



STATE OF WASHINGTON

OFFICE OF THE INTERAGENCY COMMITTEE
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August 28, 2006

TO: IAC Committee Members
FROM: Laura Johnson, Director 
PREPARED BY: Jim Fox, Special Assistant to the Director 
SUBJECT: **Item #8. WWRP Mitigation Banking Projects**

Background

The 2005 Legislature amended the Washington Wildlife and Recreation Program (WWRP) statutes to allow IAC to fund mitigation banking projects in the *urban wildlife habitat* and *critical habitat* categories and also in the new *Riparian Habitat Account* established by the bill.

At the November 15, 2005, IAC meeting, the Committee decided to issue a "request for proposals" and provide one or more grants to pilot (demonstration) projects that would satisfy the intent and requirements of the WWRP, provide experience in order to develop policies for funding mitigation banking projects in future grant rounds, and stimulate creative approaches to establishing mitigation banks that are capable of compensating for negative impacts to a variety of habitats and species.

Three mitigation banking projects were evaluated in August.

Board Action

- ▷ Review the mitigation banking evaluation team report;
- ▷ Discuss IAC staff recommendations;
- ▷ Decide which of the mitigation banking projects to fund; and
- ▷ Decide what restrictions or conditions to place on those projects.



Mitigation Banking Project Evaluation Process and Results

The mitigation banking projects were evaluated and scored by the WWRP evaluation teams using the evaluation criteria in Manual #10b for the applicable funding category—the Pierce County (Puyallup River Habitat Mitigation Bank) and Auburn (Auburn Environmental Mitigation Bank) projects in the *urban wildlife habitat* category and the Camas project (Lacamas Watershed Mitigation Bank) in the *riparian protection* category.

The three projects were also evaluated by a four member mitigation banking evaluation team regarding the banking-related conservation values of the project and features of the proposed mitigation bank, including service area, credit type and valuation, and types of mitigation to be addressed

The results of the evaluation in the *urban wildlife habitat* and *riparian habitat* categories are presented under Item #6 and summarized in Table 1 (below). The results of the mitigation banking evaluation are detailed in the *Mitigation Banking Evaluation Team Report* (attached) and also summarized in Table 1.

**Table 1
Mitigation Banking Project Rankings**

Project	Traditional WWRP Evaluation		Mitigation Banking Evaluation Team Rank
	Urban Wildlife Habitat Rank	Riparian Protection Account Rank	
Lacamas Watershed Mitigation Bank	-	17 of 17	1 of 3
Puyallup River Habitat Mitigation Bank	9 of 12	-	2 of 3
Auburn Environmental Mitigation Bank	10 of 12	-	3 of 3

Along with rating and ranking the mitigation banking proposals, the evaluation team provided comments on the strengths and weakness of each project. These comments are detailed in the team's report.

Discussion

In addition to the technical strengths and weaknesses of each project outlined in the evaluation team report, these projects differ in how they meet IAC's policy objectives for the pilot project. These are summarized below for each project.

Auburn Environmental Mitigation Bank. Although the proposed restoration site is not part of a watershed-wide plan, or specifically identified in a watershed-wide plan as a high priority in the watershed, the Auburn bank would offer an example of an urban bank to mitigate for urban impacts. However, the restoration is only for wetlands and

does not offer any conservation (habitat) banking (non-wetland) opportunities. In addition, state and federal regulatory agencies have just approved an urban mitigation bank in Renton—the Springbrook Creek Wetland and Habitat Mitigation Bank.

Puyallup River Habitat Mitigation Bank. This site offers the opportunity for developing an innovative credit valuation scheme based on species and watershed functions of local concern and potentially for wetlands and endangered species. The project also offers the opportunity to develop policies and guidelines for local mitigation banks, where the bank owner, the permitting agency, and the entity needing to provide compensatory mitigation are all the same. However, the commingling of IAC (and potentially SRFB) funds with other sources of acquisition and restoration funds will make it difficult to demonstrate that state funds are not being used to supplant legal obligations for mitigation. In addition, less than a third of the project will be used to provide mitigation credits.

Lacamas Watershed Mitigation Bank. This project also offers the opportunity to develop policies and guidelines for local mitigation banks, where the bank owner, the permitting agency, and the entity needing to provide for compensatory mitigation are all the same. Accounting will be simplified because debiting will be done on a cash basis and resulting income will be reinvested in additional acquisition and restoration. The project also offers the opportunity to develop a bank for not only wetlands, but also white oak (a species of state concern) and riparian areas. The crediting system is less innovative than that being proposed by Pierce County but offers more public accountability. The restoration and enhancement of this site is a strategic addition to a county-wide plan for conservation lands.

Staff Recommendation

Staff recommends that IAC fund only the Lacamas Watershed Mitigation Bank project submitted by the city of Camas. This project will provide a mitigation bank not only for wetlands, but also for riparian areas and for an upland species of concern—white oak. Thus there is the opportunity for providing for mitigation required by state and federal regulating agencies, but also for local regulatory authorities (Camas and Clark County) for impacts to locally prioritized species and habitats. The project offers clear accounting and accountability for public funds, and a plan to reinvest credit revenues in additional high-priority restoration and acquisition actions in the watershed. In addition, the project is in the *riparian protection* category, where there is a greater likelihood of an appropriation sufficient to fund most of the projects within the category. Thus, it is less likely that the \$522,815 project will divert funds from a highly ranked project in the same category.

The Auburn Environmental Park offers a great example of an urban nature park, with significant recreational and educational opportunities, great community support, and many partners. However, limited possible benefits to IAC and the state as a pilot mitigation banking project, along with a concern about using public funds to supplant obligations for compensatory mitigation, lead staff to conclude that the benefits of this

project as a pilot do not warrant diverting \$1.2 million from higher ranked *urban wildlife habitat* projects.

Pierce County's Puyallup River Habitat Mitigation Bank offers great environmental benefits and the opportunity to evaluate a local bank with an innovative crediting mechanism addressing local species of concern. However, lack of a proposed method to ensure public funds are not being used to supplant obligations for compensatory mitigation, the small portion of the project that will be used for credit exchange, and the lack of clarity about the relationship between conservation values of the proposed project to possible impacts in the service area, lead staff to conclude that the benefits do not warrant diverting \$2.5 million from high ranked *urban wildlife habitat* projects.

IAC Action

Staff offers Resolution #2006-33 for your consideration.

Attachments

Mitigation Banking Project Summaries
Mitigation Banking Evaluation Team Report
Resolution # 2006-33

Interagency Committee For Outdoor Recreation

RESOLUTION #2006-33

Pilot Mitigation Banking Projects

WHEREAS, in 2005, ESSB5396 (C303 L05) made mitigation banking projects eligible in the *critical habitat*, *urban wildlife habitat*, and *riparian protection account* categories of the Washington Wildlife and Recreation Program; and

WHEREAS, due to the lack of state and federal policy on conservation banking and other types of mitigation banking, the Interagency Committee For Outdoor Recreation (IAC) decided to approach these types of projects in the form of a pilot program; and

WHEREAS, on February 15, 2006, IAC circulated a request for mitigation banking grant proposals with the intent of funding one or more projects that would satisfy the intent and requirements of the WWRP, provide experience in order to develop policies for funding mitigation banking projects in future grant rounds, and stimulate creative approaches to establishing mitigation banks that are capable of compensating for negative impacts to a variety of habitats and species; and

WHEREAS, three mitigation banking projects were submitted and evaluated—one in the *riparian protection* category and two in the *urban wildlife habitat* category; and

WHEREAS, the three mitigation banking projects were also evaluated by a separate mitigation banking project evaluation team that addressed conservation values of the proposed projects as well as elements relating to the proposed bank; and

WHEREAS, the mitigation banking evaluation team provided comments about the projects in its report to the IAC and ranked the projects in the following order:

1. Lacamas Watershed Mitigation Bank
2. Puyallup River Habitat Mitigation Bank
3. Auburn Environmental Mitigation Bank

NOW, THEREFORE BE IT RESOLVED, that the IAC will reserve \$550,000 from the *riparian habitat* category for the Lacamas Watershed Mitigation Bank project submitted by the city of Camas; and

BE IT FURTHER RESOLVED, that the IAC will not reserve funding for the remaining two mitigation banking projects, but that these projects will remain on the *urban wildlife habitat* project list and will be eligible to receive grants if sufficient funds are available and if the applicants can adequately address issues identified by staff and the evaluation team regarding the use of public funds to supplant the obligation of an entity to provide for compensatory mitigation.

_____ Moved

_____ Seconded

MOTION CARRIED / FAILED



Washington Wildlife and Recreation Program Riparian Protection Account Post-Evaluation Project Summary

TITLE: Lacamas Watershed Mitigation Bank	NUMBER: 06-2022C (Combined) STATUS: Application Complete									
SPONSOR: City of Camas	EVALUATION SCORE: 72.5000 BOARD RANKING:									
COSTS: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">WWRP - Riparian Protection</td> <td style="width: 20%; text-align: right;">\$522,815</td> <td style="width: 20%; text-align: right;">49%</td> </tr> <tr> <td>Local</td> <td style="text-align: right;">\$550,000</td> <td style="text-align: right;">51%</td> </tr> <tr> <td>Total</td> <td style="text-align: right; border-top: 1px solid black;">\$1,072,815</td> <td style="text-align: right; border-top: 1px solid black;">100%</td> </tr> </table>	WWRP - Riparian Protection	\$522,815	49%	Local	\$550,000	51%	Total	\$1,072,815	100%	SPONSOR MATCH: Appropriation \ Cash
WWRP - Riparian Protection	\$522,815	49%								
Local	\$550,000	51%								
Total	\$1,072,815	100%								

DESCRIPTION:

This project will establish a riparian mitigation bank in the Lacamas Watershed in southeast Clark County. The project will acquire 63 acres on Fifth Plain Creek, a Class S stream that is tributary to Lacamas Creek. The property includes a 32-acre riparian zone (creek with 250-foot buffer), as well as connected wetlands and uplands. Historically, the entire site has been severely impacted by grazing and other farm practices. This project will restore/enhance 25.6 acres of the site, and the remaining 37.4 acres will be utilized for future restoration as banking revenues are received.

This project will help meet a high need for mitigation bank sites in the Lacamas Watershed. The city of Camas (pop. 15,980)--located at the south end of the watershed--is one of the fastest growing cities in Washington State. Initially, bank credits will be used primarily to mitigate for city capital projects. Credits may also be used to mitigate for private-sector projects in areas zoned for economic growth/development.

This project will support extensive efforts to preserve and restore habitat lands in the Lacamas Watershed. The project site borders a 40-acre parcel acquired by Clark County for wetlands mitigation, and lies 1/2 mile south of a 240-acre park and conservation land. DNR is proposing to establish an NAP/NRCA about one mile south of the project site, and various partners manage over 800 acres of park and habitat land on Lacamas Lake and Lacamas Creek inside the city of Camas.

LOCATION INFORMATION:

Just east of Vancouver city limits and north of the City of Camas.

COUNTY: Clark

SCOPE (ELEMENTS):

Allowable land costs	Incidentals	Sales Tax
Architectural & Engineering	Riparian Habitat	

ANTICIPATED ACREAGE:

ACREAGE TYPE	Acres To Be Acquired	Acres To Be Dev/Restored	Acres To Be Renovated
Riparian lands	31.90	11.30	
Uplands	21.50		
Wetlands	9.60	12.40	
WATERFRONT TYPE	Waterfront To Be Acquired	Waterfront To Be Dev/Restored	Waterfront To Be Renovated
Stream/Creek	3,268.00	1,900.00	

FISCAL YEAR: 2008

DATE PRINTED: August 30, 2006



Washington Wildlife and Recreation Program

Urban Wildlife Habitat Category

Post-Evaluation Project Summary

TITLE: Puyallup River Habitat Mitigation Bank	NUMBER: 06-1883C (Combined) STATUS: Application Complete									
SPONSOR: County of Pierce	EVALUATION SCORE: 32.5556 BOARD RANKING:									
COSTS: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">WWRP - Urban Wildlife</td> <td style="width: 20%; text-align: right;">\$2,520,259</td> <td style="width: 20%; text-align: right;">50%</td> </tr> <tr> <td>Local</td> <td style="text-align: right;">\$2,520,259</td> <td style="text-align: right;">50%</td> </tr> <tr> <td>Total</td> <td style="text-align: right; border-top: 1px solid black;">\$5,040,518</td> <td style="text-align: right; border-top: 1px solid black;">100%</td> </tr> </table>	WWRP - Urban Wildlife	\$2,520,259	50%	Local	\$2,520,259	50%	Total	\$5,040,518	100%	SPONSOR MATCH: Appropriation \ Cash
WWRP - Urban Wildlife	\$2,520,259	50%								
Local	\$2,520,259	50%								
Total	\$5,040,518	100%								

DESCRIPTION:

Pierce County Water Programs proposes to establish a habitat conservation bank that can be drawn upon to mitigate impacts to species and habitats from flood control maintenance and capital improvements. The bank will be created by removing an existing levee and constructing a setback levee on the Puyallup River between at Fennel Creek (RM 15.5). 19.2 acres will be acquired and 53.8 acres restored. Preservation and restoration of wetland and riparian habitats and open space is especially valuable in an urbanized area of unincorporated Pierce County about two miles from the Cities of Puyallup, Sumner, and Orting.

It is well known that the existing levees significantly limits adversely the physical and biological processes of the river channel and adjacent floodplains, and that restoration of natural floodplain processes by removing the levee will lead to dramatic improvements in aquatic and riparian habitat. Chinook salmon, bull trout, steelhead and other salmon species will especially benefit.

Bank credits, mitigation ratios, and banking procedures will be developed with the regulatory agencies, including Ecology, ACOE, NOAA Fisheries, USFWS, and WDFW. To assist the agencies for their participation Pierce County has agreed to provide resources to the ACOE through the Water Resources Development Act when reauthorized by Congress; and is negotiating with NOAA and USFWS to provide resources.

LOCATION INFORMATION:

City of Orting

COUNTY: Pierce

SCOPE (ELEMENTS):

Allowable land costs	In-Stream Passage	Sales Tax
Architectural & Engineering	Incidentals	
In-Stream Habitat	Permits	

ANTICIPATED ACREAGE:

ACREAGE TYPE	Acres To Be Acquired	Acres To Be Dev/Restored	Acres To Be Renovated
Riparian lands	19.20	53.80	
WATERFRONT TYPE	Waterfront To Be Acquired	Waterfront To Be Dev/Restored	Waterfront To Be Renovated
River	500.00	3,250.00	

FISCAL YEAR: 2008

DATE PRINTED: August 30, 2006



Washington Wildlife and Recreation Program

Urban Wildlife Habitat Category

Post-Evaluation Project Summary

TITLE: Auburn Environmental Mitigation Bank	NUMBER: 06-1834D (Development) STATUS: Application Complete									
SPONSOR: City of Auburn	EVALUATION SCORE: 28.6667 BOARD RANKING:									
COSTS: <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">WWRP - Urban Wildlife</td> <td style="width: 20%; text-align: right;">\$1,151,879</td> <td style="width: 20%; text-align: right;">50%</td> </tr> <tr> <td>Local</td> <td style="text-align: right;">\$1,151,879</td> <td style="text-align: right;">50%</td> </tr> <tr> <td>Total</td> <td style="text-align: right; border-top: 1px solid black;">\$2,303,758</td> <td style="text-align: right; border-top: 1px solid black;">100%</td> </tr> </table>	WWRP - Urban Wildlife	\$1,151,879	50%	Local	\$1,151,879	50%	Total	\$2,303,758	100%	SPONSOR MATCH: Appropriation \ Cash
WWRP - Urban Wildlife	\$1,151,879	50%								
Local	\$1,151,879	50%								
Total	\$2,303,758	100%								

DESCRIPTION:

The Auburn Environmental Park (AEP) is an innovative project that seeks to create open space in an urbanized area while providing improved wetland habitat and other benefits. The project will include restoration of approximately 80 acres of existing low-quality wetlands. The restoration will enhance fish and wildlife habitat, improve water quality in Mill Creek, provide improved storm water detention and flood control, provide visual improvements along SR 167, provide increased economic development opportunities, and provide passive public recreation and education opportunities. The AEP mitigation objective is to obtain the maximum allowable wetland mitigation credits for use in a wetland mitigation bank managed by the City of Auburn. The City anticipates utilizing approximately 60 acres for a mitigation bank. The AEP trail will provide a much-needed respite for Interurban Trail users and park visitors. The developed trail will consist of approximately 2 miles of bicycle/pedestrian trail through the AEP wetland system directly connecting the Interurban Trail and park amenities, such as planned informational kiosks, covered areas and restroom facilities. Project partners include the Auburn School District, Chamber of Commerce, Auburn Downtown Association, Rainier Audubon Society, Seattle-King County Association of Realtors, Green River Community College, Syntrix Biosystems and Puget Sound Energy.

LOCATION INFORMATION:

Within the City of Auburn between downtown and SR 167.

COUNTY: King

SCOPE (ELEMENTS):

Architectural & Engineering	Permits	Site Preparation
Landscaping	Sales Tax	Trails

ANTICIPATED ACREAGE:

ACREAGE TYPE	Acres To Be Acquired	Acres To Be Dev/Restored	Acres To Be Renovated
Uplands		1.00	
Wetlands		60.00	

FISCAL YEAR: 2008	DATE PRINTED: August 30, 2006
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WWRP Mitigation Banking Evaluation Team Report

August 28, 2006

Evaluation Team

The mitigation banking grant evaluation team consisted of Randy Carman and Bob Zeigler (Washington Department of Fish and Wildlife), Gretchen Lux (Department of Ecology), and Bobby Cochran (Clean Water Services, Hillsboro, Oregon). The function of the team was to evaluate the three responses to the Request for Grant Proposals released by IAC in February, rate and rank the proposals, and provide comments on the strengths and weaknesses of each.

Evaluation Process

On August 11, applicants made in-person presentations to the mitigation banking evaluation team. Applicants had a total of 45 minutes to make a presentation and answer questions regarding the conservation values of the project and features of the proposed mitigation bank, including service area, credit type and valuation, and types of mitigation to be addressed (Attachment 1).

For each proposal, evaluators rated responses to questions with *high*, *medium-high*, *medium*, *medium-low*, or *low*. Evaluators then rated the proposal overall using the same rating system. At the end of the presentations, evaluators discussed each project and compared their overall ratings.

Results

Table 1 shows the three proposals in rank order, based on the overall project ratings. One evaluator was not present to provide ratings, but concurred with the final ranking.

Table 1
Mitigation Banking Project Ratings and Rankings

Rank	Project	Evaluator #1	Evaluator #2	Evaluator #3
1	Lacamas Watershed Mitigation Bank	M-H	H	H
2	Puyallup River Habitat Mitigation Bank	H	M-H	M
3	Auburn Environmental Mitigation Bank	M	M	M-low H

The evaluators also provided comments on the strengths and weaknesses of each project and whether any special restrictions or conditions should be placed on the project if it is awarded a grant. These comments are summarized below for each project.

Lacamas Watershed Habitat Mitigation Bank

The City of Camas proposes to establish a mitigation bank in the Lacamas Watershed in southeast Clark County. The project will acquire 63 acres on Fifth Plain Creek, and restore/enhance wetland, riparian areas, and Oregon White Oak habitat on the property.

Strengths of the Proposal

- The acquisition and restoration ties well into a long-range conservation plan for the Lacamas watershed;
- The proposal includes a good, aggressive timeline, numerous partnerships, and the applicant has a good track record with regard to mitigation;
- The proposal creates white oak habitat banking opportunities;
- The proposal creates riparian habitat banking opportunities;
- The project provides for urban green space and corridors;
- Cash exchange for credit debiting assists in the accounting and accountability;
- In addition to wetland banking, which involves state and federal regulators, the proposal provides for a local bank, serving some local jurisdiction permits, compensating for some locally-identified resource values; and
- Reinvestment of funds generated by credit sale in additional acquisition and restoration will further the goals of the long-range conservation plan for the Lacamas watershed and ensure that public funds do not supplant the obligations of another entity to provide for compensatory mitigation.

Weaknesses of the Proposal

- The proposal does not include innovative crediting schemes (*could also be a strength*);
- The proposal includes what could be described as safe and conventional “bundling” of resource credits (*could also be a strength*).

Additional Issues for this Proposal

- In addition to implementation monitoring, biological and hydrological monitoring should be done in order to evaluate the goals and objectives of the project and provide for adaptive management.

Puyallup River Habitat Mitigation Bank

Pierce County Water Programs proposes to establish a habitat conservation bank that can be drawn upon to mitigate impacts to species and habitats that result from projects undertaken by Pierce County. Restoration of the bank’s 53.8 acres on the Puyallup River will be achieved by removing an existing levee and constructing a setback levee.

Approximately 12-15 acres of the newly restored floodplain would be used for mitigation banking purposes.

Strengths of the Proposal

- The project proposes the restoration of *natural processes*;
- The project seems to provide the highest “environmental lift” of the three banking proposals;
- The proposed restoration fits into a landscape approach with other levee setback projects along the Puyallup River. However, the feasibility study for this overall approach is not complete, so how this project fits into the study is unknown at this time;
- The proposed banking framework offers opportunities to establish a local bank, serving local jurisdiction permits for local jurisdiction projects, compensating for impacts to locally prioritized resources;
- Insofar as the proposed acquisition includes homes and other structures, buying the properties removes flood risk to existing infrastructure;
- The applicant has given much thought to innovative credit and debit scenarios;
- The project contributes to flood protection.

Weaknesses of the Proposal

- It is difficult to understand how the anticipated, site-specific habitat changes would be defined and measured for the purpose of assigning mitigation credits;
- The existing wetland banking credit scheme may not actually be helpful for the kinds of habitat values anticipated on the site (*could also be an opportunity*);
- An alternative crediting scheme for the kinds of habitat values anticipated on the site is not well defined or understood (*could also be an opportunity*).
- It appears that the crediting and monetary accounting mechanisms could result in public funds supplanting another entity’s mitigation obligation.

Additional Issues for this Proposal

- What kind of monitoring (what performance measures) should be included for this project? Site-specific habitat changes would occur as the property is inundated with floodwaters, and it is difficult to anticipate when, and at what frequency, this would occur.

Auburn Environmental Mitigation Bank

The Auburn Environmental Park’s mitigation objective is to obtain the maximum allowable wetland mitigation credits for use in a wetland mitigation bank managed by the City of Auburn. The project will include restoration of approximately 60-80 acres of existing, low-quality wetlands.

Strengths of the Proposal

- The city already owns or is in the process of acquiring the urban wetland to restore—approximately 80 acres;
- Wetland restoration opportunities on the site are likely adequate for projected impacts within the service area (i.e. impacts to small, low-quality, and often isolated wetlands within the city limits);
- There has been extensive community involvement;
- The project sponsor appears to be willing to work with IAC and regulatory authorities as the project proceeds;
- The sponsor understands the importance of the Special Areas Management Plan (SAMP) that exists for wetlands in the area, and has identified a correspondingly discrete service area for the bank;
- The city's "green" zoning designation for the surrounding industrial area may be consistent with maximizing the functionality of the site;
- The project will provide opportunities for environmental education, research, and passive recreation;
- Successful restoration of a similar wetland mitigation site (Thurmoor wetland) was accomplished adjacent to the proposed project;
- The sponsor seems willing to redesign recreational elements to increase potential mitigation bank opportunities and benefits.

Weaknesses of the Proposal

- The regulators (Army Corps and Dept. of Ecology) may not be comfortable with the extent of proposed recreation and the proposed use of IAC funds;
- The details of the banking elements of the proposal do not appear to have been well thought out: who will buy credits and for what types of impacts, how many credits might be available, and what will happen with resulting revenues?
- The adjacent highway, SR 167, is a constraint on the functionality of the site;
- The Muckleshoot Indian Tribe's opposition to the concept of mitigation banking may complicate this proposal;
- On smaller and/or more narrow parcels such as this one, it can be difficult to balance adequate buffer area where no credit is generated while retaining sufficient wetland area for credit generation;
- Since the project will mostly be enhancement of an existing wetland rather than restoration, the quality and quantity of credits generated (i.e., environmental lift) may be minimal.
- The planned restoration may not contribute significantly to downstream water quality; and

- It is somewhat unclear whether the credit and monetary accounting mechanisms would result in public funds supplanting another entity's mitigation obligation. The sponsor stated in the final presentation that any revenues would be reinvested into additional restoration projects but details were not provided.

Attachment 1

Mitigation Banking Project Evaluation Criteria

Mitigation banking projects were evaluated based on the questions listed in the *Request for Grant Proposals* (RFGP).

1. Is the proposal consistent with regulations on capital bond dollars, the lending of state credit, and the prudent use of public/tax dollars?

This will be evaluated by IAC staff, with the assistance of legal council. Staff will work with applicants to attempt to resolve issues. It is possible that irresolvable issues may make a project ineligible.

2. What is the restoration and/or enhancement plan for the site?

There should be a scientifically sound restoration and/or enhancement plan for the site that includes the anticipated species and habitat benefits and demonstrates a high likelihood that these benefits will be realized. Evaluators will assess whether the plan is likely to be successful based on its technical attributes and the ability of the implementing parties to accomplish the proposed work. Cost efficiency will also be a consideration.

3. What is the monitoring, stewardship and adaptive management plan?

The proposal should include a monitoring, stewardship, and adaptive management plan, including funding that has been identified for these activities. Evaluators will assess whether the mitigation bank is likely to be successful based on the plan's technical attributes, the ability of the implementing parties to accomplish the proposed work, and certainty of long-term funding. Cost efficiency will also be a consideration.

4. How will the ecological benefits (credits) be valued; who will be eligible to use the credits?

The proposal should include methodology for establishing the value of credits, what regulatory entity will accept or recognize the credits, who will be eligible to purchase credits (including the proposed service area), and how/by whom the credits will be managed. Evaluators will assess the likelihood that there will be a need for credits in the proposed service area, whether the regulatory agencies are likely to accept the credits for likely development projects, the amount of "lift" resulting from the valuation method, and the ability of the applicant or partners to manage the credits and provide accountability to the IAC.

5. How is this proposal integrated or consistent with existing restoration/recovery plans?

Does the bank site and restoration/enhancement plan address priorities or implement projects in applicable natural resource preservation, restoration and recovery plans (e.g., salmon recovery plans, watershed plans, subbasin plans, etc.)?

6. What is the nature of partnerships/cooperative relationships related to creating and/or implementing this proposal?

Evaluators will assess relationships that will lead to a greater certainty that the bank (including the restoration, monitoring, stewardship, and adaptive management of the site and administrative and fiscal management of the bank) will be successful in meeting environmental objectives in a cost-effective and accountable manner.

7. How inclusive and effective is the proposal's public participation model?

Evaluators will assess the opportunities for public to become informed and involved in the proposed project, including the development of restoration/enhancement plans, credit valuation, and guidance for credit sale or transfer.

8. What is the specific timeline for the project, including making final decisions on mitigation bank framework components?

The timeline will be reviewed to determine whether the project can realistically be accomplished within the proposed timeline.

9. Does the project address any of the "extra credit" criteria?

The proposal will be evaluated to ascertain if and how it addresses one or more of the innovative environmental management issues described in the RFGP:

- Integrating or coordinating mitigation banking programs and policies across traditional separations, including natural resource, administrative, and organizational boundaries;
- Strategically applying (and, where possible, designing) land use plans and recovery/restoration plans to direct development and restoration activities across the landscape in complementary ways;
- Combining funds from a variety of sources to produce additive results while maintaining accountability to each fund source;
- Provide a net gain for the environment (as opposed to "no net loss") through such things as multipliers; restoring and preserving ecosystem functions and processes; providing connectivity between fragmented habitats;
- Offer value to the community by providing for such things as recreation, open space, education; and/or
- Provide incentives for private sector bankers to partner with public entities in establishing mitigation banks.