MEMORANDUM

CITY OF NOVI
cityofnovi.org

TO: VICTOR CARDENAS, INTERIM CITY MANAGER
FROM: CHARLES BOULARD, COMMUNITY DEVELOP. DIRECTOR
SUBJECT: WETLAND MITIGATION BANK FEASIBILITY
DATE: MARCH 8, 2023

Mayor and Council –

FYI

- Victor

Background:
Recently, the City Council provided guidance to the administration and staff to investigate potential sites for establishment of a City-owned and operated Wetland Mitigation Bank. The Community Development Team has begun investigating opportunities and the Michigan Department of Environment, Great Lakes and Energy (EGLE) parameters and rules for the creation of a mitigation bank. The information below is an update on the information gathered to date and includes research begun by Landscape Architect Rick Meader in the spring of 2022.

Rules for Bank establishment:
Wetland Mitigation is a replacement for wetland function through the creation of wetlands. Where wetland mitigation would not be feasible onsite Wetland Mitigation banking can facilitate compliance with permit requirements by providing a framework for the creation of new wetland areas (banks). A bank would be created in advance of anticipated losses and would provide credits which could be sold to permit applicants and/or used by the sponsor (in this case, the City) to meet permit conditions for municipal projects.

In the State of Michigan, Wetland Mitigation banks are regulated under Administrative Rules R281.951-961. In establishing a mitigation bank the City as the 'bank sponsor' would be responsible for establishment and perpetual maintenance of created wetlands. The maintenance would include, but not be limited to, ongoing management of invasive species in the mitigation bank. These responsibilities would be documented in a mitigation banking agreement with the State of Michigan and would require financial assurances to guarantee that the mitigation bank establishment, monitoring and, if necessary, remedial actions would be carried out in accordance with the banking agreement. Per EGLE staff, approval of a banking agreement usually takes 6-12 months after complete submission. Significant effort would be needed by a qualified consultant to vet and design a mitigation project.

Following the execution of a banking agreement with the State and construction of the new wetlands, (1) year of monitoring would be required before use of any credits. At that time, the City would submit a report monitoring the establishment of the wetland for review and possible field verification by EGLE. If approved, the City would receive authorization approving the type and number of wetland credits available for use. A maximum of 50% of the available credits would be allowed in the first year. An additional 25% of the credits would become available when the wetland plan community achieves 50% of the design cover, and the final 25% of credits would be authorized when the created wetlands in the bank are fully functional and in compliance with the performance standards in the banking agreement. Once credits in the bank are used to provide mitigation, annual monitoring is required until the performance standards are met.

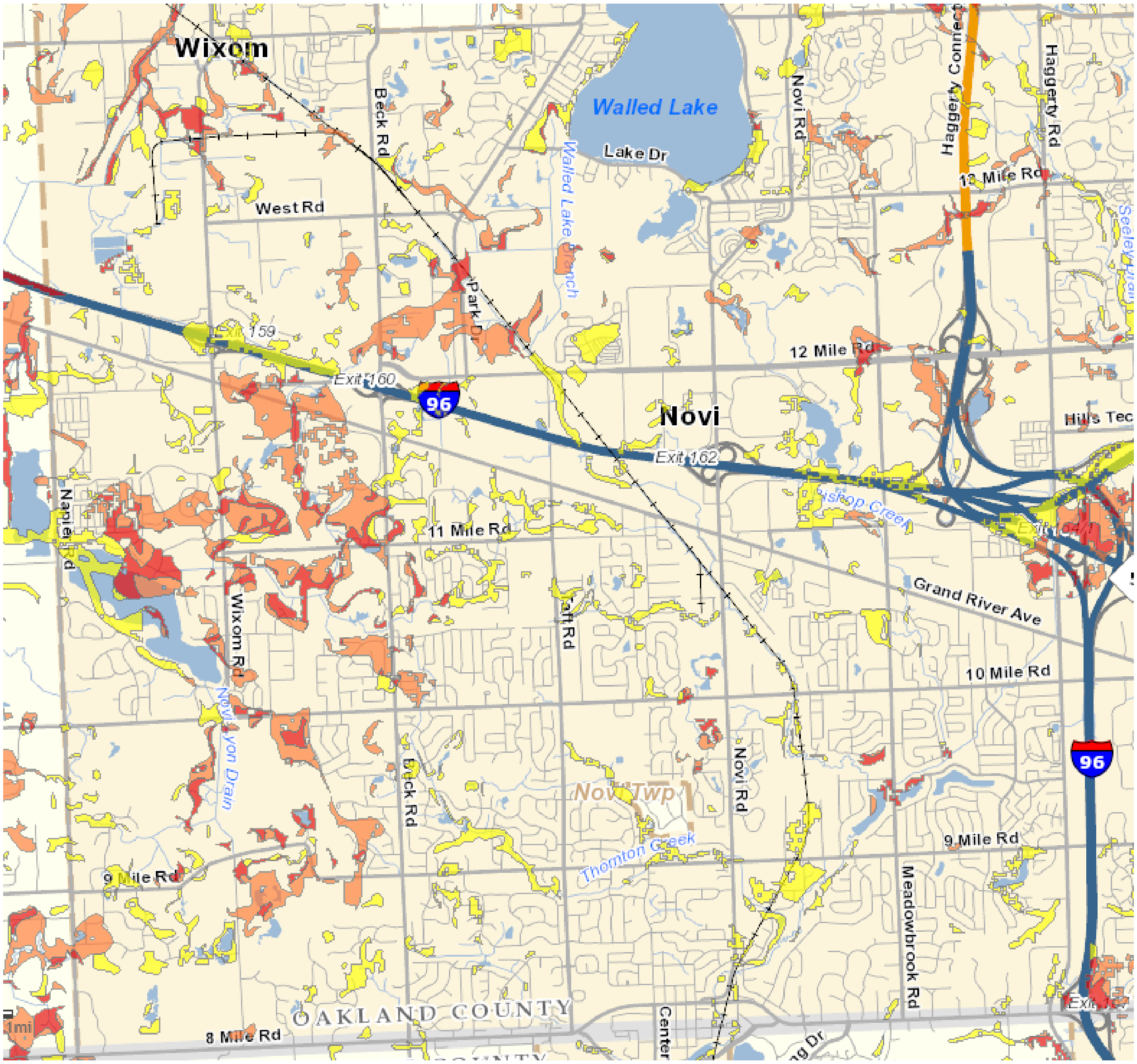
Size and location:

A minimum of 10 acres of newly created wetlands is required to establish a wetland bank. The 10 acres may be made up of several sites but are generally an expansion of an existing wetland or restoration of previous wetland areas. Per EGLE staff, the department only approves sites that consist of wetland soils and that were formerly wetland such as farm fields that have been tile drained and ditched for drainage.

Wetland mitigation credits must generally be located in the same watershed as the impacted area. As Novi straddles both the Huron and Rough River watersheds a single wetland bank may not be able to provide credits to projects throughout the City.

EGLE maintains a high potential wetland layer on their Map Viewer (following page) and at https://www.mcgi.state.mi.us/wetlands/mcgiMap.html?bkmk=5f8bd787acbd92d315c9c7535caa3fa5 Red and yellow map areas are most likely to have hydric soils and be suitable for restoration/mitigation bank activities.

The next steps will be to cross reference City owned or available properties with the mapping as well as tree cover to identify areas of opportunity.
Please let me know if I can provide any additional information.


Wixom
Walled Lake
Lake Dr
Beck Rd
Novi Rd
Haggerty Connector
Haggerty Rd
13 Mile Rd
West Rd
Walled Lake Branch
Park Dr
Exit 159
Exit 160
96
12 Mile Rd
Novi
Hills Tec
Exit 162
Napier Rd
11 Mile Rd
Wixom Rd
Taft Rd
Grand River Ave
10 Mile Rd
Novi-Lyon Drain
Novi Twp
Novi Rd
9 Mile Rd
Thornton Creek
9 Mile Rd
Meadowbrook Rd
OAKLAND COUNTY
8 Mile Rd
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