

Annual Report 2016

PEOPLE / PLACE



ecotrust

**Powered by the belief
that people and
nature can thrive
together, Ecotrust
advances social
equity, economic
opportunity, and
environmental
well-being for all.**

**Effectively addressing today’s critical issues,
be it health care, finance, education, energy,
biodiversity loss, poverty, or climate change,
will take all of us—one institution can’t do it
alone. And about all we know for sure is there
will be more big surprises.**

At Ecotrust, we believe the most effective work we can do is help unleash innovation at universally relevant but local and bioregional scales. We need to innovate our way towards more resilient ecosystems, economies, and social systems so that we can reduce the risk of political turmoil and extreme climate, rebound from stress, and adapt to change.

The *Economist* defined innovation as “fresh thinking that creates market value.” Ecotrust believes we need fresh thinking—innovation—that creates market (economic), environmental, and social value.

The deepest, most powerful “fresh” thinking is inspired by nature, because we are a dependent part of natural systems. Over the evolutionary history of life on Earth, nature has solved all the fundamental design challenges of resilient, adaptive organisms, living communities, natural economies, and robust institutions. As the late Jane Jacobs—Ecotrust friend, advisor, and board member—said, “We can achieve a more reliable prosperity by practicing a natural model of development not because it is a better model, but because it is the only one.”

With your generous support, we are working to identify, implement, and widely disseminate fresh thinking. Together we can start a green revolution and build resilience in the face of the global crisis spurred by the converging forces of accelerating technology, population growth, and climate change. Our focus is bold experimentation with institutional resilience.

As the challenges of 2016 unfolded, we were grateful to all of you who joined us in steadily supporting a growing community of change—all of you who are revolutionizing the way we live and do business for the long term. Farmers, ranchers, fishermen, rural and urban pioneers who are blazing a new trail toward a more equitable, diverse, inclusive, restorative, prosperous world. Here, in our annual report, we are pleased to share encouraging stories of the work we are doing together to leave the place we call home a little better than we found it.



A handwritten signature in black ink that reads "Spencer B. Beebe".

Spencer B. Beebe / Founder and Executive Chair

« Every summer, seasonal fishermen get to work in Graveyard Point at the mouth of the Kvichak River, one of the five rivers that empty into Bristol Bay—home to North America’s last great sockeye salmon run. *Corey Arnold*



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Dave Flynn feeds his pigs at Carman Ranch in Wallowa, OR. Dave and his wife Cory Carman are fourth-generation ranchers, and have renewed the health of their lands by practicing regenerative ranching. They introduced pigs to their grass-fed beef operation to diversify their offerings to customers. *Nolan Calisch*

We are living through an extraordinary moment in our nation's history. The country is divided and anxious. The distance between urban and rural, left and right, feels greater than at any time in recent experience.

Here at home in the Pacific Northwest, our population is growing fast, and the demands on our natural systems are ever-greater. Growth and prosperity in the metropolitan parts of our region are often leaving rural areas behind. All of these new dynamics are having a disproportionate impact on the poor and people of color, making an already unacceptable level of inequity even worse.

With you working alongside us, we see opportunity in this difficult moment. We believe our work together matters just as much—if not more—than ever, and here's why:

First, the fact that Ecotrust can talk business and conservation, economy and ecology, urban and rural, that we're not associated with any political movement, means we have the access and credibility to engage all kinds of stakeholders.

Second, our region—in contrast to the national scene—remains a place where there is an almost infinite amount of energy devoted to building a new economy that embraces the diversity of our residents, the health of our natural systems, and our natural competitive advantages.

Third, in this era of partisan rancor and reduced spending, governments may well be less able, not more, to find solutions to the problems we work on. Ecotrust's approach is driven by the market, by science, and by bottom-up community engagement, and less by politics and public funding—putting us in a better position to work with you towards creating the future we want, from Alaska to northern California.

And finally, at a moment when members of our community who have been marginalized—because of race, immigration status, identity, income—are vulnerable, angry, and scared, doubling down on our commitment to equity has never felt more important. I hope our 2016 annual report will bring you some encouragement in these tough times. Your support has helped to bring healthy, local food to those who need it most; to restore thousands of acres of forestland and watersheds; to repatriate critical parcels of ancestral homeland to tribes; and to create good jobs for people in communities across our region. There is no doubt we've got a tough road ahead, but we are going to move forward together. Thank you for helping to create lasting change for all of us.



Jeremy Barnicle / Executive Director

THESE ARE OUR STORIES

"In a world that is getting hot, flat, and crowded, the task of creating the tools, systems, energy sources, and ethics to allow the planet to grow in cleaner, more sustainable ways is going to be the biggest challenge of our lifetime."
—Thomas Friedman

Flourishing farms, healthy forests, clean, clear rivers running free from the mountains to the ocean. Good paying jobs. Thriving rural and urban economies. Healthy, affordable, delicious local food on our tables. Just, equitable, diverse, and vibrant communities. Sound about right? This is our vision. And at Ecotrust, we are working alongside you to make this vision real every day.

How are we going to get there? Definitely not alone. It's going to take an all-hands, all-minds approach.

At Ecotrust, we've got mapmakers, ecologists, scientists, economists, designers, software developers—innovators of many stripes—who are working hard to develop new perspectives and opportunities in our region that will create social, economic, and environmental benefit for everyone who lives here. But what's more—we've got partners like you: A community committed to digging in and building a better world. These are your stories. This is your impact. Thank you for rising to the challenge with Ecotrust.



FOOD & FARMS 6

Growing a robust, regional food system



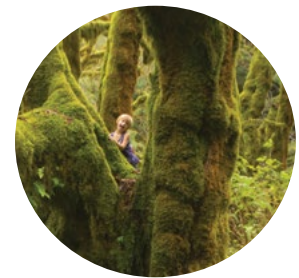
THE REDD 12

A working hub for regional food



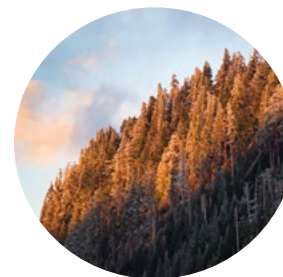
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**EQUITABLE,
PROSPEROUS,
RESTORATIVE,
DELICIOUS.**



Food fuels life.

The system of producing, processing, and distributing food creates jobs, engenders opportunity, drives innovation and productivity, and facilitates creative expression, especially in rural and underserved communities. But in the face of resource scarcity and growing global demand, we need a new model for our food system—one that is capable of building community resilience and feeding our most vulnerable eaters. In 2016, Ecotrust continued our work to grow a robust, regional food system by connecting large-scale food buyers with local farmers, ranchers, and fishermen, conducting strategic research to catalyze impact investments, and developing critical infrastructure at the Redd on Salmon Street.

« Gardener Suzanne guides children through a garden at a Portland preschool. Gardens like these have been shown to encourage students to eat fruits and vegetables by giving them the opportunity to grow their own. *Shawn Linehan*

INSPIRING BIG BUYERS TO USE THEIR PURCHASING POWER FOR CHANGE

School food is no small potatoes. When schools buy local food, it makes a real difference in the lives of kids, farmers, and local communities. Last year, we built oregonfarmtoschool.org—an online repository of farm to school impact data—to prove it.



A student at Parrish Middle School in Salem, OR samples a carrot top.

Shawn Linehan

Our research found that in the 2014-15 school year alone, farm to school programs generated more than \$34 million for Oregon's economy, fed more than 230,000 kids, and sourced food from nearly 200 farms.

Expanding our focus to include other institutions, we became the primary convener of the Northwest Food Buyers Alliance. The Alliance includes

foodservice directors at hospitals, schools, assisted living facilities, college campuses, and corporate cafes all eager to leverage their massive collective purchasing power to build healthier, more resilient communities and businesses by sourcing and serving food from within our region.

“30% of our budget went to buying local products for school meals. We were putting Oregon dollars back into Oregon agriculture. We were saving farms.

—**KATRINA WIEST**

Wellness Specialist, Bend-La Pine Schools

To get a sense of the potential impact, note that schools, hospitals, and correctional institutions in Oregon together serve 48 million meals per year. That's a whole lot of potatoes—not to mention, carrots, chicken, salmon, chickpeas, and wheat. ♦





Demand is high for pasture-raised pigs like this one at Finnriver Farm and Cidery in Chimacum, WA—a promising market, but one that is a challenge for mid-sized farmers to meet. Ecotrust is working to help bridge the gap between farmers, ranchers, and fishermen who want to scale up to reach larger markets by providing the services and infrastructure they need to do so. *Nolan Calisch*

BRIDGING THE GAP BETWEEN LOCAL VALUES AND WHOLESALE VOLUME

Two food systems have emerged in this country. The big one is globally sourced, highly processed, relatively affordable, and massively convenient. The tiny one is produced with fewer chemicals and more mindfulness, often yields higher nutrition and better flavor, and even offers potential for human and community connection. But it's expensive.

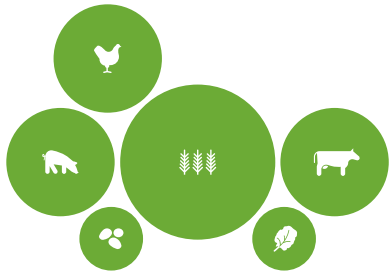


Cory Carman of Carman Ranch in Wallowa, OR practices regenerative ranching with a focus on healthy soil.
Nolan Calisch

Wouldn't it be nice if the tiny system became accessible to all?

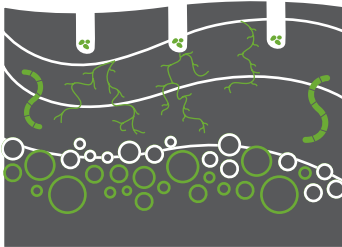
Trailblazing farmers, ranchers, and fishermen in our region are working to grow the tiny system, and we're supporting them every step of the way. By building markets, conducting needed research, coordinating infrastructure, and helping them to network, we are supporting these producers to build a food system that truly nourishes all of us.

In 2016, we learned something fascinating: The segment of the food system ripest for investment at a regional scale is not the beautiful veggies we picture at farmers' markets, but wheat and grains.



Access our food investment research at ecotrust.org/cffp

Together, we are rebuilding what we call the “ag of the middle”—opening bigger markets to regional producers, leveling the playing field, and making the tiny system more accessible to all. ♦



Wheat production that uses restorative practices, like no-till planting (bottom), is ripe for growth in our region. Traditional tilling (top) degrades soil quality over time by removing root systems, whereas no-till farming keeps underground roots in place, helping to retain water and restore nutrients.

The Redd on Salmon Street

A WORKING HUB FOR REGIONAL FOOD.



Scaling a robust, regional food economy.

The Redd on Salmon Street is an exciting new Ecotrust building development located in the heart of Portland’s historic Central Eastside. The two-block campus is designed to support local food enterprises—connecting chefs, foodservice directors, and entrepreneurs to independent farmers, ranchers, and fishermen in the region—and provide the kind of essential infrastructure that will help scale a robust, regional food economy across the Pacific Northwest. In 2016, we completed the first of our two-phased development: Redd West is now fully renovated, leased, occupied, and operating—providing cold storage, warehousing, commissary kitchen space, and offices for an amazing community of businesses working to change the food system.

100%

occupied in Redd West—a warm welcome to our charter tenants B-Line Sustainable Urban Delivery, SoupCycle, New Foods Market, Wilder Land & Sea, and FoodCorps



18,000+

square-foot warehouse and distribution / logistics center managed by B-Line Sustainable Urban Delivery

6,000+

square feet for FoodCorps’ headquarters, a national nonprofit connecting 97,000 kids to healthy food in schools every year



200+

pallet spaces inside a cold storage unit with an energy recapture system to heat the building’s hot water



“I immediately knew I wanted to be a part of the Redd. Our farm is in Junction City. That’s 110 miles from Portland, and for a small farm-based business and distributor such as ourselves, it’s expensive for us to go back and forth like that. 80 percent of our business is in Portland, and we needed to be here. The Redd is helping Cattail Creek and so many other businesses like ours grow and thrive.

—JOHN NEUMEISTER
Cattail Creek Lamb

To save gas, money, and time, John Neumeister uses the Redd’s cold storage facility to keep his Portland customers stocked with lamb, duck, and beef. The Redd provides “right-sized” infrastructure that caters to small and mid-sized regional producers who currently struggle to meet the growing demand for their products.

A LANDSCAPE APPROACH FOR FISH AND PEOPLE.



Fish is food for us all.

Bald eagles, trees in the coastal temperate rain forest, ocean-going orca pods, seafood lovers in Seattle, and coastal community fishermen all depend on abundant populations of fish. Healthy salmon populations are an indicator of the health of our region. To bring back natural systems that have been degraded by decades of overfishing and other harmful practices, Ecotrust is working to restore wild and resilient marine and freshwater populations and support the growth of responsible practices for aquaculture—for the health of forests, people, and fish alike.

In 2016, we celebrated 10 years of accomplishments in whole watershed restoration, supported a network of community fisheries, worked to reform seafood supply chains, and established a baseline for tracking the impacts of California’s marine-protected areas.

« Family members of Iliamna Fish Company motor back to shore with the day’s harvest from the mouth of Alaska’s Kvichak River. Much of this season’s catch will be distributed among Iliamna’s Community Supported Fishery members—a direct-to-consumer model that helps ease the volatile nature of selling fish into wholesale markets. *Jeff Rotman*

A NEW, COLLABORATIVE MODEL FOR WATERSHED RESTORATION

Restoring the once abundant and diverse populations of Pacific salmon is one of the great ecological challenges of our times.



Sockeye salmon depend on restored watersheds to complete their life cycle. Their return signals a return to health for the region.

Photo courtesy of Salmon: Running the Gauntlet

But despite the best efforts of dozens of public and private initiatives across the West, progress has been slow and incremental. Ten years ago, Ecotrust and a coalition of partners convened the Whole Watershed Restoration Initiative (WWRI) in order to make a greater impact.

By directing, state, federal, and private resources to priority watershed projects, WWRI became an effective vehicle for empowering communities to restore the resources in their own backyards.

\$10M+

**proudly directed to
160 community-based
projects over 10 years**

Now, as we look back on a decade of work, we have a lot to be proud of: More than \$10 million from 5 state and federal agencies were directed to 160 community-based projects that generated as many as 240 much-needed jobs in rural areas. ♦

“ For over 10 years, Ecotrust has been an instrumental partner to us in the Illinois Valley—helping to restore critical salmon habitat, while bringing back jobs to our community.

—KEVIN O’BRIEN

Illinois Valley Watershed Council



Kathryn Arendt of the U.S. Forest Service was a key partner in the restoration of Salmon River habitat.

Sam Beebe



A basket of sea urchins lands on deck in San Diego, CA. The urchins are hand-harvested by veteran fisherman Pete Halmay and many are sold directly to consumers at the San Diego Fisherman's Market. Ecotrust worked to make sure the voices of fishermen in California were heard as the state began designating its Marine Protected Areas. *Jason Houston*

GOOD FISH IS GOOD FOOD

Even in a region defined by our proximity to the ocean, most of the seafood eaten in the Pacific Northwest is imported—the product of a vast global supply chain optimized for efficiency and profit, rather than flavor, nutrition, and community health.



Redd on Salmon Street tenant Nate Rispler of Wilder Land and Sea holds a fresh-caught Chinook salmon bound for Portland tables.

Jeff Rotman

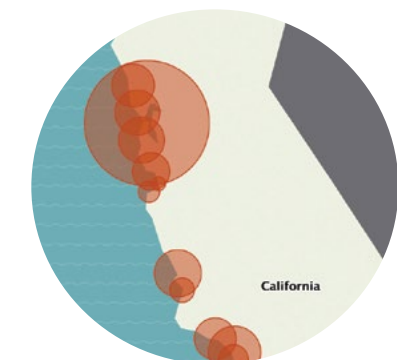
Additionally, community fishermen face challenges around access to resources, getting their product to market, and advancing responsible fishing practices.

Since our founding, we have worked to support fishermen who are protecting the health of the ocean and safeguarding fish. We are proud to have directed more than \$1.5 million in targeted investments to coastal and tribal fishing communities, convening groups like the Community Fisheries Network, providing critical data, research, and market analysis, and coordinating access to critical processing, storage and distribution infrastructure in facilities like the Redd on Salmon Street. ♦

MEASURING THE IMPACT OF CALIFORNIA'S MARINE PROTECTED AREAS

Starting in 1999, California established the first statewide network of Marine Protected Areas (MPAs). These 119 MPAs along the coast harbor critical natural and cultural resources.

Ecotrust worked for many years to support the creation of California's MPAs by developing award-winning mapping and decision-support technology and by ensuring that the voices of fishermen, tribes, and other stakeholders were heard in the process.



We developed a mapping and data visualization tool to publicly share the economic impacts of California's Marine Protected Areas on its commercial fishing industry.

In 2016, we re-engaged with California fishing communities, conducting additional interviews to establish a baseline for monitoring the impact of MPAs along the northern California coast. ♦

ENVISIONING FORESTS FOR OUR FUTURE.



Forest are fundamental.

Here in the Pacific Northwest, forests are fundamental to our way of life—providing immeasurable social, economic, and environmental benefits to local communities. But too often, our forests are managed only for the timber they produce. Ecotrust is working to change the way our forests are managed to ensure that we can rely on the full array of benefits our forests provide today and for generations to come—from reliable jobs, to clean drinking water, to habitat for wildlife, and places to recreate, reconnect, and experience the natural world. In 2016, we made advances in broadening the conversation around public forestland management, providing critical data on forest health and drinking water protection, and creating new market connections for forest products and services.

« From 1990 to 1995, we worked with Nuu-chah-nulth First Nations to prevent industrial logging in Clayoquot Sound, helping them protect thousands of acres in key watersheds. Pictured here is a plank tree—a First Nations culturally modified tree where a piece is carefully removed to be used for building—standing along Megin River near Clayoquot Sound, Vancouver Island, B.C. *Sam Beebe*

FORESTS FOR THE PEOPLE

After years of controversy in managing the 90,000-acre Elliott State Forest for the benefit of the Common School Fund, the State of Oregon spent 2016 working through a formal stakeholder process to solicit proposals to privatize 82,500 acres of the forest, about half of which is more than 100 years old.



Tree climbing in the Elliott State Forest—almost half of the 90,000-acre forest is more than 100 years old.

Steven Holt

Regardless of the final outcome, Ecotrust has been working to identify public and philanthropic dollars to both quantify and protect the public benefits that flow from this forest, and also, to enable continued careful logging and potential tribal land repatriation. ♦

25%

Nearly 25% of Oregon's wild coho salmon population is supported by the Elliott State Forest

BREAKING INTO NEW MARKETS FOR FAMILY AND COMMUNITY FORESTS

Standing forests large and small are essential to addressing the growing risks of climate change. However, new carbon markets designed to provide incentives to forest landowners are costly and complicated, locking out many potential participants.

600+

landowners in Oregon and Washington are using our Forest Planner software, a tool for responsible forest management: forestplanner.ecotrust.org

In 2016, Ecotrust developed practical accounting tools that can be used by state, federal, and nonprofit partners to provide carbon assessments for more than two dozen family forest owners across western Oregon and Washington.

In addition, our Forest Planner tool continued to serve more than 600 landowners in Oregon and Washington, helping them calculate carbon storage on their property. ♦



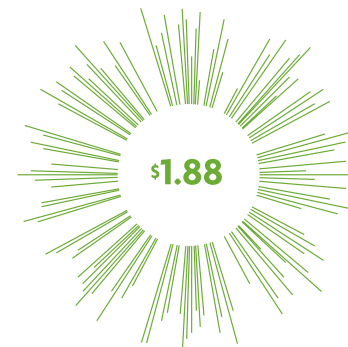
⌘ Margarito Martinez, an employee of Portland-based social enterprise Verde, works on the Cully Park project. Through an economic analysis of Verde's work, Ecotrust developed a set of economic multipliers that help make the case for equity-based investments in green infrastructure. *Diego Gaston Diaz*

ADVOCATING FOR EQUITY IN THE URBAN FOREST

In the Pacific Northwest, the forest is all around us—even in the heart of our cities. But access to the benefits of the urban forest—shade, green space, stormwater management, and even jobs—is often not equitable. A wealth of opportunities exists for underserved communities if we solve for this inequity.



Every dollar spent on a Verde landscape project generates almost two dollars of economic activity in the greater Portland area.



Through a study conducted in partnership with PolicyLink and Portland's own Verde Landscape, we found that for every \$1 million invested in green infrastructure, 23 jobs can be created. ♦

MAPPING OUR HEADWATERS

Millions of dollars have been spent across Oregon and Washington to ensure critical watersheds are protected. While gains have been made to restore salmon habitat, more work needs to be done to safeguard source-watersheds for communities.



Watershed maps help paint a picture of where critical interventions can be made to protect sources of community drinking water.

Drinking water for most coastal communities flows through privately held property, much of which is intensely managed.

We mapped municipal watersheds up and down the coast to identify locations where near-term timber harvesting could concern local water districts. This research is being used to inform decision-making and collaboration around forestland management and its impact on local communities. The partnership between EFM and North Coast Land Conservancy, described on the following pages, included three of the drinking watersheds we analyzed. ♦

EFM

FORESTLAND INVESTING & MANAGEMENT.



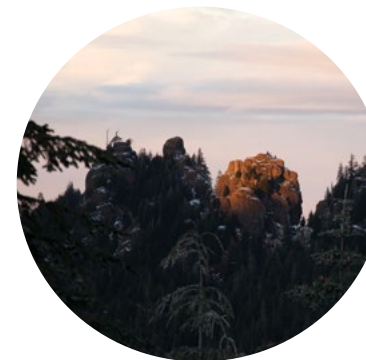
The future of forestry.

EFM, a for-profit subsidiary of Ecotrust, is a forestland investment and management company that seeks enduring financial, environmental, and social returns from its investments in commercial forestland. EFM practices ecological forestry on 36,000 acres across Oregon and Washington in order to improve forest health and productivity while producing high-quality logs, ecosystem services, such as carbon offsets and clean drinking water, and local jobs. For EFM, people, place, and profit are not mutually exclusive—they are inherently intertwined. In 2016, EFM was once again named as a B Corps “Best for the World” and was honored with a Conservation Innovation Grant award from the USDA in the impact investment category to expand its approach to private forestland investment.

« Sun lights up the western slope of Onion Peak, a property acquired by EFM in 2016. The forest is in direct view of Oswald West State Park, provides a wildlife habitat corridor, and is a priority drinking watershed for the coastal communities below. *Sam Beebe*

COASTAL EDGE INITIATIVE

Oregon’s “Coastal Edge” is a unique environment characterized by rocky outcrops, spectacular views, and native flora and fauna found nowhere else in the world. In 2016, EFM acquired Onion Peak—approximately 5,000 acres of coastal forestland that shares a boundary with Oswald West State Park located between Tillamook Head and Nehalem Bay.



The steep, rocky outcroppings of Onion Peak provide sweeping views of the ocean directly below.

Sam Beebe

An ecological gem, Onion Peak is also a critical resource for coastal communities, directly feeding into three surrounding drinking watersheds.



Onion Peak shares a boundary with Oswald West State Park and lies at the heart of the Coastal Edge—the area between Tillamook Head and Nehalem Bay.

To restore the property’s natural features and public value, EFM has an agreement to sell approximately 3,500 of these acres to the North Coast Land Conservancy (NCLC) and is developing partnerships to protect the remaining acres.

5,000

**acres of coastal forestland acquired—
an ecological gem and a critical
resource for coastal communities**

Celebrating their 30th year of conservation impact in 2016, NCLC has been working to create a corridor of coastal watersheds in Oregon to benefit wildlife and protect clean drinking water for local residents—and by acquiring and holding land for their ultimate acquisition, EFM is playing a key role in enabling their important work. ♦



Ensuring the health of waterways like the West Fork of Ecola Creek is essential to source-water protection for coastal communities.

Sam Beebe



EFM

Chimacum Ridge (background) lies at the heart of the Chimacum valley. Acquired in 2016 by EFM, the property will eventually be transitioned from industrial forest management, protecting salmon habitat and water sources, and creating jobs. *Nolan Calisch*

FOREST, FARMS, AND FISH: ADVANCING PARTNERSHIPS ON THE OLYMPIC PENINSULA

On the northeastern corner of Washington's Olympic Peninsula lies the town of Chimacum—a vibrant community of less than 2,000 people nestled beneath lush green coastal forest that filters water to 19 tributaries flowing into the surrounding agricultural valley and feeding critical salmon streams. The small family farms, dairies, and orchards that dot the landscape have been working on this land for generations. But despite its rural location, a 13 percent population increase in recent years has sparked a transition from forests and farmland to residential development, threatening both the critical ecosystems and way of life for the people who live here.

850

acres set aside for restoration
on Chimacum Ridge

In 2016, EFM advanced their partnership with the Jefferson Land Trust, the Trust for Public Land, and the U.S. Navy by selling an easement to permanently protect 850 acres on Chimacum Ridge from development and connect this effort to more than 2,000 contiguous acres of preserved working farms, forests, and salmon streams. ♦

THE SALE OF FIVEMILE CREEK TO THE SILETZ TRIBE

Upstream of Tahkenitch Lake between Florence and Reedsport on the Oregon Coast, Fivemile Creek and its surrounding wetlands support some of the highest numbers of adult Oregon coast coho of any stream in Oregon.

125

acres of critical coho habitat
sold to the Siletz Tribe

EFM acquired this property in 2013, and then worked in partnership with the McKenzie River Trust and the Oregon Watershed Enhancement Board to sell the property to the Siletz Tribe in the fall of 2016.



Lake Tahkenitch
leading down-
stream from Fivemile
Creek property
Sam Beebe

The sale to the Siletz will ensure that these wetlands and their associated habitat will continue to support tribal traditions while enhancing the long-term vitality of the native salmon run. ♦

JOINING TOGETHER FOR CHANGE.



Ideas that matter.

Bringing people together around ideas that matter is a big part of Ecotrust's theory of change. Whether at our headquarters in the Jean Vollum Natural Capital Center, at the Redd on Salmon Street, or in special events across the region, Ecotrust is a convener. In 2016, we hosted more than 400 events, from compelling keynotes and forums to meaningful celebrations, and participated in speaking events across the country. Along the way, we were reminded there is a growing community changing the way we live, work, and do business for the better. A community we are excited and honored to be a part of.



Roots at the Redd

At the Redd on Salmon Street, we celebrated 25 years of working to make this place we live a home that we love.



New York Times Look West: Future of Food

We were honored to share the stage with fellow food luminaries on the future of food in Portland.



Farm to School Counts

Practitioners, farmers, advocates, and eaters joined us at the Natural Capital Center for an evening focused on farm to school success.



Food Tank Summit: Washington, D.C.

VP of Food and Farms Amanda Osborne joined a panel of food leaders discussing uncommon collaborations.



Community Grants Events

We offered free use of our event spaces to six area nonprofits (ecotrust.org/community-grants) that represent underserved communities in our region to provide a gathering place for meaningful exchanges.

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Ecotrust

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Ecotrust board members gather at Carman Ranch in eastern Oregon to learn more about regenerative ranching, its impacts on soil carbon retention, and the grass-fed beef business. *Lily Abood*

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Aggie Fitch
Anna Ford
Anna Funck
Kelsie Greer
Chloe Hellberg
John Craig Johnson
Love Johnson
Jill Klanfer
Connor Larsen
Bowman Leigh
Nada Manni
Elizabeth Manser
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Annie Wood
Nate Wood



Ecotrust staff members hike near the Salmon River, a site of several Ecotrust-supported restoration projects over the past decade. *Lauren Ward*

IN MEMORY

“In cities and in forests, they smiled like me and you.” —Leonard Cohen

In 2016, we saw the passing of five remarkable individuals who have inspired, influenced, and partnered with Ecotrust in various ways throughout their lifetimes. We are grateful to have shared in their life journeys and for everything they did to make the world a better place.



Teri Rofkar *Tlingit artist*

“Basketry is in everyone’s background, no matter where their ancestors may have lived; you just have to go back far enough. The part that makes the art unique is the materials used. This art form is a reflection of the relationship we have with where we live.” —TERI ROFKAR, *Tlingit master weaver and 2014 Ecotrust Indigenous Leadership Award honoree.*

John Berdes *Innovative community finance leader*

A community leader in economic development and innovative financing, John led the impact investment firm Craft3 for 20 years. Founded in 1994 in a partnership between ShoreBank and Ecotrust as “ShoreBank Enterprise Pacific,” Craft3 provides loans to businesses, nonprofits, and individuals, including those without access to traditional financing.

Margaret & John J. Craighead *Conservationists*

Lifelong inspirations and mentors to our founder, Spencer Beebe, Margaret and John left a legacy of unparalleled wildlands and wildlife conservation. Together, they shared many adventures and helped to create the Pine Butte Swamp Preserve near Choteau, Montana for the Nature Conservancy—the largest wetland complex along the Rocky Mountain Front and one of the grizzly bear’s last strongholds on the plains.

Dave Hatch *Siletz tribal leader*

Ecotrust was honored with a long friendship and working partnership with Dave, a 2001 finalist for the Ecotrust Indigenous Leadership Award for his work to return the sea otter (elakha) to the Oregon coast.



Students at Silver Star Elementary School in Vancouver, WA celebrate National Farm to School Month by taking a bite of delicious, local apples. In 2016, Ecotrust helped the school launch its first-ever farm to school program. Angela Hedstrom

OUR IMPACT

Too often, when we're talking about social, environmental, or economic problems, we're presented with either/or options: You're either for jobs or the environment. Healthy salmon or thriving farms. Protecting land or recreational access. The list of false dichotomies is only getting longer in today's political climate.

But at Ecotrust we are all about both/and—both people and place, urban and rural, inspiration and action, investment and philanthropy.

You can see this approach at work on the Olympic Peninsula, an ecological gem that also happens to be home to millions of people. It could be easy to make the "people or environment" argument here. But the local community of Chimacum provides a clear example of exactly how we can bring greater prosperity to communities and safeguard natural systems.

In 2015, EFM acquired 850 acres of forestland on Chimacum Ridge as part of its forestland investment portfolio. The property provides clean water for the town of Chimacum, critical habitat for salmon, and scenic and recreational values for the community and visitors. EFM is now working to restore the forest and sell it to the Jefferson Land Trust to create a permanent community forest.

At the same time, Ecotrust is working with Finnriver Farm and Cidery, which is based right below Chimacum Ridge. Ecotrust is supporting the Finnriver owners in spawning a robust, local food economy centered in Chimacum, complete with cider from their orchard, plus support for a network of producers growing grains, veggies, and pastured meats. A full circle solution—healthy forests, clean water, good jobs, and authentic connections between people and place. This is the kind of holistic work that Ecotrust does so well.

And it's you and I that make it all possible. For 26 years our community has helped to demonstrate the impact of a both/and approach right here at home. Rejecting the divisiveness of country vs city, or farmers vs fish, we have committed to a vision and a growing community of practice that embraces whole solutions. Together with Ecotrust, we are maintaining and restoring ecosystem health while reducing the disparity between rich and poor, and inspiring others to do the same. Both/and is the way to go. Thank you for being a part of this work.



Elise Lufkin / Ecotrust Board Member, Seattle



Betsy Langton takes advantage of the Redd West warehouse to pack and sort orders and store products for her nutrition bar business, Bar None Foods. Through a suite of services managed by B-Line Sustainable Urban Delivery, the Redd facility supports food entrepreneurs of all sizes and stages of growth. *Shawn Linehan*

OUR COMMITMENT TO YOU

Each and every gift to Ecotrust matters, and we are committed to ensuring that our supporters are thanked promptly, updated regularly, and invited to experience and engage with the impact of their contributions. We also promise to run efficient and transparent systems across the organization—from programs to finance to fundraising.

We want to know what matters most to you. Visit ecotrust.org/join-us to learn about ways to more deeply engage, or call us at 503.227.6225 to share your ideas and questions.



Lily Aboud / Vice President, Development



★★★★
CHARITY NAVIGATOR
Four Star Charity



FINANCIALS

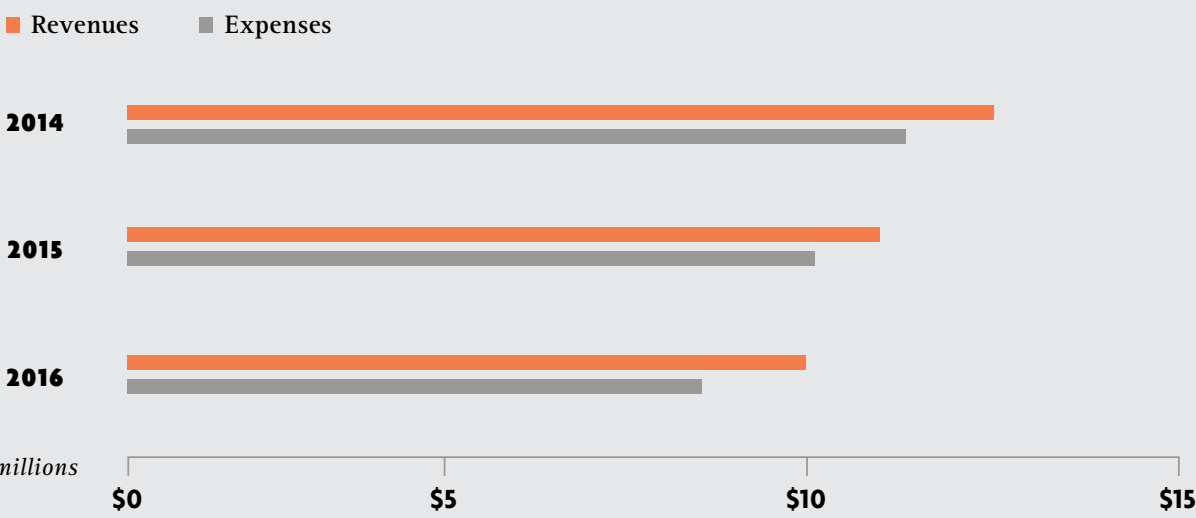
ASSETS	2015	2016
Cash	\$4,150,555	\$3,510,469
Grants & Accounts Receivable	1,234,366	1,264,633
Notes Receivable (net)	127,969,595	130,254,381
Investments	7,457,653	7,859,807
Investment in Ecotrust Forests LLC	5,534,141	5,422,857
Prepaid Expenses & Other Assets	5,432,269	2,149,380
Property & Equipment (net)	18,282,740	21,792,202
Total Assets	\$170,061,319	\$172,253,729
LIABILITIES		
Accounts Payable	\$160,700	\$583,373
Accrued Liabilities	914,560	688,553
Deferred Revenue	508,001	403,555
Notes Payable	8,490,593	7,356,518
Total Liabilities	\$10,073,854	\$9,031,999
NET ASSETS		
Unrestricted Net Assets	\$14,499,603	\$14,540,801
Temporarily Restricted Net Assets	1,871,768	2,332,674
Permanently Restricted Net Assets	4,951,277	5,155,282
Total Net Assets	\$21,322,648	\$22,028,757
Investor Member Interest	\$138,664,817	\$141,192,973
Total Liabilities, Net Assets & Member Interest	\$170,061,319	\$172,253,729

REVENUES, GAINS & OTHER SUPPORT	2015	2016
Grants & Contributions	\$4,839,041	\$3,936,620
Contracts, Services & Special Events	4,382,628	3,682,083
Investment Return	2,032,873	2,351,168
Total Revenues	\$11,254,542	\$9,969,871
EXPENSES		
Fisheries	\$335,199	\$179,911
Forests & Ecosystem Services	1,363,965	954,292
Food & Farms	473,517	542,608
Indigenous Leadership	340,893	173,704
Knowledge Systems	1,772,733	1,186,921
Natural Capital Holdings	4,905,596	4,122,678
Supporting Services		
Development	432,667	369,691
Management & General	545,456	912,242
Total Expenses	\$10,170,026	\$8,442,047
Revenue in Excess of Expenses	\$1,084,516	\$1,527,824
Investment Member Interest	\$827,700	(\$821,715)
Capital Contributions (net)	—	—
Increase in Net Assets	\$1,912,216	\$706,109

TOTAL ASSETS, LIABILITIES, & NET ASSETS



REVENUES & EXPENSES



STRENGTH
IN NUMBERS

Ecotrust’s work is made possible by the generosity and determination of our community. Together, we grew by leaps and bounds in 2016. Whether you made a gift or investment, attended an event, or donated a product through your company, you are a valuable part of our family. Thank you for joining our work to make a direct, positive impact on our forests, farms, fisheries—and future.

Donor community



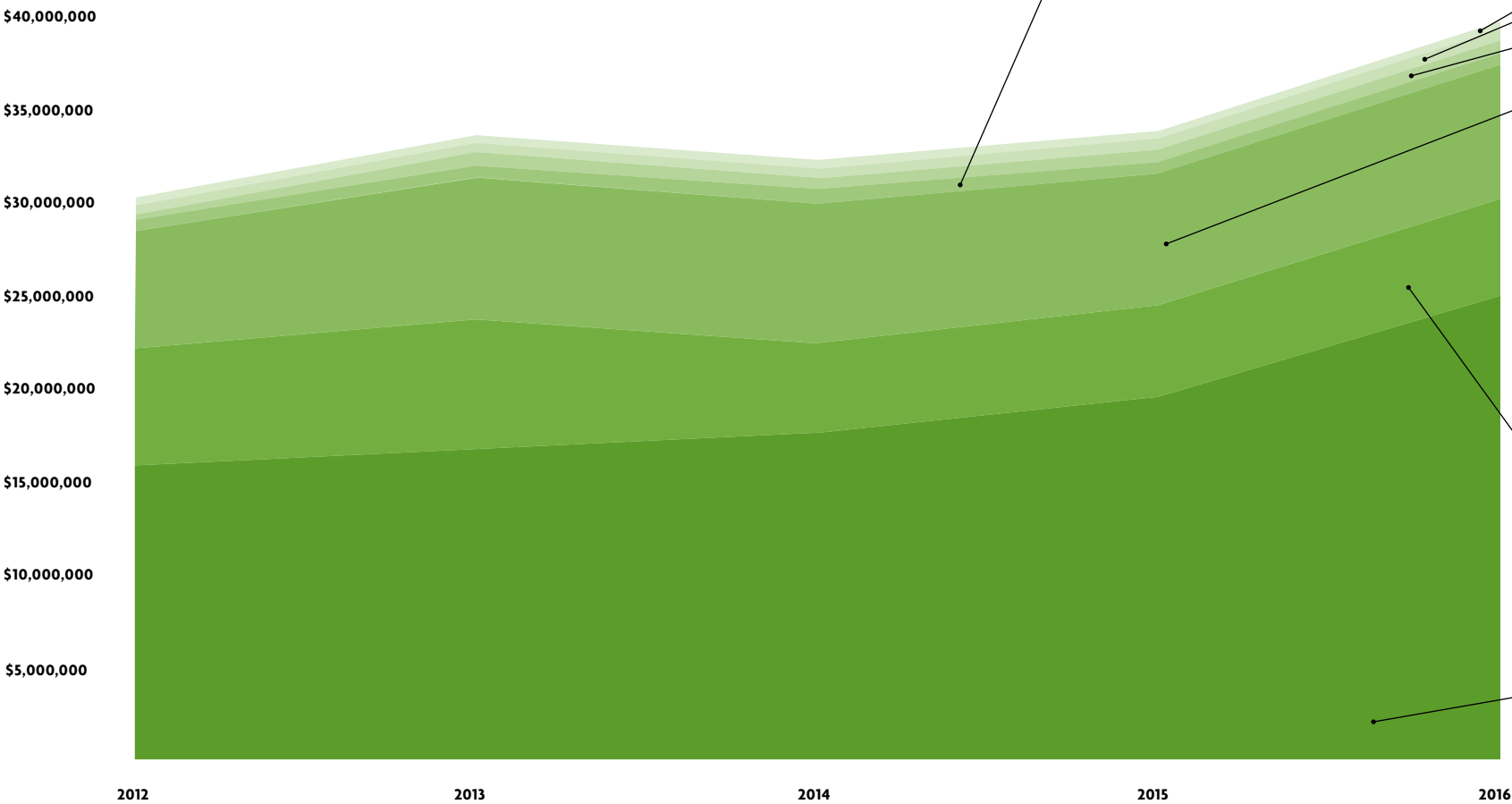
In 2016:



THE NATURAL CAPITAL FUND

The Natural Capital Fund is Ecotrust’s working endowment and signature impact investment vehicle. Over 26 years, the fund has leveraged \$50 million in grants and mission-related investments to generate more than \$1.5 billion in capital assets at work across the region. By directing catalytic capital to targeted initiatives and enterprises, our goal is to transform key sectors of the regional economy to create social, economic, and environmental value.

We invest in the world we want to see—in enterprises and institutions that express our longing for creativity, resilience, intergenerational security, and community.



INDIGENOUS LEADERSHIP & SOVEREIGNTY

Since 1991, we have helped to repatriate nearly 1 million acres of homeland to tribes and First Nations and, through a \$700,000 endowment for Indigenous Leadership, we have recognized and supported 58 tribal and First Nations leaders for their work to benefit their homelands and people.



CLEAN ENERGY & TECHNOLOGY

The Sustainability Investment Fund supports early-stage clean tech companies across the region, targeting rapidly growing opportunities in the regenerative economy.



COMMUNITY & CONSERVATION

Mission Hub connects innovators and supports them in finding the resources they need—community, workspace, education, access to capital, and more—to accelerate positive impact in the world.



FISHERIES & FOOD SYSTEMS

Farmland LP manages more than 12,500 acres of farmland in Northern California and Oregon’s Willamette Valley with a goal of creating a new model for responsible and restorative agriculture.

FORESTRY & ECOSYSTEM SERVICES

EFM manages more than 36,000 acres across the Northwest on behalf of investors for the full range of social, economic, and environmental values our forests provide. For five years running, EFM has been named one of the top 50 impact investment funds in the world by Impact Assets.

INCOME / GENERAL

In partnership with Oregon Community Foundation, we are taking a lead role in defining their socially responsible investment portfolio.



GREEN BUILDING & INFRASTRUCTURE

Green Canopy Homes is an urban home builder with a mission to inspire resource efficiency in residential markets. The Natural Capital Fund’s investment in Green Canopy helped them scale the company and introduce FSC-certified wood and affordable home ownership into their business model.



⌘

In 2016, Ecotrust designer Heldáy de la Cruz visited Oceti Sakowin Camp near Cannon Ball, ND on the Standing Rock Indian Reservation to support the Water Protectors. While there, he captured this moment when an opening in the clouds allowed rays of light to fall perfectly onto a single tree.

“It is our myth, our story.
It is both an old and a
new myth that defines this,
our corner of the planet.
It is real, it is immediate,
and it is fundamentally
hopeful, because where red
meets blue is the color of the
future, and, like the rain
forests of our home, it is green.”

—SPENCER B. BEEBE

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at +1.503.227.6225
or send an email to
contact@ecotrust.org

