

EXCLUSIVE: Finally!! Financing Complete For Couture

By Mark Belling, WISN-AM

As I first tweeted last night, developers Rick Barrett and Tan Lo have secured \$31 million in private investment to complete financing for the long-delayed Couture project on Milwaukee's lakefront. The \$31 million package was secured and underwritten by Baird, which the developers brought in several months ago after years of missed deadlines and failures to complete financing.

Mayor Tom Barrett (no relation to Rick) was briefed last night. The \$122 million project will be the tallest building in Wisconsin and has a golden location across the street from Discovery World and kitty-corner from the iconic Calatrava addition to the Milwaukee Art Museum. It will have virtually unobstructed views of Lake Michigan. Barrett and Lo have said the mixed-use building will include lower level retail and apartments and likely a hotel on the upper floors. It, unless plans change, would be 42 stories high.

Barrett and Lo purchased the property from Milwaukee County for less than a million dollars after being awarded the exclusive rights to develop the site by County Executive Chris Abele. It is to be built on the site of the former county transit center. County officials were staring at the possibility of having to repay the federal government millions of dollars for a grant that was originally used to build the transit center. With the Couture now likely to break ground in months, that money is safe. The Couture will also be the site of the hub for the Milwaukee streetcar. Tracks have been running to the site since the streetcar began operation but obviously have been unused as, at present, they lead to an empty lot.

The project has missed numerous deadlines since the deal was first announced seven years ago. Barrett and Lo were even delinquent on their property taxes this year, as I exclusively reported.

Since the Couture was announced, numerous other apartment and mixed-use projects in less desirable locations have been completed. The high cost of the rents needed to make the \$122 million project profitable has been a sticking point in obtaining financing. Barrett and Lo's own personal investment is minimal. A federal loan guarantee is part of a package of government subsidies. The private financing was needed to secure the money for the entire project.

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