

Meeting: Policy and Planning Committee

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Title: Land & Water Partnership Program Updates

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Purpose:

At the May 22, 2025 Policy and Planning Committee (PPC) Meeting, staff will brief the Board of Managers on the Land & Water Partnership (LWP) program, including project updates and reflections on the first year and half of the program. Staff will discuss and seek feedback from the Board on program successes, challenges, and opportunities to strengthen the program's approach.

Background:

The Minnehaha Creek Watershed District (MCWD or District) recognizes that, throughout the watershed, land use changes such as public infrastructure projects and private development create windows of opportunity for water resource improvements that may not re-occur for many years. The LWP program is designed to identify these opportunities for integrated planning and develop collaborative projects that provide greater water resource and community benefit.

The LWP program provides technical and financial resources to support partner-led projects that provide significant, regional water resource benefit. The goals of this program are to:

- Increase early coordination and integration of land use and water planning;
- Leverage opportunities created through land use change to improve water resources; and
- Provide service and value to communities across the watershed.

The program is designed to operate in a way that supports MCWD's principles of focus and flexibility, by maintaining focus on high-impact projects and ensuring the flexibility to develop creative partnerships.

On November 27, 2023, the Board of Managers adopted the LWP program and directed staff to implement the program on January 1, 2024. Since then, MCWD staff have been operating the new program as outlined in the internal program policy (LWP Program Implementation Guidance) which includes providing the Board of Managers with a program update at least annually.

LWP Program Updates:

Project Updates

Since Policy staff provided last year's annual program update, the City of Medina applied for \$200,000 of LWP funding for the Morningside Stormwater Improvement Project in the Painter Creek Subwatershed. This project will provide 36 lbs/yr of total phosphorous removal and includes constructing a regional stormwater pond to treat approximately 76 acres of land and stabilizing three eroding ravines. Given the City's collaboration on design and the potential to provide significant regional water quality benefits, MCWD staff moved this project through the LWP process on an expedited timeline, and the Board approved funding for the project on February 13, 2025. Currently, this project is on track to begin construction in July of this year.

The City of Deephaven's Montgomerie Avenue Area Drainage Project beneath the parking lot of Calvary Church has also begun moving forward through the LWP process. MCWD staff began evaluating the project for LWP funding in early 2024, and the Board concurred in staff's recommendation to provide \$125,000 in funding support. The Board held a public hearing to consider project ordering and adopted a minor plan amendment for the project in summer of 2024. However, because a funding gap remained, the final approval steps were put on hold until the City could confirm that it had the funding needed to proceed. Since then, the City has added 3 acres to the project's drainage area resulting in an increase in water quality benefit of 2.4 lbs, for an estimated 7.8 lbs/yr of treatment. This spring, the project was accepted for Watershed-Based Implementation Funding through the Board of Soil and Water Resources. With additional funding secured, MCWD staff will continue to move the project through the LWP process and request that the Board order the project and approve a funding agreement this summer.

Over the past several years, MCWD has worked with the cities of Long Lake, Orono, and Medina to develop the Long Lake Creek Roadmap, which identifies a variety of potential opportunities for regional water quality improvements in the Long Lake Creek subwatershed. Two projects from this Roadmap, the County Road 6 Pond Retrofit and a feasibility study for the downtown Long Lake area, are now being advanced as capital projects by the District's Project Planning team. The Roadmap also identifies many potential partner-led opportunities that may be a good fit for the LWP program. As the District moves the Roadmap forward in collaboration with our partners, MCWD staff are coordinating with each of the cities to identify the next series of priorities in the Roadmap and evaluate their potential as LWP opportunities.

MCWD staff have also begun exploring potential regional treatment options as part of the West End Office Park Development, a large-scale redevelopment in St. Louis Park just south of The Shops at West End, where MCWD has successfully partnered with Duke Realty in the past to provide enough treatment to remove Brownie Lake from the Impaired Waters List. The current developer, Hempel Real Estate, is interested in exploring further potential to provide regional treatment on the site, and MCWD will brief the Board on potential opportunities and next steps.

Program Improvements

To effectively identify and leverage changes to the landscape, the LWP program requires close and effective coordination between MCWD's Policy Planning team and each of MCWD's other departments, as well as our partner agencies. Over the past year, significant progress has been made in strengthening collaboration between the Permitting and Policy Planning teams so that Permitting can act as an arm of the LWP program in building relationships, guiding applicant proposals for better water resource outcomes, and screening for partnership opportunities. Staff are continuing to develop and refine workflows and internal guidance to improve project development, coordination, and program operations. MCWD staff are also in the process of organizing annual coordination meetings with cities and other public partners to build understanding of respective processes, priorities, and opportunities to improve coordination, as well as to collaboratively screen for potential LWP project opportunities.

As part of improving coordination to screen for and develop LWP project opportunities throughout the watershed, Policy Planning staff are scoping additional program improvements as part of the development of MCWD's 2027 Watershed Management Plan. Two key initiatives are to:

- Develop a map of regional opportunity areas based on water resource issues, flood risk, hydrology, land use, and other key data layers to support partner screening and identification of potential LWP projects.
- Create an interactive map for partners to highlight their priorities, areas of interest, and potential projects so
 that the District can more effectively track and incorporate partner goals into project screening and
 development.