

MINUTES
Board of Directors Meeting
Friday, October 14, 2005 • 10:30 a.m. – 3:00 p.m.
Diocese of Yakima Housing Services
Yakima, Washington

ATTENDANCE

Members present: Dixie Kracht, Guillermo Castaneda, Mike Gempler, Alicia McRae, Erik Nicholson (by telephone), John Smith, Mario Villanueva, Tomás Villanueva. Members not present: Juan Aguilar, Gloria Burton, Pete Garza, Billie Heath, Heyward Watson, and Michael Youngquist. Ex Officio: Janet Abbett – CTED. Ex Officio Absent: Mary McBride – Office of Senator Murray. Staff present: Tom Byers – Cedar River Group; and Brien Thane - Office of Rural & Farmworker Housing. Contractors: Peter L. Connery – Applied Survey Research. Alice C. Larson, PhD. (by phone for discussion of farmworker survey).

WELCOME AND INTRODUCTIONS

Vice President Dixie Kracht called the meeting to order at 10:45 a.m.

APPROVAL OF THE MINUTES

The Minutes of the August 19, 2005 meeting were reviewed and approved by unanimous consent.

OLD BUSINESS

EXECUTIVE COMMITTEE REPORT

- **Meeting with Consul Jorge Madrazo.** Tom Byers reported that he and Juan met recently with the Mexican Consul, Jorge Madrazo to update him on the work of the Trust. He reported that the Consul was very interested and supportive, and offered to feature a spokesperson for the Trust on his weekly radio program on Spanish-language radio. It was agreed that this was an important opportunity. Guillermo Castaneda and Tomás Villanueva volunteered to serve as spokesmen for the Trust. It was agreed that we would ask the Consul for the chance to use his program to inform the community about the farmworker survey when it resumes next spring. Tom Byers will follow-up with a letter to Consul Madrazo.
- **Ohtli Award.** During the meeting with Consul Madrazo, he told Tom and Juan that the Mexican government had recently honored Tomás Villanueva with the Ohtli Award, the highest honor that can be given by Mexico to a citizen of another nation. The honor recognizes Tomás for his life-long efforts for human rights. The Board congratulated Tomás with a round of applause.
- **Governor's Press Conference on AgJobs Bill.** The Chair asked Mike Gempler to report on the press conference held on Tuesday by Governor Gregoire to announce her support for the AgJobs bill sponsored by Senators Kennedy and Craig. Mike and several of his members, together with Erik Nicholson and several union representatives, met with the Governor for an hour prior to the press conference, and participated in the event itself. Mike stated that Governor Gregoire is the first governor in the nation to announce support for the bill, which would create a mechanism through which undocumented individuals currently at work in American agriculture can earn legal status.

Mike and Erik both emphasized the need for everyone who is concerned about the rights of farmworkers and the future of agriculture to speak out in support of the bill.

Mike reviewed demographic data that shows that the numbers of native-born Americans are not sufficient to meet the U.S. economy's need for labor, and that trend will grow more pronounced in the coming years. With labor shortages already occurring in agriculture and other sectors of the economy, the nation is growing increasingly dependent on immigration for its economic survival. Nevertheless, the opponents of immigration are extremely vocal on talk radio, attacking those who favor practical solutions. Both Mike and Erik have taken heat for supporting the bill, but from opposite sides of the political spectrum. They remain firmly convinced that the bill is the best solution, and believe it may have a chance to pass in this session. They emphasized that the governor would not have publicly supported the bill without the coalition of support formed by the Grower's League and the UFW.

Dixie Kracht asked what Board members can do to help, and it was agreed that Mike and Erik would each provide the speaking points they used at the press conference to Tom and Kristi so they can be distributed to the Board. Members will use them to address the issue, and look for opportunities to write letters to the editor.

- **Ratification of the Executive Director Search Contract.** Tom Byers reported that he had followed-up on the Board's instruction to seek a contract with the State's Executive Search Service within a budget of \$17,500. He distributed a draft contract for \$15,000, suggesting we hold the remaining \$2,500 in reserve for travel costs for candidates the Board may wish to interview who are from out of state. He indicated that he had asked Guillermo Castaneda, as a seasoned administrator, to review the documents in detail to provide a "second set of eyes". Guillermo said that his review suggested the contract and scope of work were generally well drafted, but he was concerned about the provision regarding ownership of materials produced during the search process, which seems to give Executive Search Services the exclusive rights to all materials, including the job description and other documents which are actually created by the Trust Board, and could be useful to us in other searches. Other Board members agreed with Guillermo's interpretation. After considerable discussion, **Tomás Villanueva moved that the contract be approved in principle, with the caveat that the staff will obtain an amendment that allows the Trust Board to retain ownership of materials which are created by the Trust Board or Staff. The motion was seconded by Guillermo Castaneda and passed unanimously.**

FINANCIAL MANAGER'S REPORT

Brien Thane reported that the Trust currently has a favorable balance of \$102,000, and expenditures are at or below projected levels in all budget categories. He noted that some members of the Board requested reimbursement for transportation costs incurred while attending the August 2, 2005 press conference while other members did not. He also noted that the federal reimbursement rate was increased recently to 48.5 cents per mile. In light of these two issues, he and Juan felt it would be appropriate to ask the Board to formally revisit our policies regarding travel reimbursement. After discussion, the Board reached consensus that Board members and staff may request reimbursement at the current federal rate for travel that is required to participate as Board members in all Trust events.

FUNDRAISING REPORT

Tom Byers distributed the updated fundraising report, showing the amounts in-hand, committed but not yet in-hand, and pending. Grant writing since the August Board meeting focused on revising the submission to the Paul G. Allen Family Foundation (\$750,000) and responding to the invitation of the Marguerite Casey Foundation (\$22,000). Tom also reported that some members of Congress are trying to undo appropriations that have already been voted upon to cover a portion of the costs of Hurricane Katrina. It is not yet clear if the Trust's FY2006 appropriation could be caught up in those moves. Tom will work with Mary McBride to track the issue, and determine whether help is needed from the Board.

FARMWORKER SURVEY COMMITTEE REPORT

Mario Villanueva arranged to have Peter Connery and Alice Larson join the meeting by telephone to update the Board on the progress of the survey. Peter reported that community organizations have been very helpful in identifying interviewers in all three areas where pilot interviews will be conducted (Yakima, Wenatchee and Okanagon). He has conducted successful training sessions in each area, and believes he has enough interviewers in all areas, with the possible exception of Yakima, where he will work with Mario to identify and train a few more. He added that all the growers he has contacted have been supportive of the survey.

Interviews will begin next week and will continue until the teams meet the goals that have been established for the pilot. Both Peter and Alice stressed that it would be a great idea to have Board members observe some of the interviews. He offered his cell phone number as the best way to find out how to connect with the interviews.

MEMBER UPDATES AND ANNOUNCEMENTS

- Dixie Kracht announced that neither Creative Housing Solutions nor RCAC had been selected by CTED to receive technical assistance contracts for the Infrastructure Matching Program. She indicated that both organizations are revisiting their potential roles in light of CTED's decision.
- Janet Abbett expanded on the issue of CTED's decisions. Eleven organizations applied to provide technical assistance and only five were selected: Impact Capital, Common Ground, the Office of Rural and Farmworker Housing, Aids Housing of Washington, and Community Frameworks.
- John Smith announced that county officials recently approved a 75-unit farmworker housing project adjacent to Raspberry Ridge through the Government Cooperation Act. On a less favorable note, he reported that the federal government is reducing the amounts of rental assistance it provides for public housing making it more difficult to provide farmworker housing for seasonal workers.
- Mario Villanueva reported on Monday's dedication of "Juan Pablo II", a 26-unit development in Grandview. He also reiterated the importance of getting farmworker housing on Governor Gregoire's agenda, and suggested inviting her aide, Peter Bogdanoff to a future meeting.

BOARD DISCUSSION REGARDING FUNDRAISING STRATEGIES, PRIORITIES, AND FUNDING PROCEDURES

Assuming that the federal appropriation remains intact, the Trust Board will soon be in the position to allocate funds to build the capacity of our nonprofit partners to create farmworker housing and homeownership opportunities. This creates the need to agree in advance on how we will make those decisions in a transparent manner since several prospective grantees serve on the Board.

Dixie Kracht, Mario Villanueva and other members stated that the Trust should develop clear “conflict of interest policies” requiring members to recuse themselves on allocation decisions affecting their agencies. They also suggested writing clear criteria for grant making, and having outsiders (such as members of our Council of Advisors) serve on the committees that will make recommendations regarding grants. The following concepts were approved by consensus:

In allocating the funds it controls, the Trust will:

- 1.) Make the availability of funds widely known;
- 2.) Decide and publish criteria in advance; and
- 3.) Create selection committees that include members of the Council of Advisors and “unconflicted” Board members.

Guillermo Castaneda stated that he believes the Trust will need to be strategic in making grants to build our own identity as well as building the capacity of our partners. He asked whether the Trust is really getting credit for its accomplishments.

Tom Byers reported on recent conversations with House Speaker Frank Chopp in which it became very clear that the Speaker is pleased with the progress that is being made on farmworker housing and is looking for ways to take the next step forward during the legislative session that begins in January. So far, he has been considering two possibilities:

- 1.) Dedicating a tax currently paid by agriculture to the creation of farmworker housing. The idea is to create a dedicated revenue stream that could be bonded to provide a large amount of capital.
- 2.) A \$100 million dollar “Housing Security Fund”, with \$32 million for farmworker housing. Funding would come from taxes on real estate sales, which are currently running substantially ahead of budget projections.

Board members were highly supportive of both ideas, although some expressed the view that the second approach may be easier to pass than the first, since some members of the legislature are opposed to dedicating revenue streams for specific purposes. Guillermo suggested that we should ask the Speaker to identify an amount for the Trust itself. Dixie reminded the Board that the legislature has already given counties the ability to use document recording fees for affordable housing, but few, if any counties, have put those funds to use.

John Smith said that he feels it’s important that we prove at each stage that we are able to make good use of the funding increases. We should build steadily, establishing a solid foundation. Brien Thane said that it is clear there is a large backlog of well-conceived affordable housing projects, but is \$100 million the right number? Erik Nicholson said that the debate reminded him

of the deliberations within organized labor about the AgJobs bill. We should move forward respectfully, but vigorously. He also suggested that it was time to look even farther “upstream” for funding. What about the supermarket chains, who are making the real profits from agriculture? He and Mike Gempler will take the lead on thinking about an effort to approach Costco.

It was agreed that the Trust would take several actions to prepare for the 2006 session of the legislature:

- 1.) Talk with our allies in the Low-Income Housing Alliance to search for common ground.
- 2.) Identify barriers (in addition to the need for capital funding) which are impediments to production, such as the \$2 million lid on housing sponsors; the lack of infrastructure; the shortage of sites; etc.
- 3.) Meet with the Speaker, Representative Phyllis Gutierrez Kenney and other legislative supporters.
- 4.) Arrange a meeting with Governor Gregoire and her staff.

FUTURE MEETING SCHEDULE

Tom distributed a list of meeting dates for the next six months.

NEXT MEETING

The next meeting of the Board will be in Seattle, Washington, Friday, November 18, 2005.

ADJOURNMENT

The meeting was adjourned at 3:10 p.m.

Respectfully Submitted: _____
Secretary

Approved: _____
President/Vice President