Introduction
The Minnehaha Creek Watershed District Land Conservation Program (James Wisker, Matthew Norton) is responsible for:

- investigating properties within identified Land Conservation Program Priority Areas for possible acquisition of conservation easement or fee title;
- coordinating with Planning, Water Quality Monitoring, Communication, Education, and other departments within the District, as well as with the cities within the District and where those properties occur;
- presenting properties for possible acquisition to the District Board;
- developing or overseeing the development of property conservation management plans for the properties and conservation easements acquired;
- planning, coordinating, and overseeing the implementation of the property conservation management plans;
- development and management of budgets and schedules of payments and bonding to meet the Land Conservation Program’s financial obligations;
- intergovernmental coordination;
- preparation of policies and recommendations for Land Conservation Program properties;
- development of web content for the Land Conservation Program.

This annual report is organized by sub-watershed and property, and provides an overview of major 2011 activities, including property acquisitions, management planning, landscape analysis, and site-level habitat restoration.

Please direct any questions regarding this report to Matthew Norton, Land Conservationist, at mnorton@minnehahacreek.org, or call (952) 641-4501.
During 2011, the Land Conservation Program undertook the projects and activities described below. This Annual Report is organized by sub-watershed, starting with the four sub-watersheds where the District has identified a) significant opportunities to protect and enhance connected waters and upland natural resource corridors and b) significant opportunities to acquire the property interests necessary to accomplishing these goals. General program activities, such as public outreach, restoration and maintenance of terrestrial and wetland habitats on MCWD properties, and wetland/wetland buffer restoration on private properties through the Habitat Restoration Cost Share Program, are discussed toward the end of the Report. The attached map titled, *Minnehaha Creek Watershed District: Properties, Cost Share Properties with Key Conservation Areas*, shows project locations. For the most part, this Report does not discuss ongoing negotiations with landowners or properties that staff is evaluating in preparation for making recommendations to the Board of Managers regarding acquisition.

**Long Lake Creek**

[Image of map showing project locations]

**Petrucci.** The conservation easement on the former Petrucci parcel, now divided into three lots, two of which have occupied homes, continues to be monitored for compliance. The easement area is characterized by steeply sloping uplands bordering School Lake (also called Swamp Lake), in Medina.

**Painter Creek**

**301 Rolling Hills (R. Johnson).** The District is exploring, for the third time, the potential for a sale of 10 acres of land suitable for construction of a single-family home. The first and second explorations resulted in no sale. Any sale of land for single-family residential use would include a conservation easement limiting the location of any such home to a corner of the property, and allowing the District to install and manage appropriate native vegetation on most of the 10 acres. The District continued on-site restoration of wetlands and prairie and installed wildlife habitat improvements to complement its Painter Creek Improvement Project along a stretch of the Creek that had been straightened and ditched-out on the adjacent Waldera property. The R. Johnson, Chute, Waldera, Barkus, and Rye properties are part of a cluster of District properties at the south end of Painter Marsh (see below).
6430 and 6360 County Road 26 (Chute). In April 2008, the District purchased approximately 22.5 acres that had been used as a commercial horse stable and appurtenant out-structures and an old three bedroom house along Painter Creek just north of Highway 26 in Minnetrista. Our intent was to buffer the wetland acres being used as horse pasture, reduce the two residential lot potential to one lot, and sell the house and stable with these restrictions on land-use. Since the transaction closed, we leased the house and stable back to the sellers for several months, then leased the stable to them through the end of August 2009; then leased the stable and the house to Pat and Dick LLC, an affiliate of the EAGALA horse psychotherapy national organization during the winter of 2009; then leased to the Tack Stop LLC for
stabling of up to 15 horses; and are now leasing to Christina Chute, d/b/a GiddyUp Stables through November, 2012.

During 2010 and early 2011, District staff also worked with Doug Hoskins, as its real estate market analysis consultant, to develop a market plan to resell part of this property and evaluate this alternative and the alternative of restoring the entire property, with no resale. Staff presented this information to the Board of Managers for consideration in early 2011. An existing conservation management plan was scheduled at the end of 2011 to be amended in 2012 to recommend what portion of the property, if any, should be severed and sold.

**Minnetonka Orchards.** Staff continues to have discussions with the owners of Minnetonka Orchards regarding the potential purchase of easements on the orchard property to protect and restore high-value wetland and forest areas.

**6485 and 6495 County Road 26 (Waldera).** In 2009, the District purchased the Waldera property (approximately 28 acres) on the west side of the Painter Creek Improvement Project at 6485 and 6495 County Road 26 in Minnetrista. In 2011, wetland vegetation management continued according to the Conservation Management Plan for the property.

**6525 County Road 26 (Barkus).** In June, 2010, the District purchased the Barkus property (approximately 4.8 acres) located immediately west of the Waldera parcels at 6525 County Road 26 in Minnetrista. The Barkus property is managed in conjunction with the Waldera parcels (described above) to the east. Together, these three parcels total approximately 32.7 acres. Conservation activities underway and planned include removal of seed-bearing buckthorn, and annual or semi-annual early or late-season foliar treatments of buckthorn and garlic mustard seedlings through 2017. The ultimate conservation objectives are the removal of living buckthorn and garlic mustard, the depletion of the buckthorn and garlic mustard seed bank, and the restoration or augmentation of native herbaceous and shrub species to the site. The Barkus, Waldera, Johnson, Chute, and Rye properties are all adjacent or so close to each other that they form a tight cluster of restoration activities and opportunities along Painter Creek and Painter Marsh to the north. Planning in 2011 calls for the removal of the house and garage and abandonment of the septic system and well on site in 2012.

**6160 and 6180 County Road 26 (Rye).** After purchasing the Rye property at 6160 and 6180 County Road 26 in Minnetrista in late December of 2009, staff arranged for seeding about 3 acres (previously in row crops) to a small number of native grasses. This was to be a temporary management strategy pending a decision regarding a series of larger scale projects along Painter Creek as it flows from Lake Katrina in Baker Park to Jennings Bay on Lake Minnetonka. A draft conservation management plan for this property has been prepared that calls for installation of a diverse prairie in the southern portion of the property, and the planting and
exclusion fencing of bur oak seedlings in several dozen scattered locations within two management units on the property.

**Painter Creek Feasibility Study Projects.** In August 2011, the Board approved two related studies of Painter Marsh and its surrounding uplands to help District staff investigate options for a new Painter Marsh water quality and habitat improvement project. The studies involved: 1) surveying and mapping Painter Marsh plant community and vegetative diversity (shown in pink and red areas, at left); and 2) surveying and tabulating Painter Marsh bird species presence on a monthly to semi-monthly basis; and 3) compare the two information sets to see whether and to what extent certain habitats in and around Painter Marsh support uncommon or special concern bird species. Field survey work is expected to be completed in June, 2012.

**Minnehaha Creek Corridor**

**Weis Builders.** The District’s ~12 acres of vacant land at 7200, 7202, 7250 and 7252 Excelsior Boulevard in St. Louis Park are being evaluated for opportunities to remeander Minnehaha Creek’s stream channel. The restoration would connect with similar restoration work to the east undertaken by the District and Methodist Hospital.

**DNR/St. Louis Park.** In July 2009, District staff successfully concluded negotiations with the City of St. Louis Park and the Minnesota Department of Natural Resource for the transfer of two parcels (approximately 5 acres) along Minnehaha Creek on either side of Meadowbrook Road west of the Weis Builders property to the City, with the City granting the District a conservation easement to protect its water quality and natural resource values. Protection and improvement of the Creek along this segment will connect to wetland restoration and stream remeander work to the east on the Weis Builders property.
Broin. In January, 2011, the District contracted with Schoening Excavating to demolish and remove a horse barn and its cement slab, and approximately 450 cu. yds. of clean fill from the Broin property. These steps and removal of all fencing on the property were required by separate agreement between the seller, Mr. Mark Broin, and the City of Minnetonka. Upon purchase the obligation was transferred to the MCWD. In the late summer of 2011, the District contracted with the Conservation Corps of Minnesota and Iowa to cut and stump-treat buckthorn and Tatarian honeysuckle on the 6.5-acre Broin property, now located on Minnehaha Creek behind 18202 and 14814 Timberhill Road in Minnetonka.

427-429 Blake Road. In September, 2010 the District purchased property at 427-429 Blake Road in Hopkins and two 12-unit apartment buildings standing thereon. In 2011, the apartment buildings were demolished and Land Conservation and Planning Program staff worked with outside consultants and the City of Hopkins to develop public uses for this property, expand the City’s Cottageville Park south to the Creek, provide recreation and educational opportunities focused on the Creek’s natural resource values and its protection, and enable the construction of a storm water treatment facility on site.

1303 & 1305 Lake Street and 415 Blake Road. In November 2010, the District purchased an office building at 415 Blake Road and residential structures at 1303 and 1305 Blake Road. In 2010 and 2011, Land Conservation and Planning Program staff worked with outside consultants and the City of Hopkins to develop public uses for this property that expand the City’s Cottageville Park south to the Creek, provide recreation and educational opportunities focused on the Creek’s natural resource values and its protection, and enable the construction of better storm water treatment on-site.

325 Blake Road North. In September, 2011, the District purchased an industrial cold storage building and the property under it, totaling ~16.68 acres. One side of the triangular parcel borders Minnehaha Creek, and is roughly 1,000 feet long. In addition, the parcel abuts a group of four other District parcels spanning Blake Road and Minnehaha Creek. The District is not evicting tenants. The District is planning for future uses of the property, including retention of the portion abutting Minnehaha Creek, and re-sale and likely redevelopment of the remainder of the parcel at some later date.

Dutch Lake
1765 County Road 110 North.  In 2011, the District has maintained its relationship with the Westonka School District, encouraging use of the property for environmental outdoor education. The promissory note on the property was paid off in 2010, when the transaction and property costs were bonded for in the Hennepin County 2010B bonds series. Also in 2011, District staff finished its investigation of possible uses for the five-bedroom 1920s house on the property. Staff concluded that due to the significant costs of updating the house, no alternative use is advisable or available, and recommended demolishing the structure. Demolition was scheduled for early 2012.

Turner. In 2009, the District decided not to undertake a wetland restoration project on this 61.6 acre property on the western shore of Dutch Lake (2000 Dutchview Road in Minnetrista) based on the recommendation of consultant Howard R. Green (with Applied Ecological Services as a subcontractor) due to likely harmful impacts that increased nutrient loading would have on the relatively diverse native plant community present on-site. Instead, the Report recommended an upstream water quality project to reduce nutrient load into the wetland and downstream receiving water in Dutch Lake and Jennings Bay. In 2010, Land Conservation staff assisted Planning Program staff with the development of this project and outreach to upstream landowners at the proposed project location.

In 2011, Land Conservation hired Cross River Consulting to research and write up a Dutch Lake Corridor Conservation Area Study to provide a MCWD Land Conservation Program staff with a comprehensive approach to land conservation efforts that identifies parcels or groups of parcels that offer opportunities to protect or restore natural resources and improve water quality. The study was completed, and an overview presented to the Board in 2011.

Six-Mile Creek.

7901 and 8015 Halstead Drive (Halverson). On August 4, 2011, the District closed on a 112.5 acre farm consisting of two adjacent parcels (7901 and 8015 Halstead Drive) in the City of Minnetrista. In the summer and fall of 2011, the Land Conservation staff investigated the methods and costs of restoration of the property to a mix of restored wetlands, prairie, future oak savanna, and restored oak savanna/oak woodland. In the fall of 2011, the Board approved a concept restoration plan for the property (shown at right), and Land Conservation staff presented the concept plan to neighbors of the property, and other Minnetrista, St. Bonifacius, and Mound residents. Restoration activities are scheduled to get underway in 2012 with prairie installation and the fencing and planting of acorns and oak seedlings.

4500 Six Mile Creek Rd. and 8251 State Highway 7 (Gould). In 2008, the Minnesota Pollution Control Agency ordered the owners of what had been a gas station on the adjoining property to the east to investigate the source of a petroleum contamination plume migrating to the northern area of the Gould Property, which the District purchased in 2005 and originally contemplated re-selling for development. Discovery of the petroleum in the summer of 2007 had been grounds for the buyer terminating a purchase agreement for part of the property. Staff worked hard to persuade the MPCA to have the site
re-opened for more investigation of the release and the extent of its plume. The PCA did so and oversaw a site investigation to determine if further mitigation was needed on the property or neighboring properties. The consultant working on the re-evaluation recently provided a summary report to the PCA describing their findings and based on those findings, the MPCA made a final decision to close the matter. With the real estate market in a depressed condition, there do not appear to be any opportunities to remarket the property at this time.

In 2011, the Board authorized restoration activities on the southern upland knob of the Gould property, including a management burn for the prairie on the southern half of the southern upland knob, and the cutting and limbing of red cedar trees growing on all but the northern-most 2/3 acre of the southern upland knob. Staff scheduled the first of those activities for the winter of 2011-2012.

The conservation easement (orange polygon, at left) on the larger Gould parcel, including the house occupied by Mrs. Barbara Gould, continues to be monitored for compliance. The house is currently on the market, with an asking price of over $400,000.

**Burroughs.** The conservation easement on Burroughs continues to be monitored for compliance. There is already a vegetation management plan in place for this property. The vegetation management plan on this approximately 20.93 acre conservation easement calls for removing invasive woody vegetation, mainly buckthorn, and thinning out 50% of the eastern red cedar trees from approximately 3.22 acres of woodland located in the west-central and southern part of the property; restoring prairie on approximately 4.84 acres of upland along the eastern side of the property; enhancing approximately 1.9...
acres of wetlands adjacent to the prairie restoration; and installing monuments to mark easement boundaries.

**Dimler Habitat Restoration Cost-Share.** Mr. Dimler has worked with the District through its habitat restoration cost-share program to restore, establish, or protect on his property:
- approximately 0.9 acres of wetland;
- approximately 10.3 acres of wetland buffer;
- approximately 3.2 acres of critical slopes; and
- 8.1 acres of wildlife habitat (in the form of a forested upland knob surrounded by marsh). He has also indicated an interest in sell his approximately 97 acre property at 7701 Halstead Drive to the District.

**Long Lake Creek**

**Whitman (Wolsfeld Woods).** Staff has checked property records, and it appears that the transfer of the outlot created adjacent to Wolsfeld Woods SNA in Orono has been finalized.

**DISTRICT HABITAT RESTORATION AND IMPROVEMENT PROJECTS**

The District restores or improves upland and wetland habitat on the land it acquires in fee, or over which it acquires an easement. Restoration objectives differ from site to site, depending on site characteristics on the property and adjacent or nearby properties. Site characteristics include, but are not limited to: soil type; slope; aspect; hydroperiod; historic vegetation type; cost of restoration to particular habitat types and maintenance costs thereafter; potential to establish self-sustaining native vegetative cover; and the potential to re-establish some of the most scarce habitat types on the landscape. The anticipated effects of climate alteration are now being considered as well, and for good reason. The trends toward warmer average annual temperatures; increased rainfall delivered in larger
but less frequent rain events; and hotter, drier, more frequent periods of drought, are already driving floristic changes in many wetland and upland habitats.

Habitat restoration or maintenance and management activities are currently underway on the Rita Johnson, Waldera, Barkus, and Gould properties. Restoration work is being decided and planned for the Halverson, Broin, Weis, Ugorets, Blake Rd., Diercks, Palm, and Big Island properties.

**HABITAT RESTORATION THROUGH MATCHING GRANT AGREEMENTS WITH PRIVATE LAND OWNERS ENROLLED IN THE CONSERVATION RESERVE PROGRAM (HABITAT RESTORATION COST-SHARE INCENTIVE PROGRAM).**

The Land Conservation Program administers the Habitat Restoration Cost Share and Incentive Program, in partnership with Carver SWCD. The purpose of the program is establish more wetlands and wetland buffers on the agricultural landscape by doubling the financial benefits of participating in the federal farmland conservation programs. The Habitat Restoration Cost Share program matches the federal payments to the owners of high-value farmland. The doubled payments are intended to delay and discourage land owners from selling their lands to developers. The District holds grant agreements with six land owners, four of whom (Dimler, Vanderlinde, Downs, and Yetzer) are located in the Six-Mile Creek sub-watershed. The remaining two agreements (Wahlfors and Crosswols) are located in the Long Lake Creek sub-watershed.

The biggest benefit of the program are that buffers and wetlands re-established on the farmland help remove phosphorus and nitrogen, and clean water that makes its way into Six-Mile Creek and later Halsteds Bay. In addition, a land owner whose land is in conservation agreement with the U.S. Department of Agriculture and the MCWD, may also be interested in selling all or some part of the property for permanent conservation. The biggest downside of the program is that it is temporary, and after spending $7,000 or $30,000 or $90,000 total over the course of a decade, the restored features may be destroyed as the land is returned to row-crop agriculture, or sold for development. Land Conservation staff in 2011 recommended that the Habitat Restoration Cost Share Program be maintained for property owners who have an existing agreement with the District, but that no new agreements be solicited for the foreseeable future.