

January 24-25, 2007 OWEB Board Meeting

Executive Director Update #C4: Mitigation Banking and OWEB Funding

Background

The U.S. Fish and Wildlife Service (USFWS) recently organized a meeting between state and federal agencies to discuss policies regarding the use of public restoration funds for mitigation banking purposes. Mitigation banking is the establishment of a wetland area to be used to offset wetland losses elsewhere. Federal policies generally do not allow federal restoration funds to be used for this purpose.

The USFWS, OWEB, and other agencies are working to develop a shared understanding and coordinated approach regarding the relationship between public funding for restoration and mitigation banking. The primary goal of these discussions is that landowners and other members of the public will have a clearer understanding of the extent to which mitigation banking opportunities are available for restoration projects that utilize public funding.

OWEB administrative rules anticipate that mitigation requirements as identified by other agencies should not be eligible to be satisfied through OWEB funded projects. OAR 695-010-0040 states the Board will not consider a watershed improvement project constructed solely to comply with a state or federal agency enforcement order, legal judgment or mitigation requirement. From a broader perspective, the policy issue presents the question on whether OWEB funded restoration projects are intended to improve watershed conditions, rather than mitigating or offsetting impacts of development on other sites. The agencies are discussing options to establish a mechanism that could potentially allow mitigation credits for the portion of a restoration project that is not supported with public funds.

Current Status

As the discussions mature, it may be appropriate for a full briefing of the Board. At the present time there has not been a follow up to the meeting held late last year.

Staff Contact

If you have questions or need additional information about Mitigation Banking and OWEB funding, please contact Ken Bierly, at ken.bierly@state.or.us or 503-986-0182.