adds momentum to the reawakening of a distressed urban neighborhood. In recent years, retailers, community learning facilities and a cultural center also have opened in the area.

For each of the three deals, BMO Harris Bank turned to Husch Blackwell to assist in all stages of the NMTC process. The firm assembled a committed team of finance, real estate, tax and corporate attorneys and paralegals to secure the tax credit allocation, obtain investments from tax credit investors, and deploy the NMTC into projects benefiting these low-income communities. In addition to NMTC, the complex capital stacks for the projects often included Historic Tax Credits, conventional financing and municipal financing, among other sources.

These projects are shining examples of how BMO Harris Bank, by partnering with Husch Blackwell, is strategically deploying tax credits throughout the Midwest to help improve the communities it serves.