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(/category/news/)

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(/finance-commerce-events/)

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Home(/) > News(https://Finance-Commerce.com/Category/News/) > Construction & Development(https://Finance-Commerce.com/Category/News/Construction-Development/) > St. Peter plans 'first-of-its-kind' affordable housing development



A St. Peter development from CoNorth would create up to 60 new manufactured homes, green space, a park and a community center on city-owned land along Klein Street and the future Washington Avenue North. (Submitted rendering: CoNorth)

St. Peter plans 'first-of-its-kind' affordable housing development

Brian Johnson (https://finance-commerce.com/author/brianjohnson/) // September 1, 2026 // 4 Minute Read

The Blueprint

- Peter and [CoNorth](https://finance-commerce.com/tag/conorth/) (<https://finance-commerce.com/tag/conorth/>) are partnering on a development with up to 60 [manufactured homes](https://finance-commerce.com/tag/manufactured-homes/) (<https://finance-commerce.com/tag/manufactured-homes/>).
- Homes are expected to range from about \$150,000 to \$300,000, below typical new-construction costs.
- Residents will cooperatively own the homes and land and help manage the neighborhood.
- The project is designed as a replicable model for [affordable homeownership](https://finance-commerce.com/tag/affordable-homeownership/) (<https://finance-commerce.com/tag/affordable-homeownership/>) in other Minnesota communities.

The city of [St. Peter](https://finance-commerce.com/tag/st-peter/) (<https://finance-commerce.com/tag/st-peter/>) and Minnesota-based nonprofit CoNorth are joining forces on a [housing development](https://finance-commerce.com/tag/housing-development/) (<https://finance-commerce.com/tag/housing-development/>) that project backers say could be a blueprint for other communities seeking affordable home ownership opportunities.

The development, touted by CoNorth as a “first-of-its-kind” affordable neighborhood, will create up to 60 new manufactured homes, green space, a park and a community center on city-owned land along Klein Street and the future Washington Avenue North.

Infrastructure work for the development is expected to begin next summer. The development will play out in phases, with about 20 homes in each round of construction, CoNorth says, adding the timeline is subject to design, zoning, financing and other approvals.

The project is a departure from traditional manufactured home communities because the residents will own the land and homes cooperatively and the city will own the streets, according to CoNorth, which says the homes will range in price from about \$150,000 to \$300,000.

Those target price points are “well below” what the project could achieve without the collaboration with the city, CoNorth says, adding that the cooperative ownership model “avoids financial pitfalls that often burden traditional home communities.”

Last week, the St. Peter City Council approved a development agreement with CoNorth to advance the project. CoNorth said the agreement allows it to begin design, engineering and development work.

Todd Prafke, St. Peter’s city administrator, said in a statement that St. Peter is “committed to finding innovative ways to expand housing opportunities” for people who want to live and work in the city.

“Our partnership with CoNorth gives us an opportunity to approach that challenge collaboratively, using a cooperative model designed to create lasting affordability and a strong sense of community,” Prafke said. “CoNorth has a strong reputation for helping communities grow, and we believe this project can provide meaningful housing options for St. Peter while also creating a model that could be replicated in other communities.”

Prafke told the city council last week that CoNorth acquires “troubled manufactured housing communities” and develops them into a “co-op model,” where residents manage, own and maintain the community.

“It will be owned by the co-op. The residents will be members of that co-op, and so they’ll make decisions related to the operations of the neighborhood,” Prafke said.

In an unusual twist, the city will own the sidewalks, the streets, and the curbs and gutters, which will ensure that the infrastructure is “kept up appropriately based on decisions that the council makes. This is different than what we see in some other communities,” Prafke added.

CoNorth, formerly known as Northcountry Cooperative Foundation, has long embraced the cooperative model as a way to give residents at manufactured home communities more control over their homes.

In 2025, the organization facilitated the \$2 million sale of a 40-home manufacturing housing facility at 26 Jefferson Drive in Zumbrota. The buyer was a cooperative formed by residents of the community.

As previously [reported](https://finance-commerce.com/2025/04/zumbrota-mobile-home-cooperative-sale-law/) (<https://finance-commerce.com/2025/04/zumbrota-mobile-home-cooperative-sale-law/>), it was the first deal of its kind to emerge from a new state law that required manufactured home park owners to notify [Minnesota Housing](https://finance-commerce.com/tag/minnesota-housing/) (<https://finance-commerce.com/tag/minnesota-housing/>) when they plan to sell the property, thus giving residents a chance to step in as buyers.

The sale kept the Zumbrota property out of the hands of private investors. Investors are, among other things, motivated to “max out” rent increases to raise the net operating income of their new asset, Victoria Clark-West, executive director of CoNorth, told Finance & Commerce in 2025.

Clark-West said the development agreement with St. Peter “represents a huge step forward—not just for this project, but for what we believe is possible for affordable homeownership across Minnesota.

“We know there is enormous demand statewide for quality, attainable homeownership, particularly for first-time buyers and seniors who increasingly find themselves priced out of new construction,” she added. “This project gives us an opportunity to build something different from the beginning: a beautiful neighborhood where the homes are affordable, the community is resident-owned, and the people who live there have a meaningful stake in its future.”

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