



COTTAGE GROVE CITY COUNCIL
12800 RAVINE PARKWAY SOUTH
COTTAGE GROVE, MINNESOTA 55016
ST CROIX ROOM - 6:00 PM

June 3, 2026

- 1 Call to Order
- 2 Agenda
 - A Workshop – Housing Development Project by Roers Companies
Staff Recommendation: Provide feedback and direction related to the proposed project by Roers Companies and if there is support for their bonding request.
- 3 Adjournment



City Council Action Request

2.A.

Meeting Date	6/3/2026				
Department	Community Development				
Agenda Category	Presentation				
Title	Workshop – Housing Development Project by Roers Companies				
Staff Recommendation	Provide feedback and direction related to the proposed project by Roers Companies and if there is support for their bonding request.				
Budget Implication	N/A				
Attachments	<table border="1"><tr><td>1.</td><td>Roers Housing Development Project Workshop CC Memo</td></tr><tr><td>2.</td><td>Roers Housing Development Project Workshop Site Plan</td></tr></table>	1.	Roers Housing Development Project Workshop CC Memo	2.	Roers Housing Development Project Workshop Site Plan
1.	Roers Housing Development Project Workshop CC Memo				
2.	Roers Housing Development Project Workshop Site Plan				

TO: The Honorable Mayor Bailey and Members of the City Council
Jennifer Levitt, City Administrator

FROM: Samantha Pierret, Senior Planner
Nate Carlson, Economic Development Manager

DATE: May 27, 2026

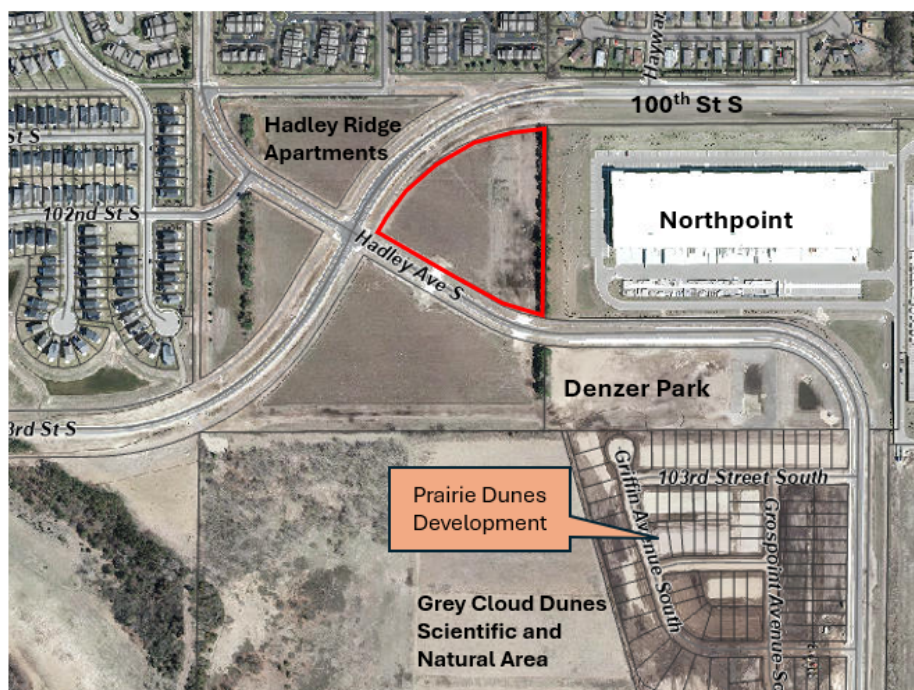
RE: Workshop – Housing Development Project by Roers Companies

Introduction

Roers Companies has prepared a preliminary site plan and renderings for a multi-family housing project proposed to be located at 10251 Hadley Avenue South (former Norhart site) and is seeking Council review and comments on the proposal. Roers Companies also plans to apply for LIHTC (Low Income Housing Tax Credits) with Washington County for the project and is seeking Council support for State Bonding for the project.

The subject site consists of one vacant parcel, Lot 1 Block 2 of the Preserve at Prairie Dunes plat which was approved in 2022. The subject site is 7.15 acres and zoned R-6, High Density Residential, and guided as High Density Residential in the 2040 Land Use Plan. The site was re-zoned and re-guided for high density residential development in 2023 in conjunction with the Norhart Apartments proposal.

Roers Companies is based in Plymouth, Minnesota and is currently constructing a 144-unit project at 6850 East Point Douglas Road (Ellwyn Apartments).



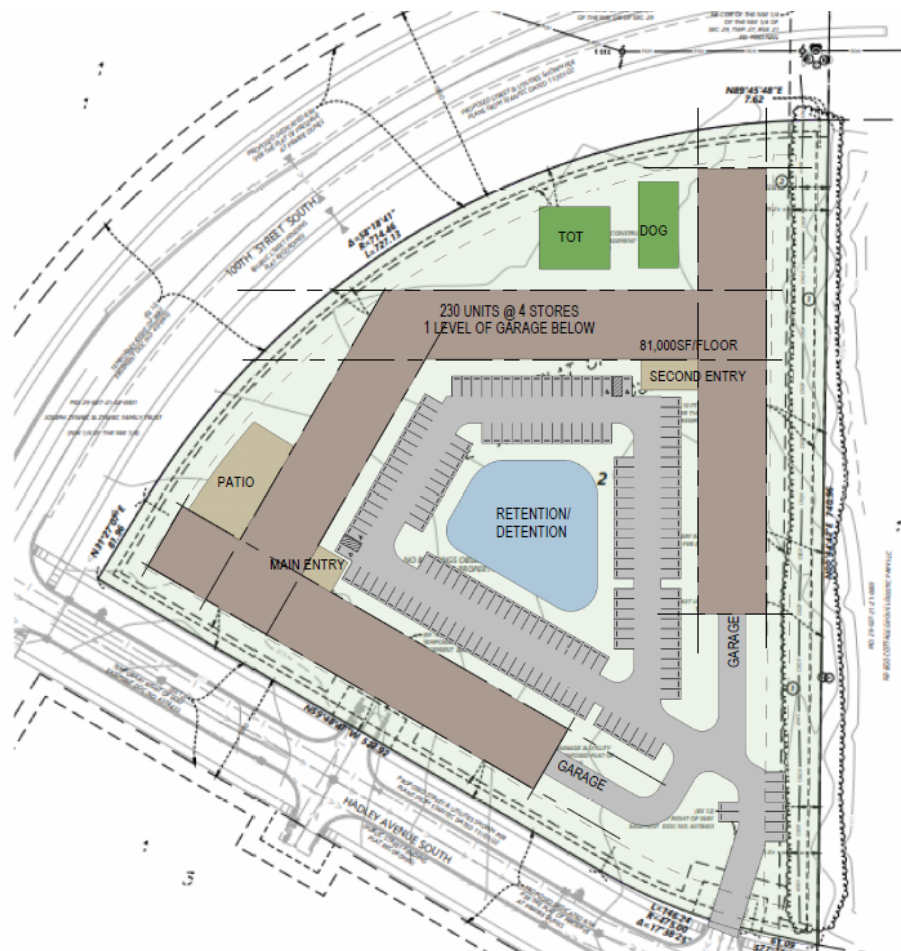
Existing Conditions

The site is a vacant lot on the east side of the Hadley Avenue/100th Street intersection. The property is located directly west of the Northpoint industrial development (7601 100th Street) and west (across 100th Street) from the Hadley Ridge apartment project currently under construction by Real Estate Equities.

In 2023, Norhart Architecture, LLC was approved to construct 299 market-rate units on site. At the time, Norhart’s proposal consisted of one large building in the center of the property surrounded by parking on all four sides. Norhart has since abandoned the project and the property is currently for sale.

Proposal

The Applicant is proposing a four-story multi-family apartment building consisting of a mixture of one-, two-, three-, and four-bedroom units. Parking would be located under the structure with additional surface stalls in the center of the property, surrounded by the proposed building. There would be two entries to the building from the parking lot. The development would also have a playground, dog park, and patio area for the residents.



Proposed Site Plan

The submitted site plan shows 252 enclosed and 169 surface parking stalls. With 421 parking stalls there would be approximately 1.8 spaces per unit which exceeds the City’s minimum parking requirement of 1.6 spaces per unit (368 spaces required). The Applicant has also preliminarily indicated that the proposed development will meet all City Code standards including architectural material requirements (at least 3 different Class 1 materials and at least 65 percent Class 1 or 2 materials and not more than 10 percent Class 4 materials), landscaping, tree mitigation, building height (maximum 55 feet), impervious surface coverage and open space requirements, and structure and parking lot setbacks.

The project is proposed to be a workforce housing project. The 2024 Maxfield Research and Consulting Housing Study completed for the City of Cottage Grove indicates that today many households rent by choice. Currently, Cottage Grove has an overall rental vacancy rate of approximately 2.7 percent. A 5 percent vacancy rate is commonly seen as the “equilibrium rate” for rental turnover. There is a demand for rental housing in Cottage Grove of all types and demand is expected to remain strong until 2030. The Maxfield study cited a need for an additional 360 affordable/subsidized rental units by 2030. Subtracting affordable units currently under construction at Hadley Ridge and Ellwyn, there is still a need for 159 affordable/subsidized units by 2030. It is anticipated that an additional 570 affordable/subsidized units will be needed by 2034. The Maxfield study also concluded that there was a need for an additional 565 market rate rental units. Subtracting units currently under construction at Ellwyn and approved for the Yellow Tree Apartments project, there is still a need for 571 market rate rental units by 2030. It is anticipated that an additional 855 market rate rental units will be needed by 2034.

LIHTC

Roers is requesting Council support for State Bonding for the project. Their application for the 4% tax credits and state bond funds is due to be submitted by Roers Companies by July 1, 2026.

Four percent tax credit projects (low-income housing tax credits or LIHTC) automatically receive a bond allocation from the State if awarded; however, the application process is typically highly competitive and there are generally more projects submitted than bonds available from the State. Roers would like to be sure they get their application in understanding the competitive nature and minimal likelihood they would be awarded bonds this year but also to be sure they are on the list for the following year. The bonds are conduit bonds, which means the City is simply the conduit; the City does not issue the bonds nor is the City responsible to repay the bonds. The bonds are paid back by the project via income they receive (rent, other income, etc.).

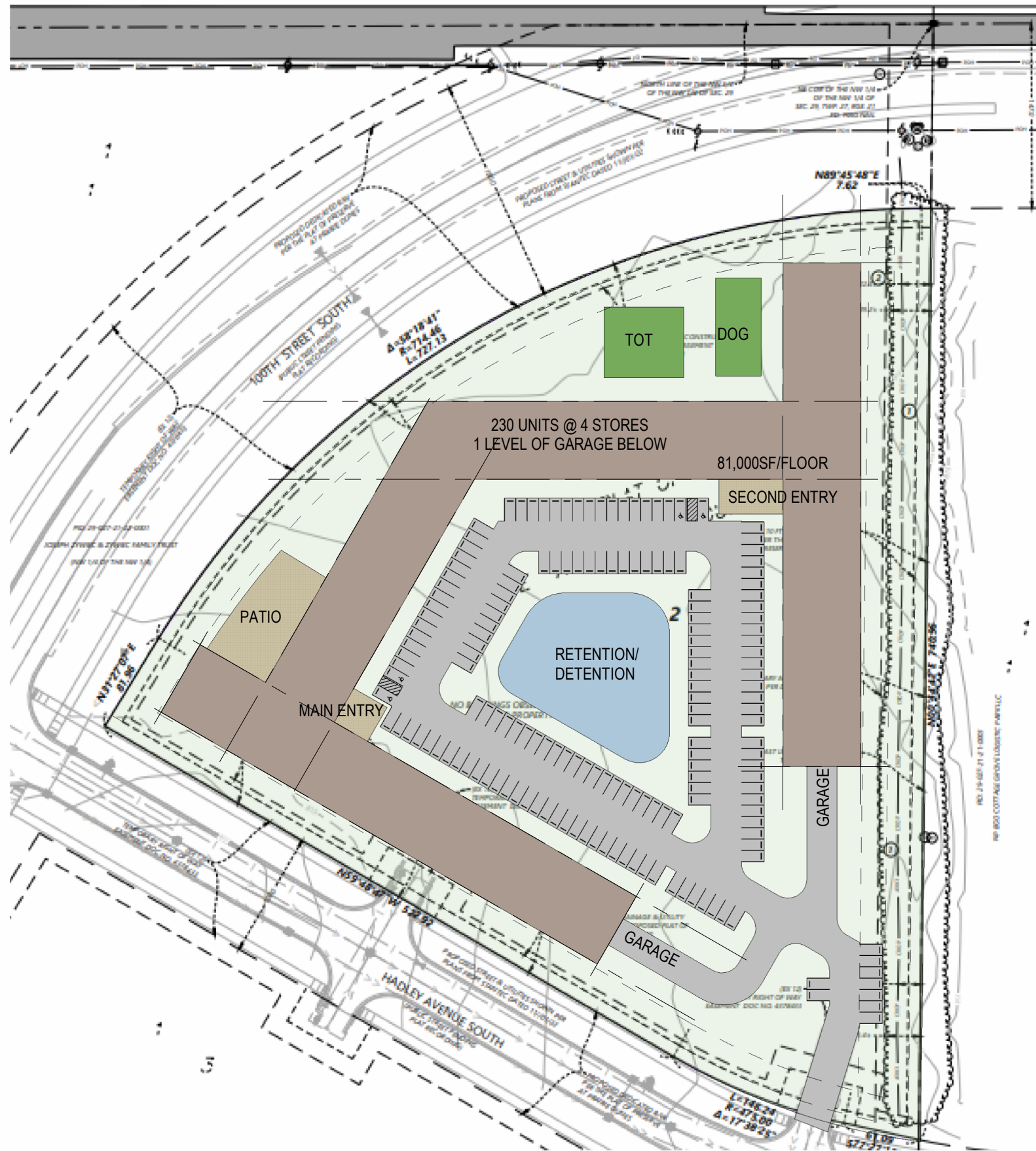
If there is support for the bonding request, a resolution will be prepared for Council consideration to grant preliminary approval for debt issuance for the project on June 17th, 2026. If the developer applies for additional public financing beyond the conduit debt financing, Economic Development will review and analyze the demonstrated need with the city’s financial advisors.

Council Discussion

Provide feedback and direction related to the proposed project by Roers Companies and if there is support for their bonding request.

Attachments

Concept Site Plan



PARKING		
Level	Description	Count
Level -1	9' x 18' ADA Accessible	4
Level -1	9' x 18' Standard	248
Level -1: 252		252
Level 1	9' x 18' ADA Accessible	4
Level 1	9' x 18' Standard	165
Level 1: 169		169
		421

4 STORY OPTION:

Unit Type	Unit Mix	Avg Unit Size SF	Net Unit Size	Unit Count
Studio	0%	660	594	0
1BR	8%	730	664	18
1 + Den	0%	875	796	0
2BR	34%	1080	994	78
3BR	46%	1380	1,270	106
4BR	12%	1410	1,311	28
"100%" Check				230

Avg Unit Size =

PARKING RATIO: 421 STALLS @ 300 UNITS = 1.40 STALLS/UNIT

① Level 1
1" = 100'-0"

