

# Mitigation Banking Program



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# MITIGATION BANKING PROGRAM

The purpose of the NRCS Mitigation Banking Program is to provide agricultural producers with an affordable option to meet their conservation compliance responsibilities.



# What Is Mitigation Banking?

- Wetland mitigation banking is the restoration, creation or enhancement of wetlands for the purpose of compensating for impacts to wetlands at another location.

# How Mitigation Banking Works

- Producers can buy credits from wetlands mitigation banks to compensate for the impact of lost wetlands.
- Wetland mitigation banks are established through the restoration, creation or enhancement of wetlands.
  - landowner retains ownership and use of the property, a conservation easement protects the wetlands
  - The scope of the wetland restoration, creation or enhancement determine the quantity of credits available
  - Credit price is negotiated between the buyer and seller.
  - Credits are sold, subtracted from the bank
  - When all are purchased, bank closes

# How Mitigation Banks Are Developed

- Bank sponsors develop mitigation banks.
- A bank sponsor is an individual or entity that:
  - develops wetlands for use in wetland mitigation banking.
  - responsible for the cost of wetland development
  - Responsible for long-term maintenance
  - Credits are determined using a functional assessment procedure that evaluates individual wetland functions.

# 2016 NRCS Mitigation Banking Project

- The 2014 Farm Bill provided funding for NRCS to operate a program or work with third parties to establish agricultural wetland mitigation banks.



# 2016 NRCS Mitigation Banking Project

- NRCS received 24 applications from potential partners.
- NRCS funded projects for over \$7 million in 10 states.
- Selected projects were selected by:
  - extent of wetland compliance workload in target area
  - applicant experience
  - potential to provide wetland credits within two years.

# Funded Proposals

- Georgia – Corblu Ecology Group, LLC
- Illinois – Magnolia Land Partners, LLC
- Iowa – Iowa Agricultural Mitigation, Inc.
- Michigan – Michigan Quality of Life Agencies (Department of Natural Resources, Department of Agriculture and Rural Development and Department of Environmental Quality)
- Minnesota – Minnesota Board of Water and Soil Resources
- Missouri – Minton Environmental Consultants, LLC,
- Nebraska – Westervelt Ecological Services, LLC
- North Dakota – Dakota Wetland Partners, LLC
- Ohio – North Coast Regional Council of Park Districts
- South Dakota – Dakota Wetland Partners, LLC

# In North Dakota

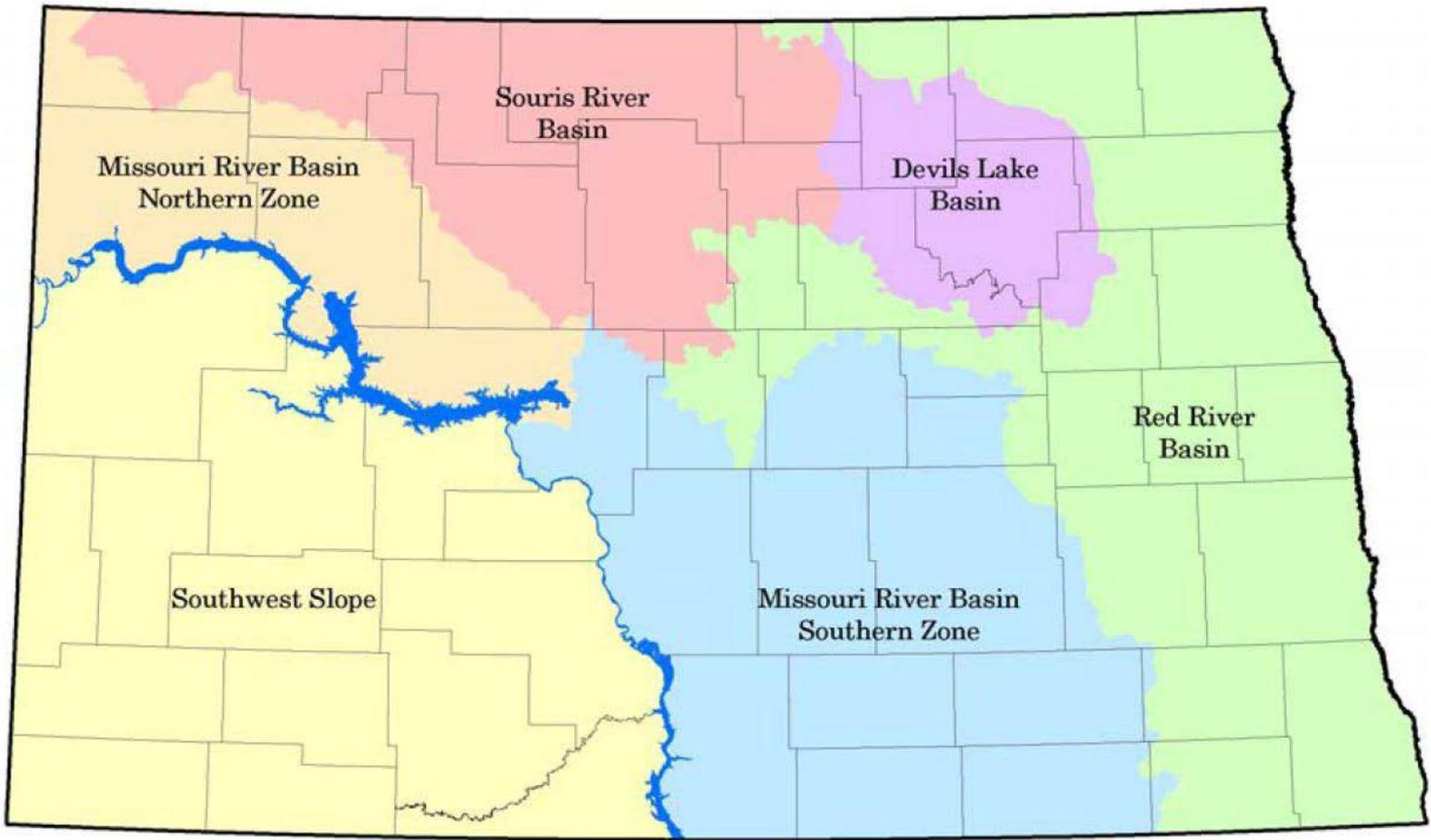
- Sponsor: Dakota Wetland Partners, LLC

Funding: \$358,400

This bank will target the Prairie Pothole Region of North Dakota. One hundred acres of wetland credits are planned.

# The Project

- Will develop a statewide Umbrella Mitigation Bank Instrument along with two (2) mitigation “Bank Sites”
- “Red River Basin” and “Missouri River Basin – Southern Zone”.
- The Instrument will be sponsored by Dakota Wetland Partners, LLC which will seek additional co-sponsors.
- Site selection will focus on temporary, seasonal, isolated, cropped wetlands. Sites with wetlands that can be restored will be given priority.
- Bank Sites will be protected by an easement and held and enforced by a qualified third party



# The Project

- Bank Sites will be monitored for a minimum of three (3) years, with annual reporting to the NRCS.
- Credits will be calculated by both acres and functions.
- Crediting and debiting will be tracked for each Bank Site
- This grant will provide the seed money for identification and entitlement of two (2) Bank Sites with a minimum 100 acre-credits, as well as oversight of Bank Site establishment,
- Revenue generated by sale of credits will provide funding for implementation costs, monitoring, maintenance, financial assurances and landowner royalties for hosting Bank Sites.

# QUESTIONS?

