

THE CONSERVATION FINANCE NETWORK

2019 Chesapeake Conservation Finance Intensive

Workshop Summary Report to the Chesapeake Bay Trust by the Conservation Finance Network

The Chesapeake Conservation Finance Intensive workshop was held December 16-18th, 2019, at the National Conservation Training Center in Shepherdstown, West Virginia. The workshop was delivered by the Conservation Finance Network (CFN) and made possible by Chesapeake Bay Program's Goal Implementation Team funding initiative administered by the Chesapeake Bay Trust. Additional support to CFN for planning and hosting the workshop came from the project advisory group that included the Chesapeake Bay Program Healthy Watersheds Goal Implementation Team, Chesapeake Conservation Partnership, Alliance for the Chesapeake Bay, the National Park Service Chesapeake Bay Office, and Land Trust Alliance (LTA).

The workshop included 29 attendees, selected through an application process led by LTA with guidance from the rest of the project advisory group. Attendees represented a range of land trusts, NGOs, government agencies, and private sector representatives working in the Chesapeake watershed. In addition, 25 presenters provided their expertise from working in conservation finance either in the Chesapeake or other regions in the U.S.

Topics on the workshop agenda include conservation finance 101, underutilized sources of public funding, ecosystem service markets (including carbon, wetland mitigation, and water quality markets), state revolving funds for clean water, and the role of intermediaries (with examples focused on water fund development). In addition, the final day of the workshop was dedicated to the "dolphin tank" structuring workshop, giving attendees the opportunity to present problems and questions from their work to be discussed by an expert panel. LTA also published a blog detailing the gathering: <https://www.landtrustalliance.org/blog/fervidly-facilitating-financial-feats>

This workshop summary report includes:

- A. Summary of the proposed next steps from the workshop
- B. Workshop Announcement
- C. Workshop Agenda
- D. List of Read-Aheads
- E. Attendee List
- F. Presenter List
- G. Photos

For more information on this workshop, please contact:

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Program Director, CFN

Allegra Wrocklage
Program Manager, CFN

Proposed Next Steps to the Chesapeake Conservation Finance Intensive

The final day of the workshop included a brainstorming session facilitated by CFN, LTA, and the National Park Service Chesapeake Bay Office aimed at advancing the use of funding and financing approaches in the Chesapeake region beyond the workshop. During this session attendees and presenters discussed how connections and learnings from the workshop could be carried forward by practitioners in the region. CFN aggregated their thoughts, ideas, questions, and suggestions below:

- There is a need for a range of follow-on programming from the Intensive, such as charettes, mentoring, meetings in person, and deal doctor webinars.
- Many land trusts and organizations need seed funding to due diligence the feasibility of conservation finance projects they are interested in launching (for example, entering the carbon market or standing up a water fund).
- With the Forever Maryland Foundation starting up, there is an opportunity to make a core pillar of the foundation's mission to be a support and funding resource for implementing conservation finance projects.
- In Maryland there are many state and local funding sources, however, research into these can be overwhelming for small land trusts with limited staff capacity. The Forever Maryland Foundation could also provide guidance on targeting public funding opportunities.
- Networking opportunities for groups focusing on similar projects like acquisitions or trail project would be helpful. These groups could also be focused around flavor of capital, stages of projects (incubate, accelerate, introduction to capital markets), or people who are looking for projects to fund.
- What are ways that we could distribute this information, and help partners share their project information and experiences with each other? Could we utilize a website or webinar series?
- It is important to identify the areas where a concentrated effort could move the needle and develop successful pilots.
- More participation from New York state in Chesapeake conservation is important.
- Many participants were struck by the higher level of debt that the Vermont Land Trusts carries on their balance sheet, making them think that land trusts are very conservative on the amount of debt they carry. There was an acknowledged opportunity for land trusts to consult with experts and learn how to carry more debt. This would move beyond traditional NGO financial management, and potentially help land trusts to operate with more risk in order to conserve more land.
- There are a number of other parcelized landscapes in the United States, for example greater Chicago area. The Chesapeake can both learn from and provide lessons to these landscapes.
- Case studies remain very important in outlining enabling and disabling factors.
- There is interest in the possibility of a traveling "pod of dolphins" (modeled on CFN's dolphin tank session) coming into different organizations to work with them over a few days or week was of interest. There could also be half-day every month where dolphins are individually available by phone, and people have 15-minute opportunities to talk with them.
- Trainings for boards remains important. Vermont Land Trust described their journey with taking on debt and how it took time for their board to get comfortable with new tools. Board-level support always remains important for innovative projects.
- An all-volunteer land trust that is very small still needs foundational coaching on simple tools, for example, needing to know the details of different foundations in order to frame proposal



CHESAPEAKE WATERSHED CONSERVATION FINANCE INTENSIVE WORKSHOP

**Monday, December 16, 2019, 12:00 PM until
Wednesday, December 18, 2019, 12:00PM
National Conservation Training Center
Shepherdstown, WV**

Are you looking to access new sources of funding for land conservation deals? Do you require more complex funding and financing tools to achieve your land conservation goals? We've designed this workshop for you.

We are pleased to announce the Chesapeake Watershed Conservation Finance Intensive Workshop, which will be held December 16-18, 2019 at the National Conservation Training Center in Shepherdstown, WV. This is a multi-day, intensive training course to help mid-career professionals utilize innovative and effective financing strategies for land and resource conservation, restoration, and stewardship.

The course is delivered by the Conservation Finance Network and made possible by Chesapeake Bay Program's (CBP) GIT (Goal Implementation Team) funding initiative, administered by the Chesapeake Bay Trust. Sponsors include the CBP Healthy Watersheds GIT, Chesapeake Conservation Partnership, Alliance for the Chesapeake Bay, and the Land Trust Alliance.

Applications for the workshop will be accepted through October 25, 2019. Please apply online [here](#).

For further details, like cost, selection process, etc. refer to these FAQs. For questions, please contact Jennifer Miller Herzog, jmillerherzog@lta.org or 406-580-6410.

FAQs

Who should apply?

Mid-career professionals integrating conservation finance into their land and resource conservation work, including (but not limited to) land trust and NGO professionals, public agency professionals, foundation officers, board members, private sector investors, business executives, legal counselors, and academics. Applicants working on conservation finance projects they are interested in workshoping with peers and course faculty are strongly encouraged to apply. We do not encourage students to apply, given the applied nature of the course.

What will the course cover?

Course content will include an introduction to conservation finance; sessions on trends in public and private funding, environmental credit markets, water funds, carbon finance, performance-based contracting and partnerships, and conservation investing; and a project structuring workshop if there is sufficient interest.

What does it cost?

Tuition is offered at no cost. Attendees are responsible for their own transportation, lodging and meals. The cost for two nights' lodging and six meals at NCTC is about \$300.

When will I hear back?

We will communicate decisions beginning November 1. After first-round decisions are made, we may re-open applications in the event that seats remain in the course.

How are decisions made?

Applicants are selected based on a combination of factors including the applicability of course content to their work, a demonstrated intent to apply what they learn, and cohort balance and composition based on experience, geography, and other factors.

Is there a waitlist?

Yes, if there is sufficient interest. When decisions are made, we will give selected applicants the option to be added to the waitlist.

Is the course open to applicants outside the Chesapeake watershed?

No. Course content and topics are chosen specifically for their applicability to Chesapeake watershed context and challenges. We will draw heavily upon regional case studies and examples that may be constrained by local and state laws and policies.

Chesapeake Conservation Finance Intensive

December 16-18, 2019

National Conservation Training Center, Shepherdstown WV

Delivered by the Conservation Finance Network and made possible by Chesapeake Bay Program's (CBP) Goal Implementation Team (GIT) funding initiative administered by the Chesapeake Bay Trust. Additional support from the CBP Healthy Watersheds GIT, Chesapeake Conservation Partnership, Alliance for the Chesapeake Bay, and the Land Trust Alliance.

Monday 12/16

Location		Primary Contacts
Unless noted, all sessions will take place here: Room 114 Instructional East		Jennifer Miller Herzog: 406-580-6410 Allegra Wrocklage: 734-776-2530
11:30 – 1:00	Lunch available at NCTC	
1:00 – 1:30	Welcome Remarks and Introductions <i>Welcome remarks from Land Trust Alliance, introduction of Conservation Finance Network, outline of the workshop, and rapid fire introductions of attendees.</i> Presenters: Jennifer Miller Herzog, Land Trust Alliance; Leigh Whelpton, The Conservation Finance Network; Allegra Wrocklage, The Conservation Finance Network	
2:00 – 2:45	Chesapeake Funding 101: New and Leveraged Public and Philanthropic Funding <i>Overview on trends and new research on public and private funding, specifically innovations in philanthropic funding and underutilized local, state, and federal funds.</i> Presenters: Jonathan Doherty, National Park Service Chesapeake Bay; Jennifer Miller Herzog, Land Trust Alliance	
2:45 – 3:00	Break	
3:00 – 3:30	Ballot Measures (Remote Presentation) <i>Opportunities for ballot measures in the Chesapeake region.</i> Presenter: Will Abberger, Trust for Public Land	
3:30 – 4:15	Chesapeake Public Policy 101: An Orientation to the Regulatory Landscape <i>An overview of regulations and policy tools for conservation in the Chesapeake, specifically non-point-source water quality markets, permitting, and natural climate solutions. This discussion will lay the groundwork for innovative conservation finance tools to be discussed during the rest of the workshop.</i> Presenter: Mark Bryer, The Nature Conservancy	
4:15 – 5:45	Conservation Finance 101: Overview and what’s working for you? <i>101 overview, the long road to market formation, and background and context on the conservation finance investment landscape by taking stock of the evolution of the field.</i> Presenters: Leigh Whelpton, The Conservation Finance Network; Peter Stein, The Lyme Timber Company	
5:45 – 6:15	Day 1 Wrap-up Discussion	

Section C: Workshop Agenda

Tuesday 12/17

6:30 – 8:30 am	Breakfast served at NCTC
8:30 – 9:45	<p>Ecosystem Service Markets & the Chesapeake – Part I <i>Overview of ecosystem service markets and strategies, with insight on investor interest and inhibitions, the contrast of compliance vs. voluntary market drivers, selling beneficiaries on cost savings, and aggregation.</i></p> <ul style="list-style-type: none"> • The Market Development Framework: Leigh Whelpton, The Conservation Finance Network • Carbon: Dylan Jenkins, Finite Carbon • Wetland & Stream Mitigation, Stormwater Markets: Katherine Birnie, Ecosystem Investment Partners
9:45 – 10:15	Break
10:15 – 11:15	<p>Ecosystem Service Markets & the Chesapeake – Part II</p> <ul style="list-style-type: none"> • Water Quality: Callan Walsh, i2 Capital • Conservation Banking: Katie Allen, The Conservation Fund
11:15 – 12:00	<p>Outcomes-Based Contracting <i>Examples from both within and outside the Chesapeake region of pay for success and other outcomes-based project models.</i></p> <p>Presenter: Seth Brown, Quantified Ventures</p>
12:00 – 1:00	Lunch served at NCTC
1:00 – 2:00	<p>State Revolving Funds <i>An overview of how to access State Revolving Funds for land conservation with discussion of progress and opportunities in the Chesapeake region.</i></p> <p>Presenters: Jeff Lerner, Healthy Watersheds Consortium; Alison Souders, EPA; Peter Stein, The Lyme Timber Company</p>
2:00 – 2:30	Break
2:30 – 3:15	<p>Water Funds <i>Understanding different structures and considerations for water funds, specifically philanthropic models.</i></p> <p>Presenter: Peter Howell, Open Space Institute</p>
3:15 – 3:45	Day 2 Wrap-up Discussion
3:45 – 5:00	Free
5:00 – 6:15	Happy Hour with Appalachian Trail Landscape Partnership
6:15 – 7:30	Dinner served at NCTC
7:30	<p>Fireside Chat: Conservation-Oriented Impact Investing <i>A conversation on the conservation investment landscape in the context of market development framework.</i></p> <p>Panel: Peter Stein, The Lyme Timber Company; Mary McBryde, Fidelity Foundation; Nick Richardson, Vermont Land Trust</p>

Section C: Workshop Agenda

Wednesday 12/18

6:30 – 8:30 am	Breakfast served at NCTC
8:30 – 10:30	<p>Dolphin Tank Structuring Workshop <i>Attendees who have been selected to participate will present projects and questions from their work related to conservation finance to receive feedback from an expert panel.</i></p> <p>Panel: Joe Hankins, The Conservation Fund; Peter Howell, Open Space Institute; Mary McBryde, Fidelity Foundation; Peter Stein, The Lyme Timber Company; Hannah Vargason, Natural Capital Investment Fund</p> <p>Facilitator: Allegra Wrocklage, The Conservation Finance Network</p>
10:30-10:45	Break
10:45 – 11:30	<p>Wrap-up and Next Steps <i>A formal overview of the CFN's other programs and resources, and a recap of next steps and actions following the workshop.</i></p> <p>Moderators: Jennifer Miller Herzog, Land Trust Alliance; Peter Stein, The Lyme Timber Company; Leigh Whelpton, The Conservation Finance Network; Allegra Wrocklage, The Conservation Finance Network</p>
11:30 – 1:00	<p>**reminder to submit reflection worksheets Lunch served at NCTC (optional)</p>

**Chesapeake Conservation Finance Intensive Course
December 16-18, 2019; National Conservation Training Center**

Read-Aheads

Required Readings

- [Marking Milestones: Progress in Conserving Land in the Chesapeake Bay Watershed](#)
- [Private Capital for Working Lands Conservation: A Market Development Framework](#) – A general framework for understanding how environmental markets and approaches materialize and mature with case studies on grasslands carbon, sustainable ag, and sustainable timber.
- Voluntary Surcharge: [CFN Toolkit](#)
- Ballot Measures: [CFN Toolkit](#)
- Bridge Financing: [CFN Toolkit](#)
- State Revolving Funds: [CFN Toolkit](#)
- Partnering with Water Utilities: [CFN Toolkit](#)
- Pay for Success
 - [CFN Toolkit](#)
 - [A Pioneering Environmental Impact Bond for DC Water](#)
- Water Funds: [Revolving Water Fund Pilots PFS Approach for Water Quality Improvements](#)
- Forest Carbon: [CFN Toolkit](#)

Additional Readings

- [A Field Guide to Conservation Finance](#) by Story Clark. Use code CFN25 for 25% discount at www.islandpress.org

**Chesapeake Conservation Finance Intensive Course
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Attendee List

Kim Biasioli

VA Department of Forestry
Charlottesville, VA

Katie Brownson

USDA-Forest Service
Annapolis, MD

Kevin Case

Land Trust Alliance
Saratoga Springs, NY

David Diaz

Otsego Land Trust
Cooperstown, NY

Justin Doyle

James River Association
Richmond, VA

Tom Gilmore

American Battlefield Trust
Washington, DC

Kelly Gutshall

LandStudies, Inc.
Lititz, PA

John Harbin

Living River Restoration Trust
Portsmouth, VA

Hunter Hopcroft

Longleaf / Outsyde
Richmond, VA

Peter Hujik

Piedmont Environmental Council
Warrenton, VA

Jennifer Jones

Cacapon and Lost Rivers Land Trust
Wardensville, WV

Ann Jones

The Land Preservation Trust
Ellicott City, MD

Sarah Kipp

Land Conservancy of Adams County
Gettysburg, PA

Kristin Kirkwood

Harford Land Trust
Bel Air, MD

Sarah Knebel

Scenic Rivers Land Trust
Annapolis, MD

Tracy Lind

Piedmont Environmental Council
Winchester, VA

Melanie McGinnes

Department of the Navy
Readiness & Environmental Protection
Integration Patuxent River, MD

Greg Meyer

Northern Virginia Conservation Trust
Annandale, VA

Jeb Musser

Lancaster Farmland Trust
Strasburg, PA

Kate Patton

Lower Shore Land Trust
Snow Hill, MD

Section E: Attendee List

Christine Pentino

Trust for Public Land
Cacapon & Lost Rivers Land Trust
Baltimore, MD

Dan Pierce

PA Department of Conservation & Natural
Resources
Harrisburg, PA

Susan Shingledecker

Chesapeake Conservancy
Annapolis, MD

Natasha Skelton

The Conservation Fund
Bridgewater, VA

Bonnie Stubblefield

Land Trust of the Eastern Panhandle
Martinsburg, WV

Jenn Teson

Lancaster Conservancy
Lancaster, PA

Emily Warner

Potomac Conservancy
Winchester, VA

Charlie Westbrook

Atoka Conservation Exchange
Richmond, VA

Suzy Yetter

ClearWater Conservancy
State College, PA

Section F: Presenter List

**Chesapeake Conservation Finance Intensive
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Presenter List

Will Abberger

Trust for Public Land

Dylan Jenkins

Finite Carbon

Katie Allen

The Conservation Fund

Jeff Lerner

Healthy Watersheds Consortium

Katherine Birnie

Ecosystem Investment Partners

Tim Male

Environmental Policy Innovation Center

Seth Brown

Quantified Ventures

Jennifer Miller Herzog

Land Trust Alliance

Mark Bryer

The Nature Conservancy

Nick Richardson

Vermont Land Trust

Jonathan Doherty

National Park Service Chesapeake Bay

Alison Souders

U.S. Environmental Protection Agency

John Griffin

Chesapeake Conservation Partnership

Peter Stein

The Lyme Timber Company

Joe Hankins

The Conservation Fund

Hannah Vargason

Natural Capital Investment Fund

Craig Highfield

Alliance for the Chesapeake Bay

Callan Walsh

i2 Capital

Peter Howell

Open Space Institute

Leigh Whelpton

The Conservation Finance Network

Allegra Wrocklage

The Conservation Finance Network

Section G: Photos

