

JUNE 28, 2024 | NEWS

Shumaker Assists in Securing Loan to Help Rebuild Hurricane-Damaged Boys & Girls Club

SARASOTA, FL — After Hurricane Ian severely damaged the Boys & Girls Clubs of Sarasota and DeSoto Counties' location in North Port, the community has been working tirelessly to secure donations and funding to rebuild the center that provides children and teens with positive activities and support.

This week, coinciding with National Boys & Girls Club Week, the Shumaker Law Firm is pleased to announce that Partner Mike Pitchford provided essential assistance in the closing of a complex loan funded through the New Markets Tax Credit Program. The program, adopted by Congress in 2000, was designed to incentivize investments in economically disadvantaged or underserved areas by providing tax credits to investors who, in turn, are able to make below-market rate loans to qualified organizations, such as the Boy & Girls Club. By obtaining the loan, the Boys & Girls Club is now on track to start construction.

"We are beyond thrilled to know that we are getting closer to moving forward with the construction of the new Boys & Girls Club, which is a cornerstone of the North Port community," said Bill Sadlo, President/CEO of the Boys & Girls Clubs of Sarasota and DeSoto Counties. "Our heartfelt thanks go to the many donors in our community and the dedicated team at Shumaker for their unwavering commitment to a project that holds immense significance for our children."

The role played by Pitchford required him to carefully review the (voluminous) complex loan documents, as well as the nonprofit's organizational and authorizing documents in order for him to provide a written opinion to the lenders confirming that the loan documents had been duly authorized, executed and delivered and, most importantly, were enforceable under Florida law. Drafting the opinion letter presented a significant time-sensitive challenge.

"This was an incredibly complex process, but we knew we had to get it done as quickly as possible due to the Boys & Girls Club's impact on our community."

Pitchford collaborated with several consultants and three law firms representing each of the seven involved

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parties, based in Chicago, St. Louis, and Boston. Boys & Girls Club Board Member and Shumaker Partner Meghan O. Serrano also worked alongside Pitchford to make this happen. Without the new facility, the Boys & Girls Club has had to suspend enrollment, currently serving only a fraction of the 250 children it once helped.

“The damage from Hurricane Ian was extensive, but we knew the Boys & Girls Club is exactly where it needs to be to serve the community, so we had to rebuild,” Serrano said. “We were initially uncertain about how to achieve this. However, after thoroughly researching the New Markets Tax Credit, we recognized it as a unique and complex opportunity that we had to pursue.”

Thanks to the combined efforts of the community, board members, and legal partners, the Boys & Girls Clubs of Sarasota and DeSoto Counties is now poised to rebuild, with construction expected to begin late 2024 to continue its essential work in the North Port community.