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The PHA rises to the public need of the future: “10 hi-rises powered by 100% solar energy”

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Across the Nation, communities have demanded more affordable and renewable energy options. Renewable energy sustains natural resources and promotes new economic opportunities. The Saint Paul Public Housing Agency (PHA) is empowering its residents by supporting the PHA’s access to renewable energy.

The Community Solar Garden program was created by the Minnesota Legislature in 2013. It provided Minnesotans with convenient opportunities to invest in renewable resources and contribute to the State’s goal of 80 percent reduction in carbon emission by 2050. Under the program, Xcel Energy customers can purchase a subscription to a Community Solar Garden (CSG) in exchange for a credit on their monthly energy bill. In early 2014, the Minnesota Public Utilities Commission (PUC) approved the program. However, in June of 2015, the PUC revised the CSG and established new regulations, which reduced the size of the CSG to one megawatt and restricted independent energy developers to co-locate up to five CSGs.

Earlier this year and before the PUC established the new CSG regulations, the PHA announced that a 25 year CSG agreement with Geronimo Energy was pending. Under the new CSG regulations, the scope of PHA’s subscription agreement has been redefined but is still significant. The PHA has continued to strive for the opportunity to provide cleaner, renewable energy, and has worked with developers to comply with the PUC regulations.

The PHA is pleased to continue its work with Geronimo Energy to provide 10 hi-rises and the CAO building with 100 percent solar energy. The 10 hi-rises provide affordable housing to 1,600 low income seniors and other individuals. The agreement will save the PHA an estimated \$130,000 per year in energy costs and offset the entire annual electrical consumption in these 11 buildings with clean, renewable resources. The PHA will save over \$3 million in energy costs over the life of the contract. The PHA’s cost savings will be reinvested to provide residents with affordable housing opportunities.

“It is exciting that the PHA will enter into the world of solar energy for many of our hi-rise homes,” stated Louise Seeba, General Counsel for the PHA, and the person who oversaw the proposal process, “We will be saving nearly \$130,000 per year that can be redirected from energy bills to providing safe affordable housing to those in greatest need.”

“Solar is the future to meet the demands of the growing public. The PHA wants to see this become a reality,” stated PHA Executive Director Jon Gutzmann. “The solar garden program provides a feasible opportunity for the public to invest in a sustainable energy resource.”

“Solar power is definitely the future; several countries have been investing in renewable resources. It is time our state and the nation listens to the needs of the public and provides opportunities for all levels of income consumers,” said Yen Tran, PHA’s Green Initiative Technician, “It is wonderful that the PHA is committed to invest in a healthier living environment for all.

Geronimo’s Rosemount, Ursa, and Northfield Community Solar Garden developments were selected by the PHA after competing in a Request for Proposals to solar garden developers. The over \$30,000,000 projects are located in Dakota county, will provide power directly to the local community, and are expected to employ over 90 construction and related services during installation.

About the Saint Paul Public Housing Agency:

The PHA administers federal rent subsidies that provide safe, affordable housing to more than 21,000 Saint Paul residents. Almost half of those residents live in the 4,262 public housing homes and apartments that the PHA owns and manages. Section 8 Housing Choice Vouchers pay part of the rent in privately-owned properties for another 4,639 households (families and individuals). Over half of the PHA-owned units (2,554) are in 16 hi-rise apartment buildings for seniors, persons with disabilities and younger single people. Most of the hi-rise apartments are efficiency or one-bedroom units. The hi-rises are widely dispersed throughout the city.

Almost 1300 townhomes are in the PHA’s four housing developments for families. The largest family development is McDonough Homes in the North End, which has 580 units. Roosevelt Homes on the East Side has 320 family units; and Mt. Airy Homes, close to downtown, has 298 family units. The smallest family development is Dunedin Terrace on the West Side, with 88 units. Another 403 families rent PHA “scattered site” homes that are distributed throughout the city.

The PHA also administers the federal rent subsidy program called “Housing Choice Vouchers”, previously known as Section 8. The rental vouchers help over 4500 households pay affordable rents in privately-owned apartments and rental homes.

Families in both public housing and Section 8-subsidized apartments pay about 30% of their income for rent and utilities, and the federal housing subsidy pays the rest of the cost.

The total insured value of the PHA’s public housing properties is about \$600 million. The total annual budget for public housing, Section 8 and related programs is about \$70 million. Public housing residents pay over \$12 million a year to the PHA for rent and utilities. HUD will provide about \$11.6 million this year for the public housing “operating subsidy” and another \$6 million for

major modernization work. The Section 8 program alone will bring about \$36 million in federal funds to Saint Paul this year, most of which is then paid out as rent subsidies to private property owners. Federal funding for both Section 8 and public housing has been cut significantly by the “sequestration” and other Congressional actions and the prospects for future funding are uncertain.

The St. Paul PHA has a national reputation for successful programs and has been recognized in many ways over its 37-year history.

The agency has earned HUD’s “High Performer” rating for 24 consecutive years in its public housing program, and for 13 consecutive years in its Section 8 program, based on performance indicators like these:

- All of the PHA’s public housing units are fully occupied: less than 1% vacancy rate every year for over 17 years.
- PHA residents pay rent on time. The PHA’s collection losses are under two percent of all rents and charges billed.
- PHA residents comply with their lease. Only 1-2% of residents are evicted for serious lease violations each year.
- The PHA’s public housing units are well maintained. Maintenance requests are completed quickly: Emergencies repairs are done in less than 24 hours, and most routine requests in an average of less than 5 days. Residents report almost 100% satisfaction with work orders.
- Crime rates in PHA properties are consistently lower than city-wide averages.
- The PHA spends its capital grants from HUD on time, following approved plans and budgets.
- The PHA compiled a 15 year record with zero findings on its annual audits and has won awards for its financial reporting.

The PHA received HUD’s National Outstanding Sustained Performance Awards in 1991 and 1996, and was the highest-rated large housing agency in the country in 1996 (the only year HUD published such a national ranking). www.stpha.org

About Geronimo Energy:

Geronimo Energy is a utility-scale renewable energy development company headquartered in Edina, Minnesota. As a premier North American renewable energy developer, Geronimo has developed multiple operating wind farms and solar projects throughout the United States. Approximately 1,500 MW of wind projects and solar projects developed by Geronimo are expected to begin construction in 2016/ 2017, including the 100MW Aurora Solar Project in Minnesota by 2016. Additionally, Geronimo has a multi-gigawatt development pipeline of wind and solar projects in various stages of development throughout the United States. Geronimo provides custom renewable energy development solutions for utilities and corporations looking to harness renewable energy for business growth. For more information about Geronimo Energy, www.geronimoenergy.com.