

**Letter of Support – S.F. 0768  
Catalyzing Underutilized Buildings Across Minnesota**

March 18, 2025

Dear Chair Rest and Members of the Senate Taxes Committee:

Trellis writes today to express its support for SF 0768, the “CUB Credit,” to catalyze adaptive new uses for vacant and underutilized buildings.

Trellis is a nonprofit developer focused on multifamily affordable housing and has been around for more than 35 years. As the owner of 51 multifamily affordable housing properties and the manager of an active development pipeline, this credit is needed for adaptive reuse projects to pencil in this market. The current large interest rate environment and economic uncertainty demand new approaches to encourage development, and this credit focuses on the key policy challenge of the current cycle.

In addition to its work in the metro, Trellis has completed a number of projects outside the Twin Cities including hubs in the Iron Range and Southwest Minnesota. Because labor comprises most of the cost in reuse projects, Trellis has seen a positive impact on the local trades in smaller markets. Vacant buildings in Greater Minnesota need additional incentives for reuse due to smaller rents and the large costs of construction. Along with local funds like tax increment financing, the CUB Credit would fill the funding gap for many important conversion projects that would help address Minnesota’s housing crisis.

The CUB Credit will help Trellis inclusively revitalize important commercial centers. Underutilized commercial buildings are often located near transportation infrastructure, jobs, and grocery stores—ideal locations for much-needed affordable homes. Trellis believes in our commercial centers—like Downtown Minneapolis and the Quad Cities—and is ready to do its part to inclusively revitalize them if the CUB Credit becomes law.

Thank you in advance for your support for SF 0768, the CUB Credit.

Sincerely,



Elizabeth Flannery  
President/CEO  
Trellis Co.

