

MEMORANDUM



TO: VICTOR CARDENAS, INTERIM CITY MANAGER
FROM: CHARLES BOULARD, COMMUNITY DEVELOP. DIRECTOR
SUBJECT: WETLAND BANK INVESTIGATION
DATE: MAY 15, 2023

Mayor and Council –
Please see an update below on
the researched requested on
possible Wetland Mitigation
Bank opportunities.
- Victor

Background:

Earlier this spring, the City Council provided guidance to the administration and staff to investigate potential sites for establishing City-owned and operated Wetland Mitigation Bank. The Community Development Team has continued investigating opportunities and the Michigan Department of Environment, Great Lakes, and Energy (EGLE) parameters and rules for the creation of a mitigation bank. Previous communication outlined some critical points of the State requirements for Wetland Mitigation banks, including minimum mitigation area, basic approval criteria, initial and ongoing responsibilities, and timing for initial approval and availability of credits. As was noted, State required wetland mitigation credits must generally be located in the same watershed as the impacted area. As Novi straddles both the Huron River and Rouge River watersheds, a single wetland bank may be unable to provide credit to projects throughout the City.

Site Evaluation:

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) uses a map layer designating several classes of hydric soils to evaluate proposed mitigation projects. These areas correspond to the red and yellow map areas representing Hydric and Pre-settlement Wetland and Hydric soils, respectively (see the Appendix at the end of this memorandum). EGLE staff have provided guidance that the department typically only approves mitigation in these designated map areas.

To evaluate potential migration areas within the City limits, the GIS team created a map to overlay publicly owned land, existing wetland and wetland areas, watersheds, woodland areas, existing conservation easements, and the EGLE Wetland Soils mapping layer. (This map is the second document in the Appendix). Some undeveloped park areas were reviewed with the understanding that potential mitigation would need to accommodate current and future uses and opportunities as well as any acquisition and grant restrictions in addition to the underlying policy decision.

Sites throughout the City were then examined and evaluated based on the following criteria:

- Potential Wetland Soils
- Undeveloped status
- Lack of existing Conservation/Preservation easement
- Ownership (Preferably City owned or available for purchase at a reasonable cost)
- Absence of current wetlands

- Absence of or value of woodlands
- Proximity to existing wetland
- Size of potential mitigation area (>10 acres on a single site preferred)
- Proportions (long narrow wetlands are more susceptible to invasive species impacting a site, increasing ongoing maintenance costs))

Initial examination noted that a number of the larger areas of hydric soils were removed from consideration as already developed or encumbered including:

- Liberty Park (Rouge River watershed)
- Regency (Rouge River watershed)
- Beck North Corporate Park (Rouge River watershed)
- Deerfield Elementary (Huron River watershed)
- Oberlin (Huron River watershed)
- Island Lake neighborhoods (Huron River watershed)
- Park Place (Huron River watershed)
- MSU Tollgate Farms has potential but is not likely to be available for the foreseeable future (Rouge River watershed)
- Several freeway areas appear to have had potential at one time but are now developed MDOT Right of Way. (Rouge River watershed)

Potential Wetland Bank Sites:

City owned properties:

- The City Park Property extending south behind Fire Station #4 - has some favorable soils but is heavily wooded and has a lot of existing wetlands as well. (Huron River watershed)
- DPW facility site on Lee BeGole Drive – has areas of appropriate soils but is currently in use by the City for support services. (Rouge River watershed)
- Lakeshore Park – limited area with potential deep in the park and at the expense of woodlands and future park development. (Rouge River watershed)
- Meadowbrook Commons – available undeveloped area is only about 1.2 acres (Rouge River watershed)
- City parcel 22-22-400-009 located north of 10 Mile west of Novi Road: This recently acquired parcel totals just over 8 acres and is sparsely wooded. The appropriate hydric soils appear in a limited area (less than 0.5 acres) adjacent to the 10 Mile Road right-of-way. (Rouge River watershed)

Non-City Owned parcels explored for further potential are as follows:

- Vacant parcels 22-14-451-012, -013, -015 and -017 along the west side of Lee BeGole Drive between 11 Mile and I-96. These parcels include a section of Bishop Creek and total 14.64 acres with an estimated 70% hydric soils. The property is currently listed for \$4,000,000 and has former industrial use and fill. These sites have a high development potential due to their proximity to the Town Center and freeway frontage. (Rouge River watershed)
- Residential parcel 22-17-400-028 owned by the Joanne Ward trust, totals 7.87 acres on the north side of 11 Mile (47460) west of Beck. Approximately 5.2 acres of the site has appropriate soils, bisected by a drain on the site. Not currently on the market, the property is assessed at approximately \$650,000. (Huron River watershed)

- Parcels 22-12-101-038, -035 and -051 are located at the southwest corner of 13 Mile and M-5. Totalling 8.82 acres. Crossed by the Seeley Drain, these parcels appear to have potential for approximately 2 acres of mitigation depending on actual site conditions adjacent to the drain. The parcels are currently listed with one adjacent parcel for \$1,950,000. (Rouge River watershed)
- West Park Drive and Railroad Tracks – 2 oddly shaped available areas with appropriate soils totaling approximately 3.4 acres. Only the property east of tracks, with 2.5 acres of potential area, is City-owned. (Rouge River watershed)
- Parcel 22-15-151-013 at 27070 Taft Road north of I-96. This 10.49 acres is crossed by the Walled Lake Branch of the Rouge River. Hydric soils appear to cover approximately 30% of the site. This parcel is currently listed for \$950,000. Combination with the single-family residential parcels to the north would be blocked by the adjacent ITC parcel. (Rouge River watershed)
- The expanded Bosco Park area – less than 1 acre of the site has suitable soils. (Huron River watershed)
- Parcels 22-32-100-015, 016, 021 Garfield Road near 9 Mile: former MDOT wetland mitigation site. This 106-acre site is encumbered by a May 2000 agreement that, among other stipulations, requires that "that the terrain, or lay of the land, not be altered or changed in any way" and is covered in its entirety by a Conservation Easement. (Huron River watershed)

ITC

Portions of the ITC corridor also showed promise but are deemed unlikely by staff as the City would need to acquire the underlying property from ITC or an easement in perpetuity satisfactory to the State for permanent use as a wetland mitigation bank. These areas are also predominantly long and narrow, making them susceptible to invasive species, likely increasing long-term maintenance costs. ITC staff indicated they would also evaluate the easement potential for each location on a site-by-site basis to determine utility conflicts or other conflicts that would prevent their use. (West line is in the Huron River watershed, east line is in the Rouge River watershed)

Conclusion:

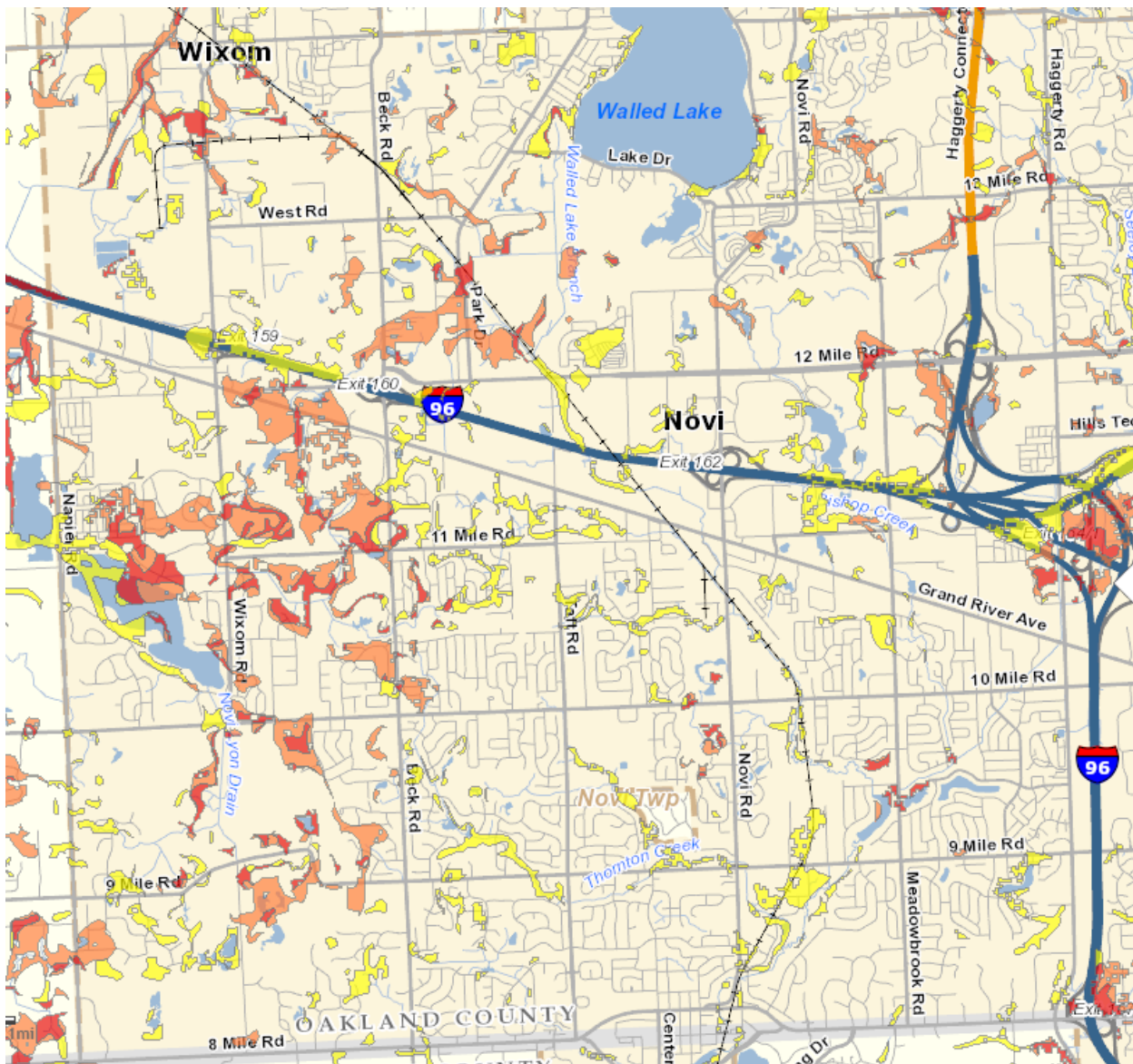
Based on the EGLE requirements for suitable areas for wetland mitigation areas, the requirements for creating a wetland mitigation bank, and the limited availability of large parcels of undeveloped land with appropriate soils and meeting the criteria listed above, the feasibility of the City creating wetland mitigation banks within the City is low and likely to be financially challenging, especially within the Rouge River watershed, which is heavily developed within the City limits.

While the possibility of creating mitigation areas for wetland impacts is only required for smaller impacts as required under the Novi Wetland Ordinance, not EGLE rules (size, location within a particular watershed) is greater, lack of suitable land availability within the City is still a challenge, as many developers have pointed out. While not subject to State Wetland Bank rules, a "local ordinance-only bank" would be of limited utility and application at essentially the same cost.

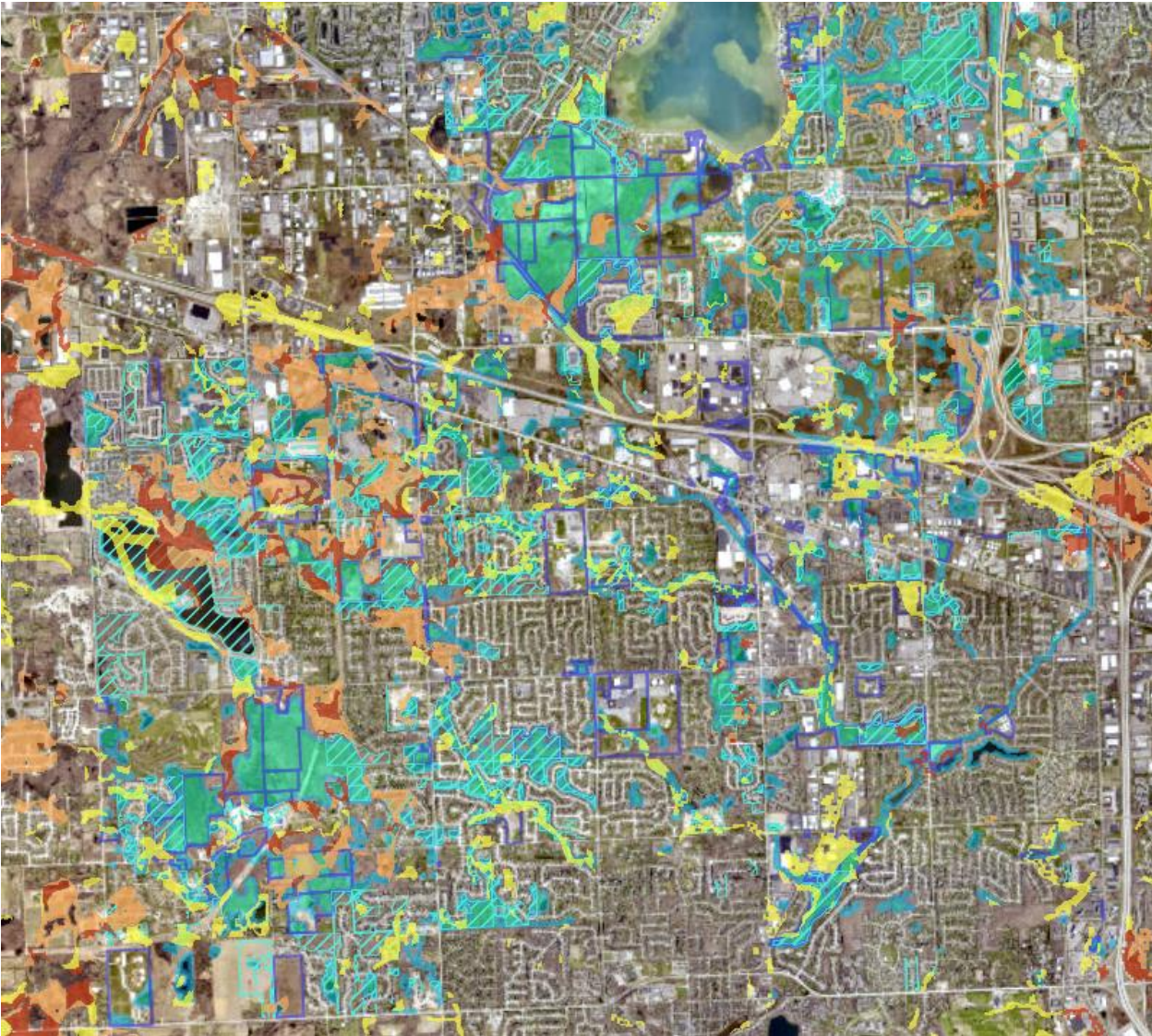
APPENDIX:

Hydric Soils mapping; EGLE maintains a high potential wetland layer on their online [Map Viewer](#) (following page)

Red and yellow map areas are most likely to have hydric soils and be suitable for restoration/mitigation bank activities.



Overlay of aerial photo, hydric soils, parcel boundaries, conservation easements, existing wetland areas and City owned publicly owned parcels:



Legend

Color/Pattern	Description	Acceptable to MDEQ?
Yellow	Hydric soils	Yes
Red	Hydric soils and pre-settlement wetlands	Yes
Orange	Pre-settlement wetlands	No
Aqua	Wetlands	
Slanted Lines	Conservation Easement	