

Tributes

Pat, you are very deserving of this distinguished award. Thank you for your vision and creation of the farmland giving program. Generations to come will be rewarded because of your generous contributions.

Bob Thurston, Board Chair

Pat has helped define what community philanthropy means in southwest Minnesota. He understood before anyone that the generational transfer of wealth could see millions of dollars leave the region as it passed to heirs or charities outside of our region. His vision for community foundations to keep and manage farmland has been the single most important charitable innovation in our history... And perhaps in all of rural philanthropy. In helping his clients find ways to give back to their hometowns, Pat understands that these remarkable men and women also find deep satisfaction and purpose.

Diana Anderson, President/CEO

The first committee meeting with Pat in regards to the farmland retention program started with Pat unfolding a large chart that covered half the table with lines and arrows going in many directions, and I thought 'this will never work.' But as he explained it and different scenarios, it was obvious he knew what he was talking about. Southwest Initiative Foundation should archive that chart as he had spent many, many hours putting it together!

Sandy Ludeman, Past Board Chair, Farmland Committee Volunteer

Pat is a proven professional who has a passion for the betterment of rural Minnesota and the preservation of our farmland. Pat created the farmland retention program and believed the Southwest Initiative Foundation would be the right organization to make this program a reality. While there were challenges to overcome initially, Pat never wavered and persevered to make the foundation's farmland program a reality. We are all forever grateful for Pat's devotion, professionalism and passion for agriculture, rural Minnesota and the Southwest Initiative Foundation!

Bill McCormack, Past Board Chair

About the Award

The Southwest Initiative Foundation Award honors individuals who personify the Southwest Initiative Foundation's mission to be a catalyst, facilitating opportunities for economic and social growth by developing and challenging leaders to build on the region's assets.

The award was designed by the foundation's Board of Directors and staff to recognize a person, business, or organization that has made extraordinary contributions to the Southwest Initiative Foundation and the region by demonstrating the four core attributes of the foundation's guiding principles: philanthropy, leadership, innovation and collaboration.

- As a **philanthropist**, this person or organization voluntarily gives of one's time, talent, or financial resources for social and economic benefit.
- As a **leader**, this person brings people or organizations together to face community challenges and create new opportunities to strengthen and sustain our communities.
- As an **innovator**, this person or organization seeks new and unique ways to create value in our communities.
- As a **collaborator**, this person or organization works together in partnership to share ideas, resources, and energy for the purpose of growing healthy communities.

Past recipients include:

- 2012** Becky Parker, Ortonville
- 2011** The Robert and Helen Remick Charitable Foundation Trust, Windom
- 2009** Greg Raymo, Worthington
- 2007** Connie Connell, Luverne
- 2006** Berdette Schoep, Clarkfield
- 2005** Gary & Marjory Becker, Marshall
- 2004** Connie Burchill, Worthington
- 2003** Dorothy Williams, Benson
- 2002** The Schwan Food Company
- 2001** Doug Bultman, Spicer
- 2000** Gerald (Gerry) Michaelson, Dawson



Patrick Costello

2016 Southwest Initiative Foundation
Award Recipient



Patrick Costello

of Lakefield had an idea.

Researched and developed, it became a map for Southwest Initiative Foundation's Keep It GrowingSM farmland giving program.

Pat grew up in his dad's pharmacy on Main Street in Lakefield. He went to Hamline University and Creighton University School of Law.

"Dad was on the school board and mom later was the mayor," Pat said. "During sixth grade, I decided to be a lawyer and now after 50 years, I know my hometown was always the best place for me."

In his law practice, Pat had numerous clients without descendants. One client wanted his farm and tenant kept after he died so the income could "do some good" and "lighten peoples' load." Using a private foundation was problematic since by law, 5 percent must be distributed annually.

Pat and his wife Marcy are Charter Growing Home Circle donors and have both contributed significantly to the foundation. They have a son, Christian, in college and daughter, Isabella, in third grade.



Pat wrote for the American Agricultural Law Association on choices for farmers without children. His concept was a community foundation, like Southwest Initiative Foundation, retaining the donor's farm, with the net farm income funding the donor's charitable wishes. Donors could keep possession and income for life, as well as benefit from tax deductions. Tenant relationships could be retained. The fund could be donor-advised, with communities to benefit.

"No one had a farmland retention program and state law needed to change to do this," said Hans Carlson, Pat's law partner. "Pat's optimism about his idea was typical."

With perseverance, Pat led Southwest Initiative Foundation toward his goal. In 2005—soon after state prohibition against foundations owning farmland was repealed—our Board of Directors accepted his plan. Today, we have received 1,650 acres of farmland that will forever benefit our area and keep our farmers' legacies going.

We simply needed to follow Pat's path—now, other charities are following us. More than a dozen other community foundations across the country have used Pat's philanthropic model to preserve our rural way of life.

And, Pat's leadership is one of his finest legacies to future generations who will make their home where he has spent his life.

Pat is a founding the past president of the American Agricultural Law Association, a fellow of the American College of Trust and Estate Counsel, trustee for several private charitable foundations, lawyer for Robert and Helen Remick Foundation, and a Minnesota State Bar Foundation director. His Jackson County law firm, established in 1894, is Minnesota's 12th oldest.

Our Keep It GrowingSM Farmland Giving Program

- 1,650 acres of farmland received through seven separate gifts
- \$14.9 million approximate value of all gifts
- Two gifts are unrestricted, two benefit community affiliates and three create field of interest funds
- 1,298 acres currently reserve a life estate for the donor, who receives the annual rental income
- 352 acres that Southwest Initiative Foundation owns outright generate annual income of \$80,000 to support programs and grantmaking

Visit keepitgrowing.org to learn more.

Tributes

Pat was a great person to work with in regards to our association in renting the Robert Remick land. We believe that Pat was a great go-between agent and is fair to both the landowner and renter involved. We are grateful for all that Pat has done for Southwest Initiative Foundation's farmland program and our ability to rent the Remick land for years to come!

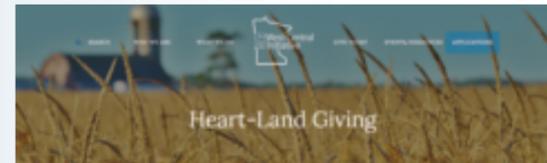
Geof and Leann Johnson, Keep It GrowingSM tenants near Windom

Brand new to the Southwest Initiative Foundation staff, I met Pat for the first time in 2004 to learn about his idea that we retain gifts of farmland, rather than sell them. He walked me through a complex document - his brainchild - and cited the various statutes that made the idea possible (and legal). The conversation was a blur for me but a defining moment for the foundation. Today, Pat continues to be a great resource for the questions that come up as we work with more complex and creative gifts that support our region-wide mission and our local communities.

Liz Cheney, CFRE, Director of Community Philanthropy

Pat Costello is a professional advisor who helps his clients explore the use of charitable alternatives in their estate plans. He acknowledges that they have other charitable interests and whether they work with us or others, he wants to help them lower their tax bite and increase their retirement income. Many have never heard of Charitable Remainder Trusts or Charitable Gift Annuities or Retained Life Estates. We encourage all professional advisors to keep us in mind as an option for their clients, and Pat has assisted us with our professional advisor luncheon discussions to acquaint advisors with our Keep It GrowingSM program. Pat is a good friend to the foundation and this award is very much deserved.

Bob Golberg, Legacy Gift Planner



Community foundations across the country are using Pat's model to help donors leave a meaningful legacy in their rural communities.