

TRI-COUNTY STREAM MITIGATION BANK, LLC

PROSPECTUS

June 28, 2004

Sponsor Information

Tri-County Stream Mitigation Bank, LLC
9274 Corporate Circle
Manassas, VA 20110
(703) 330-9992

Contact: Joe Ivers
joeivers@vawaters.com

Authorized Agent

VA Waters & Wetlands, Inc.
9274 Corporate Circle
Manassas, VA 20110
(703) 330-9992

Contact: Joe Ivers
joeivers@vawaters.com

I. INTRODUCTION

Tri-County Stream Mitigation Bank, LLC. (hereinafter “the Sponsor”) proposes to establish and sponsor the Tri-County Stream Mitigation Bank (hereinafter “the Bank”), servicing primarily Loudoun, Fairfax, and Prince William Counties, Virginia. The goal of the Bank is to provide mitigation for unavoidable impacts to streams due to development, municipal, or other permitted impacts to the proposed geographic service area of the Potomac River watershed.

Virginia Waters and Wetlands Inc. (VW&W) (hereinafter “the authorized agent”) proposes to employ the Norfolk District Corps of Engineers Regulatory Branch Stream Attributes Crediting Methodology (Stream Condition Units SCUs) together with in-kind linear footage analysis for assessments of proposed impact streams and proposed mitigation streams. SCU’s will be gained through restoration, creation, and enhancement of streams. The sponsor will observe, maintain and monitor the site prior to and after establishment of the mitigation areas.

The Mitigation Banking Instrument (MBI) as well as the construction and operation of the sites will be in accordance with, and similar to the Code of Virginia § 33.1-223.2:1 (*Wetlands Mitigation Banking*), Virginia Water Protection Permit (VWPP) regulations (9 VAC 25-210-10 et.seq.), and the *Federal Guidance for the Establishment, Use and Operation of Mitigation Banks* published in Volume 60, Number 228 of the Federal

Register, November 28, 1995 (60 FR pages 5806-58614, 1995) which will be referred to as Federal Banking Guidance.

II. BANK SERVICE AREA & CURRENT STATUS

The stream restoration sites will be located in Hydrologic Unit Codes 02070008, 02070010, 02070011, primarily serving Loudoun, Fairfax, and Prince William Counties, Virginia. (Appendix A – USGS quad maps) The majority of the sites currently contain real estate restrictions including conservation easements. The proposed mitigation streams consist of approximately 12,000 linear feet of 1st order intermittent streambed through 3rd order perennial streambed. Other Banking sites are currently under contract but not yet property under the Tri-County Stream Mitigation Bank, LLC.

III. GOALS OF THE BANK

The primary goal of the Bank is to mitigate for impacts from losses of SCU's or linear footage of streambed in a manner that best ensures the longevity of these resources contained in the Potomac River watershed. This ensures the total Stream Condition Units (TSCUs) and/or linear footage replaced is equal to those impacted. The Sponsor will accomplish this by restoring degraded streams contained within the Bank to those with a higher SCU rating, resulting in an overall lift in SCU's. The Sponsor will demonstrate that the mitigated streams have been improved to a more natural state, restoring stability, habitat, and overall ecological integrity.

IV. FEASIBILITY AND BASELINE DATA

The Sponsor has performed a feasibility investigation to obtain data on existing SCUs and analysis of the proposed sites capacity for stream improvements. The investigation included the following:

- Norfolk District Corps of Engineers Regulatory Branch Stream Attributes Crediting Methodology: Pre-mitigation Reaches
- Stream Delineation and Assessment
- Real estate restrictions
- Vegetation surveys
- Stream gradient/slope determination
- Macro-invertebrates surveys

Based on the results of these investigations, preliminary data indicate that riparian condition; erosion, channelization, in-stream habitat, and stream channel restoration and enhancements are feasible for the Bank sites. All data, analyses, modeling, and

engineering calculations will be submitted to the Mitigation Bank Review Team (MBRT) as part of the MBI approval process.

The sponsor will develop a detailed plan, which will include the objectives of the Bank. The plan will be based on detailed grading, planting, and construction practices. Improved stream conditions will be established during the construction process by grading, bank shaping/sloping, stream filling, stream channel alteration, plantings, habitat improvements, and the use of erosion control measures. Riparian plantings that are compatible with the wetland community native to the area and in agreement with the bank objectives will be implemented. Construction monitoring and contingency measures will be established to meet performance criteria. Long-term management, monitoring, and maintenance of the bank will also be provided.

V. GEOGRAPHIC SERVICE AREA

The sites are located in the USGS Potomac River Hydrologic Cataloging Units (2070008, 2070010, and 2070011). The proposed service areas are consistent with current Commonwealth of Virginia statutes and regulations controlling mitigation banks, including VWPP regulations (Code of Virginia § 33.1-223.2:1 and 9 VAC 25-210-10 et seq.).

VI. PLANNED PRE-APPLICATION PROCESS

The Sponsor intends to discuss plans for the Bank with the MBRT prior to the submission of an MBI. This and other pertinent documents will serve as the basis for discussions with the MBRT. The Sponsor welcomes the opportunity to discuss its banking plans with other interested parties.

VII. PERMITS

Creation of the Bank to provide in kind stream mitigation through linear footage improvements or an overall lift in SCU's will be undertaken to minimize negative effects on the environment. Impacts to small existing hydrologic areas may be required for stream channel restorations. All necessary Clean Water Act (CWA) and VWPP permits will be obtained by the Sponsor prior to and as part of the Bank approval process.

VIII. BANK DEVELOPMENT

The sponsor will develop an MBI to be approved by the MBRT. Included will be a Plan of Development (POD). The POD will incorporate goals, objectives and design criteria for the Bank. The POD will contain a development plan for the Bank sites, based on site-specific data/modeling, including assessment variables and metrics as outlined by the Stream Attributes Crediting Methodology. The POD will also contain

engineering/phasing/grading/channel alteration/planting plans and construction specifications as required.

IX. MITIGATION METHODS

The goal of the Bank is to mitigate for aquatic resources that are lost through unavoidable development, municipal, or other impacts to the Banks' service area. This goal will be achieved at the Bank sites by modifications and improvements to streams such as the establishment of riparian buffers, excavation to repair channel incision, bank erosion, channelization, and the addition of in-stream habitat.

X. CRITERIA FOR USE

All decisions pertaining to credit withdrawal from the bank will be made similar to or in accordance with the Code of Virginia Section § 33.1-223.2.1 Wetland Banking and Sections II.D.6 and 7 of the Federal Banking Guidance (November 28, 1995). The Sponsor will establish an accounting ledger to be used for the documenting credits and debits to the Bank's account. The accounting system will be based on final Mitigation Bank Review Team (MBRT) approval, and finalized in the MBI.

XI. MAINTENANCE, MONITORING, AND PERFORMANCE CRITERIA

The Sponsor will establish a monitoring plan to promote self-sustaining stream functions. The monitoring plan will be similar to or in accordance with Section II.E. of the Federal Banking Guidance, and detailed in the final MBI. Decisions regarding performance criteria, monitoring/management, the overall life of the Bank, potential remedial actions and financial assurances will be developed and incorporated into the final MBI.

A restrictive covenant or similar stipulation has been or will be recorded on the proposed mitigation streams prior to the sale of credits to assure the preservation of the Bank. A copy of the covenant will be included in the MBI.