Chaffee Common Ground – Citizens Advisory Committee (CCG-CAC)

Minutes from Meeting on Monday February 26, 2024

Meeting Called to order at 9:00 a.m.

CCG-CAC Members present: **(all attended virtually)** Cindy Williams - Chair, Michael Hannigan – Vice-chair, Sydney Schnurr, Ben Lenth, Jim LaRue, Michael Fischer, Paul Muelle and Greg Felt - BOCC liaison. Also present Ben Doon, Administrative Support.
CCG-CAC Members absent: None

Agenda review
Cindy reviewed the agenda. Topics include a presentation from the Central Colorado Conservancy for a partnership proposal for the Community Conservation Connection program followed by Committee discussion and action regarding a partnership for the Community Conservation Connection and for the Rec Rangers and Rec Adopters partnership proposal which was presented to the Committee on February 21st. Next steps to get ready for the grant cycle.

Approval of consent agenda
The meeting agenda was approved as presented. Motion Michael Hannigan. Second Syd. Vote unanimous. The February 21 meeting minutes were not completed in time to be considered for approval.

Partnership Presentation for the Community Conservation Connection program
The Community Conservation Connection program received a five-year grant in 2020. The program has been successful and is up and running. The presentation will provide information on the budget, how the dollars would be used, clarity on match funds and administrative costs.

Presenters:
Wendy McDermott, Executive Director of the Central Colorado Conservancy (CCC) since July 2022.
Natalie Allio, Central Colorado Conservancy's former Agricultural Program Manager, now working for the National Grazing Lands Coalition. Natalie has been managing this program for many years.

Wendy said CCC is in the process of finalizing a job announcement to hire a new Ag Program Manager.

Common Ground Committee Members and staff also introduced themselves.
New members are Paul Muelle and Michael Fischer. Other Committee members are Syd Schnurr, Michael Hannigan (vice-chair and original member), Ben Lenth (original member), Jim LaRue (representing the ag community), Cindy Williams (committee chair and original member), Greg Felt (liaison from the Board of County Commissioners) and Ben Doon, administrative support.

Wendy started the presentation. The Community Conservation Connection program supports agricultural working lands in Chaffee County. The goal is to move the Community Conservation Connection program from a 5-year grant funded pilot program to a longer-term partnership program. A program update was presented to the Committee in November 2023.

Central Colorado Conservancy's mission is to protect the lands, waters and quality of life of Central Colorado as our communities face pressure and rapid growth.

The Community Conservation Connection program was developed in 2019 with 6 main goals.
1. Support working agricultural landowners by providing another option to help keep working lands working
2. Help maintain the key values that ag lands provide to the community in addition to food and fiber (views, water, wildlife, lack of congestion)
3. Provide sufficient structure, accountability and assurances to build taxpayer support
4. Recognizing that conservation easements provide benefit landowners and the community, ensure this program does not undermine or dis-incentivize conservation easements
5. Attract additional funding to the program, leveraging the Common Ground funds
6. Help educate the community about the value of working agricultural lands

Successes to date:

- 10 properties enrolled with completed recorded agreements.
- The agreements cover nearly 3,500 acres of agricultural land in Chaffee County.
- Enrolled lands include 1644.23 acres not subject to conservation easement and 1,818.89 acres under conservation easement where landowners agreed to additional management practices.
- Of the acres enrolled, 1203.08 are classified as irrigated or wet meadow and 2260.4 acres are classified as dry. Irrigated or wet meadow acres are considered to have a higher value and therefore receive a higher payment. $12 per dry acre and $17 per irrigated/wet acre.

Central Colorado Conservancy proposes continuing this program under a Common Ground Partnership Agreement for a period of 10 years (2025-2035). Utilize existing grant funds on hand for 2024-2025 transition. Partnership funding to begin in 2025. Goal of 5,000 acres in new agreements by August 2025 (re-enrollments and new enrollments). 3,400-acres currently enrolled. Estimate that there is another 1,600-acres eligible.

Changes being proposed to the program are part of the outcome of recommendations from the rancher taskforce meetings and evaluations that went out to program participants last year and include:

1. Increase per acre payment rates for inflation and other data starting in 2025
   Add a 5-year increase of 20% based on the cumulative inflation rate for past 5 years
   (using the national annual inflation calculator)

Re-calculate every 5 years using the same calculator considering the 5-year change.
The per acre rate may not be lowered.

2. Incentivize longer conservation agreement terms of 10 years by increasing rates
   +10% for 10-year agreements
3. Modify the 160 contiguous acre limit
   Change from 160 to 150-acre minimum
   Allow for 160 non-contiguous acres in up to 2 properties which must be in agricultural production and must be developable.
4. Increase the current $12,000 cap on annual payments by 20%

The basic structure of the program as outlined will not change apart from the updates outlined above. The program will continue to:

• Maintain key conservation values agricultural lands provide to the community
• Agreements limit nonagricultural development and ensure ongoing basic agricultural management practices
• Participants receive an annual payment based on a per-acre rate
• Program payments have an annual capped per owner/operator (currently $12K to be incr.)
• Requirement for repayment of all funds received plus a 50% penalty for breach of agreement
  Family emergency clause in place
• Require a Right of First Refusal to conservation or ag organization
• Owner/operator must be a county resident/property taxpayer & actively participate in the daily agricultural operation
• Agricultural operations include livestock, hay, dairy, or crop production
• Forestry or growing timber is not considered to be ranching/farming
• Lands in platted subdivisions are not eligible
• Lands leased to ag producers are not eligible
• Five-year average income requirements in place for eligible owner/operator

Implementation Activities 2024-2025

1) Finalize implementation plan for transitioning 5-year pilot program to Partnership Program
2) Update materials to reflect updates to program
3) Monitor properties currently enrolled in program; make annual payment
4) Compile community benefits summary for Common Ground community outreach
5) Outreach and Enrollment for updated program
6) Annual report to Common Ground Community Advisory Committee
7) Agriculture Conservation Agreements for re-enrollments and new enrollments finalized and recorded with Chaffee County

2024 Timeline								
Task	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Finalize program transition plan	X	X						
Monitor current enrolled properties			X	X				
Update program materials				X	X			
Benefits summary & grant reporting					X	X		
Enrollment & eligibility process initiated						X	X	
Applications received								X

2025 Timeline								
Task	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Eligibility confirmed	X							
Draft agreements distributed		X	X					
Agreements finalized & recorded					X	X	X	
Monitor current enrolled properties							X	X

Trying to get everyone on the same timeline of enrollment. Most expire in August 2025, but there a few that expire in 2026 and 2027. Goal is to make the proposed timeline compatible with ranchers' schedules based on what's required in different months out of the year.

Program evaluation in 2030

1) Evaluate program, update as needed
2) Survey program participants for what is working, what is not working, etc.
3) Re-calculate payment rate using the national annual inflation calculator considering the 5-year change
4) Re-calculate Conservancy staff time, compensation and program support expenses

10-Year Project Budget Submitted to the Chaffee Common Ground

EXPENSES	Common Ground	Grantee Cash Match	Grantee In-kind Match	Total Project
Staff Compensation (salaries, benefits, taxes)	$87,690	$65,439	$153,129	
Payments to Program Participants	$1,106,650	$1,106,650		
Legal Fees	$19,800	$9,900	$29,700	
Project Printing & Supplies	$600	$600		
Project Materials	$2,000	$2,000		
Travel & Meetings	$4,500	$4,500		
Office Expenses: Technology, Printing, Postage, Supplies, etc.	$15,900	$15,900		
Office Rent	$28,800	$28,800		
Other Expenses: Accounting, Licenses, Permits, Insurance, etc.	$23,500	$23,500		
Telecommunications & IT Services	$14,500	$14,500		
Workshops and Events	$27,000	$27,000		
Indirect (5%)	$61,062	$61,062		
TOTAL EXPENSES	**$1,282,302**	**$175,139**	**$9,900**	**$1,467,341**
Grantee Match (14.43%)	**$185,039**			
Notes:				

1. *Budget Assumption for Payments to Program Participants is 1) all current program participants will re-enroll and an additional new 1600 acres will enroll; and 2) half will choose a 5-year agreement and the other half 10-year agreements.*
2. *The Community Conservation Connection program is about 10% of total organizational programming; therefore, roughly 10% of organizational operations is included in project budget as match funding. Compensation for project support staff includes the Executive Director, Finance Director, Agriculture Program Assistant and Communications Manager. Grantee cash match calculations do not include raises or adjustments to increasing costs of doing business.*

Ask to Common Ground would range from $65k - $128k depending on how many producers enroll in 2025. Anticipating there will be $80k from unspent funds remaining in 2025 that can be rolled into the 2025 payment. There will be a lot of cost to transition from the pilot program to the full 10-year partnership program and have new agreements and new enrollments in place.

4-6 property owners to enroll to get to the 1,600-acre goal of new enrollments.
Jim said the cost cap to the program is going to be based on how many acres are available to put in the program. Those acres go down every day when places get developed or sold. There aren't new ranches being made, so cap probably won't grow on acres to be enrolled.

Natalie said the 5,000-acre goal is probably very close to the upper limit of how many acres can be enrolled in the program. We are not gaining ranching land; we are trying to protect what we currently have. Eligibility requirements are pretty strict. There are larger acreages out there, but they are not what is considered agricultural working lands with an active ag operation on them.

The program's 5th year payment isn't needed at this time and can be put into the current grant cycle.

Payment structure would be at the beginning of the year then before the following year's payment the expenses would be reconciled to see if all was spent or if anything can be rolled over into the new payment. Wendy said they are trying to get assurances of what the payment would look like by getting everyone enrolled at the same time by August 2025.

Discuss partnership proposals and consider action

Community Conservation Connection program cost as proposed is $65,000-$128,000 per year.
Rec Rangers / Rec Adopters partnership proposal cost is between $162,000-$205,000 per year.

These two proposals are about 18% of the Common Ground annual budget. Michael H has concerns about partnerships potentially using up to 30% of the annual Common Ground revenue though he is comfortable with having the right to do a financial review of the partnerships each year. Concerned about public perception of tying-up 30% of annual revenues.

Greg stated that the sales tax trend has shown remarkable growth over the past 5-6 years.

Group consensus to include the following language in the partnership contracts: Common Ground retains the right to adjust any non-committed partnership funds downward in the event of a decrease in CG revenues. Any such adjustments would be considered at the time of annual program review.

Cindy suggested clarifying that the policy about not funding long-term staff applies to grants, but not partnerships.

Michael H made a motion to approve the Rec Rangers and Rec Adopters partnership proposal. Michael F second. Vote unanimous. Cindy recused herself from the vote since she is part of Envision and the group is connected to the program to avoid any perception of a conflict.

Ben L made a motion to accept the Central Colorado Conservancy Community Conservation Connection partnership proposal. Michael H second. Vote unanimous. Jim recused himself from the vote.

Other Business

None.

Next Steps
Ben D will take these recommendations to the Board of County Commissioners for formal approval and inform the presenters of the Committee's decisions.

Current grant cycle. Final application deadline is Friday March 22nd. Committee members usually have about a month to evaluate and score the proposals. Looking to schedule two meetings to review and rank proposals and make grant recommendations in late April.

Ben D will set-up accounts in the grants portal for Paul and Michael F and give a tutorial on how to score the proposals in the portal. All Committee members will be invited to the portal scoring review.

Public Comment
None.

Adjourn
Meeting adjourned at 10:30 a.m.