

**MINUTES**  
**Board of Directors Meeting**  
**Friday, April 29, 2005 • 10:30 a.m. – 3:00 p.m.**  
**Diocese of Yakima Housing Services Offices**  
**Yakima, Washington**

**ATTENDANCE**

Members present: Juan Aguilar, Guillermo Castaneda, Lupe Gamboa, Pete Garza, Billie Heath (by phone), Dixie Kracht, Mario Villanueva, Mike Youngquist. Members not present: Gloria Burton, Mike Gempler, Alicia McRae, Erik Nicholson, Frank Ochoa, John Smith, Tomás Villanueva, 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 (by phone) – U.S. Senator Patty Murray’s office; Janet Abbett – Washington State Department of Community, Trade and Economic Development; Guest present: Teresa Guillien, graduate student intern, Evans School of Public Policy, University of Washington.

**WELCOME AND INTRODUCTIONS**

The meeting was convened by President Juan Aguilar at 11:00 a.m. In the absence of a quorum, Juan led discussion on items that did not require action while arrangements were made to connect with absent members by phone. Tom introduced our graduate student intern, Teresa Guillien, who gave the group a brief statement about her background and her proposed schedule for completing a study of the benefits and costs to local jurisdictions of farmworker housing projects. She will be working with a committee chaired by Billie Heath which will include Mario Villanueva, Dixie Kracht, and Gloria Burton. Tom handed out a draft scope for the study and indicated that he and Teresa recently had a very positive meeting with Professor Herranz, an expert in community development, who will be serving as her faculty advisor. Mario offered to meet with Teresa following the Board meeting to provide her with some background materials to help her get underway. Since she is employed full time, her work will be conducted after work hours and on weekends throughout the summer. The goal will be to create a clear statement of the benefits of farmworking housing relative to costs, and to recommend possible policy alternatives to address the concerns of local jurisdictions.

Following the discussion, Billie Heath and Mary McBride were able to join the meeting by telephone. With Billie providing the necessary eighth Board member, the President recognized a Quorum.

**APPROVAL OF THE MINUTES**

The minutes of the March 25<sup>th</sup> meeting of the Board were reviewed. Guillermo Castaneda moved approval of the minutes as submitted, Dixie Kracht seconded the motion and it was unanimously approved.

**OLD BUSINESS**

**EXECUTIVE COMMITTEE REPORT**

Juan announced the results of the March 31<sup>st</sup> meeting with philanthropies organized by Senator Murray. The meeting was very successful, and earned many favorable comments from those who attended. Six Foundations were represented: Bill and Melinda Gates, Paul G. Allen Family,

Enterprise, Medina, Marguerite Casey, and Windermere. Washington Mutual Bank hosted the event and Mr. Bill Longbrake announced a \$50,000 contribution to the Trust during his opening remarks. This was followed by the announcement of a \$100,000 contribution from the Enterprise Foundation at the meeting's conclusion. Each of the foundations expressed an interest in following up with the Trust to see what role they might play.

Juan asked each of the Board members present for their thoughts about the event. All of those who participated thought that the Trust had done an excellent job of presenting its case. The contributions of the farmworker family were especially effective. It was agreed that the event was an excellent beginning, and that our success will depend on the quality of the follow-up. Tom Byers and Mary McBride then described what is being done to follow-up with each foundation. They will be meeting with Katie Hong of the Gates Foundation in a few days; Peter Berliner of the Allen Foundation has already called Tom to get more information on the proposal we have submitted to the Allen Foundation. Mary will be contacting the President of the Northwest Area Foundation, who was not able to attend, to schedule a future meeting, and numerous efforts have been made to contact Chantel Walker of the Marguerite Casey Foundation, to no avail. Tom indicated that he may ask for help from Mario and Juan in reaching out to the Casey Foundation, because they had indicated an interest in helping to fund the farmworker survey, but they are very difficult to reach.

#### **CONTRACT EXTENSIONS**

Juan reminded the members of the Board that the current contracts for both ORFH and the Cedar River Group are set to expire at the end of April. A joint meeting of the Executive and Finance Committee has recommended that the contracts be extended for three months, and contract documents have been prepared to that effect. Guillermo Castaneda moved that the contracts be approved. Mike Youngquist seconded the motion, which passed unanimously.

#### **REPORT ON STATE ACTION AGENDA**

Janet Abbett, Brien Thane and Tom Byers reported on the results of the legislative session, which were extraordinary. The Infrastructure Matching Fund was approved at \$2.5 million per biennium, which had been anticipated since it was included in the budget proposals of the Governor and both houses of the legislature. The big victory was the increase in the Housing Trust Fund from \$80 million to \$100 million, which had only been included in the House version initially. Brien indicated that the cards and letters generated by the members of the Trust and our many allies within the Low-Income Housing Alliance had been critical to turning the tide in a reluctant Senate. In addition to the funding, specific language was included in the bill setting aside \$8 million for farmworkers, as had been true in past years, and setting a new goal of \$16 million per year! That language, which was inserted at the insistence of Speaker Chopp, should provide a powerful incentive to foundations to fund the staff capacity increases we are working for so that rural housing providers can take full advantage of the new opportunities the legislature has created.

A third important victory was achieved when CTED secured approval of a bill raising the administrative cap placed on expenditure of Trust Fund dollars. This will help CTED in a variety of ways, and make it possible for CTED to provide technical assistance funding to build the

capacity of the Trust and its partners. Now that the session is ended, it will be important to meet with the leaders at CTED to coordinate our efforts.

### **MEMBER UPDATES AND ANNOUNCEMENTS**

Dixie Kracht. Meetings are continuing with county commissioners regarding the need for farmworker housing. Grant County commissioners are beginning to become interested in providing permanent housing as a way to stabilize the workforce.

Lupe Gamboa. The Trust Board needs to keep up to speed on the Black Rock Reservoir issue. It will have a profound impact on the future of agriculture in Central Washington.

Brien Thane. ORFH is initiating three new projects in cooperation with the housing authorities in Skagit and Wenatchee/Chelan...The Trust needs to keep track of USDA projects that were created by for-profit companies that are reaching the expiration dates of their affordability requirements.

Mario Villanueva. DYHS has five projects underway at the current time, and others in the early planning stages. They are also engaged in community organizing projects among their residents...DYHS is interested in the Enterprise Foundation's Green Communities initiative because the Bishop of Yakima has placed a strong emphasis on environmental stewardship.

Mike Youngquist. Change continues in the agricultural economy of western Washington---overseas competition is cutting into cucumber production; there are reports that processing firms don't want to locate in Washington because of high wage levels. It is becoming clearer by the day that Washington agriculture needs to move toward a "high-wage/high-skill/value-added future, which will require investments in permanent housing solutions...No sign of drought conditions yet in northwest Washington.

### **FINANCE AND FUNDRAISING REPORT**

Brien Thane reported that he has opened the Trust's account at Washington Mutual in Yakima as authorized by the Board at the last meeting. He and Tom will continue to gather the necessary signatures from the members of the Executive Committee who will be signatories. He then handed out a financial summary showing the status of the Trust's budget. He indicated that the check from Washington Mutual for \$50,000 had been received, but we are still awaiting the check from the Enterprise Foundation for \$100,000 because our work plan must first be approved by HUD, since the grant they are making to us is federal money.

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 reminded the Board of its decision last month to set aside the first \$100,000 raised for Trust operating expenses, and the next \$118,000 for the farmworker survey. With the \$150,000 raised at the March 31<sup>st</sup> meeting, we have some, but not all of what we need for the survey.

### **FARMWORKER SURVEY**

Mario Villanueva reported that the farmworker survey committee had attempted to meet by phone yesterday to discuss a recommendation to the Board to proceed with the survey, but only he and Brien were able to participate. They believe that it is important to proceed with the survey to make certain the voice of the farmworkers is heard and to strengthen our case with potential funders and with the public. Mario stated that he had reviewed the revised proposal submitted by ASR and found that it addressed the concerns the Board and Dr. Larson had raised regarding the

initial proposal, and came in slightly below the budget estimates we had projected. He said that the Board would need to decide now if we are willing to proceed without having all the money in hand or lose the opportunity to complete the survey this summer. He also reported that Doris Koo of the Enterprise Foundation had indicated to Tom that the Foundation would be willing to make a zero-interest loan to provide the Trust with enough money to finish the survey if that was necessary.

Tom Byers updated the Board on the status of our fundraising efforts and distributed a cash flow analysis showing what balances the Trust could expect to have each month under certain assumptions. (That document is attached to these minutes). The Board then conducted a vigorous discussion of the pros and cons of proceeding at this time. Guillermo Castaneda suggested looking for a way to phase the survey so that the Board would not be left in the position of spending money it did not have. He also wants to be certain that Board members would not have any liability if the fundraising for the balance of the survey budget is unsuccessful. Juan Aguilar said that the offer of a loan from Enterprise was worth pursuing, particularly if it could be a “forgivable loan” that would revert to a grant if fundraising fell through. Brien Thane indicated that he was in favor of moving forward with the survey, if we can do so cautiously, as Guillermo had suggested. He indicated that a “forgivable loan” would need to be carefully structured to avoid misunderstandings that could damage the Trust’s credibility. Lupe Gamboa stated that he believed we should proceed now. Juan Aguilar was asked for his opinion about whether the financial institutions that are currently considering our requests are likely to come through. Juan indicated that he believed the estimates shown in the cash flow, which estimate a 50% return on our grant requests, to be very reasonable. Mario added that he is working on two other funding possibilities (Warden Family Housing, LLC and Homestead Bank) which were not included in the estimates, but seem promising. Dixie indicated that she felt we should proceed.

A motion was made to authorize Tom to:

- 1.) Develop a contract with ASR that incorporated protections for the Trust from spending beyond the amounts it has in hand. That contract will be reviewed by the Board by email before being executed by the President.
- 2.) Investigate the terms and conditions of a no-interest loan from the Enterprise Foundation so that option would be available if necessary.

The motion was adopted unanimously.

#### **EXECUTIVE DIRECTOR JOB DESCRIPTION**

Tom distributed copies of the job description that he and Brien developed for an Executive Director for the Trust and asked each member to review it during the next ten days and make any suggestions they would like to make for changes. Following up on a suggestion by Tim Otani, Tom indicated that he will attempt to contact leading search firms to see if they may be willing to conduct the search on a pro bono basis.

#### **ADJOURNMENT**

The meeting was adjourned by unanimous consent at 3:05 p.m.

**NEXT MEETING**

The next meeting of the Board will take place in Seattle on Thursday, May 26th, 2005.

Respectfully Submitted: \_\_\_\_\_  
Secretary

Approved: \_\_\_\_\_  
President/Vice President