

Central Valley Anadromous Salmonid Umbrella Conservation Bank
(California)

I. OVERVIEW & BACKGROUND

Location:	Fremont Landing Conservation Bank is in Yolo County, California
Date established:	October 2006
Size of bank:	Fremont Landing Conservation Bank is 100 acres
Species:	Sacramento River winter-run Chinook salmon (<i>Onchorhynchus tshawytscha</i>), Central Valley spring-run Chinook salmon (<i>O. tshawytscha</i>), Central Valley steelhead (<i>O. mykiss</i>), and Central Valley fall/late fall-run Chinook salmon (<i>O. tshawytscha</i>) Salmon and steelhead are currently present at the Fremont Landing Conservation Bank site
Method of credit generation:	Habitat preservation, restoration, and/or enhancement
Credits released / sold:	42 out of 100 credits for Fremont Landing Conservation Bank / 10.6 credits sold
Interesting features:	NMFS umbrella agreement with multiple bank sites planned; well-developed management and financial assurance provisions within the umbrella bank instrument

II. INTRODUCTION / SITE SELECTION

In October 2006, NOAA's National Marine Fisheries Service (NMFS) approved Wildland Inc.'s Central Valley Anadromous Salmonid Umbrella Conservation Bank (umbrella bank) as a means to conserve and protect highly valuable biological resources and constituent elements of critical habitat of salmonid populations along the Sacramento River and its tributary streams. Two days after the official approval of the umbrella bank agreement, Wildlands added the Fremont Landing Conservation Bank as the first banking site (Addendum No. 1) under the umbrella agreement. It is expected that Liberty Island Conservation Bank, with approximately 139 credits, will be the second bank under the umbrella agreement. An example of the Chinook salmon is seen in Figure 1 while an example of the steelhead is shown in Figure 2.



Figure 1. The Chinook salmon (*Onchorhynchus tshawytscha*).



Figure 2. The steelhead (*O. mykiss*).

III. SERVICE AREA DETERMINATION

The service area for the umbrella bank is generally considered to be the Sacramento River and its tributaries. However, specific service areas for individual banking sites are determined on a case-by-case basis. Currently, the Fremont Landing Conservation Bank has a service area consisting of portions of Tehama, Shasta, Glenn, Butte, Colusa, Sutter, Yuba, Placer, Yolo, Solano, Sacramento, Amador, Contra Costa, San Joaquin, Calaveras, Alameda, Stanislaus, Tuolumne, Merced, and Mariposa Counties.

IV. CREDIT DETERMINATION/METHODOLOGY

Conservation credits for each bank site are determined on a site-by-site basis. Credit evaluations for each site include all life states and associated habitat for the Sacramento River winter-run Chinook Salmon, Central Valley spring-run Chinook salmon, Central Valley steelhead, Central Valley fall/late fall-run Chinook salmon (a state species of special concern), as well as the designated critical habitat of Sacramento River winter-run Chinook salmon, Central Valley spring-run Chinook salmon, and Central Valley steelhead, and the essential fish habitat (EFH) of Pacific Salmon.

Upon NMFS approval of credit sales for a particular banking site, the release of credits is controlled by following schedule:

- (a) 100% of the conservation credits for all preserved habitat for each site shall be available upon approval of that site;
- (b) 15% of the conservation credits for habitat to be enhanced or restored at each Site or Phase shall be available upon approval of that site or phase;
- (c) An additional 35% of the conservation credits for the enhanced or restored habitat for each site or phase shall be available upon approval of the as-built drawings for that site or phase;
- (d) An additional 35% of the conservation credits for the enhanced or restored habitat for each site or phase shall be available upon attainment of the year 2 performance standards; and
- (e) The remaining 15% of the conservation credits for the enhanced or restored habitat for each site or phase shall be released upon attainment of the year 5 performance standards.

If NMFS fails to respond in 30 days to a written request for the release of credits, the request is deemed approved on the 31st day following submittal.

V. FINANCIAL ASSURANCES

As part of the umbrella bank agreement, Wildlands is required to establish a dedicated, non-wasting, interest-bearing account, with the understanding that the interest accruing from the endowment fund will be used exclusively for management of each banking site. An endowment deposit is collected with the sale or conveyance of each conservation credit until the endowment is fully funded. The endowment fund is required to be held in trust by an approved party.

In calculating the endowment deposit for a given site, NMFS and Wildlands set an agreed upon "target date" for full funding of the site's contribution to the endowment fund. In the event that the target amount is not achieved by the target date (or within 30 days thereafter), Wildlands is required to deposit the difference between the amount in the endowment fund and the target amount, which ensures that the endowment is properly funded regardless of credit sales.

Prior to full funding of the endowment account, Wildlands is responsible for all costs and any management obligations that NMFS and Wildlands agree upon during the “Interim Management Period.” An Interim Management Account is also set up to accept the initial ten credit sales of each bank site to be used as a contingency fund for management until the endowment matures. Upon achievement of the target amount and target date, the Interim Management Agreement Account may be terminated with all funds (excepting interest retained by Wildlands) transferring to the endowment fund.

Furthermore, as a means of tracking funds from the sale and conveyance of credits from each bank site, Wildlands is required to establish a conservation bank database. For each credit sold, the database lists the conservation bank site, the number and type of credit sold or conveyed, the name, address, county, and telephone number of the entity purchasing or receiving any credits, and the activity/type of project (including project name and NMFS file number if available) for which the credit was sold.

VI. MANAGEMENT (CURRENT AND LONG-TERM)

Conservation easements for approved banking sites are required to be recorded. Wildlands maintains responsibility for ensuring that the banking properties within the umbrella bank are properly managed and maintained. Specifically, Wildlands is required to develop site-specific management plans for each banking site that include the following details:

- (a) a general description of biological resources, including geographic location and features, topography, vegetation, past and present land use, species, covered species, and habitat occurring on the property;
- (b) specific measures for ongoing management of the property and biological resources, as well as measures for property management should unforeseen or changed circumstances occurs, such as fire, flood, or listing of new species; and
- (c) specific measures for regular and ongoing monitoring of the property to be conducted by a third party monitor expressly approved by NMFS.

As for financial management, Wildlands is required to provide NMFS with an annual accounting and management report with the following information:

- (a) an accounting of all funds expended in the management of each property during the previous year;
- (b) a general description of the status of each property;
- (c) the results of any biological monitoring or studies conducted on each property; and
- (d) a description of all management actions for each property that will be undertaken in accordance with the umbrella agreement, any site specific conservation easement and management plan in the coming year.

Once a property is part of the conservation bank, Wildlands has the right to transfer or assign a site-specific bank, but *only* with the written permission of NMFS. Furthermore, the umbrella

bank agreement may be terminated once all available credits have been sold or conveyed, so long as the endowment funds continue to function properly and the site-specific conservation easements continue in perpetuity.

VII. LESSONS LEARNED

One site-specific challenge with respect to both the Fremont Landing Conservation Bank and the Liberty Island Conservation Bank is the Central Valley Flood Protection Board (Reclamation Board), a state regulatory agency. A local reclamation district has a flood control easement on these banking sites, which allows the Reclamation Board and the local reclamation district to restrict riparian encroachment except on the riverbank. The district annually plows nearly two-thirds of the property for weed control and to discourage regeneration of the natural riparian forest. Because portions of the Sacramento River and its tributary streams are currently cutoff as a result of man-made changes, Wildlands needs permission from the Reclamation Board to dig out portions of bank lands to restore the natural flow and to prevent salmon and steelhead populations from becoming stranded when entering these portions of the Sacramento River system. Accordingly, all phases of the habitat development for the banking sites will require a Reclamation Board permit. To date, the Board has declined to grant an encroachment permit to allow Wildlands to spread riparian vegetation at the banking sites and to restore natural connections and flow of waterbodies on bank lands. Negotiations continue (with the support of NMFS), and Wildlands, Inc. expects to have Reclamation Board permits by the end of the summer 2010. However, the Board’s refusal has slowed progress in restoring these banking sites considerably.

VIII. APPENDICES

Appendix

Fremont Landing Conservation Bank Regional MapA
Fremont Landing Conservation Bank MapB