

MINUTES
Board of Directors Meeting
Friday, March 25, 2005 • 10:30 a.m. – 3:00 p.m.
Federal Reserve Bank of San Francisco Offices
1015 Second Avenue, Fourth Floor
Seattle, Washington

ATTENDANCE

Members present: Juan Aguilar, Lupe Gamboa, Mike Gempler (by phone), Billie Heath, Dixie Kracht, Alicia McRae, Erik Nicholson, John Smith, Mario Villanueva, Tomás Villanueva, Mike Youngquist. Members not present: Gloria Burton, Guillermo Castaneda, Pete Garza, Frank Ochoa and Heyward Watson. Staff present: Tom Byers and Kristi Buck – Cedar River Group; and Brien Thane – Office of Rural & Farmworker Housing. Ex Officio: Mary McBride – U.S. Senator Patty Murray’s office; Janet Abbett – Washington State Department of Community, Trade and Economic Development; Guest present: Craig Nolte, Federal Reserve Bank of San Francisco

WELCOME AND INTRODUCTIONS

The meeting was convened by President Juan Aguilar at 10:40 a.m., and a quorum was recognized. Tom reported that our graduate student intern, Teresa Guillien, had intended to come to today’s meeting, but was unable to do so. She will join us at a future meeting. She will be working with the committee appointed to develop a case statement regarding the positive impact of farmworker housing on local jurisdictions.

APPROVAL OF THE MINUTES

The minutes of the January meeting of the Board were reviewed and approved as submitted.

OLD BUSINESS

EXECUTIVE COMMITTEE REPORT

Juan announced the results of the joint meeting of the Executive Committee and the Finance Committee held by teleconference on Tuesday, March 8, 2005 to discuss the Trust’s financial condition and the status of the contract with Cedar River Group for staff support. A summary of the meeting was distributed and reviewed by the Board. As a result of the meeting, the contract with Cedar River Group will be extended through June, 2005, subject to the provisions listed in the meeting summary. A bank account will be opened in the Trust’s name at Washington Mutual Bank in Yakima. The members of the Executive Committee will be signers on the account along with Brien Thane and Marty Miller. ORFH will continue to provide financial services for the Trust.

FINANCE AND FUNDRAISING REPORT

Brien Thane indicated that the original federal appropriation will be exhausted by the month’s end and we will be drawing upon the CTED contract and the Sterling Savings contribution to pay for Trust operations in April. The balance available to the Trust from these sources is about \$23,000. Members of the Board expressed concern about the financial difficulties we are facing.

Tom distributed a fundraising report listing the grant requests that the staff has submitted and provided a brief summary of the status of those applications. He stated that he is cautiously optimistic that Washington Mutual Bank and the Enterprise Foundation will make decisions soon about significant grants to the Trust. It is possible that they will announce their decisions at the meeting Senator Murray is hosting on March 31st. It is possible, but by no means certain, that the Trust could emerge from that meeting with as much as \$150,000 from those two sources. If that occurs, the staff will need the Board's guidance on how to prioritize the use of those resources.

Mario Villanueva brought the Board up to date on the proposal to conduct the farmworker survey. ASR has refined their proposal to address the concerns raised by Alice Larson and others regarding their first draft. Mario has reviewed the changes and spoken with Peter Connery of ASR, who would be the person in charge of implementing the survey. The cost of the revised ASR proposal would be \$98,000, which is well within the \$110,000 we had budgeted for the contract. In addition, we have included \$20,000 to contract with Alice Larson to provide oversight of the project, bringing the total needed to \$118,000. A vigorous discussion followed regarding budget priorities. Erik Nicholson stated that the first priority needed to be keeping the momentum going through the basic operations of the Trust. He asked for a cash-flow analysis that would give the Board a better sense of what expenses we are incurring each month and when decisions will be made on the grants that we have submitted. Billie Heath volunteered to help produce the "master budget" Erik had described. John Smith stated that we seem to be spinning our wheels without the survey; we have started getting the Foundation's stirred up, and we don't want to risk putting them to sleep by delaying too long.

After considerable discussion, a consensus emerged: The first \$100,000 raised will be set aside to meet the operational needs of the Trust, with the next \$118,000 dedicated to the farmworker survey. Mario indicated that the farmworker survey committee will go ahead with preparations so that if we are successful, the survey can begin on time in May. Tom added that two of the pending fund sources - the CDBG grant of \$40,000 and the Housing Finance Commission Contribution of \$20,000 - would be earmarked for the survey. He will follow up with Stephen Buxbaum and Kim Herman to try to get an assessment of our chances to secure those funds.

REPORT ON STATE ACTION AGENDA

Brien Thane reported that signs appear positive for the Infrastructure Matching Fund, which is included in the budget proposals of the Governor and both houses of the legislature. The increase in the Housing Trust Fund is less certain. The Governor and the Senate have both proposed funding at \$80 million, while the House has proposed \$100 million. With regard to a budget proviso for operating funds for the Trust, Tom reported that our friends in the legislature have said that earmarking funds for a new program in the operating budget will be next to impossible. However, Stephen Buxbaum has indicated that CTED is successful in getting an increase in the administrative cap, it is his intention to "be certain the Trust has what it needs to get the job done". Mike Gempler added that other issues on the "agricultural agenda" that would help advance research and technology initiatives also appear to be moving forward.

PREPARATION FOR THE MARCH 31ST PRESENTATION

Tom Byers and Kristi Buck presented the draft power point presentation they have been preparing for the meeting with Senator Murray and the philanthropies on March 31st, and members of the Board rehearsed their parts in the presentation. A spirited discussion took place about the best ways to present the material, and the images and language that need to be included. Based on that discussion, it was decided that the staff would edit the presentation to be slightly shorter, and specific speaking roles were identified for Juan, Mike Gempler, Erik Nicholson, Mario Villanueva, and Tom. All Board members will be introduced and take part in answering questions. In addition, Mario has asked a farmworker family to come to speak about the importance of housing.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 3:15 p.m.

NEXT MEETING

The next meeting of the Board will take place in Yakima on April 29th, 2005.

Respectfully Submitted: _____
Secretary

Approved: _____
President/Vice President