



IOWA AGRICULTURAL
DEVELOPMENT DIVISION
A DIVISION OF IOWA FINANCE AUTHORITY

IADD BOARD MEETING MINUTES

Iowa Finance Authority
1963 Bell Avenue, Suite 200, Des Moines, Iowa
December 23, 2020

Board Members Present

Lyle Borg, Chair
Annette Townsley, Vice Chair
John Fredrickson
Mark Leonard
Gretchen McLain

Board Members Absent

None

Staff Members Present

Lori Beary, Chief Bond Programs Director
Steve Ferguson, IADD Program Specialist
Tammy Nebola, IADD Program Specialist
Becky Wu, Loan Servicing Specialist

Others Present

Cris Kuhn, Dorsey & Whitney

CALL TO ORDER

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Chair Borg on December 23, 2020 at 8:31 am. A quorum was established with the following Board Members present via conference call: Borg, Townsley, Fredrickson, Leonard and McLain.

REVIEW OF MINUTES OF NOVEMBER 24, 2020 BOARD MEETING

Mr. Borg presented the minutes of the November 24, 2020 IADD Board Meeting. Mr. Borg asked if there were any additions or corrections to the minutes.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. Townsley, the Board unanimously approved the minutes of the November 24, 2020 IADD Board meeting.

REVIEW OF NOVEMBER 2020 FINANCIAL STATEMENT

Becky Wu presented the November 2020 financials. She stated that for FY21 year-to-date, IADD had operating income of \$177,000 operating expense of \$143,000 and net operating income of \$34,000.

MOTION

On a motion by Mr. Fredrickson and a second by Mr. Leonard, the Board unanimously approved the November 2020 financial statement as presented.

BEGINNING FARMER LOAN AMENDING RESOLUTIONS

Tammy Nebola presented the following resolution to adjust the terms and conditions on a closed BFLP project:

Resolution 04773M – Calvin Maassen – American State Bank in Alford is the lender. The amendment will change the rate index from 80% of the announced prime rate of American State Bank, adjustable annually to the new index of 2.75% above the 5 Year Treasury Bill, next rate adjustment date will be January 4, 2026 and will adjust every five years thereafter. All other loan terms will remain the same.

MOTION

On a motion by Ms. Townsley and a second by Mr. Fredrickson, the Board unanimously approved the Beginning Farmer Loan Program Amending Resolution.

BEGINNING FARMER LOAN APPLICATIONS

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 20-041 – William P. and Abigail R. Stanek – Beginning farmer loan of \$328,058 to purchase approximately 79.05 acres of agricultural land in Webster County. The loan will have a 2.90% fixed interest rate and a loan length of 30 years. The lender is Northwest Bank in Fort Dodge, Iowa.

AG 20-042 – Nickolas Arthur Christensen – Beginning farmer loan of \$123,750 to purchase approximately 45 acres of agricultural land in Wright County. The loan will have a 4.50% variable interest rate and a loan length of 30 years. The index will be 1.50% over the Federal Home Loan Bank Rate. The lender is First Bank in Eagle Grove, Iowa.

AG 20-043 – Darin and Lisa Pollema – Beginning farmer loan of \$430,000 to purchase approximately 30 acres of agricultural land, house and cattle feedlot in Sioux County. The loan will have a 3.60% variable interest rate and a loan length of 15 years. The index will be the 5 year Treasury + 300 basis points. The lender is American State Bank in Sioux Center, Iowa.

MOTION

On a motion by Mr. Fredrickson and a second by Ms. McLain, the Board unanimously approved the BFLP applications.

PUBLIC HEARING ON BEGINNING FARMER LOANS

A public hearing was held by the IADD Board at the Iowa Finance Authority office on December 23, 2020 at 8:41 am. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 8:42 am.

MOTION

On a motion by Mr. Leonard and a second by Ms. McLain, the Board unanimously recommended approval of the BFLP Bond documents.

BEGINNING FARMER TAX CREDIT CHANGES

Steve Ferguson presented a summary of the Beginning Farmer Tax Credit requested change. There was one change request to increase the number of acres.

MOTION

On a motion by Mr. Fredrickson and a second by Mr. Leonard, the Board unanimously recommended approval of the Beginning Farmer Tax Credit change request.

MARKETING UPDATE

Included in the Board packet is the IADD marketing calendar. While there are no scheduled events, Steve Ferguson discussed the Farm Bureau Beginning Farmer Conference which will be virtual this year. He inquired about IADD doing a presentation but their agenda is already set, however they will include the IADD brochure to all the attendees. IADD will be doing presentation for the new FSA trainees sometime in February.

OTHER BUSINESS

IFA BOARD MEETING UPDATE

Mr. Borg presented the agenda from the December 2nd IFA Board Meeting. He gave the IADD Board a brief update of the items discussed. He discussed in greater detail the Homes for Iowa's program and presentation by Mike Norris.

AG RELIEF PROGRAMS UPDATE

Lori Beary presented a summary of the COVID-19 Ag Relief Programs. For the Iowa Beginning Farmer Debt Relief Fund there were 1,564 grants awarded for a total of \$14,081,666. For the Iowa Livestock Producer Relief Fund there were 6,235 grants awarded for a total of \$62,350,000. For the Iowa Biofuels Relief Program there were 23 grants awarded for a total of \$12,084,848.

DNR LEASE TO BEGINNING FARMER PROGRAM UPDATE

Steve Ferguson discussed the IADD Certifications for the DNR Lease to Beginning Farmer Program. There were 39 beginning farmer certifications, of which one came in after the deadline, so 38 were reviewed and approved by IADD.

NEXT IADD BOARD MEETING

The January IADD Board meeting will be Wednesday, January 27th, 2021 at 8:30 am, via conference call.

ADJOURNMENT

On a motion by Mr. Fredrickson and a second by Ms. Townsley, the December 23, 2020 meeting of the IADD Board of Directors adjourned at 8:59 am.

Dated this 27th day of January, 2021.

Respectfully submitted:

Handwritten signature of Lori K. Beary in blue ink, written over a horizontal line.

Lori K. Beary
Director's Designee/Board Secretary

Approved as to form:

Handwritten signature of Lyle W. Borg in black ink, written over a horizontal line.

Lyle Borg, Chair
IADD Board