

Tax Credit Finance

Tax credit programs, such as Low-Income Housing Tax Credits, New Markets Tax Credits, Historic Rehabilitation Tax Credits, Renewable Energy Tax Credits, and various state tax credits, provide crucial financing for affordable housing, historic rehabilitation and low-income community development projects. The financing under these tax credit programs typically involve multiple layers of debt and equity that present challenging business, tax and legal issues.

Lathrop GPM's Tax Credit Finance group has a comprehensive nationwide practice experienced in facilitating complex transactions utilizing these essential financing tools. Our attorneys' extensive experience is enhanced by our commitment to provide high quality legal services that are proactive - anticipating and addressing our clients' business goals. Our business-oriented legal approach guides investors, community development entities, syndicators, lenders, and for-profit and non-profit developers and businesses in effectively using tax credit incentives to achieve their business goals.

Our professionals combine their multidisciplinary experience with state-of-the-art knowledge and innovative techniques to structure, document and close transactions in a timely and cost-efficient manner, and to assist our clients in handling any post-closing asset management and exit issues and strategies.

We have a broad base of experience representing both governmental entities and developers regarding economic development and land use matters, including tax matters and public financing tools, including:

- Low-Income Housing Tax Credits
- New Market Tax Credits
- Historic Rehabilitation Tax Credits
- Renewable Energy Tax Credits

- Opportunity Zones
- State Tax Credits

Our specialty focuses include:

- State Tax Credits
- Combining federal and state tax credits
- Twinned Historic and New Markets Tax Credit investments
- Leveraged loans
- Mixed use projects utilizing condominium ownership
- Multiple CDE New Markets Tax Credit financing structures
- Master lease structures
- Twinned Historic and Low-Income Housing Tax Credit investments
- Tax-exempt bond financing
- HUD financing
- Federal Home Loan Bank, HOME and CDBG grants and loans
- Leveraging tax increment financing (TIF) proceeds
- Property tax abatement or exemption
- Compliance issues
- Restructuring of equity and debt

Our services in this area have included preparing numerous financing plans and presenting them to various councils, boards and commissions. In this capacity, our attorneys have drafted redevelopment agreements, presented value calculations, tax abatement impact analyses, economic development policies, and proposed ordinances.

In the process of advocating new development or redevelopment applications, we strive to seek all available project incentives, enhancements, deferments and abatements.

We offer guidance to investors, community development entities, syndicators, lenders, and for-profit and non-profit developers and businesses in effectively using tax credit incentives to achieve their business goals.

Representative Experience

- Represented a substantial investor in the financing of the Kansas City Ballet renovation of the old Power House Building near the Kansas City Union Station, as it was converted into the Todd Bolender Center for Dance and Creativity. This was a multimillion-dollar historic renovation which converted a dilapidated building into a new dance center including a dance school and rehearsal/administrative facilities for the Kansas City Ballet. The representation involved several key community investors in a tax credit financing project for this new community asset.
- Represented the Lyric Opera of Kansas City, Inc. in an unusual new market tax credit transaction, which involved the renovation and construction of a new set design and construction/rehearsal/storage/educational/office facility involving several layers of involvement by an endowment foundation, bank and other parties. We successfully obtained credits and the project was built for the nonprofit organization.
- Assisted developer with syndication of over \$5 million in federal and Missouri historic tax credits.
- Assisted developer in structuring commercial and residential condominium development transaction utilizing historic tax credits.
- Represented business owner with structuring historic tax credit equity to fund renovation of historic building.
- Represent lenders interests in connection to secured loan financing for historic and low-income tax credit projects.
- Assisted client with its purchase and renovation of an old urban Baptist church into modern office space. Negotiated the purchase of the church and its school building; worked with the City of Maplewood, Missouri, to obtain new zoning; helped obtain historical tax credits from state and federal entities. The church moved its congregation across the street, and the client now enjoys some of the area's most innovative office space. Ultimately, this has spurred more development in the City of Maplewood.