

**PROSPECTUS**  
**LYNNHAVEN MITIGATION BANK**

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**Prepared For**  
**Lynnhaven Mitigation Bank LLC**

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## **PROSPECTUS**

### **LYNNHAVEN MITIGATION BANK**

#### **I. Objectives of the proposed bank or in-lieu fee program**

The goal of the Lynnhaven Mitigation Bank (Bank) is to establish a self-sustaining, functional aquatic system to replace the functional values of tidal and non-tidal wetlands anticipated to be adversely affected within the authorized service area. In so doing, the Bank expects to satisfy a portion of the existing and anticipated demand for wetland compensation within the service area. To this end, the Bank will provide:

- A. Various flood and erosion buffers to receive water and dissipate wave energy
- B. Vegetated and non-vegetated wetland communities for primary production and water quality enhancement.
- C. Waterfowl and wildlife habitat and utilization areas
- D. Water quality control mechanisms for the enhancement of shellfish and other subaqueous habitats.

#### **II. How the bank or ILF will be established & operated**

- A. Lynnhaven Mitigation Bank LLC, (the Bank), proposes to establish a compensatory wetland mitigation bank for the purpose of providing off-site compensation for unavoidable impacts to tidal and non-tidal wetlands in southeast Virginia, including the cities of Hampton Roads fronting the Chesapeake Bay. Initially, the bank intends to establish several wetlands compensation sites throughout the Lynnhaven River in Virginia Beach, Virginia. Subsequently, the bank may expand the sphere of wetlands compensation beyond the Lynnhaven River and Virginia Beach but within the same service area.
- B. A Mitigation Banking Instrument (MBI) will be developed by the Bank, hereinafter, the sponsor. The MBI will contain a Bank Development Plan, which will outline how credits will be obtained, and include the specifications for construction, operation and maintenance of the bank.
- C. The MBI and the development and operation of the Bank will be in accordance with the “Compensatory Mitigation for Losses of Aquatic Resources; Final Rule” published in 33 CFR Parts 325 and 332 and 40 CFR Part 230 of the Federal Register, April 10, 2008, hereafter referred to as Federal Mitigation Regulations.

III. The proposed service area(s)

The proposed geographic service area for this Bank shall be consistent with Section 62.1-44.15:5(B) of the Code of Virginia and in accordance with the Federal Mitigation Regulations. The designated area wherein the Bank can reasonably be expected to provide appropriate compensation for impacts to tidal and non-tidal wetlands will be within the same hydrologic cataloging unit (“Hydrologic Unit Map of the United States,” U.S.G.S. 1980), or in an adjacent cataloging unit. For the purpose of this document, the proposed service area includes the primary hydrologic unit 02080108. The primary hydrologic unit includes portions of northern Virginia Beach, northern Norfolk, central and eastern Hampton, southern and eastern Newport News and Poquoson. Generally, for the purpose of state wetland regulations, the proposed geographic service area will be consistent with the Code of Virginia relative to mitigation banking. Use of this bank for projects outside the service area may be considered appropriate by the Interagency Review Team (IRT) on a case by case basis.

IV. The general need for and technical feasibility of the proposed mitigation bank.

The general need for the Bank is predicated on the current and projected demand for wetlands compensation throughout the Lynnhaven River basin. Such demand will continue and grow as waterfront construction, city maintenance dredging and private ancillary dredging, and projected construction near the Virginia Beach Town Center are implemented.

The proposed Bank is relevant and feasible as many vacant, disturbed & previously developed properties emerge in the Lynnhaven basin. This situation is especially true near Oceana Naval Air Station and its associated Accident Potential Zone which encompasses a large portion of the Lynnhaven. Many of the sites are technically feasible for the purchase, acquisition, conversion and/or restoration of tidal and non-tidal wetlands.

V. The proposed ownership arrangements and long-term management strategy.

The Bank proposes to plan, engineer, design and secure IRT approval of prospective compensation sites. After each site has an IRT approved site plan, the Bank will make ownership arrangements to secure the prospective site. Prior to construction, the Bank will take appropriate action (i.e. conservation easement, etc.) to secure the long-term preservation of the prospective site.

VI. The qualification of the sponsor to successfully complete the type(s) of proposed mitigation projects.

The bank sponsor and its principals have extensive experience in tidal and non-tidal wetlands compensation projects throughout South Hampton Roads. The environmental consultant, MAP Environmental Inc. and its principal, have led and/or assisted in the following successful wetlands mitigation projects.

<u>Project</u>	<u>Type</u>	<u>Location</u>	<u>Watershed/Basin</u>
Pescara Creek	Tidal Wetland	Norfolk	Elizabeth River
Paradise Creek	Tidal Wetland	Portsmouth	Elizabeth River
HRSD-VIP	Riparian Buffer	Norfolk	Elizabeth River
Lake Gaston	Non-Tidal Wetland	Isle of Wight	Chowan River
Munden Point Park	Non-Tidal Wetland	Virginia Beach	North Landing River
Caroline Farms	Tidal Wetland	Virginia Beach	Elizabeth River
Lake Trashmore	Non-Tidal Wetland	Virginia Beach	Lynnhaven River
Lotus Garden	Non-Tidal Wetland	Virginia Beach	Back Bay
Hutton Lane Canoe Launch	Tidal Wetland	Virginia Beach	Lynnhaven River
Patrick Henry Marketplace	Non-Tidal Stream	Newport News	James River

VII. Ecological suitability of the site to achieve the objectives of the bank, including physical, chemical, & biological characteristics of the site and how that site will support the planned types of aquatic resources and functions.

Based on an October 10, 2008 IRT site visit, three (3) sites have been preliminarily approved and found suitable for tidal wetlands compensation and inclusion in the Bank. These sites, located in the Lynnhaven River basin, include:

1. Parker Lane site (preservation)
2. Virginia Beach Boulevard site (creation/restoration)
3. 4360 Southern Boulevard site (creation)

These sites, based on preliminary analysis and IRT input, appear suitable for wetlands compensation and possess the appropriate physical, chemical and biological characteristics to support the planned types of aquatic resources and functions. Additionally, the prospective sites are adjacent to the Lynnhaven River and connecting waters. Specifically, the sites are physically located within the watercourse, thereby allowing sufficient water rights to support their long-term sustainability.