

MINUTES
Board of Directors Meeting
Friday, April 20, 2007
Banner Bank, Yakima Main Branch

ATTENDANCE

Members present: Guillermo Castaneda, Mike Gempler, Dixie Kracht, Alicia McRae, Stella Vasquez, Mario Villanueva, Tomás Villanueva and Mike Youngquist. Members participating by phone: Gloria Burton, Donn Etherington, Billie Heath. Ex Officio members present: Janet Abbett, Washington State Department of Community, Trade, and Economic Development; Mary McBride, U.S. Senator Patty Murray's Offices. Staff present: Brien Thane.

Members not present: Juan Aguilar, Pete Garza, Erik Nicholson, John Smith.

Guests: Rebecca Thornton, U.S. Senator Patty Murray's Offices; Steven Witte, United Farm Workers

WELCOME AND INTRODUCTIONS

Mario Villanueva called the meeting to order at 10:50 a.m., there being a quorum present.

I. APPROVAL OF THE MINUTES

The Minutes of the March 16, 2006 Board meeting were reviewed. *Tomás Villanueva moved approval of the Minutes. Guillermo Castaneda seconded the motion, which passed unanimously.*

II. POLICY ISSUES

Housing Trust Fund – Sponsor Limits

Brien Thane provided an overview of the difficulties some farmworker housing providers have faced due to the Housing Trust Fund's limit of \$2 million/applicant/round and recent discussions with Housing Trust Fund (HTF) staff. Brien explained the relief via waivers that Lisa Vatske of the HTF has offered, as summarized in the Board Meeting packet. Proposals for developments with at least 40% seasonal-occupancy units can apply through an open door process and do not count toward HTF limits. He credited Mario Villanueva's and Janet Abbett's previous discussions of these issues with Lisa for successfully securing this significant agreement with Lisa.

Guillermo Castaneda asked whether a letter of thanks should be sent to Lisa for allowing farmworker housing providers to request waivers from the \$2 million/applicant limit. *All present agreed by consensus that a thank you letter should be sent. Directors also thanked Janet for her help with this issue.*

Gloria Burton asked for clarification on the number and types of HTF applications that could be submitted. She offered the example of two farmworker applications for \$1 million each and a non-farmworker application for another \$1 million. Janet replied that seemed within her understanding of the boundaries of the agreement reached with Lisa, which was that CTED would grant waivers allowing for multiple applications by an organization within a round, provided the additional applications were for farmworker projects. There was no limit identified

on the number of projects that could be submitted under the waiver; however, it was emphasized that, even when granted a waiver, projects would have to compete against the general pool and would not in any way be guaranteed of funding. She also explained that organizations may request a separate waiver of the \$1.5 million per *project* limit, but projects receiving waivers would still be held to a \$2 million limit. Brien urged any providers who are considering submitting a waiver request for the Fall HTF Round to do so as early as possible so that Lisa could respond in a timely fashion for their planning.

Low Income Housing Tax Credits

Brien then reported that subsequent to the report in the meeting packet, WA State Housing Finance Commission staff had discovered a clerical error in the list of applicants for Low Income Housing Tax Credits. There are two additional farmworker housing applications for tax credits, both from a private developer. These applications have higher scores than the Wapato Family Housing Development. Commission staff have decided that they cannot recommend tax credits for Wapato ahead of these other applications and that there aren't enough credits for all three developments. Dixie Kracht noted that the Trust supports both public and private farmworker housing. Mario Villanueva stated they are still hopeful that the Commission can find a way to allocate tax credits to this much needed new housing.

III. COMMUNITY CAPACITY FUND

Members reviewed the summary provided in the meeting materials. Brien reported that he'd met with Mary McBride of Senator Murray's staff the day before. Mary has discussed the Trust's capacity building plans with Eileen Fitzgerald of NeighborWorks, a national intermediary that is very experienced in building local capacity for housing and economic development. Eileen is also a former Acting Administrator of the USDA Rural Housing Service. Eileen is interested in NeighborWorks potentially providing organizational capacity assessment materials and even possibly offering their staff to help conduct such assessments. Brien noted that this could be very valuable assistance and give potential funders an additional level of confidence in our efforts.

Brien also reported that he would like to leverage the State Housing Trust Fund's investments in capacity building and assessing strategic investments by coordinating with their Technical Assistance Roundtable, comprised of Common Ground, Community Frameworks, Impact capital, AIDS Housing of WA and the Office of Rural and Farmworker Housing. These organizations (with the exception of ORFH since they are a potential applicant for capacity funds) could help with organizational assessments and refining applicants' capacity building workplans.

Guillermo stated that he'd like the Trust to build the capacity of both existing and new housing providers. He also pointed out that the Yakima Community Foundation, of which Stella Vasquez is Secretary, is a good resource. Mario noted that we made commitments for both HUD and Allen Foundation funding that we must be mindful of. Stella asked what the Board's role was in approving applications. Brien replied that the Board had clearly stated they wished to make the final decisions.

Billie Heath suggested that staff contact organizations who are applying for HUD technical assistance funds and ask them to include farmworker housing in their workplans. Billie also

stated that the capacity building plans are still in development and a key question is how success will be measured. Guillermo asked about the schedule for making grants; Billie suggested charging the Capacity Committee with developing the schedule.

Stella stated that she supports using external teams with expertise to strengthen our team and address apparent conflicts of interest for directors that work for applicant organizations, but emphasized that the Board needs to have ownership and meaningful involvement, perhaps through a grants committee.

IV. FARMWORKER SURVEY UPDATE

Brien reported that the first draft of the Survey Report including an Executive Summary has been received from Applied Survey Research, but the draft requires significant editing. He has assigned Tom Byers to the first edit. It will then be reviewed by Brien and Alice Larson. Organizers of the annual Housing Washington conference have invited us present the survey and our Community Capacity Fund at the conference in Spokane September 10 through 12. This workshop is not intended to be the primary unveiling of the survey. Mary McBride has offered to investigate the possibility of involving Senator Murray in an event unveiling the survey during the Senate's August Recess.

The Board packet included a memo from Tom Byers outlining issues and questions regarding finalizing the report and rolling it out to our funders and the public. Dixie Kracht suggested that grower representatives on the Board need to be involved in reviewing the draft report. Mike Gempler responded that they can offer a 'straight-faced test' of the report, but asked that a list of issues and concerns be prepared by Brien, Alice Larson and Tom Byers. Mario endorsed preparing such a list and asked whether the Trust can copyright the survey report. Other directors noted that our ability to copyright may be limited by the public funds we secured to pay for the survey. Staff will investigate

Mike Youngquist suggested recruiting a rural sociologist from WSU to help review the report. Others raised cautions about involving too many entities in reviewing the draft. Gloria Burton asked whether the survey report will identify how many units are needed in various locations. Various members explained that the survey will inform our previous estimates of need but it wasn't designed to be a market study.

Mario asked where we stand on ASR's final costs. Brien replied that ASR has not requested prior approval for additional services nor requested additional funds, which he considers to be the responsibility of any contractor. Final payment on ASR's contract hasn't been invoiced or paid since the final report hasn't been delivered. Stella Vasquez and others emphasized that ASR must be held to the terms of their contract.

Discussion of rolling-out the survey included presentations to the state Legislature, preferably along with our 2008 legislative agenda. Most directors indicated that they needed a draft of at least the Executive Summary before further discussing how to best unveil the survey.

VI. State Advocacy Agenda

The House, Senate and Governor had not yet released a reconciled Capital Budget. Advance word is that it will include \$130 million for the Housing Trust Fund. There isn't any information yet on the amount of any set-asides including Farmworker Housing and the Farmworker Housing Infrastructure Loan Program.

V. Solar/Green On-Farm Demonstration Program

The design team has been waiting for financial information from one of the three Skagit County growers working with us on this project; that information was finally received on April 13. This information is essential to analyzing potential financial benefits from solar generation. The team can now start analyzing the three growers' financial information.

A \$120,000 application to continue the Green On-Farm Demonstration Program was submitted to the Washington Dept. of Ecology in October 2006. The Department has informed us that they have reserved \$60,000 for the Trust and wish to discuss a revised proposal.

Mario, Brien and Tom Byers met with Dept. of Ecology staff by conference call. Their funding program is primarily targeted to educating the public on waste reduction measures such as recycling and composting. The On-Farm Demonstration Program may not be a good fit for these funds at this time.

VII. New Business – Building Local Support, NIMBY

How can the Trust more effectively build local support and dispel the myths about farmworker housing? Documenting need is not enough. Research suggests that many persons respond best to success stories.

Steve Witte offered that the Farmworker Housing Development Corporation (Oregon) and UFW have collected some data. Mario asked whether Teresa Guillen's graduate studies report on the economic benefits of farmworker housing was ever distributed; Brien promised to check. Mario also urged that we need better responses to local jurisdictions' complaints about property tax exemptions. Mike Gempler stated that exemptions from special levies are particularly irksome.

Dixie suggested that individuals opposing developments should be liable for the costs of delays. Alicia McRae reported that opponents can only be required to post a bond for damages if they seek to put a stay on development.

Brien stated that he'd like the Board to continue this conversation at future meetings and consider developing a programmatic approach to countering NIMBYism.

VIII. Announcements and Updates

Mary McBride: Senator Murray is soliciting questions on HUD programs for her upcoming meeting with HUD Secretary Jackson.

Tomás Villanueva: There will be a march for immigration reform in Yakima on May 1 at 3:30. Steve Witte added that there will also be marches that day in Seattle, Portland and Salem.

Mike Gempler: The WA Growers League has received a funding award from CTED for seasonal-occupancy units in Malaga. This development will be neighbors with farmworker

housing that is being developed by the Chelan County/Wenatchee Housing Authority. WGL is also expanding the Rent-A-Tent program. Mike also provided an update on immigration reform, which is scheduled for debate in the Senate during the second week of May. Mike has a goal of generating 5,000 letters to Rep. Hastings in favor of comprehensive reform. Mike also is planning newspaper ads signed by individuals supporting comprehensive reform.

Mike Youngquist: Distributed information on manufactured farmworker housing from Valley Manufactured Housing in Sunnyside that meets WA Dept. of Health and HUD standards. Mike asked whether the Trust's construction standards include HUD manufactured housing standards. Dixie replied that HUD standards are the equivalent of conventional building codes. Staff will work to confirm this.

Guillermo Castaneda: Sent all members a story from the Tri-Cities Herald reporting the lack of farmworkers arriving this spring and resulting housing vacancies. Guillermo is concerned that articles like this suggest there isn't a need for additional farmworker housing. Mario responded that his organization is not seeing increased vacancies.

Alicia McRae: The second appeal of Vista del Rio's building permits will be heard by the Douglas County Hearings Examiner on April 30; they don't expect to prevail. CCWHA also was awarded funds by CTED for development in Malaga. They are planning a grand opening in June for new housing in Chelan. Alicia's son Morgan will be WA State Patrol Chief for a day soon.

Dixie Kracht: Immigration issues are creating vacancies in some farmworker housing developments in the Yakima Valley and some owners are requesting waivers to house non-farmworkers. Mario noted that some housing authorities are conducting electronic verifications, which are not required. This discourages some potential applicants.

Janet Abbett: CTED has invested the \$3 million supplemental appropriation for seasonal-occupancy housing, all Farmworker Housing Infrastructure Loan funds have been awarded and all special housing vouchers have been spent.

Mario Villanueva: The Diocese has established a new nonprofit, Grupo Raiaces, to foster education and empowerment among their residents and others.

IX. Accord: Statement of Rights and Responsibilities

An update on legal review was not available.

X. Finance Reports

The Finance Committee met on April 17 to review the financial reports for February 28 and March 31, which were included in the meeting materials. The Finance Committee approved the reports. Tomás Villanueva requested a quick review of the reports, which Treasurer Gempler provided:

- Personnel expenses are low because we need to adopt personnel policies before hiring
- Cedar River Group is approaching their transitional contract amount helping with fundraising, the Green/On-Farm demonstration and the survey
- Board meeting expenses are high because they include payments to Dan Evans for facilitating the April 2006 Retreat.

The Finance Committee also discussed financial management services. Brien reported that many firms are not interested in taking over bookkeeping in the middle of a fiscal year. The Finance Committee recommended authorizing Brien to negotiate a contract with ORFH to complete the fiscal year and issue RFP's for an audit and Fiscal Year 2008 accounting services. Guillermo

Castaneda moved to so authorize, Tomás Villanueva seconded the motion, which passed unanimously

ADJOURNMENT

There being no further business, *Guillermo Castaneda moved and Alicia McRae seconded that the meeting be adjourned. The motion passed unanimously and the meeting was adjourned at 3:15 p.m.*

Respectfully Submitted: _____
Secretary

Approved: _____
President/Vice President