

**MEETING MINUTES  
CONSERVATION EASEMENT OVERSIGHT COMMISSION MEETING  
September 20, 2024**

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MINUTES  
CONSERVATION EASEMENT OVERSIGHT COMMISSION MEETING  
September 20, 2024  
COLORADO DIVISION OF CONSERVATION  
1560 BROADWAY, SUITE 1550  
DENVER, CO 80202

## Commissioners in Attendance

Nick Jacobson, an individual who is qualified to analyze conservation purpose, appointed by the Governor; Carmen Farmer, representing a certified conservation easement holder, appointed by the Governor; Kelly Romero-Heaney, representing the Department of Natural Resources; Maggie Hanna, a member of the general public, appointed by the President of the Senate; Cindy Lair, representing the Department of Agriculture; and Jill Ozarski, representing a member of the general public, appointed by the Speaker of the House of Representatives.

## Staff in Attendance

Aaron Welch, Director, Beatrice Lawson, Compliance Specialist, Madeleine Green, Compliance Specialist, and Kirsten Grooms, Assistant Attorney General.

Notice of the meeting was timely published and the meeting was held pursuant to the Colorado Sunshine Laws, Title 24, Article 6, C.R.S., as amended.

## ORDER OF BUSINESS

The meeting was called to order at 9:32 a.m.

### Approval of Minutes - June 27, 2024

It was moved by Commissioner Romero-Heaney and seconded by Commissioner Farmer to approve the June 27, 2024 minutes.

***Motion carried.***

### Public Comment

None.

# **POLICY MATTERS**

## **Commission Update**

Director Welch gave a brief update about the Commission. This September meeting is Commissioner Ozarski's last meeting. A new chair and co-chair will be elected at one of the next meetings. Lastly, Aaron spoke about reorganization within the Attorney General's office and introduced Kirsten Grooms as the Commission's new Assistant Attorney General.

## **Applications Update**

Bea summarized application activity since the last meeting. The Division has 16 tax credit certificate applications pending review. The Division has issued tax credit certificates for 19 applications since the last Conservation Easement Oversight Commission meeting in June. The CEs involved encumber over 25,000 acres in 18 counties. The rate of incoming applications suggests the Division can anticipate 60-65 tax credit applications this year, which would be an increase of 15% to 25% over the average number of applications across the last four years (52 applications per year during 2019-2023). The Division has issued tax credit certificates for nearly all the applicants that had suspension agreements associated with their applications as a result of SB24-126. Bea also reminded the Commission that the annual cap has been raised to \$50 million dollars with the passing of SB24-126, and there is no longer a wait list. The Division processes applications in the order in which the Division receives them and is currently issuing tax credits from the 2026 cap. Bea then gave an update about the 2025 certified holder renewal process. The Division currently certifies 37 organizations, composed of 13 government agencies and 24 nonprofit organizations, to hold conservation easements. The 2025 certified holder renewal season will begin in the next few months and Bea will give an update regarding the status of certification renewal at the next meeting.

## **Conservation Easements and Federal Tax Law**

Director Welch filled in the Commission about the tax court cases discussed in the 2024 Utah Open Lands Federal Tax Law update course. Director Welch made a note that these court cases are educational but don't necessarily apply to applications the Division receives and that certified holders have uniformly adopted this guidance. No red flags were raised at this workshop. Commissioner Ozarski acknowledged it was a useful workshop for the Commissioners to attend.

## **Tax Credit Application TCC-2024-026**

Director Welch summarized the application process for TCC-2024-026 and the certification process of the Colorado Historical Foundation. Bea was available to answer questions from the Commissioners about the project's Conservation Purpose checklist. Commissioner Lair asked about what would happen if the building was destroyed via natural disaster and Director Welch answered that the Grantors could rebuild. Commissioner Hanna asked about how the burial site will affect the operation of the restaurant and Bea answered that while the CE doesn't directly discuss this, it appears the burial site will not have any negative impact on the restaurant. Commissioner Ozarski asked about how this project falls within 170(h) and Director Welch answered that this project's purpose is the preservation of an historically important land area or certified historic structure. Commissioner Farmer asked if the Colorado Historical Foundation has a stewardship endowment and Director Welch answered that making sure that each certified holder has that language in their policies and procedures and is collecting stewardship funds is part of the certified holder renewal program. The Commission then moved on to discussing the baseline report. Director Welch and Bea described baseline requirements for tax credit applications and Commissioner Ozarski asked if this project's baseline is adequate and Bea answered that it is based on information provided via the National Historical form submitted with the application materials. Lastly, Commissioner Hanna asked about precedence setting and what approving this project means for other historic preservation applications coming in. Commissioner Ozarski made a point that the tax credit program is oversubscribed and these types of projects will take some of that money. Commissioner Ozarski then prompted the Commission to make a motion.

Commissioner Lair made a motion to approve tax credit application TCC-2024-026 pending the completion of the review process. Commissioner Farmer seconded. All Commissioners voted in favor.

*Motion passes.*

### **Agenda Items for Next Meeting**

The next meeting is scheduled for Friday, December 13. Topics may include Annual Ethics and Conflict of Interest Training, election of a new chair and vice chair, and setting a 2025 Meeting Schedule.

## **ADJOURN**

The Commission adjourned the meeting at 10:40 a.m. on September 20, 2024.