



City of Cohasset Frequently Asked Questions

What is the Cohasset Riverfront Downtown Development Project?

The Cohasset Riverfront Downtown Development Project would be a new development situated on 47 acres of riverfront land less than a mile from downtown Cohasset on the site of the old lumber mill. The proposed plan currently features a wide range of residential, recreational, and retail opportunities, including:

- A hotel and event center
- A boat launch, mooring, fuel station, and dry boat storage facility
- Community spaces including trails, green spaces, and an event plaza
- A sports complex with year-round turf and ice facilities
- Restaurant and retail spaces
- Individual cabins and cabin clusters for short-term rent
- A variety of housing units, including townhomes, apartments, condos, and luxury garages

What's driving the need for this project?

By 2035, Boswell Energy Center will fully retire its coal-burning energy production. This retirement will reduce the City's property tax capacity by 69%, threatening to seriously destabilize the City's finances. Property taxes for homeowners would need to rise 300% to make up for the lost tax capacity.

To prepare for this transition, City leaders are pursuing this project to maintain Cohasset's appeal to businesses and families who want to call Cohasset home and to stabilize the City's tax base. Community leaders believe that new investments in the City must celebrate and build on its strengths, like tourism and recreation, while addressing immediate needs for housing, short-term lodging, access to year-round ice and indoor turf, and local retail businesses.

What impact will the development have on the region?

The development is projected to add approximately \$30 million annually to Cohasset's tax base along with 50 permanent jobs, becoming a tool for the City to build its economy and transition away from its reliance on the Boswell Energy Center. Local and regional businesses will benefit from new retail space in close proximity to the nearby hotel, event center, and downtown Cohasset.



The development will also capitalize on its access to the Mississippi River, Lake Pokegama, and other adjoining lakes. The boat launch and mooring area will offer convenient opportunities for anglers and boaters visiting the development and bolster the region's strengths in tourism and outdoor recreation.

Why did the City decide to include an ice arena in the project?

Minnesota holds its title as the "State of Hockey" for a reason. Strong participation in the sport, high demand for ice time, and the adjacent hotel and event center would make the proposed ice arena a destination for youth and adult hockey in the region.

How was this plan developed?

Upon the announcement that Boswell Energy Center will retire its use of coal-burning energy production by 2035, City leaders proposed the redevelopment of the old lumber mill site to strengthen the City's tax base, address longstanding needs within the community, and broaden the City's appeal to residents and business owners.

In 2019, the City hired consultants to examine how the site might be developed as part of a public/private partnership. Later that year, the City received \$1.2 million in state bonding funds to help facilitate project planning and perform necessary assessments of the site. This included identifying the natural characteristics of the site in need of preservation or special consideration during development. The City also asked for feedback from residents during meetings and community listening sessions.

After consulting with multiple local and state authorities and gathering feedback from residents, the city submitted pre-permit applications in October 2021 to the MN Department of Natural Resources, the Army Corps of Engineers, and others for further regulatory review and input.

On January 18, 2022, the City held a community engagement session to gather additional community input into the development project.

How does this project align with the City's goals?

The City of Cohasset's long-term community goal is to "protect Cohasset's public waters, retain rural and shoreland neighborhoods, increase Cohasset's economic base, and grow Cohasset's small town image."



The proposed development would advance each of these stated goals. New residential space and opportunities for businesses will grow Cohasset's economy and reputation while protecting and sharing its most valuable waterway.

What is the City doing to protect the integrity of the property and the environment?

Because this project would sit on the Mississippi River, the City has strived to meet not only the state and federal regulations but also the expectations of our residents. Prior to the project's design, the City carefully surveyed the condition and location of the site's wetlands and sensitive fish and wildlife habitat. The design that emerged includes wetland and buffer restoration along the riverfront, prioritizes the protection of trees and sensitive species, and takes special care to avoid intensive land use in areas deemed most ecologically valuable. Planned work along the shoreline also avoids wild rice beds whenever possible.

The design takes advantage of existing site features to minimize environmental impact. For example, the design would utilize a pre-existing water channel as the site for boat mooring to reduce excavation and wetland change and align with the natural features of the shoreline.

To ensure the project fully aligns with all state and federal environmental regulations, the City has been in regular correspondence and held over a dozen meetings since January of 2020 with the Minnesota Department of Natural Resources, the Army Corps of Engineers, and the MPCA. The City is committed to moving forward with a plan that elevates access and enjoyment of the river while minimizing its impact on the area's natural environment.

What is an Environmental Assessment Worksheet (EAW)?

An [Environmental Assessment Worksheet](#) (EAW) is an analysis used to guide government approvals and permitting decisions. An EAW determines whether a proposed development project will produce significant environmental impacts that require a more detailed Environmental Impact Statement (EIS), which would evaluate and mitigate potential environmental impacts of a proposed project.

Has the City reached out to the Leech Lake Band of Ojibwe about this project?

The City's consulting team has proactively had contact with the Band to provide updates and gather input from tribal leaders since September of 2021:

- October 2021: The City included the Leech Lake Band of Ojibwe in the pre-permit review process.
- February 2022: The City sent the Band copies of the Archeology Phase I Study and Fast Facts flier.



- June 2022: The City sent the Band the EAW, to which they provided feedback, comments, and advice.
- July 2022: Members of the consulting team met with Brandy Tofte, the Band's Interim Environmental Director, to clarify EAW feedback

Which project partners are involved in this project?

Planning and construction consultant ICS has been retained by the City as an owner's advocate throughout the design and construction process. ICS has contracted with additional professional services firms, including JLG Architects, CMTA Engineers, environmental firm EOR, and landscape architects Confluence. The professional services team is ensuring this project is both environmentally and fiscally sound.

In addition, local real estate developer F.I. Salter Real Estate has devoted extensive time and investment into private development considerations for the property. They will be the master developer working closely with the City of Cohasset and ICS.

How is the developer being held accountable through this process?

The City will create and adopt a planned urban development (PUD) to establish clear rules and guidelines for the entire site. ICS will be assisting the City in an owner's representative role with overall site design and construction oversight to assure the items addressed in the EAW and permitting applications are followed for both City-led projects and developer-led projects. The project also has regulatory authority oversight from the Minnesota DNR, the Army Corps of Engineers, and the MPCA.

What is a Planned Urban Development (PUD)?

A PUD is a type of real estate development that integrates residential and commercial buildings with open spaces in a single project. PUDs often originate as a public/private partnership between a local or municipal government and developers. A PUD establishes clear planning steps for complex development on a property.

Who is the Regulatory Governing Unit (RGU) on this project?

The RGU for this project is the City of Cohasset, as defined by Minnesota Environmental Quality Board rules.

What is the total cost of the project?

The total cost of the project is estimated at \$120 million. This estimate is subject to change dependent upon fluctuations in labor and materials costs.



How is this project being funded?

The current funding plan for the project includes a unique mix of public and private investment. Approximately 20% (\$24 million) will come directly from the City of Cohasset and approximately 70% (approximately \$84 million) from private partners. The City is pursuing assistance from other public partners for the remaining 10% (\$12 million).

How is the City of Cohasset planning to pay for their portion of the project's cost?

The City has secured or is in the process of securing grants from the IRRRB, DEED, State Bonding, and LCCMR. The City plans to use tax increment financing and has already levied for the remaining share of the project.

It is estimated that once completed, the project will contribute approximately \$30 million annually to the City's tax base. This revenue will help to pay down the City's initial investment and support ongoing site operations.

What are the next steps forward?

In the next few months, the City anticipates the following:

- Continue to take feedback via the formal approval process for the project
- Work with storage unit owners on a relocation plan
- Create and get approval for a PUD for the overall property
- Finalize funding for the project
- Put in place additional consulting / design contracts to support the ongoing work
- Establish a Memorandum of Understanding with the Master Developer

Where do I go for more information?

Click [here](#) for a link to the Fast Facts Flier, or email Max Peters, the City Administrator, at maxp@cohasset-mn.com.