

# Program Guidance -- WI Wetland Conservation Trust Program

Last revised: February 2017



## Table of Contents

Introduction .....	1
Eligible Project Applicants .....	2
Program Goals and Objectives .....	2
Project Costs Eligible for Reimbursement .....	3
Matching Funds Details .....	3
Source of Program Funds .....	4
Total Available Funding .....	4
Project Applicant Responsibilities .....	4
Application Review .....	5
Table 2: WWCT Project Application Scoring Criteria .....	6
Grant Award and Grant Agreement .....	6
Reimbursement Process .....	7

## Program Specifications

### Introduction

The Wisconsin Wetland Conservation Trust (WWCT) is an in-lieu fee mitigation program authorized by the U.S. Army Corps of Engineers (COE) and administered by the Wisconsin Department of Natural Resources (Department) in the State of Wisconsin. The WWCT is an additional mitigation method to offset unavoidable adverse impacts to wetland resources, focusing on the greatest watershed need. The WWCT selects and funds compensatory wetland mitigation projects.

The WWCT Program is organized into 12 Service Areas, which operate independently in terms of revenue generation and project funding. Permittees that unavoidably impact wetland resources are required to compensate the resource to mitigate their permitted impact. The WWCT sells “advanced credits” as a means for permittees to mitigate their permitted impacts. All revenue generated through the sale of advanced credits are deposited into a DNR account and separately tracked, based on the Service Area in which the impacted wetland was located. The COE authorizes the use of advanced credit revenue for the completion of projects that preserve, enhance, and restore wetland resources to compensate for the loss of wetlands and their wetland functions in accordance with a watershed approach.

The following documents will be helpful to applicants by providing details describing how the WWCT Program operates. The *Program Instrument* is the overarching guide for the WWCT Program. Within the *Program Instrument* there are more detailed documents, such as the Compensation Planning Framework and Service Areas Map that serve as the main decision tools that guide the wetland restoration needs for each Service Area. Next, the DNR Surface Water Data Viewer provides an Internet mapping service that shows Potentially Restorable Wetland areas throughout the state. Finally, DNR created guidelines specifying mitigation practices and standards for the state:

- *Program Instrument* (accessible here: [Program Instrument](#))
- Compensation Planning Framework (contains specific goals and objectives for each Service Area, accessible within the *Program Instrument* above)
- Service Area map (accessible here: [Service Area Map](#))
- Restorable Wetland Areas map (accessible here: [Surface Water Data Viewer](#))
- *Guidelines for Wetland Compensatory Mitigation in Wisconsin* (accessible here: [Guidelines](#)) contains specifics on overall mitigation activities and how credits are generated from a mitigation site, in section 4 starting on page 17.

## Eligible Project Applicants

Public agencies, nonprofit conservation organizations, Wisconsin tribes, any entity registered and in good standing with the Wisconsin Department of Financial Institutions, or any Wisconsin landowner may apply for a grant under the WWCT Program. The applicant or the primary party implementing the project must provide a Statement of Qualifications, including a list of applicable wetland restoration projects completed within the last 10 years as proof qualifications.

## Program Goals and Objectives

The general priorities of this program reflect the goals and objectives of the WWCT. These goals and objectives, which are listed below in bullet form, seek to define the broader elements to be achieved within the overall Service Area, such as replacing lost historic wetland types in mapped Potentially Restorable Wetland (PRW) areas and replacing wetland functions in locations that have sustained high historic losses in accordance with a watershed approach.

Applicants should be aware of which goals and objectives their proposed project could meet and detail how those goals and objectives will be directly satisfied by them or in conjunction with capable partners. Every application that is submitted should address as many of the following program goals and objectives as possible:

- How the project provides compensatory mitigation credit potential in adequate quantity to satisfy the WWCT's legal responsibility taken on through the sales of advanced credits.
- That the project is located in a high opportunity watershed area demonstrated by having sustained high estimated percentage losses of historic wetlands and high quantity of mapped PRW.
- That the project replaces a historic wetland type that has sustained the greatest estimated losses and represents a corresponding wetland type trending as under pressure from permitted actions in areas identified within or adjacent to mapped PRW locations.

- That the project proposes to implement a priority conservation action for a Species of Greatest Conservation Need identified in the *WI Wildlife Action Plan* for the corresponding ecological landscape and either restores, enhances or preserves their associated wetland habitat.
- That the project addresses and reduces sources of impairment in a 303(d) listed resource capable of remediation through wetland projects including, but not limited to, erosion resulting in sedimentation or total suspended solids impairment.
- Demonstrates that the project provides functional buffers around project areas to protect the site from adjacent adverse impacts, excessive nutrient and sediment inputs, and invasive species in order to sustain wetland function.
- If applicable, indicates how the project will preserve rare and high quality wetlands; critical habitat for threatened and endangered species; significantly associated priority habitat for Species of Greatest Conservation Need; and other important areas identified on the *WI Wildlife Action Plan*, WI State Natural Areas Program, Natural Heritage Inventory or other scientific-based selection methodology. The wetland must face a demonstrable threat to the wetland resource that is being removed through the preservation action.
- Identifies targeted wetland communities in the project (list target wetland plant community if known, *i.e.* Sedge Meadow, Floodplain Forest, Shrub Swamp, etc.).

## Project Costs Eligible for Reimbursement

Eligible project costs will be combined into a few major categories including Land Protection, Construction/Monitoring/Maintenance and Long-Term Management. Within these major categories, smaller units of expense could include, but are not limited to, appraisals, surveys, title insurance, fee simple land acquisition, conservation easement acquisition, design and planning, attorney fees limited to no more than \$1,000, engineering fees, permit fees, construction costs, bank or financing fees, monitoring, mitigation bank credits, and management activities related to the restoration, establishment, enhancement, and/or preservation of aquatic and/or wetland resources.

The revenue generated from the sale of advanced credits is prohibited for activities that do not directly support wetland compensatory mitigation. Prohibited examples include: upland preservation (other than buffers), research, education and outreach.

Costs incurred prior to the start date of the grant agreement are not eligible for reimbursement.

## Matching Funds Details

Matching funds, or “local share”, means the portion of the total project costs that will not be paid with WWCT funds. These matching funds may be used to purchase additional land surrounding a project mitigation site or to otherwise enhance the area surrounding a planned or existing project mitigation site - provided that the matching funds (non-credit funds) used do not contribute to WWCT credit generation. An applicant may collect and use matching funds so long as they are not used in any way to fund any part of, or generate any mitigation credits.

Matching funds utilized for preservation of non-buffer uplands, research, education, and outreach cannot be used to satisfy the quantity of released credit generation specified in the project application.

Matching funds may come from cash provided by the applicant or from foundation or other charitable sources. Funds from federal programs could be used as matching funds depending on their specific programmatic restrictions, but again, could not be used for WWCT credit generation.

Even if matching funds cannot be used for WWCT credit generation, they could still be used for additional restoration opportunities on-site or adjacent to the credit-generating part of the project. Matching funds proposed in project applications will be considered when scoring potential projects.

If an applicant has questions about using matching funds for a potential project, they can contact the WWCT Program before submitting their application.

## Source of Program Funds

Funding for projects awarded a WWCT grant is generated from the sale of WWCT advanced credits to individual permittees by the DNR in accordance with the approved *Program Instrument*.

## Total Available Funding

Total available funds will be calculated immediately before an RFP announcement to reflect the revenue generated through the sale of WWCT advanced credits and will vary between Service Areas annually.

## Project Applicant Responsibilities

- A. Successful applicants will be responsible for meeting all administrative terms and programmatic conditions listed in the Compensation Site Plan and DNR Grant Agreement.
- B. The financial responsibility contained in the DNR Grant Agreement cannot be passed to another entity by a resolution or any other means.
- C. The Department administers the WWCT Program as a vendor direct program. This means that grantees may submit vendor invoices to the DNR for approval as eligible costs are incurred. In order for the Department to issue payment to the grantee, the Department must confirm successful completion of the corresponding task by way of on-site inspections, written reports, or other means as determined by the Department.
- D. The Department will only accept payment requests from grantees named on the DNR Grant Agreement on forms provided by the Department.
- E. Under the WWCT Program, it is possible to receive a grant for 100% of eligible project costs. The Department may give higher priority to applications that request less than 100% of eligible project costs and include matching funds in their grant application, depending on the credit needs of the Service Area and status of WWCT funds. It is important to emphasize that matching funds cannot be used to generate mitigation credits, but can be used to enhance other portions of a project that will not generate mitigation credits.

## Application Review

Applications submitted by the postmark deadline that satisfy the Core Requirements (Table 1 below) will be scored by the WWCT Technical Review Team using the WWCT Project Application Scoring Criteria (Table 2 below). The Technical Team is composed of both Department staff and external stakeholders. Selected projects will be those best-suited to improve wetland function while meeting goals and objectives for each designated Service Area.

The Department will then submit the highest-scoring applications for each Service Area to the COE and an Interagency Review Team (IRT, generally comprised of COE, EPA, and other federal agencies), which will ultimately approve the distribution of grant funds from the appropriate WWCT account for selected projects. The Department anticipates submitting selected projects to the COE IRT for approval approximately two months after the current RFP closes. In the event there are no projects selected through the application review process, the Department retains the right to:

- Not select a project for funding
- Begin a new RFP cycle
- Develop a project on Department property
- Solicit another project from any external party that meets eligibility requirements

**Table 1. Core Requirements**

<b>Core Requirements</b>
1. All mitigation site proposals must contain the ability to result in a successful and sustainable net gain and/or preservation of wetland function and/or wetland area.
2. All mitigation site proposals must fulfill the tenets of existing Advanced Watershed Plans (where applicable) and/or fulfil the tenets of the prioritization strategy for the corresponding Service Area with preference being given to Advanced Watershed Plans. Existing Advanced Watershed Plans are defined as those plans that were reviewed and approved by the Sponsor and Corps and are listed in the Compensation Planning Framework portion of the <a href="#">Program Instrument</a> specific to each Service Area.
3. Other Evaluation Criteria may include, but is not limited to : Cost, feasibility, size, proximity to other conservation lands or protected areas, connectivity or location in respect to corridors, human use value, efficient long-term maintenance, location within approved WI Natural Resource Board Boundaries.

**Table 2. WWCT Project Application Scoring Criteria**

<b>WWCT Project Application Scoring Criteria</b>	<b>Maximum Score</b>
<b>Proposal Evaluation</b>	
The proposal demonstrates the ability to result in a successful and sustainable net gain and preservation of wetland function and area.	15
The proposal targets the goals and objectives identified in the Compensation Planning Framework for the Service Area and HUC-8 watersheds, including Advanced Watershed Plans (where applicable).	15
The proposal adequately describes site conditions, site suitability, and reasoning behind restoration planning decisions.	10
The project budget and restoration plan is cost efficient and appropriate.	5
The project applicant(s) shows experience, breadth of knowledge, and a demonstrated ability to complete successful wetland restoration projects.	5
<b>Site Evaluation</b>	
The site contains hydric soils and/or a high quantity of mapped Potentially Restorable Wetlands.	15
The site is of adequate size and is large enough to satisfy the WWCT's legal responsibility taken on through Advanced Credit sales.	10
The site is not likely to receive continual inputs of undesirable vegetative species (invasive and/or non-native species).	10
Artificial drainage features which impact hydrology can be disabled without negatively impacting neighboring properties.	5
The site will require minimum maintenance of structures to sustain targeted community types, functions, and services.	5
The site is in close proximity to existing conservation lands. Priority will be given to sites near important conservation lands and/or sites that satisfy important conservation actions.	5
<b>TOTAL MAXIMUM SCORE = 100 POINTS</b>	

### **Grant Award and Grant Agreement**

It is expected that successful applicants will complete any land acquisition (fee simple or easement) and initial physical and biological improvements within one year of signing a Grant Agreement with the Department, depending on subsequent COE/Interagency Review Team approvals. The first full growing season following site construction, successful applicants will begin a site monitoring phase that will last between 5-10 years depending on the targeted type of vegetative cover that the projects seeks to provide (generally 5 years for herbaceous communities, 8 years for shrub communities, and 10 years for forested communities). All projects will also be required to have an approved Long-Term Management Plan in place that describes how the site will be perpetually managed to ensure sustained wetland function. Additionally, successful applicants will be required to show proof that both the Grant Agreement and Long-Term Management Plan were recorded on the property deed so that the associated requirements will run with the title to the land.

Successful applicants will receive a notice of grant award and a grant agreement from the Department detailing the approved project scope, time period for the project, and budget. Successful applicants

must sign both copies of the grant agreement, keep one for their files, and return one to the following Department staff within 30 days of receipt:

**Josh Brown**  
**In-Lieu Fee Program Coordinator**  
**101 S. Webster St.**  
**P.O. Box 7921**  
**Madison, WI 53707**  
**Phone: (608) 266-1902**  
**E-mail: [JoshuaA.Brown@wisconsin.gov](mailto:JoshuaA.Brown@wisconsin.gov)**

## **Reimbursement Process**

Payment requests must be submitted using DNR forms 8700-001 and 8700-002 and must include proofs of purchase. Forms 8700-001 and 8700-002 are available from the WWCT web page as follows: <http://dnr.wi.gov/Aid/wwct.html> (under “Resources” tab)

Examples of proof of purchase include invoices, receipts, or billing statements. Send your reimbursement request(s) to the ILF Program Coordinator address above. Final reimbursement cannot be made until project inspection by Department staff is completed.