

**INTERAGENCY COORDINATION AGREEMENT
ON
MITIGATION BANKING
WITHIN THE REGULATORY BOUNDARIES OF
CHICAGO DISTRICT, CORPS OF ENGINEERS**

TABLE OF CONTENTS

SECTION 1 - PURPOSE.....	2
SECTION 2 - DEFINITIONS	3
SECTION 3 - AUTHORITIES.....	8
SECTION 4 - CONSIDERATIONS IN ESTABLISHMENT AND USE OF MITIGATION BANKS	9
SECTION 5 - GENERAL GUIDELINES IN ESTABLISHING MITIGATION BANKS	9
SECTION 6 - SITE SELECTION CRITERIA.....	10
SECTION 7 - PRELIMINARY REVIEW OF BANK FEASIBILITY	12
SECTION 8 - PROSPECTUS DEVELOPMENT	12
SECTION 9 - DRAFT BANKING INSTRUMENT	13
SECTION 10 - FINANCIAL ASSURANCES.....	14
SECTION 11 - ESTABLISHING CREDITS	16
SECTION 12 - CREDIT RELEASE SCHEDULE	18
SECTION 13 - BANK OPERATIONS	19
SECTION 14 - LONG TERM MANAGEMENT STRATEGY	22
SECTION 15 - SITE PROTECTION INSTRUMENT	23
SECTION 16 - NON-COMPLIANCE	24
SECTION 17- MODIFICATION.....	24
SECTION 18 - BANK TRANSFER.....	24
SECTION 19 - SUSPENSION/TERMINATION	25
SECTION 20 - SIGNATURES: FEDERAL AGENCY APPROVAL OF ICA.....	26
SECTION 21 - SIGNATURES: IRT MEMBERS, MITIGATION SPONSOR, TRANSFEREE	27

SECTION 1 - PURPOSE

The purpose of this document is to establish standards and criteria for the use of mitigation banks to offset wetland loss. The standards and criteria in the ICA will maximize credit availability and provide opportunities for mitigation with ecological importance.

1. On April 10, 2008, the U.S. Army Corps of Engineers, and the U.S. Environmental Protection Agency published a joint federal rule with established regulations governing compensatory mitigation for activities authorized by Department of the Army (DA) permits issued pursuant to Section 404 of the Clean Water Act and/or Section 10 of the River and Harbors Act of 1899. The mitigation rule emphasizes the need to use a watershed approach when making decisions regarding the best approach for mitigating permitted losses. The federal rule emphasizes the importance of locating mitigation banks on sites that are ecologically appropriate and where aquatic resource restoration will have the highest probability of success for replacing lost functions and services.
2. The U.S. Army Corps of Engineers (the District), the U.S. Environmental Protection Agency (EPA), and the Chicago Field office of the U.S. Fish and Wildlife Service (FWS), referred to as the Interagency Review Team (IRT), has developed this Interagency Coordination Agreement (ICA) to provide a guide to parties interested in establishing mitigation banks in Cook, DuPage, Kane, Lake, McHenry and Will County, located in northeastern Illinois, and Lake, Porter and LaPorte County in northwestern Indiana. The purpose of this ICA is to ensure that wetland mitigation banks established in northeastern Illinois and northwestern Indiana will have the greatest likelihood of success for restoring aquatic communities.
3. This ICA has been developed to ensure that mitigation banks meet the fundamental objectives of compensatory mitigation which is to offset environmental losses resulting from unavoidable impacts to waters of the United States authorized by DA permits. The ICA has been developed to increase the likelihood for ecological success and sustainability of aquatic resources established through mitigation banks. In order to meet this goal, mitigation bank sites will be located where they will successfully replace lost functions and services while using a watershed approach. The effort will require consideration of watershed scale features such as aquatic habitat diversity, habitat connectivity, hydrologic connectivity and compatibility with local land uses. This ICA also identifies the financial assurances and long-term management requirements, defines ecological performance standards and monitoring criteria, and outlines credit ratios and a credit release schedule to be utilized during the operational life of the mitigation bank.
4. The Chicago District of the U.S. Army Corps of Engineers (Chicago District), the U.S. Environmental Protection Agency (USEPA), and the U.S. Fish and Wildlife Service (USFWS) hereinafter referred to as the Interagency Review Team (IRT), pursuant to their statutory authorities, and in recognition of the need to better manage the waters of the United States, including wetlands, do hereby agree to support the establishment of compensatory mitigation banks in Cook, DuPage, Kane, Lake, McHenry, and Will County in northeastern Illinois, and Lake, Porter and LaPorte County in northwestern Indiana. Mitigation banks can serve to provide compensatory mitigation for unavoidable impacts due to the filling,

flooding, excavating, or draining of waters of the United States as regulated under Section 404 of the Clean Water Act and under Section 10 of the Rivers and Harbors Act of 1899.

5. This ICA includes the criteria for establishing, owning, and operating mitigation banks. It further sets out the criteria for authorizing applicants (e.g., individuals, corporations, units of government) to withdraw credits from a mitigation bank to offset unavoidable impacts resulting from a proposed activity. The IRT intends that this interagency coordination agreement serve as a basis for establishing and authorizing the withdrawal of credits from an approved mitigation bank.

The Chicago District will take the leadership role in the review and approval of mitigation bank projects. It is the intent of the signatory agencies that this guidance be applied to mitigation bank proposals submitted for approval on or after the effective date of this agreement, and to those in the early stages of planning or development. It is not intended that this agreement be retroactive for mitigation banks that have already received agency approval under previous versions of the ICA. For previously approved mitigation banks that were multi-phased, those phases which were not started at the time of the effective date of this agreement shall also be subject to the terms of this agreement.

6. The establishment of compensatory mitigation banks and the determination of a project's eligibility for use of a bank shall be in compliance with all applicable regulations and guidelines as noted under SECTION 3: (AUTHORITIES) of this document.
7. The establishment of compensatory an in-lieu fee program and the determination of a project's eligibility for use of an in-lieu fee shall be in compliance with all applicable regulations and guidelines as noted under SECTION 3: (AUTHORITIES) of this document. All references to an in-lieu fee program shall follow the applicable regulations and guidelines.
8. The Bank Sponsor and/or property owner of an approved mitigation bank site must complete the signature page of the Banking Instrument and submit the completed form to the IRT for counter signature.

SECTION 2 - DEFINITIONS

1. Adaptive Management: The development of a management strategy that anticipates likely challenges associated with compensatory mitigation projects and provides for the implementation of actions to address those challenges, as well as unforeseen changes to those projects. It requires consideration of the risk, uncertainty, and dynamic nature of compensatory mitigation projects and guides modification of those projects to optimize performance. It includes the selection of appropriate measures that will ensure that aquatic resource functions are provided, and an examination of a the mitigation project's management and monitoring results which is critical in identifying potential problems at the bank site, and the implementation of appropriate measures to rectify those problems.

2. Advance Credits: Credits of an approved in-lieu fee program that are available for sale prior to being fulfilled in accordance with an approved mitigation project plan. Advance credit sales requires an approved in-lieu fee program instrument that meets all specific allocation of advance credits by service area, where applicable. The instrument must also contain a schedule for fulfillment of advance credit sales.
3. Buffer: An upland, wetland and or riparian area that protects and or enhances aquatic resource functions associated with wetlands, rivers, streams, lakes, marine, and estuarine systems from disturbances associated with adjacent land uses.
4. Compensatory Mitigation: Replacement of aquatic resources and its functions and values for the purposes of compensating for unavoidable adverse impacts which remain after all appropriate and practicable avoidance and minimization of impacts has been achieved. The replacement of the wetland functions and values is generally accomplished through wetland restoration (re-establishment or rehabilitation), creation (establishment), enhancement, or in exceptional circumstances, wetland preservation.
5. Credit: Unit of measure (e.g., a functional or areal measure or other suitable metric) representing the accrual or attainment of aquatic functions at a compensatory mitigation site. The measure of aquatic functions is based on the resources restored, established, enhanced, or preserved.
6. Debit: Unit of measure (e.g., a functional or areal measure of other suitable metric) representing the loss of aquatic functions at an impact or project site. The measure of aquatic functions is based on the resources impacted by an authorized activity.
7. Department of the Army Permits or DA Permits: Authorizations for the discharge of dredged or fill material into waters of the United States, including wetlands, issued by the U.S. Army Corps of Engineers pursuant to Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act of 1899.
8. Designated Service Area: The geographic area within which impacts from a project can be mitigated at a particular mitigation bank. The designated service area of a mitigation bank is the watershed in which it is located, as shown on Appendix A of this document.
9. Enhancement: The manipulation of the physical, chemical, or biological characteristics of an aquatic resource to heighten, intensify or improve a specific aquatic resource functions. Enhancement results in the gain of selected aquatic resource functions but may also lead to a decline in other aquatic resource functions. Enhancement does not result in a gain in aquatic resource area. Because impacts associated with projects that propose to utilize bank credits will, in virtually all cases be permanent, only enhancement that results in permanent improvement of functions and values of aquatic resources will generate credits.
10. Establishment (Creation): The manipulation of the physical, chemical, or biological characteristics present to develop an aquatic resource that did not previously exist at an upland site. Establishment results in a gain in aquatic resource area and functions.

11. Fulfillment of Advance Credit Sales of an In-lieu Fee Program: Application of credits released in accordance with a credit release schedule of an approved mitigation project plan to satisfy the mitigation requirements represented by the advance credits. Only after any advance credit sales within a service area have been fulfilled through the application of released credits from an in-lieu fee project (in accordance with the credit release schedule for an approved mitigation project plan), may additional released credits from that project be sold or transferred to permittees. When advance credits are fulfilled, an equal number of new advance credits is restored to the program sponsor for sale or transfer to permit applicants.
12. Functional Capacity: The degree of which an area of aquatic resource performs a specific function.
13. Functions: Physical, chemical, and biological processes that occur in ecosystems.
14. Growing Season: Growing Season: The period between April 15 and October 20 of any calendar year. This growing season definition is for determining compliance with mitigation performance standards. It is an average of the growing seasons established by the State and the Counties located within the jurisdictional boundaries of the Chicago District Corps of Engineers. It does not establish the growing season for purposes of wetland delineation.

An alternative accepted approach to determine growing season follows:

For purposes of this document, the required methodology is to immediately insert a soil thermometer into the wall of a freshly dug soil pit 12 inches (30 cm) below the soil surface. The soil temperature must be documented with a date stamped photograph showing the temperature on the soil thermometer immediately upon removal from the wall of the soil pit. Date stamped photographs of the area surrounding the soil pit where the soil temperature is measured must also be provided. A minimum of one soil temperature measurement per hydrology monitoring well must be collected and provided to the IRT. The growing season is considered to have begun when all soil temperature measurements collected are 41° F (5° C) or higher. The IRT must be informed at least one week prior to visit made to measure soil temperature so they have the opportunity to be present when soil temperature is measured. The IRT retains the ability to visit the site within 5 business days of the initial visit in order to ensure that the soil temperature remains continuously at or above 41° F (5° C).

15. Impact: Adverse effect.
16. In-kind: A resource of a similar structural and functional type to the impacted resource.
17. In-lieu Fee Program Instrument: The legal document for the establishment, operation, and use of an in-lieu fee program.
18. Interagency Review Team or IRT: An interagency group of Federal, tribal, state, and local regulatory and resource agency representatives that review documentation for the establishment and management of a mitigation bank. The IRT is also an advisory board to the Corps on the establishment of a mitigation bank in accordance with the ICA. Representatives of the U.S. Army Corps of Engineers Chicago District, the U.S. Fish and

Wildlife Service, and the U.S. Environmental Protection Agency is responsible for the evaluation of proposed mitigation banking projects and their continued performance.

19. Ledger: Document to be used in the accounting of credits and debits. A ledger will be maintained by the bank sponsor and audited by the Chicago District on a regular basis.
20. Management: Actions taken within a mitigation bank to establish and maintain desired habitat conditions. Representative management actions include, but are not limited to, water level manipulations, plant herbicide use, mechanical plant removal, and prescribed burning.
21. Mitigation Bank: A site, or suite of sites, where aquatic resources (e.g., wetlands, streams, riparian areas) are restored, established, enhanced, and/or preserved for the purpose of providing compensatory mitigation for impacts authorized by DA permits. In general, a mitigation bank sells compensatory mitigation credits to permittees whose obligation to provide compensatory mitigation is then transferred to the mitigation bank sponsor. It is a system of accounting for the loss and compensation of aquatic resources which can include one or more compensatory mitigation sites.
22. Mitigation Bank Credits: The unit of measure representing the accrual or attainment of aquatic functions at a compensatory mitigation site. The measure of aquatic functions is based on the aquatic resources restored, established, enhanced or preserved. For the purposes of this document, the unit of measure for bank credit will be acres and linear feet.
23. Mitigation Bank Instrument: A written legal document which contains specifications pertaining to establishment, operation, use and maintenance of a compensatory mitigation bank. The instrument codifies the goals, objectives and procedures of the bank, identifies a long term manager for the bank site, and incorporates the relevant terms and conditions of this interagency agreement.
24. Monitoring: A specific program of data collection which documents the physical, chemical, and biological characteristics of the Mitigation Bank, for the purpose of determining compliance with performance standards established in Appendix B.
25. Off-site: an area that is neither located on the same parcel of land as the impact site, nor on a parcel of land contiguous to the parcel containing the impact site.
26. On-site: An area located on the same parcel of land as the impact site or on a parcel of land contiguous to the impact site.
27. Performance Standard: Observable or measurable physical (including hydrological), chemical and or biological attributes that are used to determine if a compensatory mitigation project meets its objectives.
28. Preservation: The removal of a threat to, or preventing the decline of, aquatic resources by an action in or near those aquatic resources. This term includes activities commonly associated with the protection and maintenance of aquatic resources through the

implementation of appropriate legal and physical mechanisms. Preservation does not result in a gain of aquatic resource area or functions.

29. Prospectus: A plan for a compensatory mitigation bank prepared by a potential bank sponsor and submitted for consideration to the interagency review team. The prospectus provides full discussion of the proposed mitigation bank and serves as the basis for public and IRT review comments.
30. Restoration: The manipulation of the physical, chemical, or biological characteristics of a site with the goal of returning natural/historic functions to a former or degraded aquatic resource, but does not result in a gain in aquatic resource area. For the purpose of tracking net gains in aquatic resource area, restoration is divided into two categories (re-establishment and rehabilitation).
31. Re-establishment: The manipulation of the physical, chemical, or biological characteristics of a site with the goal of returning natural/historic functions to a former aquatic resource. Re-establishment results in the rebuilding of a former aquatic resource that results in a gain in aquatic resource area.
32. Rehabilitation: The manipulation of the physical, chemical, or biological characteristics of a site with the goal of repairing natural/historic functions to a degraded aquatic resource. Rehabilitation results in a gain in aquatic resource function, but does not result in a gain in aquatic resource area.
33. Riparian Area: Lands adjacent to streams, rivers, lakes, and estuarine marine shorelines. Riparian areas provide a variety of ecological functions and services and help improve or maintain local water quality.
34. Service Area: The geographic area within which impacts can be mitigated at a specific mitigation bank or an in-lieu fee program, as designated in its instrument.
35. Site Development Plan (Mitigation Plan): A plan for the proposed bank site that identifies all actions that will be undertaken to generate bank credits. Representative elements of the site development plan include, but are not limited to, plans for site grading, re-vegetation, establishment of hydrology, erosion control, structures, proposed utilities, management, and monitoring.
36. Single User: For the purposes of this document, a single user is defined as a governmental or public authority established by state or federal statute. Any banks established for the sole use of the single user will be used to satisfy mitigation requirements for impacts caused by said single user on projects in any watershed.
37. Sponsor: Any public or private entity responsible for establishing and/or operating a compensatory mitigation bank.

38. Waters of the United States: Those areas subject to U.S. Army Corps of Engineers regulatory authority pursuant to Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act of 1899, as defined at 33 C.F.R. § 328.3(a).
39. Watershed: Land area that drains to a common waterway, such as a stream, lake, estuary, wetland or ultimately, the ocean.
40. Watershed Approach: An analytical process for making compensatory mitigation decisions that support the sustainability or improvement of aquatic resources in a watershed. It involves the consideration of watershed needs and how locations and types of compensatory mitigation protects address those needs. The approach involves the consideration of landscape, historic and potential aquatic resource condition, past and projected aquatic resource impact in the watershed, and terrestrial connections between aquatic resources.
41. Watershed Plan: A plan developed by federal, tribal, state and/or local government agencies or appropriate non-governmental organizations, in consultation with relevant stakeholders, for the specific goal of aquatic resource restoration, establishment, enhancement, or preservation. A watershed plan addresses aquatic resource conditions in the watershed, multiple stakeholder interests, and land uses. Watershed plans may also identify priority sites for aquatic resource restoration and protection. Examples of watershed plans include special area management plans, advance identification programs, and aquatic resource management plans.
42. Wetlands: Areas that are inundated or saturated by surface water or groundwater at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions.

SECTION 3 - AUTHORITIES

1. The establishment and use of mitigation banks, as described in this document, shall be in accordance with all applicable statutes, regulations, and policies, including, but not limited to the following:
 - a. Final Rule for Regulatory Programs of the Corps of Engineers (33 C.F.R. Parts 320-332, as amended);
 - b. Guidelines for Specification of Disposal Sites for Dredged and Fill Material (40 C.F.R. Part 230, as amended) (Section 404 (b) (1) Guidelines);
 - c. Clean Water Act (33 U.S.C. §§ 1251 et seq.);
 - d. Rivers and Harbors Act of 1899 (33 U.S.C. § 403);
 - e. Fish and Wildlife Coordination Act (16 U.S.C. §§ 661 et seq.);
 - f. Endangered Species Act (16 U.S.C. §§ 1531 et seq.);
 - g. National Environmental Policy Act (42 U.S.C. §§ 4321 et seq.);
 - h. National Historic Preservation Act of 1966 (16 U.S.C. §§ 470 et seq.)

SECTION 4 - CONSIDERATIONS IN ESTABLISHMENT AND USE OF MITIGATION BANKS

1. A mitigation bank may be either publicly or privately owned. The bank may be incorporated as for-profit or not-for-profit. Public ownership may be by any public authority: municipal, county, regional, state or federal agency;
2. Mitigation bank instruments, mitigation sites, and associated credits shall be subject to approval by the Chicago District, in consultation with the IRT. Every mitigation bank must have as its primary purpose the generation of mitigation credits to offset the unavoidable loss of wetlands and other waters of the United States. Credits may be generated using restoration, enhancement, establishment, and in certain circumstances preservation;
3. In all cases, the Chicago District will issue a public notice describing the project. The public comment period for submittal of relevant comments on the bank prospectus will be a minimum of 30 days. If a DA permit is needed in order to construct, restore, or enhance aquatic resources on the bank site, the Chicago District will follow normal permit processing procedures. If no DA permit is required to construct the bank, the banking instrument will serve as the primary legal binding document; and
4. The bank sponsor will manage the bank site to provide multiple benefits such as water quality improvement, wildlife habitat, flood control, biological conservation, and educational and recreational opportunities. Mitigation banks must be designed to be ecologically self-sustaining with appropriate long term management plans and sufficient financial resources to maintain it.

SECTION 5 - GENERAL GUIDELINES IN ESTABLISHING MITIGATION BANKS

1. Using normal review procedures prescribed by regulation, the Chicago District will conduct project evaluations and determine the level of mitigation required, and whether a project is eligible to purchase mitigation credits at a mitigation bank. The General Guidelines must be used when considering establishing a mitigation bank. Prior to using bank credits to satisfy mitigation requirements, all appropriate and practicable steps to avoid and minimize adverse impacts to aquatic resources, as determined by the Chicago District must first be met.
2. Mitigation bank selection must utilize a watershed approach and fully consider the ecological needs of the watershed. Where an appropriate watershed or sub-watershed plan is available, mitigation bank site selection will be based on recommendations in the plan. The applicant will describe, in detail, how the site was chosen and will be developed, including mitigation that is based on the specific resource need of the impacted watershed.
3. Recognizing that current methods of assessing functions and values for aquatic resources are complex and variable by purpose, emphasis will be on the replacement of wetland acreage and type. The preferred method of generating bank credits will be the re-establishment of former wetlands which will result in a net gain in wetland acreage or wetland function on the bank site. Permanent wetland enhancement, rehabilitation, establishment (creation), and

preservation as a means of generating bank credits will be considered on a case- by-case basis.

4. As a general matter, compensatory mitigation banks must not have an adverse impact to neighboring sites that have important hydrologic functions which, if altered, would have a significant adverse effect on the source, quality, or seasonal distribution of surface and/or groundwater supply of those habitats.

SECTION 6 - SITE SELECTION CRITERIA

A description of the factors considered during the site selection process to include consideration of watershed needs, and the practicability of accomplishing ecologically self-sustaining aquatic resource restoration.

1. The proposed bank site will be reviewed with respect to the following site selection criteria. Failure to meet any of these criteria may be, depending on the circumstances, grounds for rejection of a bank site. The site must:
 - a. be owned and/or under the full control of the bank sponsor. The sponsor must provide documentation of this in the form of a deed/agreements between sponsor and legal owner of the property regarding use of the property and protection of the site in perpetuity;
 - b. contain a majority of drained or hydrologically modified hydric soils, recognizing that re-establishment of former wetlands is the preferred form of mitigation;
 - c. have no high quality wetlands that would be adversely affected by construction activities at the bank or restoration work;
 - d. contain adequate perimeter upland areas to buffer the wetlands from potentially incompatible land uses on adjacent parcels;
 - e. be situated so that adequate hydrology is ensured;
 - f. contain no known hazardous waste, which must be confirmed by an environmental assessment conducted by a qualified person or firm;
 - g. be at least 20 acres in size, except for sites proposed within the Lake Michigan watershed which may be smaller in size due to the limited space within the watershed. A bank site less than 20 acres in size must be approved by the IRT;
 - h. not adversely affect federal or state listed endangered or threatened species, or their habitat, or other high quality habitats or natural areas such as oak groves, prairies, or savannas;

- i. be managed to utilize the natural water storage functions of wetlands, however; flood control shall not be the primary purpose. Specifically, banks shall not be used to satisfy local or regional stormwater detention requirements;
 - j. be compatible with adjacent land uses and watershed plans;
 - k. be selected using watershed plans or similar plans developed from a landscape perspective such as an open space plan, conservancy district, protected riparian corridor, or other local or regional conservation land use plan. This criterion has been established in order to help implement local and regional conservation plans, and to ensure maximum consistency and compatibility with future surrounding land uses; and
 - l. be positioned in the watershed so that features such as aquatic habitat diversity and habitat connectivity is compatible with adjacent land uses.
2. The IRT will consider other relevant factors including, but not limited to, development trends, anticipated land use changes, habitat status and trends, the relative locations of the impact and mitigation sites within the stream network, local or regional goals for the restoration or protection of particular habitat types or functions (e.g., re-establishment of habitat corridors or habitat for species of concern), water quality goals, floodplain management goals, and the relative potential for chemical contamination of the aquatic resources.
3. It is highly recommended that the site incorporate the needs of the watershed or improve existing high quality habitats. The site must:
 - a. be positioned in the watershed so that features such as aquatic habitat diversity and habitat connectivity is compatible with adjacent land uses;
 - b. be selected using watershed plans or similar plans developed from a landscape perspective such as an open space plan, conservancy district, protected riparian corridor, or other local or regional conservation land use plan. This criterion has been established in order to help implement local and regional conservation plans, and to ensure maximum consistency and compatibility with future surrounding land uses;
 - c. be identified as important wetlands under the Corps/USEPA Advanced Identification process;
 - d. provide important habitat for State or federally listed endangered or threatened species;
 - e. be identified in the Illinois Natural Areas Inventory;
 - f. provide important breeding, foraging, or resting areas for migratory birds or other wetland-dependent wildlife; and

- g. contain high native plant species diversity, reflecting relatively undisturbed conditions.

SECTION 7 - PRELIMINARY REVIEW OF BANK FEASIBILITY

1. Prior to submitting a mitigation bank prospectus, a pre-application meeting is strongly recommended, along with a scheduled site visit to the proposed bank.

At a minimum, the following information must be submitted to the IRT, along with a request for the pre-application meeting:

- a. Maps of the project area including site location, USGS topographic map, NWI map, soil survey, and aerial photographs, including historic photos if available;
- b. Preliminary determination of existing on site resources;
- c. Existing hydrology and drainage patterns;
- d. Hydrology to be established;
- e. Existing vegetation;
- f. Vegetative communities to be established;
- g. Buffer to be established (100 foot minimum from bank boundary);
- h. Current and future adjacent land uses;
- i. Connectivity to other natural areas; and
- j. Existing drainage patterns of site and surrounding properties.

SECTION 8 - PROSPECTUS DEVELOPMENT

The prospectus must provide a summary of the information of the proposed mitigation bank or in-lieu fee program at a sufficient level of detail to support informed public and IRT comment.

1. The purpose of the prospectus is to provide sufficient information to allow the IRT to determine if the general considerations and site evaluation criteria outlined in this agreement are likely to be met if the proposed bank is to be established. It is understood that the prospectus will become the basis of the mitigation bank instrument. The prospectus must contain, but is not limited to the following:
 - a. Bank location and size;
 - b. Discussion on how the proposed bank will be established and operated;
 - c. A strategy that details the goals, objectives and technical feasibility of the bank, including wetland types and respective acreages;
 - d. Discussion of the ecological suitability of the proposed site to achieve the objectives of the bank, and how the site will support the proposed aquatic resources and functions. The assurance of sufficient hydrology to support long-term sustainability of the bank must be included;

- e. Current delineation of wetlands or other aquatic resources at the bank site, including resources abutting and situated adjacent to the site;
- f. Identification of the proposed service area(s);
- g. Real estate interest in the bank property;
- h. Legal description of the property;
- i. Type of bank (i.e., single user or general use etc.);
- j. Method of credit production (i.e., establishment, re-establishment, enhancement, rehabilitation, and preservation) the number of proposed credits by each method, and the rationale for crediting;
- k. Site plan showing the location of delineated aquatic resources and upland habitats, existing and proposed roads, trails, structures and utilities, and any other existing conditions and proposed site improvements;
- l. Means for establishing appropriate hydrology.
- m. A discussion of the qualifications and experience of the proposed bank sponsor, including any information of past activities or completed projects.

SECTION 9 - DRAFT BANKING INSTRUMENT

The draft instrument must be based on the approved prospectus, and describe in detail, the physical and legal characteristics of the mitigation bank, and how the bank will be established and operated.

- 1. The purpose of the draft banking instrument is to proceed with the establishment of the mitigation bank. The draft instrument must contain, but is not limited to the following:
 - a. A description of the proposed geographical service area of the mitigation bank. The service area is the watershed, ecoregion, physiographic province and/or other geographic area within which the mitigation bank is authorized;
 - b. Accounting procedures;
 - c. A provision stating that legal responsibility for providing the compensatory mitigation lies with the sponsor, once a permittee secures credits from the sponsor;
 - d. Default and closure provisions;
 - e. Mitigation plan that includes all applicable items listed in § 332.4(c)(2) through (14); and
 - f. Credit release schedule tied to achievement of specific milestones in accordance with the approved performance standards.

SECTION 10 - FINANCIAL ASSURANCES

A description of financial assurances will be provided, and discussed in detail, as to how the assurance will ensure a high level of confidence that the mitigation bank will be successfully completed in accordance with all applicable performance standards.

1. General - The bank sponsor is responsible for securing sufficient funds or other financial assurances to cover contingency actions in the event of bank default or failure. The bank sponsor is responsible for securing adequate funding to monitor and maintain the bank throughout its operational life, and to make provision for long-term management through financial assurances or through agreements with land management organizations or agencies. Total funding requirements must reflect realistic cost estimates for inflationary adjustments, land acquisition, planning, engineering, mobilization, construction, bank operations, monitoring, long-term maintenance, contingency and remedial actions, as well as the cost of replacement mitigation. The bank instrument must include a special condition requiring that the financial assurance be in place prior to commencing the permitted activity. Verification of financial assurances will be made annually as a part of the yearly bank audit. Documented proof of financial assurances shall be submitted to the District by February 15 of each calendar year (See Section 13: Bank Operations).

Sponsors for single user public owned and operated banks will not be required to obtain or submit financial assurances. However, advanced credits could be awarded for a single user, public owned and operated bank, if financial assurances are provided upfront.

2. Types of Financial Assurances - The presentation of financial assurances may be in the format of an irrevocable letters of credit, irrevocable trusts, escrow accounts, non-wasting endowments, performance bonds, casualty insurance, legislative appropriations for government sponsored projects, or other appropriate instruments subject to the approval of the District. The written format for the financial documents must be approved by the District before the documents are finalized. The assurances will be held by a financial institution(s) or a public entity(s). Private concerns should not be utilized for avoidance of foreseeable conflicts of interest. The mitigation bank sponsor must insure that adequate funds are available to ensure land acquisition, planning, engineering, mobilization, construction, bank operations, monitoring, long-term maintenance for the bank and associated uplands, contingency and remedial actions, and the cost of replacement mitigation. The amount of the financial assurance will be reviewed annually based on the results of the required monitoring reports.

A financial assurance must be in a form that ensures that the district engineer will receive notification at least 120 days in advance of any termination or revocation. For third party assurance providers, this may take the form of a contractual requirement where the assurance provider is to notify the District at least 120 days before the assurance is revoked or terminated. All financial assurances shall be payable at the District's direction to a specified designee or to a standby trust. If a standby trust is utilized, all amounts paid by the assurance provider must be deposited directly into the standby trust fund for distribution by the trustee in accordance with the District's instructions.

The amount of the required financial assurances will be determined by the District, in consultation with the project sponsor, and must be based on the size and complexity of the compensatory mitigation project, the degree of completion of the project at the time of project approval, the likelihood of success of the project, the past performance of the project sponsor, and any other factors the District deems appropriate. The rationale for determining the amount of the required financial assurances must be documented in the administrative record for either the DA permit or the banking instrument. In determining the assurance amount, the District shall consider the cost of providing replacement mitigation, including costs for land acquisition, planning and engineering, legal fees, mobilization, construction, and site monitoring.

3. Financial Assurance Schedule/Release - A proposed schedule of release of the financial assurance following completion of specific tasks associated with the establishment of the bank must be submitted for approval. Upon approval by the District (in consultation with the IRT), such financial assurances may be reduced once demonstrated that the bank is meeting performance milestones in accordance with the approved performance standards. For example, sponsors may request a reduction in financial surety as part of a credit release submittal if determined that the site is performing well and that the IRT has no objections to the reduction.

Two distinct assurances for mitigation bank projects are required. One to assure project construction termed, "Construction and Operations Assurance", and the other to assure that the required performance standards are met during the required monitoring period termed, "Performance Assurance". The Construction and Operations Assurance is released when construction has been completed and deemed successful by the District, in consultation with the IRT. The Performance Assurance is released in phases as ecological success milestones are reached, with portions of the assurance maintained to cover the cost of continued monitoring and maintenance activities at the bank site until the final mitigation credit is sold.

4. Long-Term Management - The provisions necessary for long-term financing must be addressed in the banking instrument. In addition to the required construction, operation and performance financial assurances, bank sponsors must submit a financial plan that demonstrates that the bank site can be maintained in perpetuity, whether through continual ownership or by conveyance to a public or private agency who will assume all responsibilities of the bank. The plan shall outline a strategy for the establishment of a fully-funded endowment for long term management activities of the bank. The strategy must include a description of long-term management needs, annual cost estimates for those needs, and identify the funding mechanism that will be utilized to meet those needs. The financial assurance must be a stand-alone document and shall not be made party to any financial assurances required during the life of the bank.

The District will require provisions to address inflationary adjustments and other contingencies as appropriate. Appropriate long-term financing mechanisms include non-wasting endowments, trusts, contractual arrangements with future responsible parties, and other appropriate financial instruments. In cases where the long-term management entity is a public authority or government agency, the entity must provide a plan for long-term

financing of the site. It is recommended that the fund include a set dollar amount per credit acre sold, along with the option of adding to the principal to allow for inflationary adjustments.

The long-term manager of the bank must provide written approval to the District engineer of their acceptance of the long term funding mechanism. The principal, as well as the earnings of the endowment, must be made available for disbursement to the long term management entity.

5. Compliance - Failure to comply with the requirements of financial assurance may be grounds for suspension and/or revocation of the bank instrument.

SECTION 11 - ESTABLISHING CREDITS

1. The units of wetland credit will be defined as, “acres of wetland”, and the units of waters credit will be defined as “linear feet of Waters of the United States. Mitigation bank credits will be generated as wetlands are created (established), restored (re-established or rehabilitated), enhanced, or preserved on the bank site, resulting in an increase in wetland acreage, function, and quality.

Banking credits may be generated as follows:

- a. Credit will be given for establishment (creation) if establishment results in a gain in aquatic resource area and functions; and
- b. Re-establishment and Re-habilitation is the preferred option for generating wetland credits due to the likelihood of success being greater, and the impacts to potentially ecologically important uplands are reduced compared to “establishment” (creation). In addition, the potential gains in terms of aquatic resource functions are greater, compared to enhancement and preservation; and
- c. Full credit will be awarded for the re-establishment of former wetlands. Partial credit (specified in each bank instrument) can be given for permanent enhancement or rehabilitation of degraded wetlands or in exceptional circumstances, preservation of existing wetlands. The appropriateness of rehabilitation and preservation, and the corresponding credit ratio awarded will be determined by the District, in coordination with the IRT, and follow the schedule as outlined below:
 - 1) maximum of 30% of the total potential credits generated by the bank may be derived from rehabilitation of existing degraded wetlands;
 - 2) preserved wetlands must not constitute no more than 15% of the total potential credits generated by the bank;
 - 3) associated upland buffers of the bank must not represent more than 15% of the total credits generated;
 - 4) selective removal of exotic species in upland plant habitat will normally not be considered eligible for credit unless associated with buffer credit; and

- 5) no credit will be given for stormwater/wastewater treatment facilities or structures.
2. Specific types of rehabilitation of existing wetland will generate credit if the rehabilitation actions are substantial and measurable, and provide a permanent increase in the level of wetland function. In general, the types of rehabilitation of existing wetland that will generate credit include the following:
- a. Improvement of wetland hydrology at sites that have been significantly modified through tile drainage or ditch drainage;
 - b. Rehabilitation of diverse native plant communities in existing wetlands where the original plant community has been destroyed, and the site is currently farmed or has re-vegetated with aggressive and/or exotic species. Restoration goals could include the removal of exotic or aggressive species, and the introduction and establishment of a diverse assemblage of native species that are appropriate for the site in consideration with its geographic location, soils, hydrology, and other factors; and
 - c. Rehabilitation is not appropriate for sites that have existing biodiversity or habitat values that would be adversely affected by the proposed actions, or where the level of benefit would be minimal to the ecosystem. The prospectus must specifically state which aspects of wetland function would be increased as a result of the enhancement or rehabilitation actions, the level to which they would be increased, and the scientific basis for expecting the increase. It must also include a narrative describing how the rehabilitation would be accomplished, a schedule of completion, explicit performance standards, and performance milestones for rehabilitation actions to be carried out over a defined period of time.
3. Credit ratios will be determined for each specific bank. Generally Credit ratios will reflect the values as outlined in the following table:

Type of Mitigation Credit	Range of Credit per/Acre for Mitigation Type	Percent of Total Credits Allowed for Mitigation Type
Establishment	100%	No maximum
Preservation	10-15%	15%
Re-establishment	100%	No maximum
Rehabilitation	10-50%	50%
Upland Buffer	10-25%	15%

- a. Preservation - The appropriate ratio for crediting preserved wetlands will be determined through the bank review process, and will, in most cases, be less than the ratio for established or re-established wetland. Preservation may be used to provide compensatory mitigation when the following criteria is met:

- 1) The resources to be preserved provide important physical, chemical, or biological functions for the watershed;
 - 2) The resources to be preserved contribute significantly to the ecological sustainability of the watershed. In determining the contribution of those resources to the ecological sustainability of the watershed, appropriate quantitative assessment tools will be utilized where available;
 - 3) Preservation is determined to be appropriate and practicable; and
 - 4) The resources are under threat of destruction or adverse modifications.
- b. Establishment (Creation) – The manipulation of the physical, chemical, or biological characteristics present to develop an aquatic resource that did not previously exist at an upland site as long as establishment results in a gain in aquatic resource area and functions.
- c. Re-establishment - Re-establishing wetland hydrology results in the greatest gain in wetland function and values and will be given full credit.
- d. Rehabilitation - Flexibility may be allowed by the IRT in determining the appropriate credit ratio for rehabilitation. As example of such flexibility is farmed wetlands proposed for rehabilitation credit. Farmed wetlands are wetland by definition because they meet the three technical criteria in determining a wetland. However, they have extremely limited wetland habitat, biodiversity, and water quality functions because of highly altered hydrology and because they are cultivated for crop production as often as annually.

Where both of the aforementioned actions are proposed for a site, and where other ICA siting criteria are met, flexibility may be shown in determining the proportion of total credits that can be generated through rehabilitation. The regional importance of the site from a conservation perspective, such as the site's potential to support regional populations of wildlife species of concern, including State or Federally-listed endangered and threatened species, may also influence the credits awarded.

- e. Upland Buffers - Limited credit may be granted for upland buffer where it can be demonstrated that such areas would provide tangible benefits to the bank, such as nutrient or sediment filtering of water entering the site, or other functions that would serve to enhance or maintain the ecological integrity of the bank. The determination of the credit to be granted for upland buffer will be based on clearly demonstrated functions, and not on general ecological values.

SECTION 12 - CREDIT RELEASE SCHEDULE

The District will authorize all credit release in letter format. The authorization will be sent to the property owner and bank sponsor prior to the sale of bank credits. Under no circumstance will credits be sold prior to the written authorization, or credits sold where there is no availability of credits. Failure to comply with this requirement will result in consequences including, but not

limited to, a decrease of credit sales, suspension of the sale of future credits and suspension of the bank [see 33 CFR 332,8(o)(10)].

1. Credit sales may commence upon approval of the banking instrument in accordance with the following schedule. The Corps, after consultation with the IRT may:
 - a. release a maximum of 20% of the total credits at the bank once the banking instrument has been signed, adequate financial assurances are in place, and the site protection instrument has been recorded;
 - b. release an additional 25% of the total credits at the bank once appropriate wetland hydrology is demonstrated at the bank, and all hydrology performance standards have been met. The hydrology standard must be met for \geq (greater than or equal to) 2 consecutive growing seasons in order to qualify for credit release and/or final release from maintenance and monitoring;
 - c. credit will be released according to the vegetation performance standards as defined in the approved mitigation banking instrument, along with continued demonstration of wetland hydrology present to be confirmed by the IRT (See Appendix B); and
 - d. release the remaining total credits at the bank final once all final performance standards have been met. In some instances, the IRT may recommend to the Corps, adjustments to the final credit amount released.

2. For all single-user public owned and operated mitigation banks, pre-construction credit release will not be allowed due to the absence of financial assurances. Credit sales may commence upon approval of the banking instrument in accordance with the following schedule. The Corps, after consultation with the IRT may:
 - a. release 15% of the total credits at the bank once appropriate wetland hydrology is demonstrated at the bank and all hydrology standards have been met. The hydrology standard must be met for \geq (greater than or equal to) 2 consecutive growing seasons in order to qualify for credit release and/or final release from maintenance and monitoring;
 - b. credit will be released according to the vegetation performance standards as defined in the approved mitigation banking instrument, along with the continued demonstration of wetland hydrology present which will be confirmed by the IRT (See Appendix B); and
 - c. release of the remaining total credits at the bank once final performance standards have been met. In some instances, the IRT may recommend to the Corps adjustments to the final credit amount to be released.

SECTION 13 - BANK OPERATIONS

Upon approval of the mitigation banking instrument (MBI) by the IRT, the mitigation bank will be authorized through a Department of the Army permit. Approved work at the bank may commence at that time in accordance with the following:

1. Credits may be sold once they are released. After initial credit release, the banker must submit data to the IRT that demonstrates a performance standard has been met. An IRT review of the data will be conducted throughout the growing season, and if necessary, the IRT may conduct a field visit prior to a requested credit release;
2. The initial physical and biological improvements at the bank site (including, but not limited to, grading, planting, and restoration of hydrology) must be completed no later than the end of the first full growing season following initial debiting of the bank. Initial debiting of the bank is defined as the date of the first approved sale from the bank under the allowable pre-construction sales as established in this agreement. This provision is not applicable to single user banks;
3. During the construction phase of the mitigation bank, qualified personnel must record periodic inspections of the site to ensure that soil erosion control measures are employed and functioning properly. If applicable, site inspection reports must be submitted to the District on a monthly basis during construction activities.
4. Monitoring reports for the mitigation bank must be provided to all members of the IRT on an annual basis until all performance standards are met and all credit sales are complete (Appendix B). Joint field inspections by the IRT shall be conducted on a regular basis for confirmation of the submitted data as defined below:
 - a. The permittee or sponsor is responsible for submitting monitoring reports in accordance with the special conditions of the DA permit or the terms of the MBI. Failure to submit monitoring reports in a timely manner will result in compliance action by the District;
 - b. The information in the monitoring report must be sufficient for the District engineer to determine how the mitigation project is progressing towards meeting its performance standards, and may include as-built plans, maps, photographs, etc., to illustrate site conditions. Monitoring reports must include the results of functional condition, or other assessments used to provide quantitative or qualitative measures of the functions provided by the mitigation site;
 - c. If the mitigation project cannot be constructed in accordance with the approved mitigation plans, the mitigation sponsor must notify the District. Any modification to the approved plans, or any proposed adaptive management strategy will require approval from the District, in consultation with the IRT. If monitoring or other information indicates that the mitigation project is not progressing towards meeting its performance standards as predicted, the responsible party must notify the District as soon as possible. The District will evaluate and pursue measures to address deficiencies at the bank. The District will consider whether the mitigation project is providing ecological benefits comparable to the original objectives as defined in the MBI. The District, in consultation with the IRT and the party responsible for the bank, will determine appropriate measures to bring the bank into compliance. Measures may include site modification, design changes, and revisions to maintenance and monitoring requirements. The measures must be designed to ensure

that the modified mitigation project provides aquatic resource functions comparable to those described in the mitigation plan objectives.

- d. Failure to submit monitoring reports in a timely manner may result in compliance action taken by the District; and
 - e. Monitoring reports must be provided by the District to interested federal, tribal, state, and local resource agencies, and the public, upon formal request.
5. Once performance standards have been met at the bank, management and monitoring activities must continue at the bank, and the bank must remain in compliance with all requirements of the approved banking instrument until the final mitigation credit has been sold.
 6. The District, in coordination with the IRT, will determine what constitutes yearly monitoring and management activities once performance standards have been met, and until the final mitigation credit has been sold.
 7. The bank sponsor must provide a fully completed credit sales form, for Corps permitted and non-Corps permitted projects, to the District confirming the final sale of each credit transaction. In situations where the agreement to buy credits between the bank sponsor and the permittee is terminated, the sponsor must provide written notification to the District within 15 days of said action;
 8. The bank sponsor must keep a current and accurate ledger of all available credits, whether purchased or un-purchased, of all credits sold or otherwise debited. This ledger balance will be provided on the credit sales form at each credit sale, with the full ledger provided to the Corps at the end of each calendar year. The sponsor must submit a ledger showing the beginning and ending balance of available credits and the permitted impacts for each resource type, all additions and subtractions of credits, and any other changes in credit availability (e.g. additional credits released, credit sales suspended).

In addition to the ledger submission, the bank sponsor must provide to the District confirmation of their financial assurances, written verification of site control (permission to utilize the site by owner), and confirmation (or letter of intent) of the long term manager for the site. The annual financial assurance report must include the beginning and ending balances, including deposits into and any withdrawals from the accounts providing funds for bank operations and long term management activities. The report must also include information on the amount required for operations and long term management, current status of the account, and the potential expiration date. Submission of all the above noted information must be made by February 15 of each calendar year.

9. The operational life of a bank consists of the period during which the terms and conditions of the banking instrument are in effect. With the exception of arrangements for the long-term management of the site, and the protection in perpetuity of the wetlands and/or other aquatic resources and associated uplands, the operational life of a mitigation bank terminates once all

mitigation credits have been sold or banking activity is voluntarily terminated. If voluntarily terminated, the bank sponsor must provide written notification to the District.

SECTION 14 - LONG TERM MANAGEMENT STRATEGY

The legal mechanisms and the party responsible for the long-term management and protection of the mitigation bank site must be documented in the instrument or, in the case of umbrella mitigation banking instruments and in-lieu fee programs, the approved mitigation plans. The responsible party must make adequate provisions for the operation, maintenance, and long-term management of the compensatory mitigation site:

1. The bank sponsor must submit a long term management strategy with an associated financial assurance plan for IRT approval prior to validation of the banking instrument. The strategy must include a description of long-term management needs, annual cost estimates for those needs, and identify the funding mechanism to be utilized to meet those needs. Appropriate long-term financing mechanisms include non-wasting endowments, trusts, contractual arrangement with future responsible parties, and other appropriate financial instruments;
2. Long-term management strategy is required prior to final approval of the banking instrument;
3. Any provision necessary for long term financing must be addressed in the permit or banking instrument. The District may require provisions to address inflationary adjustments and other contingencies, as appropriate;
4. The bank sponsor must identify the entity responsible, and provide supporting documentation, e.g. agreement or letter of intent for the ownership and long-term management of the site. Identifying the responsible entity prior to permit issuance will aid in the processing of the instrument. It is preferred that the proposed long term manager or organization have expertise in executing adaptive management procedures;
5. Bank sponsors must establish an agreement for long-term management of the site with a public or private conservation organizations, or banker sponsor, with final approval of the long-term manager by the District, in consultation with the IRT. Initial meetings with all parties involved must occur prior to approval;
6. The instrument must contain provisions for the sponsor to transfer long-term management responsibilities to a land stewardship entity, such as a public agency, non-governmental organization, or private land manager; and
7. The instrument or approved mitigation plan must address the financial arrangements and timing of any necessary transfer of long-term management funds to the steward.

SECTION 15 - SITE PROTECTION INSTRUMENT

The aquatic habitats, riparian areas, buffers and uplands that comprise the overall compensatory mitigation project must be provided long-term protection through real estate instruments or other available mechanisms, as appropriate. All land, including associated uplands, which are part of the mitigation bank must be protected from future development by a permanent conservation easement held by entities such as federal, tribal, state, or local resource agencies, non-profit conservation organizations, or private land manager; the transfer of title to such entities; or by restrictive covenants, deed restrictions or other real estate instruments as deemed appropriate by the District:

1. For government property, long-term protection may be provided through federal facility management plans or integrated natural resources management plans. When approving a method for long-term protection of non-government property other than transfer of title, the district shall consider relevant legal constraints on the use of conservation easements and/or restrictive covenants in determining whether such mechanisms provide sufficient site protection. To provide sufficient site protection, a conservation easement or restrictive covenant should, where practicable, establish in an appropriate third party (e.g., governmental or non-profit resource management agency) the right to enforce site protections and provide the third party the resources necessary to monitor and enforce these site protections;
2. The real estate instrument, management plan, or other mechanism providing long-term protection of the compensatory mitigation site must, to the extent appropriate and practicable, prohibit incompatible uses that might otherwise jeopardize the objective of the compensatory mitigation project. Where appropriate, multiple instruments recognizing compatible uses may be used;
3. The instrument, along with a site map of the bank, must be recorded with the appropriate county register of deeds and attached to the abstract of title. A certified copy of the registration must be provided to the District for approval prior to bank authorization;
4. The instrument must contain a provision requiring 60-day advance notification to the District prior to any action taken to void or modify the instrument, management plan or long term protection mechanism, including transfer of title to, or establishment of any other legal claims over, the mitigation site; and
5. For mitigation bank sites, real estate instruments, management plans or other long term mechanisms used for site protection must be finalized before any credits can be released.
6. The site instrument must be prepared as per the terms noted in 33 CFR Part 332.7 (a) (1-5).

SECTION 16 - NON-COMPLIANCE

Authorization to sell credits to satisfy compensatory mitigation requirements in DA permits is contingent on compliance with all terms of the instrument. This includes constructing a mitigation bank in accordance with the mitigation plan approved by the District and incorporated by reference in the MBI.

The banker is responsible for notifying the Chicago District of any non-compliance with the banking instrument. In the event of a non-compliance as determined by the Corps, in consultation with the IRT, the District shall inform the bank sponsor of the non-compliance and specify a period of time in which to comply with the terms of the MBI. Continued non-compliance of the MBI will result in revocation of the banking instrument and forfeiture of all financial securities.

SECTION 17- MODIFICATION

Modification to Bank Instrument may be required if the aquatic resource restoration, establishment, enhancement, and/or preservation activities cannot be implemented in accordance with the approved mitigation plan. The District will consult with the sponsor and the IRT to consider modifications to the instrument, including adaptive management, revisions to the credit release schedule, revisions to the credit generation table, and alternatives for providing compensatory mitigation to satisfy credits that have already been sold. If the aquatic resource restoration, establishment, enhancement, and/or preservation activities results in an increase in aquatic resource other than what was approved in the MBI, modification to the banking instrument will be required.

Should modifications to the banking instrument be required, recommended changes would be approved by the Corps, in consultation with the IRT.

SECTION 18 - BANK TRANSFER

If the transfer of the mitigation bank is to occur prior to final release of the bank from management and monitoring activities as required in the banking instrument, the transferee shall abide by the terms and conditions therein. Any such transfer must be approved in writing by the IRT, along with a modified signature page of the MBI. If the structures or work authorized by the instrument are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of the instrument and the associated liabilities with compliance of its terms and conditions, a signature by the transferee is required.

SECTION 19 - SUSPENSION/TERMINATION

If the District determines that the mitigation bank or in-lieu fee program is not meeting performance standards, a non-compliance with the terms of the MBI occurs, or failure to comply with the requirements of the approved financial assurances will be taken. Such actions may include, but not limited to, suspension of credit sales, adaptive management of the site, decrease of available credits, utilizing financial assurances, and termination of the MBI.

This agreement may be modified at any time by the joint agreement of the signatories. A party may terminate its participation in this agreement upon thirty (30) days written notice to all other signatories.

SECTION 20 - SIGNATURES: FEDERAL AGENCY APPROVAL OF ICA

//ORIGINAL SIGNED//

9/6/2017

Colonel, U.S. Army
District Commander

DATE

//ORIGINAL SIGNED//

9/14/2017

Chief Wetland Section
U.S. Environmental Protection Agency,
Region V

DATE

//ORIGINAL SIGNED//

9/7/2017

Chicago Illinois Field Office
U.S. Fish and Wildlife Service

DATE

**SECTION 21 - SIGNATURES: IRT MEMBERS, MITIGATION SPONSOR,
TRANSFeree**

IRT Lead
U.S. Army Corps of Engineers

DATE

Chief Wetland Section
U.S. Environmental Protection Agency,
Region V

DATE

Chicago Illinois Field Office
U.S. Fish and Wildlife Service

DATE

Property Owner/Bank Sponsor

DATE

Bank Transferee

DATE