

Opinion: Tahoe Fund launches venture trust

By Amy Berry

Taking a page from the playbook of venture capitalists in Silicon Valley, the Tahoe Fund has announced plans to create an Environmental Venture Trust to seed early stage environmental improvement projects at Lake Tahoe with philanthropic capital. Unlike traditional venture capital, the return on investment for the trust will be purely environmental and not financial. The Environmental Venture Trust will help kick-start projects with seed funding to reduce project timelines and to better prepare them for future investments.

This is a new initiative for the Tahoe Fund, which is focused on raising private funds for environmental improvement projects that help restore lake clarity, improve outdoor recreation, and inspire greater stewardship of Lake Tahoe.

“We see a lot of great projects sit on the sidelines because they can’t find the initial funding to get things started,” said Art Chapman, chair of the Tahoe Fund. “With this innovative approach to philanthropy, we think we can give life to a lot of great projects that will have a tremendous impact on the long-term health of Lake Tahoe.”

Traditionally, the Tahoe Fund supports late-stage projects to close funding gaps or act as a required match for public funding. For example, supporters of the Tahoe Fund leveraged a \$12.5 million federal grant for a new bike path from Incline to Sand Harbor with more than \$1 million in donations. These late-stage projects will continue to be the main focus of the Tahoe Fund.

The new venture trust program was inspired by donors who

expressed interest in funding worthy early-stage projects that need help getting off the ground. For instance, donors provided the early funding for the regional stewardship campaign, Take Care, and for the early restoration work of the Incline Flume Trail. The Tahoe Fund acknowledges that the Environmental Venture Trust carries a higher level of risk than its standard funding model. Donors comfortable with this approach will be able to direct funds to the trust specifically for this purpose.

By providing seed funding to early stage projects, the risk exists that these projects may not make it to the finish line. It is a risk the board feels is worth taking.

“If we can take some small bets on a series of projects, we think we can see some significant gains for Tahoe,” said Tahoe Fund board member and venture capitalist Steven Merrill. “It is time to take this successful funding model from the business world to the philanthropic world to see how we can move the needle for our environment.”

The Tahoe Fund Projects Committee will identify projects and vet their potential and risk once the new Environmental Venture Trust achieves its initial campaign goal of \$100,000 in donations. Information on how to submit a project for consideration will be made available at that time.

The Tahoe Fund will announce its 2016 Premier and Signature projects in early summer.

They will include opportunities for private donors to help acquire 200 acres of property on the Basin’s most impaired watershed, construction of a new overlook at the Basin’s most visited interpretive center, trail reconstruction on one of Tahoe’s favorite hiking trails, and a new section of the Lake Tahoe Bikeway.

Donors interested in contributing to the Environmental Venture Trust or one of the Premier or Signature projects can email

info@tahoefund.org or call me at 775.338.1668.

Amy Berry is executive director of the Tahoe Fund. This article first appeared in Tahoe In Depth.