



Validation Report

Document Prepared by City Forest Credits

November 21, 2022

PROJECT OVERVIEW

<i>Project Name</i>	Central Texas Floodplain Reforestation Project – 21-22
<i>Project Registry Number</i>	025
<i>Project Type</i>	Tree Planting
<i>City Forest Credits Protocol Version</i>	Version 10, February 7, 2022
<i>Project Start Date</i>	February 12, 2022
<i>Project Location</i>	In central Texas, within six counties of Bastrop, Burnet, Caldwell, Hays, Travis and Williamson
<i>Project Operator</i>	TreeFolks, Inc

SUMMARY

State what stage of crediting this Validation Report applies to (i.e. Year 0, Year 4, 6, 14, or 26). Provide a few sentences about the overall project. Include the Planting Design and Quantification Method.

This Validation Report is for the initial crediting after planting in Year 0.

TreeFolks' Central Texas Floodplain Reforestation Program is an expansion of the Travis County Floodplain Reforestation Program pilot, now serving the six counties of Travis, Bastrop, Williamson, Caldwell, Hays, and Burnet. This program is a partnership between TreeFolks, the City of Austin Office of Sustainability, City of Austin Watershed Protection Department, Texas Parks and Wildlife and the Guadalupe-Blanco River Trust. The program, operated by TreeFolks, restores healthy forest buffers of local rivers and streams across Central Texas, to improve air and water quality, promote regional cooling, mitigate floodwaters and create wildlife habitat.

TreeFolks used the Area Reforestation Planting Design and Quantification Method. TreeFolks planted 59,907 trees at 16 sites on a total of 40.15 acres of public and privately owned parcels. 6,390 smaller trees and shrubs were also planted on these properties but were not included in the carbon project. Tree seedlings were planted less than 10 feet on center, with the exception of one site planted 15 feet on center, in order to provide canopy coverage in these riparian zones.

ELIGIBILITY

Project Operator Identify (Section 1.1)

Criteria

A Project requires at least one Project Operator ("PO"), an entity organized and licensed under the laws of its jurisdiction, or a governmental body, which undertakes a Project, registers it with the registry of City Forest Credits (the "Registry"), and is ultimately responsible for all aspects of the project and its reporting.

Issue Validated

TreeFolks, Inc. is a nonprofit corporation operating in Texas. To demonstrate that it is an entity organized and licensed under the laws of its jurisdiction, TreeFolks provided Articles of Incorporation, Bylaws, and a 501c3 Status Letter from the IRS to City Forest Credits.

Project Submittal Dates (Section 2)

Criteria

Project must submit applications and all other project documentation to the Registry within six months of the date of the planting of the last tree that is part of the planting project. Project with plantings prior to May 1, 2017 are not eligible.

Issue Validated

Project Operator submitted the application on March 24, 2022. All initial crediting documentation was submitted in August 2022, which was within six months of the date of the last tree planted (February 12, 2022).

Permanence – Project Duration and Reversals (Section 1.3, 2, 8)

A. Project Duration – Project Implementation Agreement (Section 1.3 and 2)

Criteria

Project Operator must sign a Project Implementation Agreement with the Registry setting forth the Project Operator's obligation to comply with the protocol. Project Operator must monitor and report for 26 years.

Issue Validated

TreeFolks, Inc. and City Forest Credits signed a Project Implementation Agreement effective March 24, 2022 for the Central Texas Floodplain Restoration Project 21-22 (Project Registry Number 025). The project has a 26-year duration under City Forest Credits Tree Planting Protocol Version 10.

B. Reversals (Section 8)

Criteria

A "Reversal" is loss of stored carbon such that the remaining stored carbon within the Project Area is less than the amount of stored carbon for which Registry credits have been issued. The Registry will retain in a Reversal Pool account 5% of all credits issued to planting projects. This Reversal Pool account shall be used to compensate for Unavoidable Reversals.

Issue Validated

The Project Design Document and request for credits based on GHG mitigation includes a 5% deduction for the Reversal Pool account of credits. 214 credits were contributed from this Project to the Registry Reversal Pool. The carbon quantification and Reversal Pool deduction were verified by the Validation and Verification Body, Dr. Qingfu Xiao.

Project Location (Section 1.4)

Criteria

Project Area must be located in parcels within or along the boundary of at least one of the urban area criteria. The Project Operator must specify the Project Area and provide an electronic map of the Project area.

Issue Validated

The Project is located in Central Texas in the six counties of Travis, Bastrop, Williamson, Caldwell, Hays, and Burnet. The Central Texas Floodplain Reforestation Project 21-22 meets the following location criteria: The boundary of any regional metropolitan planning agency or council established by legislative action or public charter.

The Project is located within the Capital Area Metropolitan Planning Organization (CAMPO) planning area, which meets protocol criteria Section 1.4. The Project Operator has provided maps as supporting evidence, including geospatial, regional-scale, and project area maps.

Project Area (Section 1.5)

Criteria

The Project Operator may include more than one planting site in a project. The initial planting of trees for all properties in a project must occur within a 36-month period or less.

Issue Validated

The Project includes 16 planting sites for a total of 40.15 acres, with trees planted over a four-month period. The trees were planted between November 1, 2021 and February 12, 2022. The last tree was planted on February 12, 2022.

Ownership or Eligibility to Receive Potential Credits (Section 1.7)

Criteria

Project Operator must demonstrate ownership of potential credits or eligibility to receive potential credits.

Issue Validated

There are 16 landowners in this Project and TreeFolks has an Agreement to Transfer Credits with each landowner, meeting protocol criteria Section 1.7C.

1. Public Land (1 Site): The landowner agrees to allow TreeFolks to transfer credits and signs a Carbon Transfer Agreement. Public site contracts will state a \$3,144/acre penalty to recoup the true value of Carbon+ Credits if trees are removed before the 26-year period.
2. Private Land (14 sites): The landowner agrees to allow TreeFolks to transfer credits and signs a Deed Covenant. The Deed Covenant is encouraged by the nonprofit TreeFolks as a financial protection – once the nonprofit registers credits with CFC and sells them, TreeFolks would be liable for the value of those credits should a landowner cut the trees down within a 26-year

period. Deed Covenant contracts will state a \$3,144/acre penalty to recoup the true value of Carbon+ Credits if trees are removed before the 26-year period.

3. Partner Sites (1 Site): The landowner agrees to allow TreeFolks to transfer credits and signs an Agreement to Transfer Potential Credits. The landowner agrees not to cut, harvest, or damage the trees (except in case of emergency involving fire, flood, or to mitigate hazards identified by a certified arborist) for a period of 26 years.

Landowners include:

Public Landowner Name	Parcel #
City of Austin Watershed Protection Department	345880-345888, 345793-345817, 345823-345825
Private Landowner Names	Parcel #
[REDACTED]	R26614, R26615, R26616, R38030, R39031
[REDACTED]	R85723
[REDACTED]	214506
[REDACTED]	R16803
[REDACTED]	R94594
[REDACTED]	R21306, R124893
[REDACTED]	R21482
[REDACTED]	319194
[REDACTED]	R15454
[REDACTED]	R492542
[REDACTED]	36122
[REDACTED]	R20560, R20562
[REDACTED]	R21686
[REDACTED]	R14500
Partner Landowner Name	Parcel #
Guadalupe-Blanco River Land Trust	61214

Additionality (Section 4)

Criteria

The City Forest Credits Standard and Tree Planting Protocol ensure additionality for every carbon project. A project activity is additional if it can be demonstrated that the activity results in emission reductions or removals that are in excess of what would be achieved under a “business as usual” scenario and the activity would not have occurred in the absence of the incentive period provided by the carbon markets.

Projects must demonstrate the following:

- A Legal Requirements Test that declares city trees planted due to an enacted law or ordinance not eligible (Section 1.8);

- Either 1) a project-specific baseline or 2) the current version of the Registry's performance standard baseline developed in adherence with the WRI GHG Protocol (CFC Standard);
- Project Operators must sign and comply with a Project Implementation Agreement with the Registry that requires a 26-year Project Duration.

Issue Validated

Project Operator has met the Legal Requirements Test that the trees were not planted due to an enacted ordinance or law. Project Operator used the Registry's performance standard baseline, which is attached to the Project Design Document, in adherence with the Performance Standard methodology set out in the World Resources Institute Greenhouse Gas Protocol for Project Accounting. Project Operator signed a Project Implementation Agreement with the Registry for a 26-year Project Duration.

Project Operator has signed an Attestation of Additionality that confirms the above, as well as stating that the 26-year Project Duration is in addition to and longer than any commitment the Project Operator makes to non-carbon project tree plantings and that trees were not planted on sites that were forested and then cleared of trees within the prior 10 years.

No Double Counting and No Net Harm (Section 5)

Criteria

The City Forest Credits Standard describes prevention of double-counting in Section 5.1 and safeguards and the "No Net Harm" Principle in Section 5.2. Project activities shall not cause net harm to the environment or urban communities. Project Operator must sign an Attestation of No Double Counting of Credits and No Net Harm.

Issue Validated

Project Operator has submitted a signed Attestation of No Double Counting of Credits and a signed attestation of No Net Harm, and the Registry sees no evidence of net harm from this project. The Registry has reviewed the records of prior projects to confirm that the Project Area for this project has not already received credits under the CFC Standard.

Carbon Quantification (Section 10 and Appendix A)

Criteria

Project Operator must follow the quantification methods outlined in Appendix A of the Protocol.

Issue Validated

Project Operator used the Area Reforestation Planting Design and Quantification Method, per Protocol criteria in Appendix A. Project Operator signed the Attestation of Planting, including attachments of invoices of trees purchased and planting photos. Project Operator provided three Attestation of Planting Affirmations signed by Superior Forestry, Guadalupe-Blanco River Trust, and the Watershed Protection Department at the City of Austin.

The Carbon Quantification Summary is as follows:

Total number of trees planted	59,907
CO2 Index, tCO2e/acre	106.70
Project area (acres), if applicable	40.15
Total number of trees per acre, if applicable	1492
Credits attributed to the project (tCO2e)	4284
Contribution to Registry Reversal Pool Account (5%) (tCO2e)	214
Total credits to be issued to the Project Operator (tCO2e)	4,070
Total credits requested to be issued in Year 1 (10% of above)	407

GHG Assertion:

Project Operator asserts that the Project results in GHG emissions mitigation of 4,070 tons CO₂e. Project Operator will provide canopy images, quantify tons CO₂e, and submit documentation for verification and credit issuance at Years 4, 6, 14, and 26 per the Tree Protocol Version 10 and Area Reforestation Quantification Methodology.

Project Operator asserts that the Project results in GHG emissions mitigation of 407 tons CO₂e after initial tree planting.

Additional Info

CFC reviewed the tree planting list to ensure that all trees included in quantification grow large enough at maturity (15 to 20 feet) to qualify for carbon crediting. The invoice attachments to the Attestation of Planting were also reviewed to ensure that the species and quantity of trees purchased aligned with the tree planting list.

Co-Benefits Quantification (Section 12 and Appendix A)

Criteria

Project Operator must follow the co-benefit quantification methods for rainfall interception, air quality, and energy savings.

Issue Validated

Project Operator has followed the co-benefits quantification method using the templates provided by City Forest Credits. The following table documents the quantified ecosystem services in resource units and avoided costs per year when Project Trees reach 25 years old.

<i>Ecosystem Services</i>	<i>Resource Units</i>	<i>Value</i>
Rainfall Interception (m ³ /yr)	4,448.5	\$11,635.48
Air Quality (t/yr)	1.0371	\$2,513.54
Energy: Cooling – Electricity (kWh/yr)	47,551	\$3,609.12
Energy: Heating – Natural Gas (kBtu/yr)	25,220	\$262.05
Grand Total (\$/yr)		\$18,020.20

Monitoring and Reporting (Section 7)

Criteria

Project Operator must report on tree conditions across the Project Area for the Project Duration. Reports must be submitted annually on the anniversary of the date of the first Verification Report. At Years 4, 6, 14, and 26, sampling, measurement of trees or canopy coverage, and/or quantification of CO₂e will be submitted for request of credit issuance in lieu of a monitoring report that year.

Issue Validated

Project Operator has agreed to submit written annual monitoring reports using the template provided by City Forest Credits. Monitoring plans have been described in the Project Design Document.

Social Impacts (Section 11)

Criteria

Project Operator shall use the Carbon Project Social Impact template to evaluate the SDGs to determine how a Project provides social impacts that contribute towards achievement of the global goals, as described in Section 11.

Issue Validated

Project Operator has submitted a completed Carbon Project Social Impact document. The project meets protocol criteria Section 11.

VERIFICATION REPORT

CFC reviewed the Verification Report dated November 15, 2022 by Dr. Qingfu Xiao, a Validation and Verification Body acting as a third-party verifier, to ensure it accurately reflects the documentation contained in the Project Design Document and supporting documents.

VALIDATION CONCLUSION

I attest that all the information provided in this validation report is free of material misstatement, to the best of my knowledge. The project complies with the validation criteria outlined in the City Forest Credits Standard and Tree Planting Protocol Version 10.

Approved by City Forest Credits on November 21 in 2022.