



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

State*	# of Banks*	Acreage*
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*

Conservation Bank	NRDA Project
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

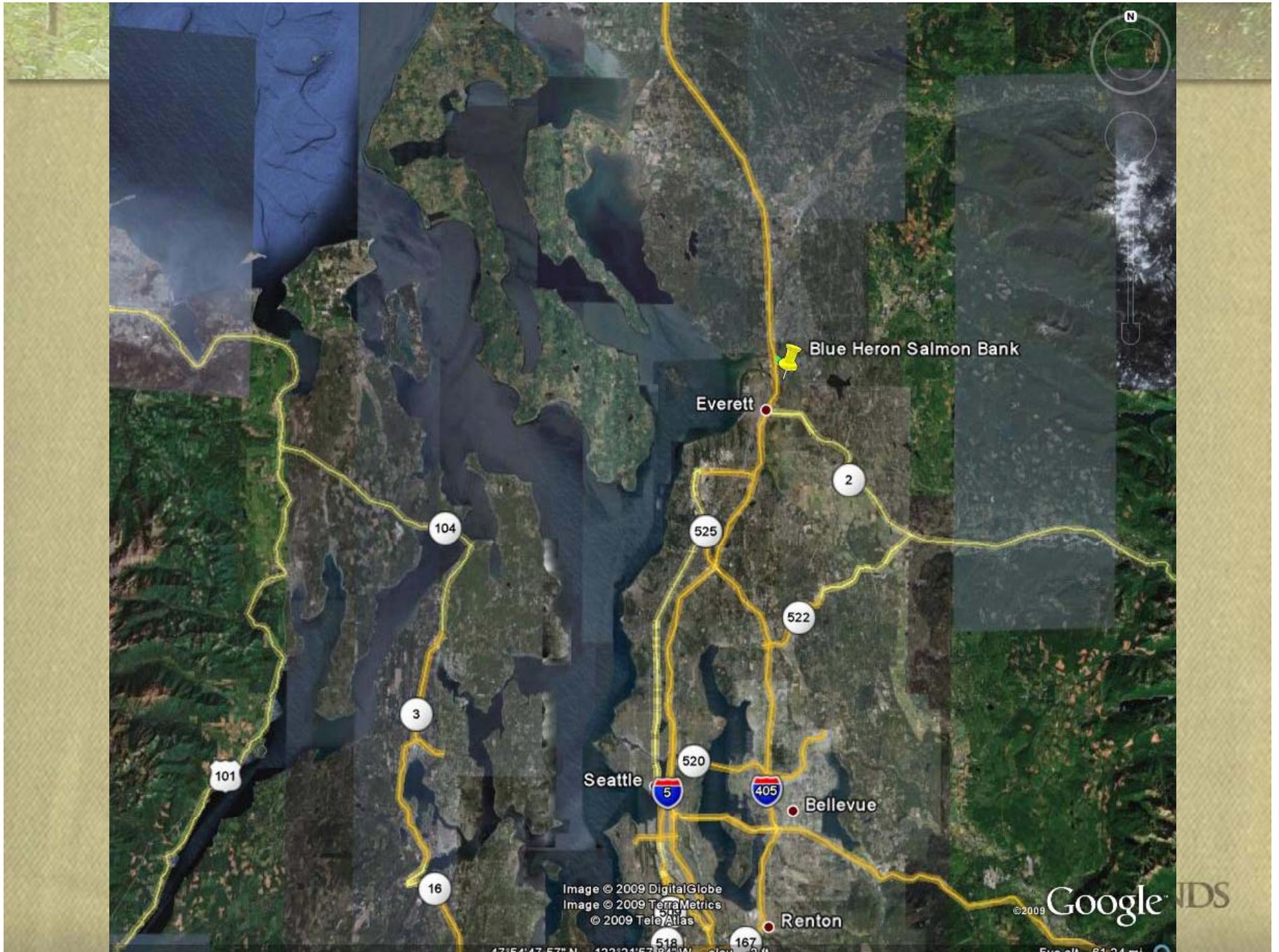




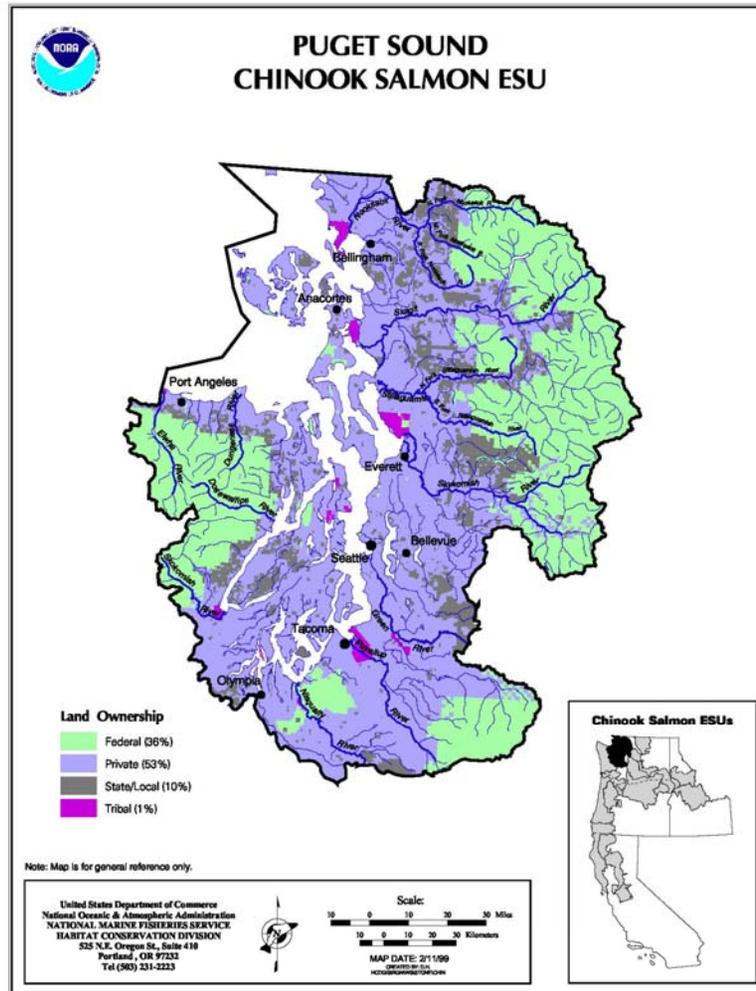
Existing Opportunities

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



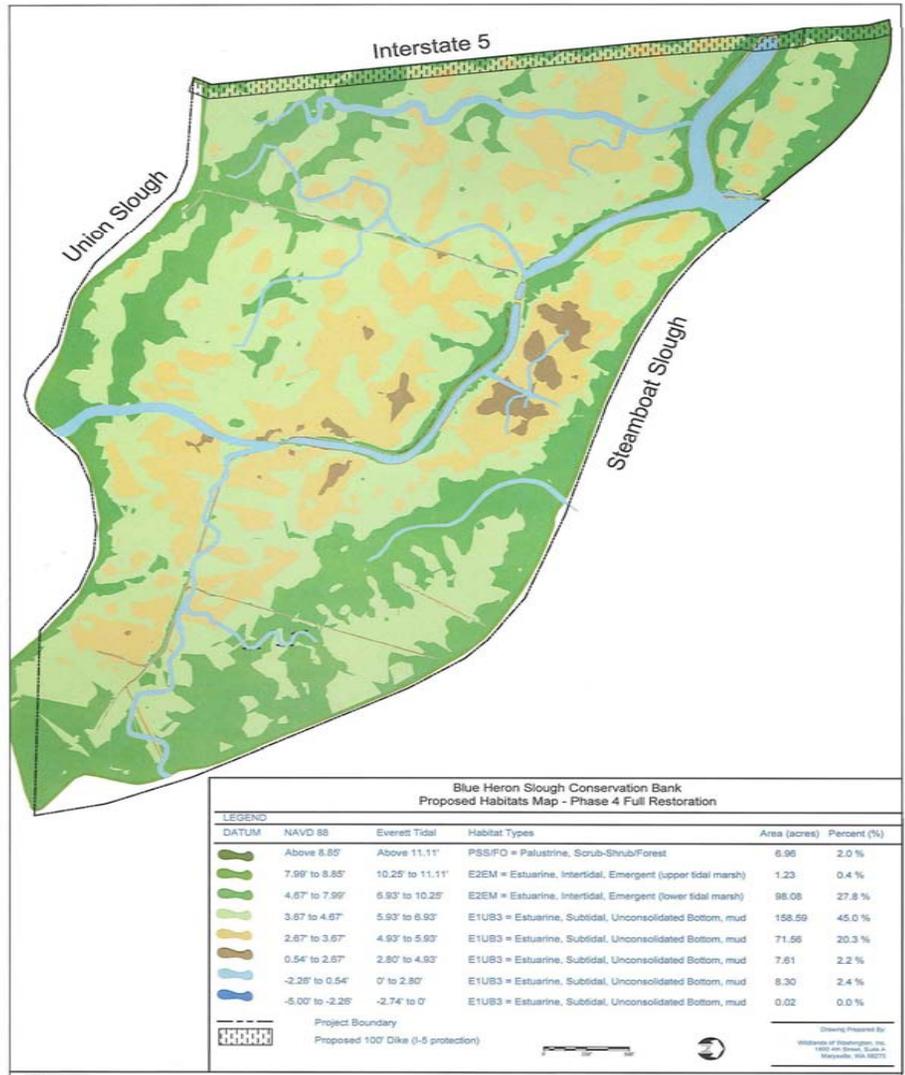
Blue Heron Salmon Bank



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.