

MINUTES
Board of Directors Meeting
Friday • July 7, 2006
Diocese of Yakima Housing Services
Yakima, Washington

ATTENDANCE

Members present: Guillermo Castaneda, Pete Garza, Donn Etherington, Dixie Kracht, Alicia McRae, Stella Vasquez, and John Probst (for Mario Villanueva). Members participating by phone: Mike Youngquist. Members not present: Juan Aguilar, Gloria Burton, Mike Gempler, Billie Heath, Erik Nicholson, John Smith, Mario Villanueva, Tomás Villanueva. Ex Officio members present: Janet Abbett, Washington State Department of Community, Trade, and Economic Development. Staff present: Tom Byers— Cedar River Group, Brien Thane - Office of Rural & Farmworker Housing (by telephone), Dan Evans—Retreat Facilitator.

WELCOME AND INTRODUCTIONS

Vice President Dixie Kracht called the Board meeting to order at 10:55 a.m. Dixie asked the members present to introduce themselves to our newest Board member, Stella Vasquez, who joined us in person for the first time. John Probst announced that he was attending on Mario's behalf because Mario was called away to attend the birth of his first grandson, who was born last night in Vancouver, Washington. Mother and baby are doing well.

APPROVAL OF THE MINUTES

The Minutes of the June 2nd, 2006 Board meeting were reviewed. Guillermo Castaneda moved approval. His motion was seconded by Alicia McRae and passed unanimously.

OLD BUSINESS

STAFF REPORT

Tom Byers reported on the following items:

- **Board Vacancy:** Heyward Watson's resignation leaves the Board with a vacancy to fill in the community stakeholder category. With the departure of Heyward and Juan's reduced availability, the Board has lost representation from the financial community. A number of Board members suggested Susan Duren, who is director of the Washington Community Reinvestment Alliance (WCRA). Craig Nolte and Kim Herman were also suggested.
- **Community Forums:** Tom reported that Craig Nolte of the Federal Reserve Bank organized two successful community forums since our last meeting. Alicia McRae described the forum in Wenatchee, which was attended by a fairly broad spectrum of the community including two members of the Chelan County Commission, several bank representatives, and a reporter from the Wenatchee World who published an article on the event a few days later. She said that few growers attended because of the impending cherry harvest and heavy rains the preceding day. She and Donn Etherington both reported that the interest of the County Commissioners is focused on the need for a solution to the seasonal housing issue. Guillermo Castaneda reported on the community

forum held in the Tri-cities the following week. Again, there was a good turn-out, which included two of the three Franklin County Commissioners and representatives of several banks and community organizations. Following the forum, Guillermo escorted Tom, Kristi and Craig Nolte on a tour of a self-help housing complex in Benton City which was developed during his tenure at La Clinica. Tom was able to take photographs that will soon be posted on the Trust web site.

- **Contract for web site management and translation.** Tom presented a draft contract for the development of the Spanish language version of the web site and for updating both versions on a regular basis during the next seven months. The contract is required because the work needed is beyond the scope of services in CRG's current contract and the firm cannot afford to add that body of work within the current ceiling on its billings. Subcontracts for translation and technical services are also included in the proposed scope of services which will cover maintenance of the web site through December. It is assumed that a permanent Executive Director will be on Board by that time and may wish to make other arrangements for maintenance of the site. The Board reviewed the draft contract in detail. Guillermo Castaneda moved acceptance of the contract and his motion was seconded by Alicia McRae. The contract was amended with several wording changes and corrections in the title of the attachment containing the scope of services. The contract was approved unanimously as amended.
- **Renewal of Trust membership in the Washington Low-income Housing Alliance.** The Trust has been asked to renew its membership for the coming program year. With the growth of our budget, our dues will rise from \$125 to \$400 annually. After a brief discussion, it was decided by consensus to renew our membership at the \$400 level.

FINANCIAL MANAGER'S REPORT

Brien Thane presented the financial report through the end of June. Our balance on that date was \$254,356.73. During the discussion, Donn Etherington requested that the variance from budget be clarified and reformatted to make it easier to follow. His suggestions were supported by the group and Brien indicated that he will change the format as Donn and others suggested. Discussion then turned to the best way to manage the Trust's accounts to earn interest on our fund balance. Brien indicated that ORFH has had a good return by using a premium account offered by Washington Mutual. After considerable discussion, it was agreed that ORFH will set aside two months operating expenses in our existing account and place the balance in a premium account pending ORFH's detailed exploration of the long-range alternatives. In considering alternatives, ORFH was urged to invite all the banks that have contributed to the Trust to make proposals. Brien will make a recommendation to the Board when the research is completed.

FUNDRAISING REPORT

Tom reported that he is continuing to work to bring in the funds that have been committed, but are not yet in hand. Earlier this month the Community Health Plan of Washington made the first installment payment for its share of the expenses incurred through the farmworker survey. This payment of \$24,100.00 does not show up in the current revenue and expense statement because it was received by ORFH after the end of June. The CHPW payment leaves only the CTED Block Grant (\$40,000) and the federal grant (\$1,485,000.00) outstanding in addition to the balance of

the CHPW commitment. Tom reported that the subcontract between the Trust and Skagit County has now been completed and that a waiver of the insurance requirement is the last hurdle to be cleared before billing against the Block Grant funds. He also reported that friends at the regional HUD office have made inquiries about the status of the federal funds and they received word that the final clearance should be received next week. If that clearance does not arrive, Tom will contact Senator Murray's office, since it has been many months since the appropriations bill was signed by the President.

Guillermo Castaneda asked what other fundraising activities were pending now that the committed funds have mostly been accounted for. Tom responded that the staff is working on four fronts:

- A mailing will go out in two weeks to all those who have funded the Trust reporting on their "return on investment" and setting the stage for requests for a second round of funding.
- The staff is following up with the Enterprise Foundation regarding their interest in funding seasonal housing pilot projects.
- Gloria Burton has asked the Trust to prepare a funding request for \$10,000 in conjunction with a contribution requirement that is a condition for low-income housing tax credits on the Archdiocese's most recent project.
- Mario has scheduled a conference call with Katie Hong of the Gates Foundation next Thursday to explore a potential role for that foundation in funding the Trust.

FARMWORKER SURVEY REPORT

In Mario's absence, Tom reported that the survey is gathering steam. All nine crews are now up and running although some are proving more productive than others. To date, between 550 and 570 interviews have been completed, bringing us near the 25% mark. After a difficult beginning, we are almost on target. Summary data on the types of farmworkers, crop types, and locations of the interviews should be available by our next meeting.

EXECUTIVE DIRECTOR SEARCH

Tom reported that the State Executive Search Service has launched the publication of the request for applications. The closing date is August 4, 2006.

FOLLOW UP ON RETREAT RE: SEASONAL HOUSING

Construction Standards: Dixie Kracht reported that Marty Miller of ORFH has been working to arrange a meeting of the construction standards committee and that a meeting is being scheduled when he returns from vacation.

Statement of Rights and Responsibilities: Dan Evans led a discussion of the latest version of the statement of Rights and Responsibilities which was edited by Rhonda Peterson of the Cedar River Group Staff. The goal of this draft was to take the ideas that were agreed to at the last Board meeting and restate them in clear, concise language that can easily be understood by both occupants and providers. The Board members present conducted a very thorough review of the document and made a number of changes which will be reflected in a revised draft distributed to the Board members by July 21st. The major issues touched upon during the discussion were:

- The need to ensure that occupants have direct access to emergency services without having to go through the employer or crew boss. The Board generally agreed that providing this access was an essential responsibility of the housing provider, but that the technology employed to meet this obligation would vary from place to place given the realities on the ground.
- The need to create standards of privacy and protection which can reasonably apply to all forms of housing, including the Rent-a-Tent program.
- The need to include the responsibility of the occupant to vacate at the time specified in the housing agreement.

At the conclusion of the discussion, Board members were asked to submit any additional suggestions to Tom and Dan no later than Friday July 14th. They will then prepare a draft of the final statement and distribute it to the members by July 21st with the expectation that it will be reviewed and approved in final form at the July 28th Board meeting.

BOARD DISCUSSION OF THE TRUST'S GRANT-MAKING PROCESS

Tom stated that if the final clearance for the Trust's expenditure of the federal dollars is imminent, as his contacts at HUD have stated, the Trust will soon have the ability to begin making grants to build the capacity of our partners to develop housing projects. He called the Board's attention to the draft protocols and procedures that had been distributed by e-mail prior to the meeting and invited comments. Board members offered the following suggestions:

- Pete Garza wants to be certain that the criteria include Green Building standards and volunteered to work on a committee to develop those criteria.
- Dixie Kracht stated that our criteria need to require applicants to make a clear statement of what they will produce in terms of housing.
- Stella Vasquez suggested that the draft protocols are too restrictive in terms of the involvement of the housing providers on the Board. She is concerned that we will lose their expertise if we preclude them from having any involvement in drafting the criteria. Instead, she suggested inviting the public into that process by having a wide-open review of the draft guidelines developed by the Trust.

- Dixie suggested that the review should start with all those who attended the original capacity conference that created our grant-making plan.
- Guillermo Castaneda suggested inviting our grantors to the forums so they can see for themselves that the process is open and inclusive.
- A number of Board members suggested a full-day workshop on the topic.
- Mike Youngquist noted that virtually all of the seasonal housing providers are interested in how they can participate, and the legislators will be watching, too.
- Guillermo added that Broetje Orchards has 270 lots that they want to develop for housing. He suggested that we may need to bring in some experts who have designed grant-making processes before.

At the end of the discussion, there was a consensus that the staff should organize a process that will include: 1.) a full-day Board workshop to draft the funding guidelines and selection criteria, and 2.) a public meeting for all interested parties to review the materials and suggest revisions.

ANNOUNCEMENTS

- Janet Abbett announced that Mike Lowry's farmworker homeownership project was awarded \$500,000 in funding through the Housing Trust Fund. It was the only farmworker project in contention.
- Janet also announced that CTED has established a committee to draft a strategic plan for the expenditure of the \$3 million allocated to farmworker housing through the Home Security Fund. Paul Purcell will chair the committee in his capacity as chairman of the State's affordable Housing Advisory Board. She added that the Governor's subcabinet on farmworker housing is working on a more general strategic plan for farmworker housing expenditures. She stated that the Trust will be consulted in both processes.
- Janet also indicated that CTED will make Technical Assistance funding available to ORFH to design an instruction kit for growers to develop on-farm projects that comply with state standards.
- Donn Etherington announced that the Wenatchee Action Team has completed a report on the need for farmworker housing in conjunction with the cherry harvest in their area. The report, which was compiled with the help of a graduate student at the Evans School at the University of Washington, was based on the "Demand for Labors" method, and suggests that as much as 80% of the work force engaged in the cherry harvest is comprised of out-of-area labor.

- Janet Abbett stated that the Governor's subcabinet is finding a dearth of dependable data from state agencies regarding the need. They seem to be reaching the conclusion that the need outstrips the available resources by such a wide margin that the additional investments needed to make more accurate projections may not be a good use of resources.
- John Probst stated that the city of Pasco has data showing the need for 4,500 units for six months each year in the tri-cities area. He also announced that DYHS is hoping to break ground on two more farmworker housing projects in September.
- Alicia McRae announced that the Housing Authority of Wenatchee/Chelan County received \$500,000 from the Housing Trust Fund for a new senior housing project. The Authority is also hoping to break ground in August on a new farmworker project with a mix of seasonal and permanent units.
- Stella Vasquez reported that her daughter-in-law is leading one of the farmworker survey teams. They are having good success, with the enthusiastic participation of a team of AmeriCorps Volunteers based at the Yakima Valley Farmworker's Clinic.

NEXT MEETING LOCATION/TIME

The next meeting of the Board will be held in Seattle on July 28th, 2006.

ADJOURNMENT

The meeting was adjourned by consensus at 2:58 p.m.

Respectfully Submitted: _____
Secretary

Approved: _____
President/Vice President