

**MINUTES**

**Board of Directors Meeting  
Thursday, May 26, 2005 • 10:30 a.m. – 3:00 p.m.  
Law Offices of Riddell Williams  
1001 Fourth Ave., Suite 4500  
Seattle WA 98101**

**ATTENDANCE**

Members present: Juan Aguilar, Gloria Burton, Guillermo Castaneda, Lupe Gamboa, Mike Gempler, Erik Nicholson, John Smith, Mario Villanueva, Heyward Watson, and Mike Youngquist. Members not present: Pete Garza, Billie Heath, Dixie Kracht, Alicia McRae, Frank Ochoa, Tomás Villanueva. Staff present: Tom Byers and Kristi Buck – Cedar River Group; and Brien Thane – Office of Rural & Farmworker Housing. Ex Officio: None. Guest present: Teresa Guillien, graduate student intern, Evans School of Public Policy, University of Washington (for final portion of the meeting only.)

**WELCOME AND INTRODUCTIONS**

The meeting was convened by President Juan Aguilar at 10:40 a.m. In the absence of a quorum, Juan led discussion on items that did not require action until a quorum was present.

**APPROVAL OF THE MINUTES**

The minutes of the April 29<sup>th</sup> meeting of the Board were reviewed. Mike Youngquist moved approval as written. The motion was seconded by Heyward Watson and unanimously approved.

**OLD BUSINESS**

**EXECUTIVE COMMITTEE REPORT**

Juan began the Executive Committee report by announcing that he has accepted a new position with Key Bank and will be moving to Phoenix later this summer to assume the new position. He stated that the new position is the opportunity of a lifetime because it will enable him to lead Key Bank's lending to Indian nations throughout the southwest, and to a certain extent, throughout the nation. The position will enable him to vigorously pursue his longstanding commitment to Native Americans and employ his expertise in the special issues involved in Tribal lending. Juan stated that he recognizes that his move out of state will necessitate his stepping down as President of the Board, but that he is deeply committed to the work of the Trust, and wishes to remain on the Board if that is acceptable to the members. His announcement was met with expressions of congratulations for the new professional opportunity, mixed with great dismay at losing his presence and the strong leadership he has provided as President. Every Board member present expressed their enthusiasm for his decision to remain on the Board.

Juan suggested that the Executive Committee convene in the near future by conference call to develop recommendations for filling the vacancy in the President's position. He will work with Tom and Kristi to set up the conference call in the next few days.

**FINANCIAL MANAGER'S REPORT**

Brien Thane presented the latest financial report. The report shows a positive bank balance of \$24,318.64, which does not include the \$19,950.00 in revenue from the CTED contract (for

which we are awaiting payment), which would bring the amount of funds on-hand as of May 15<sup>th</sup> to \$44,268.64. Tom stated that the \$100,000 committed by the Enterprise Foundation is not shown because we have yet to receive the check. He has been following the progress of those funds through the HUD approval process and has discussed the matter with Doris Koo of Enterprise who has assured us the check will be forthcoming in the next few weeks.

Brien then called the Board's attention to an oversight in the wording of the amendment to the contract with the Cedar River Group which was adopted at the last Board meeting. The amendment extended Cedar River's contract through July 31, 2005, but it did not include a provision lifting the lid on the amount of reimbursement CRG could receive through April of 2005, as the Executive/Finance committee had intended. Brien said that Board action will be necessary to correct the oversight. After a thorough discussion Erik Nicholson moved that the matter be referred to the Executive Committee with the intention that the Committee will develop and approve a contract amendment which corrects the oversight. Lupe Gamboa seconded the motion, which was then unanimously approved. Tom and Brien will work together to draft the amendment and Kristi will schedule a meeting of the Executive Committee to review it.

### **FUNDRAISING REPORT**

Tom Byers distributed a fundraising summary and turned to Mario for a special announcement. Mario explained to the Board that, under the terms of the federal low-income housing tax credit program, project sponsors have a variety of ways in which they can meet the public benefit requirements of the program, including making a financial contribution to an eligible nonprofit organization. Employing that option, the Warden Family Housing Trust, which is associated with a DYHS project, has decided to contribute \$10,000.00 to the Trust to cover part of the costs of the farmworkers survey. Mario then formally presented the check to Juan (to applause and the taking of photographs!)

### **ALLEN FOUNDATION PROPOSAL**

Tom, Mario and Juan then reported on their recent meeting with representatives of the Allen and Gates Foundations regarding the Trust's Capacity Fund proposal. Mary McBride also attended. The meeting was very informative. Peter Berliner, the senior program manager at the Allen Foundation seemed impressed by the Trust's proposal, the diversity of the Board, and our success in the legislature. He was concerned, however, that we have not yet secured funding from other sources. He said that the Board of the Allen Foundation does not generally act as the initial funder, and that it will be difficult to convince them to make a major contribution without knowing for certain that it would be matched at least dollar for dollar. Mary McBride stated that the Senator is sponsoring an FY 2006 funding request that would match the Allen Foundation's contribution. She said that although she could certainly not guarantee that the federal funding will be approved, the Trust's request is at the top of Senator Murray's list, and she is the ranking minority member of the appropriations subcommittee. Peter indicated that he will have to make a recommendation to his Board in early June, and the outcome of the federal budget process will not be settled until at least September. He suggested that the Board consider three alternatives: 1) delaying consideration of the grant until the next round (in the fall) to allow us time to line up other sources; 2) reducing the size of the request; 3) restructuring the request as a challenge grant which would be contingent upon at least a one-to-one match. In light of his suggestion, Tom,

Mario and Juan are suggesting that the Board adopt option three, the challenge grant. To distribute a draft letter to Peter outlining the proposed structure for a challenge grant. The basic idea is that the Allen Foundation would make a \$250,000 grant to the Trust in year one, with an additional \$500,000, two year commitment contingent on achieving a one-to-one match. The Trust would dedicate the initial funding to outreach and technical assistance to assure best practices in seasonal housing (\$40,000); adding three developers to the staff of nonprofit housing development agencies (\$150,000); providing analysis of the data from the farmworker survey regarding homeownership (\$10,000); and building the capacity of the Trust (\$50,000).

The issue before the Board is whether to endorse the concepts in the letter or to take another tack. A vigorous discussion followed regarding our strategy with regard to philanthropy. Some members expressed frustration that the amounts we are seeking from foundations are still relatively modest, and that much of our attention seems to have been directed toward the legislature. Others noted that we need to be careful not to take too much credit for the victories we achieved, since many others were pressing for some of the same issues.

Tom reported that Speaker Frank Chopp had called the day after the session ended to thank the Trust for our help in pushing for the increase in the Trust Fund and said that the support from the agricultural community had been critical in tipping the balance. He also said that farmworker housing had been the unifying theme that gave him, Hans Dunshee and others the ability to convince their colleagues to press for the increase in a bad budget year. So, while it is important to acknowledge the essential contributions of our allies, it is also fair to claim a share of the success. Tom also said that the Board will have to make have a decision in the near future about its strategy: Do we intend to focus primarily on philanthropy, primarily on public policy, or are we trying to set up a partnership that engages both sectors in a partnership?

Members of the Board offered a variety of perspectives on that issue. Erik Nicholson then focused the discussion on the issue of how the Board will respond to the challenge presented by Peter Berliner. After additional discussion, John Smith moved approval of the letter the staff had drafted. His motion was seconded by Mike Youngquist and passed unanimously.

### **IMPLEMENTATION OF THE COMPREHENSIVE PLAN**

Since the earlier discussions had gone overtime, this report was very brief. Tom announced that Teresa Guillien will be beginning her research in June, and will be coming at the end of the meeting to talk with Mario and other Board members who are able to stay to get advice on how to approach her work.

### **FARMWORKER SURVEY COMMITTEE REPORT**

Mario reported that the committee had a conference call a few days ago to discuss implementation of the survey, but he and Brien were the only ones able to participate. He indicated that a draft contract prepared by ASR appeared to address the Trust's concerns that the work be phased so that the Trust would not be placed in the position of spending money we have not yet raised. He asked that the Board review the draft contract, make suggestions about amendments, and decide whether or not to proceed.



- Identify and promulgate best practices.
  - ✓  **Trust Role**  Leave to Other Partners
  
- Publicize the need through media strategy, public presentations.
  - ✓  **Trust Role**  Leave to Other Partners
  
- Build coalitions to influence public policy and increase funding.
  - ✓  **Trust Role**  Leave to Other Partners
  
- Write grants and work with philanthropy to channel funds to FWH.
  - ✓  **Trust Role**  Leave to Other Partners
  
- Provide research and planning expertise to influence private institutions and public jurisdictions (e.g., lending policies of banks for homeownership; land use policies of local governments).
  - ✓  **Trust Role (to some extent)**  Leave to Other Partners
  
- Manage allocation processes.
  - ✓  **Trust Role (limited)**  Leave to Other Partners
  
- Manage lending, grant making and reporting requirements.
  - ✓  **Trust Role (limited)**  Leave to Other Partners
  
- Build farmworker housing projects (directly).
  - Trust Role  **Leave to Other Partners**
  
- Operate homeownership programs (directly).
  - Trust Role  **Leave to Other Partners**

➤ Provide support services (directly).

Trust Role

**Leave to Other Partners**

**ADJOURNMENT**

The meeting was adjourned at 3:30 p.m.

**NEXT MEETING**

The next meeting of the Board will take place in Yakima on Thursday, June 30, 2005.

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

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