

March 27, 2025

Dear Chair Howard and Housing Finance and Policy Committee members,

Unidos Saint Paul members have been deeply engaged with The Heights development since the Saint Paul Port Authority first purchased the site in 2019.

Our members committed to supporting the Port Authority's vision to transform the 112-acre abandoned golf course into one of the first Net Zero communities in the country, providing 1000 new badly needed housing units. After five years of advocating for this vision with our neighbors and electeds, our Saint Paul members were thrilled to be part of the groundbreaking ceremony for the innovative Aquifer Thermal Energy Storage (ATES) system. The ATES system will provide clean, reliable heating and cooling to affordable housing on the site that will be more than six times as efficient as natural gas heating.

The Heights will be an outstanding example of housing that is both sustainable and affordable. It is already inspiring our members to organize for similar projects in Saint Paul, Minneapolis, and other towns and cities around Minnesota--maybe even one of yours.

However, this huge win for our state will not be complete until the affordable housing part of the development is fully funded. The Heights is a win-win solution that both charts a path toward meeting Minnesota's goal to be net zero by 2050, and addresses our urgent housing crisis.

Please join us in getting this visionary development over the finish line, and vote in favor of HF2549.

Sincerely,
Chelsea DeArmond
Unidos Saint Paul Organizer

1690 English Street
Saint Paul, MN 55109
651-968-1022

March 29, 2025

Dear Chair Howard and Housing Finance and Policy Committee members,

Hello, my name is Noah Friesen, I am a member of Unidos MN and I live in District 51A. Thank you for considering HF2549 to complete funding for affordable housing at The Heights.

I support this development because it aligns with both the urgent need for affordable housing and our shared responsibility to care for the environment. As a Catholic, my faith calls me to protect the most vulnerable and be a steward of God's creation. Climate change disproportionately affects those with the least resources, and The Heights addresses both housing insecurity and sustainability through its use of geothermal heating and cooling.

I believe this project can serve as a model for how Minnesota can address both the housing crisis and the climate crisis. Our state's commitment to being net zero by 2050 requires tangible solutions like this, and I urge you to fully fund The Heights this session.

Thank you for your time and leadership on this critical issue.

Sincerely,
Noah Friesen
6400 Richfield Pkwy. Apt. 407

March 30, 2025

Dear Chair Howard and Housing Finance and Policy Committee members,

Hi, I'm Mike Hirabayashi, and I live at 922 Sherwood Ave in District 67A. I am a member of Unidos MN. Thank you for hearing HF2549, to finish funding affordable housing at The Heights. This affordable housing development is desperately needed as we are deep in a housing crisis that sees no sign of getting any better without bold investments on more housing units, especially affordable housing units. We know that out of control housing prices and property taxes are fundamentally about supply and demand. We just aren't making housing units at the same rate we're making people, so affordable living gets harder every year.

I have been advocating heavily for affordable housing and for geothermal for years with Unidos (formerly SP350) and ISAIAH, and I was on the Sustainability Working Group for The Heights. I have also been volunteering with Habitat for Humanity and helped build the homes that we desperately need. Please, we need The Heights to be funded this session so it can be an example of how to address both the housing crisis and the climate crisis. Our whole state urgently needs The Heights to inspire more sustainable communities.

Thank you,

Mike Hirabayashi
922 Sherwood Ave
St. Paul, MN 55106
952-270-0728

March 31, 2025

Dear Chair Howard and Housing Finance and Policy Committee members,

I'm Madi, a resident in Hamline Midway in district 65A and I organize with Unidos, MN. Thank you for hearing HF2549, to finish funding affordable housing at The Heights. I've lived in St Paul for all my adult life, and have already seen the impacts of climate in my neighborhood. In the past two years my block has experienced severe hail and storm damage, flooding, and drought. We absolutely must act to create climate solutions that put people first, and the Heights is an example of this. Already many Americans are fleeing to Minnesota from other states with climate dangers, increasing the need for housing and especially decarbonized housing. Please fully fund the Heights to anchor local and regional resilience, both providing an immediate solution to housing crises, and a longer term shift towards sustainable, decarbonized development. We absolutely need for the Heights to be fully funded for people-centered climate resilience and to meet our city and state's climate goals.

Thank you,
Madison Johnson
1318 Minnehaha Ave West
St Paul, MN 55104
763-772-5383



www.buildingthefutureminnesota.org

March 31, 2025

Co-Chair Howard, Co-Chair Igo, and Members of the Committee,

We are writing to express our strong support for **House File 2549**, Representative Liz Lee's bill to invest \$44.66m in housing infrastructure bonds for The Heights development in Saint Paul, MN.

Minnesota is a national leader in networked heating and cooling systems. From our early adoption of district energy systems in downtown neighborhoods to our innovative uses of combined heat and power systems in industrial settings, Minnesotans have been operating and improving these systems for decades, making them more efficient, affordable, and accessible.

The Heights would rely on another of these systems: a geothermal district energy system that would serve the homes and businesses in the development.

While the development's energy plan, to have net-zero greenhouse gas emissions, is important, it is just one of the benefits of this project. **Its vision for housing and light industry would mean homes and jobs for Saint Paul's East Side.**

We strongly support this bill and hope you will also support House File 2549.

Thank you for your time and consideration,

Aurora Vautrin

Aurora Vautrin

Legislative Director

www.100percentmn.org

Lars Negstad

Lars Negstad

Policy Director

www.isaiahmn.org

Sara Lopez

Sara Lopez

Policy Director

www.unidos-mn.org





March 30, 2025

Co-Chair Spencer Igo and Co-Chair Michael Howard
Minnesota House of Representatives
Housing, Finance and Policy Committee

Dear Co-Chair Igo and Co-Chair Howard,

I am writing in support of HF 2549 that proposes financial support for the construction of multi-family housing units at The Heights redevelopment project in Saint Paul. The Heights development includes the advancement of a geothermal district energy system to supply low-cost, carbon-free heating and cooling to the multi-family housing and light industrial buildings proposed for the project by way of The Heights Community Energy, Inc., a 501(c)(3) non-profit utility system. The geothermal district system secured a loan from the Minnesota Climate Finance Authority in the second quarter of 2024. This loan enabled energy system construction to begin on the same timeline as other infrastructure work commenced at the project site. The work focused on the installation of a portion of the distribution system in the fall of 2024, with the remainder of the system construction commencing this spring. It is anticipated that construction for the first phase of the system will be completed in 2026 to meet the needs of the first customers. In order to meet the promise of the overall development and the energy system, it is necessary that construction on the multi-family building stock begin in 2025.

With that in mind, Ever-Green Energy asks for your support for this project which will serve a critical community need while delivering on the promise of the innovative geothermal technology.

Sincerely,

Michael J. Auger
SVP, Chief Business Officer

March 31, 2025

House Housing Finance and Policy Committee
Centennial Office Building
658 Cedar St
Saint Paul, MN 55155

RE: Letter of Support for The Heights Redevelopment

Dear Chair Howard, Chair Igo, and Members of the Committee:

The American Federation of Labor and Congress of Industrial Organizations Housing Investment Trust (the “Trust”) strongly supports Twin Cities Habitat for Humanity in the redevelopment of The Heights. This ambitious 112-acre redevelopment project, approved by the City of Saint Paul in June 2022, is poised to bring about a significant transformation of the former Hillcrest Golf Course and the surrounding community. Situated in the Greater East Side of Saint Paul, the multi-phase project will create a walkable and accessible community with 1,000 new homes, making it the largest affordable housing project in Minnesota’s history.

The need for new affordable homes is greater than ever in the Twin Cities, and public support for transformational developers such as Twin Cities Habitat is essential to successful development. Additional stakeholders, including local building trades, the Saint Paul Port Authority, master developer Sherman Associates, and BIPOC developer JO Companies are collaboratively working towards the development critical affordable homeownership and rental housing opportunities while contributing to the equally important creation of family-supporting union jobs.

The Trust is interested in financing the construction of multiple phases of the project, which will include a mix of high, medium, and low-density housing options for purchase or rent. Construction is already underway on single-family homes, beginning in 2024. Multifamily buildings are scheduled to break ground in the next year and funds from the state request can be deployed immediately to bring long-sought relief to the affordable housing crisis.

With approximately \$7.2 billion in net assets as of February 28, 2025, the Trust provides capital for new construction, substantial rehabilitation, and preservation of affordable and market-rate housing projects nationwide, using 100% union labor. The Trust focuses its investments on projects that provide competitive returns to our union and public pension fund investors, create union construction jobs, and strengthen communities.

The Trust has extensive experience working in Minnesota, **having invested \$1.9 billion in 114 projects in the state, with 84 projects totaling \$1.6 billion in the Twin Cities.** The Trust also has prior experience with the development team, having partnered with Sherman Associates to finance the creation or rehabilitation of 2,009 units of housing in Minnesota since 2010, 67% of which is affordable. We have the experience and capacity to finance this impactful project.

Despite our interest in being involved, at this time this letter does not constitute a commitment from the Trust to provide financing for the redevelopment. Any commitment must follow a deliberative process which would articulate the general terms and conditions upon which the Trust would consider providing financing. The actual terms and conditions of any commitment issued by the Trust would be dependent upon the results of the Trust's review and analysis of the underwriting and due diligence for a particular phase of the Project, as well as Trust Investment Committee approval. Any such commitment would be in writing and clearly identified as a commitment.

Thank you for your consideration of the funding request for The Heights redevelopment. This transformative project represents a collaborative approach, combining private investment, non-profit support, and public resources to address critical housing needs in St. Paul. By creating affordable housing for low and moderate-income families, we aim to build an inclusive and vibrant community.

Best Regards,

A handwritten signature in black ink, appearing to read "Chang Suh", with a stylized, cursive script.

Chang Suh
Chief Executive Officer and Chief Investment Officer



Mr. Chair,

On behalf of the Minnesota Building and Construction Trades Council, we wanted to acknowledge the importance of the Heights Projects and specifically the housing portion of this development. We strongly support this project which is going to put hundreds of our trades men and women to work. The Heights is a 112-acre redevelopment project positioned to revitalize a polluted, abandoned golf course located at the corner of Larpenteur Avenue and McKnight Road in Saint Paul.

The Saint Paul Port Authority is excited to bring much needed jobs and affordable housing options to this neighborhood, which has historically been impacted by disinvestment. The Building Trades are partnering with the St. Paul Port, Twin Cities Habitat for Humanity, JO Companies (BIPOC owned), and Sherman Associates to develop 1,000 new homes that will be a unique mix of housing for Saint Paul's East Side multicultural community.

The Heights Affordable Housing Project is a public, private, and non-profit response to the legislature's historic call for affordable housing projects to address our nation's housing shortage. The project will create 1,000 homes - making it the largest affordable housing project in Minnesota's history.

The goal is to bring in a mix of high, medium, and low-density housing options for *purchase* or *rent*. Walkability, community connectivity, adjacent jobs and affordable housing options are the top priorities.

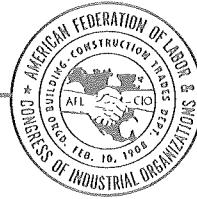
The Heights development is already underway with individual home construction beginning in 2024. Multi-family buildings are scheduled to break ground in 2025 and funds from the state request can be deployed **immediately** to bring long-sought relief to the affordable housing crisis.

We appreciate your consideration for this important project and we are happy to lend our full support to the funding request.

Tom Dicklich

Executive Director, Minnesota Building and Construction Trades Council

Saint Paul
Building and Construction Trades



Council

February 17th, 2025

Dear Representatives on the Housing Committee:

On behalf of the Saint Paul Building and Construction Trades Council, we wanted to acknowledge the importance of the Heights Projects and specifically the housing portion of this development. We strongly support this project which is going to put hundreds of our trades men and women to work. The Heights is a 112-acre redevelopment project positioned to revitalize a polluted, abandoned golf course located at the corner of Larpenteur Avenue and McKnight Road in Saint Paul.

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Don Mullin

A Public, Private & Non-Profit Partnership

A Public, Private & Non-Profit Partnership



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The Heights is focused on racial and economic equity. Located in an area that is 60% BIPOC with median incomes 28% below the metropolitan area, the project will provide affordable rental housing, home ownership opportunities (wealth building) and amenities to underserved populations.

THE BIG IDEA

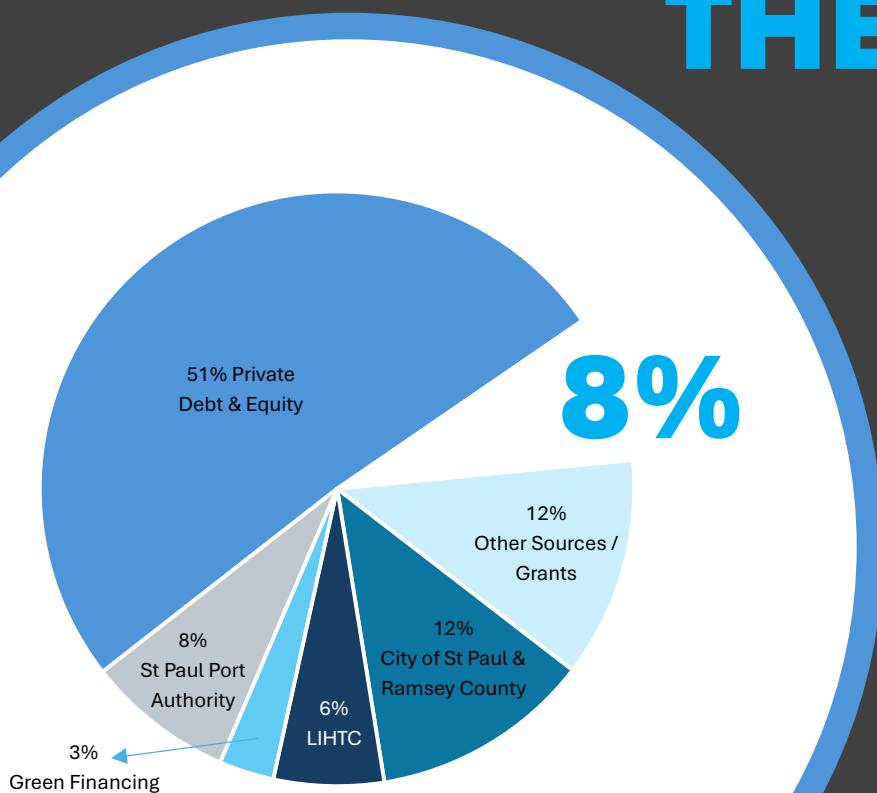
A wide range of public and private financing is needed to meet the State, County and City's goals of building more affordable housing. The 1,000 new homes being proposed for The Heights will leverage private equity, non-profit fundraising, green financing, and public support from the City of Saint Paul, Ramsey County, the Metropolitan Council, state of Minnesota and federal sources to directly address this critical shortage of affordable housing. In all, over \$420M in public/private financing will be leveraged to deliver 1,000 new homes.

WHY THE REQUEST

Resources are being requested of the Legislature for the following reasons:

1. The sheer size and scale of this project does not fit into existing state programs in a manner that would deliver the project on time and without cannibalizing other housing requests and projects around the state.
2. The Height's Partnership has listened to our partners in government and are responding to the request to build affordable and deeply affordable housing, which is more expensive and challenging to finance than other types of housing.
3. Continued financial support from the State of Minnesota would fill the current 8% gap of the project - with the remaining 92% of the project financing anticipated to come from private and public funding sources.

THE GAP



Saint Paul
PORT AUTHORITY



SAINT PAUL
MINNESOTA



RAMSEY
COUNTY



CLIMATE INNOVATION
FINANCE AUTHORITY