



Financial Feasibility of Developing an In-Lieu Fee Stream and Wetland Mitigation Program in Ohio

Bill Stanley , Ohio Director of Conservation, 2013

Mission of The Nature Conservancy

To conserve the lands and waters
on which all life depends.



TNC's goals for stream and wetland ILF program

- 1) More strategic use of mitigation funds to deliver greater benefits to the waters of Ohio while meeting the mitigation goals of the Clean Water Act
- 2) Cost-effective use of funds
- 3) Financially viable program



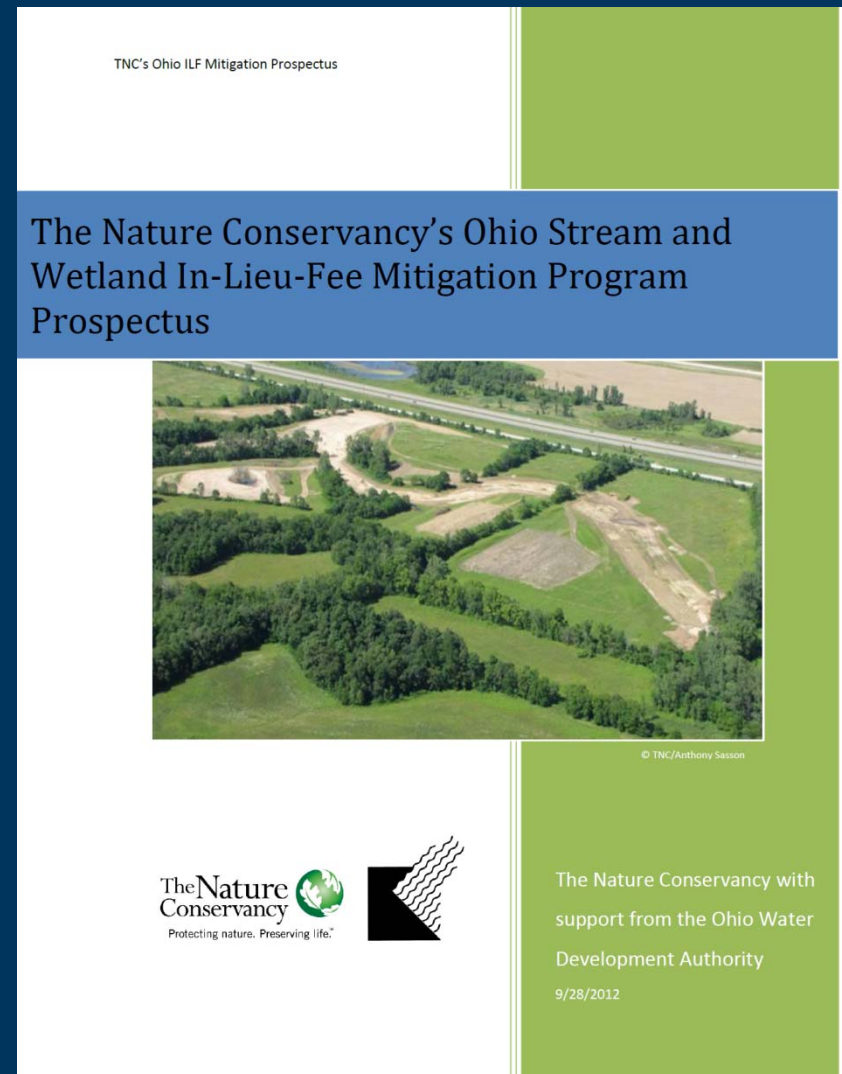
3) Financially viable program

- income to organization must cover costs
- scale must be large enough to support a self-standing program

Income Must Cover Costs

Start-up: TNC received grants from the Ohio Water Development Authority to develop the In-Lieu Fee Stream and Wetland program.

Ongoing: Fees charged for credits must be high enough to cover implementation and long-term management.



Large Enough to Support a Dedicated Program

Assessment Process

- 1) Analysis of current supply and demand for credits, and likely demand for ILF credits.
- 2) Estimate of reasonable pricing of credits & overhead rate.
- 3) Calculate the likely income and compare it against an internally-decided threshold amount needed for financial feasibility.

Key Assumption: No demand for ILF credits in areas served by mitigation banks.

2008 final rule governing compensatory mitigation established a preference for various types of mitigation, in the following order:

- 1) mitigation bank credits;
- 2) in-lieu-fee program credits; and
- 3) permittee-responsible mitigation.

Supply Data - Regulatory In-Lieu Fee and Bank Information Tracking System (RIBITS)

RIBITS
Regulatory In-lieu Fee and Bank Information Tracking System

[Print] [Plug-in Informa]

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Getting Started

RIBITS Sponsors:

- US Army Corps of Engineers
- NOAA FISHERIES
- U.S. Department of Transportation Federal Highway Administration

Top News

November 16, 2012 [All]

Original Mitigation Bank Guidelines
The original mitigation bank guidelines issued by the Fort Worth District on 6/16/11, can be found here: <http://tinyurl.com/cg7h7fj>

Windows Internet Explorer
Certificate Error
RIBITS

https://regisias.crel.usace.army.mil/ribits/?p=107;2:1434665590121409

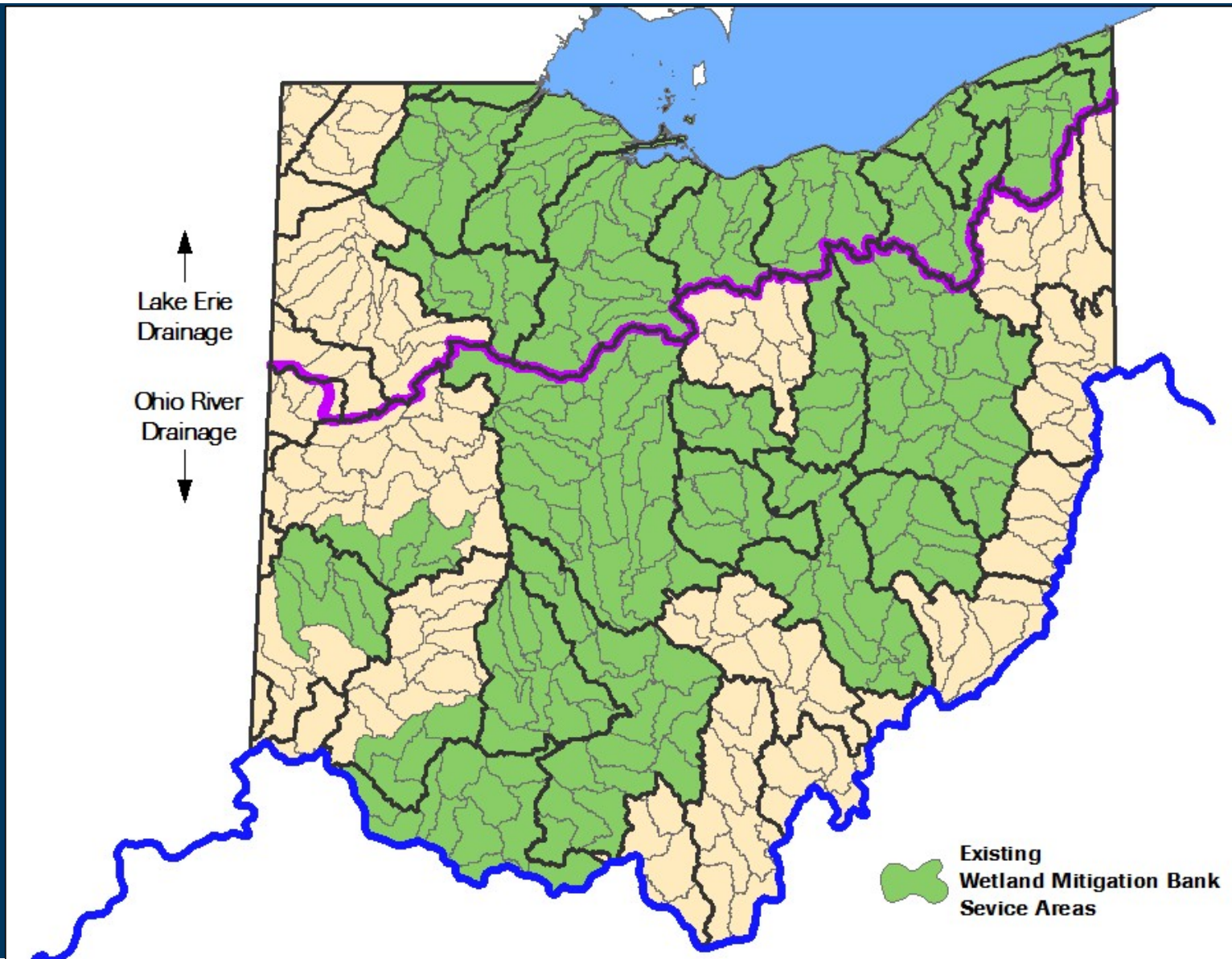
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Gaps in Ohio – Wetland Mitigation Banks (RIBITS)



Gaps in Ohio – Stream Mitigation Banks (RIBITS)



Isolated Wetland Permits and 401 Water Quality Certifications in Ohio

State Fiscal Year 2010



Prepared by:
Division of Surface Water
401/Wetland Section

Isolated Wetland Permits and 401 Water Quality Certifications in Ohio

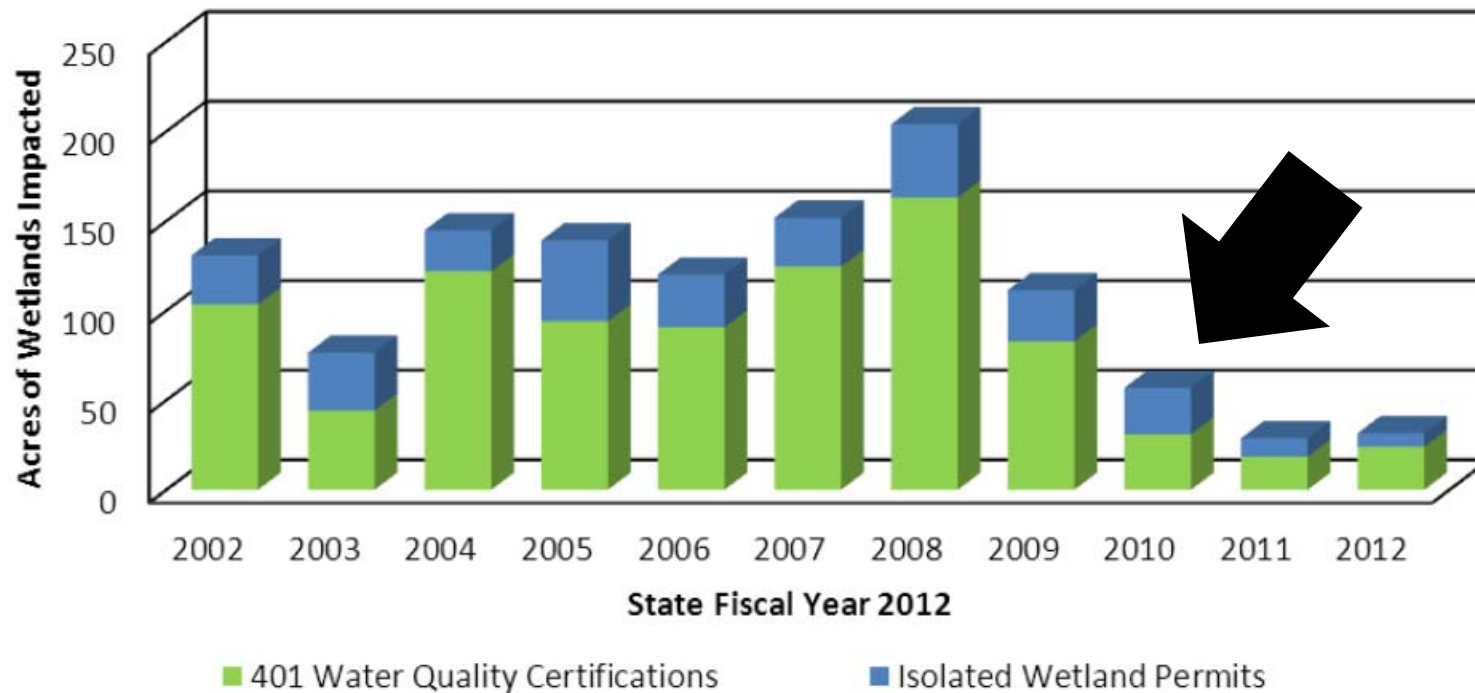


State Fiscal Year 2012

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Annual Demand Driver: Wetland Impacts (Acres)

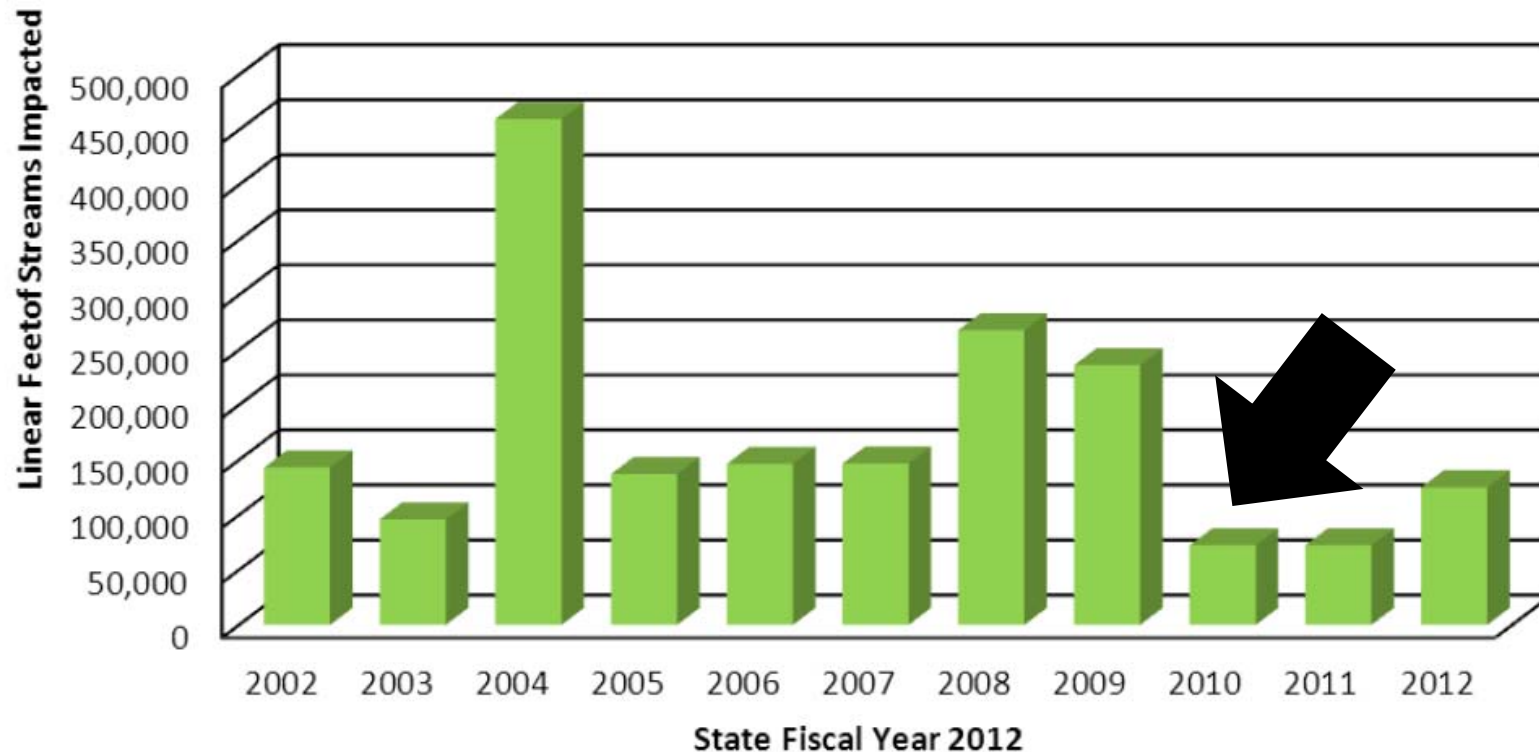
Graph 6 - 401 WQC and Isolated Wetland Permits
- Wetland Acres Impacted-



Source: Ohio EPA Permit Report for FY12.

Annual Demand Driver : Stream Impacts (Linear Feet)

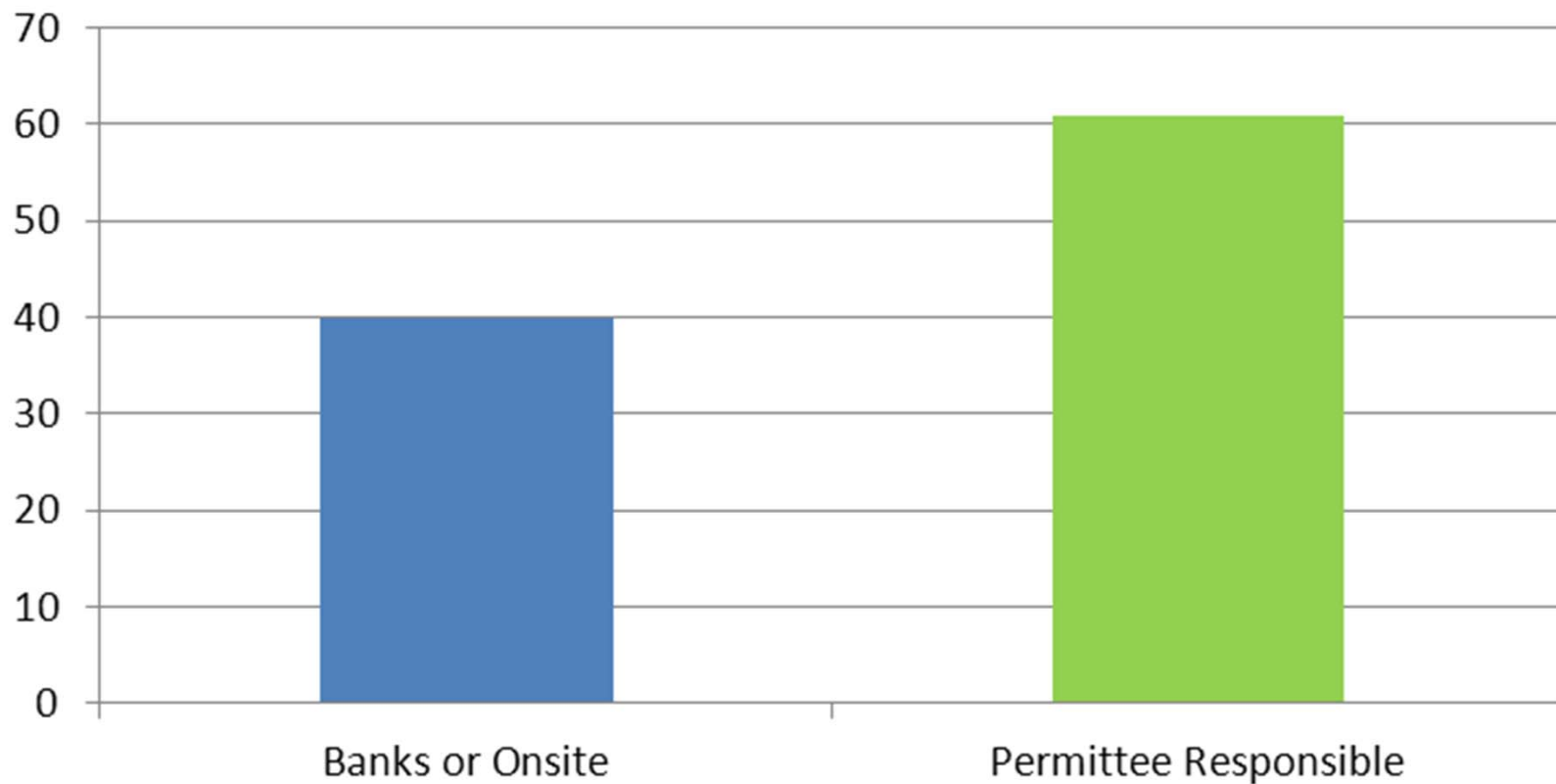
Graph 7 - 401 WQC
Stream Impacts - Linear Feet



Source: Ohio EPA Permit Report for FY12.

Actual Demand : Annual Wetland Mitigation (Acres)

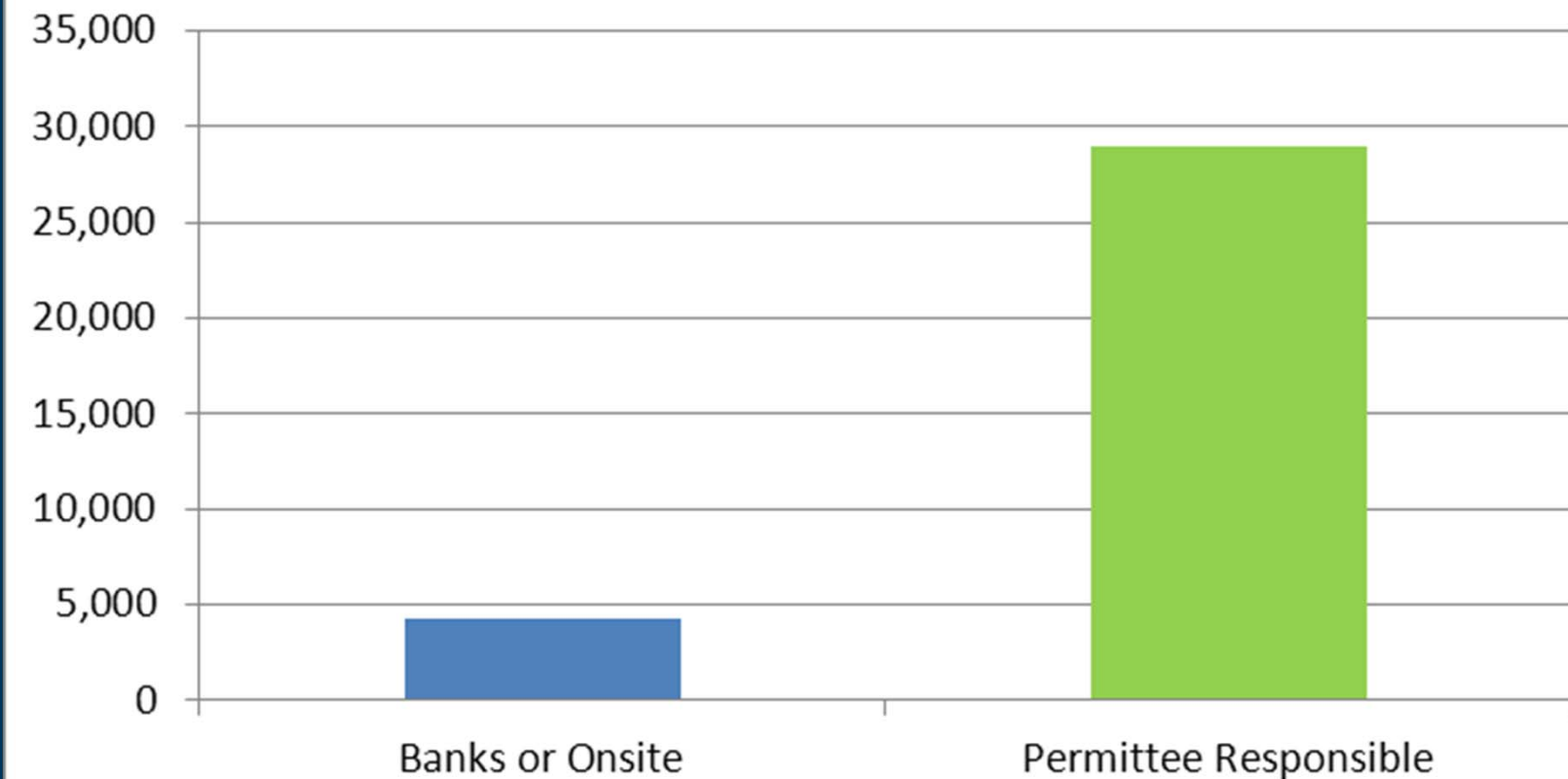
Wetlands Statewide - 2010



Source: Ohio EPA Permit Report for FY12.

Actual Demand : Annual Stream Mitigation (Linear Feet)

Streams Statewide - 2010



Source: Ohio EPA Permit Report for FY12.

Fee Data: Per Linear Foot of Stream

STREAM MITIGATION FEES

	<i>Amount/foot</i>
Ohio	
<i>Five River's Metropark</i>	<i>\$300</i>
Kentucky	
<i>EKSAP (Eastern Kentucky Stream Assessment Protocol) Service Area</i>	<i>\$260</i>
<i>KAP (Kentucky Assessment Protocol) Service Area</i>	<i>\$220</i>
<i>Northern Kentucky Mitigation Bank</i>	<i>\$170</i>
Tennessee	
<i>ILF Program (per credit-unable to verify a credit equals a linear foot)</i>	<i>\$240</i>
New York	
<i>DU ILF Program (average-varies by project)</i>	<i>\$354</i>
North Carolina	
<i>Higher Fee HU's</i>	<i>\$365</i>
<i>Lower Fee HU's</i>	<i>\$276</i>
Average All Programs	<i>\$273</i>

Data Sources: Fee schedules of Banks and ILF Program Instruments found on internet.

Annual Gross Income : (conservative estimate = 50% potential)

Wetlands

30 acres X \$30k per acre = \$900,000

Streams

15,000 linear feet X \$273 per linear foot =
\$4.1 million

Conservative Estimate Total

\$5 million

Overhead @ 8% = \$400,000



Other Factors: Newly proposed banks & ILF programs.

North Coast Regional Council of Park Districts
In-Lieu Fee Program
Prospectus



Vernal Pool, Edison Woods Preserve, Erie County, Ohio, Photo Credit: Karl Curry

Project No.: 212105
Prepared: May 29, 2012
Revised: February 26, 2013
For: North Coast Regional Council of Park Districts



In-Lieu Fee Program Prospectus

U.S. Army Corps of Engineers
Huntington District
Upper Scioto and Tuscarawas Watersheds

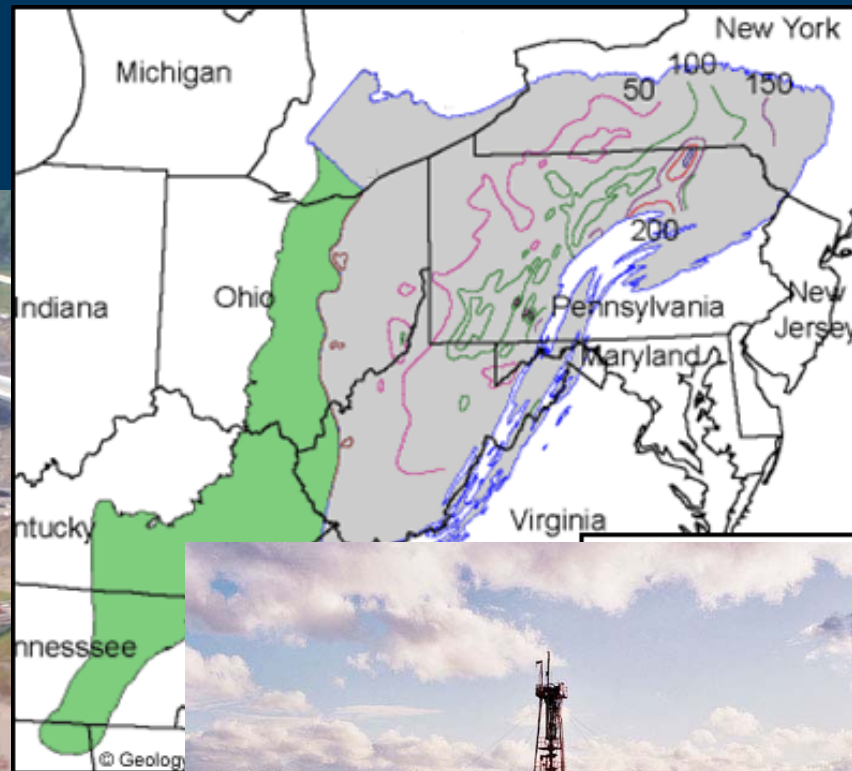
January 2013



DAVEY
RESOURCE GROUP
A Division of The Davey Tree Expert Company


OHIO WETLANDS
FOUNDATION

Other Factors: Known projects in the pipeline seeking permits.



Be prepared for ongoing turns.



Thank You

Questions?

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