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GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
LANSING



C. HEIDI GRETHER  
DIRECTOR

VIA E-MAIL

TO: Senate Appropriations Committee Members  
Senate Natural Resources Committee Members  
House Appropriations Committee Members  
House Natural Resources Committee Members

FROM: C. Heidi Grether, Director

DATE: October 5, 2018

SUBJECT: Report on Wetland Mitigation Bank Funding Program

In accordance with Section 5204f of Part 52, Strategic Water Quality Initiatives, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, attached is the Department of Environmental Quality's (DEQ) report on the Wetland Mitigation Bank Funding Program for fiscal year (FY) 2018. To date, 4 grants totaling \$426,172 have been awarded for 150 acres of wetland mitigation bank. These bank sites are being established at Department of Natural Resources state game areas in partnership with the Michigan Municipal Wetland Alliance. These bank sites will provide low-cost mitigation options for municipal projects. No new grants were awarded in FY 2018.

In addition to these wetland banks, there has been a substantial increase in the private banking market in Michigan. There are currently 30 bank sites totaling over 1,600 acres of wetland.

If you need further information, please contact Amy Lounds, Supervisor, Wetlands, Lakes, and Streams Unit, Water Resources Division, at 517-284-5530; or you may contact me at 517-284-6710.

Attachment

cc/att: Ellen Jeffries, Director, Senate Fiscal Agency  
Mary Ann Cleary, Director, House Fiscal Agency  
John Walsh, Director, State Budget Office  
Darin Ackerman, Governor's Office  
Angela Ayers, Governor's Office  
Josh Sefton, Senate Fiscal Agency  
Austin Scott, House Fiscal Agency  
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Dina Klemans, DEQ  
Amy Lounds, DEQ  
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MICHIGAN DEPARTMENT OF  
ENVIRONMENTAL QUALITY

## Legislative Report

# WETLAND MITIGATION BANK GRANTS

Report Period:  
Fiscal Year 2018

Authority:  
MCL 324.5204f

In accordance with Section 5204f of Part 52, Strategic Water Quality Initiatives, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, the Department of Environmental Quality established a Wetland Mitigation Bank Funding Program that provides grants and loans totaling not more than \$10,000,000 to eligible municipalities. Of this amount, up to \$500,000 may be used for grants. Municipalities are required by federal and state laws to mitigate for unavoidable losses to wetland resources. This innovative program provides municipalities with low-cost mitigation options by providing them funding to establish their own wetland bank sites as opposed to purchasing wetland bank credits on the private bank market. The estimated cost savings for municipalities establishing wetland banks under this program is \$70,000 per acre.

Grants	Acres	County	State Funding	Local Match	Total	Fiscal Year Award
1. Saginaw County Public Works Commissioner	60	Gratiot	\$98,529	\$10,948	\$109,477	2016
2. Ottawa County Water Resources Commissioner	20	Ionia	\$93,483	\$10,387	\$103,870	2017
3. Ottawa County Water Resources Commissioner	40	Allegan	\$95,607	\$10,623	\$106,230	2017
4. Monroe County Drain Commissioner	30	Monroe	\$95,935	\$10,660	\$106,595	2017
Total	150	-	\$383,554	\$42,618	\$426,172	-