

## MEMORANDUM

**To:** MCWD Board of Managers  
**From:** Anna Brown, Planner-Project Manager  
**Date:** January 14, 2016  
**Re:** Six Mile Planning Update

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### **Purpose:**

On January 14, 2016 staff will present a briefing on the status of planning activities in the Six Mile subwatershed. This memorandum serves as background material for that presentation.

### **Background:**

Building on the successes of achieving positive natural resource outcomes through partnership and strategic focus in the Minnehaha Creek Greenway, and looking to the future, in 2014 the Board of Managers established the policy framework *In Pursuit of a Balanced Urban Ecology*. This policy approach calls for the integration of land-use and water planning through partnerships, flexibility and innovation, and through increased geographic focus in areas of high need and opportunity.

Also in 2014, the Board of Managers adopted the Six Mile subwatershed as a priority focal geography for water resource planning and implementation. This decision reflected the complexity of this geography, which has abundant and interconnected lake and wetland resources, a number of water resource impairments, is anticipated to experience concentrated growth and development in the coming decades, and drains to Halsted Bay of Lake Minnetonka, which requires the largest phosphorus reduction of any lake in the District.

Building on success in the Greenway based on the integration of mission, authority, plans and investment of potential partners, and on the philosophy of *Balanced Urban Ecology*, during preliminary planning discussions the MCWD Board of Managers expressed the need to pursue a comprehensive and coordinated planning approach in Six Mile.

Past discussions with the Board called for a multi-jurisdictional approach that engages “stakeholders at multiple levels” in a “programmatic approach... to address the natural resource pressure of future development in ways that complement the goals of growing communities”.

The Board recognized that the District's success in this geography would come from an approach that combines the financial and human resources across partners produces implementation strategies that support a comprehensive program achieving multiple goals.

Accordingly, staff has been working to develop a planning process that will engage prospective partners within the Six Mile subwatershed in collaborative planning to align plans, priorities and investments in a way that produces a larger return on the public investment. Ahead of any formal planning in the Six Mile subwatershed, these efforts have cultivated recent project partnerships like the Mader Wetland Bank and the Lennar Wetland Restoration

In advance of initiating the 2016 formal planning process in the Six Mile geography, staff will provide a comprehensive briefing to the Board of Managers at the January 14 Board workshop. This presentation will generally include information on the following:

- Six Mile Subwatershed Planning Framework
  - Purpose
  - Process
  - Schedule
  
- Potential Planning Partnership with the U.S. Army Corps of Engineers (USACE)

### **Six Mile Subwatershed Planning Framework:**

As mentioned previously, a principal objective of implementation planning within the Six Mile subwatershed is to integrate plans, policies and investments of public and private partners, to generate more comprehensive solutions with larger returns on public investment.

To align MCWD's goals and work with those of other public agencies, staff has proposed inviting partner agencies to a series of 4-5 committee meetings in 2016 to begin mapping how water resource strategies may intersect with the objectives of agencies such as Carver County, Carver County Soil and Water Conservation District, Hennepin County, Victoria, Minnetrista, St. Bonifacius, Laketown Township, 3 Rivers Park District, etc.

This process is expected to facilitate the mapping of partnership opportunities where MCWD's work can be integrated with others to create additional value and develop projects that would not be feasible if MCWD were to work alone. These mapped opportunities will then be evaluated against a diverse pool of potential resources at local, state, regional and federal levels, to develop an integrated investment framework that will more clearly depict how work can be funded over time within the Six Mile subwatershed.

Staff will provide more detail on this approach and next steps on January 14, and again at the January 21, Planning and Policy Committee (PPC) Meeting.

## **Potential Planning Partnership with the USACE:**

As MCWD prepares to embark on developing a multijurisdictional planning and implementation partnership in the Six Mile subwatershed to integrate goals, plans and investments, District staff have initiated partnership discussions with the USACE. This opportunity has been the topic of discussion at several past PPC and Board meetings.

More recently this opportunity has begun to take more form as the USACE indicated its willingness to provide planning funding through Section 22 – Planning Assistance to State program. Following several updates and discussion with the PPC, District staff has begun developing a scope of services for this potential partnership. Understanding the goals to develop integrated funding plans for Six Mile, and the opportunity to generate partnerships through proactive regulatory pathways, the work is being broken into two general areas:

- USACE will perform its own planning and evaluate MCWD’s planning within Six Mile for potential Section 206 funding eligibility (up to \$10 Million); and
- Evaluate the potential to develop a MCWD specific Programmatic General Permit that would assist in aligning DNR public waters, Wetland Conservation Act, MCWD and federal regulation.

The streamlining of regulation has proven a valuable tool recently for MCWD in the development of the Mader Wetland Bank and the Lennar Wetland Restoration, both of which received broad support from local, state and federal agencies, as attached. More recently, when reissuing the DNR General Permit to MCWD, the DNR Area Hydrologist issued a letter of support for the District’s efforts in this regard, which is attached.

Staff will provide more detail on the potential to partner with the USACE on planning work during the January 14 presentation.

If there are questions in advance of the meeting, please contact: Anna Brown (952-641-4522, [abrown@minnehahacreek.org](mailto:abrown@minnehahacreek.org)).

### Attachments:

- DNR General Permit Letter of Support
- Lennar Letters of Support:
  - USACE
  - BWSR
  - City of Victoria
  - Carver County SWCD
  - MN DNR

# Minnesota Department of Natural Resources

Ecological and Water Resources Division  
Central Region Headquarters  
1200 Warner Road, Saint Paul MN 55106  
Telephone: (651) 259-5845  
Fax: (651) 772-7977



December 31, 2015

Mr. James Wisker  
Minnehaha Creek Watershed District  
15320 Minnetonka Boulevard  
Minnetonka, MN 55345

RE: Renewal of General Permit 2001-6009, Minnehaha Creek Watershed District, Hennepin and Carver Counties

Dear Mr. Wisker:

Attached you will find the Minnesota Department of Natural Resources' (DNR) renewal of the Minnehaha Creek Watershed District's (MCWD) General Permit #2001-6009 for work in Public Waters. Throughout the many years this General Permit has been in effect, the MCWD has proven to be a highly competent value added partner for the DNR in its efforts to efficiently administer natural resource protections through delegation of selected Public Waters regulations to the District. We look forward to continuing this fruitful partnership into the future.

I also want to take this opportunity to express DNR's support for the District's effort to integrate and align local, state and federal regulation at a watershed level, as a model to proactively generate partnerships with the land-use community. The DNR has seen the success of this model in action recently, with the MCWD's partnership with Lennar and the City of Victoria. Through creativity and collaboration on the Lennar Laketown 9th Development project, there is now an opportunity to keep wetland mitigation local, while leveraging private investment to develop a larger wetland restoration than required by regulations.

From my involvement in the District's Comprehensive Plan update process, I understand that this proactive regulatory model is just one strategy in the District's effort to continue integrating its natural resource work with local land-use and infrastructure investments to create added value across communities. It was exciting to see such vocal support for the MCWD's approach at the last Technical Advisory Committee (TAC) meeting. The District's work in this direction represents a unique implementation model that positions the District well as a partner agency and asset for local communities and the private sector. DNR wholeheartedly supports the District's leading approach to watershed planning and implementation and looks forward to continued collaboration in developing this model.

Sincerely,

  
Kate Drewry  
DNR Metro Area Hydrologist

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REPLY TO  
ATTENTION OF

**DEPARTMENT OF THE ARMY**  
ST. PAUL DISTRICT, CORPS OF ENGINEERS  
180 FIFTH STREET EAST, SUITE 700  
ST. PAUL MN 55101-1678

AUG 27 2015

Operations  
Regulatory (2015-01879-MMJ)

Minnehaha Creek Watershed District  
Attention: James Wisker  
15320 Minnetonka Boulevard  
Minnetonka, Minnesota 55345

This is in response to your request for Corps of Engineers (Corps) comments on the Laketown 9<sup>th</sup> Wetland Restoration and Enhancement – Concept Plan (the Mitigation Plan), dated July 2015. This Mitigation Plan was submitted by the Minnehaha Creek Watershed District (MCWD) to supplement the permit application submitted by Lennar Corporation (the Applicant) for the Laketown 9<sup>th</sup> Residential Development (the Development); wetland credits generated at the mitigation site described in the Plan would be used to off-set wetland impacts associated with the Development. The Mitigation Plan as proposed involves an on-site permittee-responsible mitigation (PRM) project that would involve wetland restoration and enhancement activities within an approximately 26-acre partially degraded wetland basin located adjacent to the Development. The project is located within the Six-Mile Creek subwatershed, southeast of Wasserman Lake, in Laketown Township. The site is in Sections 23-26, T. 116 N., R. 24 W., Carver County, Minnesota.

The Federal Mitigation Rule (the Rule) states a preference for wetland replacement via mitigation bank credits, but acknowledges flexibility for the district engineer to override the preferential sequence stated by the Rule (332.3(b)) in order to determine the most appropriate compensation method on a case-specific basis. We understand that the MCWD has established the Six-Mile Creek subwatershed as a priority focal geography for watershed planning and implementation. We also recognize that no wetland banks exist within the MCWD, and that the MCWD has adopted policy establishing its preference for wetland mitigation occurring within its' hydrologic boundaries. We have also reviewed your proposal and have determined that the restoration and enhancement activities described in the Mitigation Plan are adequate to off-set wetland impacts associated with the Development. Considering these factors, we have made a preliminary determination that the on-site PRM proposed in the Plan would be an appropriate and environmentally preferable compensatory mitigation method for this project as it is currently proposed. However, if the Mitigation Plan changes or is found to be not practicable by the MCWD, Lennar Corporation, or any other state or local regulatory agencies, we reserve the right to re-assess the project and potentially return to our initial preference for wetland replacement via mitigation bank credits.

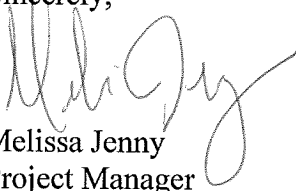
To ensure that your proposal fully complies with the Federal Mitigation Rule, please provide the following additional information when you submit your Final Mitigation Plan for this project: information regarding site protection, long term and adaptive management, and potential financial assurances. See the attached Mitigation Plan Checklist for additional background about these items, which is included in the St. Paul District's Final Minnesota Mitigation Policy, found in its entirety on our website here:

<http://www.mvp.usace.army.mil/Portals/57/docs/regulatory/Website%20Organization/Guidance%20for%20Mitigation%20in%20Minnesota.pdf>

Overall, we support MCWD's efforts to work at a subwatershed scale to protect and enhance local water resources; we have recently engaged in preliminary discussions with MCWD on how to develop a programmatic approach for the future that emulates this model. We look forward to continuing to work closely with the MCWD as the planning in this priority geography progresses.

If you have any questions regarding our Regulatory Program, please contact me at (651) 290-5363 or [Melissa.m.jenny@usace.army.mil](mailto:Melissa.m.jenny@usace.army.mil). In any correspondence or inquiries, please refer to the Regulatory number shown above.

Sincerely,



Melissa Jenny  
Project Manager

Copies furnished:

Paul Tabone, Lennar Corporation  
Wes Boll, Wenck & Associates  
Kelly Kunst, Westwood  
Ben Meyer, BWSR  
Elizabeth Brown, MCWD



August 24, 2015

**RE: Letter of Support for Wetland Restoration**

Dear Ms. Brown,

Thank you for providing an opportunity to deliver this letter in support of the innovative partnership between the Minnehaha Creek Watershed District (MCWD) and Lennar Corporation to restore approximately 10 acres of public water wetlands for direct replacement credit of impacted wetlands located on an adjacent parcel.

In the late Spring of 2015, MCWD initiated preliminary meetings of the Technical Evaluation Panel (TEP) where it outlined its desire to work in collaboration with the TEP, Carver County, the City of Victoria, and Lennar Corporation to develop a value added partnership that will produce a desired natural resource outcome from the Laketown 9<sup>th</sup> Development wetland mitigation. The District’s effort to coordinate amongst regulatory agencies, in close coordination with Lennar, is an example of how inter-agency collaboration contributes to the development of successful value added partnerships that augment the baseline application of regulation.

BWSR appreciates the continued effort of the District to develop creative watershed management solutions that address technical and policy issues. We look forward to continuing to work together as the District explores a programmatic general permit with the USACE to further streamline wetland permitting at a watershed level in an effort to improve local outcomes.

Contact me at 612-201-9806 or [ben.meyer@state.mn.us](mailto:ben.meyer@state.mn.us) if you have further concerns.

Sincerely,

Benjamin L. Meyer  
Wetland Specialist – Metro

Cc. Dennis Rodacker, Sr. Wetland Specialist  
Les Lemm, WCA Coordinator

<b>Bemidji</b> 403 Fourth Street NW Suite 200 Bemidji, MN 56601 (218) 755-2600	<b>Brainerd</b> 1601 Minnesota Drive Brainerd, MN 56401 (218) 828-2383	<b>Detroit Lakes</b> 26624 N. Tower Road Detroit Lakes, MN 56501 (218) 846-8400	<b>Duluth</b> 394 S. Lake Avenue Suite 403 Duluth, MN 55802 (218) 723-4752	<b>Mankato</b> 12 Civic Center Plaza Suite 3000B Mankato, MN 56001 (507) 344-2821	<b>Marshall</b> 1400 East Lyon Street Marshall, MN 56258 (507) 537-6060	<b>New Ulm</b> 261 Highway 15 South New Ulm, MN 56073 (507) 359-6074	<b>Rochester</b> 3555 9 <sup>th</sup> Street NW Suite 350 Rochester, MN 55901 (507) 206-2889
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Central Office / Metro Office 520 Lafayette Road North Saint Paul, MN 55155 Phone: (651) 296-3767 Fax: (651) 297-5615



# City of Victoria

Minnehaha Creek Watershed District  
Attn: Beth Brown  
15320 Minnetonka Boulevard  
Minnetonka, MN 55345

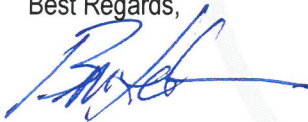
Dear Ms. Brown,

As the Lennar (US Home Corporation) has been working on multiple phases of the Laketown subdivision in the City of Victoria within the Six Mile Creek Sub-Watershed, I am happy to write a letter of support in favor of the partnership between the Minnehaha Creek Watershed District and Lennar to restore 10 acres of public waters wetland south of Wasserman Lake as mitigation for the Laketown 9<sup>th</sup> Development.

The proposed partnership is in line with the Memorandum of Understanding between the City of Victoria and the MCWD as agreed to in March of this year and meets areas of collaboration such as Assessing Specific Water Management Issues and Regulatory Coordination and Support. The City of Victoria recognizes that the proposed partnership seeks to streamline wetland regulation as well as creatively meet and exceed wetland mitigation requirements and appreciates that in turn, the nature of the partnership meets key coordination efforts outlined in the MOU. The partnership serves to address the impairment of Wasserman Lake and fosters applicant integration of water and natural resource management into development planning.

The City of Victoria is looking forward to continue working with the MCWD on future development in the Six Mile Creek Sub-Watershed and hopes that future partnerships with other potential developers in the City of Victoria seek to provide the added natural resource benefit that this partnership offers.

Best Regards,



Ben Landhauser  
Community Development Director  
Victoria, MN  
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<http://www.co.carver.mn.us/swcd>

August 24, 2015

Dear Ms. Brown,

The Carver County Soil and Water Conservation District (SWCD) is writing in support of the proposed wetland restoration partnership between the Minnehaha Creek Watershed District (MCWD) and Lennar Corporation.

Carver SWCD has previously provided letters of support for the establishment of the Six Mile sub-watershed as a priority geography for MCWD planning and implementation, including for the completion of the Six Mile diagnostic and carp assessment. I understand that the District will be convening stakeholders in this area in the coming months to collaboratively develop an implementation plan for the area, integrated with land-use planning and infrastructure investment. The proposed partnership with Lennar to provide 10 acres of restored public water wetland as part of the development process may serve as a valuable model for future work in this area, and has the potential to provide more resource benefit than mitigating through a wetland bank.

I look forward to the establishment of restoration plans that mitigate the functions and values of the impacted area. Please keep me informed of the progress of this project.

Thank you for your continued partnership with the Carver SWCD.

A handwritten signature in black ink, appearing to read "Mike Wanous".

Mike Wanous  
Carver SWCD District Manager



August 24, 2015

Anna Brown  
Planner - Project Manager  
Minnehaha Creek Watershed District  
15320 Minnetonka Blvd.  
Minnetonka, MN 55345

**DNR Letter of Support for MCWD-Lennar Partnership**

Dear Ms. Brown,

As Area Hydrologist for the Department of Natural Resources I am writing this letter to affirm my support for the proposed partnership between the Minnehaha Creek Watershed District (MCWD) and Lennar Corporation to restore public water wetlands on the south side of Wasserman Lake in the City of Victoria.

During preliminary meetings of the Technical Evaluation Panel the MCWD outlined its desire to work in collaboration with the water resource permitting agencies, local land-use authorities, and the development community to develop value added partnerships that produce better natural resource outcomes than through application of the rules alone. The DNR supports efforts in this regard and encourages the District's out of the box thinking and persistence to develop a potential partnership that may result in the restoration of 10 acres of public water wetland, versus the purchase of 2 acres of wetland bank credit that the rule requires.

As you know, the DNR has completed the waiver of authority through the Minnesota Permitting and Reporting System (MPARS) to the wetland conservation act, administered by the Minnehaha Creek Watershed District. The DNR also understands and accepts the contingency plan to purchase wetland banking credits should the restoration project fail to materialize. That said, I believe the concept plan to be well put together and am hopeful that the restoration is able to be advanced.

Thank you for taking the time and effort to engage early and often with your permitting partners, and for the District's persistence in trying to move this valuable partnership forward.

Jennie Skancke

DNR Area Hydrologist

