

MINUTES

Board of Directors Meeting • December 6, 2004 Offices of Riddell Williams Law Firm Seattle, Washington

ATTENDANCE

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

WELCOME AND INTRODUCTIONS

The meeting was convened by Chairman Juan Aguilar at 10:50 a.m., and a quorum was recognized.

APPROVAL OF THE MINUTES

The minutes of the November meeting of the Board were reviewed. Mike Youngquist moved approval as submitted. His motion was seconded by Alicia McRae and adopted unanimously.

OLD BUSINESS

EXECUTIVE COMMITTEE REPORT

AMENDMENT TO THE BYLAWS

The staff distributed copies of a proposed change in the bylaws authorizing the Trust to decide issues through votes cast by email when necessary in order to conduct business in an effective and timely manner. Mike Gempler moved approval of the amendment, seconded by Erik Nicholson. The motion passed with unanimous support. The signature of each member will be required. Staff will contact the absent members to obtain their signatures.

ANNUAL REPORT

Copies of the final version of the first Annual Report were distributed. Tom requested that each board member let Kristi know how many copies they wished to have so that the appropriate number can be printed. The report has been filed with the Secretary of State.

HUD DDA DESIGNATION ISSUE

The staff distributed copies of a draft letter to go to the federal officials that helped the Trust to win the temporary waiver of the new DDA designations. Tom indicated that Senator Murray intends to keep working to find a permanent legislative solution to the issue.

MEETING WITH STATE OFFICIALS Department of Community, Trade, and Economic Development and thanked Gloria, Billie, Brien Guillermo and Tom for attending. The meeting was very productive. The Trust's State Action Agenda was reviewed in detail and Stephen indicated that it was very consistent with the direction CTED is trying to go. He thanked the Trust for its willingness to work in coalition with other low-income housing providers in seeking to expand the State Housing Trust Fund, and expressed appreciation for our support of

the proposed State Matching Fund for infrastructure for on-farm housing. He shares our concern about the need to increase the capacity of rural housing agencies, and said that he is pursuing an increase in the cap on administrative funds in the Housing Trust Fund so that CTED can fund a portion of the needed capacity.

FISCAL AGENT REPORT

Brien Thane distributed copies of the monthly expense report through November 30th. He indicated that the Trust entered November with a balance of \$61,436 from the original federal appropriation. With the anticipated contract with CTED for \$19,950, we will have \$81,386 of the \$89,000 needed to maintain operations through April 2005. [Erik suggested adding another column].

FUTURE FUNDING FOR TRUST OPERATIONS

Tom Byers distributed a draft estimate of the amounts required to sustain the work of the Trust until April, 2006, when a new federal appropriation may become available. The estimate included the \$89,415 projected to be needed through April of 2005, and an additional \$244,500 through April 2006. Tom noted that the proposed operating budget for that time period was built upon the assumption that permanent staff would be selected for the Trust by July 1 of 2005, so that salaries, benefits and office expenses would be paid directly by the Trust rather than borne under a contract by the Cedar River Group. The Board discussed the proposed budget and expressed the view that several of the categories seemed somewhat under-funded. Erik Nicholson stated the budget would need to include funding for a search process for the permanent director. As a result of the discussion, the Board directed staff to revise the budget and fundraising targets to reflect the discussion.

EFFORTS TO FILL THE FUNDING GAP

PROPOSED CONTRACT WITH CTED

Tom distributed copies of the proposed contract with CTED, which will provide the Trust with \$19,950 to support its operations. Tom expressed appreciation to Mike Gempler for contacting the Governor's office to initiate the request for these funds. A motion to approve the contract was unanimously approved.

CREATION OF FINANCE COMMITTEE

Juan announced that in light of the funding problems we have encountered, the Executive Committee has decided that it would be advisable to establish a Finance Committee to work with Tom to raise funds to sustain the operations of the Trust. Juan asked Heyward Watson, Mike Gempler, and Erik Nicholson to join him as members of the committee. Brien Thane will serve as an ex officio member. The formation and membership of the committee were confirmed by consensus.

FUNDRAISING GOAL AND PLAN

Tom distributed materials showing targeted amounts for the Trust's fundraising that included a goal of \$255,000 for operations and \$200,000 for the farmworker survey. These targets will be subject to revision based on the Board's earlier discussion of the budget, and upon the anticipated receipt of a revised proposal from Applied Survey Research for the farmworker survey. To reach that goal, the staff has worked with members of the Finance Committee to

identify potential contributors from the government, financial, philanthropic and community sectors. A list was distributed and Board members were asked for additional suggestions. Juan indicated that he and Heyward are going to be setting up a meeting with their colleagues in the banking community in early January to introduce them to the work of the Trust and attempt to secure funding commitments.

FARMWORKER SURVEY

The staff distributed a letter from Applied Survey Research responding to concerns raised by Alice Larson, Brien Thane, and members of the Board about their original proposal to conduct the farmworker's survey. Tom indicated that he has asked them to prepare a revised proposal and price for the Board's consideration in January.

PROGRESS ON THE COMPREHENSIVE PLAN

Tom presented a draft power-point summary of the comprehensive plan based on all of the work completed to date. A vigorous discussion followed, during which Board members generally indicated support for most of the elements of the presentation, but expressed concern about two key points:

- The tone and vocabulary of the presentation seem to be oriented toward "process" rather than production. Those elements should be revised to be focused on results.
- The strategy embodied in the presentation seems to be something of a departure from the original concept of seeking philanthropic dollars. We seem to have taken on a more complex task.

After considerable discussion, it was agreed that the text of the presentation would be revised to stress results over process, and that we would ask Senator Murray to re-open the conversations with foundation representatives so that we can develop a clear understanding of what roles foundations will be willing to play. We will revise our strategy based on those conversations.

ADJOURNMENT

The meeting was adjourned by unanimous consent at 3:25 p.m.

NEXT MEETING

The next meeting of the Board will take place on Friday, January 21, from 10:30 a.m. to 3:00 p.m. at the CTED offices in Olympia. Directions will be distributed prior to the meeting

Respectfully Submitted: _____
Secretary

Approved: _____
President/Vice President