



# Frequently Asked Questions About Wetland Mitigation Banking

From the Shorelands and Environmental Assistance Program

## **Q: What are the different types of wetland mitigation?**

**A: Concurrent mitigation** is when wetlands are built after the permit is issued and the impact occurs. Mitigation may occur on-site or off-site.

**Advance mitigation** is when wetland sites are built in advance to compensate for already identified project impacts. Advance mitigation can combine compensation for multiple project impacts.

**Wetland mitigation banking** is when wetland areas are established before unavoidable permitted losses occur and typically is used to offset unknown wetland losses associated with several permits, rather than a single project.

## **Q: What is a wetland mitigation bank?**

**A:** A wetland mitigation bank is a site where wetlands are restored, created, enhanced or preserved. A bank is established to generate increases in wetland function called credits that can be used or sold to provide compensation for unavoidable wetland losses. This ensures the success of the mitigation before unavoidable damage occurs at another site.

## **Q: What are the benefits of mitigation banking?**

**A:** Mitigation banks provide many benefits, such as:

- Reducing the time lag between the lost or reduced functions and values from a project and the compensation for those impacts.
- Sites can be planned at the landscape level consistent with local watershed planning efforts.
- Combining mitigation needs of small projects into one larger wetland complex.
- Providing mechanisms for long-term protection, management and maintenance.

## **Q: What are the limits of mitigation banking?**

**A:** Mitigation banking is one good tool for compensating for unavoidable wetland impacts. Banking is not the solution for compensatory mitigation problems and may not be suitable for all projects. Banks have high initial costs to develop and require a long-term commitment from the Sponsor.

## **Q: Are wetland banks regulated differently than other types of mitigation projects?**

**A:** No. Existing regulatory requirements still apply to wetland banks. Parties seeking permits for activities that affect wetlands must first avoid and then minimize those effects. After this process of avoidance and minimization has been achieved, unavoidable impacts must be compensated. Wetland banks are one of several alternatives available to compensate for unavoidable impacts to wetlands.

**Q: What is the process for reviewing bank proposals?**

**A:** Wetland banks go through the following steps to become certified:

- The review process starts with a pre-application meeting between the Sponsor and the agencies that sit on the Mitigation Bank Review Team (MBRT). The sponsor submits a prospectus, the MBRT provides feedback and determines completeness, and a public notice is issued seeking input on the prospectus.
- The MBRT reviews and provides technical input on the sponsor's bank design, service area, performance measures, and decides the number of bank credits available. Public comments are considered during the technical review stage.
- Once the technical review is complete the Sponsor submits a final Mitigation Bank Instrument (MBI) to the MBRT and a 404/401 public notice is issued with a comment period. Permit decisions are made by the federal and state regulatory authorities after review of comments from 404/401 public notice.
- Must have all appropriate local, state, and federal permits before an MBI approval.

**Q: What is the role of local government in the certification process?**

**A:** After a Sponsor submits a proposal, the local government is contacted and provided an opportunity to be on the MBRT and to join in the bank review process. Mitigation banks need approval from the US Army Corps of Engineers, Ecology and local jurisdiction to become certified. The EPA, which also sits on the MBRT, may also sign the MBI. Final bank approval requires proper permits from all agencies with regulatory authority.

**Q: How does the public become involved in wetland bank certification?**

**A:** During the early stages of bank certification, an initial public notice is issued on the Sponsor's prospectus and is open to public review and comment. During the formal certification process a second public notice is issued to provide a comment period for the proposed wetland mitigation bank. The purpose of the two public notice periods is to make all interested parties aware of the proposal and to provide the public opportunities to comment. Currently, Ecology is developing a public involvement and outreach plan that will highlight the formal and informal opportunities for the public to engage in the bank certification process.

In addition, there is an Advisors Group that provides unique perspectives and recommendations that help Ecology identify opportunities for improvements to the Wetland Mitigation Banking Program. The public is invited to attend these meetings.

**Q: What is the current status of the banking program?**

**A:** Ecology is in the pilot phase of the banking program and will use the information gained from the pilot program to revise the proposed rule. Currently three banks have been certified and three banks are being processed through the pilot program.

Ecology will be accepting proposals for new wetland mitigation banks during a 7-week open submittal period from August 13, 2007 through September 28, 2007. More information on this topic can be accessed through Ecology's Web Site: <http://www.ecy.wa.gov/programs/sea/wetlands/mitigation/banking/public-notices.html>

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