



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**  
**September 27, 2023**

**Board Members Present**

Mark Leonard, Chair  
Annette Townsley, Vice Chair

Kevin Boyle  
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 Leonard on September 27, 2023 at 9:32 a.m. A quorum was established with the following Board Members present; Leonard, Townsley, Boyle, and McLain.

**REVIEW OF MINUTES OF AUGUST 23, 2023 BOARD MEETING**

Mr. Leonard presented the minutes of the August 23, 2023 IADD Board Meeting. Mr. Leonard asked if there were any additions or corrections to the minutes.

**MOTION**

On a motion by Mr. Boyle and a second by Mrs. McLain, the Board unanimously approved the minutes of the August 23, 2023 IADD Board meeting.

**REVIEW OF AUGUST 2023 FINANCIAL STATEMENT**

Becky Wu presented the August 2023 financials. She stated that for FY24 year-to-date, IADD had operating income of \$105,000, an operating expense of \$57,000, and a net operating income of \$48,000.

## **MOTION**

On a motion by Mr. Boyle and a second by Mrs. Townsley, the Board unanimously approved the August 2023 financial statement as presented.

## **BEGINNING FARMER LOAN APPLICATIONS**

Tammy Nebola introduced the following applications for Beginning Farmer loans:

AG 23-042 – Mark R. and Shantel K. Lensing – Beginning farmer loan of \$222,320 to purchase approximately 40 acres of agricultural land in Winneshiek County. The loan will have a 4.70% variable interest rate and a loan length of 30 years. The index will be equal to New York Prime; Rate floor 4.00%. The lender is Luana Savings Bank in Ossian, Iowa.

AG 23-043 – Nathan J. Lensing – Beginning farmer loan of \$222,320 to purchase approximately 40 acres of agricultural land in Winneshiek County. The loan will have a 4.70% variable interest rate and a loan length of 30 years. The index will be equal to New York Prime; Rate floor 4.00%. The lender is Luana Savings Bank in Ossian, Iowa.

AG 23-044 – Garret Lee and Regan E. Lensing – Beginning farmer loan of \$222,320 to purchase approximately 40 acres of agricultural land in Winneshiek County. The loan will have a 4.70% variable interest rate and a loan length of 30 years. The index will be equal to New York Prime; Rate floor 4.00%. The lender is Luana Savings Bank in Ossian, Iowa.

AG 23-047 – Clay R. Schurtz – Beginning farmer loan of \$281,250 to purchase approximately 40 acres of agricultural land in Cerro Gordo County. The loan will have a 5.38% variable interest rate and a loan length of 30 years. The index will be 75% of the 5 Year CMT plus a margin of 2.75%. The lender is First Citizens Bank in Mason City, Iowa.

AG 23-048 – Kalen R. and Heidi A. Parker – Beginning farmer loan of \$156,500 to purchase approximately 10 acres of agricultural land, house and outbuildings in Cerro Gordo County. The loan will have a 5.15% variable interest rate and a loan length of 30 years. The index will be 75% of the 5 Year CMT plus a margin of 2.75%. The lender is First Citizens Bank in Mason City, Iowa.

AG 23-049-I – Howard S. and Mindi J. Noel – Beginning farmer contract sale of \$497,120 to purchase approximately 65.89 acres of agricultural land in Jasper County. The contract will have a 6.00% fixed interest rate and a contract length of 25 years. The contract seller is Dean Lane in Newton, Iowa.

AG 23-050 – Michael and Kaitlyn Bachtle – Beginning farmer loan of \$485,000 to purchase approximately 68.13 acres of agricultural land in Mitchell County. The loan will have a 4.70% fixed interest rate and a loan length of 30 years. The lender is St. Ansgar State Bank in St. Ansgar, Iowa.

AG 23-051 – Tyler J. Banowetz – Beginning farmer loan of \$616,100 to purchase approximately 134 acres of agricultural land and out-buildings in Jackson County. The loan will have a 6.00% variable interest rate and a loan length of 30 years. The index will

be 80% of First Trust & Savings Bank's base real estate interest rate. The lender is First Trust & Savings Bank in Grand Mound, Iowa.

AG 23-052 – Nicholas Sandburg – Beginning farmer loan of \$231,000 to purchase approximately 36.89 acres of agricultural land in Muscatine County. The loan will have a 5.52% variable interest rate and a loan length of 30 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 23-053 – Gabriel and Kate Lorack – Beginning farmer loan of \$616,100 to purchase approximately 53.96 acres of agricultural land, house, out-buildings including a 41,000 Hd layer barn in Muscatine County. The loan will have a 5.27% variable interest rate and a loan length of 20 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 23-054 – Travis H. Dermody – Beginning farmer loan of \$477,500 to purchase approximately 199 acres of agricultural land in Iowa County. The loan will have a 5.52% variable interest rate and a loan length of 30 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 23-055 – Brock T. and Paige Caves – Beginning farmer loan of \$345,000 to purchase approximately 102 acres of agricultural land in Van Buren County. The loan will have a 5.20% variable interest rate and a loan length of 30 years. The index will be 80% of Pilot Grove Savings Bank Lending rate. The lender is Pilot Grove Savings Bank in Pilot Grove, Iowa.

AG 23-056 – Kaleb Salge – Beginning farmer loan of \$265,000 to purchase approximately 40 acres of agricultural land in Butler County. The loan will have a 5.25% variable interest rate and a loan length of 30 years. The index will be 1.875% over the Des Moines FHLB. The lender is Lincoln Savings Bank in Reinbeck, Iowa.

AG 23-057 – Braden Wayne Landt – Beginning farmer loan of \$498,000 to purchase approximately 77.84 acres of agricultural land and house in Clayton County. The loan will have a 4.95% variable interest rate and a loan length of 30 years. The index will be equal to Wall Street Prime. The lender is Luana Savings Bank in Luana, Iowa.

### **MOTION**

On a motion by Mrs. Townsley and a second by Mrs. 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 September 27, 2023 at 10:16 a.m. There were no comments received regarding the Beginning Farmer Loan applications. The public hearing was closed at 10:17 a.m.

**MOTION**

On a motion by Mrs. McLain and a second by Mrs. Townsley, 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 23 new BFTC applications for an estimated tax credit amount of \$390,269. She noted that of those 23; 15 are cash rent, 7 are crop share, and one is a flex lease.

**MOTION**

On a motion by Mr. Boyle and a second by Mrs. Townsley, 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 and Mr. Leonard gave a brief review of the NARRC Conference, which they and Nicki Howell attended September 17-20<sup>th</sup> in Wichita, Kansas. She also discussed some upcoming events. Tammy, Nicki, and Mr. Boyle will be attending the NCOSAFP Conference in Raleigh, NC on October 1-4<sup>th</sup>. Staff will be presenting at Iowa State University in November and at a Young Farmer Workshop in Atlantic in December.

**OTHER BUSINESS**

**IFA BOARD MEETING UPDATE**

Mr. Leonard presented the agenda from the September 6, 2023 IFA Board Meeting. Aaron Smith gave a brief overview of the meeting, which was held in Cedar Rapids and the HousingIowa Conference.

**NEXT IADD BOARD MEETING**

The next IADD Board meeting will be Wednesday, October 25, 2023 at 9:30 a.m.

**ADJOURNMENT**

On a motion by Mr. Boyle and a second by Mrs. McLain, the September 27, 2023 meeting of the IADD Board of Directors adjourned at 10:38 a.m.

Dated this 25<sup>th</sup> day of October 2023.

Respectfully submitted:



Aaron Smith  
Director's Designee/Board Secretary

Approved as to form:



Mark Leonard, Chair  
IADD Board