



Sweetwater River Conservancy Introduction

04.02.13



Mitigation and Conservation Banking an Introduction

- The concept of mitigation and conservation banking have been around since the 1970's and became regulated in the 1990's.
- Mitigation and Conservation banking create an economic incentive for restoring, creating, enhancing and preserving wildlife and habitat while facilitating development.
- Mitigation and Conservation Banks result in the consolidation of small mitigation and conservation projects into a larger, potentially more ecologically valuable site providing greater diversity of habitats and function.

Mitigation and Conservation Banking an Introduction

- Mitigation and Conservation Banks provide a greater likelihood of improving ecological values, since the banks are approved and operating prior to the impact occurring.
- Mitigation and Conservation Banks are required to provide financial securities to guarantee the viability of the banks for perpetuity.

Mitigation and Conservation Banking an Introduction

- All mitigation and conservation banks are governed by a banking instrument which describes in detail the physical and legal characteristics of the bank, including how the bank will be established and operated.
- The instrument is approved by an Interagency Review Team comprised of State and Federal agencies.
- The approved instrument serves as documentation of agency concurrence.
- Each instrument includes a development plan, management plan, conservation easement language, financial assurances, credit & debit methodology and a description of the geographic service area.

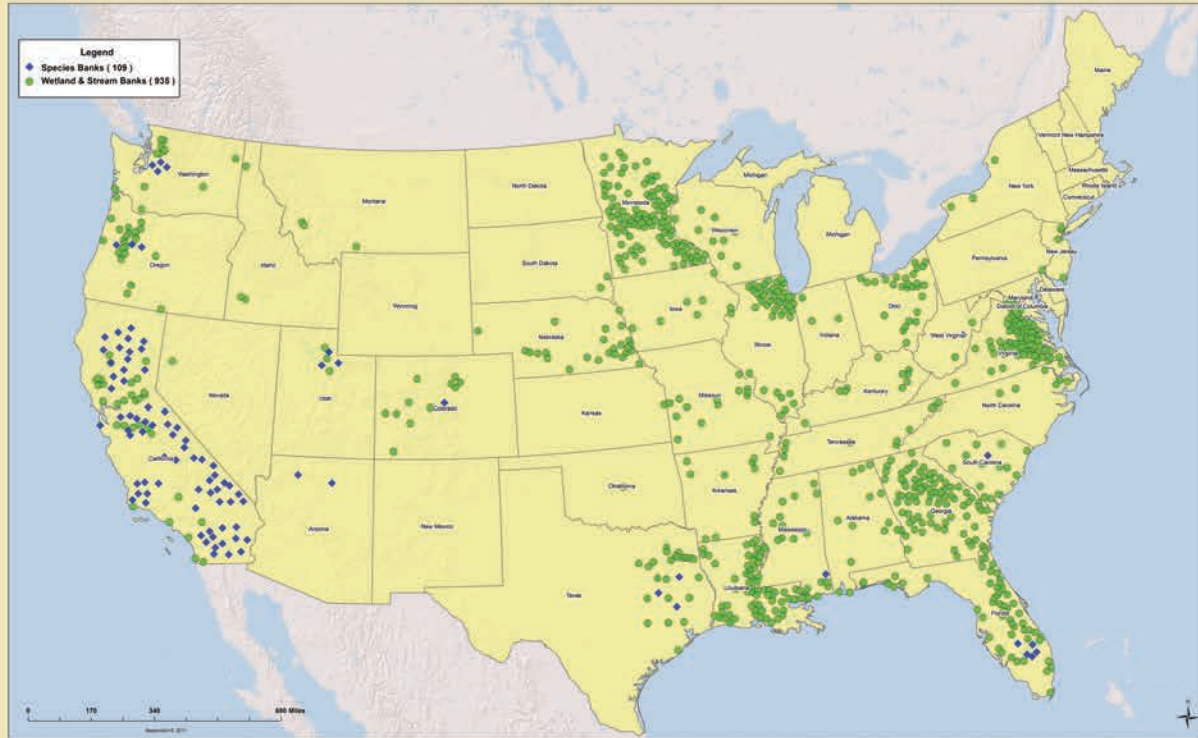
Mitigation and Conservation Banking an Introduction

- There are three main types of third party offsets.
 - In Lieu Fee (Payment Only)
 - Conservation (Preservation)
 - Mitigation (Active Restoration, Enhancement and Preservation)
- None of these actions replace the sound practice of avoidance and minimization.

Mitigation and Conservation Banking an Introduction

- The Geographic Service Area or GSA is defined under the banking instrument and is physiographic area within which the mitigation bank is authorized to provide compensatory mitigation to third parties.
- A GSA is defined by a watershed, ecoregion, species range, genetic populations, or other scientifically justifiable rationale
- All sale of credits with in the GSA represent a Like Kind exchange. – Example 1 for 1
- Out of Kind transactions are approved by the governing agency at there discretion and require more credits to offset the impact than if it were located in the Primary Service Area. – Example 2.1 for 1

Mitigation and Conservation Banking an Introduction



U.S. MITIGATION BANKS



In Lieu Fee

- The practice of the payment of a fee as an offset to an impact to a regulated species or habitat.
- There is still a loss of in species or habitat.
- The dollars are invested in research or conservation projects.

Conservation Banking

- Conservation banks permanently protect lands that contain natural resource values.
- These lands are conserved and permanently managed for species that are endangered, threatened, candidates for listing, or are species-at-risk.
- Conservation banks function to provide offsite compensation for adverse impacts to species of interest.
- In most cases the lands conserved are a multiple of the lands impacted (Example 4x)

Mitigation Banking

- Mitigation banking is the practice of restoring, creating, enhancing, and preserving off-site wetland, stream bank and upland habitat areas to provide compensatory mitigation for authorized impacts to these resources.
- Mitigation banks facilitate development in a responsible manner.
- The compensatory offset is provided by a third party mitigation bank.
- This is in contrast to permittee-responsible mitigation, where the permittee compensates for its own impacts either on or off-site.

Why Buy Credits

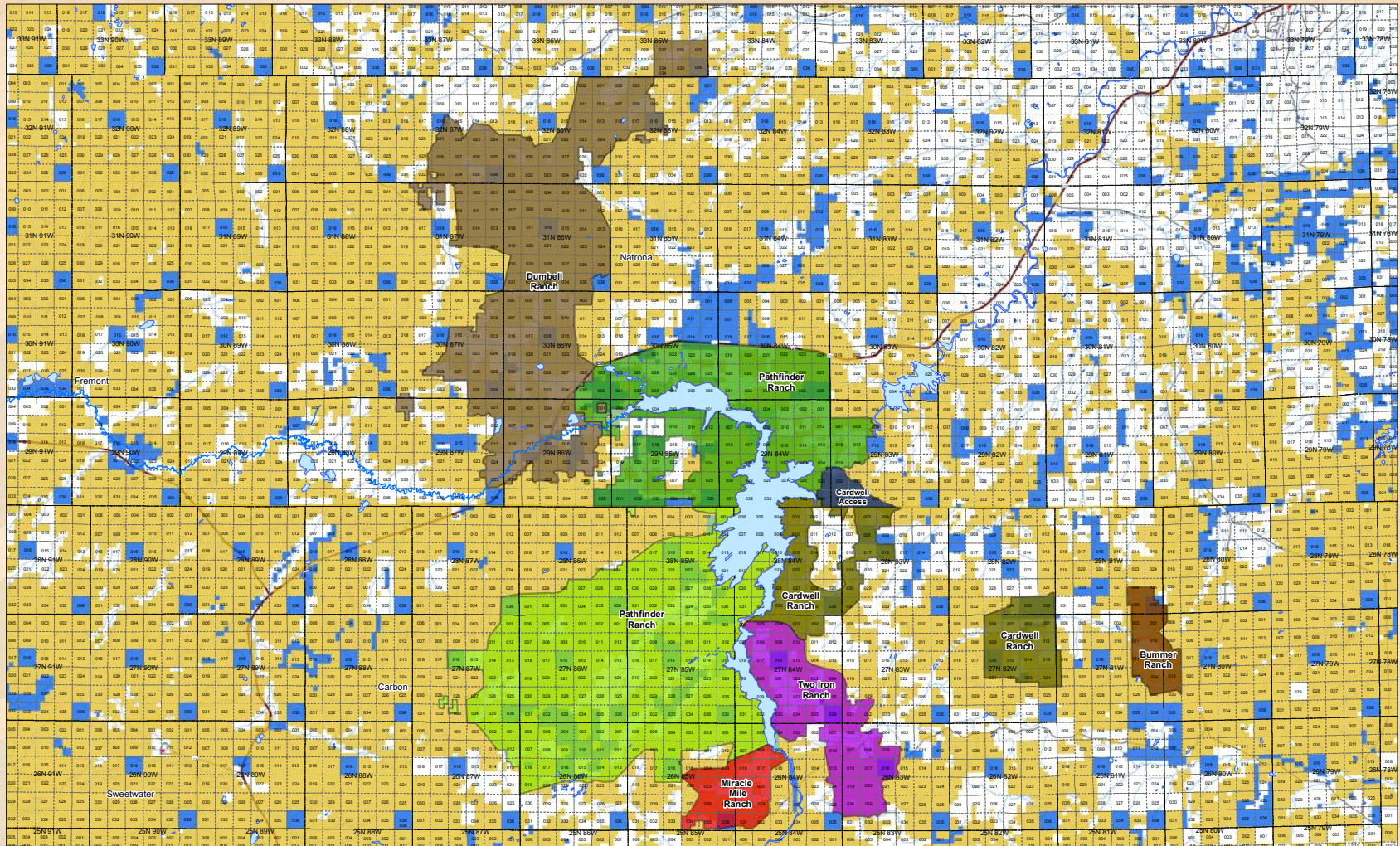
- **Mitigation and conservation bankers assume total responsibility for the mitigation and or conservation** and guarantee perpetual maintenance of the bank's environmental assets. Mitigation or conservation is typically performed prior to the impact, therefore reducing or eliminating temporal loss of functions.
- **Save time and money:** The developer does not have to go through the time-consuming permit approval process to create, restore or preserve a wetland, riparian buffer or stream reach or upland habitat. One of the benefits described in the Federal Guidance for the Establishment, Use and Operation of Mitigation and Conservation Banks is that "Use of banks may reduce permit processing times and provide more cost-effective compensatory mitigation opportunities for projects that qualify."

Sweetwater River Conservancy

- Sweetwater River Conservancy is a privately held and funded Mitigation and Conservation Project.
- The Sweetwater River Conservancy is sited on nearly 100,000 acres of deeded lands located in central Wyoming.
- The Sweetwater River Conservancy lands are rich with history, cultural resources, wildlife and diverse habitats.

Sweetwater River Conservancy Ranches

Pathfinder Ranch Ownership Map



Legend

- Miracle Mile Ranch
- Dumbell Ranch
- Cardell Ranch
- Pathfinder Ranch
- Cardwell Access
- Buzzard Ranch
- Two Iron Ranch

0 4.25 8.5 17 Miles

November 12, 2012



Sweetwater River Conservancy

- The Sweetwater River Conservancy is a working landscape where agriculture, ranching and conservation efforts work together with a single goal to protect and improve the lands they rely upon.
- By providing another revenue source to ranchers they will be able to continue doing what they love doing ranching.
- The Sweetwater River Conservancy will provide the necessary flexibility for Wyoming businesses to thrive while protecting the habitat and wildlife we enjoy.

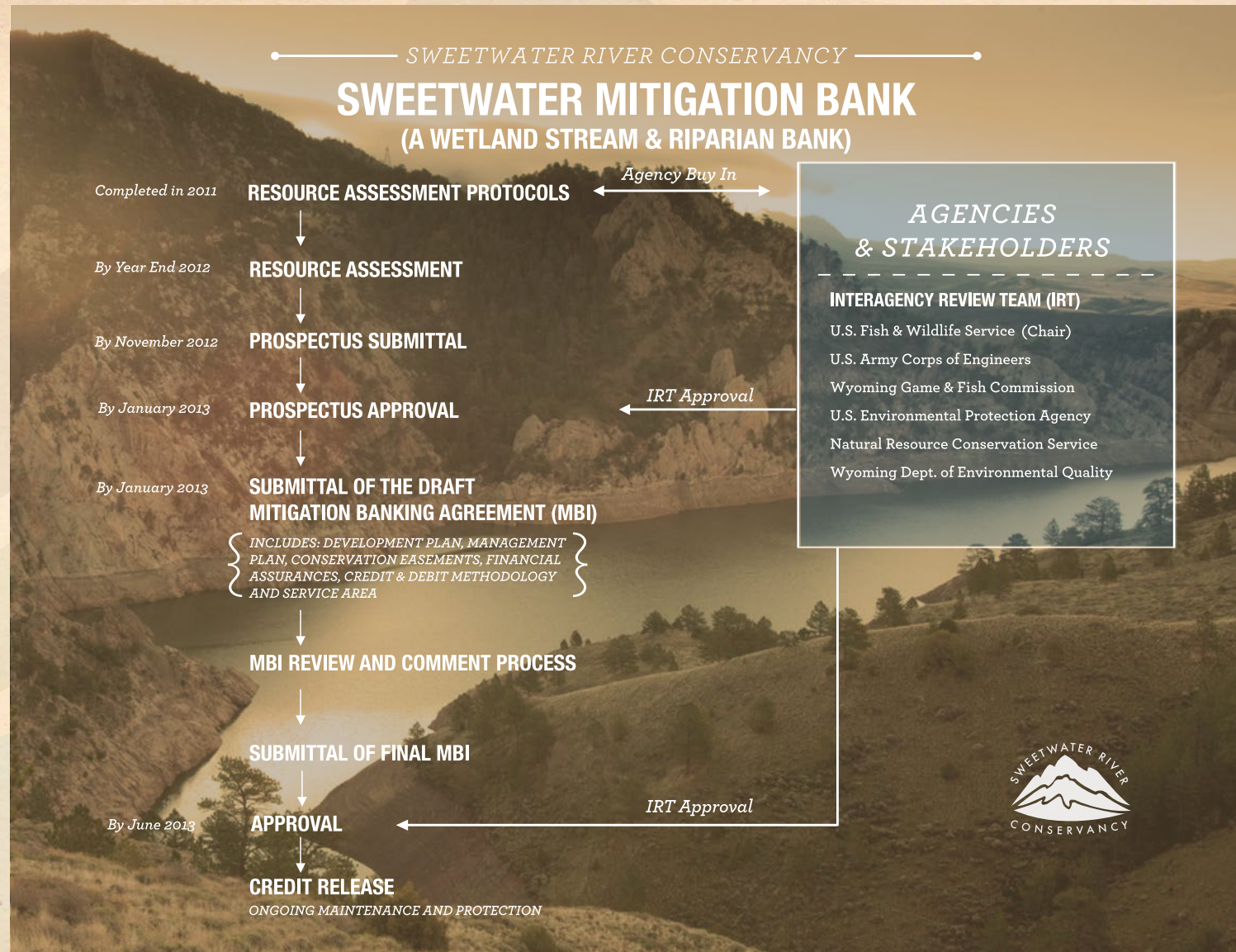
Sweetwater River Conservancy

- The Sweetwater River Conservancy's projects are based on over three years of field work, and research at the Sweetwater River Conservancy properties.
- The Resource Conservation Projects will provide mitigation and conservation for many types of impacts by third party developers.

Sweetwater River Conservancy Wetland Stream and Riparian Mitigation Bank

- The 36 month fieldwork and wetland delineation phase has been completed and the prospectus for the establishment of the Wetland, Stream and Riparian Bank was filed in January of 2011.
- The Wetland, Stream and Riparian Bank will be fully permitted by 2013.

Wetland Stream and Riparian Mitigation Bank



Sweetwater River Conservancy Sage Grouse Habitat Conservation Bank

- The Sage Grouse Habitat Conservation Bank has as its foundation over three years of sage grouse habitat assessment work, conducted at the Sweetwater River Conservancy ranches.
- The Sage Grouse Habitat Conservation Bank will provide offsets for impacts to sage grouse habitat by third party developers.

Sage Grouse Habitat Conservation Bank

SWEETWATER RIVER CONSERVANCY SAGE GROUSE HABITAT CONSERVATION BANK



Sweetwater River Conservancy

- In March of 2011 Sweetwater River Conservancy began the multi-year Research and Testing program focused on developing and testing Pathfinders Best Management Practices and validating the ability to improve the habitat for the species that exist at the ranches.
- Our Goal is to use the Sweetwater River Conservancy Ranches as a scientific laboratory to develop and validate best management practices (BMP's) that will lead to the permitting of other habitat and species banks to be permitted.
- Beginning in 2011 Sweetwater River Conservancy has employed both broad based, and species specific habitat and management changes.
- In the coming years we will be utilizing our existing three year baseline in order to validate what habitats and species are the most responsive to those changes.

Benefits to the Public

- The Sweetwater River Resource Conservation Projects will invest in excess of 49 million into habitat restoration on its deeded lands.
- This will improve the scenic, wildlife and recreational values for Wyoming residents and Americans forever.
- These mitigation and conservation practices will keep Wyoming's wide-open spaces wide open.
- The Sweetwater River Conservancy will facilitate business development throughout Wyoming on both private and public lands in an responsible manor.



