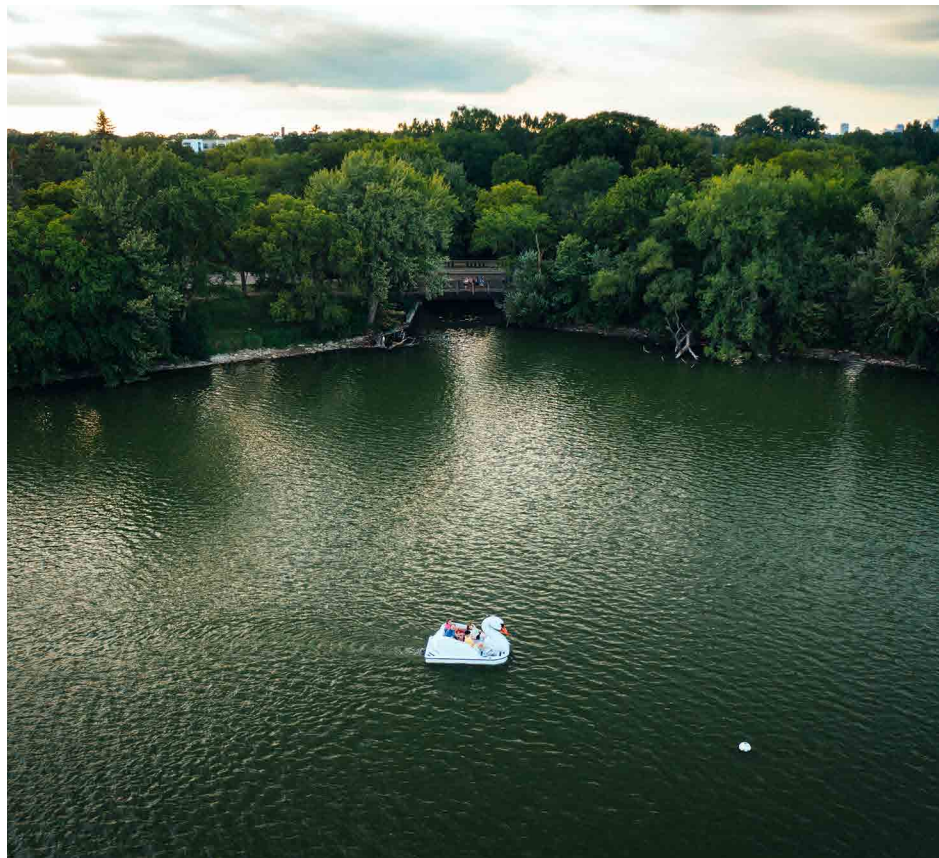




2027 BUDGET & WORKPLAN

Pursuing a balanced urban ecology with capital projects and policy change



2027 BUDGET & WORKPLAN

IN PURSUIT OF A BALANCED URBAN ECOLOGY

At the Minnehaha Creek Watershed District (MCWD), we believe sustainable, thriving communities are built on a foundation of balance between the natural and built environments.

To bring this vision to life, we collaborate with our communities to integrate natural systems into the fabric of the built environment. Working with our partners, we target areas of high need to deliver meaningful, measurable results, while staying responsive to opportunities to integrate land use and water resource planning throughout the watershed.

Impactful, integrated projects that benefit both the watershed and our communities often require multiple years to plan, develop, and implement. Therefore, each budget cycle presents an opportunity to align strategic priorities, assess upcoming investments, and plan for the future.

This work plan outlines our 2027 annual budget and highlights progress being made throughout the watershed to achieve regional benefits.

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MCWD and the City of Edina partnered to conduct a comprehensive restoration of Arden Park, reorienting the 18-acre parkland to celebrate its connection to Minnehaha Creek. The restored park exemplifies MCWD's Balanced Urban Ecology vision and received the 2025 MN Watersheds Project of the Year.

2027 BUDGET BREAKDOWN

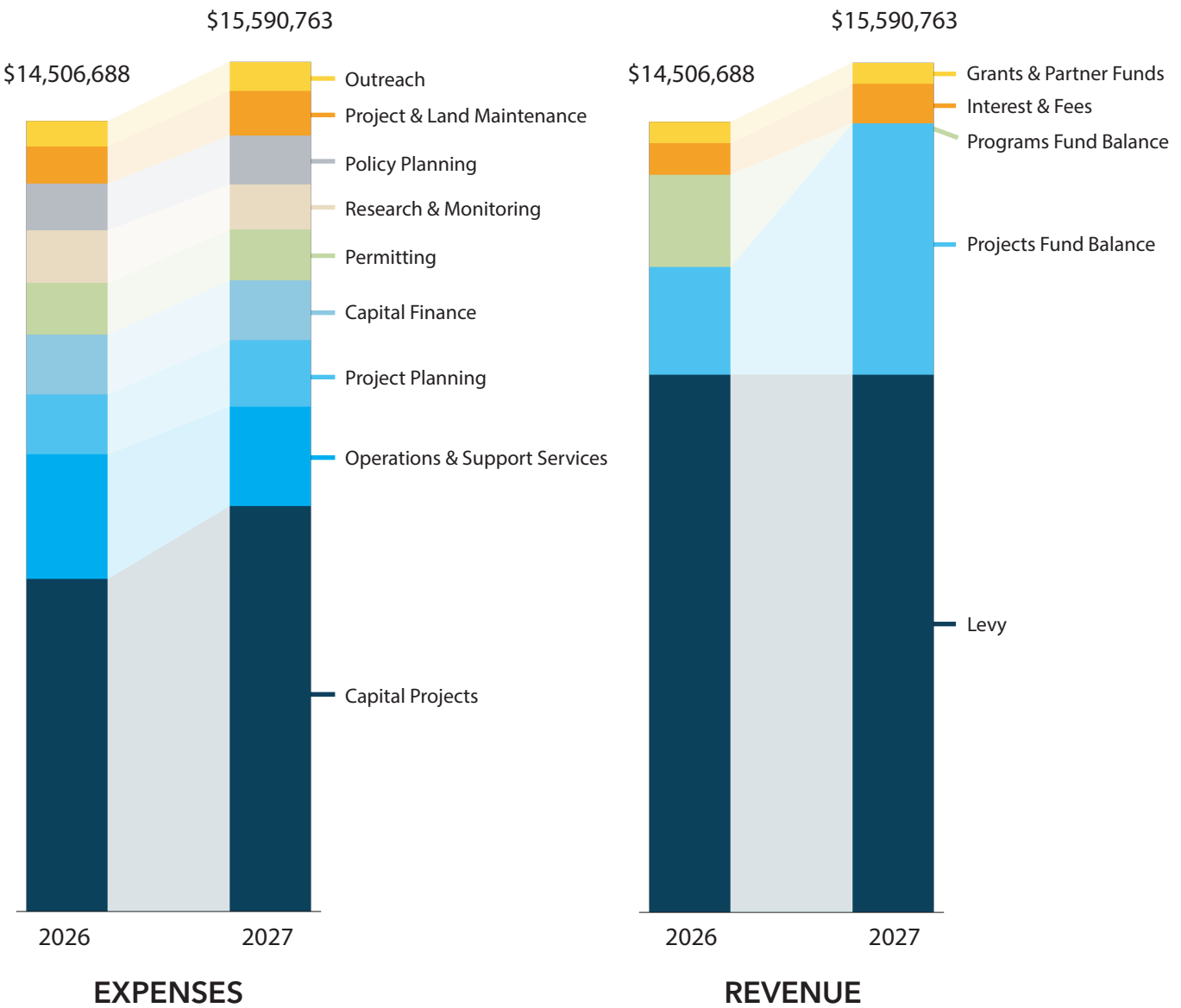
Our work is supported by an annual tax levy, funds levied in past years for multi-year capital projects (projects fund balance), funds reallocated from programs delivered under budget (programs fund balance), grants and partner funds, interest, and permit fees.

These funds support projects, programs, and initiatives highlighted throughout this publication.

FISCAL RESPONSIBILITY

MCWD is maintaining a flat levy in 2027. MCWD has increased the levy only 2% over the past eight years.

Grants and partner funds have provided significant contributions to District expenses in recent years: MCWD has secured over \$7.2 million in grants and partner funds since 2020.



2027 WATERSHED MANAGEMENT PLAN

To address the needs of the future, every 10 years, MCWD must update its Watershed Management Plan (Plan). Under the current Plan, MCWD and our partners have achieved lasting natural resource and community benefits through partnership and integrated planning.

Building on a decade of impact, the 2027 Plan will continue the direction set in 2017 and carry forward MCWD’s commitment to bridging land and water planning with meaningful community partnerships to address new challenges facing the watershed.

2027 BUDGET: \$265,710

Funding allocated in the Policy Planning and Outreach program budgets supports the Plan engagement process, analysis and planning, drafting and design, as well as public outreach efforts in 2027.

AREAS OF WORK

To support this direction, MCWD has organized the 2027 Plan development process around four key areas of work.



SUBWATERSHED PLANNING

Creating tailored, next generation subwatershed plans to guide collaborative capital project implementation in focal geographies and watershed-wide.



LAND & WATER PARTNERSHIP

Developing policy tools and best practices to support coordinated land and water planning across the watershed’s communities.



FLOOD MANAGEMENT STRATEGY

Evaluating flood risk and mitigation strategies to establish a regional framework for long-term resilience.



METRICS OF SUCCESS

Building an evaluation framework to measure and communicate progress toward MCWD’s strategic goals.

PLANNING FOR THE FUTURE, TOGETHER

In 2026, MCWD kicked off a collaborative process to develop our next 10-year Plan, which will guide the District’s work from 2028 to 2037. To develop a Plan that aligns with the needs and priorities of our communities, MCWD appointed staff and policymakers at cities, counties, soil and water conservation districts, and park agencies within the watershed, as well as state agencies, to serve on Technical and Policy Advisory Committees and participate in Subwatershed Planning workshops. Members meet regularly to share their community priorities, discuss policy topics, identify partnership opportunities, and shape the 2027 Plan.



MCWD held a combined Technical and Policy Advisory Committee meeting in April 2026, to discuss the scope, goals, and work areas of the 2027 Plan.

In addition to this public partner engagement process, MCWD is conducting tailored engagement with residents, business leaders, and other partners in areas of past investment through interviews, pop-ups, focus groups, and other methods.

Residents and community leaders are also invited to engage throughout the process in several ways:

- ▶ Join our Citizens Advisory Committee
- ▶ Share feedback in a 2027 online survey
- ▶ Attend public meetings and open houses
- ▶ Subscribe to our newsletters

Learn more: minnehahacreek.org/2027-watershed-management-plan-update



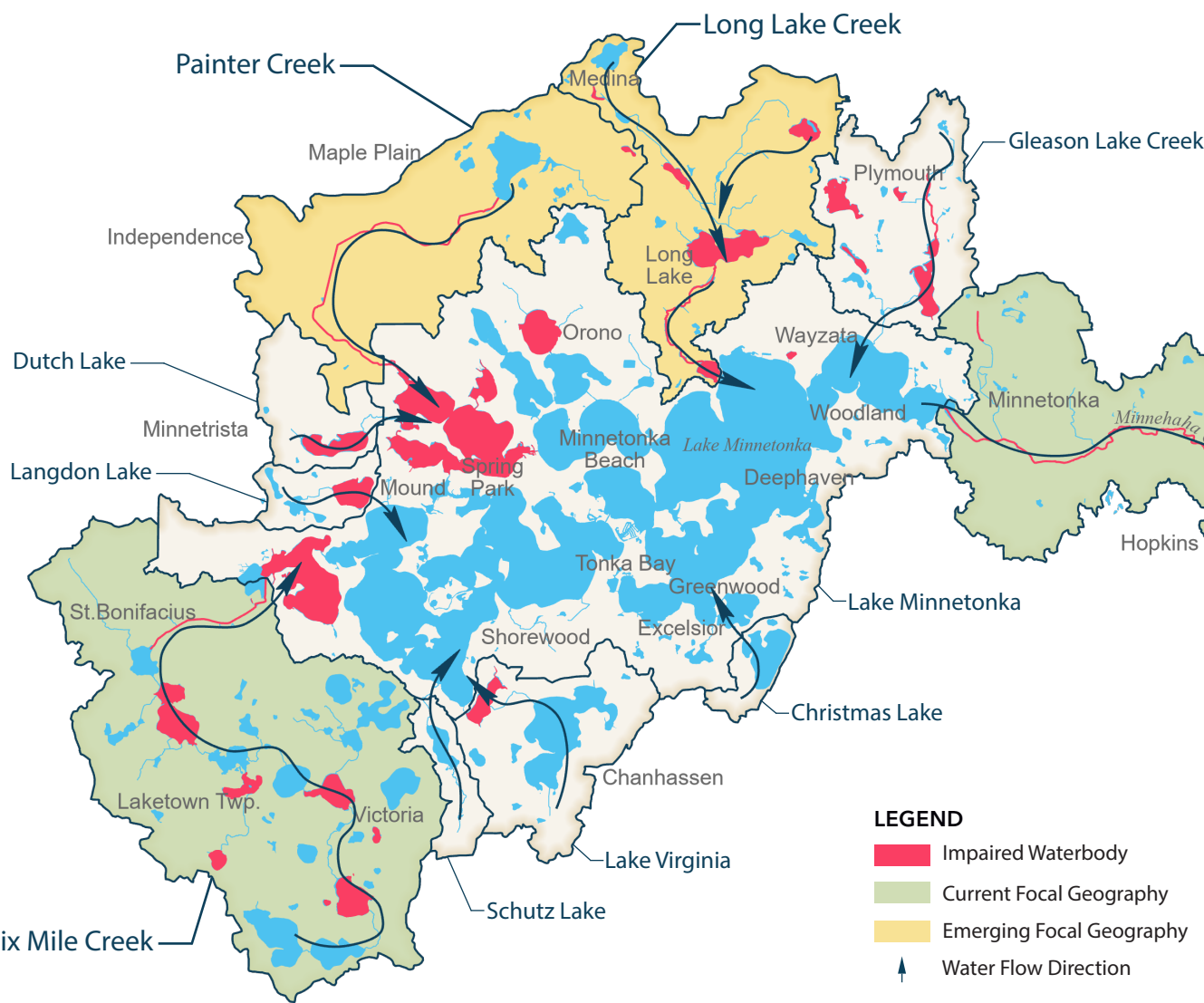
FOCAL GEOGRAPHY APPROACH

MCWD covers 178 square miles across 29 communities, serving more than 300,000 residents. To effectively manage resources across the watershed, MCWD takes a focused and strategic approach to project implementation, targeting geographies of highest need to deliver measurable results for the region as a whole.

Within focal geographies, we build partnerships to identify water resource issues, understand local needs, and deliver projects that improve our environment while supporting community goals.

FOCUS FOR REGIONAL IMPACT

To generate regional benefits, in the upper watershed, MCWD focuses on the largest tributaries to Lake Minnetonka, which drain to impaired bays. Downstream, MCWD has worked for over a decade to improve the District's namesake, Minnehaha Creek, and its receiving waterbody, Lake Hiawatha, which are both impaired.



Work under the 2017 Plan has focused primarily in the Six Mile Creek-Halsted Bay Subwatershed and the Minnehaha Creek Subwatershed. By focusing in these two areas, MCWD has made measurable improvements for the region's water, resulting in:

**1,360
POUNDS**
annual nutrient
pollution reduction

**290
ACRES**
restored wetland
and upland habitat

**4.6
MILES**
new and restored
shoreline/streambank

**340
ACRES**
new publicly
accessible greenspace

**4+
MILES**
new public trails
and boardwalk

With MCWD's 2027 Plan, we are expanding our portfolio of focal geographies to include two large tributaries that drain to impaired bays on Lake Minnetonka: the Long Lake Creek and Painter Creek Subwatersheds.

To support project implementation in the next decade, MCWD is engaging coalitions of partners in each geography through the 2027 Plan process to analyze water resource data, align investments, and build long-range implementation plans, which will guide future projects that support healthy water resources and thriving communities.

NEW FOCAL GEOGRAPHIES

LONG LAKE CREEK SUBWATERSHED

Since 2018, MCWD has partnered with the cities of Medina, Long Lake, and Orono, and the Long Lake Waters Association to identify project opportunities to restore five impaired lakes within the Subwatershed, which ultimately drains to Lake Minnetonka, resulting in the Long Lake Creek Roadmap.

The Roadmap provides a long-term restoration strategy and has supported the identification of several near-term capital projects for implementation, including:

UPSTREAM LAKE RESTORATION

Rough fish management and in-lake treatments to restore Swamp, School, and Holy Name Lakes. Restoring these upstream lakes will benefit downstream Wolsfeld and Long Lakes.

Status: Project implementation in 2027

COUNTY ROAD 6 POND RETROFIT

MCWD improved the effectiveness of its regional stormwater pond in Orono, achieving an additional 40-lbs annual nutrient reduction to Long Lake.

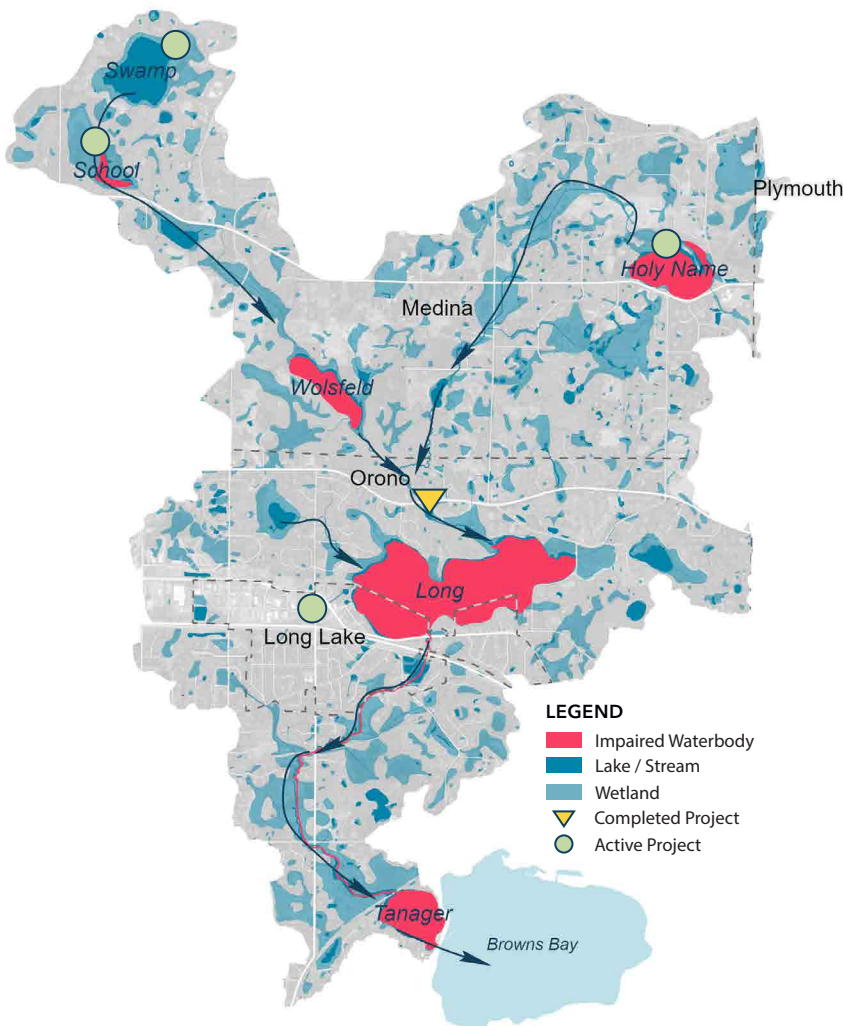
Status: Completed in 2026



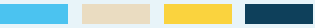
DTWN LONG LAKE STORMWATER

Two projects to enhance regional stormwater facilities in the downtown area. These projects would treat major drainage areas, improving water quality in Long Lake, while supporting park and other public space improvements.

Status: Project design starting in 2027



2027 BUDGET: \$485,650



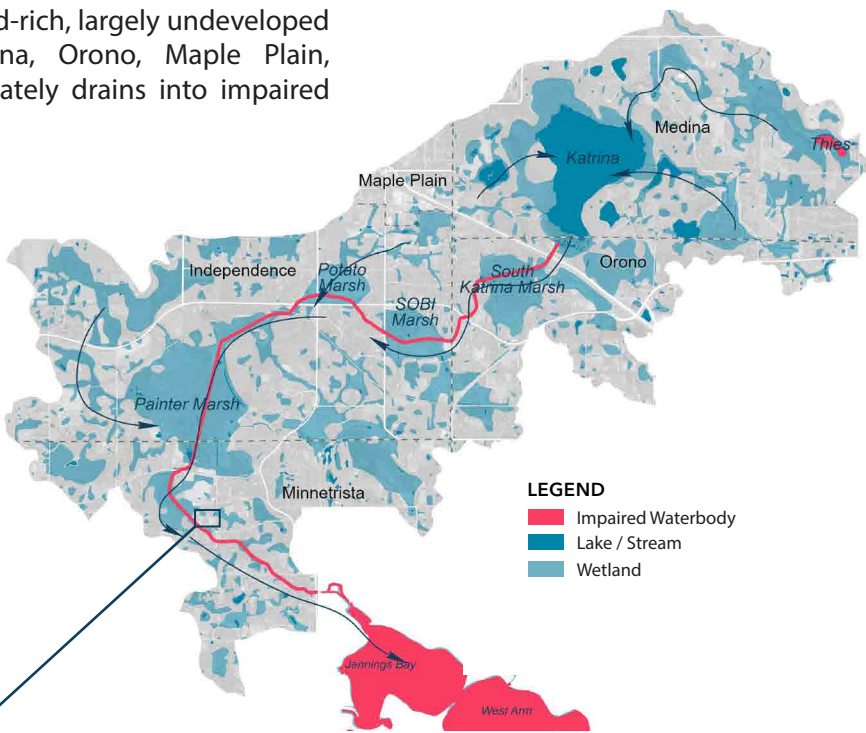
Funds allocated in the Projects, Research & Monitoring, and Outreach program budgets and the Capital Improvement Plan support the planning and implementation of projects within the Long Lake Creek and Painter Creek Subwatersheds.

PAINTER CREEK SUBWATERSHED

The Painter Creek Subwatershed is a wetland-rich, largely undeveloped region that includes portions of Medina, Orono, Maple Plain, Independence, and Minnetrista, and ultimately drains into impaired Jennings Bay on Lake Minnetonka.

In 2026, MCWD conducted diagnostic monitoring to build a systemwide understanding of pollutant sources across the Subwatershed, informing strategies and priority areas for future water quality project opportunities.

Leveraging these diagnostic findings, MCWD will identify opportunity areas and engage the Subwatershed's communities through the 2027 Plan process to develop a coordinated project implementation plan, which will guide capital investment over the next decade.



Newly acquired property in Minnetrista for future project opportunities.

In 2026, MCWD acquired an 11-acre property along Painter Creek to support a future water quality improvement project. As part of developing the Subwatershed's implementation plan, MCWD will analyze project opportunities at this site and MCWD's other strategic land holdings in the region to inform future project opportunities that advance water quality and natural resource goals.

SIX MILE CREEK-HALSTED BAY SUBWATERSHED

The Six Mile Creek-Halsted Bay (SMCHB) Subwatershed is a water resource-rich system that forms the headwaters of Lake Minnetonka and the Minnehaha Creek Watershed.

Halsted Bay is the most degraded bay on Lake Minnetonka, and six additional lakes within the SMCHB Subwatershed are listed as impaired for excess nutrients.

A LEGACY OF COLLABORATION

Since 2014, MCWD has partnered with the Subwatershed’s communities, supporting local development, infrastructure, and recreational planning goals while preserving and protecting the area’s unique natural resources.

Together with Carver County, Laketown Township, Minnetrista, St. Bonifacius, Victoria, and private developers, we have restored a 20-acre wetland, revitalized more than 210 acres of prairie and marshland, treated both Wassermann Lake and a nearby pond with alum, and implemented a systemwide carp management plan. These partnership-centered projects have resulted in measurable improvements across the Subwatershed.

Working upstream to downstream, many projects over the past decade have focused on impaired Wassermann Lake. **Thanks to a multi-pronged restoration strategy, the Lake met state water quality standards for the first time in 2024, and is on track to be delisted.**

RESULTS TO DATE

247 ACRES

of upland & wetland habitat restored or protected

Storing 24,700 metric tons of carbon

760 POUNDS

of total phosphorus reduced annually across the system

Preventing 380,000 pounds of algae growth

TURBID-LUNDSTEN CORRIDOR PLANNING

MCWD is currently exploring wetland restoration and nutrient reduction opportunities in the Turbid-Lundsten Corridor, which includes impaired Turbid and South Lundsten Lakes.

Wetland restoration and in-lake treatment projects in the corridor could reduce phosphorus by up to 95 pounds per year, putting Turbid Lake on track to meet state water quality standards. MCWD is collaborating with local landowners to assess the feasibility of large-scale wetland restoration projects in the corridor.

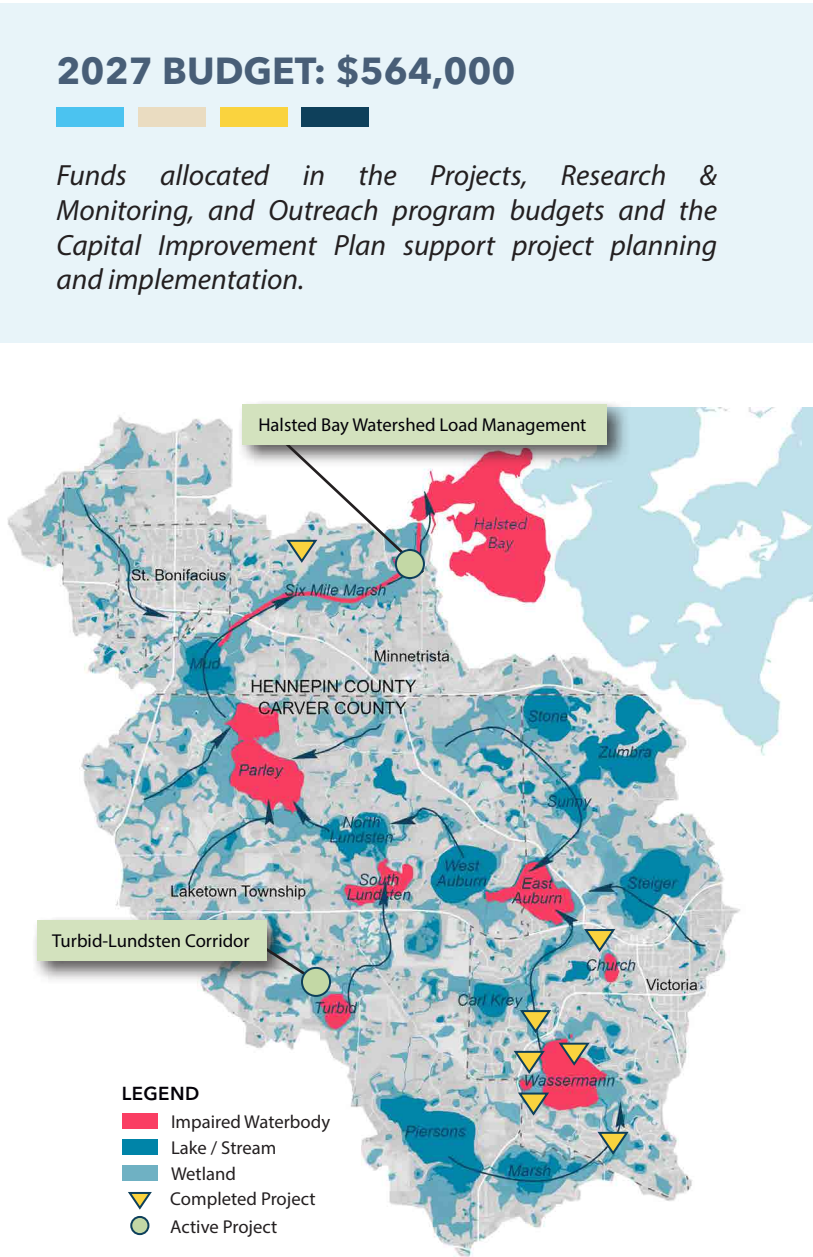


Located in Laketown Township, Turbid Lake is impaired for excess nutrients.

MCWD and our partners are exploring projects to restore the Lake, which would also benefit downstream, impaired South Lundsten Lake.

HALSTED BAY WATERSHED LOAD MANAGEMENT

MCWD is analyzing a range of nutrient reduction methods to improve water quality in Halsted Bay on Lake Minnetonka, including water quality improvement projects, upstream wetland restorations, and in-lake nutrient reduction treatments, among others. MCWD is conducting diagnostic monitoring and assessing previous technical work to refine estimated water quality benefits and feasibility of potential future projects.



MINNEHAHA CREEK SUBWATERSHED

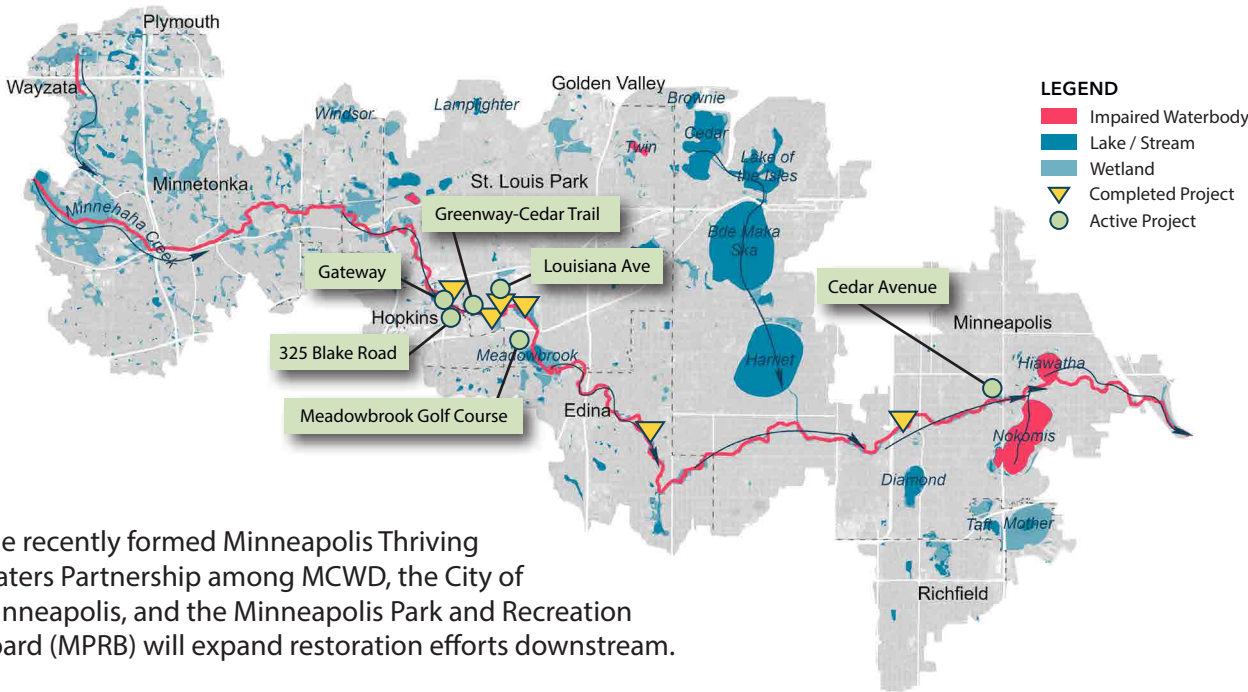
The Minnehaha Creek Subwatershed contains several iconic waterbodies, including Minnehaha Creek and the Minneapolis Chain of Lakes. Nearly 23 miles, the Creek flows from Lake Minnetonka through Lake Hiawatha, over Minnehaha Falls and to the Mississippi River, collecting stormwater from the cities of Edina, Hopkins, Minneapolis, Minnetonka, Richfield, and St. Louis Park.

2027 BUDGET: \$5,319,029

Funds allocated in the Projects, Research & Monitoring, and Outreach program budgets and the Capital Improvement Plan support project planning and implementation.

PARTNERING FOR REGIONAL RESULTS

Public and private partnerships have facilitated restoration across the Subwatershed. Projects in the Minnehaha Creek Greenway, previously the Creek's most degraded segment, have created a 2-mile stretch of greenspace in Hopkins and St. Louis Park. In the Greenway and at Edina's Arden Park, MCWD has remeandered the Creek, restored wetlands, and integrated stormwater solutions into park expansions.



The recently formed Minneapolis Thriving Waters Partnership among MCWD, the City of Minneapolis, and the Minneapolis Park and Recreation Board (MPRB) will expand restoration efforts downstream.

RESULTS TO DATE

41 ACRES

of upland & wetland habitat restored or protected

Storing 4,100 metric tons of carbon

536 POUNDS

of total phosphorus reduced annually across the system

Preventing 268,250 pounds of algae growth

EXTENDING THE MINNEHAHA CREEK GREENWAY

Building on over a decade of restoration, MCWD is extending the Greenway, to further improve water resources and access to valuable greenspace. MCWD recently began construction on two projects that will link previous investments, while connecting the Greenway to regional trail and transit systems.

- **Gateway to the Greenway:** New public plaza at the Greenway's west entrance, expanding greenspace and Creekside seating at Cottageville Park.
- **Greenway to Cedar Trail Connection:** New trail connecting the Greenway to the Cedar Lake LRT Regional Trail, and restoration of 1,000 feet of Minnehaha Creek streambank, in partnership with Hennepin County, the Metropolitan Council, the City of St. Louis Park, and Three Rivers Park District (TRPD).



The Greenway to Cedar Trail Connection will stitch together over 100 acres of greenspace, enhancing access to parks, the Creek, and regional public transit.

MCWD is also partnering with St. Louis Park to integrate stormwater treatment, flood storage, habitat restoration, and trail improvements with the City's Louisiana Ave Reconstruction Project. In addition, MCWD is reassessing opportunities with TRPD and MPRB to reconfigure Meadowbrook Golf Course, to improve the Creek corridor, increase flood storage, and connect the Greenway to Edina's trail system.

STORMWATER MANAGEMENT & RESTORATION AT CEDAR AVENUE

In 2027, the Minneapolis Thriving Waters Partnership is poised to start design on the first of several collaborative water resource projects identified in MPRB's Minnehaha Parkway Regional Trail Plan. West of Cedar Avenue, the first project will treat stormwater runoff from 115 acres and restore streambank, improving water quality and reducing localized flooding, and enhance recreation along the Creek.

As the first project progresses, the partners will also analyze water resource issues, restoration strategies, and project opportunities systemwide, developing a long-range implementation plan that will guide future investment to improve water quality, flood resilience, and ecosystems in the City of Lakes.

3.5 MILES

of new pedestrian trails and boardwalk

Connecting 3,000 housing units to regional transit

109 ACRES

of public greenspace created across the Subwatershed

Providing access to over 26,000 residents

LAND AND WATER PARTNERSHIPS

MCWD’s Balanced Urban Ecology philosophy recognizes working in partnership with those who make land use decisions leads to better results for our natural resources and communities. By strengthening relationships with partners across the watershed to integrate land and water planning, we can support regional water resource improvements that contribute to thriving, sustainable communities.

SUPPORTING PARTNER PROJECTS

MCWD launched the Land & Water Partnership (LWP) Program in 2024, grounded in the belief that meaningful, early coordination with the land use community leads to better outcomes for our water resources. The LWP Program provides technical and financial assistance for partner-led projects that provide regional water resource benefits. Eligible partners include cities, counties, developers, and others who implement large-scale capital projects within the watershed.



Learn more and connect with our staff on an LWP project opportunity in your community: minnehahacreek.org/partnerships/land-water-partnership-program

CREATING WIN-WIN SOLUTIONS

MCWD’s Permitting program also provides unique opportunities to build innovative partnerships, shape land use changes, and identify creative pathways to protect and improve water resources. By proposing creative water resource solutions, MCWD has been able to shape projects that achieve greater water resource benefits than those achieved by regulation alone.

Whether it’s through our permitting or LWP Program, when MCWD is at the table early, we can work to understand our partners’ goals and identify mutually beneficial solutions that improve the environment and the community.



MCWD’s permitting program works collaboratively with permit applicants to achieve mutually beneficial projects.

This approach has led to several partnerships with the land use community, resulting in enhanced stormwater treatment, restored wetlands, and increased flood storage, while supporting local housing, economic, and infrastructure needs.

PROTECTING OUR RESOURCES WITH COLLABORATIVE PERMITTING

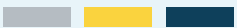
MCWD’s regulatory program plays a pivotal role in minimizing degradation of the watershed’s natural systems and fostering better outcomes for all by taking a collaborative approach to permitting. In 2025, MCWD processed 603 permits, resulting in significant benefits across the watershed.



LOOKING AHEAD

In 2027, MCWD will continue to refine its regulatory program, build new tools, and identify coordination best practices to better support integrated land and water planning and facilitate impactful community projects, while safeguarding the natural resources that make our watershed special.

2027 BUDGET: \$97,500



Funds allocated in the Policy Planning and Outreach program budgets and MCWD’s Capital Improvement Plan support partner-led capital projects through the LWP Program, as well as related technical analysis, planning, and outreach efforts to support integrated land and water planning.

WATERSHED-WIDE SERVICES

To serve partners and residents across the watershed's 178 square miles, we provide a variety of services that complement our work in focal geographies and our efforts to build lasting land and water partnerships.

2027 BUDGET: \$8,858,874

Funding allocated in the Project Planning, Policy Planning, Permitting, Research & Monitoring, Outreach, Project Maintenance & Land Management, and Operations program budgets, and the Capital Improvement Plan and Capital Finance supports administration, personnel, and the delivery of critical services across the watershed.

PROGRAMS

- ▶ **Project Planning:** Working with public and private partners to lead and support capital projects that promote Balanced Urban Ecology and create benefits for our natural resources and our communities.
- ▶ **Policy Planning:** Collaborating with cities, landowners, and developers to improve coordination, identify opportunities to create mutual benefits, and implement policies that integrate land and water planning efforts.
- ▶ **Permitting:** Reviewing and overseeing construction activities, in coordination with our partners, to protect natural resources and build positive relationships with the watershed's communities.
- ▶ **Research and Monitoring:** Collecting and analyzing data across the watershed to identify resource needs, to inform project planning and implementation.
- ▶ **Outreach:** Connecting people to information they value and engaging residents, agencies, and private sector partners to ensure our work is integrated with the goals of our communities.
- ▶ **Project Maintenance and Land Management:** Maintaining our projects and land to ensure their continued function and value, and operating Gray's Bay Dam to reduce the risk of flooding throughout the watershed.
- ▶ **Operations:** Supporting MCWD's general business operations and ensuring staff are well equipped to work on projects and policies that conserve and improve natural resources.

Learn more about MCWD, our partners and projects, and volunteer opportunities on our website.