Mr. Gary Winters  
Division of Environmental Analysis  
California Department of Transportation  
1120 N Street  
Sacramento, CA 95814

Attention: Jennifer Gillies

Dear Mr. Winters:

SUBJECT: Mitigation in Areas with Habitat Conservation Plans

The Federal Highway Administration (FHWA) is providing guidance on using areas with the U.S Fish and Wildlife Service (USFWS) and/or National Oceanic and Atmospheric Administration-Fisheries (NOAA-Fisheries) approved habitat conservation plans (HCP) for mitigation purposes.

If the framework for an HCP provides for identification of conservation areas and specific habitat types that fully mitigates unavoidable impacts due to construction of our transportation projects, these areas can be used for mitigation purposes. Costs associated with the mitigation will be reimbursable in accordance with the Federal-Aid Highway Program. Use of these areas for mitigation is subject to case-by-case approval by the FHWA. Please ensure that all proposals provided to the FHWA are consistent with provisions of the HCP if mitigation is intended to be used in conservation areas subject to an HCP.

Additionally, the standards and protocols defined in an HCP will be applied to those projects within the areas covered by the HCP or those specifically approved by USFWS and/or NOAA-Fisheries.

The FHWA is continuing to investigate the use of in-lieu fees and endowments for mitigation purposes. Hopefully we will have guidance in the near future defining when these may be accepted as reimbursable expenses.
cc: w/o Enclosure (by E-mail)
Gary Winters, Caltrans HQ
Jennifer Gillies, Caltrans HQ
CA. Division, FHWA

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