



**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
March 29, 2023

Board Members Present

John Fredrickson, Chair
Annette Townsley, Vice Chair
Kevin Boyle

Mark Leonard
Gretchen McLain

Board Members Absent

None

Staff Members Present

Debi Durham, Executive Director
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

CALL TO ORDER

The meeting of the Iowa Agricultural Development Division (IADD) Board of Directors was called to order by Chair Fredrickson on March 29, 2023 at 9:34 a.m. A quorum was established with the following Board Members present; Fredrickson, Townsley, Boyle, Leonard, and McLain.

REVIEW OF MINUTES OF FEBRUARY 22, 2023 BOARD MEETING

Mr. Fredrickson presented the minutes of the February 22, 2023 IADD Board Meeting. Mr. Fredrickson asked if there were any additions or corrections to the minutes.

MOTION

On a motion by Mrs. McLain and a second by Mr. Boyle, the Board unanimously approved the minutes of the February 22, 2023 IADD Board meeting.

REVIEW OF FEBRUARY 2023 FINANCIAL STATEMENT

Becky Wu presented the February 2023 financials. She stated that for FY23 year-to-date, IADD had operating income of \$375,000, an operating expense of \$218,000, and a net operating income of \$157,000.

MOTION

On a motion by Mrs. McLain and a second by Mr. Leonard, the Board unanimously approved the February 2023 financial statement as presented.

BEGINNING FARMER LOAN APPLICATIONS

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 23-017 – Michael Richard McDonough – Beginning farmer loan of \$616,100 to purchase approximately 129.5 acres of agricultural land in Buchanan County. The loan will have a 6.00% variable interest rate and a loan length of 30 years. The index will be 3.00% above the 5 year Treasury. The lender is Bank Iowa in Lawler, Iowa.

AG 23-018 – Aaron Lee Thede – Beginning farmer loan of \$219,500 to purchase approximately 31 acres of agricultural land in Grundy County. The loan will have a 4.95% variable interest rate and a loan length of 30 years. The index will be 75% of (5-year US Treasury plus 3.00%). The lender is Green Belt Bank & Trust in Grundy Center, Iowa.

AG 23-019 – Adam Louis Hulme – Beginning farmer loan of \$219,500 to purchase approximately 31 acres of agricultural land in Grundy County. The loan will have a 4.95% variable interest rate and a loan length of 30 years. The index will be 75% of (5-year US Treasury plus 3.00%). The lender is Green Belt Bank & Trust in Grundy Center, Iowa.

AG 23-020 – Barry John Thede – Beginning farmer loan of \$219,500 to purchase approximately 31 acres of agricultural land in Grundy County. The loan will have a 4.95% variable interest rate and a loan length of 30 years. The index will be 75% of (5-year US Treasury plus 3.00%). The lender is Green Belt Bank & Trust in Grundy Center, Iowa.

AG 23-021 – Waylon C. and Breanne E. Keller – Beginning farmer loan of \$241,877 to purchase approximately 40.72 acres of agricultural land in Wright County. The loan will have a 4.95% variable interest rate and a loan length of 30 years. The index will be 80% of the 5-year Treasury plus 2.50%. The lender is First State Bank in Webster City, Iowa.

AG 23-022 – Austin L. and Taylor R. Keller – Beginning farmer loan of \$241,877 to purchase approximately 40.72 acres of agricultural land in Wright County. The loan will have a 4.95% variable interest rate and a loan length of 30 years. The index will be 80% of the 5-year Treasury plus 2.50%. The lender is First State Bank in Webster City, Iowa.

AG 23-023 – Brayden Gavin – Beginning farmer loan of \$616,100 to purchase approximately 140 acres of agricultural land in Allamakee County. The loan will have a 4.55% variable interest rate and a loan length of 30 years. The index will be 3.20% above Wall Street Prime. The lender is Luana Savings Bank in Luana, Iowa.

MOTION

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

Director Durham left the meeting at 9:58 a.m.

PUBLIC HEARING ON BEGINNING FARMER LOANS

A public hearing was held by the IADD Board at the Iowa Finance Authority office on February 22, 2023 at 9:59 a.m. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 10:05 a.m.

MOTION

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

BEGINNING FARMER TAX CREDIT APPLICATIONS

Nicki Howell presented a summary of the Beginning Farmer Tax Credit applications. There were 8 new BFTC applications for an estimated tax credit amount of \$38,669. She noted that all 8 leases are cash rent.

MOTION

On a motion by Mr. Leonard and a second by Mrs. McLain, 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 reviewed some of the recent events she and Nicki have attended which included presentations at DMACC, ISU Alpha Gamma Rho, Coldwell Banker, Fidelity Bank & Trust, and the IBA Ag Bankers Conference. Tammy has future presentations scheduled for DMACC, Iowa Cattlemen's, and IBA AG Credit school and a panel discussion for NIFA.

OTHER BUSINESS

IADD BOARD MEETING CALENDAR

The board and staff discussed upcoming board meeting dates and chose to move the June in person board meeting from June 28th to June 27th.

NCOSAFP NEWSLETTER

Mrs. Nebola shared that she has been appointed as the Vice President and Treasurer of the NCOSAFP board. She also shared that the 2023 NCOSAFP Conference will be in Raleigh, North Carolina, October 1st – 4th. This year will include additional attendees from the LAPI Community of Practice project, which is a research project focused on state tax credit programs.

NAARC NEWSLETTER

Mrs. Nebola shared that the 2023 NAARC conference will be held in Wichita, Kansas, September 15th-20th.

MAMBA LEGISLATIVE UPDATE

Mrs. Nebola shared an update regarding staff's efforts to get legislative changes for the Aggie bond program to get the BFLP land ownership maximum changed from 30% of the county median to 30% of the county average, which would align with FSA requirements and make a huge impact and increase the number of beginning farmers eligible for the program.

IFA BOARD MEETING UPDATE

Aaron Smith presented the agenda from the March 1, 2023 IFA Board Meeting. He gave the IADD Board a brief update of the items discussed which included the Governor's state agency alignment bill, a new housing presentation given by IFA's marketing team, and upcoming projects related to the 1963 Bell building.

APPOINT IADD REPRESENTATIVE TO SERVE ON IFA BOARD

MOTION

On a motion by Mrs. Townsley and a second by Mrs. McLain, the Board unanimously approved Mr. Fredrickson as the IADD Board representative for the IFA Board of Directors.

NEXT IADD BOARD MEETING

The next IADD Board meeting will be Wednesday, April 26, 2023 at 8:30 a.m., via conference call.

ADJOURNMENT

On a motion by Mrs. McLain and a second by Mr. Boyle, the March 29, 2023 meeting of the IADD Board of Directors adjourned at 10:56 a.m.

Dated this 26th day of April 2023.

Respectfully submitted:



Aaron Smith
Director's Designee/Board Secretary

Approved as to form:



John Fredrickson, Chair
IADD Board