

- Adams County Growth Trends and Decline in Farmland
- Oil & Gas - Development, setbacks
- Renewable Energies
- Notable Land Transactions

Adams County Growth Trends and Declining Farmland

- Adams County is forecasted to be one of Colorado's fastest-growing counties by 2050.
 - Brighton is located in Adams County, which has historically been an agricultural area. However, in recent decades, the county has seen significant conversion of farmland to residential and commercial development.
- The economy of Adams County, CO employs 270k people. The largest industries in Adams County, CO are Construction (31,714 people), Retail Trade (31,665 people), and Health Care & Social Assistance (29,806 people), and the highest paying industries are Mining, Quarrying, & Oil & Gas Extraction (\$84,918), Utilities (\$84,674), and Professional, Scientific, & Technical Services (\$69,283).
- Old income grew from \$73,817 to \$78,304, a 6.08% increase.

From 2020 to 2021, employment in Adams County, CO grew at a rate of 1.53%, from 265k employees to 270k employees.

The most common job groups, by number of people living in Adams County, CO, are Office & Administrative Support Occupations (33,300 people), Management Occupations (26,651 people), and Sales & Related Occupations (25,120 people)

Continued

- According to the most recent USDA Census of Agriculture data, Colorado had around 31.8 million acres of farmland as of 2017.
- However, much of this farmland is located in the more rural eastern and western parts of the state, away from the major urban centers along the Front Range.
- In the counties that make up the Denver metro area (Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson), there was around 710,000 acres of farmland in 2017.
- This represents about 2.2% of the total farmland in Colorado, highlighting the conversion of agricultural lands to residential, commercial and industrial uses near urban areas.
- Specific examples of farmland near Denver Urban Areas:
 - Adams County had around 180,000 acres of farmland as of 2017, much of it on the eastern side of the county near Brighton.
 - Weld County, just north of Denver, had over 1.6 million acres of farmland, the most of any county in Colorado.
 - Boulder County had around 80,000 acres of farmland, concentrated more in the eastern part of the county.
- According to data from the U.S. Department of Agriculture's Census of Agriculture, the total farmland acreage in Adams County decreased from around 265,000 acres in 1997 to 225,000 acres in 2017, a decline of over 15%.
- Much of this farmland loss has occurred in the eastern and northern parts of the county, including the Brighton area, as the Denver metropolitan area has expanded outward.
- Local farmers and conservation groups have worked to try to preserve remaining agricultural lands through zoning, easements, and other policies, but development pressure remains high.
 - Brighton has experienced rapid residential growth in recent decades as part of the broader Denver metro area expansion.
 - The city's population has more than doubled since 2000, growing from around 20,000 to over 45,000 as of the latest census estimates.

Value of Agricultural products sold by County

A GLIMPSE OF COLORADO'S AGRICULTURE*

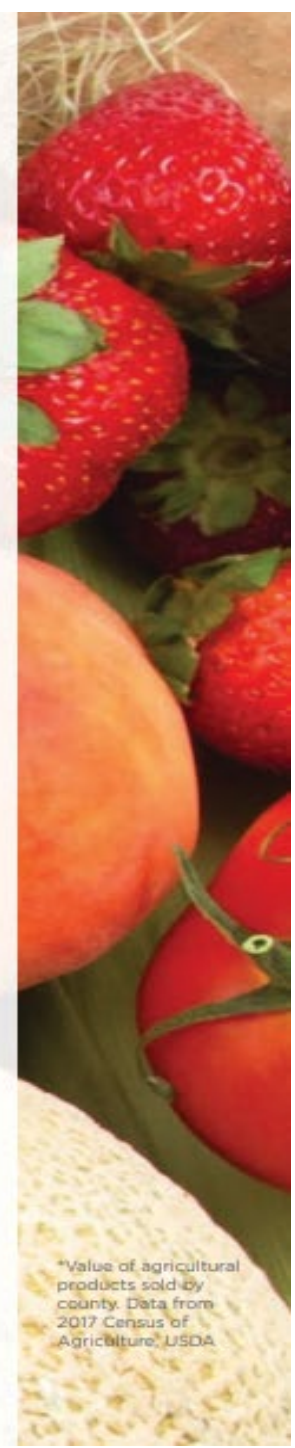


- KEY**
- Aquaculture
 - Barley
 - Cattle
 - Corn
 - Dairy
 - Dry Beans
 - Fruits
 - Hay
 - Hogs
 - Horses
 - Millet
 - Nursery
 - Oats
 - Poultry & Eggs
 - Potatoes
 - Sheep
 - Sod
 - Sorghum
 - Sugarbeets
 - Sunflowers
 - Vegetables
 - Wheat

** #56 DENVER Not Disclosed
 #59 BROOMFIELD \$613,000
 #61 GILPIN \$216,000
 #62 CLEAR CREEK \$174,000
 SAN JUAN Not Available

BLUE AREAS
 are top ten agricultural
 counties in Colorado.

*Value of agricultural products sold by county. Data from 2017 Census of Agriculture, USDA



Oil & Gas and Overall Landscape

The oil and gas economy plays a significant role in Colorado's overall economic landscape. Here are some key details about the importance of this industry to the state:

Economic Impact:

- In 2022, the oil and gas industry contributed over \$31 billion to Colorado's GDP, accounting for around 6% of the state's total economic output.
- The industry supports over 100,000 direct and indirect jobs in Colorado, making it a major employer in the state.
- Oil and gas companies pay hundreds of millions in state and local taxes each year, providing vital revenue for public services and infrastructure.

Energy Production:

- Colorado is a top 10 oil and natural gas producing state in the U.S., extracting over 170 million barrels of oil and 1.8 trillion cubic feet of natural gas annually.
- The state's oil and gas production helps meet domestic energy demands and reduces reliance on imported fuels.
- Colorado also has significant reserves of oil shale and coal bed methane, positioning it to be a long-term energy producer.

Technological Innovation:

- Colorado is home to many oil and gas technology companies that develop cutting-edge drilling, extraction, and emissions reduction methods.
- This drive for innovation helps improve the industry's efficiency and environmental performance over time.

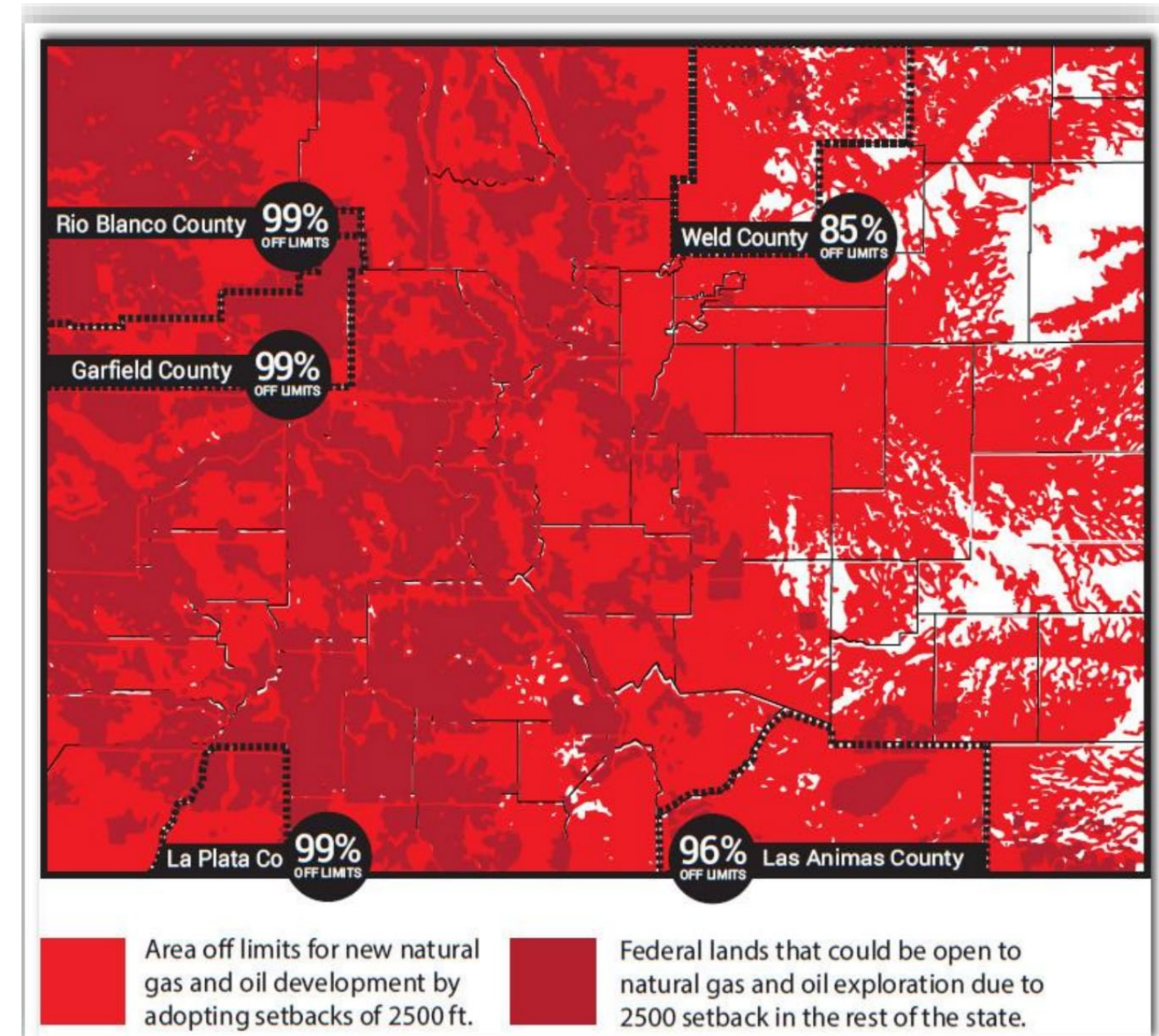
Challenges:

- The industry faces headwinds from low commodity prices, increased regulations, and competition from renewable energy sources.
- There are also ongoing debates around the industry's environmental impact and the need to balance economic priorities with sustainability.

Overall, the oil and gas sector remains a critical part of Colorado's economy, though its future role may continue to evolve as the state and nation transition to more diverse energy sources. Policymakers must carefully weigh the tradeoffs as they seek to support the industry's economic contributions while also addressing environmental concerns.

Oil & Gas, Development, Setbacks, Challenges

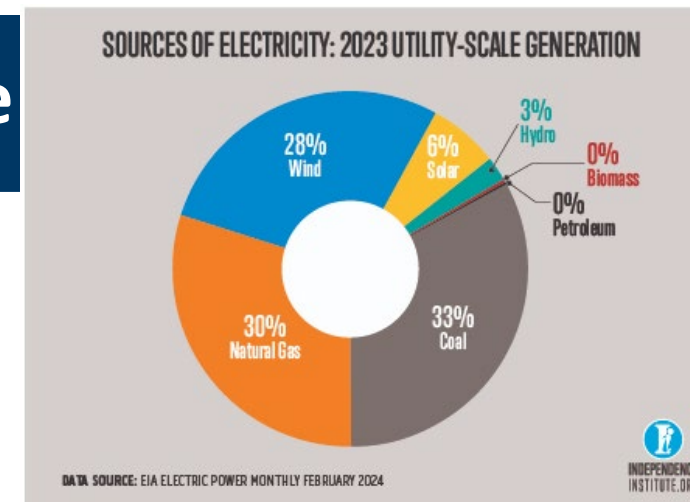
- Conflicts between setbacks and oil & gas development
- In development, be sure to check with local municipalities on setbacks, reverse setbacks, since rules are always changing.
- Proposition 112 (2018), and SB 121
- Local governments have more authority to regulate oil & gas development
- Negotiations between operators, developers, and landowners, and easements
 - Examples:
 - ConocoPhillips
 - Adams County, Aurora, Arapahoe County
 - Rounds of permitting, responding to comments, claims on devaluation of property
 - Existing facilities vs. proposed Facilities
 - Many available resources for the public:
 - COGCC/ECMC (Energy & Carbon Management Commission)
 - [ECMC Home \(state.co.us\)](http://ecmc.state.co.us)
 - COGA - [COLORADO OIL AND GAS ASSOCIATION - COGA | www.coga.org](http://www.coga.org)
 - www.Fracfocus.org



Renewable Energies – Changing Colorado Landscape

Renewable Energy Generation:

- In 2019, the state passed the "Climate Action Plan to Reduce Pollution", which sets goals to reduce greenhouse gas emissions 50% below 2005 levels by 2030 and achieve 100% renewable electricity by 2040.
- Colorado has been a leader in renewable energy growth in recent years. In 2021, renewable sources (primarily wind and solar) accounted for over 30% of the state's electricity generation.
- Colorado has a Renewable Energy Standard that requires the state's largest utilities to generate 30% of their electricity from renewable sources by 2020 and 50% by 2030.
- Major wind power projects have been developed across eastern Colorado, with over 4,000 MW of installed wind capacity as of 2021.
- Utility-scale solar projects have also grown rapidly, with over 1,500 MW of solar capacity in the state.
- Sustainable Adams County 2030 Plan – reduce amount of energy consumed from non-renewable sources by 25%
- **Closing and demolishing coal plants. A big push for new “baseline” energy.**
- **Seeing trends in solar farm/renewable energy leases.**
 - **Electrical substations, major transmission line corridors**
 - **Land Banking options**
- **VSK Energy to invest \$250 M in solar manufacturing plant**, to be built at the newly completed 76 Commerce Center, a light industrial park located east of Interstate 76 at E. Bridge St. and East I-76 Frontage Rd. in Brighton. The industrial park is owned by Mortenson Properties and Hyde Development.



Google Earth Land Tour – Land Transactions

- Oil and Gas Development

- Port Colorado - Port Colorado is the only mixed-use, multi-modal inland port in the Western United States. The ~6,500-acre master-planned mixed-use development will include unique campus opportunities for large-scale light and heavy industrial users, with the ability to maximize transmodal opportunities including air, rail, and ground connectivity.

- Bennett – My recent transactions

- Anchor Business Park (2020) - 275 acres of land near the intersection of I-76 and Highway 85 were acquired by a commercial real estate developer for a new industrial/logistics park. The previous owners were local farmers.

What do we look for in land opportunities?

- * Land in the path of growth
- * Local municipality comprehensive plans
- * Income Producing
- * working with farmers on farm leases, maintaining ag status
- * Different types of closings, and price/acre? Contingencies?

Trends:

- * Starting to see pre 2020 prices as market levels out.
- * Home Builders picking up
- * More interest from land bankers.
- * Land Banking with maturing loans (2% loans to 8% loans) from 2020 to now.