

Wetland Banking: A New Way of Winning



An alternative approach to wetlands mitigation can benefit landowners and project developers — and better preserve high-quality wetlands habitat.

Alternative Embraced

Swamps and other wetlands were once considered the lowest form of real estate. Today, their value is recognized: Wetlands not only provide valuable habitat, they cleanse groundwater, help stabilize shorelines and provide a buffer against flooding. Wetlands are protected under the Clean Water Act. If impacts to wetlands can't be avoided in the course of project development, they must be replaced by wetlands of equal value as determined by federal and state agencies with jurisdiction in the area.

"In the past, wetland mitigation was typically a tit-for-tat approach that created small, isolated wetlands in exchange for amounts lost," says Randy Root, Burns & McDonnell senior wetland scientist. "Wetland banking is an approach that has been around for several years. Developing wetland banks tends to provide a larger functional wetland complex for the future. In the past few years, the Corps of Engineers has begun to consider it the preferred alternative."

Higher-Quality Wetlands

A wetland banking instrument is a document that details the need for a bank within the market area and the types of wetlands; the amount of wetland and/or stream credits to be generated; an accounting system,

reporting system and financial assurances; a site development plan; and a monitoring and maintenance plan. Because wetland banking involves creation of large, contiguous wetlands that are legally required to be managed as wetlands in perpetuity, it's more desirable for conservation purposes than creating smaller, less valuable wetlands that may or may not succeed as wetlands in the long term.

Permitting Flexibility

"Wetland banking allows more flexibility in terms of permitting," Root says. "In the past, a developer needing a permit would have to delay a project while compensatory wetland sites were located, approved and developed. In addition, the developer was responsible for five years of maintenance and monitoring. Using a wetland bank can streamline the permitting process. The developer can purchase credits from a mitigation bank with Corps of Engineers approval. Having successful wetlands replacement available can save time and money in the long run."

Not Just Anywhere

Landowners wishing to develop wetlands need to be aware that not just any site qualifies. Wetlands need to have saturated or even inundated soil. Sites where wetland hydrology has been manipulated by ditching or drainage tile are good candidates for restoration. Restoring wetland hydrology is critical to the success of a wetland mitigation site. Other attributes that define a wetland include the presence of hydric soil — usually found at the site of a former wetland. For

example, land near streams, creeks or rivers may be suitable for wetland development. The presence of hydric soils and wetland hydrology allows the establishment of wetland vegetation.

In addition to site feasibility, landowners should consider marketability of the wetland bank before investing in wetlands development. A wetland specialist can assist in assessing the value of the wetlands that may be re-established based on type, quantity and location. A wetlands specialist can also represent the owner in preparing the banking instrument for approval by the Corps of Engineers and Interagency Regulatory Team (IRT).

Stamp of Approval

Information that the Corps of Engineers and the IRT will consider includes an analysis of the watershed, the wetlands that have been lost, the existing conditions and habitat, the future developments planned, and the proposed design for the re-established wetlands. In addition to the land itself, the investment required includes funding to be put in place for ongoing management of the wetland bank.

"It's a lot of work before you even begin the wetlands construction," Root says. "But landowners are finding that it's well worth the up-front cost. And they have the satisfaction of leaving a legacy that's invaluable."

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