
DEPARTMENT OF ENVIRONMENTAL QUALITY ♦ WATER RESOURCES DIVISION

Rick Snyder, Governor ♦ Dan Wyant, Director
www.michigan.gov/wetlands

Those interested in developing a wetland mitigation bank should thoroughly review the administrative rules for wetland mitigation banking and supporting materials. The following general process for the development of banks in Michigan has been developed to assist potential bank sponsors in submitting proposals to the Michigan Department of Environmental Quality (MDEQ):

1. The potential wetland mitigation bank sponsor contacts the MDEQ to discuss banking.
2. The bank sponsor selects a site and begins preliminary site planning.
3. The bank sponsor submits a pre-proposal to the MDEQ.
4. The MDEQ reviews the pre-proposal, inspects the site, and provides feedback to the bank sponsor. If there are existing wetlands on site, the bank sponsor may be asked to submit an application to the MDEQ Wetland Identification Program.
5. The bank sponsor develops a design for the site and drafts a wetland mitigation banking agreement proposal.
6. The bank sponsor submits a banking agreement proposal to the MDEQ.
7. The MDEQ reviews the banking agreement proposal and provides feedback to the bank sponsor.
8. The banking agreement, acceptable to both parties, is signed by the bank sponsor and by the MDEQ.
9. The bank sponsor obtains all necessary permits and constructs the bank.
10. The bank sponsor monitors the bank and submits monitoring reports to the MDEQ.
11. The MDEQ reviews the monitoring reports and approves wetland mitigation banking credits when applicable.
12. The bank sponsor notifies the MDEQ of credit transactions.
13. The bank sponsor conducts long-term management of the site.

A banking pre-proposal should include the following:

- The name of the bank sponsor and any associated agencies or organizations.
- A site location map and any other available maps or aerial photos of the property.
- A description of the site, including existing hydrology, vegetation, and land use.
- The conceptual design of the bank, including a description of the approximate acreage and types of wetlands to be created or restored.
- Permission for the MDEQ to enter the site for inspection.
- Willingness of the bank sponsor to provide a conservation easement that protects the site at the time the banking agreement is signed.
- Notification that the bank will or will not be used to meet requirements of local, state, or federal agencies, and identification of the agencies.

A banking agreement proposal should include the following:

- A legal identification of the bank sponsor.
- The bank's location and size, including a site location map and a legal description of the property.
- Ownership of the site and documentation that the bank sponsor is authorized to use the property for a bank, including:
 - An executed conservation easement that includes a legal description prepared by a registered surveyor incorporating the conservation easement area and the proper recording fee.

- A title insurance policy insuring the conservation easement area in the name of the MDEQ, for the amount of the value of the property.
- A 50-year ownership history including copies of all deeds, encumbrances, easements, severed mineral rights, and other pertinent documents.
- Subordination of any property interest (e.g., mineral rights, mortgages, easements) which would interfere with establishment and protection of the wetland mitigation bank and conservation easement.
- A written statement from the property owner that there are no easements, encumbrances, or transfers of the property, in whole or in part, not disclosed in the title search.
- If the bank sponsor is a company, documentation that the person signing the agreement has the authority to sign it.
- If the property owner is a company, documentation that the person executing the conservation easement has the authority to convey land on behalf of the company.
- Bank goals and objectives and the geographic area to be served (i.e., watershed and/or ecoregion). The goal statement shall indicate the amount and types of wetlands to be developed, and the types of wetland losses for which the bank is to be used.
- An analysis of the ability of the site to support a diverse wetland system.
- Statement of or description of how banking goals are consistent with existing watershed or ecoregion management plans.
- Long-term development trends in the area and their potential impact on the long-term viability of the bank.
- A description of baseline conditions at the proposed bank site, including a plan view and cross-section, a delineation of all existing surface waters or wetlands, and a description of the soils, vegetation, hydrology, and land use history of the site.
- The site development plan, including a description of the design, a plan view and cross-section, a water budget, and a construction schedule.
- A long-term site management plan. If the person responsible for the ongoing management of the site is not the bank sponsor, then the person shall also sign the banking agreement.
- The accounting procedures to be used to track the availability, sale, and use of credits, and the procedures for notifying the MDEQ of the sale or use of credits.
- Performance standards for determining bank success and certification of credits.
- A monitoring plan to evaluate the achievement of performance standards and reporting protocol. This plan should include a description of the monitoring methods and frequency, and the location of transects, photo points, monitoring wells, and staff gauges.
- Provisions for financial assurances to be used to complete remedial action in the event of bank default or failure, and provisions for the release of financial assurances once an approved bank is determined by the MDEQ to be self-sustaining. Cost estimates for construction, planting, maintenance and monitoring should be provided by the bank sponsor.
- Provisions for the protection of the site in perpetuity, including a conservation easement.
- Assumption of liability for construction and operation by the bank sponsor.
- Federal or local agencies may also need to sign the agreement if the bank will also be used to meet wetland mitigation requirements of federal or local agencies.
- Copies of comments from local units of government and adjacent property owners, and documentation of efforts to resolve local issues.

Proposals for banks should be submitted in writing to the Wetlands, Lakes and Streams Unit, Water Resources Division, Michigan Department of Environmental Quality, P.O. Box 30458, Lansing, Michigan, 48909-7958. Questions concerning banking should be directed to the Wetlands, Lakes and Streams Unit, at 517-282-5768.