

January 4, 2008

Topic #6: WWRP Mitigation Banking Projects – Policy Issues

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Approved by the Director:

Proposed Action: Briefing

Summary

Recreation and Conservation Office staff requests additional time to research possible options for mitigation banking proposals within the Washington Wildlife and Recreation Program. Staff proposes the Board revisit this topic in March 2008.

Background

At the November 2007 Recreation and Conservation Funding Board (RCFB) meeting, staff requested the Board delay action on changes to policies related to mitigation banking projects until the January 2008 meeting. Staff requested additional time to assess the issue of potential revenue generated from the sale of mitigation banking credits at WWRP-assisted sites. Staff also requested time to consider additional alternatives beyond those proposed in November.

Staff has continued to work on developing new alternatives for addressing the revenue generated from the sale of mitigation banking credits at WWRP assisted sites. Of primary concern are possible legal constraints on the sale of mitigation credits from WWRP-assisted sites, which are funded by state bonds. Staff is currently working with the Office of the State Treasurer and the Office of Financial Management to learn more about whether mitigation banking projects would be able to use WWRP funds to develop mitigation banks with the future intent of selling credits on the project. Until we have definitive answers it is difficult to pursue development of alternatives or evaluation procedures.

Staff will continue to work on developing policy related to mitigation banking projects for consideration at the March 27-28, 2008 meeting. Proposed policy language governing

revenue generation, evaluation criteria, and evaluation procedures will be drafted and sent out for public review prior to the meeting.

Current policy limits the pilot program to the 2007-09 biennium. However, staff recommends that the Board take official action on the decision not to pursue a second special mitigation banking pilot program. This can be done by simple motion, and staff will make the appropriate change to Manual #10b: Washington Wildlife and Recreation Program: Habitat Conservation Account and Riparian Protection Account.

Next Steps

Staff will continue to work on the issue of revenue generated from the sale of mitigation banking credits at WWRP assisted sites and develop alternatives and recommended evaluation criteria and procedures for public comment. Staff will report back to the Board at the March meeting.