

325 BLAKE ROAD RESTORATION & REDEVELOPMENT

MCWD has worked with public and private partners for over 15 years to create the [Minnehaha Creek Greenway](#), restoring the Creek, improving water quality, expanding greenspace, and supporting redevelopment.

MCWD acquired [325 Blake Road](#) as a key Greenway restoration site on the most degraded stretch of the Creek.

Greenway Projects Key

■ Methodist Hospital	■ Cedar Trail Connection
■ Japs Olson	■ Cottageville Park
■ Minnehaha Preserve	■ 325 Blake Road



SITE OPERATION AND CLEAN-UP

- MCWD operated and leased the former industrial site for 6 years, paying nearly \$2M in property taxes over that time.
- In tandem, MCWD planned for the site to treat regional stormwater across three cities and connect the Greenway.
- MCWD, Hennepin County, and Met Council partnered to demolish the building and clean up the contaminated site.
- MCWD and the County funded a Transit-Oriented Development study that stated the site would require a public road.
- MCWD and the State of MN partnered to reroute 270 acres of stormwater and design the regional treatment project.

DEVELOPER CHALLENGES AND DELAYS

- In 2021, MCWD and the City of Hopkins jointly selected Alatus as a Master Developer for the 17-acre site.
- [The City and MCWD unanimously selected Wellington as an alternate developer](#) in the event Alatus failed.
- Since 2021, Alatus has repeatedly missed deadlines and failed to secure funding to buy the property and build.
- Despite [four extensions](#) and MCWD offering pathways forward, Alatus missed deadlines and did not secure funding.
- Alatus delays have prevented MCWD from advancing its fully designed and funded regional water quality project.
- [MCWD terminated its contract with Alatus on March 27, 2025.](#)

SEPARATION FROM ALATUS

- In April 2025, [Alatus filed a lawsuit](#) against MCWD and the City to challenge and prevent MCWD's termination.
- The court [denied Alatus' Temporary Restraining Order request](#), affirming MCWD's right to terminate as the land seller.
- Alatus has struggled to secure funding for other sites across the metro, been terminated, and sued public partners.
- The [City has stated](#) it will only issue tax subsidy and own the public road for Alatus — not an alternate developer.
- MCWD has considered several proposals from Alatus and the City, none of which have resolved financing concerns.
- [On Sept. 24, 2026, Hennepin County District Court ruled](#) in MCWD's favor on all counts in the Alatus lawsuit.

MOVING FORWARD

- MCWD is exploring options to advance its water quality and Greenway connection project once litigation allows:
 - Constructing its fully funded project independently, and selling the remainder of the land to a capable developer;
 - Coordinated redevelopment with the City and a developer that has the capability and funding to perform;
 - Selling the property to the City if it chooses to invest in the public infrastructure required for development.

**ATTACHMENTS:**

- A. ["Rewilding Minnehaha: A decadelong plan to repair the degraded creek begins to pay off"](#) - *Star Tribune*
- B. [June 17, 2021, Alatus Selection Meeting Minutes](#)
- C. [January 30, 2025, letter from Mayor Hanlon to MCWD regarding City's commitment](#)
- D. [February 7, 2025, MCWD response to January letter from Mayor Hanlon](#)
- E. [March 27, 2025, MCWD Resolution to Issue Notice of Termination](#)
- F. [Summons and complaint for Alatus' lawsuit against MCWD and the City of Hopkins](#)
- G. [Hennepin County Court Opinion denying Temporary Restraining Order](#)
- H. [September 10, 2026, MCWD Board Meeting Considering August 2026 City of Hopkins Proposal](#)
- I. [September 24, 2026, Hennepin County District Court decision ruling in MCWD's favor in the Alatus lawsuit](#)
- J. Recent, related news stories:
 - ["Development stalls — again — on the long-vacant Army ammunition site in Arden Hills"](#) - *Star Tribune*
 - ["Columbia Heights extends Alatus loan for Central Avenue redevelopment"](#) - *ABC Newspapers*
 - ["Brooklyn Center Development Concept Would Build Sports Complex on Vacant Target Site"](#) - *CCX Media*
 - ["Light rail is finally coming, but a grand Hopkins redevelopment plan is breaking down"](#) - *Star Tribune*
 - ["Hopkins efforts to purchase remaining Blake Road project property proves unsuccessful"](#) - *Sun Sailor*