



# Environmental Credit Offsets: Not Just for Wetlands

**Transportation Engineers  
Association of Missouri**

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# WHAT IS MITIGATION?

Mitigation is the third step in an environmental sequence

- ▶ First step: avoid impacts
- ▶ Second step: minimize impacts
- ▶ Third step: compensate for impacts

Compensation should be “in-kind”

- ▶ Watershed, ecoregion, species recovery unit
- ▶ Landscape context and sustainability

# COMPENSATORY MITIGATION OPTIONS

- ▶ In-Lieu Fee (ILF) Programs
  - Governmental and non-profit natural resources management entities typically administer ILFPs
  - Development pays an ILF program administrator to fulfill compensatory mitigation obligation
  - Administrator has the obligation to use the funds for mitigation activities within timeframes and other conditions set in the program instrument
  - None in Missouri
- ▶ Permittee-Responsible Mitigation (PRM)
  - Classic DIY ethos
  - Requires specific approval, oversight, and management
  - On the hook (it's in the name!)
- ▶ Turn-keys
  - Outsourcing your PRM to an experienced mitigation provider
  - Requires specific approval, oversight, and management
- ▶ Bank Credits
  - Wetland mitigation banks and conservation banks
  - Pre-approved mitigation solution
  - Use of bank credits provide compensation for environmental impacts
  - One transaction can cover needs, credits available when needed
  - Severance of liability

# WHAT IS MITIGATION BANKING?

Mitigation banking is the **preservation, enhancement, restoration or establishment of a wetland, stream or habitat conservation area** which offsets, or compensates for, adverse impacts to similar nearby ecosystems ahead of the impacts.

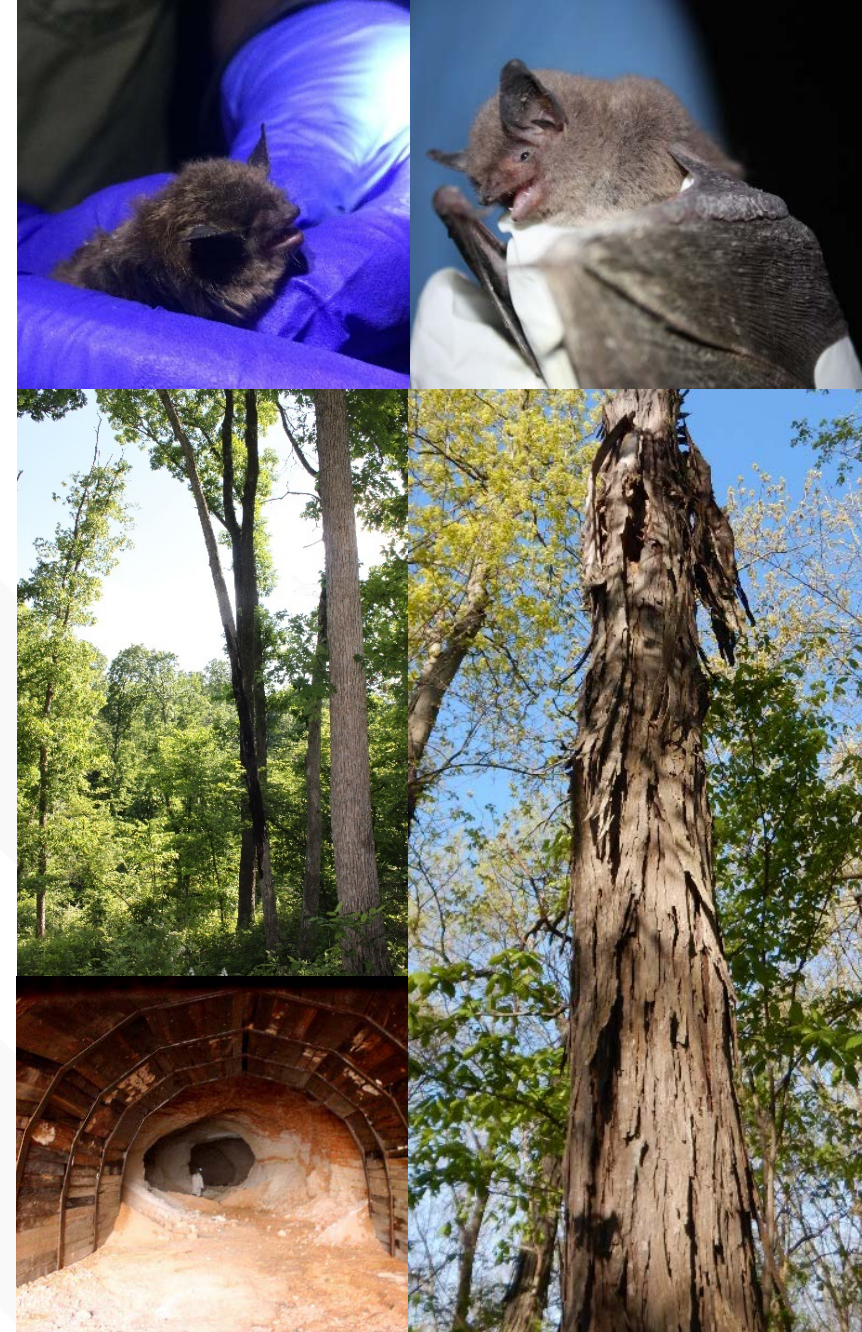
In exchange for ecological and financial assurances to the agencies, the bank operator is allowed to use these credits to offset third party impacts.

# MITIGATION AND CONSERVATION BANKING

- ▶ **Mitigation banking** within specific watersheds, provides for the preservation, enhancement, restoration or creation of Waters of the U.S.
- ▶ **Conservation banking** within specific recovery areas, provides for the protection of threatened and endangered species and their habitat

# BAT DEVELOPMENT IMPACTS

- ▶ Federally endangered Indiana bat and threatened northern long-eared bat use forest habitat for summer roosting
- ▶ Frequent concern in Missouri
- ▶ Currently no established way to offset impacts
- ▶ Protracted negotiation with state and federal agencies
- ▶ Permittee-responsible mitigation – you're on the hook!



# ESTABLISHING A BAT CONSERVATION BANK IN MISSOURI

- ▶ USFWS attended the Burns & McDonnell Wildlife Symposium in June 2016, where USFWS/Burns & McDonnell staff made the connection between biological and development needs
- ▶ Multiple meetings with USFWS Columbia to optimize project
- ▶ Thorough property search and analysis included regional mapping, land negotiation and acquisition, biological assessments, management plans, easement and endowment funding
- ▶ Conservation Bank documents are currently under review by the USFWS, approvals anticipated mid-2018

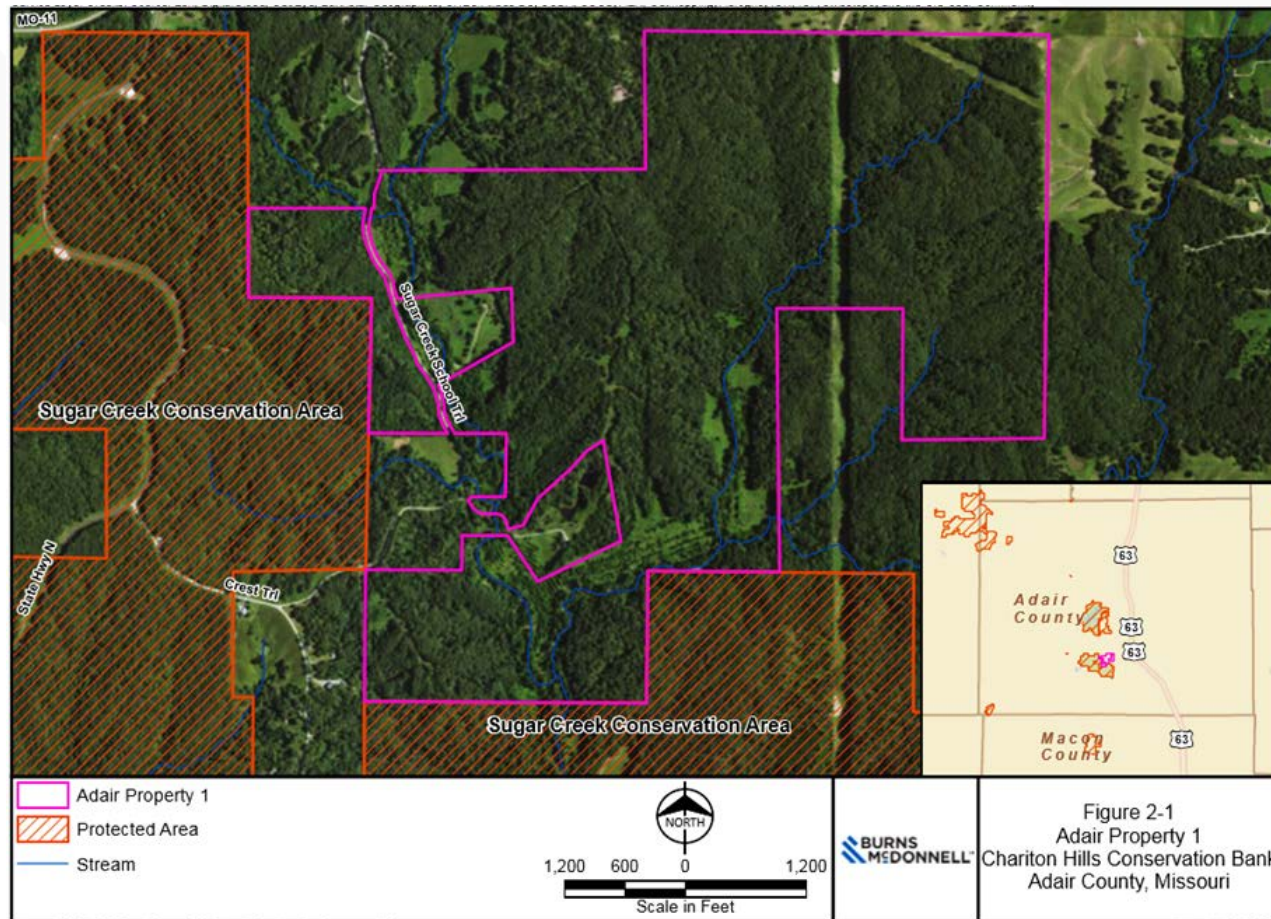
# CHARITON HILLS CONSERVATION BANK

- ▶ Total 1,300 +/- acres contiguous with State of Missouri Conservation Areas
- ▶ Will offer both Indiana and northern long-eared bat credits
- ▶ Primary service area: Northern Missouri
- ▶ Secondary service area: Southern Missouri



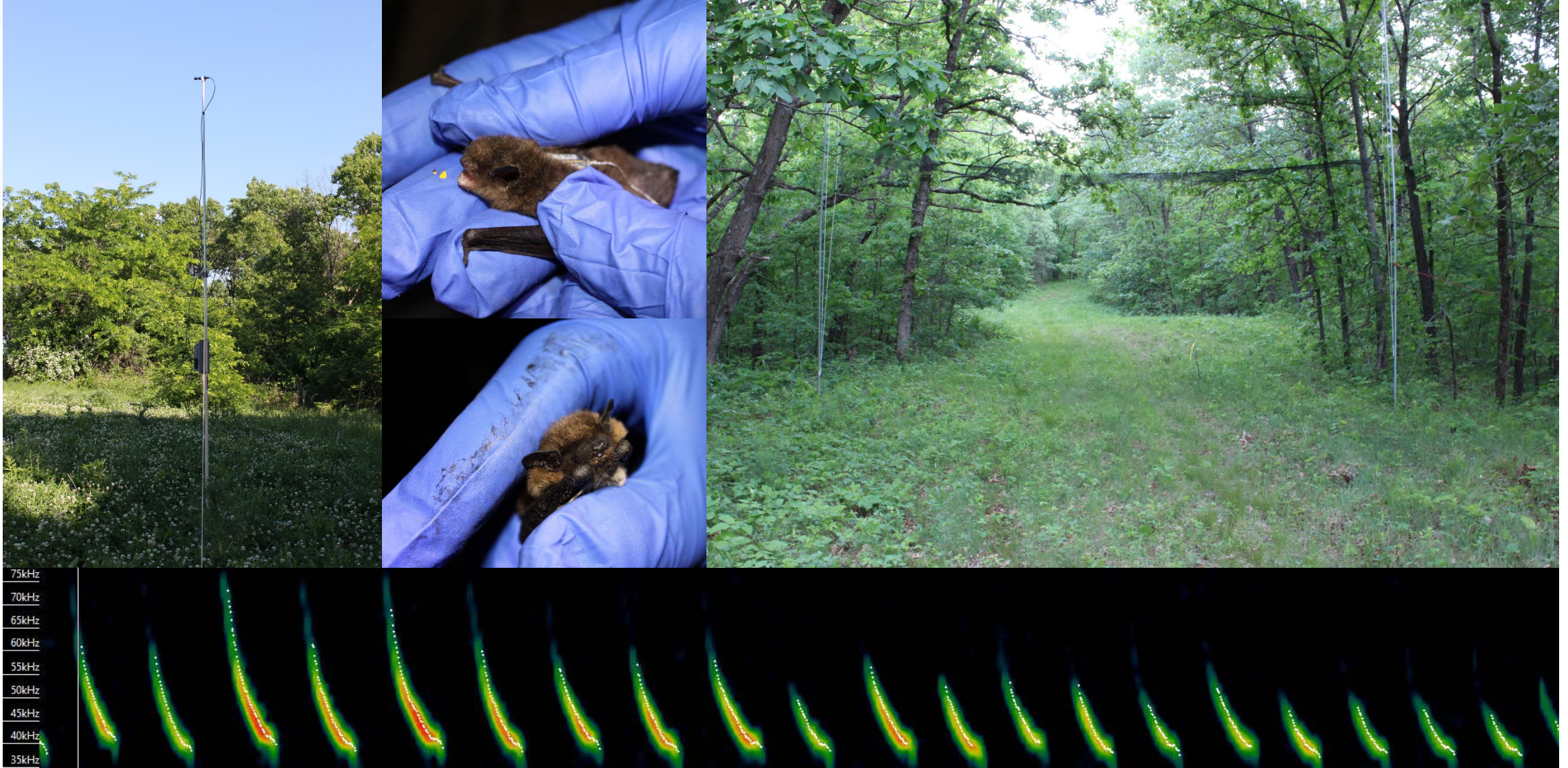


# ADAIR PROPERTY



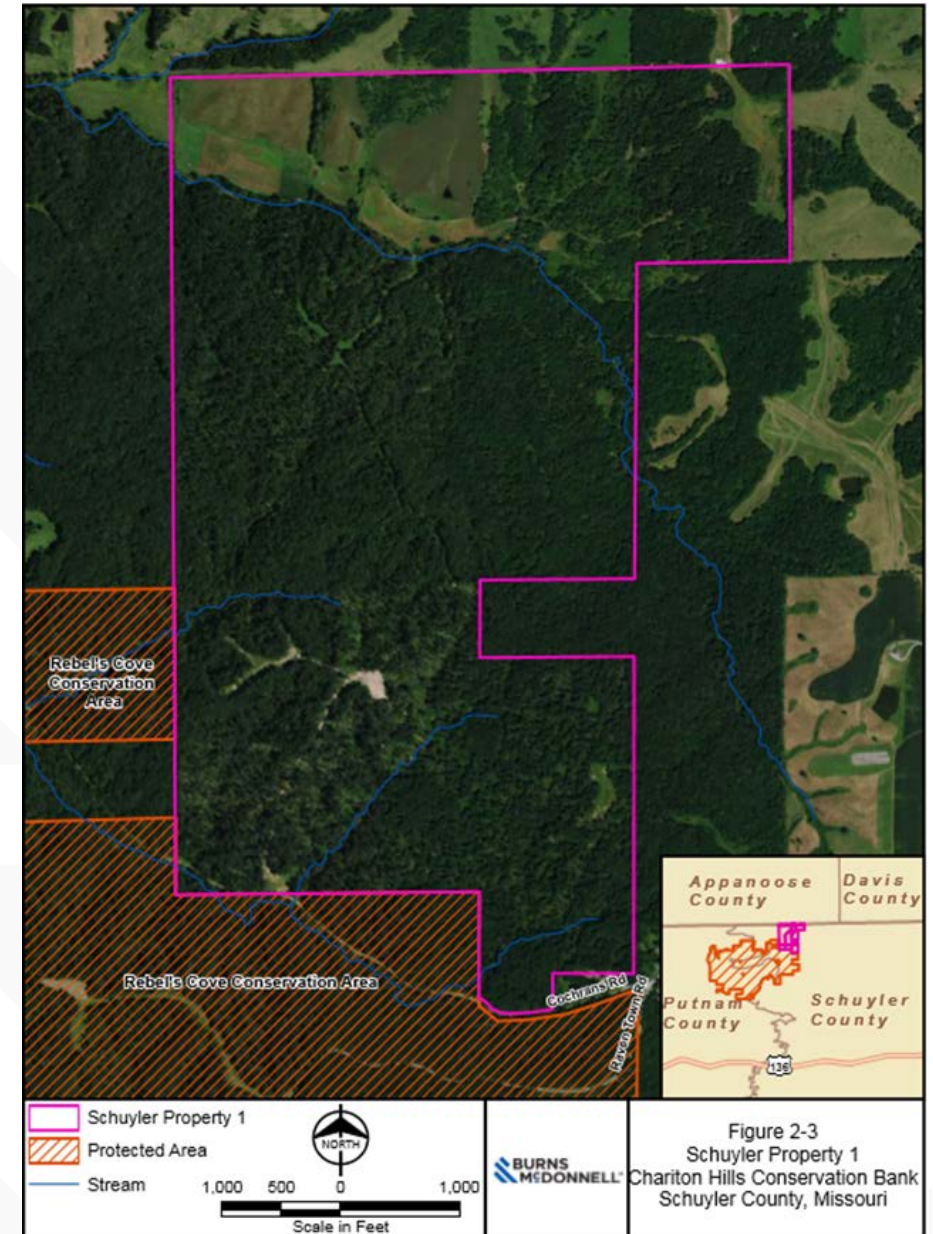
- ▶ Approximately 650 acres
- ▶ Adjacent to Sugar Creek Conservation Area
- ▶ Multiple captures
- ▶ Strategically located forested summer foraging and roosting habitat

# ADAIR PROPERTY

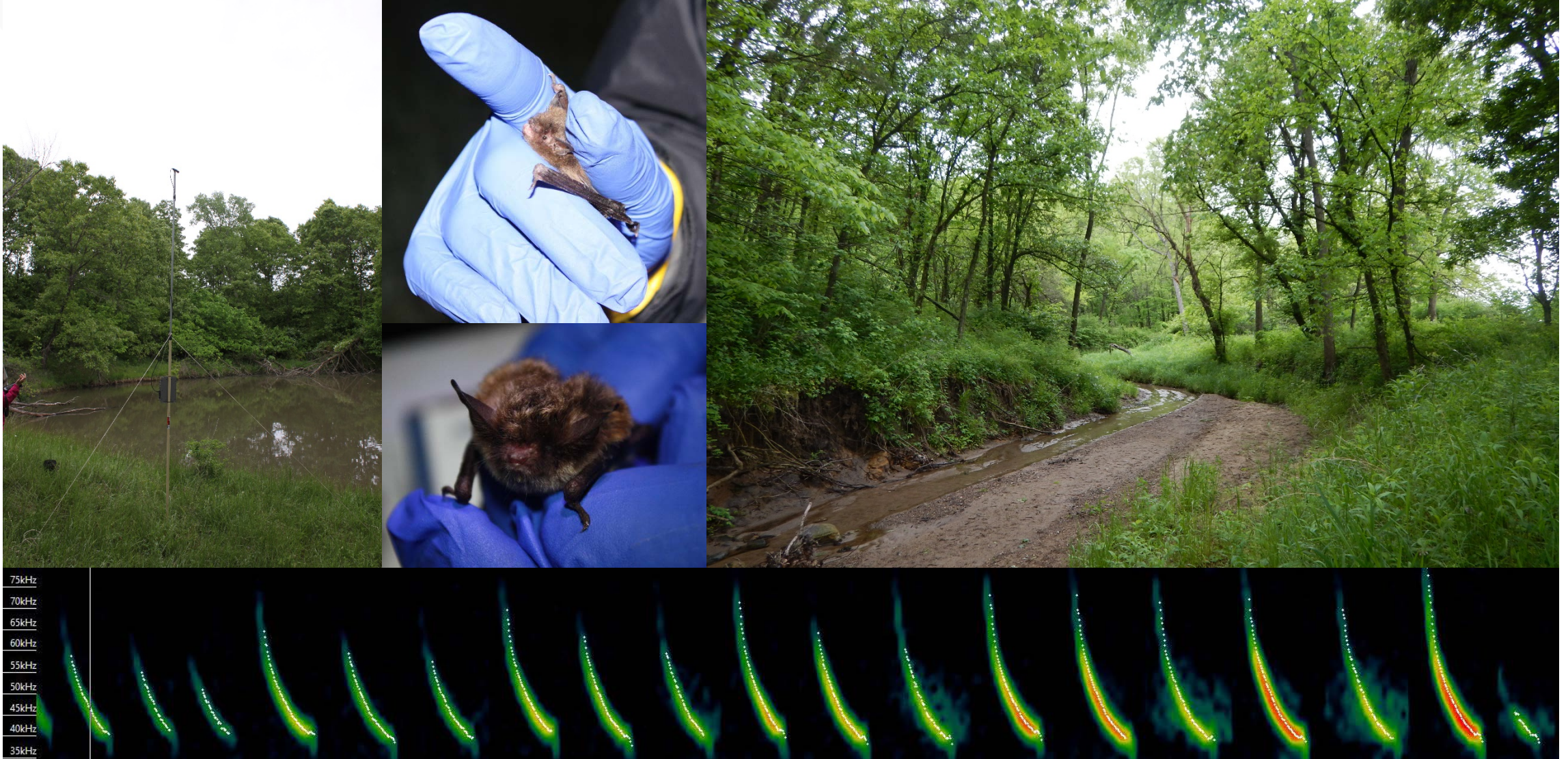


# SCHUYLER PROPERTY

- ▶ Approximately 685 acres in Missouri
- ▶ Adjacent to Rebel's Cove Conservation Area
- ▶ Aggregated six separate properties
- ▶ Multiple captures
- ▶ Strategically located forested summer foraging and roosting habitat



# SCHUYLER PROPERTY



# BANK CREDITS ARE THE WHOLE PACKAGE

- ▶ Site Identification and Control
- ▶ Entitlement
  - Design, Permitting, Supporting Studies
  - Legal and Financial Securities
  - Negotiation of Easement + Interim, Long Term Management + Performance Standards
- ▶ Implementation
  - Construction/Restoration
  - Securities release
  - Credit release
  - Conservation Easement, Endowment funding
- ▶ Interim Maintenance and Monitoring
- ▶ Long-Term Management: Perpetuity

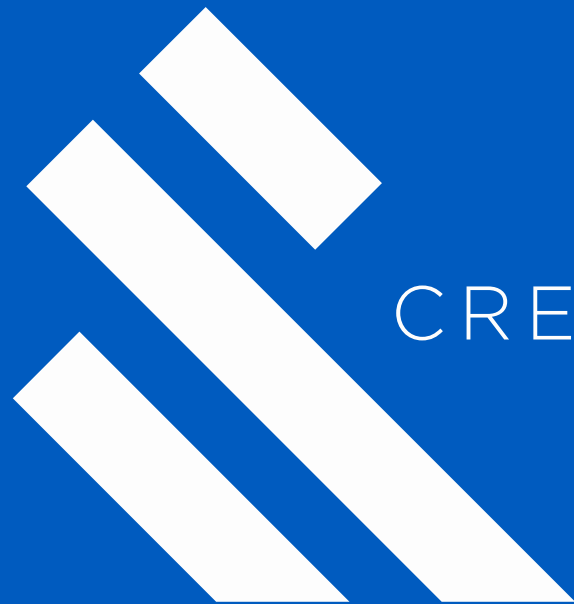
# BANK CREDITS ARE THE WHOLE PACKAGE

## ▶ For Project Developer

- Pre-approved credits provide mitigation certainty
- Less internal staff time spent on developing mitigation solution
- Banks have been shown to reduce permit timeframes
- No interim, long term site management or ledger tracking
- Third-party credits sever mitigation liability

## ▶ For Agencies

- Saves time
- Reduces review time for permit decisions
- Consolidates mitigation
- Permanent protection of resources



CREATE AMAZING.