



# PUBLIC NOTICE

U.S. ARMY CORPS OF ENGINEERS  
LOS ANGELES DISTRICT

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## Availability of Prospectus: Santa Clara River Mitigation Bank

**Public Notice/Application No.:** SPL-2019-00356-LM

**Project:** Santa Clara River Mitigation Bank

**Comment Period:** November 24, 2020 – December 24, 2020

**Project Manager:** Lisa Mangione; (805) 585-2150; [Lisa.Mangione@usace.army.mil](mailto:Lisa.Mangione@usace.army.mil)

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### **Bank Sponsor**

SK Conservation, LLC

c/o Charles Cattano

1325 Howard Ave #433

Burlingame, CA 94010

Phone: (650) 344-1600

Email: [chuck@skconservation.com](mailto:chuck@skconservation.com)

### **Location**

The Sponsor proposes to establish a Mitigation Bank in Ventura County, California on two adjacent properties: The Levy Property (34.361658°N, -119.012683°W) and the Hedrick Property (34.354903°N, -119.012897°W). The two ranches collectively comprise the "Property". The Property is located at 410 Willard Road in City of Santa Paula in Ventura County, California. The Property is located within the Santa Paula USGS quadrangle and contains a reach within the lower Santa Clara River. The primary service area of the mitigation bank would encompass portions of the Santa Clara River watershed (HUC 10: 1807010209) and portions of the Middle Santa Clara River watershed (HUC 10: 1807010208) and Sespe Creek watershed (HUC 10: 1807010207).

### **Activity**

To establish the Santa Clara River Mitigation Bank ("Bank") pursuant to the requirements of the Corps-EPA Compensatory Mitigation Rule (33 CFR 332.8(d) ("Mitigation Rule") within the Santa Clara River Watershed, Ventura County, California (see attached map). For more information see Additional Project Information section below. Supporting documents are available online or at the address below.

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### **Submittal of Public Comments**

Interested parties are hereby notified that a Prospectus has been received in order to authorize a mitigation bank for the purpose of mitigating impacts to waters of the United States authorized, or enforcement actions resolved, under section 404 of the Clean Water Act. Interested parties are invited to provide their comments on the proposed authorization of this Bank, which will become a part of the record and will be considered as part of this proposal.

**During the Coronavirus Health Emergency, Regulatory Program staff are teleworking. Please do not mail hard copy documents, including comments to any Regulatory staff. Instead, your comments should be submitted electronically to: Lisa.Mangione@usace.army.mil. Should you have any questions or concerns about the Corps' proposed action or our comment period, you may contact Lisa Mangione directly at (805) 585-2150.**

## **Background**

SK Conservation, LLC ("Sponsor") is a California limited liability company formed for the conservation of natural resources in the Santa Clara River valley and surrounding areas. The company's partners are experienced natural resource and finance professionals, including a land use and natural resource attorney with over thirty years of experience in wetlands and endangered species permitting, including mitigation and conservation banking; a biologist with two decades of experience in agricultural and ranchland management and biological issues in the Santa Clara River region; and an investment advisor with twenty-six years' experience in financial markets and alternative asset classes.

The Sponsor has submitted a Prospectus to the Corps for the establishment of the Santa Clara River Mitigation Bank. If authorized, this Bank would receive monies from individuals or entities ("project proponent") receiving Corps authorization under section 404 of the Clean Water Act and, when appropriate, to provide compensatory mitigation credit as part of Section 404 enforcement actions within the proposed service area (see attached map). Additionally, the proposed mitigation bank may be utilized to offset environmental losses to aquatic resources resulting from unavoidable impacts related to activities regulated by the Los Angeles Regional Water Quality Control Board and the U.S. Fish and Wildlife Service.

The Mitigation Rule established a process and defined requirements for the establishment and management of mitigation banks, in-lieu fee agreements and permittee-responsible mitigation (33 CFR 332). In addition, the Rule established a public review process and timeline for the development of mitigation banks and in-lieu fee agreements. This mitigation bank development process will include the following: 1) public review and comment on the Prospectus, 2) Interagency Review Team (IRT) coordination on the Prospectus and the Bank Enabling Instrument (BEI), 3) development of a mitigation credit valuation and production approach and credit release schedule, 4) long-term site protection and management measures, 5) financial assurances estimation approach.

Based on the Prospectus, the 607.08 acre Santa Clara River Mitigation Bank property currently supports the following waters of the U.S.: 411.72 acres of scrub-shrub and forested wetlands, and 35.99 acres of non-wetland waters of the U.S. including intermittent streams and active low flow channels in the braided Santa Clara River system. Aquatic habitat re-establishment, establishment, rehabilitation, enhancement and preservation credits are being proposed. The site is also being proposed as mitigation for potential impacts on several federally listed threatened or endangered species including: least Bell's vireo, southwester willow flycatcher and its critical habitat, yellow-billed cuckoo, Santa Anna sucker, and unarmored threespine stickleback credits.

## **Mitigation Approval and Permitting Processes**

Mitigation requirements for a particular project are negotiated between the project proponent and the Corps. The project proponent must therefore first submit a compensatory mitigation proposal to the Corps that describes the proposed use of an In-Lieu Fee (ILF) Program or

Mitigation Bank. Per the Mitigation Rule, preference is first given to use of Mitigation Banks over In-Lieu Fee Programs and Permittee-based mitigation types, as Bank credits are usually in place prior to the permitting of a proposed project.

A Mitigation Bank contains wetlands, streams and/or other aquatic resources that have been restored, established, enhanced, or preserved, and that meet defined performance standards. The Bank area is then utilized to compensate for future impacts to aquatic resources and in some cases, listed species resulting from authorized activities. The value of a Bank is determined by quantifying the aquatic resource functions restored, established, enhanced, and/or preserved in terms of "credits." If appropriate credits are available at a Mitigation Bank located within the service area, and the Corps determines that the Bank is the most appropriate approach to mitigation implementation, then the project proponent would contact the Bank sponsor to discuss mitigation options. The Bank sponsor would review copies of all permits issued to the project proponent and then submit a proposal to the project proponent, including the estimated cost of the proposed mitigation credits. Prior to acceptance of payment ("credit sale"), the Bank sponsor would also contact the Corps in order to verify the Corps' compensatory mitigation requirements.

As part of the process of establishing a Bank, the IRT would determine the types and number of potential Bank credits that may be generated and the value of each credit. 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. The sponsor proposes to generate habitat re-establishment, establishment, rehabilitation, enhancement and preservation credits, including riverine mosaic, least Bell's vireo, southwester willow flycatcher, yellow-billed cuckoo, Santa Anna sucker, and unarmored threespine stickleback credits. In addition to the final IRT approvals of the Bank Prospectus and BEI, the sponsor would also need to obtain the appropriate federal, state, and local permits required to implement the Bank restoration activities. The Bank sponsor would submit an application for Corps permit(s) should the proposed bank mitigation 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, the National Historic Preservation Act and other applicable laws, prior to any permit authorization.

Bank funds would be held in a Bank account, and all credit sales would be tracked and reported by the Bank sponsor to the Corps at a minimum on an annual basis, and also uploaded to the Corps' Regulatory In-lieu Fee and Banking Information Tracking System (RIBITS).

To ensure permanent protection of the Bank mitigation site, in coordination with the Corps, the Bank sponsor would secure an in-perpetuity conservation easement, to be recorded at the appropriate County's Registry of Deeds following Corps approval. An endowment would be provided by the Bank sponsor to a third party, non-profit, conservation entity that would fund long-term management of the Bank property.

To ensure a high level of confidence that the Sponsor's Mitigation Plan<sup>4</sup> would be successfully completed in accordance with applicable mitigation performance standards, the Bank sponsor in coordination with the Corps would secure sufficient financial assurances following Corps approval. Examples of acceptable financial assurances include performance bonds, letters of credit, escrow accounts, and casualty insurance.

The 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 and benefits of the proposed Bank. Any comments received will be considered by the Corps to determine whether the proposal has the potential to provide mitigation opportunities for permittees authorized to impact waters of the U.S. under section 404 of the Clean Water Act or as a means of resolving Section 404 enforcement actions.

Additional details and project plans are provided in the Prospectus, available online at the following link: <https://rsgisias.crrel.usace.army.mil/ribits/f?p=107:2>. 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 “ Santa Clara River Mitigation Bank”
- Click on “Cyber Repository” located underneath the frog image
- Click on “Documents for Review”
- The Prospectus referenced in this public notice is available in this folder.  
Please note that the Prospectus is a large file and may take several minutes to download.

For additional information please call Lisa Mangione of my staff at (805) 585-2150 or via e-mail at [Lisa.Mangione@usace.army.mil](mailto:Lisa.Mangione@usace.army.mil). This public notice is issued by the Chief, Regulatory Division.

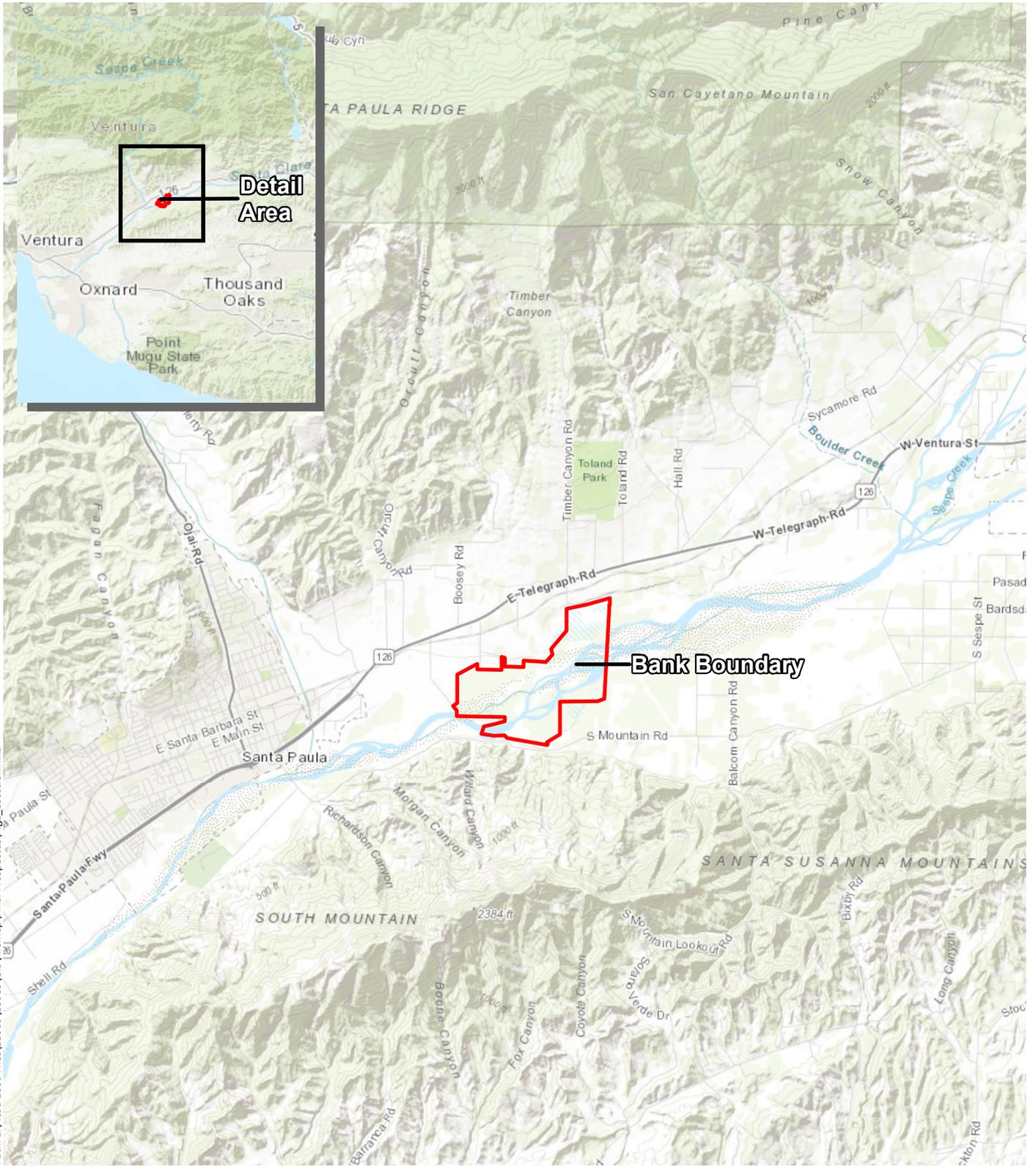


*Regulatory Program Goals:*

- 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.

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**DEPARTMENT OF THE ARMY  
LOS ANGELES DISTRICT, U.S. ARMY CORPS OF ENGINEERS  
WWW.SPL.USACE.ARMY.MIL/MISSIONS/REGULATORY**



Sources: ESRI World Topo | Prepared By: SGillespie, 3/24/2020

**Figure 1. Bank Location**

Final Prospectus  
 Santa Clara River Mitigation Bank  
 Ventura County, California

