



A TRAINING COURSE FOR MITIGATION BANKING INTERAGENCY REVIEW TEAMS



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Reference Document: Wetland Credit Determination

A. Federal Wetland Credit Determination Policy

2006 Proposed Compensatory Mitigation Regulations

§332.2 Definitions

Credit means a unit of measure (e.g., a functional or areal measure or other suitable metric) representing the accrual or attainment of aquatic functions at a compensatory mitigation site. The measure of aquatic functions is based on the resources restored, established, enhanced, or preserved.

Condition means the relative ability of an aquatic resource to support and maintain a community of organisms having a species composition, diversity, and functional organization comparable to reference aquatic resources in the region.

Functional capacity means the degree to which an area of aquatic resource performs a specific function.

Functions means the physical, chemical, and biological processes that occur in ecosystems.

§332.3 General compensatory mitigation requirements

(h) Preservation.

(1) Preservation may be used to provide compensatory mitigation for activities authorized by DA permits when all the following criteria are met:

(i) The resources to be preserved provide important physical, chemical, or biological functions for the watershed;

(ii) The resources to be preserved contribute significantly to the ecological sustainability of the watershed. In determining the contribution of those resources to the ecological sustainability of the watershed, the district engineer must use appropriate quantitative assessment tools, where available;

(iii) Preservation is determined by the district engineer to be appropriate and practicable;

(iv) The resources are under threat of destruction or adverse modifications; and

(v) The preserved site will be permanently protected through an appropriate real estate or other legal instrument (e.g., easement, title transfer to state resource agency or land trust).

(2) Where preservation is used to provide compensatory mitigation, to the extent appropriate and practicable the preservation shall be done in conjunction with aquatic resource restoration, establishment, and/or enhancement activities. This requirement may be waived by the district

engineer where preservation has been identified as a high priority using a watershed approach described in paragraph (c) of this section, but compensation ratios shall be higher.

(i) Buffers. District engineers may require the restoration, establishment, enhancement, and preservation, as well as the maintenance, of riparian areas and/or buffers around aquatic resources where necessary to ensure the long-term viability of those resources. Buffers may also provide habitat or corridors necessary for the ecological functioning of aquatic resources. If buffers are required by the district engineer as part of the compensatory mitigation project, compensatory mitigation credit will be provided for those buffers.

(j) Relationship to other federal, tribal, state, and local programs.

(1) Compensatory mitigation projects for DA permits may also be used to satisfy the environmental requirements of other programs, such as tribal, state, or local wetlands regulatory programs, other federal programs such as the Surface Mining Control and Reclamation Act, Corps civil works projects, and Department of Defense military construction projects, consistent with the terms and requirements of these programs and subject to the following considerations:

(i) The compensatory mitigation project must include appropriate compensation required by the DA permit for unavoidable impacts to aquatic resources authorized by that permit.

(ii) Under no circumstances may the same credits be used to provide mitigation for more than one permitted activity. However, where appropriate, compensatory mitigation projects, including mitigation banks and in-lieu fee projects, may be designed to holistically address requirements under multiple programs and authorities for the same activity.

(2) Except for projects undertaken by federal agencies, or where federal funding is specifically authorized to provide compensatory mitigation, federally-funded aquatic resource restoration or conservation projects undertaken for purposes other than compensatory mitigation, such as the Wetlands Reserve Program, Conservation Reserve Program, and Partners for Wildlife Program activities, cannot be used for the purpose of generating compensatory mitigation credits for activities authorized by DA permits. However, compensatory mitigation credits may be generated by activities undertaken in conjunction with, but supplemental to, such programs in order to maximize the overall ecological benefits of the restoration or conservation project.

(3) Compensatory mitigation projects may also be used to provide compensatory mitigation under the Endangered Species Act or for Habitat Conservation Plans, as long as they comply with the requirements of paragraph (j)(1) of this section.

§332.4 *Planning and documentation*

(c) *Mitigation Plan.* [The mitigation plan must include:]

(6) *Determination of credits.* A description of the number of credits to be provided, including a brief explanation of the rationale for this determination. (See § 332.3(f).)

(i) For permittee-responsible mitigation, this should include an explanation of how the compensatory mitigation project will provide the required compensation for unavoidable impacts to aquatic resources resulting from the permitted activity.

(ii) For permittees intending to secure credits from an approved mitigation bank or in-lieu fee program, it should include the number and resource type of credits to be secured and how these were determined.

§332.8 *Mitigation Banks*

(o) *Determining credits.*

(1) *Units of measure.* The principal units for credits and debits are acres, linear feet, functional assessment units, or other suitable metrics of particular resource types. Functional assessment units or other suitable metrics may be linked to acres or linear feet.

(2) *Assessment.* Where practicable, an appropriate assessment method (e.g., hydrogeomorphic approach to wetlands functional assessment, index of biological integrity) or other suitable metric must be used to assess and describe the aquatic resource types that will be restored, established, enhanced and/or preserved by the mitigation bank or in-lieu fee project.

(3) *Credit production.* The number of credits must reflect the difference between pre- and post-compensatory mitigation project site conditions, as determined by a functional or condition assessment or other suitable metric.

(4) *Credit value.* Once a credit is debited (sold or transferred to a permittee), its value cannot change.

...

(6) *Credits provided by preservation.* These credits should be specified as acres, linear feet, or other suitable metrics of preservation of a particular resource type. In determining the compensatory mitigation requirements for DA permits using mitigation banks or in-lieu fee programs, the district engineer should apply a higher mitigation ratio if the requirements are to be met through the use of preservation credits. In determining this higher ratio, the district engineer must consider the relative importance of both the impacted and the preserved aquatic resources in sustaining watershed functions.

(7) *Credits provided by riparian areas, buffers, and uplands.* These credits should be specified as acres, linear feet, or other suitable metrics of riparian area, buffer, and uplands, respectively. Non-aquatic resources can only be used as compensatory mitigation for impacts to aquatic resources authorized by DA permits when those resources are essential to maintaining the ecological viability of adjoining aquatic resources. In

determining the compensatory mitigation requirements for DA permits using mitigation banks and in-lieu fee programs, the district engineer may authorize the use of riparian area, buffer, and/or upland credits if he determines that these areas are essential to sustaining aquatic resource functions in the watershed and are the most appropriate compensation for the authorized impacts.



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Reference Document: Wetland Credit Determination

B. Wetland Credit Determination Methods

Charleston District, U.S. Army Corps of Engineers

- The Charleston district’s Compensatory Mitigation SOP includes detailed information and formulas for calculating both wetland and stream impacts and credits.
- U.S. Army Corps of Engineers, Charleston District. September 19, 2002. “Compensatory Mitigation Standard Operating Procedure.”
- <http://www.sac.usace.army.mil/permits/sop02-01.pdf>

Mobile District, U.S. Army Corps of Engineers: Ratio Method

- The Mobile district developed a Ratio Method (RM) to determine the amount of credits available at a proposed wetland mitigation bank. The RM has historically been utilized to determine credits at mitigation banks when other more quantitative methods, such as HGM or WRAP, have not been available. The RM utilizes the following set of Base Ratios:

Type of Mitigation	Value of Impacted Wetland		
	Low	Medium	High
Restoration	1:2	1:3	1:4
Enhancement	1:3	1:5	1:9
Preservation	1:7	1:12	1:23

These ratios qualitatively consider 1) the different levels of functional lift associated with different types of mitigation, 2) the time required for the mitigation site to reach maturity or target condition, 3) the risk of the mitigation not achieving functional replacement, and 4) an appropriate consideration of the loss of function over time.

- U.S. Army Corps of Engineers, Mobile District. Undated. “Ratio Method.”

New Jersey Credit Ratios

- The New Jersey Department of Environmental Protection (NJ DEP) rules dictate that wetland restoration and creation projects require the protection of a transition area that is, at a minimum, 50 feet wide. A transition area 150 feet wide is required for exceptional resource value wetlands. Generally NJ DEP requires the following ratios: Creation or restoration – 2:1; Preservation (a minimum of) – 27:1.
- N.J.A.C. 7:7A-15.8
- http://www.nj.gov/dep/landuse/njsa_njac.html.

Norfolk District, U.S. Army Corps of Engineers: Ratio Method

- The Norfolk district has developed a ratio method somewhat similar to the Mobile district’s method. The Ratio Method (RM) is a qualitative approach to determining the amount of credits available at a proposed wetland mitigation bank. The RM is utilized to determine credits at mitigation banks. The RM utilizes the following set of Base Ratios:

Type of Mitigation	Wetland Community		
	Forested	Scrub-Shrub	Emergent
Restoration/Creation	2:1	1.5:1	1:1
Enhancement *	-	5:1-9:1	-
Preservation *	-	10:1-20:1	-
Upland Buffer Preservation *	-	15:1	-

* Does not satisfy requirements for no-net loss of wetland acreage.

- U.S. Army Corps of Engineers, Norfolk District. Undated. “Ratio Method.”

Ohio Mitigation Banking Credit Ratios

Developed jointly by Ohio EPA, OHIO DNR, EPA Region V, and the Huntington, Buffalo, and Pittsburgh districts

Type	Credits	Areas > 50 m from Wetland Boundaries	Notes
Re-establishment	1:1	N/A	Preferred
Rehabilitation	Up to 1:2	N/A	No up front release
Establishment	Up to 1:1	N/A	Not the preferred method/up front may be reduced
Preservation	Generally 1:10 Up to 1:4	N/A	Looking for higher quality areas & demonstrated threat
Buffer-restoration	Generally 1:4 within 50m	May be considered for 1:10	
Buffer rehabilitation	Up to 1:4 within 50m	May be considered for 1:10	
Buffer preservation	Generally 1:10	Considered if ecologically compelling reason	Looking for higher quality areas

St. Paul District, U.S. Army Corps of Engineers and Wisconsin Department of Natural Resources: Credit Determination for Banks in Wisconsin

- The following table summarizes how the St. Paul district and the WI DNR determine credits for mitigation banks (and other compensatory mitigation projects) in Wisconsin.

Credit Acres	Actual Acres	Technique Used – Notes	Bank Site Provisions (see also Section 9.H.)
1.0	1.0	Restoration	
Up to 1.0	1.0	Enhancement – Credit level determined by MBRT or permitting agency depending on a comparison of current functional values to those projected for the compensation site.	
Up to 1.0	1.0	Creation	No more than 25% of total credit acres can be creation.
0.1	1.0	Minimum Upland Buffer	No more than 15% of total credit acres can be upland buffer.
0.25	1.0	Ecological Enhancement in Adjacent Uplands	No more than 15% of total credit acres can be upland buffer.
Up to 1	8.0	Fully Functioning Wetlands – Preservation of existing wetlands under a demonstrable threat may be credited at a rate no greater than 1 acre of credit for every 8 acres preserved.	MBRT determines acres of fully functioning wetland within the bank site.
No credit		Fully Functioning Wetlands – If within or adjacent to the compensation site and not under demonstrable threat, then no credit is received.	MBRT determines acres of fully functioning wetland within the bank site.
No credit		Exchange – Exchange from one wetland type to another is generally not approved for credit.	
No credit		Constructed Facilities for Stormwater/Wastewater Treatment	

- U.S. Army Corps of Engineers, St. Paul District, Wisconsin Department of Natural Resources. February 2002. “Guidelines for Wetland Compensatory Mitigation in Wisconsin.” pp. 15-18.

- Available at <http://dnr.wi.gov/org/water/fhp/wetlands/mitigation/index.shtml>.

Wilmington District, U.S. Army Corps of Engineers: Wetland Credit Calculation

- Until such time that a wetland function assessment methodology is developed, tested and approved, the Wilmington District will calculate mitigation bank wetland credits using the following ratios:
Restoration Acres (R) = (1:1)
Enhancement Acres (E) = (2:1)
Creation Acres (C) = (3:1)
Preservation Acres (P) = (5:1)
- Wilmington District, U.S. Army Corps of Engineers. Undated. "Mitigation Banks."
- <http://www.saw.usace.army.mil/WETLANDS/Mitigation/mitbanks.html>.