

MINUTES
Board of Directors Meeting
Friday, August 19, 2005 • 10:30 a.m. – 3:00 p.m.
Law Offices of Riddell Williams
Seattle, Washington

ATTENDANCE

Members present: Juan Aguilar (by phone), Gloria Burton, Guillermo Castaneda, Erik Nicholson, Dixie Kracht, John Smith, Mario Villanueva (by telephone), Tomás Villanueva, Heyward Watson and Mike Youngquist. Members not present: Lupe Gamboa, Pete Garza, Mike Gempler, Billie Heath, Alicia McRae, Frank Ochoa,. Staff present: Tom Byers and Kristi Buck – Cedar River Group; and Brien Thane – Office of Rural & Farmworker Housing. Ex Officio: Mary McBride, Office of U.S. Senator Patty Murray, Janet Abbett, CTED.

WELCOME AND INTRODUCTIONS

The meeting was convened by President Juan Aguilar at 10:45 a.m. A quorum was recognized. Since Juan was participating by phone, Gloria Burton, Secretary, chaired the meeting until the arrival of Vice President Dixie Kracht, who assumed the chair at 11:00 a.m.

APPROVAL OF THE MINUTES

The minutes of the June 30, 2005 meeting of the Board were reviewed. Guillermo Castaneda moved approval as written. The motion was seconded and unanimously approved.

OLD BUSINESS

EXECUTIVE COMMITTEE REPORT

August 2nd Press Conference. Dixie asked Juan to give the Executive Committee report. Juan began by reviewing the August 2nd press conference announcing the \$1.5 million federal appropriation to the Trust. He indicated that the event had been an enormous success, and asked the Board members who had been present for their thoughts. Those who commented were universally positive about all aspects of the event. Tomas Villanueva was thanked for serving as the interpreter, and Mario Villanueva was thanked for hosting.

Review of recent press coverage. The August 2nd event produced a substantial amount of press coverage in print, television and radio, all of which was very positive. Senator Murray's Latino Community Email Report was lauded for its excellent presentation of the event, as well as the coverage that appeared in the Yakima Herald. In addition, several Board members were interviewed by the three television stations present and by a reporter from National Public Radio. Tom reported that the Skagit Valley Herald had an excellent article on the County Commission's approval of our proposal to CTED for the farmworker survey. The staff offered to make certain that the news clippings are distributed to all of the Board members and the Council of Advisors. Tomas Villanueva suggested that we do additional outreach to the Spanish language media prior to the next event.

Meeting with the President of the Northwest Area Foundation. Juan reported that a team of Board members had the opportunity to meet with Karl Stauber, President of the NWAF, in

Senator Murray's office on August 15th. The team included Juan, Mike Gempler, Erik Nicholson, Mario Villanueva, Tom, and Kristi. The meeting was arranged by Senator Murray's staff, and was intended as an introduction to the Trust for Mr. Stauber, who had been unable to attend the March 31st event hosted by the Senator. After asking Mr. Stauber to outline the Foundation's objectives, the team presented the power point describing our strategic plan. Mr. Stauber responded that he had learned a great deal from the presentation, and thought there may be some possibilities for a partnership between the Foundation and the Trust, although it was not a perfect fit. He stated that "the Trust's work is more like what we *used to fund* that what we currently fund," because we are focusing on housing production as opposed to a broader type of community development. He also said that the NWAFF has been moving away from dealing with "farmworkers" as a separate group and toward a "rural Hispanic" designation. Nevertheless, he promised to give our material a close look and initiate discussions between his staff and the Trust.

Juan said that he regarded the meeting as a good first step and that we needed to follow up with a letter to Mr. Stauber as quickly as possible. Mary McBride indicated that the Senator's office would also be sending him a letter to urge him to continue the dialogue. Erik said that he felt we needed to "refine our pitch to include the full range of issues we are dealing with" in addition to housing. It was agreed that Tom will draft a letter and circulate it among the participants as soon as possible.

Contract extensions. (Action Item) Tom reminded the Board that the contracts with Cedar River Group and ORFH officially expired on July 31st, and presented a draft resolution authorizing an extension through January 31st under the same terms and conditions as had been in force through July. He indicated that the January date reflected a ninety-day search process for the permanent Executive Director, and a sixty day transition period to allow for the new person to phase out of their current position or move to the area if necessary. He also suggested that it might be wise to retain ORFH beyond that date, to allow the new director time to become familiar with the financial systems before hiring a financial manager. Brien suggested that the new contract be worded to allow that to occur if the Board approved. **Guillermo moved approval of the resolution. The motion was seconded and approved by a unanimous vote.**

FINANCIAL MANAGER'S REPORT

Brien Thane presented the latest financial report. The report shows a positive bank balance of \$30,623.04 through July 31st, which does not include the \$100,000 committed by the Enterprise Foundation, which is anticipated in the next few days.

FUNDRAISING REPORT

Tom Byers distributed a fundraising summary through August 19^h. The only significant change is that the Fannie Mae Housing partnership has contributed \$5,000. This brings the total amount raised this year to \$254,450, leaving us with \$180,850 still to raise to complete the survey, continue Trust operations at the current level, and create a website to improve communications. We have also been notified of a pending contribution of \$1,000 from Key Bank, and the agreement of the Community Health Plan of Washington to provide approximately \$40,000 for the farmworker survey, but these contributions are not yet in hand. Tom then reviewed the list of outstanding funding requests, and reminded everyone that the federal appropriation will not be

available until four to six months after the President signs the budget. Mary McBride confirmed that assessment.

FARMWORKER SURVEY COMMITTEE REPORT

Mario reported that the committee has been working hard to complete the steps necessary to begin the survey during the apple harvest. Contracts have been drafted with Applied Survey Research and Alice Larson to conduct the survey. Peter Connery of Applied Survey Research has been working with Dr. Larson to refine the survey instrument to include the questions requested by Board members and funding partners. The committee has been working with state officials to obtain a list of growers that will enable the survey team to select a good sample of survey sites. Janet Abbett has been helping in that effort. The key things that need to be done are obtaining that list, finalizing the survey instrument and developing solid working relationships with community contacts in each area. The committee has identified health centers, Migrant Councils, and other community organizations and made assignments to complete those contacts. With the addition of the funds from the Community Health Plan of Washington, we will be able to expand the survey to include a cluster of counties in Southwest Washington.

MEMBER UPDATES AND ANNOUNCEMENTS

- Tomas Villanueva reported that he represented the Trust at a meeting of community health workers in Moses Lake to seek their cooperation in the farmworker survey. He said that he received a warm reception and they are ready to help.
- Mike Youngquist stated that there has been a shortage of farmworkers in Skagit County this season. He estimates the number of available workers to be about 20% below normal. Since growers who are able to provide housing are more able to attract workers, there is a growing interest in farmworker housing as a result of the labor shortage.
- John Smith announced that the Skagit County Housing Authority will be requesting permits for a new 30 unit farmworker housing development adjacent to the Raspberry Ridge project in Burlington. Part of the financing for the project will come from the real estate recording fees collected by the County. He also indicated that he anticipates there may be some difficulties in getting the necessary permits.
- Guillermo Castaneda said that as he drives through Yakima County, he sees children in the orchards with their mothers who are working there, including infants. It is a reminder that we need to be thinking about issues like childcare as well as housing. He also said that the heat has been hard on the workers, and there has been at least one death from the heat.
- Gloria Burton invited the members of the Board to the September 8th opening of the Archdiocese's most recent project in Centralia. She said the Archdiocese is also working on new 26 unit projects in Mt. Vernon, Longview and Woodland. She suggested that when the federal funds become available, a portion should be set aside to provide a line of credit for housing providers.
- Heyward Watson indicated that Fannie Mae would be interested in Gloria's idea.
- Mary McBride indicated that there may be interest from the federal perspective as well.
- Erik echoed Guillermo's concerns about the impact of the heat and provided some details about the worker who died of dehydration in Moxee. He said that California has had several heat-related deaths among farmworkers and has adopted new rules as a result. Farmworker advocates have been working with the Governor's office to get similar rules

adopted here. He also noted that there is a shortage of work, rather than workers in Yakima County, a very different situation than in Skagit County. He also reported that we are “on the edge of a huge problem with immigration restrictions” and Board members need to stay in touch with that issue. As a final point, Erik noted that there were no Republican elected officials at the August 2nd press conference, and suggested that we need to be sure to make the effort to invite them to future events. Tom Byers and Mary McBride indicated that a number of Republican officials had been invited and at least one of them contacted Tom to regret that he wasn’t able to be there. Nevertheless, the Board members agreed with Erik on the need to reach out to them.

- Mario Villanueva reviewed the farmworker housing projects that his organization currently has in the pipeline: 26 units in Grandview, scheduled to open October 10th, 22 in Mabton, 51 in Sunnyside, 26 in Toppenish (in cooperation with ORFH), 42 units for seniors in Yakima, and four additional projects in the pre-development phase. He also reported that DYHS has secured funding for a staff person for the Reisas Project.
- Dixie Kracht reviewed some of the findings from the survey she and Billie completed in Mattawa. She said that it showed a serious need for housing there among many categories of workers, not just farmworkers. In light of the findings, it is ironic that the City’s elected officials are not supportive of additional affordable housing projects.
- Tom Byers reported on a project he has been working on with the City of Burlington that may make future farmworker housing projects a bit easier to site within that city. The “Burlington Heritage Credit Program” and the town’s new downtown plan will give added density to developers who purchase heritage credits from the City. The City will use the proceeds to purchase development rights from farmland adjacent to the City. The added density should create the opportunity for multifamily farmworker housing projects.
- Janet Abbett reported that the implementation of the State’s new Infrastructure Matching Grant program is getting underway. The Advisory Committee, which includes Trust Board members Pete Garza and Tomas Villanueva, has begun its work, and CTED has issued a request for proposals to technical assistance providers and received eleven responses.

EXECUTIVE DIRECTOR SEARCH (Action item)

Tom reported that he had followed up on the Board’s request that he contact the Executive Search Services organization to see if the Trust would be eligible to obtain their services at a lower cost than the bids we had received from private sector firms. Tom indicated that he had spoken at length with ESS’s director who has determined that the Trust is eligible for ESS’s services. Tom distributed a description of ESS and the services it provides and indicated that the cost would be \$15,000 as opposed to \$23,000 with Waldron and company. He noted that both estimates do not include advertising costs or the costs of transportation for candidates coming for interviews. After some discussion, **Mario Villanueva moved that the Board budget \$17,500 for the search and that Tom be authorized to negotiate a contract with ESS to be approved by the search committee. Heyward Watson seconded the motion, which passed unanimously.**

LONG RANGE STRATEGY AND FUNDING PRIORITIES

The Board devoted the remainder of the meeting to a continuation of the discussion of long range funding strategies that began at our last meeting. Tom handed out a summary of previous Board

discussions on the topic, during which the Board began to differentiate among the roles the Board wants the Trust to play versus those that are better played by our partners.

The need for protocols to guide allocation of resources. Tom opened the discussion by stating that the federal funding creates the Trust's first real opportunity to allocate resources to build the capacity of our partners to create and manage farmworker housing projects. Since most of the major developers of farmworker housing are represented on the Board and staff of the Trust, we have reached the point at which it is essential that we reach some agreements on how the Board will make allocation decisions in a fair and transparent manner. John Smith stated that it is very clear that all of the Board members have an interest in creating farmworker housing, or they wouldn't be here. That is why the organization has been effective. We need protocols that assure that decisions are made fairly, but we don't need to tear the Board asunder to accomplish that. Perhaps we should invite outsiders to comment on proposed allocations before voting on them. Dixie Kracht agreed with John, saying that it is time to develop clear protocols and conflict of interest policies. Heyward Watson said that he serves on the Board of two other organizations that have faced the same problem---Impact Capital and Sound Families. He offered to obtain their protocols and conflict policies as models for the Board to consider.

Fundraising strategy: public, philanthropic, or both? Tom then raised the question of whether the Board wants the staff to focus on raising funds from foundations, to pursue increases in public funding, or to do both. Erik said that in light of the enormous need-40,000 units-we need a more sophisticated strategy that has both a near-term and long-term components. John added that the initial concept that gave birth to the Trust, which focused on philanthropy, may not be viable in light of the extent of the need, and the priorities various foundations have at the present time. The Trust has shown flexibility in working with the possibilities that opened up in the legislature, and we should keep our eyes open for all the possibilities. For example, he said, in Skagit County, we have learned that we need policy changes as well as dollars. Mary added that the issue of sustainability is a very real concern with philanthropic funding, as well as public funding. How can we find sources that will be there over the long run? Mario observed that this strategic choice will have an impact on the choice of an Executive Director, because the skills associated with seeking foundation funds may be different from those we would want to have if we are going to continue to work on public policy and funding. He said that is the Board is going to go after both, it will need an Executive Director and staff with a breadth of skills.

Strategic planning retreat. In light of the importance of these issues, Board members suggested holding a strategic planning retreat. After considerable discussion, it was agreed that the staff would be asked to develop a plan for a retreat in mid-October. Board members indicated they wanted Tom to be able to participate in the discussion, so he will ask John Howell, a partner at Cedar River Group, if he would be willing to serve as facilitator. It was also agreed that the staff would prepare an options paper in advance of the retreat so that the time together would be used to best advantage.

NEXT MEETING

The next meeting of the Board will be in Yakima, Washington, Friday, October 14, 2005.

ADJOURNMENT

The meeting was adjourned at 3:40 p.m.

Respectfully Submitted: _____
Secretary

Approved: _____
President/Vice President