



**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
November 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
Mike Hogan, 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

CALL TO ORDER

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Chair Fredrickson on November 28, 2022 at 9:39 a.m. A quorum was established with the following Board Members present: Boyle, Townsley, Fredrickson, Leonard, and McLain.

REVIEW OF MINUTES OF OCTOBER 26, 2022 BOARD MEETING

Mr. Fredrickson presented the minutes of the October 26, 2022 IADD Board Meeting. Mr. Fredrickson asked if there were any additions or corrections to the minutes. There were none.

MOTION

On a motion by Ms. Townsley and a second by Ms. McLain, the Board unanimously approved the minutes of the October 26, 2022 IADD Board meeting.

REVIEW OF OCTOBER 2022 FINANCIAL STATEMENT

Becky Wu presented the October 2022 financials. She stated that for FY23 year-to-date, IADD had an operating income of \$164,000, an operating expense of \$90,000 and a net operating income of \$74,000.

MOTION

On a motion by Mr. Leonard and a second by Ms. McLain, the Board unanimously approved the October 2022 financial statement as presented.

RURAL REHAB TRUST FUND DISCUSSION

Tammy Nebola explained the breakdown of the Rural Rehab Trust Fund and how it affects the budget.

BEGINNING FARMER LOAN APPLICATIONS

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 22-039 – Brandon Michael and Hannah Kerkhoff – Beginning farmer loan of \$349,488 to purchase approximately 48.03 acres of agricultural land in Carroll County. The loan will have a 5.44% variable interest rate and a loan length of 25 years. The index will be 75% of (NY Prime + 1.00%). The lender is Templeton Savings Bank in Templeton, Iowa.

AG 22-040-I – Parker and Esther Beard – Beginning farmer contract of \$190,000 to purchase approximately 48.5 acres of agricultural land, house and outbuildings in Winneshiek County. The loan will have a 3.14% fixed interest rate and a loan length of 15 years. The contract seller is Glenn K. Larson in Decorah, Iowa.

AG 22-041 – Jeffrey Alan Dunnwald – Beginning farmer loan of \$350,000 to purchase approximately 120 acres of agricultural land, house and outbuildings in Winneshiek County. The loan will have a 5.75% variable interest rate and a loan length of 30 years. The index will be equal to the Citizens Savings Bank 5 year tax exempt rate index. The lender is Citizens Savings Bank in Spillville, Iowa.

AG 22-042 – Dylan W. Lyman – Beginning farmer loan of \$420,750 to purchase approximately 72.47 acres of agricultural land in Grundy County. The loan will have a 5.20% variable interest rate and a loan length of 30 years. The index will be 80% of 3.00% over the 5 year federal home loan bank of Des Moines advance rate. The lender is Peoples Bank in Grand Junction, Iowa.

AG 22-043 – Timothy Nels and Molly Marie Olson – Beginning farmer loan of \$387,356 to purchase approximately 81.98 acres of agricultural land in Clinton County. The loan will have a 5.10% fixed interest rate and a loan length of 30 years. The lender is Citizens State Bank in Manchester, Iowa.

MOTION

On a motion by Ms. Townsley and a second by Mr. Leonard, the Board unanimously approved the BFLP applications. Mr. Boyle abstained from voting due to a conflict of interest on AG 22-039.

PUBLIC HEARING ON BEGINNING FARMER LOANS

A public hearing was held by the IADD Board at the Iowa Finance Authority office on November 28, 2022 at 10:03 a.m. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 10:04 a.m.

MOTION

On a motion by Ms. McLain and a second by Ms. Townsley, 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 is at \$11.7 million with about 10 more applications needing to close before the end of the year. Any funds not used by the end of the year will be transferred to the Housing Program.

BEGINNING FARMER TAX CREDIT APPLICATIONS

Nicki Howell presented a summary of the Beginning Farmer Tax Credit applications. There were 27 new BFTC applications for an estimated tax credit amount of \$422,889. She noted that of those 27; 19 are cash rent and 8 are crop share.

MOTION

On a motion by Ms. McLain and a second by Mr. Leonard, 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 was one change request to increase the number of acres by 62.73 acres and change the lease from cash rent to a 33/66 crop share for the remaining two years.

MOTION

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

MARKETING UPDATE

Included in the Board packet is the IADD marketing calendar. Tammy Nebola reviewed some of the recent events, which included presentations at Iowa State University, Dordt College and a booth at the Iowa PAS Fall Conference. She also discussed some upcoming presentations at conferences in Ankeny and Ames and a virtual presentation for Cresco Bank Beginning Farmer Seminar.

OTHER BUSINESS

IFA BOARD MEETING UPDATE

Aaron Smith gave the IADD Board a brief update of the items discussed at the November 2, 2022, IFA Board Meeting. Several program awards were approved along with the 9% QAP for Low Income Housing Tax Credits. The Iowa Rent and Utility Assistance Program has wrapped up however the Homeowner Assistance Program is still taking in applications and getting assistance out to Iowans needing help with mortgage payments.

NEXT IADD BOARD MEETING

The December IADD Board meeting will be Wednesday, December 28, 2022 at 8:30 a.m., via conference call.

ADJOURNMENT

On a motion by Ms. McLain and a second by Mr. Leonard, the November 28, 2022 meeting of the IADD Board of Directors adjourned at 10:53 a.m.

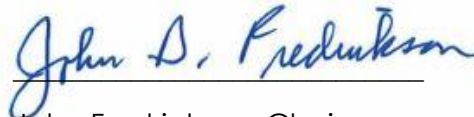
Dated this 28th day of December 2022.

Respectfully submitted:



Aaron Smith
Director's Designee/Board Secretary

Approved as to form:



John Fredrickson, Chair
IADD Board