



**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 28, 2022**

**Board Members Present**

John Fredrickson, Chair  
Annette Townsley, Vice Chair  
Kevin Boyle

Mark Leonard  
Gretchen McLain

**Board Members Absent**

None

**Staff Members Present**

Beau Hanson, IT  
Nicki Howell, IADD Program Specialist  
Tammy Nebola, IADD Program Specialist

Aaron Smith, Chief Bond Programs Director  
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 Fredrickson on December 28, 2022 at 8:35 am. A quorum was established with the following Board Members present via conference call: Fredrickson, Townsley, Leonard, and McLain and Boyle.

**REVIEW OF MINUTES OF NOVEMBER 28, 2022 BOARD MEETING**

Mr. Fredrickson presented the minutes of the November 28, 2022 IADD Board Meeting. Mr. Fredrickson asked if there were any additions or corrections to the minutes. Ms. Townsley noted that there is a typo on page three in the BFTC application section.

**MOTION**

On a motion by Ms. McLain and a second by Mr. Boyle, the Board unanimously approved the minutes of the November 28, 2022 IADD Board meeting as corrected.

**REVIEW OF NOVEMBER 2022 FINANCIAL STATEMENT**

Becky Wu presented the November 2022 financials. She stated that for FY23 year-to-date, IADD had operating income of \$214,000, an operating expense of \$171,000, and a net operating income of \$43,000.

**MOTION**

On a motion by Ms. McLain and a second by Ms. Townsley, the Board unanimously approved the November 2022 financial statement as presented.

**LOAN PARTICIPATION PROGRAM**

Tammy Nebola presented information on the following loan participation application.

P0314 - Tony L. Chapman. The LPP application is for \$200,000. The borrower will purchase approximately 160 acres of agricultural land. Total project cost is \$1,760,000. The borrower has also applied for a Beginning Farmer Loan AG 22-048. The bank is Iowa Savings Bank in Coon Rapids.

**MOTION**

On a motion by Ms. Townsley and a second by Mr. Leonard, the Board unanimously approved the loan participation for Tony L. Chapman subject to obtaining a Guaranty from Daniel Chapman (Dad) on the \$200,000 LPP Loan.

**BEGINNING FARMER LOAN AMENDING RESOLUTIONS**

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

Resolution AG 16-040M – Brett L. and Lyndi M. DeVries – Marion County State Bank in Pella is the lender. The amendment will increase the interest rate from 3.10% to 4.99% and fix for five years until December 22, 2027, at which time the rate will adjust to the original index of 80% of Marion County State Bank On-Year Agricultural Real Estate Rate and be adjustable annually thereafter. All other loan terms will remain the same.

**MOTION**

On a motion by Mr. Boyle and a second by Mr. Leonard, 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 22-044 – Cory Edward Steinfeldt and Lynnette Kaye Dunham- Steinfeldt – Beginning farmer loan of \$384,750 to purchase approximately 120 acres of agricultural land, house and out-buildings in Union County. The loan will have a 4.98% variable interest rate and a loan length of 30 years. The index will be 1.85% above Des Moines FHLB 5 year rate. The lender is Lincoln Savings Bank in Tama, Iowa.

AG 22-045 – Brad and Jessica Alexander – Beginning farmer loan of \$236,639 to purchase approximately 26.7 acres of agricultural land in Osceola County. The loan will have a 6.00% variable interest rate and a loan length of 30 years. The index will be SOFR + 200 bps. The lender is Sibley State Bank in Sibley, Iowa.

AG 22-046 – Patrick Alexander – Beginning farmer loan of \$236,639 to purchase approximately 26.7 acres of agricultural land in Osceola County. The loan will have a 6.00% variable interest rate and a loan length of 30 years. The index will be SOFR + 200 bps. The lender is Sibley State Bank in Sibley, Iowa.

AG 22-047 – Brian and Chelsey Alexander – Beginning farmer loan of \$216,059 to purchase approximately 26.7 acres of agricultural land in Osceola County. The loan will have a 6.00% variable interest rate and a loan length of 30 years. The index will be SOFR + 200 bps. The lender is Sibley State Bank in Sibley, Iowa.

AG 22-048 – Tony L. Chapman – Beginning farmer loan of \$616,100 to purchase approximately 160 acres of agricultural land in Guthrie County. The loan will have a 4.75% variable interest rate and a loan length of 30 years. The index will be 300 bp over the 3 year Treasury. The lender is Iowa Savings Bank in Coon Rapids, Iowa.

#### **MOTION**

On a motion by Mr. Boyle 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 28, 2022 at 9:17 am. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 9:18 am.

#### **MOTION**

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

#### **2022 BFLP EOY BOND ALLOCATION STATUS REPORT**

Tammy Nebola shared that the total allocation in bond closings for the year will be about \$14 million. \$60 million in unused funds will be transferred to IFA for the Affordable Housing Program.

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

Nicki Howell presented a summary of the Beginning Farmer Tax Credit applications. There were 61 new BFTC applications for an estimated tax credit amount of \$1,100,593. She noted that of those 61; 26 are cash rent, 32 are crop share, two are a hybrid lease and one is a flex lease.

## **MOTION**

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

## **BEGINNING FARMER TAX CREDIT CHANGES**

Tammy Nebola presented a summary of the Beginning Farmer Tax Credit requested changes. There were four change requests. She noted that of those four, one was to increase the number of acres, one was to decrease the number of acres due to a sale of part of the land, one was to change from a crop share to a cash rent lease and one was to change the asset owner due to death to the deceased estate.

## **MOTION**

On a motion by Mr. Boyle and a second by Ms. McLain, the Board unanimously recommended approval of the Beginning Farmer Tax Credit change requests.

## **BFTC ANNUAL REPORT**

Nicki Howell presented a summary of the Beginning Farmer Tax Credit applications. There were 253 new BFTC applications approved in 2022 for a total tax credit amount of \$5,060,860. She noted that of those 253; 139 are cash rent, 105 are crop share, 7 are hybrid leases and two are flex leases.

## **MARKETING UPDATE**

Included in the Board packet is the IADD marketing calendar. Tammy Nebola discussed some upcoming events. Next week, Tammy is doing an interview on the Big Show. The Practical Farmers of Iowa Conference is in Ames on the 20<sup>th</sup>. In February, Nicki and Tammy will attend the PAS Spring Conference, do a virtual seminar for Cresco Bank, and a presentation at the Beginning Farmer Transition Conference in Ames.

## **OTHER BUSINESS**

### **IFA BOARD MEETING UPDATE**

Aaron Smith shared that there will be a Special IFA board meeting to approve the BFTC applications immediately following the IADD meeting. He also gave the IADD Board a brief update of the items discussed at the December 4, 2022 IFA Board Meeting and shared that IFA, IEDA, and IID are fundraising for Capital View Elementary.

### **2023 MEETING DATES - CHANGES**

The March meeting date is moving from March 22<sup>nd</sup> to March 29<sup>th</sup> and the January meeting is moving from January 25<sup>th</sup> to January 23<sup>rd</sup>.

### **DNR LEASE TO BEGINNING FARMER CERTIFICATION UPDATE**

Nicki Howell gave an update on the DNR Lease to Beginning Farmer certifications. 46 leases were received and of those 46, 43 were approved. Staff is awaiting missing financial documents for the three remaining applications.

**NEXT IADD BOARD MEETING**

The next IADD Board meeting will be Monday, January 23, 3 at 8:30 am, via conference call.

**ADJOURNMENT**

On a motion by Mr. Leonard and a second by Ms. Townsley, the December 28, 2022 meeting of the IADD Board of Directors adjourned at 9:56 am.

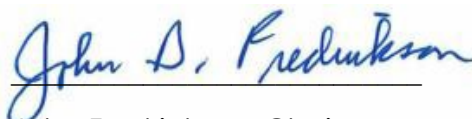
Dated this 23rd day of January 2023.

Respectfully submitted:



Aaron Smith  
Director's Designee/Board Secretary

Approved as to form:



John Fredrickson, Chair  
IADD Board