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Forest Resilience Bond to help fund \$4.6 million restoration project to mitigate wildfire risk in Tahoe National Forest

SACRAMENTO, CA (November 1, 2018) — This summer, California experienced its [largest fire in state history](#)—the latest disaster in a growing trend towards hotter, larger, and more destructive fires. Without urgent action, wildfires will be even deadlier and costlier in years to come. The Forest Resilience Bond (FRB), developed by [Blue Forest Conservation](#) (BFC) in partnership with [World Resources Institute](#) (WRI), raises private capital to finance forest restoration today, to reduce the risk of severe fire tomorrow. **With financing secured from The Rockefeller Foundation, the Gordon & Betty Moore Foundation, Calvert Impact Capital, and CSAA Insurance Group**, private capital will now fund the upfront costs of forest restoration, while multiple beneficiaries share in the cost of reimbursing investors over time. This marks the progression of the FRB from an innovative idea to a tangible solution for scaling investment in forest health and mitigating wildfire risk.

“If everyone contributes a little bit towards forest health treatments, a great deal of benefit, both ecologically and economically, will be realized by all”, explained **Todd Gartner**, Director of the Natural Infrastructure Initiative at WRI.

The investment will kick off a forest restoration project protecting 15,000 acres of forestland in the North Yuba River watershed using ecologically based tree thinning, meadow restoration, prescribed burning, and invasive species management—all specifically designed to reduce the risk of severe fire, improve watershed health, and protect water resources. The restoration treatments are prescribed by the Forest Service, benefit from public comment, and rely on the work of existing restoration crews.

“There is overwhelming need for cost-effective climate solutions to help communities dealing with the dual threats of mega-fires and droughts. The Rockefeller Foundation is proud to support the Forest Resilience Bond, which demonstrates the importance of infusing the market with new thinking and new

capital through attractive, investable financing mechanisms,” said **Saadia Madsbjerg**, managing director at The Rockefeller Foundation.

The Yuba Water Agency, a utility provider that recognizes the benefits of restoration to local water and power resources, has committed \$1.5 million over five years to reimburse investors. In addition, the state of California has committed \$2.6M in grant funding to the project from the state’s Climate Change Investment program. The Tahoe National Forest will provide in-kind support and services and has provided all the resources associated with planning and permitting the project. The National Forest Foundation serves as one of the project’s primary implementation partners, leading much of the forest restoration work on the ground.

“The financing provided by the FRB provides us with the financial flexibility to accelerate the pace and scale of restoration treatments at a time when this work is needed most”, said **Marcus Selig**, Vice President of Field Programs for the National Forest Foundation.

The board of the Yuba Water Agency “unanimously supported this project due to its benefits for Yuba County’s water quality, quantity, forest health, air quality, economy and environment,” said Yuba Water Agency Vice-Chairman **Randy Fletcher**. “It could mean really big things for our ability to reduce the fuel load by thinning the forest in a healthy, responsible way, thereby significantly reducing the fire risk to our residents, while bringing great benefits to the Yuba watershed.”

The FRB also makes a compelling case to investors.

“The Forest Resilience Bond provides diversification while also benefitting our communities by making them safer,” said **Linc Walworth**, vice president of investments at CSAA Insurance Group, a AAA insurer offering insurance to AAA members in Northern California. “We earn a good return while helping the environment and our policyholders. What a great combination in a single investment.”

As the prescribed forest management techniques are applied in the North Yuba River watershed, researchers from the Sierra Nevada Research Institute at UC Merced and the Natural Capital Project at Stanford University will monitor the impacts on water supply and other ecosystem services, providing data to quantify the benefits of restoration activities undertaken. Findings from this research could help catalyze future investment in forest restoration by showing how healthy landscapes can reduce fire risks—and by identifying the best possible interventions.

“This pilot program not only demonstrates a new mechanism for funding forest health projects, but also highlights the collaborative nature of modern National Forest land management,” said **Eli Ilano**, Tahoe National Forest Supervisor. “We are excited and honored to be part of a team that includes local and state agencies, non-profit partners, and organizations like Blue Forest Conservation and the World Resources Institute.”

Upon successful completion of the pilot project, BFC and WRI plan to launch a second expanded phase of restoration work that covers a much larger area of the Yuba River watershed. The team is also working to identify other landscapes across the West in which the FRB could play a role in promoting forest and watershed health, and mitigating wildfire risk.

“The value of the FRB is its ability to accelerate restoration activities by making funding available upfront, to promote collaboration between non-traditional partners, and to incorporate the value of

ecosystem services provided by healthy forests,” said Blue Forest Conservation Managing Partner **Zach Knight**. “We hope this pilot can serve as a template for any state struggling to fund forest restoration work.”

For more information, visit www.forestresiliencebond.com

Development of the FRB is supported by the Rockefeller Foundation, Gordon & Betty Moore Foundation, David & Lucile Packard Foundation, Bella Vista Foundation, and Fink Foundation. Additional support has been provided by the USDA-NRCS Conservation Innovation Grant program, USDA Small Business Innovation Research program, and Healthy Watersheds Consortium grant program facilitated through a partnership of the US EPA, USDA-NRCS, and the US Endowment for Forestry and Communities.

About Blue Forest Conservation

Blue Forest Conservation (BFC) is a Public Benefit Company with a mission to develop financially sustainable solutions to environmental challenges. Founded in 2015, BFC developed the Forest Resilience Bond to address the need for investment in forest health across the Western U.S. while building the market for conservation finance.

www.blueforestconservation.com

About World Resources Institute

WRI is a global research organization that spans more than 50 countries, with offices in the United States, Brazil, China, India, Indonesia, Ethiopia, Mexico and more. Our more than 700 experts and staff work closely with leaders to turn big ideas into action at the nexus of environment, economic opportunity and human well-being. More information at

www.wri.org.