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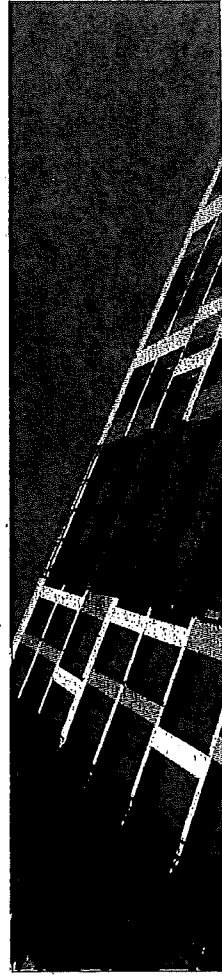
FINANCE & COMMERCE

PERIODICALS POSTAGE | \$1.50
VOL. 130, NO. 35

FINANCE-COMMERCE.COM

Saturday | February 18, 2017

Sherman 'solar gardens' to replenish grid



Developer aims to offset buildings' power usage

BY **MATT M. JOHNSON**
Staff Writer

Developer aims to offset buildings' power usage
Sherman's solar gardens will offer utility companies a new way to generate power. The company's solar gardens will be used to generate power for the company's data centers. The company's solar gardens will be used to generate power for the company's data centers. The company's solar gardens will be used to generate power for the company's data centers.

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ister billing and collection services for the gardens, said company chairman Terry Troy.

Minneapolis-based Xcel Energy will buy power generated by the solar gardens, Sherman said. The payback will help offset some of the expense of building them. But that revenue is not the primary consideration in undertaking the project, he said. He sees offsetting his properties' usage with solar as his company's social responsibility.

"Right now we think it's the right thing to do," Sherman said in an interview Thursday. "You start doing what you can do to keep your carbon footprint down."

Sherman's announcement caught-Minnesota Solar Connection's Troy by surprise. He says his company is working with four of the largest apartment developers in the Twin Cities to offset tenant power usage with solar gardens, but has not made their names public. He declined to name the other companies Friday.

Troy said using solar power to offset energy usage in apartment buildings is new in Minnesota. Sherman, he said, is out front on the issue.

"George is one of the most creative local developers of apartments and is a leader in creating sustainable, green apartments," he said.

The power generated by Sherman's solar gardens will not be sent directly to its properties. They will continue to draw power from Xcel's electrical

Sherman Associates will spend more than \$30 million on "solar gardens" to offset about 80 percent of the power usage in all its properties in the seven-county metro area.

The Minneapolis-based developer will initially build a 4-megawatt solar garden on 30 acres in Carver County. That power will be allocated to Sherman's 12 Hennepin County properties, which comprise 2,478 residential units. Construction will begin in April.

Principal George Sherman unveiled the news Wednesday at a Minnesota Commercial Real Estate Women event. The power generation will make the company's properties "as conscientious and sustainable as possible," he said.

Sherman's move to offset tenants' electricity use with solar generation is not the only project of its type under consideration, said John Kearney, executive director of the Minnesota Solar Energy Industries Association. But it is rare for a developer to announce a project of this type before a solar garden is ready for operation, he said.

"Several companies are thinking about installing community solar gardens," Kearney said. "Developers do not release a lot of information about it until it's a done deal."

Sherman will partner with Twin Cities-based Minnesota Solar Connection on the solar garden development. Minnesota Solar will develop the solar garden sites and will admin-

\$30
MILLION
Amount of Sherman investment in solar gardens



STAFF PHOTO: BILL KLATZ

The Encore apartment building, at 212 10th Ave. S. in Minneapolis, is among Sherman Associates' 12 properties in Hennepin County. The developer is turning to solar gardens in an effort to offset the power usage by his properties.

Solar

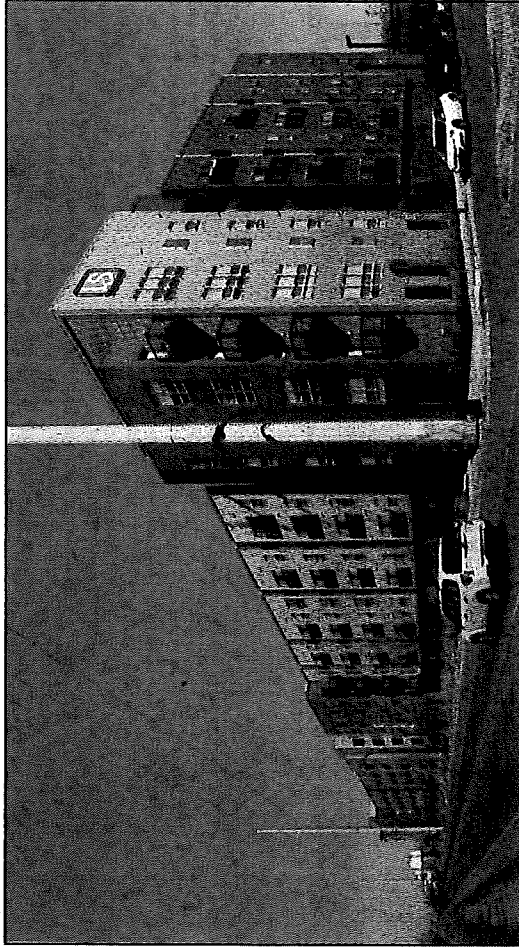
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grid. But the solar power generation will be counted against what those buildings use, something that will be publicized among building tenants and prospective tenants.

Sherman said it will take about three years to reach the solar goal for his Hennepin County properties. The Carver County solar garden will offset about half the power usage at those properties. Sherman Associates will build additional solar gardens and plans to purchase existing solar gardens to add to its power generation, said Shane LaFave, Sherman's director of multifamily development.

Sherman currently owns 33 properties totaling 4,158 residential units in the seven-county metro and it's building another 180 units in Minneapolis, LaFave said. The company's future solar gardens would have to generate about 14 megawatts to reach its 80 percent goal for the metro area.

The Carver County solar garden would get a boost from the federal So-



STAFF PHOTO: BILL KLOTZ

Sherman Associates will break ground on a "solar garden" this spring to offset power usage at its Hennepin County properties, including the Longfellow Station Apartments (above) at 3845 Hiawatha Ave. in Minneapolis.

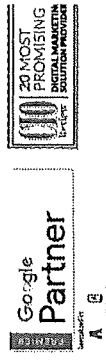
lar Investment Tax Credit. LaFave said the project should qualify for about \$4.7 million in credits. Sherman Associates will pay the rest of the cost, Sherman said.

The state's solar garden program has become popular since it was mandated by the Legislature in 2013. More than 1,000 applications to build solar gardens have been filed in Minnesota counties, according to data kept by Xcel. Those projects would generate 927 megawatts of electricity. The state was generating

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