



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**  
**July 27, 2022**

**Board Members Present**

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

**Board Members Absent**

None

**Staff Members Present**

Debi Durham, Executive Director	Tammy Nebola, IADD Program Specialist
Beau Hanson, IT	Aaron Smith, Chief Bond Programs Director
Nicki Howell, IADD Program Specialist	Becky Wu, Accounting Manager

**Others Present**

Cris Kuhn, Dorsey & Whitney

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**CALL TO ORDER**

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Chair Borg on July 27, 2022 at 8:32 am. A quorum was established with the following Board Members present via conference call: Borg, Townsley, Fredrickson, Leonard, and McLain.

Mr. Borg and Aaron Smith welcomed Nicki Howell to the IADD team as the new Agricultural Development Program Specialist.

**REVIEW OF MINUTES OF JUNE 22, 2022 BOARD MEETING**

Mr. Borg presented the minutes of the June 22, 2022 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 June 22, 2022 IADD Board meeting.

**REVIEW OF JUNE 2022 FINANCIAL STATEMENT**

Becky Wu presented the June 2022 financials. She stated that for FY22 year-to-date, IADD had operating income of \$563,000 operating expense of \$459,000 and net operating income of \$104,000. This includes 100% of the loan loss reserve for LPP P0275 of \$139,128.31.

**MOTION**

On a motion by Mr. Fredrickson and a second by Ms. Townsley, the Board unanimously approved the June 2022 financial statement as presented.

**UPDATE ON DELINQUENT LPP P0275 FOR REINERT**

Tammy Nebola gave an update on the delinquent LPP P0275 for Jacob and Brittany Reinert. The lender informed IFA that the property was sold at auction on June 30, 2022, for \$315,000. Unfortunately, the purchase price was not even enough to cover the bank loans on the project so it will result in a total loss of the outstanding principal balance on LPP P0275 of \$139,128.31. The LPP loan was reserved 100% to Claims and Loss Expense in June so will show in the final balance of FY22.

**BEGINNING FARMER LOAN AMENDING RESOLUTIONS**

Tammy Nebola presented the following resolutions to adjust the terms and conditions on closed BFLP projects:

Resolution AG 19-033M – Michael Thomas Donovan – Hills Bank & Trust Company in Kalona is the lender. The amendment will lower the interest rate from 4.64% to 3.27% until December 15, 2029 at which time the rate will adjust to the original index of 80% of 5 Year Treasury + 3.00% and be adjustable every five years thereafter. All other loan terms will remain the same.

Resolution AG 22-011M – Chad Eric Stamp – Lincoln Savings Bank in Lincoln is the lender. The amendment will do a partial release of the original Mortgage for 160 acres dated May 24, 2022, partial release is of 15.75 acres dated July 13, 2022. Partial release is of acres on the other side of a creek that are difficult for the beginning farmer to access. The partial release includes a principal paydown of \$54,660. Annual payments and all other loan terms will remain the same.

**MOTION**

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

**BEGINNING FARMER LOAN APPLICATIONS**

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 22-027 – Carson and Alyssa Cline – Beginning farmer loan of \$172,500 to purchase approximately 76 acres of agricultural land in Adams County. The loan will have a

4.50% variable interest rate and a loan length of 30 years. The index will be 0.50% above Wall Street Journal Prime Rate. The lender is Iowa State Savings Bank in Lenox, Iowa.

AG 22-028 – Andrew Arden and Alyssa Ann Pedersen Dooley – Beginning farmer loan of \$232,500 to purchase approximately 79.27 acres of agricultural land and out-buildings in Wright County. The loan will have a 4.75% variable interest rate and a loan length of 30 years. The index will be 2.00% above the Federal Home Loan Bank Rate of Des Moines Five Year Advance Rate. The lender is First Bank in Eagle Grove, Iowa.

AG 22-029 – Tyler and Kelsie Hebl – Beginning farmer loan of \$575,400 to purchase approximately 97.64 acres of agricultural land in Johnson County. The loan will have a 3.99% variable interest rate and a loan length of 25 years. The index will be 80% of the 5 year Treasury plus 3.00%. The lender is Hills Bank & Trust Company in Kalona, Iowa.

AG 22-030 – Jared and Jamie Kriegel – Beginning farmer loan of \$364,250 to purchase approximately 103.75 acres of agricultural land in Poweshiek County. The loan will have a 3.40% variable interest rate and a loan length of 30 years. The index will be 80% of the 5 year Treasury + 2.50%. The lender is Northeast Security Bank in Dysart, 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 July 27, 2022 at 9:03 am. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 9:04 am.

#### **MOTION**

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

#### **BEGINNING FARMER TAX CREDIT APPLICATIONS**

Tammy Nebola presented a summary of the Beginning Farmer Tax Credit applications. There were 17 new BFTC applications for an estimated tax credit amount of \$489,893. She noted that of those 17; ten are cash rent and seven are crop share leases.

#### **MOTION**

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

#### **MARKETING UPDATE**

Included in the Board packet is the IADD marketing calendar. Tammy Nebola noted the only event scheduled is the Iowa Women in Agriculture Conference on August 4<sup>th</sup> at the

FFA Enrichment Center on the DMACC campus. This will be Nicki Howell's first event as Agricultural Program Specialist.

**OTHER BUSINESS**

**UPDATE ON NCOSAFP AND NARRC CONFERENCES**

Tammy Nebola presented correspondence from both NCOSAFP and NARRC on their annual conferences. The NCOSAFP Board decided to cancel the NCOSAFP Conference this September in Great Falls, MT. The decision was based on high flight and travel costs and low expected attendance. The NARRC Conference will be in Richmond, VA on September 25-28. Mark Leonard is planning to attend as well as Tammy Nebola and Nicki Howell.

**IFA BOARD MEETING UPDATE**

Mr. Borg presented the agenda from the July 7, 2022 IFA Board Meeting. Aaron Smith shared an update on IFA's Water Quality projects and the Homeowner Assistance Fund. Director Durham shared information regarding changes to the annual QAP and plans for cleaning up the SRF program. She also shared updates on the Iowa Rent and Utility Assistance Program, the IEDA Butchery Innovation and Revitalization Program that was created to assist small meat locker businesses, and the work IEDA staff is doing to promote tourism to Iowa.

**NEXT IADD BOARD MEETING**

The August IADD Board meeting will be Wednesday, August 24, 2022 at 9:30 am, in-person at the IFA Office. Staff shared that Mak Sucasca, State of Iowa Refugee Coordinator, and Secretary Naig may attend the August board meeting. The September IADD Board meeting is scheduled for Wednesday, September 28, however Mr. Leonard, Tammy Nebola and Nicki Howell will likely be traveling home from the NARRC Conference on that day so will need to look at a different date either the week before (Wednesday, September 21) or the day after the scheduled September Board Meeting (Thursday, September 29).

**ADJOURNMENT**

On a motion by Mr. Fredrickson and a second by Mr. Leonard, the July 27, 2022 meeting of the IADD Board of Directors adjourned at 9:20 am.

Dated this 24<sup>th</sup> day of August 2022.

Respectfully submitted:



Aaron Smith  
Director's Designee/Board Secretary

Approved as to form:



Lyle Borg, Chair  
IADD Board