

The Department of Natural Resources (DNR) is seeking public input on a new grant program using WI Wetland Conservation Trust Program funds. Particulars for this new grant programs may be found in the attached *Program Guidance: WI Wetland Conservation Trust Program*.

A. Why Are We Making This Change? This is new a grant program.

Background. The DNR is looking for projects that are in need of funding as part of the WI Wetland Conservation Trust in Lieu Fee Mitigation Program. Successful applicants will have an established track record of performing successful wetland preservation, enhancement, or restoration projects with a strong commitment towards wetland function sustainability.

B. Summary of Proposed Program Guidance

Introduction..... 2
 Eligible Project Sponsors..... 2
 Grant Program Priorities..... 3
 Eligible Service Areas 4
 Application Deadline 4
 Eligible Project Costs 4
 Ineligible Project Costs..... 4
 Source of Program Funds 5
 Total Available Funding..... 5
 Project Sponsor Responsibilities 5
 Application Review 5
 TABLE 2: WWCT Scoring Criteria 7
 Grant Award and Grant Agreement..... 9
 Reimbursement Process..... 10

C. Remaining Steps. Once the 21-day comment period is complete, all comments will be considered, revisions will be made to this program guidance document as warranted, a Response Summary will be prepared, then both the Response Summary and Final Guidance will be made available using the existing DNR Program Guidance web page <http://dnr.wi.gov/news/input/guidance.html>.

Please forward your comments about this proposed policy no later than December 28, 2015 , to:	Name: Matt Matrise, Wetland In Lieu Fee Coordinator	Phone: (262) 574-2124
	Email: Matthew.Matrise@wisconsin.gov	

WI Wetland Conservation Trust Grant Program



Grant 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 (“DNR”) 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 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 an 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 (also called the *Program Instrument*), providing program specifics (Compensation Planning Framework, Service Area Map), and offering a mapping tool to verify if your project contains Potentially Restorable Wetland areas (Surface Water Data Viewer):

- *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](#))

By accepting a grant from the DNR under the WWCT program, successful applicants are legally bound to satisfy wetland compensatory mitigation requirements specified by:

- COE-St. Paul District permits authorized under Section 404 of the *Clean Water Act*
- Section 10 of the *River and Harbors Act of 1899*
- DNR Wetland Individual Permits pursuant to s. 281.36, Wis. Stats.

Eligible Project Sponsors

Public agencies, nonprofit conservation organizations, Wisconsin tribes, any entity registered with the Wisconsin Department of Financial Institutions, or any Wisconsin landowners may apply for a grant

under the WWCT grant program. If an applicant is the primary party implementing the project, then the applicant must provide their credentials/qualifications and a list of other projects completed within the last 10 years as proof qualifications. If an applicant plans to hire professional contractors or consultants to implement the project, then qualifications of contractors or consultants must be included with the grant application, including list of wetland restoration projects completed within the last 10 years.

Grant Program Priorities

The priorities of this grant program reflect the goals and objectives of the WWCT and are listed below in no specific order of hierarchy. The 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 areas and replacing wetland functions in locations that have sustained high historic losses. Applicants must identify which goals and objectives will be met by the proposed project and detail how those goals and objectives will be directly satisfied by them or in conjunction with capable partners. Every project that is submitted should address at least one of the following, although satisfying more than one goal and objective will result in a greater project score.

- Project provides compensatory mitigation credit potential in adequate quantity to satisfy the WWCT's legal responsibility taken on through the sales of Advanced Credits.
- Project is located in a high opportunity watershed areas demonstrated by having sustained high estimated percentage losses of historic wetlands and high quantity of mapped Potentially Restorable Wetlands.
- 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 Potentially Restorable Wetland locations.
- Project implements 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.
- 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.
- 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.
- Project preserves 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.
- Project's target wetland community (ies) is/are (list wetland plant community if known, *i.e.*, Sedge Meadow, Floodplain Forest, Shrub Swamp, etc.):

Eligible Service Areas

Table 1 below indicates those WI Service Areas for which project proposals are being sought and for which WWCT grant funding will be awarded during calendar year 2016.

Table 1. Wisconsin Service Areas for Calendar Year 2016 Grant Awards

Service Area Name	Service Area HUC#	*Minimum Project Credit Generation	Total Project Funds Available
Chippewa	HUC-070500	TBD	TBD
Upper Mississippi – Black Root	HUC-070400	TBD	TBD
Fox	HUC-040302	TBD	TBD
Upper Illinois	HUC-071200	TBD	TBD

*While there is no maximum quantity of credits sought from a project and in general higher credit generation is preferred, this column indicates the minimum quantity of credits that the Sponsor shall consider in response to the listed project funds.

Application Deadline: Applications will only be accepted in electronic format. Send completed application and all attachments to:

Matt Matrise
Wetland in Lieu Fee Coordinator
Bureau of Watershed Management
Phone: (262) 574-2124
E-mail: Matthew.Matrise@wisconsin.gov

The grant opportunity will be held open for 60 days and therefore, the deadline for submittals is anticipated to be 4:00 pm on Tuesday, March 1, 2016.

Eligible Project Costs

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

Ineligible Project Costs

Since the program revenue is generated from the sale of advanced credits and is intended for use in generating released compensatory mitigation credits, the use of credit-based revenue is prohibited for activities that do not directly support wetland compensatory mitigation such as upland preservation (other than buffers), research, education and outreach.

Source of Program Funds

Funding for projects 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 right before grant award announcement to reflect the revenue generated through the sale of WWCT advanced credits and will vary between Service Areas annually.

Project Sponsor Responsibilities

- A. Successful applicants will be responsible for meeting all administrative terms and programmatic conditions listed in the DNR grant agreement. This also includes successful completion of the intended project in order to generate the quantity of released credits specified in your application.
- B. The financial responsibility contained in the DNR grant agreement cannot be passed to another entity by a resolution or any other means.
- C. This grant program is administered as a vendor direct program. This means that grantee may submit vendor invoices to the DNR for approval and payment by the DNR as eligible costs are incurred. In order for payment to be process, the DNR will confirm successful completion of the corresponding task through methods such as: on-site inspection, written report, or other means. No grant advance is possible under this grant program.
- D. All reimbursement requests must be submitted by the sponsor named in the grant agreement on forms provided by WDNR. Reimbursement requests submitted by consultants and contractors will not be processed.
- E. Under this program, it is possible to receive a grant for 100% of eligible project costs. Higher priority will be given to applications that request less than 100% of eligible project costs and include “local share” in their grant application.
- F. “Local share” means that portion of the total project costs that will not be paid with a WDNR grant. Please note that matching funds utilized for preservation of non-buffer uplands, research, education and outreach, should not be relied upon to satisfy the quantity of released credit generation specified in your application. Local share may come from cash provided by the applicant or from foundation or other charitable sources. Funds from other Federal programs **may or may not** be used as local share depending on their specific programmatic restrictions, which should therefore be verified in advanced with proof provided with your grant application. Local share may also come from the calculated value of: (a) volunteer hours working directly on the project (valued at the WI minimum wage), (b) donated professional services (determined by invoice on business letterhead from the donor) working directly on the project, (c) donated supplies (valued at current market rate), or (d) donated equipment (valued at current rental rate). Grantees will be required to document local share using DNR Form 9300-230. Local share must be documented with every reimbursement request submitted to WDNR. If you are unsure about local match requirements and restrictions on combining sources of funding, please ask before submitting an application.

Application Review

Grants will be awarded for each service area under this program through a competitive process. Selected projects will be those best-suited to improve wetland function while meeting goals and objectives for each designated Service Area. Applications submitted by the postmark deadline that

satisfy the Core Requirements will be scored by a technical review team composed of both DNR staff and external stakeholders to rank qualifying projects in accordance with the competitive process detailed below in consideration of the scoring criteria contained in Table 2.

The DNR will then submit the highest ranked applications for each service area to the COE and an Interagency Review Team (generally comprised of EPA staff), which will ultimately approve the distribution of grant funds from the appropriate WWCT account for selected projects. In the event there are no projects selected through the application review, the DNR retains the right to not move forward with any project and may begin a new grant application cycle.

A. Mandatory Criteria

- 1- Only complete application postmarked by the deadline will be considered for funding.
- 2- Project must meet Core Requirements below.

Core Requirements
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 Program Instrument 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.

B. Competitive Process

First, projects will be selected based on their ability to meet the Core Requirements (listed above) in order to determine those meeting initial pre-requisites.

Second, projects will be selected based on their capacity to provide one or more wetland functions and their ability to achieve the goals and objectives as stated under the Service Area and HUC-8 watershed levels.

Third, projects will be selected based on their location within or adjacent to areas mapped as Potentially Restorable Wetlands or other priority conservation areas.

Fourth, projects will be prioritized if they are located within high opportunity watershed areas demonstrated by having sustained high estimated percentage losses of historic wetlands and high quantity of mapped Potentially Restorable Wetlands.

TABLE 2: WWCT Scoring Criteria

Prioritization Strategy		
Core Requirements		Possible Score
Exceeds Expectations (7-10 points)	Project site results in a successful and sustainable net gain and/or preservation of wetland function and/or area. Project also satisfies 2 or more of the other evaluation criteria including, but 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, and location within approved WI Natural Resource Board Boundaries.	10 Point Maximum
Meets Expectations (4-6 points)	Project site results in a successful and sustainable net gain and/or preservation of wetland function and/or area. Project also satisfies 1 of the other evaluation criteria including, but 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, and location within approved WI Natural Resource Board Boundaries.	
Needs Improvement (1-3 points)	Project site results in a successful and sustainable net gain and/or preservation of wetland function and/or area. Project does not satisfy and of the other evaluation criteria including, but 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.	
Provide Wetland Function & Meets Goals and Objectives		Possible Score
Exceeds Expectations (7-10 points)	Project site provides two or more wetland functions , achieves more than 1 Service Area Goal and satisfies a HUC-8 watershed goals and objectives.	10 Point Maximum
Meets Expectations (4-6 points)	Project site provides one or more wetland functions, achieves one (1) Service Area Goal and satisfies a HUC-8 watershed goals and objectives.	
Needs Improvement (1-3 points)	Project site provides one or more wetland functions; either achieves no Service Area Goals or does not satisfy a HUC-8 watershed goals and objectives.	

Potentially Restorable Wetland or Priority Conservation Area		Possible Score
Exceeds Expectations (7-10 points)	Project site is located within a mapped Potentially Restorable Wetland or other priority conservation area.	10 Point Maximum
Meets Expectations (4-6 points)	Project site is located adjacent to a mapped Potentially Restorable Wetland or other priority conservation area.	
Needs Improvement (1-3 points)	Project site is not located within or adjacent to a mapped Potentially Restorable Wetland or other priority conservation area.	
High Priority Watershed		Possible Score
Exceeds Expectations (7-10 points)	Project site is located within the top two highest opportunity watershed areas demonstrated by having sustained top two highest estimated percentage losses of historic wetlands and top two highest quantities of mapped Potentially Restorable Wetlands.	10 Point Maximum
Meets Expectations (4-6 points)	Project site is located within the a high opportunity watershed areas demonstrated by having sustained either the top two highest estimated percentage losses of historic wetlands or top two highest quantity of mapped Potentially Restorable Wetlands.	
Needs Improvement (1-3 points)	Project site is not located within a high opportunity watershed areas demonstrated by having sustained either the top two highest estimated percentage losses of historic wetlands or top two highest quantities of mapped Potentially Restorable Wetlands.	
Project Personnel		
Qualifications, Commitment and Experience		Possible Score
Exceeds Expectations (7-10 points)	Project personnel meet acceptable qualifications and have demonstrated their commitment to completing a successful and sustainable project with in depth knowledge of Long Term Management requirements. Project personnel have completed at least 1 previous successful wetland preservation, enhancement or restoration for the purposes of compensatory mitigation .	10 Point Maximum
Meets Expectations (4-6 points)	Project personnel meet acceptable qualifications and have demonstrated their commitment to completing a successful and sustainable project with in depth knowledge of Long Term Management requirements. Project personnel have completed at least 1 previous successful wetland preservation, enhancement or restoration.	
Needs Improvement (1-3 points)	Project personnel meet acceptable qualifications and have demonstrated their commitment to completing a successful and sustainable project.	

Credit Generation		
Site Potential to Fulfill Advanced Credits		Possible Score
Exceeds Expectations (7-10 points)	Project site is capable of generating more released credits than the minimum project credit generation specified the <i>Total Available Funding Section</i> .	10 Point Maximum
Satisfies Expectations (4-6 points)	Project site is capable of generating released credits equal to the minimum project credit generation specified the <i>Total Available Funding Section</i> .	
Needs Improvement (1-3 points)	Project site capable of generating released credits less than the minimum project credit generation specified the <i>Total Available Funding Section</i> .	
Local Share		
Other funding sources and Labor Share		Possible Score
Exceeds Expectations (6-10 points)	Project utilizes additional funding that is not coming from a WDNR grant such as outside funding sources or labor for personnel directly working in the project as leverage.	10 Point Maximum
Satisfies Expectations (1-5 points)	Project does not utilize additional funding that is not coming from a WDNR grant such as outside funding sources or labor for personnel directly working in the project as leverage.	
TOTAL MAXIMUM SCORE =		70 Points

Grant Award and Grant Agreement

It is expected that successful applicants will complete any land acquisition and initial physical and biological improvements within a year of signing a grant agreement with the Wisconsin DNR, depending on subsequent COE/Interagency Review Team approvals. Following this, successful applicants will begin a site monitoring phase that will last between 5-10 years depending on the targeted type of vegetative cover the projects seeks to provide. 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, projects will be required to record both the grant agreement and Long-Term Management Plan 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 WDNR 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 WDNR staff within 30 days of receipt:

Matt Matrise
Wetland in Lieu Fee Coordinator
141 NW Barstow St.
Waukesha, WI 53188
Phone: (262) 574-2124
E-mail: Matthew.Matrise@wisconsin.gov

<p>IMPORTANT ! Costs incurred prior to the start date of the grant agreement (excluding possible real estate costs) or after the end date of the grant agreement are not eligible for reimbursement.</p>

Reimbursement Process

Payment requests must be submitted using WDNR forms 8700-001 and 8700-002 and must include proofs of purchase (examples of proof of purchase include invoices, receipts, or billing statements). Send your reimbursement request(s) to the address below:

Matt Matrise
Wetland in Lieu Fee Coordinator
141 NW Barstow St.
Waukesha, WI 53188
Phone: (262) 574-2124
E-mail: matthew.matrise@wisconsin.gov

The final reimbursement cannot be made until project inspection by DNR staff is completed.