

Largest privately owned wetland mitigation bank in Washington approved

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SEATTLE--State and federal agencies worked together with Habitat Bank, LLC, to establish the largest privately owned wetland mitigation bank ever federally authorized in Washington State.

Col. Debra Lewis, Seattle District Engineer, recently signed the Snohomish Basin Mitigation Bank Memorandum of Agreement. Signatories also include Washington Department of Ecology, Washington Department of Fish & Wildlife, Environmental Protection Agency, and the US Fish and Wildlife Service.

The 225-acre mitigation bank site is located along the Snoqualmie River, three miles upstream of its confluence with the Skykomish River and five miles south of the city of Monroe, in Snohomish County.

Habitat Bank, LLC, will operate the Snohomish Basin Mitigation Bank -- the first entrepreneurial mitigation bank in the state to be approved under Federal mitigation banking guidelines.

Mitigation banking involves the restoration, enhancement, creation, and preservation of aquatic ecosystem functions to compensate in advance for similar adverse impacts caused by activities authorized by the Department of the Army and other regulatory agencies.

Where previously established mitigation banks were primarily limited to state agencies' use, this bank will provide to the general public advance compensatory mitigation for impacts to wetlands and other aquatic resources.

"The Seattle District believes that an effective mitigation banking program is vital to helping it protect the aquatic environment, efficiently administer its regulatory program, and provide the regulated public with fair, timely, and reasonable decisions," said Muffy Walker, Regulatory Branch chief at Seattle District.

The members of the Mitigation Bank review team for this bank included the U.S. Army Corps of Engineers, Washington State Department of Ecology, Environmental Protection Agency, Washington State Department of Natural Resources, and Snohomish County.

The bank site currently consists of two tracts of agricultural land that have been used for dairying and farming since the early 1900s. Under these uses, the native vegetation has been replaced by pasture and a majority of the site effectively drained by a system of drainage pipes and ditches.

Construction of the bank is expected to re-establish 131.2 acres of former wetlands, rehabilitate 27.8 acres of substantially degraded wetlands, and establish 43.4 acres of floodplain forest intermingled among the wetlands. The remaining 22.6 acres will be perimeter buffer.

The 202.4 acres of re-establishment, rehabilitation, and establishment are expected to generate 163.1 credits that would be released for sale over a 10-year (minimum) period as the bank gradually meets its MBRT-established performance standards.

Permit applicants whose projects are located in the bank's service area would be eligible to use credits for compensatory mitigation providing that such use would comply with all applicable regulations and policies concerning mitigation. The service area consists of the non-estuarine portions of the Snohomish River watershed below the 2,500-foot elevation.

Traditionally, compensatory mitigation has been implemented on a project-by-project basis at or near each impact site. Mitigation banking is a form of compensatory mitigation that can consolidate what would otherwise be many smaller, lower quality compensatory mitigation projects into a single project that provides greater overall environmental benefit. Thus, mitigation banks can provide effective compensation when other forms of compensatory mitigation are not available, practicable, or environmentally preferable.

A bank sponsor typically establishes a mitigation bank with the expectation of recouping the costs of establishing and operating the bank by selling credits that represent portions of the environmental improvement realized by the bank's construction and operation. Credits may be purchased by Department of the Army permit applicants to offset the likely adverse impacts of their projects on the aquatic ecosystem.

As of October 2005, the Seattle District has authorized five mitigation banks: two Washington Department of Transportation-owned banks in Grant and Lewis counties and three local government-owned banks in Pacific, King, and Snohomish counties. Seattle District and the other agencies are currently responding to more than a dozen additional mitigation bank proposals.

Seattle District expects to complete its review of several bank proposals each year for the foreseeable future while continuing to streamline the review and approval process and further develop its mitigation banking program.