



SPECIAL PUBLIC NOTICE

U.S. ARMY CORPS OF ENGINEERS
LOS ANGELES DISTRICT

BUILDING STRONG®

AVAILABILITY OF PROSPECTUS Rancho Jamul Mitigation Bank Phase IIB

Public Notice/Application No.: SPL-2014-00527-SAS

Project: Rancho Jamul Mitigation Bank Phase IIB

Comment Period: September 11, 2014 through October 11, 2014

Project Manager: Shanti Abichandani Santulli; 760-602-4834; Shanti.A.Santulli@usace.army.mil

Applicant/Mitigation Bank Sponsor

Rancho Jamul Holdings II, LLC (Wildlands)
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Contact

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Location

The proposed Rancho Jamul Phase IIB Mitigation Bank (Bank or Bank Property) is located at 14715 Campo Road (Highway 94) within the Rancho Jamul Ecological Reserve in an unincorporated area of San Diego County between the towns of Jamul and Dulzura (Figure 1, attached). The Bank is located in Sections 15, 22, and 23; Township 17 S; Range R01E of the Jamul Mountains and Dulzura 7.5-minute USGS quadrangles (Latitude: 32.683788°, Longitude: -116.863820°).

Activity

To establish the proposed Bank for the purposes of providing compensatory mitigation for Department of the Army (DA) permits that impact waters of the United States (U.S.) pursuant to the requirements of the Final Rule on Compensatory Mitigation for Losses of Aquatic Resources (33 Code of Federal Regulations [CFR] 332.8[d]; Mitigation Rule) and the California Department of Fish and Wildlife (CDFW) Fish and Game Code Section 1797.

Interested parties are hereby notified that a prospectus has been received for a proposed mitigation bank for compensatory mitigation for DA permits. A link to the full Prospectus is provided at the end of this public notice. Interested parties are invited to provide their views on the proposed prospectus, which will become a part of the record and will be considered in the decision to authorize or not authorize the proposed mitigation bank.

Comments should be mailed to:

U.S. Army Corps of Engineers
Regulatory Division
South Coast Branch, Carlsbad Field Office
Attn: Shanti Abichandani Santulli
5900 La Place Court, Suite 100
Carlsbad, California 92008

Alternatively, comments can be sent electronically to: Shanti.A.Santulli@usace.army.mil.

Evaluation Factors

The decision whether to authorize the proposed mitigation bank will be based on an evaluation of the probable impact, including cumulative impacts, of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered including the cumulative effects thereof. Factors that will be considered include conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, flood plain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food production and, in general, the needs and welfare of the people. In addition, if the proposal would discharge dredged or fill material, the evaluation of the activity will include application of the Environmental Protection Agency (EPA) Guidelines (40 CFR 230) as required by Section 404 (b)(1) of the Clean Water Act (CWA).

The U.S. Army Corps of Engineers (Corps) is soliciting comments from the public; federal, state, and local agencies and officials; Indian tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. The District Engineer (DE) will review the comments received in response to this notice and make a written initial evaluation as to the potential of the proposed mitigation bank to provide compensatory mitigation. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation, if applicable, of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity. In addition, all comments will be distributed to the members of the Internal Review Team (IRT) and the sponsor within 15 days of the close of the comment period. The DE and the IRT members will also have the opportunity to comment to the sponsor. After considering comments from the DE, the IRT, and the public, the Bank Sponsor will prepare a draft instrument and submit it to the DE.

Background

On April 10, 2008, the Corps and the EPA published the Mitigation Rule, which went into effect June 9, 2008. The rule replaced most previous guidance concerning compensatory mitigation.

Consistent with the requirements of the rule at 33 CFR 332.8(d), the Bank Sponsor has submitted a prospectus to the Corps for the purpose of establishing and managing a mitigation bank consistent with the Mitigation Rule. The Corps seeks comments from interested parties on the prospectus. This public notice provides a summary of the mitigation bank prospectus submitted by the applicant.

Objectives

Implementation of the proposed mitigation bank will re-establish wetland riparian and floodplain non-wetland waters to mitigate for impacts authorized under the CWA Section 404 and 401, Section 1602 of the California Fish and Game Code, and the California Environmental Quality Act (CEQA).

The overall goal of the Bank is to re-establish wetlands and riparian habitat and protect and expand populations of special-status species in south San Diego County. The primary objective of the Bank is to re-establish 26 acres of self-sustaining seasonally wet riparian habitat including approximately 16 acres of riparian wetland and 10 acres of non-wetland floodplain/other waters (including 9,800 linear feet of stable stream channel along Jamul Creek). An additional 4,500 linear feet of ephemeral drainage channel may be re-established as a result of planned activities (an estimate of 0.2 acre of ephemeral drainage is provided as a placeholder, but actual extent will be determined in the field during monitoring).

The mitigation bank proposes to:

- Re-establish 26 acres of self-sustaining seasonally wet riparian habitat along approximately 9,800 linear feet of stream channel that historically existed (See Figures 8 and 9 in the full Prospectus) by raising the existing channel profiles and creating relatively broad floodplain surfaces for the establishment of a wider riparian corridor.
- Re-establish approximately 4,500 feet of ephemeral channel.
- Remove two road crossings (one functional and one washed out crossing) and repair associated headcut with the downstream road crossing.
- Reconfigure the eastern road crossing and repair the associated headcut.
- Stabilize and bury two concrete dams.
- Allow the sale of compensatory mitigation and conservation credits, with approval from appropriate agencies, as off-site mitigation for authorized impacts to regulated resources within the respective service area.

Service Area

The proposed primary and secondary service areas for the Bank include several 10-digit Hydrologic Unit Codes (HUCs) within the San Diego River and Cottonwood Creek-Tijuana River 8-digit HUC watersheds. The following 10-digit HUCs occur within the primary service area:

San Diego River

- Lower Sweetwater River - 1807030409
- Otay River - 1807030419
- San Diego Bay (portion) - 1807030412

Cottonwood Creek – Tijuana River

- Campo Creek (portion) - 1807030503
- Lower Cottonwood Creek - 1807030504
- Lower Tecate Creek - 01807030505

- Tijuana River – Frontal Pacific Ocean – 1807030506

The secondary service area is the remainder of the San Diego 8-digit HUC and Cottonwood Creek-Tijuana River 8-digit HUC with a proposed stipulation that the Corps may require 1:1 on-site or in-watershed mitigation prior to authorizing mitigation at the Bank unless impacts are less than 0.25 acre. (See Figures 26 and 27 in the full Prospectus).

Establishment and Operation of the Program

After completion of the Public Notice comment period, a Banking Enabling Instrument (BEI) will be submitted for review by the IRT. The IRT consists of the Corps, EPA, US Fish and Wildlife Service (USFWS), CDFW, and San Diego Regional Water Quality Control Board (SDRWQCB).

The Bank establishment requires the following actions:

- The BEI must be fully executed by all of the applicable Signatory Agencies,
- The Conservation Easement has been accepted by a Grantee approved by the Corps and other applicable Signatory Agencies and recorded in the Official Records of the county in which the Bank Property is located, and;
- The Bank Sponsor has complied with its obligation to furnish the following financial assurances:
 - A Construction Security ensures that any construction will be completed as proposed.
 - A Performance Security ensures that constructed habitat will function as planned.
 - An Interim Management Security ensures that the Bank will be managed during habitat establishment.
 - Letters of credit are submitted to and approved by the holding agency to satisfy financial assurance requirements.
 - An Endowment Fund ensures that there is adequate funding to provide for the financial requirements of the long-term management of the Bank in accordance with the Long-term Management Plan.

As part of the process of establishing a mitigation bank, the IRT would determine the types and number of potential credits that may be generated. Upon meeting either administrative milestones (e.g., BEI completion, funding of long-term management endowment) or performance-based milestones (e.g., 1-year, 3-year, 5-year conditional assessments), potential credits then become released credits and are available for sale. In addition to the final IRT approvals of the Prospectus and BEI, the Bank Sponsor would also need to obtain the appropriate federal, state, and local permits required to implement the restoration activities. The Bank Sponsor would submit an application for DA permit(s) should the proposed bank activities involve a discharge of dredge or fill material within waters of the U.S. The Corps would complete consultation, if appropriate, under the Endangered Species Act (ESA), the National Historic Preservation Act, and other applicable laws, prior to any permit authorization.

The proposed Phase IIB mitigation bank area is approximately 324 acres and is located in an unincorporated area of southern San Diego County on the 4,701-acre Rancho Jamul Ecological Reserve, between the communities of Jamul and Dulzura (Figures 1 and 2, attached). The Phase IIB area currently contains three primary habitat types: annual grassland, mixed riparian scrub, and developed land associated with existing access roads (See Figure 12 in the full Prospectus). Coastal sage scrub habitat occurs in very limited areas on the edges of the Phase IIB area. Jurisdictional habitat within the Phase IIB area includes approximately 13.26 acres of wetlands (including riparian and freshwater marsh) in and along Jamul Creek and 0.95 acre of non-wetland waters (including 0.13

acre of ephemeral drainage, 0.13 acre of open water, 0.51 acre of stock pond, and 0.18 acre of ditches) (See Figure 11 in the full Prospectus). Existing riparian habitat within Jamul Creek in the Phase IIB area is characterized as mixed riparian scrub (a mosaic of riparian habitats dominated by willow species), but it also includes elements of freshwater marsh, mulefat scrub, and sycamore woodland. The mitigation bank sponsor is proposing to re-establish (and sell mitigation credits for) 16 acres of riparian wetland and 10 acres of floodplain by relocating the stream channel to the topographic low area in the valley center, to plug sections of the incised channel to prevent it from being reoccupied and to raise local groundwater levels, to bury and stabilize dams and remove road crossings, and to reconnect ephemeral drainages to Jamul Creek to increase hydrological inputs to support the establishment of a dynamic mosaic of riparian and wetland habitat (See Figures 17-25 in the full Prospectus). Prior land use including livestock grazing and agricultural production has contributed to the degraded condition of the stream and its riparian corridor, and the stream is currently isolated from its floodplain. The proposed re-establishment design has been developed because the extent of degradation in the existing system is so severe and there is a high probability of exacerbating stream instability by removing the existing dam. Re-establishing the stream as proposed supports hydrogeomorphic processes (e.g., frequent overbanking, sediment deposition, channel migration, etc.) that will sustain a functional stream and riparian floodplain system, which is the desired goal of ecological restoration projects, when feasible. Approximately 9,800 feet of additional intermittent channel would be constructed as part of the riparian re-establishment project. A number of ephemeral drainages that historically flowed into Jamul Creek from the west are currently intercepted by a failing aqueduct ditch system, and the project proposes to re-establish approximately 4,500 feet of the historic ephemeral channel alignments by nicking the ditch and allowing flow to continue downslope and naturally form channels draining into Jamul Creek (passive restoration). The re-establishment of these ephemeral drainages will contribute additional water inputs to the stream and riparian system. Soil excavated from the re-established channel and floodplain will be used to plug portions of the existing incised channel. Approximately 4 acres of the existing stream channel will be filled using channel plugs (See Figures 17-25 in the full Prospectus). These 4 acres will be deducted from the total credits available, so a total of 22 credits are anticipated. Any excess soil may be placed adjacent to the riparian areas to create microtopographic variability in the upland portions of the site. In general, the microtopography will be less than 12 inches in depth. Disturbed soils will be seeded and managed to prevent invasive plant species from spreading. The re-established riparian areas will be planted and seeded with native species.

Qualifications of the Sponsor

Wildlands is a habitat development and land management company dedicated to the restoration and preservation of wetlands and special-status species habitat. Wildlands is headquartered in Rocklin, California and has been in the business for over 20 years.

Wildlands primary mission is the acquisition, restoration, and management of open space. Wildlands' staff consists of restoration ecologists, wildlife biologists and botanists, regulatory permitting specialists, land and range managers, conservation planners, licensed landscape architects, certified public accountants, GIS analysts, and real estate specialists.

Wildlands currently has several California banks in the IRT review process including:

- Deer Creek Mitigation Bank, Sacramento County
- Locust Road Mitigation Bank, Placer County
- Honker Bay Conservation Bank, Solano County
- North Delta Conservation Bank, Yolo & Solano County

Furthermore, the Corps and CDFW recently approved the BEI for a Wildlands mitigation bank, the San Luis Rey Mitigation Bank, in San Diego County.

Additional details are provided in the full Prospectus, available online at the following link: <http://geo.usace.army.mil/ribits/index.html>. After clicking on the link, please follow the below steps:

- Under the Navigation Heading, click on “Banks & ILF Sites”
- Using the yellow drop-down arrow under the Banks and ILF Sites heading, filter state to “CA”
- Scroll down the alphabetized listing and click on “Rancho Jamul Phase IIB Mitigation Bank”
- Click on “Cyber Repository” located underneath the frog image
- Click on “Documents for Review”
- The Prospectus and all figures and appendices are available in this folder under one document. Please note that this file is large and may take several minutes to download.

For additional information please call Shanti Abichandani Santulli at 760-602-4834 or via e-mail at Shanti.A.Santulli@usace.army.mil. This public notice is issued by the Chief, Regulatory Division.



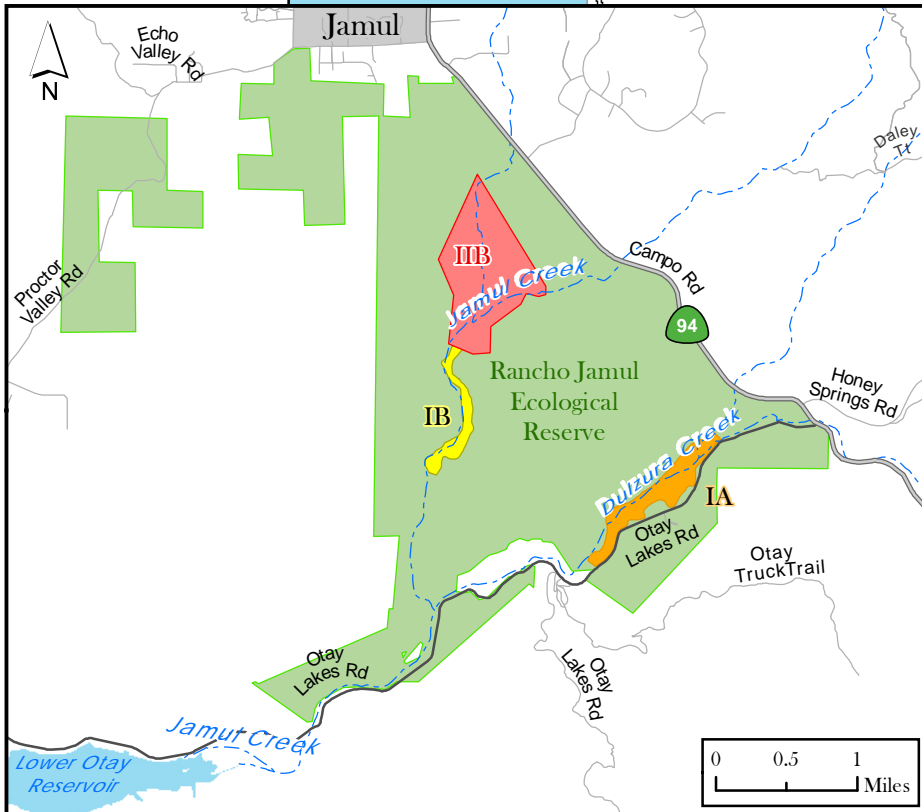
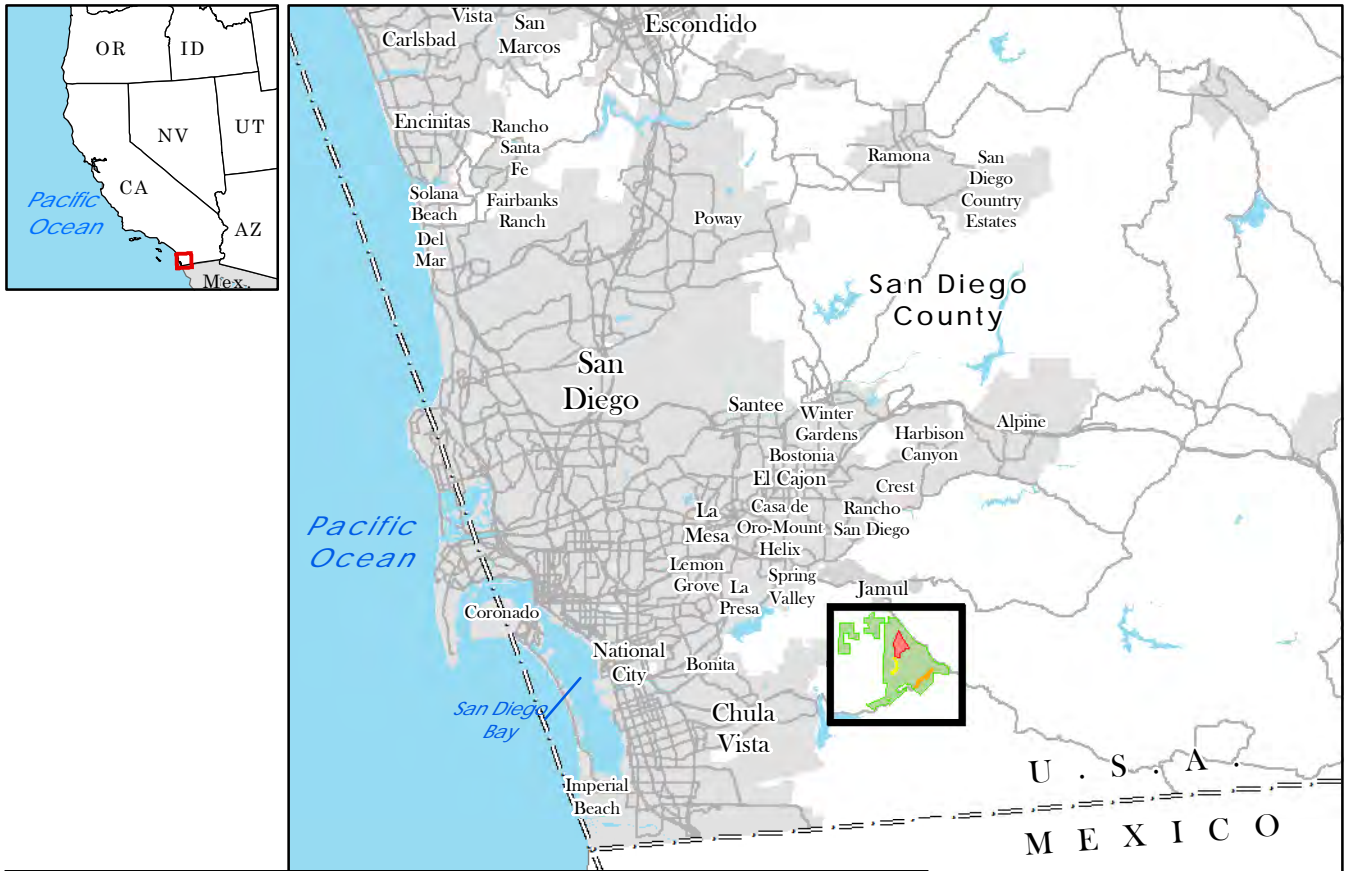
Regulatory Program Goals:

- To provide strong protection of the nation's aquatic environment, including wetlands.
- To ensure the Corps provides the regulated public with fair and reasonable decisions.
- To enhance the efficiency of the Corps' administration of its regulatory program.

U.S. ARMY CORPS OF ENGINEERS – LOS ANGELES DISTRICT

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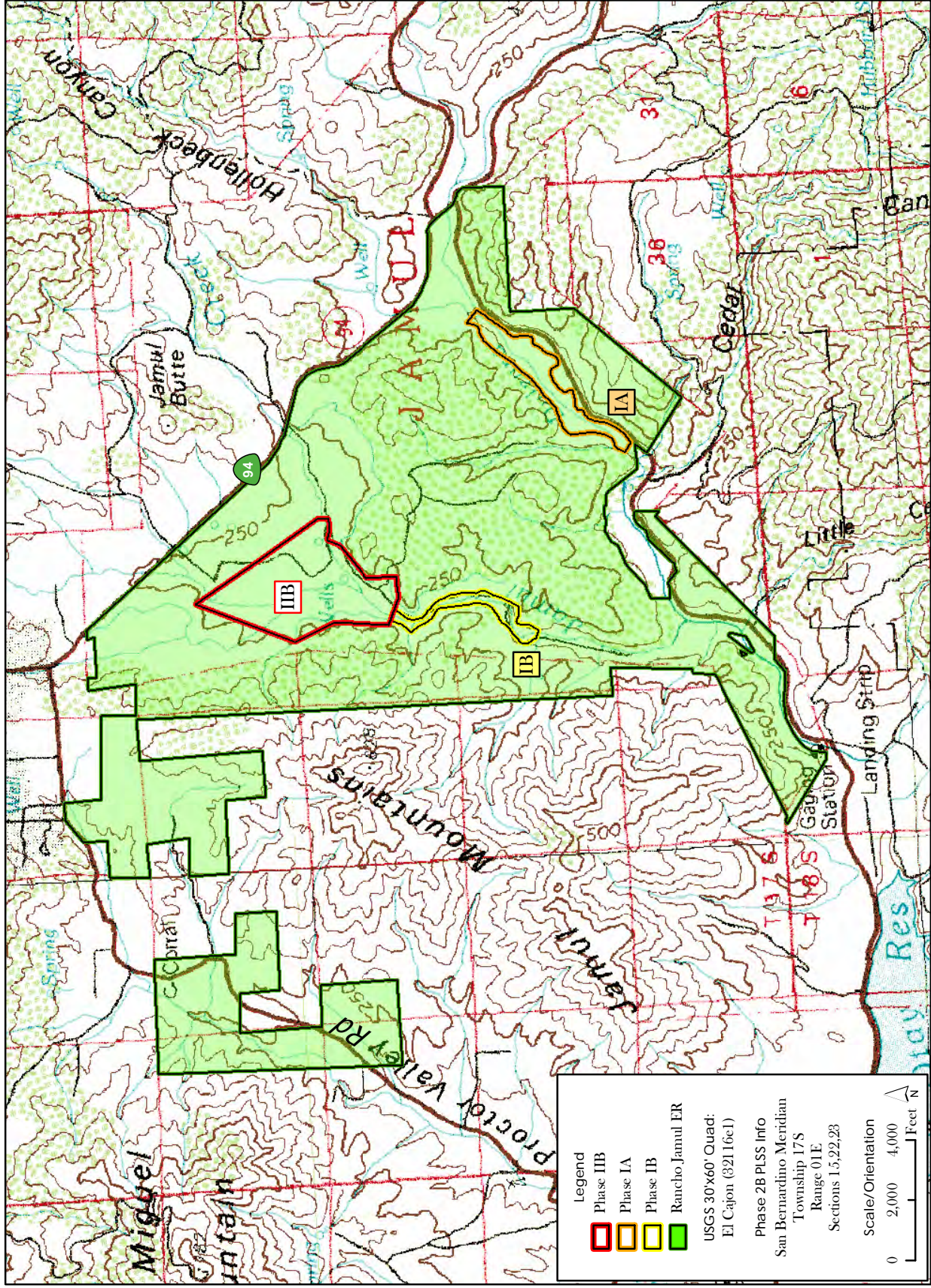
- Legend*
- Phase IA
 - Phase IB
 - Phase IIB
 - Rancho Jamul Ecological Reserve

WILDLANDS

Rancho Jamul Mitigation Bank Phase IIB Prospectus

Figure 1 Regional Vicinity





WILDLANDS

Rancho Jamul Mitigation Bank Phase IIB
Prospectus

Rancho Jamul Ecological Reserve Property
Figure 2

