

Welcome to the 2024 Conservation Finance Roundtable



THE CONSERVATION
FINANCE NETWORK

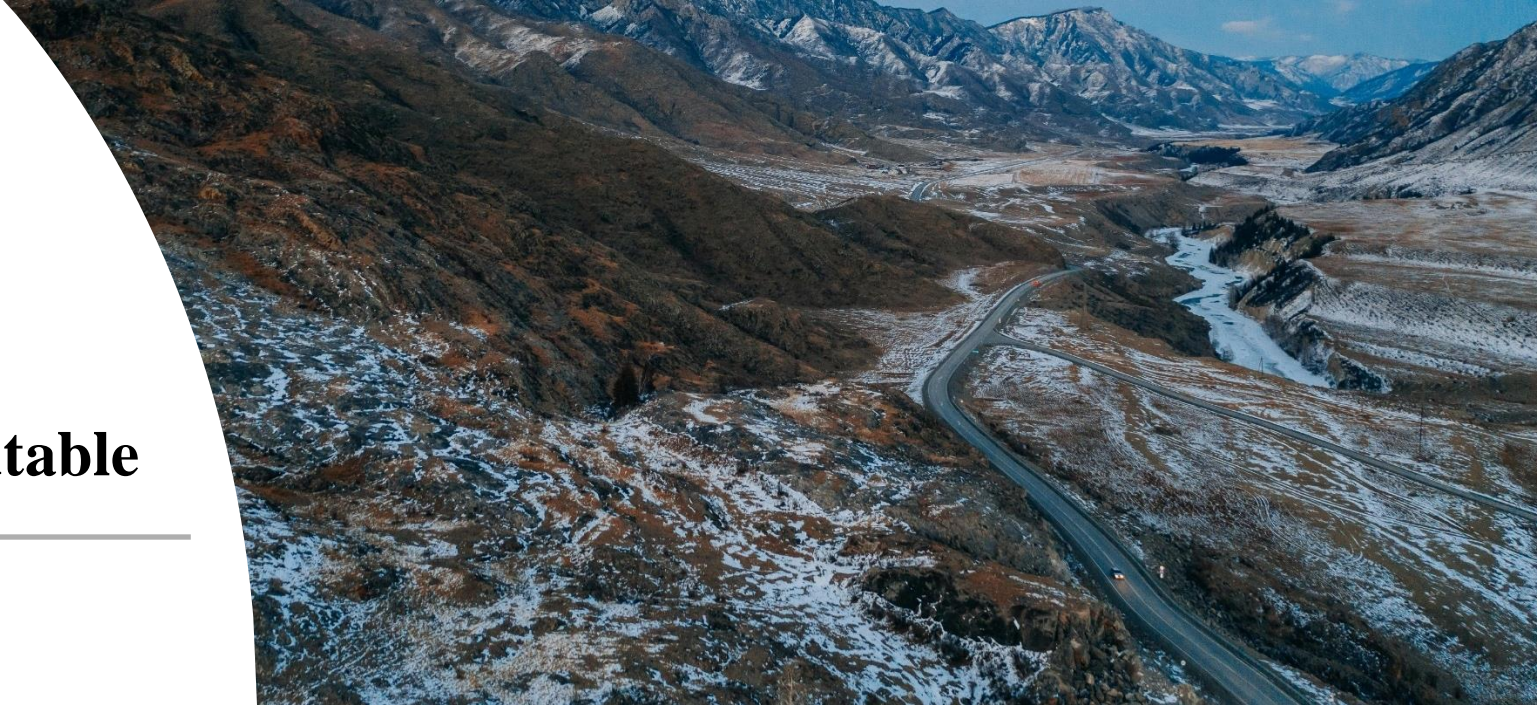
2024 Conservation Finance Roundtable

Welcome & Introductions

Leslie Harroun, *Salazar Center*

Peter Howell, *The Conservation Finance Network*

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2024 Conservation Finance Roundtable

Thank You To Our Sponsor!



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Conservation Finance Network

An aerial photograph of rolling green hills under a clear sky. The hills are covered in lush green vegetation, and the lighting suggests a bright, sunny day. The hills recede into the distance, creating a sense of depth and vastness.

Mission

CFN seeks to accelerate the pace and scale of land and resource conservation, restoration, and stewardship by expanding the use of innovative and effective funding and financing strategies.

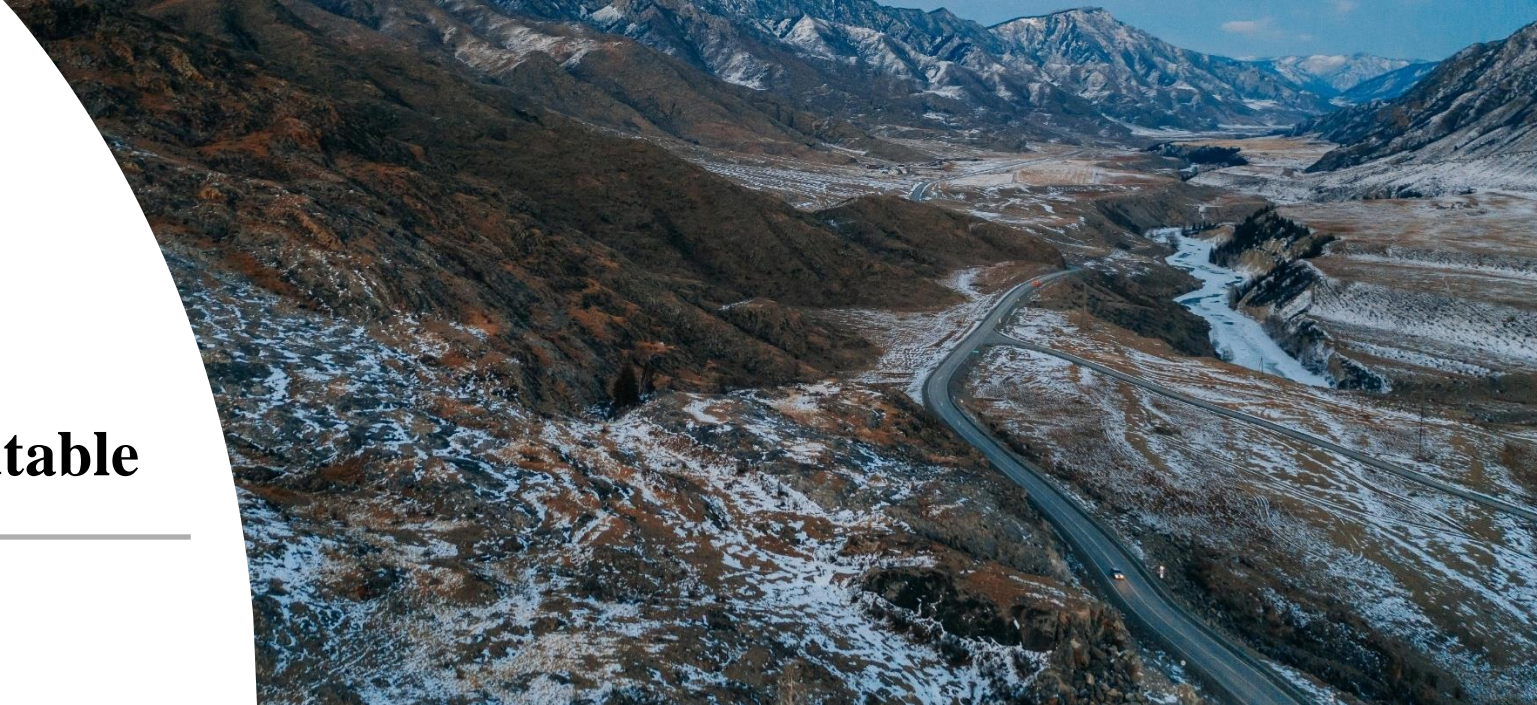
We aim to create a community of practice around solving financing problems in creative ways that benefit the planet and diverse human communities.

2024 Conservation Finance Roundtable

Keynote

Lauren Ris, *Colorado Water Conservation Board*

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2024 Conservation Finance Roundtable

Session 1:

Part A: Federal Funding Program Updates

Panelists:

Rob Rule, *Department of Defense Readiness and Environmental Protection Integration Program*

Claire Harper, *US Forest Service*



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SENTINEL LANDSCAPES



DOD REPI West concerns:

- ★ High land values for projects to ensure compatible land use
- ★ Landscape-level climate resilience concerns (e.g., wildfire, drought, wildlife corridors)
- ★ Agricultural land ownership continuity and sustaining working lands



SENTINEL LANDSCAPES



In 2013, the U.S. Department of Agriculture, Department of Defense, and Department of the Interior signed a **Memorandum of Understanding** to:

- ★ Strengthen military readiness;
- ★ Bolster agricultural and forestry productivity;
- ★ Conserve natural resources;
- ★ Increase public access to outdoor recreation, and;
- ★ Enhance landscape resilience.

The MOU was updated in 2024 to include the Federal Emergency Management Agency.





Joint Base
Lewis-McChord

Camp
Ripley

Southern
Indiana

Kittatinny
Ridge

Middle
Chesapeake

Virginia
Security Corridor

Eastern
North Carolina

South Carolina
Lowcountry

Georgia

Avon Park
Air Force Range

Great
Salt Lake

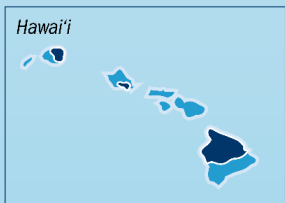
Mojave
Desert

Fort
Huachuca

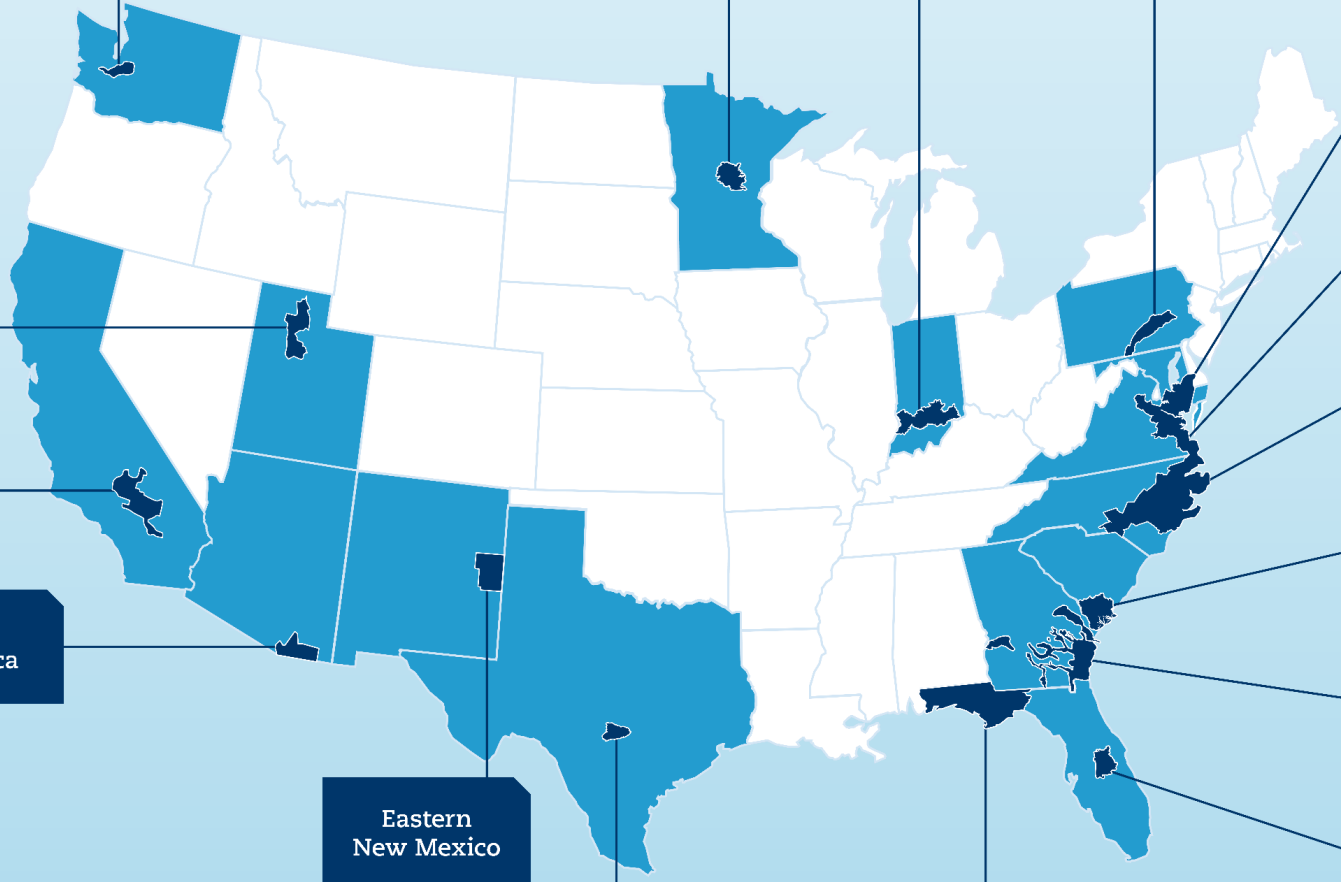
Eastern
New Mexico

Camp
Bullis

Northwest
Florida



Hawai'i





DOD Office of Local Defense Community Cooperation

- Compatible Use Plans and Military Installation Resilience Reviews
- Defense Community Infrastructure Program



DOD Readiness and Environmental Protection Integration Program *



DOD Natural Resources Program

- Legacy Program



USFWS *

- North American Wetlands Conservation Act Grants
- Migratory Bird Conservation Fund



National Park Service

- Land and Water Conservation Fund



Bureau of Land Management

- National Conservation Areas



NOAA

- Coastal Estuarine Land Conservation Program



USDA Farm Service Agency

- Conservation Reserve Program



USFS State and Private Forestry *

- Forest Legacy Program
- Forest Stewardship Program
- Land and Water Conservation Fund
- Community Forest Program



USDA Natural Resources Conservation Service *

- Agricultural Conservation Easement Program
- Conservation Stewardship Program
- Environmental Quality Incentives Program
- Regional Conservation Partnership Program



FEMA

FEMA *

- Hazard Mitigation Grant Program (HMGP)
- Flood Mitigation Assistance Program
- Building Resilient Infrastructure & Communities Program
- HMGP Post Fire Grant
- Pre-Disaster Mitigation Program

* Denotes Federal Coordinating Committee Member

SENTINEL LANDSCAPES



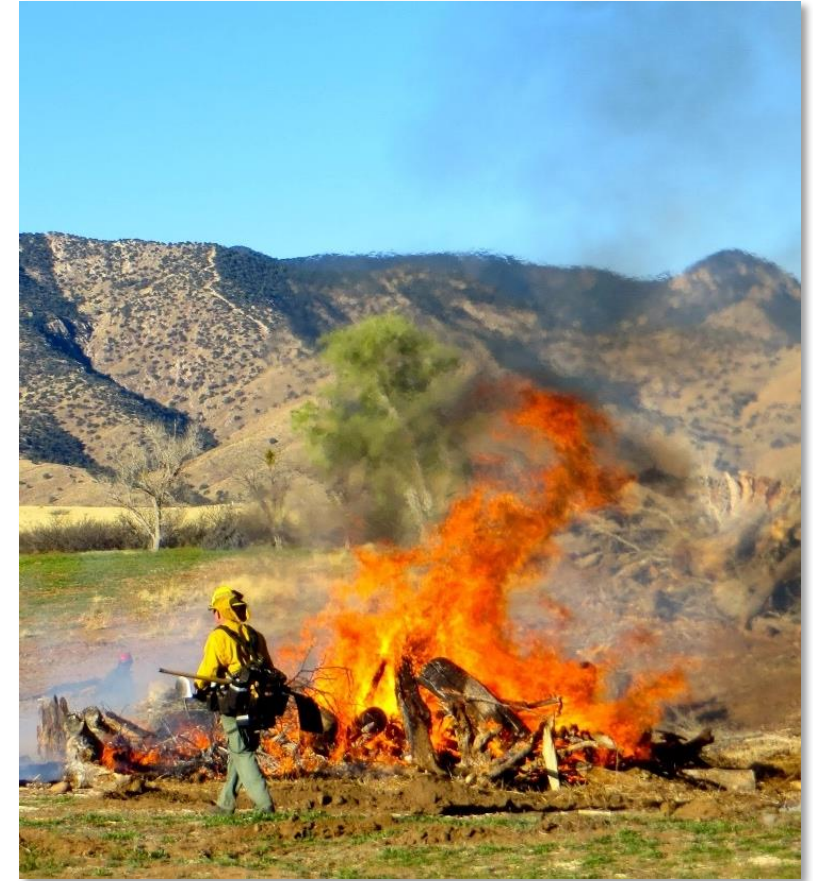
2024 Designations:

- ★ Eastern New Mexico
- ★ Great Salt Lake (UT)
- ★ Mojave Desert (CA)

Previously Designated:

- ★ Camp Bullis (TX) - 2022
- ★ Fort Huachuca (AZ) - 2016
- ★ Joint Base Lewis McChord (WA) - 2013

2026 Designation Cycle will kick off with public Expression of Interest in January 2025



SENTINEL LANDSCAPES



For more information: www.sentinellandscapes.org

Rob Rule

REPI Program Pacific & Western
Partnerships Lead
robert.m.rule6.civ@mail.mil

Allegra Wrocklage

REPI Program Contract Support
allegra.a.wrocklage.ctr@mail.mil

Sign up for the Sentinel Landscapes
Partnership Listserv:



2024 Conservation Finance Roundtable

Session 1:

Part B: Post-Election Reflections on Federal Funding

Panelists:

Alex Funk, *Theodore Roosevelt Conservation
Partnership*

Chris West, *National Fish and Wildlife Foundation*



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LWCF Programs

Funding Allocations Authorized by Congress



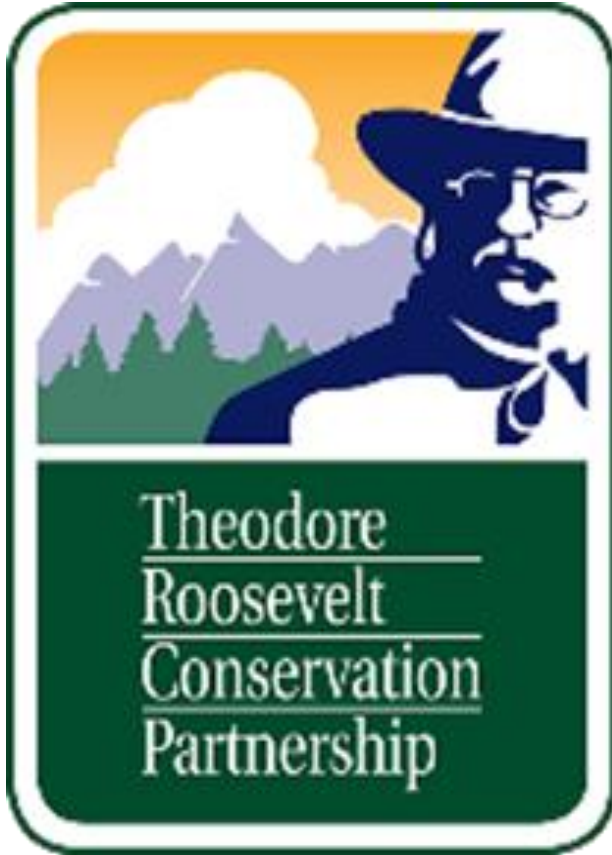
Federal Funding for Conservation

EARLY Post-Election Thoughts

Alex Funk

Director of Water Resources



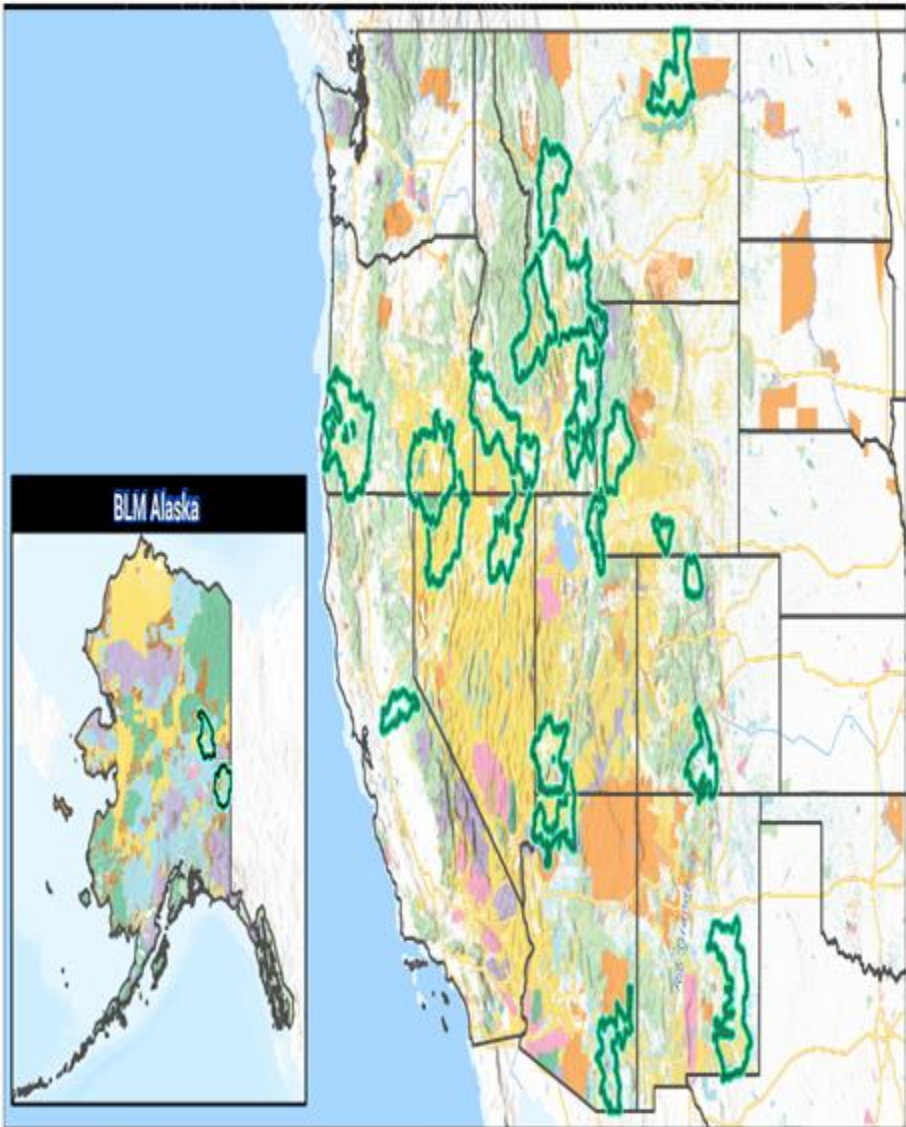


- Guaranteeing all Americans quality place to hunt and fish
- We unite and amplify our partners' voices to advance America' legacy of conservation, habitat, and access



- The **Bipartisan Infrastructure Law** and **Inflation Reduction Act** were the largest federal investments in water/climate
- Highlights:
 - \$8.3 billion in western water infrastructure/restoration
 - \$4 billion in drought mitigation
 - \$20 billion in climate-smart ag and forestry practices
 - \$6 billion + in addressing wildfire risks/forest health
 - \$ 23.4 billion + for drinking water infrastructure

BLM Restoration Landscape Areas



NFWF



America the Beautiful Challenge 2022
Request for Proposals

Success Stories

- Continuing to elevate the positive economic impacts of BIL and IRA funds in rural communities
- Job creation, hazard mitigation, collaboration, reduced property and infrastructure damage
- Activating a broader support community than conservation and environmental NGOs



NEWS: WILDFIRE

Fighting fire with beavers: How dam-building rodents are deployed to prevent megafires, restore scorched wildlands

Stretches of river that had beaver dams fared better in three fearsome Colorado fires in 2020. People charged with repairing wildfire damage are taking heed.

Firefighting beavers

Fighting fires, one beaver dam at a time

Julie Cleveland
National Forest System, Biological and Physical Resources
October 2, 2023



A Beaver eating a willow branch. (USDA Forest Service Photo)

When you think of beavers, what comes to mind? Busy engineers, pesky rodents, or how about firefighters?

ON FIRE: The Report of the Wildland Fire Mitigation and Management Commission



September 2023

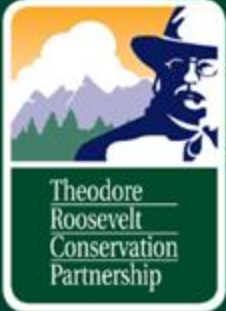
Recommendation 35

Authorize and incentivize flood mitigation, water quality, and source water protection projects in existing wildfire mitigation and wildfire recovery programs to protect community water supplies.

The Joint Fire Science Program (JFSP): Authorize and appropriately fund the JFSP to work with regional partners to develop and implement watershed health-related fire research including determining appropriate fuel reduction treatments within riparian areas and address remaining research gaps about the wildfire risk reduction and post-fire benefits of process-based restoration approaches. **Process-based restoration represents one source water protection technique that can build resilience to wildfire.** It uses simple, structural additions to riparian corridors that mimic natural processes to recover the ecological functions of riparian and wetland ecosystems. The JFSP is also referenced in Recommendation 111 and Recommendation 116 in Chapter 6: Integrating Modern Science and Technology.

Questions?

Alex Funk
Director of Water Resources
afunk@trcp.org



2024 Conservation Finance Roundtable

Session 2:

Innovations Round-Up

Panelists:

Mary Kelly, *Culp and Kelley/Blue Commons*

Tomer Hasson, *Foundations for America's Public Lands*

Chris Wolff, *Quantified Ventures*



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Financing the Future

Facilitating Infrastructure Development and Restoration on Tribal Lands in the Colorado River Basin



BLUECOMMONS
A COMMUNITY BLUE BANK



- *Contact CFN if you are interested in slides about the Tribal Infrastructure Fund*

November 2024

The Foundation for America's Public Lands Conservation Finance Roundtable



Mission



As the official charitable partner of the Bureau of Land Management (BLM), the Foundation for America's Public Lands connects us to our public lands and waters and sustains these special places for the benefit of present and future generations.

Vision



Through public-private partnerships, we will chart a new path to engage all in ensuring the health and sustainability of our public lands and waters for work, play, and wonder for all.



Programs



**AWARENESS
CAMPAIGN**



**OUTDOOR
RECREATION**



**RESTORATION
& STEWARDSHIP**



**WILD HORSES &
BURROS**



Inaugural Grant Program
\$11m Drought Resilience Fund,
Colorado River Basin

Virtual Fencing

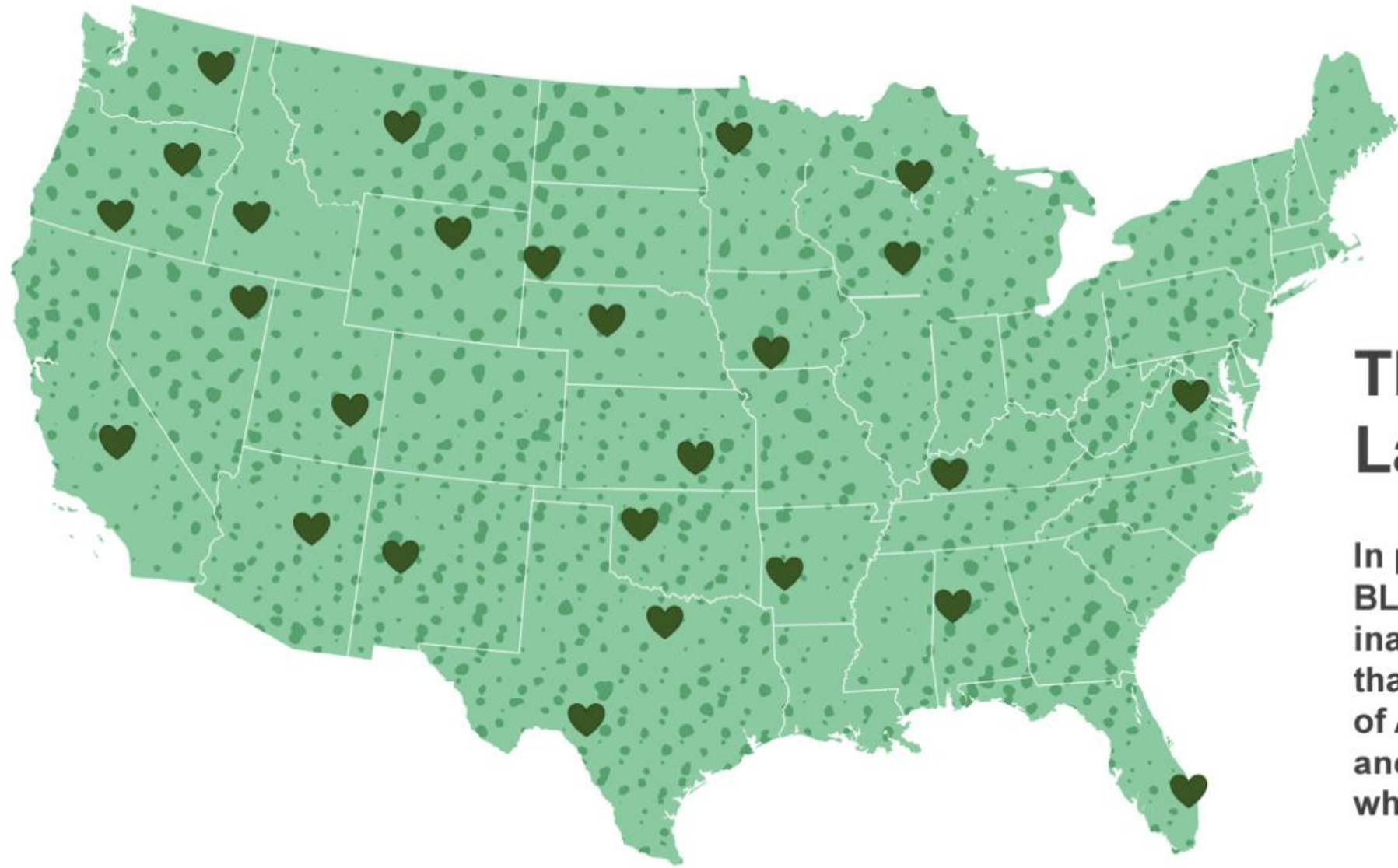
Eagle County Conservation District,
Colorado





Collaborative Stewardship

San Pedro Riparian NCA,
Arizona



The 2024 Lands to Love

In partnership with the BLM, we will select inaugural "Lands to Love" that represent the diversity of America's public lands and waters and the people who love them.

Working to Establish a Pipeline of BLM Restoration and Recreation Projects to Match with Funders and Partners



BLM and Conservation Finance

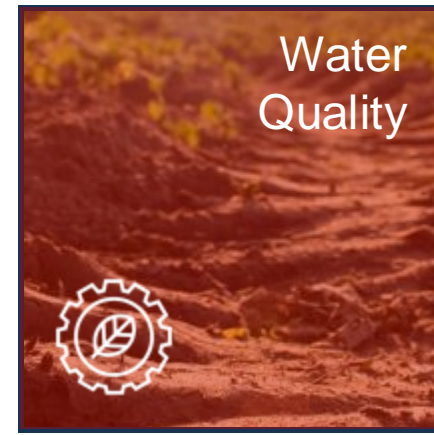
- ❖ BLM is new to this space. Foundation wants to open a dialogue with interested parties about what is compelling to the marketplace and feasible for the Bureau.
- ❖ Where can the Foundation serve as a bridge to working with the BLM?
- ❖ Learn from other Foundations.
- ❖ Limited bandwidth. Identify a few opportunities. (Revolving Funds; New Contracting Methods; Stewardship Funds)



Thank You

A night sky with the Milky Way galaxy visible in the background. The sky is dark blue with numerous stars. In the foreground, the silhouettes of several saguaro cacti are visible against the starry sky. The cacti are dark and stand out against the lighter background of the galaxy and stars.

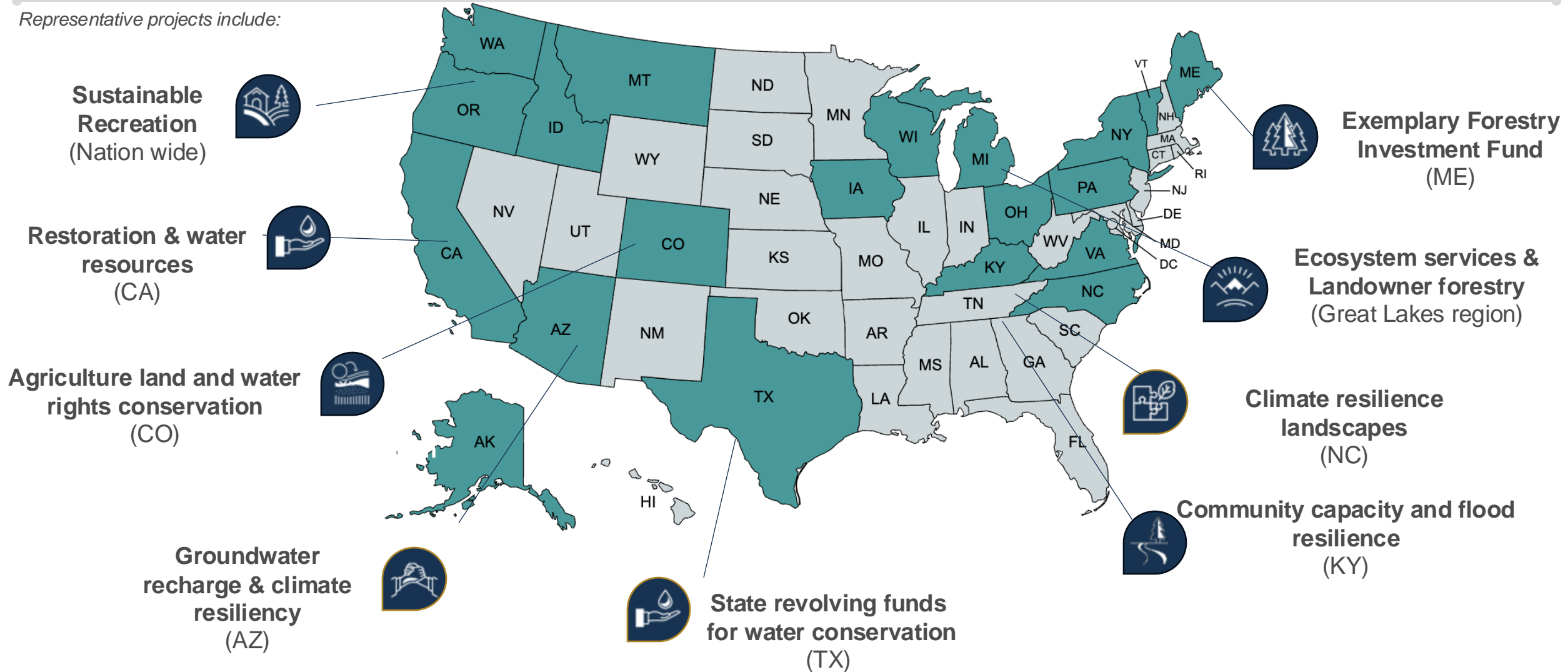
We work across the landscapes to support projects that protect, better manage, and restore ecosystems to *mitigate impacts of climate change for the benefit of nature, people, and climate resilient communities.*



Geographically Diverse Approach

We work nationally with communities, government agencies, nonprofits, and businesses to accelerate adoption of and implementation of natural climate solutions.

Representative projects include:



City of Trinidad, Colorado



Overview:

- Collaboration with City of Trinidad to fund restoration of Purgatoire River.

Roles:

- The City is funding engineering, design, and permitting while QV provides SRF technical assistance and providing connections to key State offices.

Outcomes:

- When funded, this will be the first truly Green Project Reserve (NBS) project to be funded through the Colorado CWSRF program.

San Pedro River, Arizona



Overview:

- Partnership with Cochise County Recharge Network (CCRN) to fund groundwater recharge projects.

Roles:

- Reframe a \$250K proposal into a \$3M programmatic ask.
- Develop an endowment model for long-term Operations, Maintenance, Monitoring.

Outcomes:

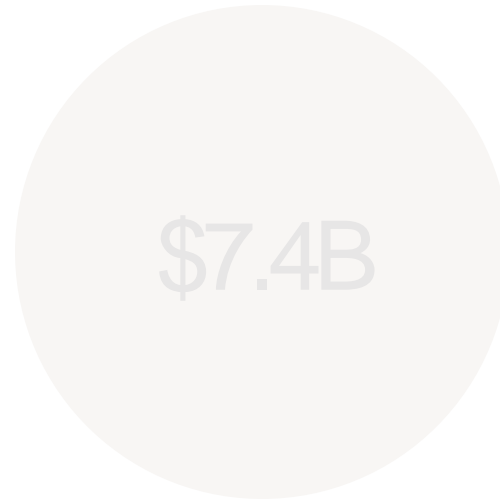
- Successful grant proposal to the which unlocked \$3M in new funding.
- Endowment, once seeded, can save partners more that \$120M.

Building a national pipeline of investable natural infrastructure projects

RFI

Response

124 Project Submissions



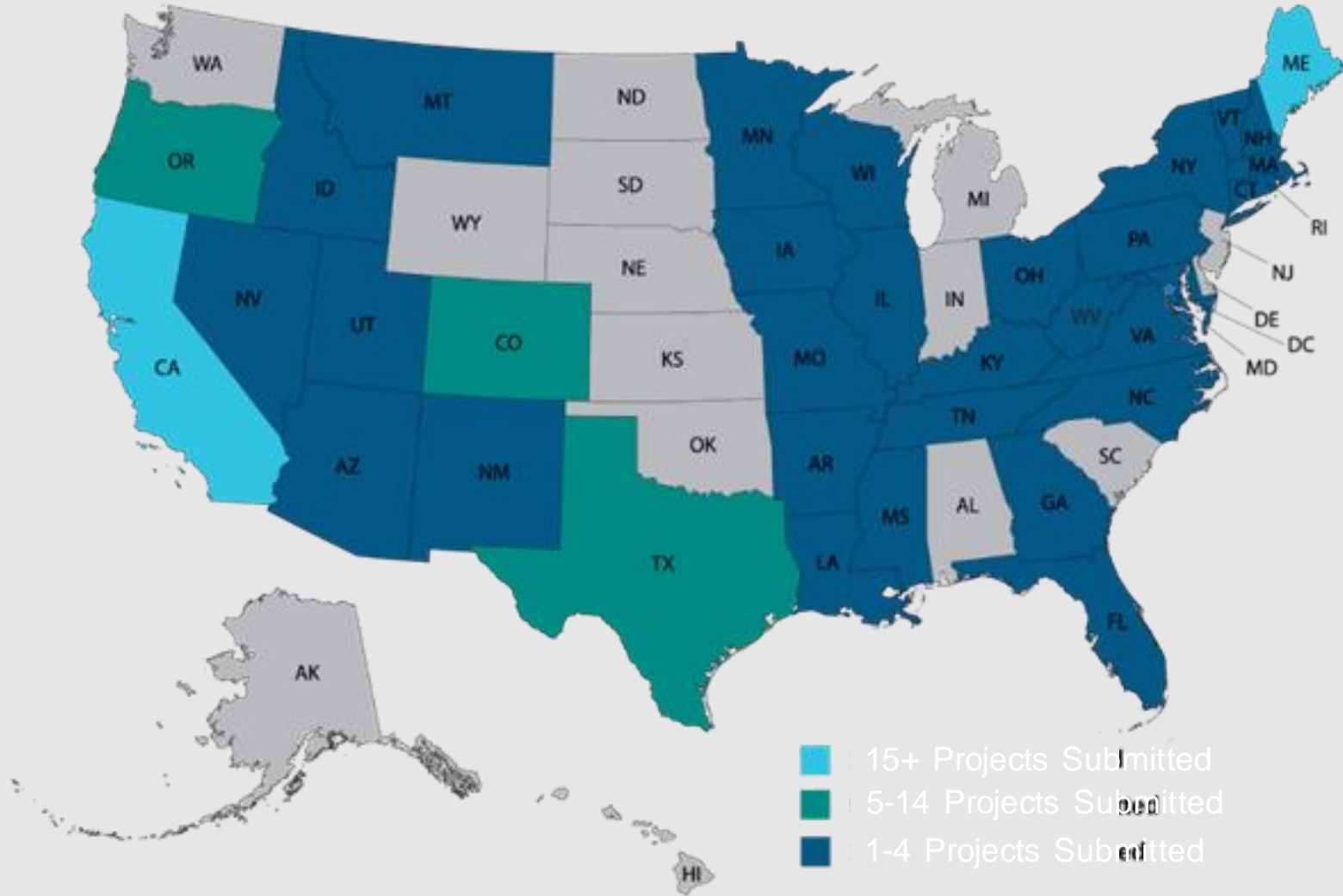
Total Project Costs



Project Financing Need



Financing Need for 85 Forestry and Wood Products Sector Projects



Submissions from 35 States and D.C

86.3% OF FINANCING NEED LOCATED IN EPA IDENTIFIED LIDAC COMMUNITIES

- Forestry and wood products
- Agriculture and ecosystem restoration
- Resilience and green stormwater infrastructure



Process Flow

From Submission to Investment

Project Intake

Basic readiness and viability check

Investability Review

Deploy QV investability framework to determine project profile, risk, repayment and leverage potential

Vetting and Sector Alignment

Develop investor-facing materials and identify critical assumptions. Evaluate sector-specific criteria and project story

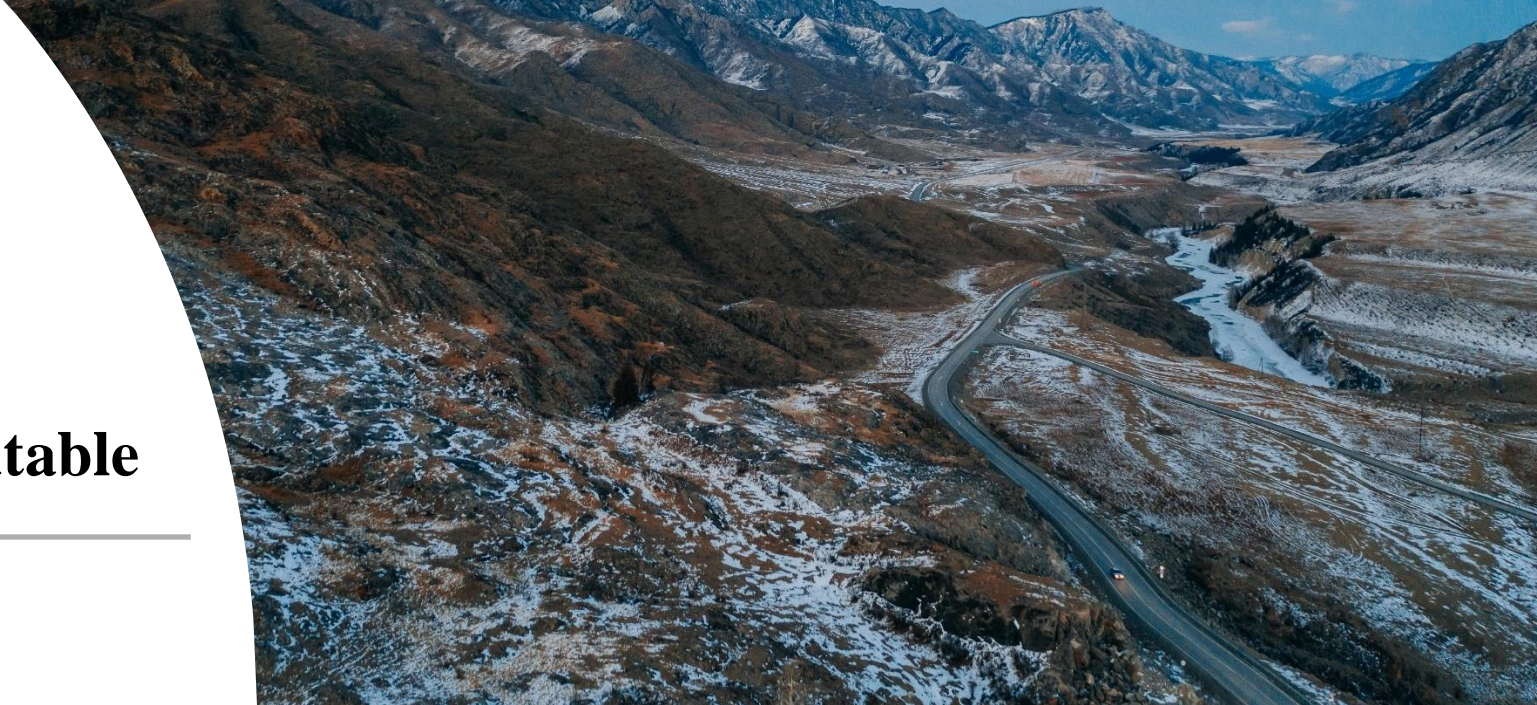
Connecting to Capital

Produce term sheets and early technical review documents to accelerate underwriting and due diligence

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BREAK

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2024 Conservation Finance Roundtable

Session 3:

Financing Challenges and Opportunities to Ensure Water and Sustainable Development in the Colorado River Basin

Moderator:

Kate Ryan, *Colorado River Trust*

Panelists:

Andy Mueller, *Colorado Water District*

Daryl Vigil, *Water and Tribes Initiative*



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2024 Conservation Finance Roundtable

Session 4:

Linking Land and Water: the Land Trust Experience

Moderator:

Peter Howell, *The Conservation Finance Network*

Panelists:

Sarah Parmar, *Colorado Open Lands*

Rebecca Jewett, *Palmer Land Trust*

Rob Bleiberg, *Colorado West Land Trust*



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Protecting Our Water: Colorado Open Lands' Conservation Efforts

Sarah Parmar





COLORADO OPEN LANDS' IMPACT

705

TOTAL CONSERVATION
EASEMENTS HELD

680,000

TOTAL ACRES PROTECTED

720

WATER RIGHTS
ENCUMBERED

3,195

STREAM MILES
PROTECTED

56,000

IRRIGATED ACRES

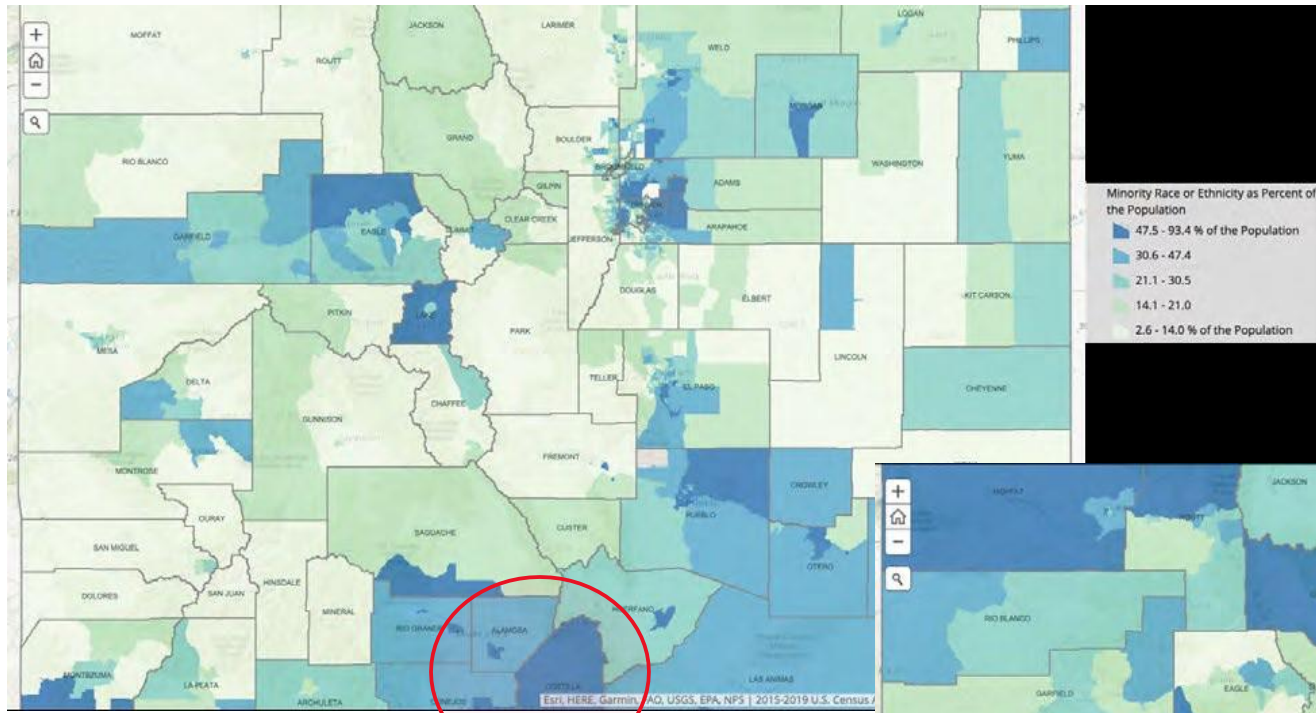
Conservation Easements have long recognized that water rights support numerous public benefits

How can we reimagine conservation easements to address Colorado's water challenges?

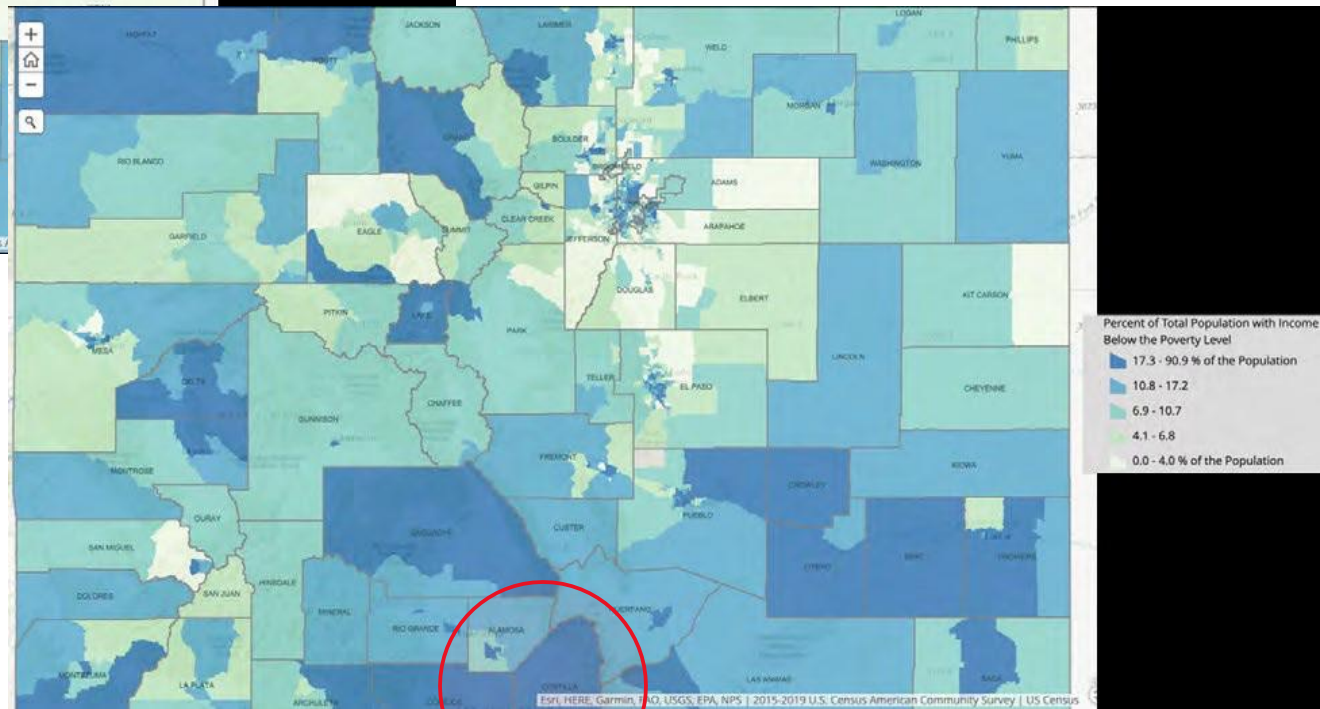
- Water Equity
- Buy and Dry
- Declining Aquifers



Percent of "Non-White" population



Conservation easements as a Tool for Water Equity



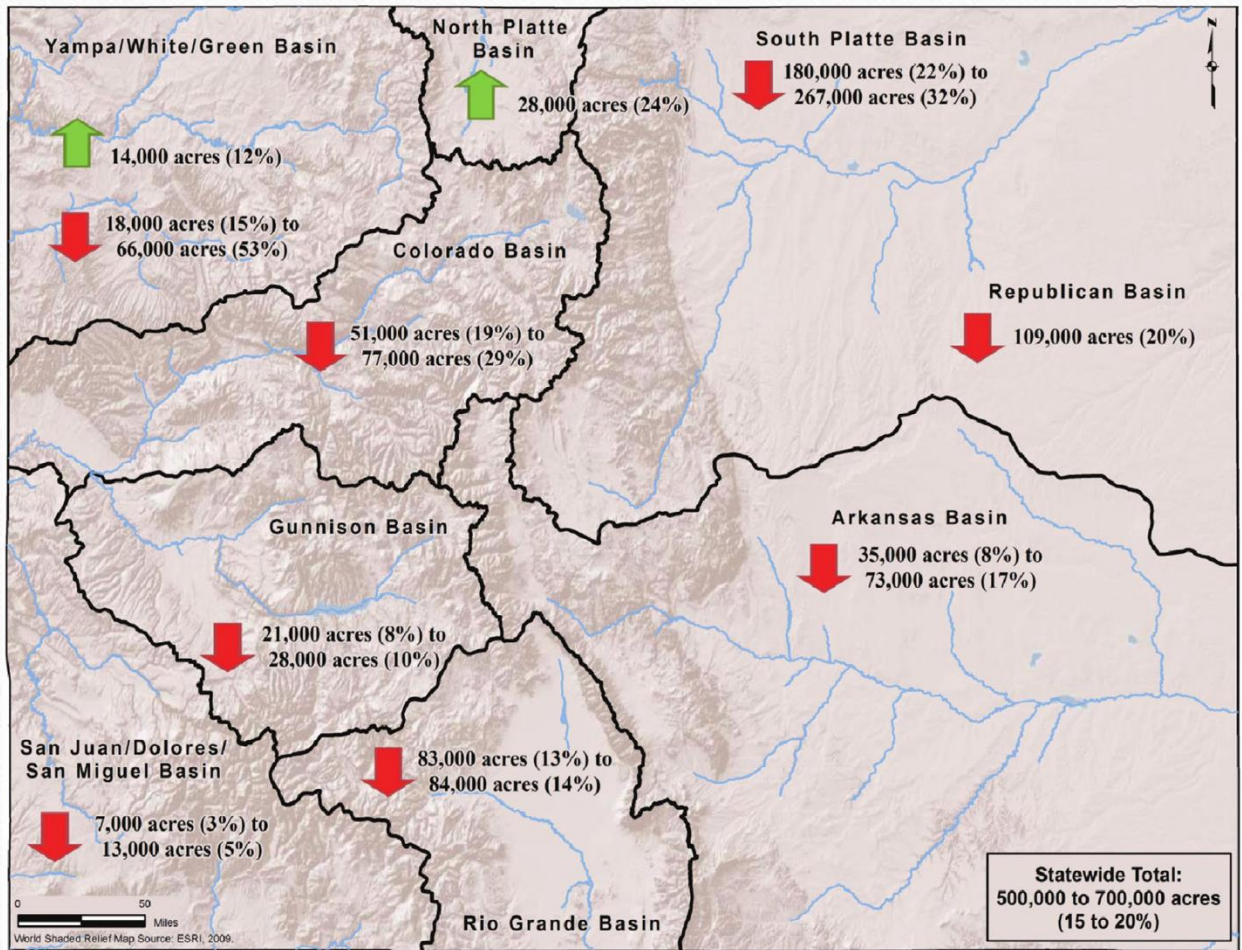
Poverty and Income map



Acequia Initiative Strategies

- **Conservation easements**
 - recognize historic/economic barriers to participation in legal defense of water rights
 - changing our spatial priorities
- **Legal assistance for acequias**
- **Infrastructure improvement projects**
- **Education workshops & knowledge sharing**





Conversion from agriculture to urban use = 230,000+ acres

Groundwater sustainability = Republican Basin upwards of 135,420+ acres

Rio Grande Basin 81,000+ acres

A GEM OF COLORADO AGRICULTURE



KEY

<ul style="list-style-type: none"> • Irrigation • County • City • Town 	<ul style="list-style-type: none"> • City • Town • Village • Hamlet 	<ul style="list-style-type: none"> • Wheat • Corn • Sorghum • Fruit & Veg • Cattle • Sheep 	<ul style="list-style-type: none"> • Soy • Tobacco • Sugarbeet • Sweetener • Vegetables • Other 	<p>• 100,000+ (100,000+)</p> <p>• 50,000-99,999 (50,000-99,999)</p> <p>• 25,000-49,999 (25,000-49,999)</p> <p>• 10,000-24,999 (10,000-24,999)</p> <p>• 5,000-9,999 (5,000-9,999)</p>	<p>MAJOR CITIES</p> <p>• Denver (725,000)</p> <p>• Colorado Springs (439,000)</p> <p>• Fort Collins (163,000)</p> <p>• Pueblo (111,000)</p> <p>• Grand Junction (63,000)</p>
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How water ownership has changed on the Colorado-Big Thompson Project:

Water use, by units of Colorado-Big Thompson water

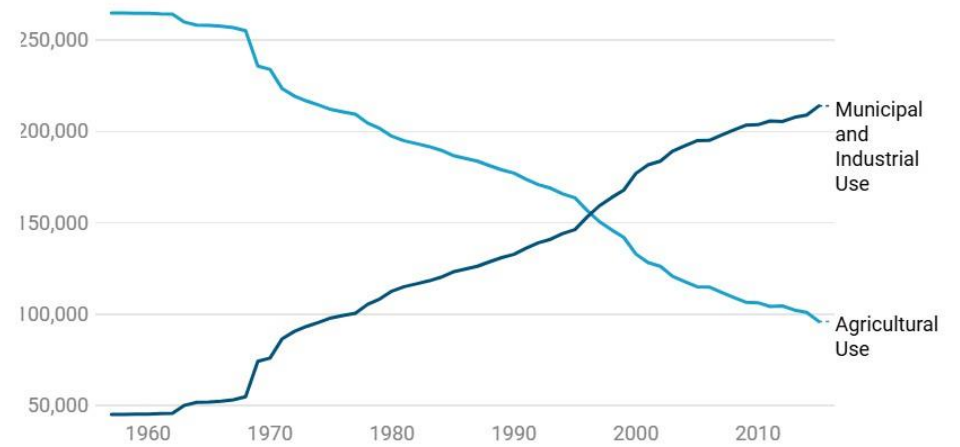


Chart: Ashley Jefcoat/KUNC • Source: Northern Colorado Water Conservancy Project • Created with Datawrapper

Reducing Buy and Dry:

Coupling Conservation Easements and Collaborative Water Sharing Agreements

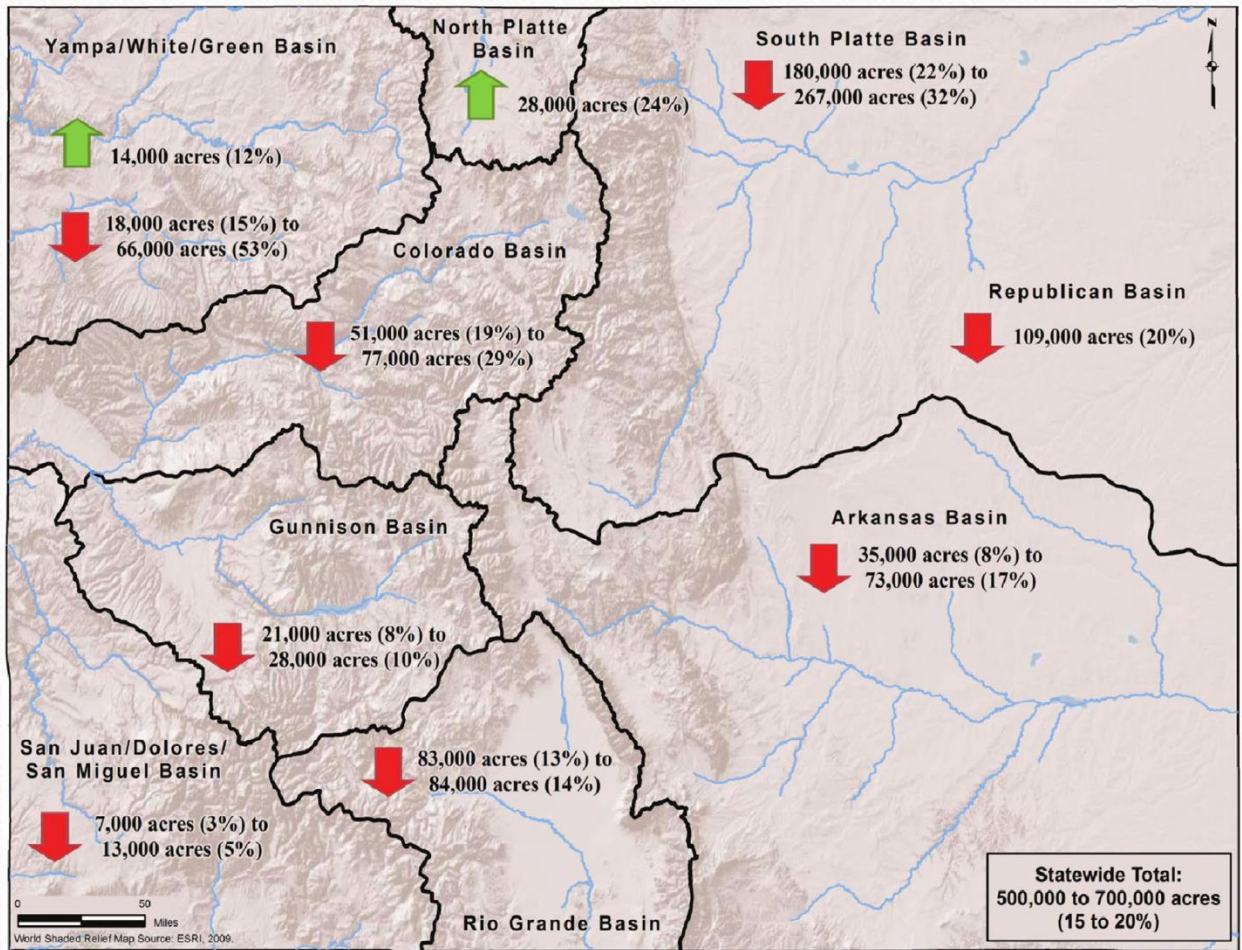
Why think about these tools together?

1) Easements provide certainty to all parties

- Municipality: Secure source of leased water (cannot be purchased by competitor)
- Farmer: Diversification of income with certainty for ditch that water will never be sold

2) Brings additional resources to the table

3) Allows protections to be built into the CE for natural resources (e.g. soil)



Conversion from agriculture to urban use = 230,000+ acres

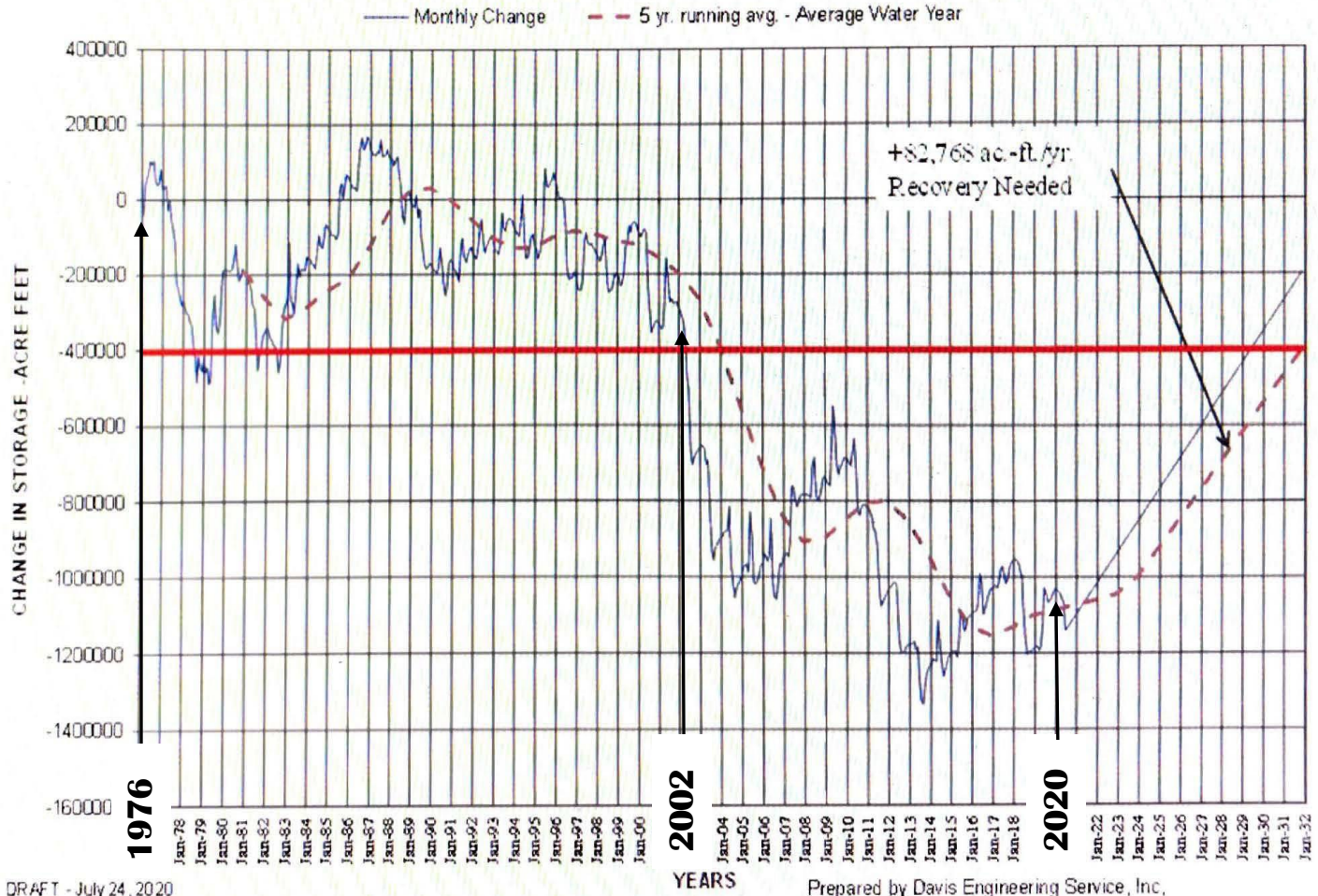
Groundwater sustainability =

Republican Basin upwards of 135,420+ acres

Rio Grande Basin 81,000+ acres



CHANGE IN UNCONFINED AQUIFER STORAGE WEST CENTRAL SAN LUIS VALLEY

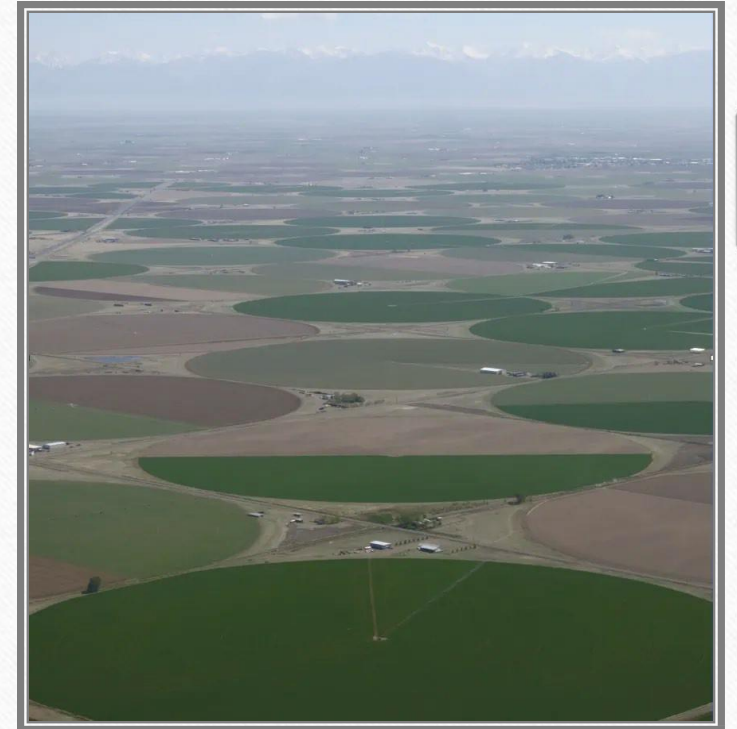


DRAFT - July 24, 2020

Prepared by Davis Engineering Service, Inc.
For Rio Grande Water Conservation Dist.

Creating a new tool – Groundwater Conservation Easements

- Rather than focusing on land restrictions, focus on limiting groundwater pumping
- Percent reduction in pumping is permanent, but irrigator determines how to best achieve that reduction (not all or nothing)
- Ensures that water is left in aquifer
- Leverages traditional conservation incentives; Colorado Open Lands secured \$9M Regional Partnership Program grant through NRCS for both funding for groundwater easements and for funding for revegetation costs



Funding and Land Transition

- Conservation easement requires that well retirement occurs within 10 years; requires revegetation:
 - Water available for 10 years to establish vegetation
 - Keeping land in production prior to starting revegetation (Peachwood fallow/reveg will occur in phases with 3-4 circles/yr)
- Colorado Open Lands secured \$9M Regional Partnership Program grant through NRCS for both funding for groundwater easements and for funding for revegetation costs



Sarah Parmar

sparmar@coloradoopenlands.org



Water Optimization & Conservation Opportunities in Colorado's Arkansas Basin

Rebecca Jewett

President and CEO, Palmer Land Conservancy



Palmer Land Conservancy

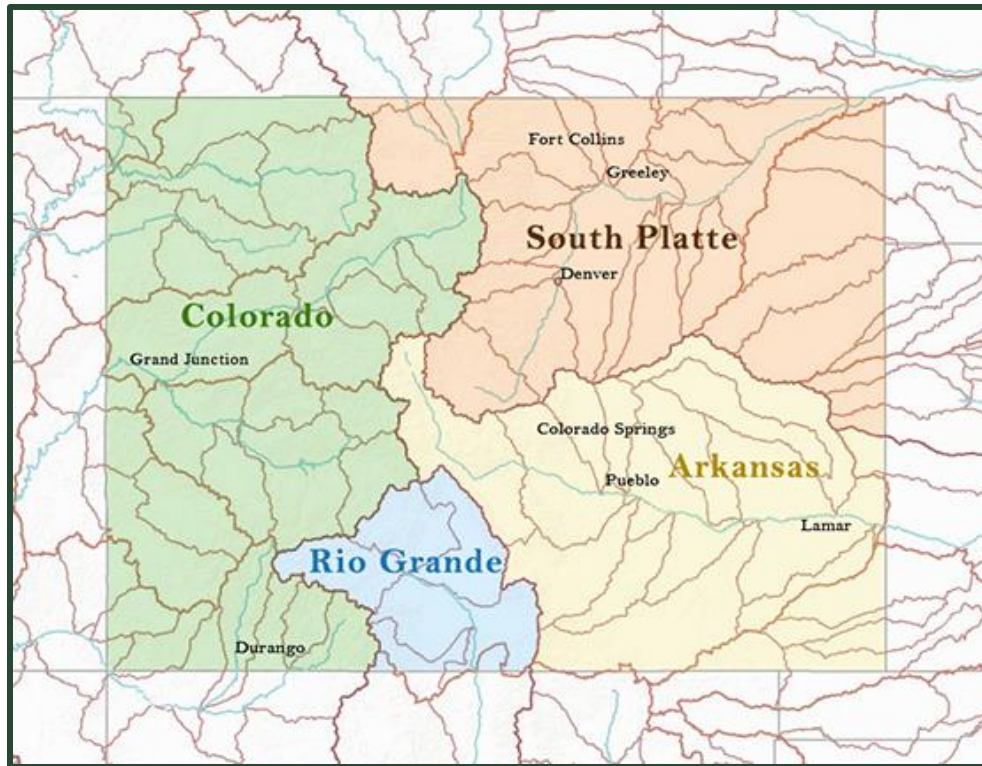
Nearly 50 Years of Impact in Colorado

OUR MISSION

To protect land and water for the wellbeing of nature and people.



Arkansas River Basin



- **Rapid Front Range Development**
- **Agriculturally Significant Region**
- **Water Short Basin**
- **Confronting and Avoiding ‘Buy-and-Dry,’ which Disproportionately Impacts Rural Communities**
- **Reliance on Imported Supplies**
- **Competing Uses for the Same Water Resources**
- **Complex Hydrology & Extreme Hydrologic Conditions**
- **Complicated Water Rights Administration**
- **Declining Groundwater Levels**
- **Increased Demand for Augmentation Water**



Water Strategy Program Goals

- **Maintain Basin/Region's Water Supplies**
- **Optimize Water Resources for WIN-WIN-WIN Outcomes**
 - **Maintain Agriculture as Economic Driver**
 - **Support Necessary Municipal Growth**
 - **Improve Ecological Outcomes**
- **Keep Most Productive Land in Agricultural Production**
- **When Necessary, Strategically Dry Up and Revegetate Less Productive Land**



The Bessemer Farmland Conservation Project

Mitigating the effects of Buy and Dry and Optimizing Limited Water Resources...

Transfer of water rights from agriculture to municipal use



Agricultural lands are permanently fallowed



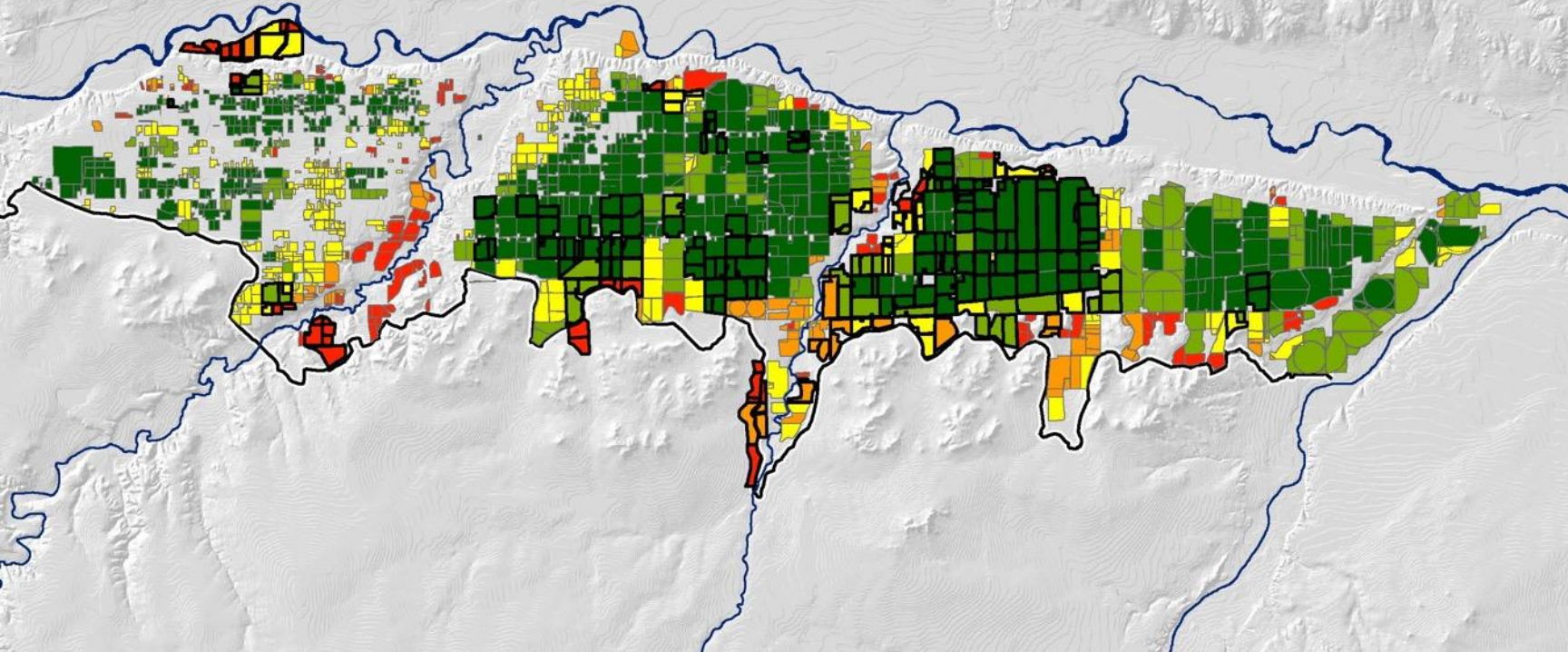
Environmental, economic, and community impacts



... in Pueblo County



WIN-WIN-WIN SOLUTION



- **Voluntary, market-based approach**
- **Optimizes water resources based on productivity**
- **Municipality retains full yield**
- **Most productive farms remain in production**
- **Pilot project in motion**

FARMLAND PROTECTION PRIORITY

ALL PARCELS

	>= 90% of Highest Farmland Rank	8,767 ac	445 parcels
	>= 75% < 90% of Highest Farmland Rank	3,343 ac	124 parcels
	>= 60% < 75% of Highest Farmland Rank	2,528 ac	247 parcels
	>= 50% < 60% of Highest Farmland Rank	1,114 ac	54 parcels
	< 50% of Highest Farmland Rank	1,217 ac	138 parcels



Las Animas Water Strategy Project



- **Ditch-wide view and strategic approach to optimize water resources**
- **Innovative application of existing tools**
- **Collaborative effort with current water owner (utility), municipal water provider, local community/farmers**
- **Agreement to 70/30 water use split**
- **Palmer = perpetual, conservation solutions; neutral mediator; robust toolbox; subject matter expert**



The Expanded Toolkit



Law, Policy, & Regulation

Substitution of dry-up provision, 1041 regulations, other innovative tools



Technical Conservation Tools

Conservation easements, land ownership, deed restrictions



Storytelling and Community Engagement



Quantitative Data

In-depth mapping, economic impact analyses, and modeling based in science



Strategic Financing

Stacked capital, leveraged investments, and financing



Water Program Values

Thriving, Resilient Rural Communities

Equity in Resource Allocation

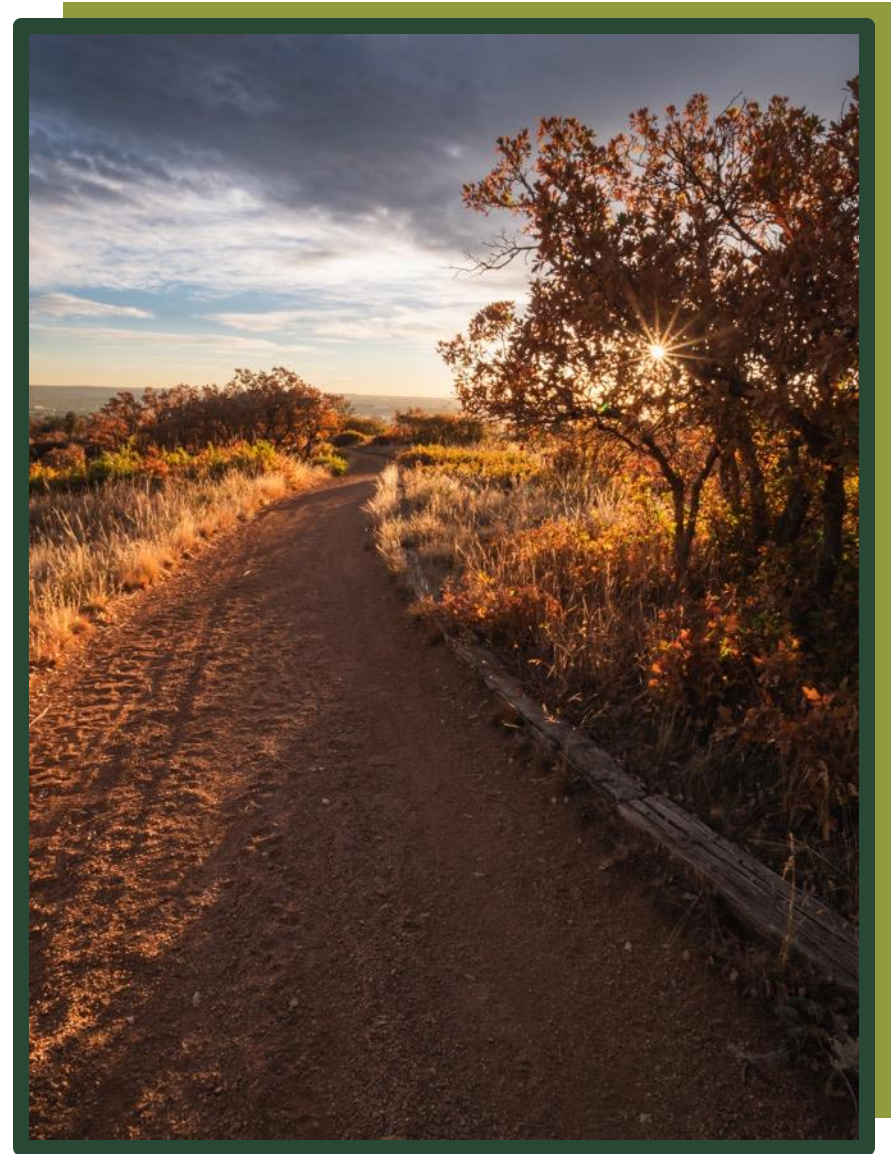
Local

Market-Driven

Nonpartisan

Permanent

Voluntary



A Strategic & Comprehensive Approach to Water Optimization That Provides for:

- **Thriving Agriculture**
- **Water Secure Cities**
- **A Resilient Environment**



Questions?



Check Us Out: Palmerland.org

*Visit Us: 102 S Tejon St, Suite 920,
Colorado Springs, CO 80903*

*Contact Rebecca Jewett:
Rebecca@palmerland.org*

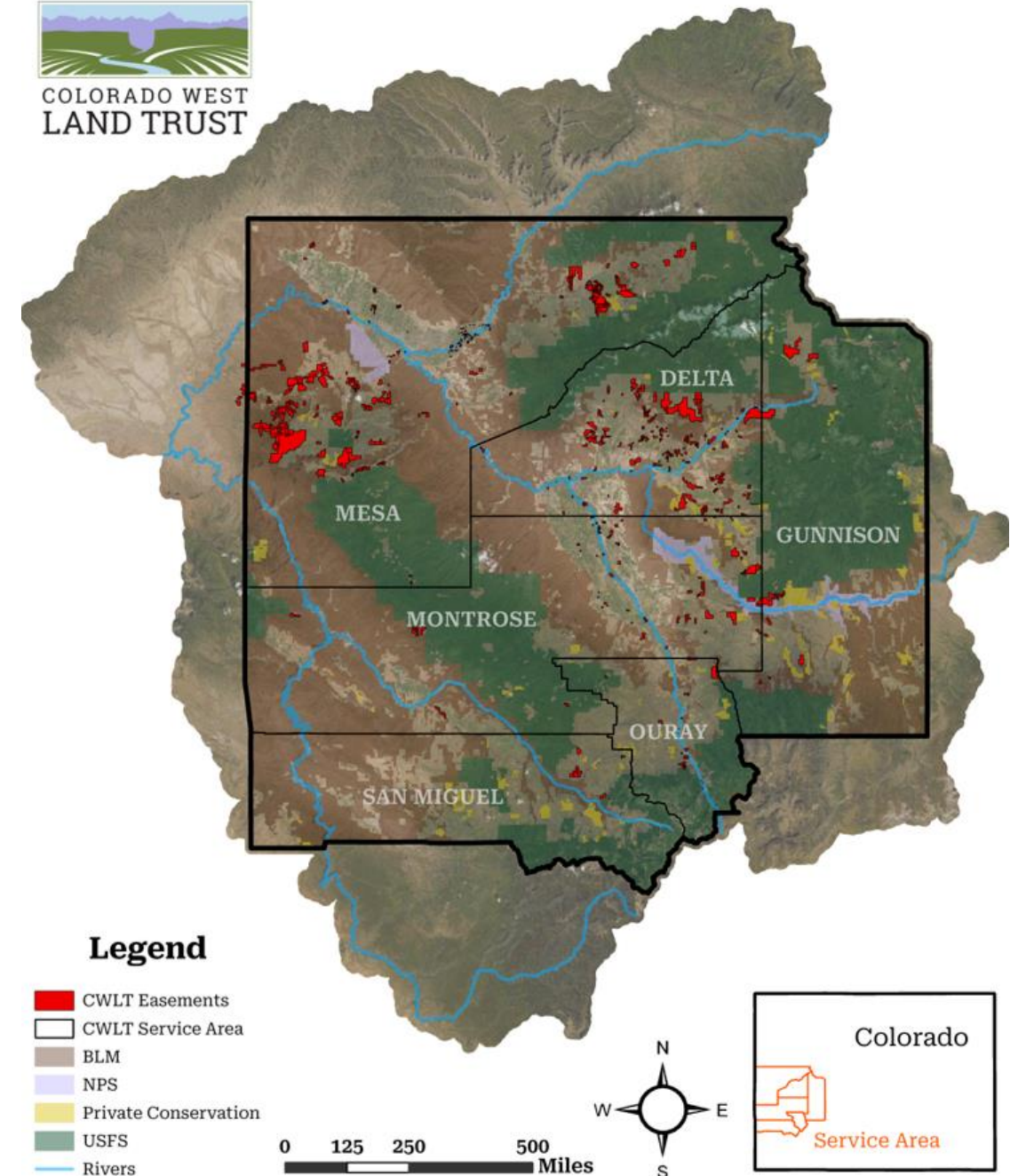


COLORADO WEST LAND TRUST



Colorado West Land Trust by the numbers

- 133,500 acres conserved
- 200+ square miles of land
- 600+ conservation easements:
 - 16,000 irrigated acres cropland
 - 2,500 acres of fruit land
 - 7,400 acres along streams and rivers
- Service area includes 317,000 acres of irrigated ground

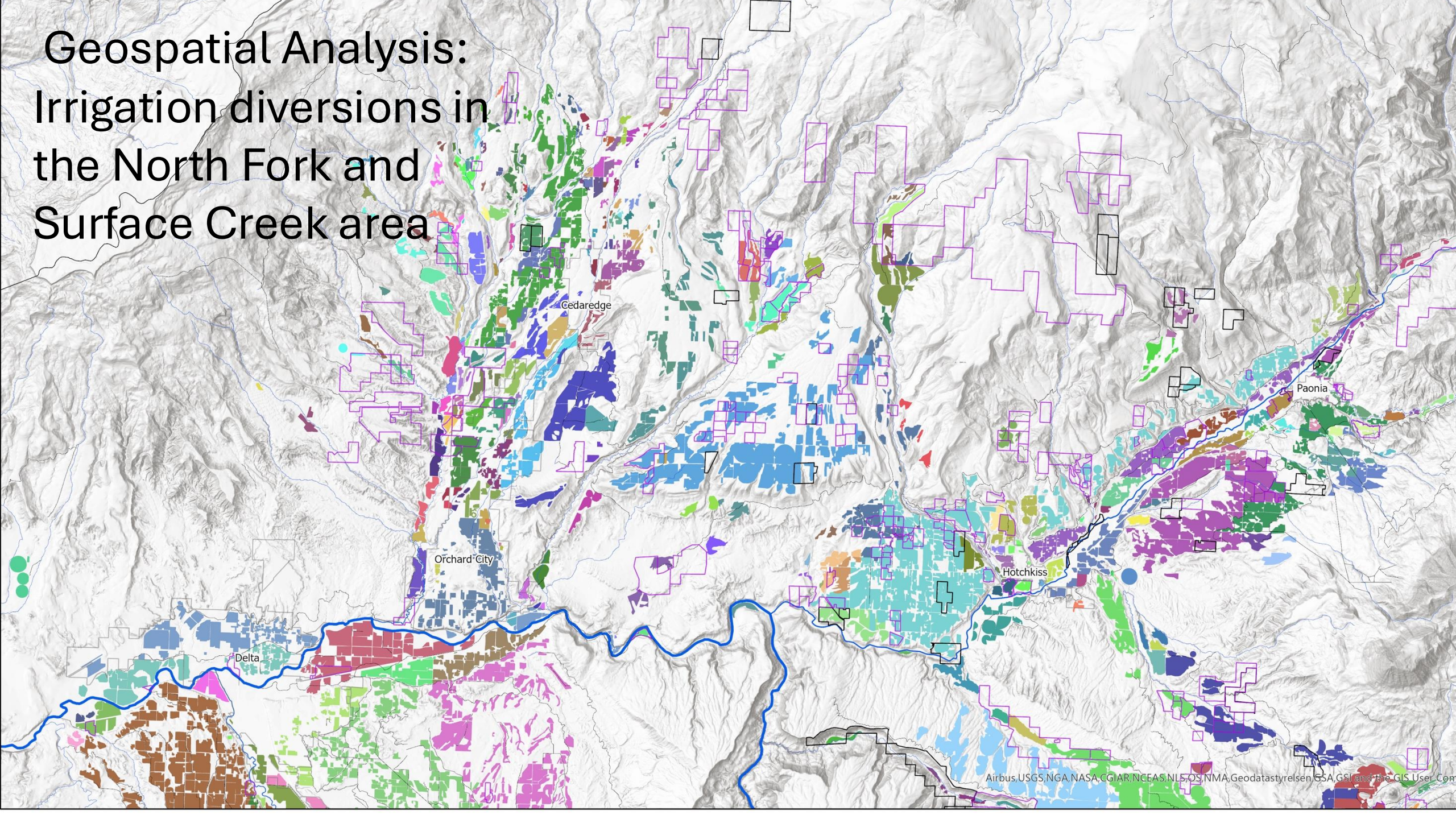




Water Initiative:

- Enhance the viability and resilience of agricultural communities and economies
- Protect and preserve river systems & wetland habitat

Geospatial Analysis: Irrigation diversions in the North Fork and Surface Creek area



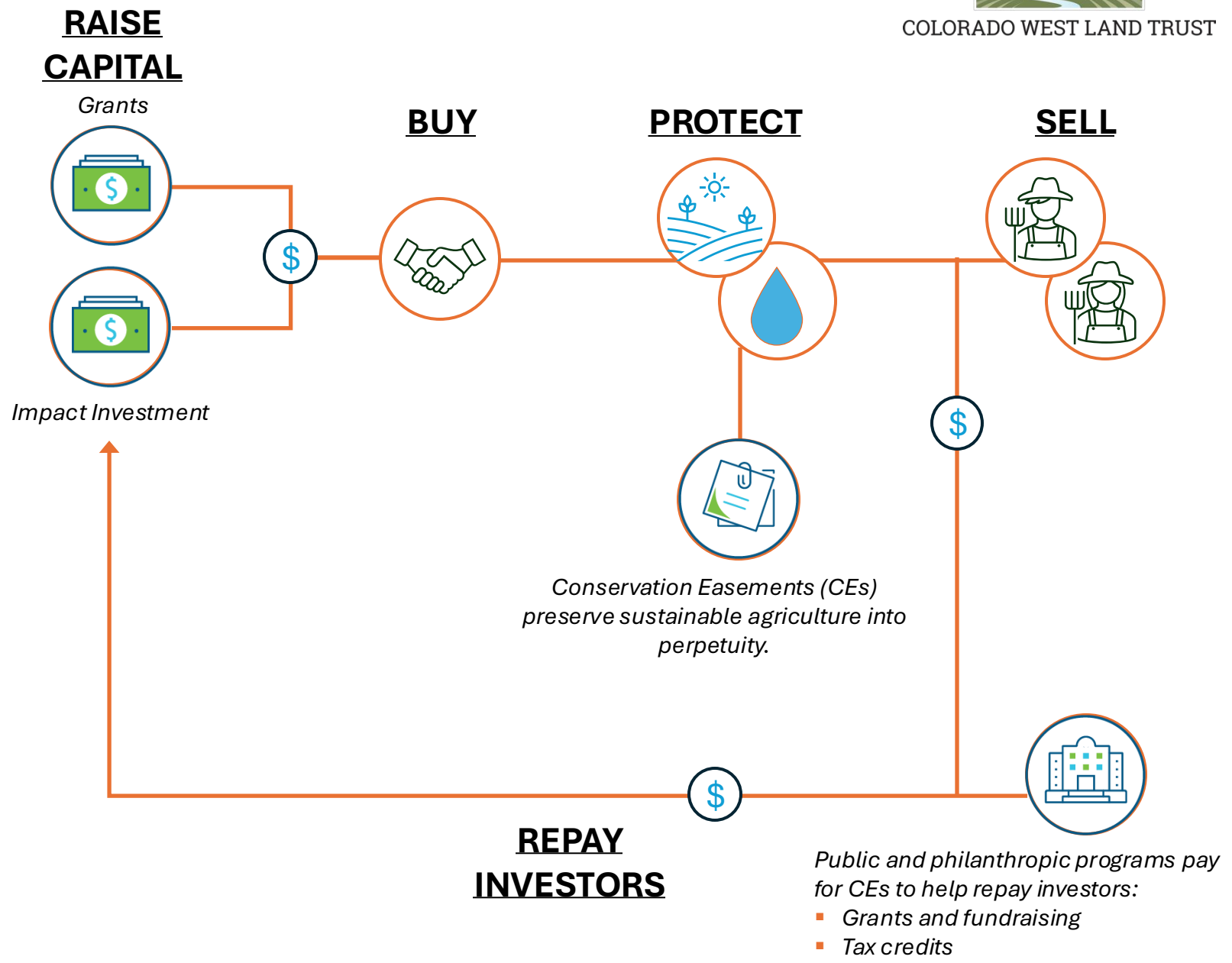
New tools: Buy-Protect-Sell

1 Buy: Fee-simple purchase of irrigated farmland using blended capital

2 Protect: Lease farms and support sustainable agriculture:

- Water conservation
- Water quality mgmt.
- Land conservation

3 Sell: Protected farms are sold to local farmers to repay investors along with grants and state tax credits



CWLT's Buy-Protect-Sell project will pave the way for land trusts to use a market-based approach to conservation

A successful acquisition will require philanthropic, public, and investment capital partners

Acquisition capital

- **Acquisition Grants:** *reduces necessary return-seeking investment capital*
- **Investment Capital*:**
 - **Concessionary-rate loans:** *best fits conservation finance goals*
 - **Commercial-rate loans:** *fills remaining capital gaps as needed*
- **Loan Guarantees:** *enables CWLT to secure investment capital*

Conservation capital

- **Interest-rate buydown grants:** *enables access to more capital, close transaction faster, and keep leases low for farmers*
- **Conservation Easement funding:** *ensures permanent conservation of land and water*
- **Operating grants:** *supports implementing innovative pilot transaction*



2024 Conservation Finance Roundtable

Session 5: Dolphin Tank

Will Lepry, *Colorado Mass Timber Coalition*

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Thank You for Attending the 2024 Denver Conservation Finance Roundtable

Please join us for a reception in the CSU
Spur Hydro Building from 6:00 to 7:30 pm!

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