



# NRDA and Conservation Banks

How Conservation Banking Can  
Complement, Streamline, and Improve  
the NRDA Settlement Process





# NRDA and Conservation Banks

## *Outline*

- Conservation Banking 101
- Approval process
- Provisions of banks
- Benefits to the NRDA Program
- Existing Opportunities
- Potential Problems



## Conservation Banking 101

# What is a Conservation Bank?

- A natural resource (species or habitat) account that is drawn on to compensate for unavoidable adverse environmental impacts elsewhere.
- Sites are selected and managed for their natural resource values, special-status species, and/or sensitive habitats.
- Sites may be natural (preservation) and/or include restoration and/or creation of habitat.



## Conservation Banking 101

# What is a Conservation Bank?

- Conservation Bank vs. Mitigation Bank
- Turn-key Mitigation



## Conservation Banking 101

# Background

- First conservation bank approved in 1992
- Most approved in 2007 (11)
- Approximately 50 habitat types (89 credit types)
- Range in size from 12 to 18,000 acres



## Conservation Banking 101

# Background

- 122 approved in 12 states and 2 territories
- 86 species protected
- Many more Banks in development and approval stages.

## Conservation Banking 101

# Background

<b>State*</b>	<b># of Banks*</b>	<b>Acreage*</b>
CA	94	48,194
FL	4	4,218
TX	4	30,197
AZ, NC, CO, OR	2 each	1,750
AL, GA, UT, WA, SC, N. Mariana, Saipan	1 each	2,400
WV	1 pending	--

\*Based on best available information



## Conservation Banking 101

# Background

- Approximately 100,000 acres protected to date and growing...



# Approval Process

- Submit Prospectus
- Submit Bank Document
- Alter Bank Document based on Recommendations from Review
- Wait for Approval



# Approval Process

## Submit Prospectus

- Prospectus describes general bank overview and vision. Includes important geographical, biological, and technical information. Gives reviewers general understanding of the purpose of the Bank.
- Prospectus submitted and reviewed by appropriate agencies (FWS/NMFS and possibly IRT, if also mitigation bank for wetlands)



# Approval Process

## Submit Bank Document

- Agency comments on Prospectus are incorporated during development of official Banking document
- SOL and GC reviewed unless using approved template

Alter Bank Document based on  
Recommendations from Review



# Approval Process

WAIT.....

- Can take 3 months to years for approval



# Provisions of Banks

## Solid Control of the Property

- Fee ownership of partnership
- Conservation Easement

## Science-based Management Plan for Species and Habitat

- ESA standard- best available information



# Provisions (cont.)

## Operation and Monitoring Plan

- In perpetuity

## Perpetual Funding Assurances

- Non-wasting endowment sized to meet long-term costs

## Legal and Administrative Documents

- SOL and GC reviewed



# Benefits to NRDA Program

- Agency approved restoration credit
- Credit flexibility
  - Can be DSAYS, acreage, species count etc.
- No Temporal Loss
  - restoration in place



## Benefits (cont.)

- ESA or species specific credits
- Agencies' banking policies in place



# Existing Opportunities

Examples of NRDA Impacts being within active and in-process Conservation Bank service areas\*

<b>Conservation Bank</b>	<b>NRDA Project</b>
Blue Heron Slough	Portland Harbor, Tulialip Landfill
Hylebos	Commencement Bay, Elliot Bay, Bainbridge Island,
Nookachamps	Whatcom Creek
Freemont Landing	Iron Mountain Mine
Lower Columbia River (pending)	McCormick and Baxter, Portland Harbor

\*Further analysis required to determine credit suitability for project specific NRDA impacts

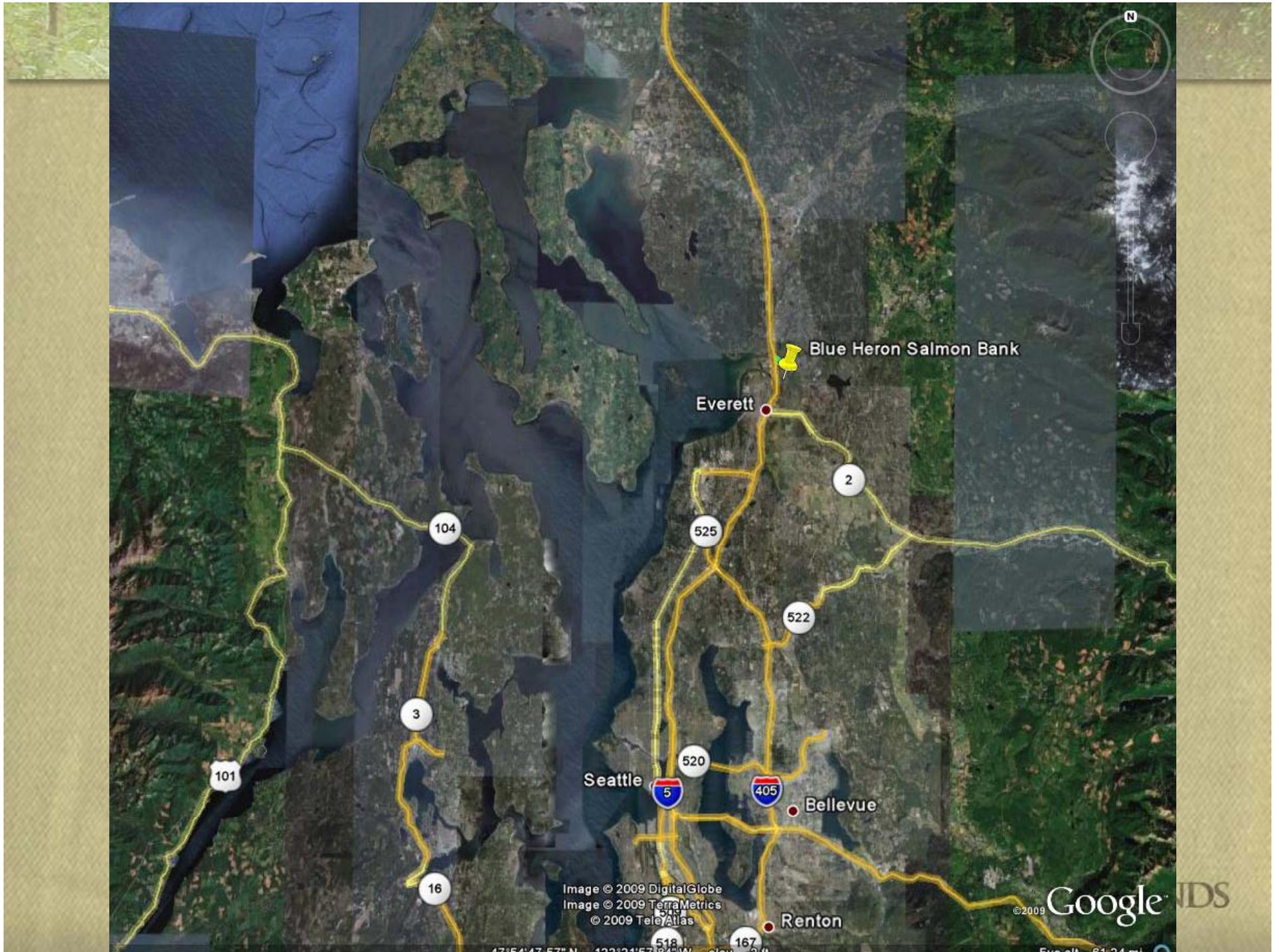




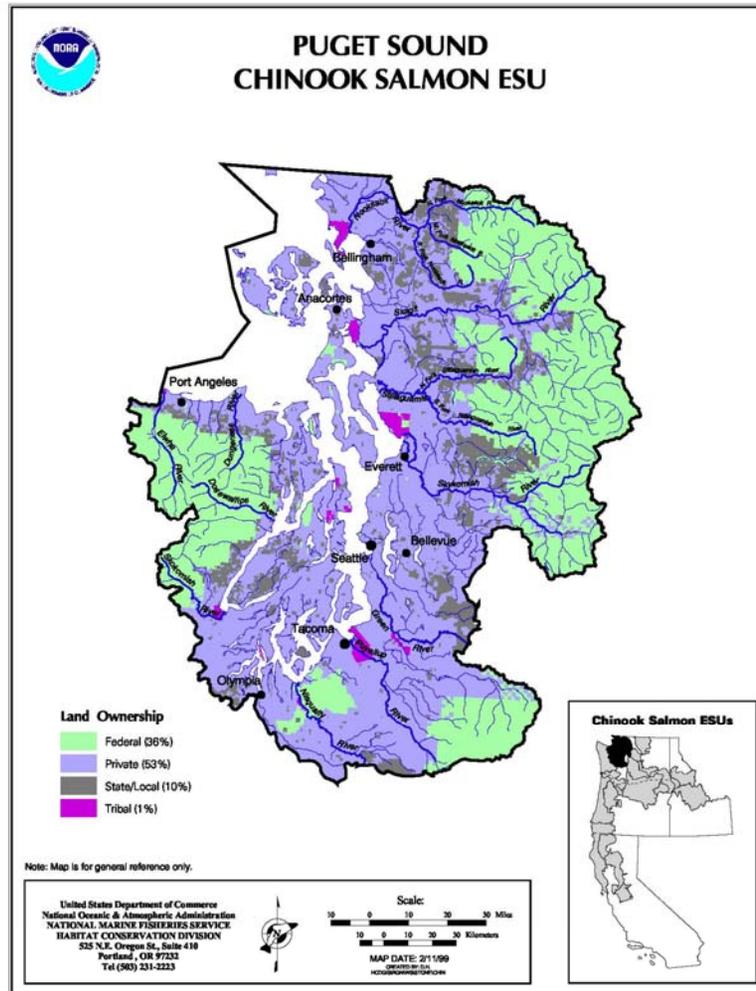
# Existing Opportunities

## Blue Heron Salmon Conservation Bank

- Washington, north of Seattle
- NMFS only approved bank
- Credits established as DSAYS
- Restoration bank with some preservation of habitat along river channel



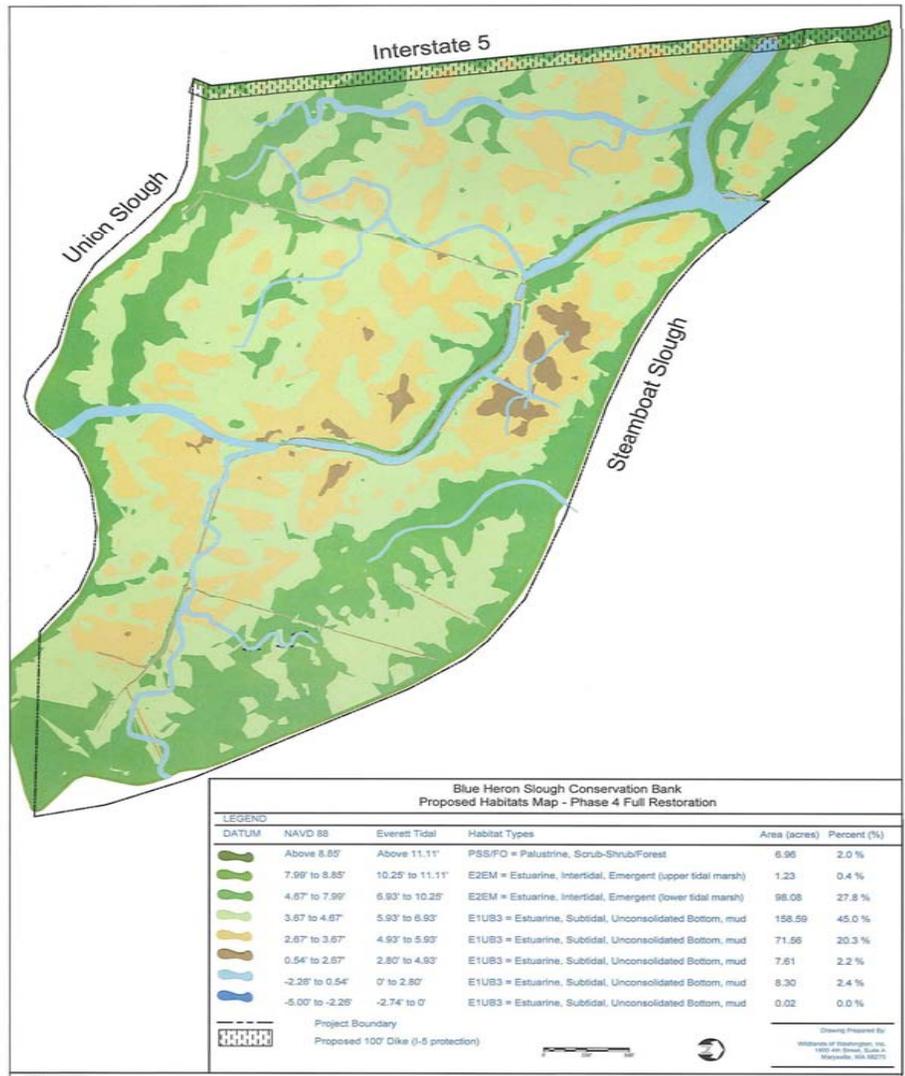
# Blue Heron Salmon Bank



# Blue Heron Salmon Bank



WILDLANDS



**Wildlands of Washington, Inc.**  
 Blue Heron Slough Conservation Bank  
 Habitat Development Plan

Figure 7  
 Proposed Habitat Map - Phases 2 and 3





# Potential Problems

## Credit Determination

- Species/habitat credits vs. ecosystem credits
- In-kind or out-of-kind?

## Service Area Determination

- Service areas for bank vs. NRDA

## Provincialism

- example NW Blue Heron

Cross-walking within agencies (Endangered Species to Contaminant Programs or HC to Protected Species)



# Conclusions

Flexibility of Banking makes it a perfect complement to NRDA required restoration by offering additional solutions including:

- Responsible Party working with bankers providing solutions approved by Trustees
- Trust Committee directed use of Banks



# Conclusions

Existing policies make adoption of Banking easier, and the criteria for bank approval meets the needs for NRDA restoration standards.

Conservation Banking is reliable, efficient, and has a proven track record of financially and ecologically sound habitat protection.