

Meeting Notes - May 26, 2016

Mission	Federal, state, local, and non-governmental leadership working together to improve housing and economic opportunities for the agriculture workforce.
Location	Oregon Housing and Community Services 725 Summer St., NE Ste. B, Salem, OR 10:00-12:00 PM, Meeting Room 124A
Attendees:	Senator Peter Courtney, Anna Braun, Senate's Office, Tyler Alexander/Oregon Farm Bureau, Ann Blaker/Bienestar, Kevin Burgee/ OHCS, Kathleen Kincade /OSHA, Claudia Cantu/CASA, Wes Cochran/USDA RD, Amanda Dalton/ Columbia Gorge Fruit & Blue Mountain Growers, Mike Doke/Columbia Gorge Fruit Growers, Danette Elpel/OHCS, Laurie Hofer/Legal Services of Oregon, Roberto Jimenez/Farmworker Housing Development Corp (FHDC), Catherine Kes/Hacienda CDC, Kathleen Kincade/OSHA, Carol Kowash/OHCS, Alan Martinez/OED, Rem Nivens/OHCS, Shoshanah Oppenheim/OHCS, Daniel Quinones/OED, Ramon Ramirez/PCUN, Nargess Shadbeh/Oregon Law Center, Karen Shawcross/Housing Advocate, Brett Sheehan/CASA, Kathryn Walker/DOA, Shelly Wilkins-Ehenger/MCHA, Theresa Wingard/OHCS, John Wright/OHCS
AGENDA	
Presentation:	<p>Senator Peter Courtney, Senate President, District 11 Anna Braun, Senate President's Office Legislative Director</p> <p>Senate Bill 1593</p> <p>Background: The intent of drafting SB 1593 was to offer incentive for higher quality farmworker housing. The bill originated as a result of conversations with Hood River Senator, Chuck Thomsen and Senator Courtney's prior work for Legal Aid. Senator Thomsen invited Senator Courtney to visit his farmworker camp in Hood River which Senator Courtney plans to do to see the farmworker housing. Farmworker housing has been a huge issue since I worked in Legal Aid at the start of my career. I believe there should be high quality farmworker housing. Since tax credits exist in other areas, Senator Courtney felt farmworker housing should also receive recognition within the tax code as an incentive to encourage and maintain a higher quality of farmworker housing. There is a current tax credit for constructing farmworker housing and I introduced legislation last year to add an additional tax credit for maintaining the farmworker housing. Ramon Ramirez met with Senator Courtney and the senator learned the bill didn't have the support of the farmworker community and thus</p>

Senator Courtney suspended further action on the bill and it failed.

Current Status: Senator Courtney recognizes the influential voice the AWHFT has on the subject of farmworkers and will not go forward on further farmworker housing legislation without first receiving guidance and support from the AWHFT. With the AWHFT's support, the question remains whether or not to continue drafting a bill for a tax credit that expands costs eligible for agriculture workforce housing tax credit to include operation costs incurred by the owner for the 2017 legislature and initiate a legislative work group to further the process. The intent is not to reward bad owner behavior. There would be additional funds marked for any new credit as Senator Courtney does not want to take monies away from the existing program.

Discussion:

Q: Karen Shawcross asked for clarification on the type of housing incorporated in the legislation (i.e., on farm or off farm, migrant housing or permanent housing)

A: Senator Courtney: The type is open for discussion though I initially thought of on farm housing and the intent was to provide incentive for high quality housing.

Anna Braun: In relation to the initial drafting, Senator Thomsen has on-farm housing and he relayed to Senator Courtney how difficult it is to maintain this type of housing due to the costs and felt there should be some way to help farmers.

Q: Shelly Wilkins-Ehenger asked why the AWHFT did not originally support SB 1593 and wanted to hear from the group as to the issues they didn't agree with.

A: Senator Courtney: Ramon Ramirez told my office not to go forward with the legislation.

A: Ramon Ramirez: Peter Hainley and I went to Senator Courtney's office last year and suggested the senator vet the bill with the AWHFT before going forward. Historically, it has been difficult to gain support for farmworker issues and it took a labor camp constructed at the capitol before any attention was given this issue. Then we received bipartisan support for the Farmworker Housing Trust Fund and our first million dollars. Currently, housing is critical as there is a 27,000 unit shortage. With high quality housing that addresses educational and social needs of the workers, graduation rates increase and overall quality of life improves. We've seen this happen in the City of Woodburn. We are now providing dignified housing. The farmers don't have to work two or three jobs. The issue remains that we need more housing. Any legislation that takes away from the construction part and subsidizes farmers is a concern. Money should go to construction, not subsidizing housing.

Q: Amanda Dalton asked if it is possible to distinguish between farmworkers who pay rent and those who don't pay rent. Because, if the farmer is already receiving cash from the farmworkers for these operation costs, they would be prohibited from the credit.

A: Ramon Ramirez: That's the problem. Senator Thomsen has a good camp but the majority of owners in the Willamette Valley don't treat their workers well. The living conditions of migrant farmers precipitated the first typhoid outbreaks because workers lived in chicken coops. There are camps now in Woodburn where 10 people are living in one cabin and pay \$100 a week - \$400 a month. Few farmers are not charging the workers. How do we fix that? I am working now with growers under the Equitable Food Initiative. We are working with Whole Foods and Costco and other retailers to place a certified label on foods grown for agricultural economic fairness. Farmers who do good things should be rewarded but not if legislation eats away at construction money for farmworker housing.

Anna Braun: A new tax credit will also mean new money to support the credit so it doesn't interfere with current program funds.

Senator Courtney: We don't want to reward bad behavior and don't want to take away from current program funds. This legislation is an attempt to incentivize good behavior.

Daniel Quinones: The people Ramon refers to are the ones we know of. What about all the workers we don't know about? Workers are taken advantage of due to the shortage of housing. What about blueberry season? There is an increase in workers for these hand-picked crops.

Amanda Dalton: Most owners don't charge workers for rent or other expenses and an additional tax credit could help so those who do charge no longer charge farmworkers.

Daniel Quinones: That is a great idea. Short-term migrant housing is a big issue. Workers show up in large numbers when the crops are in.

John Wright: The majority of owners using OHCS programs don't charge. Most applicants come from The Dalles. At the same time, we have a surplus in the program at this point. Why don't I see applicants for the program from Keizer and Woodburn? How do we get farmers to utilize the current tax credit program as the program helps both the owner and the workers?

Kathleen Kincade: I support Senator Courtney’s idea about adding maintenance and repair costs to the eligible costs in this bill. Maintenance and repair costs are appropriate expenses to support as some farmers need repair costs. Repairing is less burdensome than new construction. Given the new regulations effective 2018, farmers need support to meet the added compliance requirements. I hear all the time that owners don’t have the money to maintain costs. If there are issues like those described by Ramon, I encourage you to call OHSA and, if warranted, the non-compliant farmworker housing will be shut down. I will even go today, if Ramon wants to take me to the sites he is referring to.

Q: Brett Sheehan: Aren’t the costs we’ve been talking about already covered under the current program?

A: John Wright: SB 1593 takes away from new construction as it is currently drafted. OHCS only has \$7.2 million to work with.

Anna Braun: Any new legislation would include additional funds to cover the program.

Karen Shawcross: Bienestar is one of the largest farmworker housing providers in the state. It has 500 units on and off site and new funds from additional legislation designed to cover maintenance costs will be supported because there is a need within farmworker housing for maintenance costs so new funds would be a boon for community based housing.

Ramon Ramirez: I didn’t realize new funds were tied to the legislation. To speak to Kathleen’s response, OHSA violations are often not reported because this may cause OHSA to shut a non-compliant camp down; the workers are homeless and have nowhere to go. I do think there is a solution that can be worked out. A concern is that maintenance costs come before new construction when we are running a 27,000 unit deficit already, especially if the maintenance costs are covering utilities. It doesn’t sit well with me but if more monies are added that doesn’t take away from construction, we agree...we don’t agree to a program funding the cost of such items as garbage bills.

Amanda Dalton: The idea of an owner getting a tax credit for utilities doesn’t mean the owner can still charge the worker. In fact, if the farmer gets reimbursed for these costs then the worker isn’t charged at all.

Anna Braun: Yes, Amanda is correct. When the legislation wasn’t passing in 2017, we realized we need to put a work group together to work out the issues.

John Wright: But this does add another layer of compliance for OHCS.

Anna Braun: Yes, that is understandable and that is why the senator wants to work with the AWHFT to address these types of issues in 2017 legislation.

Kathleen Kincade: Regarding repair and maintenance vs. utilities, OSHA regulations already state farmers cannot charge for utility costs or per use (i.e., charging to use the toilet) unless the farmworker stays past the season. Then, OSHA allows an owner to charge for these expenses and the issue is referred to BOLI if they charge too much for their services.

Carol Kowash: This would be a nice credit so the farmworker isn't charged for utilities. Currently, if an applicant wants to receive tax credit for common repairs such as painting, this is not covered. I am fine if an owner wants to add more square feet or additional bathrooms. If this new credit can allow more workers to be served or be better served then this credit is beneficial. Maybe we could cap rent costs with this new legislation.

Ramon Ramirez: Guest workers are an issue as there needs to be an aggressive recruitment of local workers first and pay needs to be the same. Currently, guest workers receive minimum wage of \$12.69 an hour, housing that an owner can't charge rent for. We are adamant that we don't use tax credits for guest workers.

Amanda Dalton: This is not a point of agreement. There are times guest workers are necessary. I do have a question for John: What are the barriers to construction that account for the tax credit surplus?

John Wright: I am unclear if farmers either don't know about the tax credit or don't want the government regulation that comes with receiving the credit. I want to look at ways to breach these barriers. I think this type of legislation is doable. There are fine balances involved. On my end, partitions are difficult to calculate. An owner may have 100 units and only want to use the credit on 20 units. This requires OHCS to calculate square footage costs which is a little more difficult, but not impossible, to do. It takes more time.

Brett Sheehan: OHCS has a surplus now. It is only May so the surplus is likely to be used this year. I know it has been entirely used in previous years. Even with this, being an avid user, the credits are difficult to use. Historically, there hasn't been a surplus.

Nargess Shadbeh: I wanted to add two comments. It isn't clear to be from the current case law that rent and utilities can even be charged to the worker. The Ninth Circuit has addressed when Oregon can charge. Secondly, why are there dilapidated housing? The group should explore at some point, the question of migrants. Perhaps

a different model should be created, particularly for migrant farmworkers. Oregon relies so heavily for hand harvest workers. The current housing doesn't work. If we are looking at legislation for housing perhaps we shouldn't rely on the farmers. Migrant housing should be off site and possibly a different model altogether. There hasn't been a drop in migrants. It seems the farmer's role, especially with migrant farmers, is not to provide housing so there should be a way to provide off site.

Senator Courtney: Two things occur to me as I listen to the discussion. First, this is a budget driven issue and the bill would have funds tied to it. Second, AWHFT needs to support the legislation or it doesn't go anywhere. The wording and policy concerns require direction from this group as they relate to bridging the gap and acknowledging/ providing incentives for good farm owner housing. Nothing has been said here today that discourages me from this type of legislation. It has a potential to incentivize. I caution that if there are too many nuances then it only applies to a few and that concerns me. Both Senator Thomsen and I are united on this. If the AWHFT decides not to pursue further legislation in 2017, I prefer you give me an answer quick.

Anna Braun: At this stage, all issues are up for negotiation and the senator's office welcomes the opportunity to participate in further discussions. We need to file legislation in September of this year for the 2017 legislative session and we would need a work group at the same time.

Theresa Wingard: Can you please clarify the process for a work group?

Anna Braun: Yes, the AWHFT would need to discuss who wants to join the work group and give the senator's office an answer.

Request for Action: Senator Courtney would like the AWHFT to: 1) communicate to his office whether or not to pursue a farmworker tax credit bill in 2017; 2) provide guidance on what issues to include within a bill that improves conditions for farmworker housing if the AWHFT wants to pursue further legislation; 3) convey the AWHFT's interest in participating in a legislative work group with a couple members participating for a 2017 bill if the group decides to go forward with legislation. The work groups need to go forward by a legislative filing in September 2016. An answer would be welcome in the next few days regarding work groups.

Closing: The group thanked Senator Courtney and Anna Braun as they left the meeting.

<p>AWHFT Discussion about Senator's Request for Action:</p>	<p>Theresa Wingard: How does the group want to address the senator's call for action?</p> <p>Kathleen Kincade: We could have a "yes/no" vote.</p> <p>Amanda Dalton: Do we support crafting a legislative concept. My client is open to discuss all options.</p> <p>Laurie Hoefler: I can't vote because my employer has a conflict due to receiving federal funds.</p> <p>Theresa Wingard: Should we have a vote on whether or not to go forward with new legislation? It appears there will be additional funding.</p> <p>Karen Shawcross: I would add to this statement by including a vote on new money and crafting legislation.</p> <p>Ramon Ramirez: From the senator's presentation, I heard that new legislation would have new funds and not go into existing funds so building funds aren't affected. I heard there is room to negotiate what the credit would cover (i.e., There is room to negotiate building rehab vs. utility costs.). I would say to get the word out to growers and I would say, "Yes".</p> <p>Roberto Jimenez: I don't support the current bill as written but I would be open to further talks.</p> <p>Tyler Alexander: I am looking forward to the discussion.</p> <p>Theresa Wingard: It seems everyone is supportive of going forward.</p> <p>Daniel Quinines: Want to make sure agricultural employers are included in this process as well. If they are left out of the conversation, it is a concern.</p> <p>Theresa Wingard: A number of other contractors were on the invite for this meeting.</p> <p>Shoshanah Oppenheimer: I would suggest you let the Senator's office know that this group would be interested in working on the bill and also send him a list of people interested in being on the work group.</p> <p>Shelly Wilkins-Ehenger: I like to see us have our own conversation in a smaller environment so I understand what is being said. The work group should be representing all of us, not just the individual disciplines in which they work. The smaller group should develop the AWHFT's position which they would take to the</p>
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Senator's work group.

Roberto Jimenez: The FHDC is interested in being involved in a work group.

Shelly Wilkins-Ehenger: How does this happen quickly? We don't meet again as a group until July and we need to give an answer to the senator before that.

Theresa Wingard: We can have a smaller group meet as often as needed in the next month. In the meantime, we can send a message to the senator supporting further conversations in drafting legislation for 2017 while also sending a the names of the AWHFT members to include in his work group. The group needs to make the decision quickly and I recognize not everyone is here today.

[Other members discussed a willingness to be part of a work group. Members voicing an interest included: John Wright, Nargess Shadbeh, and Brett Sheehan.]

Theresa Wingard: It makes sense that the work group should comprise members who regularly attend the meetings to ensure a complete understanding of the group's views. I see some of you nodding in agreement.

Amanda Dalton: I would suggest a third party represent this group. The group is made up of differing interests so it seems it would be tough to send someone who can speak for all interests. Maybe one person who is comfortable speaking for everyone.

Brett Sheehan: Because we don't all agree on everything, we need members in the work group who represent a cross-section of all interests.

[Side discussion: Shelly Wilkins-Ehenger asked whether the farmworker or farmer benefits from the subject legislation and wanted to hear from the group if that issue matters. Carol Kowash said it can benefit both parties by decreasing rents and ensuring farmworkers don't have to pay for utilities. Ramon Ramirez added that everyone benefits and it is important to remember that with onsite housing, the farmer controls housing because if the worker is fired, not just a job, but also a shelter, is lost. This led to a discussion about farmworker vouchers that are tied to the worker, but only if there is available housing.]

Q (Laurie Hoefler): SB 1593 wasn't clear to me as to whether or not operation cost tax credits can be used by community housing. What would compliance look like (over ten years) and how does future legislation measure the use of utilities especially in relation to ensuring the farmworker isn't charged as well? It is complicated because sometimes it is called a rent charge and sometimes it is called a utility charge.

	<p>Theresa Wingard: Good question and a smaller work group within AWHFT can explore this and other questions.</p> <p>Q (Laurie Hoefler): What if over subscription and how are applications decided?</p> <p>John Wright: Currently, it is a “first come, first served” process.</p> <p>Q (Laurie Hoefler): Would “first come, first served” be part of a new credit as well?</p> <p>A: There will be someone from the AWHFT on the legislative work group.</p>
<p>Follow Up for Senator Courtney:</p>	<p>Theresa Wingard: I will send Senator Courtney a message that the AWHFT wants to be part of discussions going forward regarding a new bill. I will also get a deadline from the senator’s office regarding members of the legislative work group.</p> <p>Tyler Alexander: I think the Farm Bureau has an interest.</p> <p>Q (Shelly Wilkins-Ehenger): Theresa, would you mind sending an email out to the entire group and give a deadline to get back to you?</p> <p>A (Theresa Wingard): Yes, I will do that.</p> <p>Q (Amanda Dalton): What is the role of the smaller group?</p> <p>Theresa Wingard: The purpose of the smaller group within the AWHFT is to vet questions and bring back the recommendations coming out of the smaller group to the AWHFT group as a whole. Then they can make recommendations of who to send to the legislative work group.</p> <p>Amanda Dalton: The discussions within the smaller group aren’t going to change the position within the AWHFT. There won’t be consensus and we will have the same discussions twice – once in the small group and again when the entire group meets.</p> <p>Theresa Wingard: The problem is the entire group only meets once every two months and these issues need more timely discussion so the small group can meet more frequently to ensure we are on track during the July meeting.</p> <p>Q (Shelly Wilkins-Ehenger): The concern is that those who can’t meet during the small group discussions won’t know what is going on in the small group. If you only show up at the large AWHFT how do we know what we are supporting?</p> <p>A (Carol Kowash): The smaller group can meet more often and let the larger group</p>

	<p>know what is discussed before going forward.</p> <p>John Wright: Senator Courtney values the feedback from this group. That is important. AWHFT has a voice.</p> <p>Ramon Ramirez: That is true. Other forces may play a role with new legislation down the road and the political climate could change but we can find ways to compromise.</p>
<p>Intel:</p>	<p>Karen Shawcross:</p> <p>The Intel program relates to food but Roberto Jimenez knows more of the details of this program and he should be referred to for more information on this issue. Unfortunately, Roberto left the meeting before he could further elaborate on this program.</p>
<p>2016 Goals and Objectives:</p>	<p>Brett Sheehan:</p> <p>There are other agenda issues we should discuss. While the tax credit is big, we may have more items. We should report to the Housing Stability Council (HSC). What issues should we focus on with the HSC? The areas of discussion include: tax credits, migrant housing, crop mapping, and other advocacy issues. The tax credit is not our only issue to address.</p> <p>Come to the July meeting with issues that can be narrowed to the top priorities for the group then the group can set goals and develop ways to accomplish said goals.</p> <p>The list currently includes: farmworker set aside, crop mapping, tax credits, migrant housing. Individuals can offer presentations on the issues of priority.</p> <p>Theresa will email issues discussed to start the conversation and research a way to share ideas in an online forum.</p> <p>Karen Shawcross: There are ways to structure our meetings to ensure we are moving forward. For example, the group can decide on three priorities then break up into subcommittees to accomplish discreet goals. I would add to the list of issues, the farmworker set aside.</p> <p>The group should come to the July meeting with a list of goals and objectives to be discussed.</p>

<p>Information Sharing:</p>	<p>Brett Sheehan:</p> <p>The Farmworker Housing Conference, hosted by CASA every two years, is scheduled for July 27th-29th in Hood River. There will be tours of on and off sight farmworker camps to compare and contrast.</p> <p>*For more information about this conference please visit: www.casaoforegon.org.</p>
<p>Handouts:</p>	<p>Agriculture Workforce Housing Tax Credit Program 2010-2016 Projects</p> <p>ORS 315.163-172 Agriculture Workforce Housing Projects (Tax Credit Program)</p> <p>Senate Bill 1593</p>
<p>Action Items</p>	<p>Theresa: Advise Senator Courtney’s office of the AWHFT’s interest in working together on the tax credit bill.</p> <p>Team members: Anyone interested in being part of the AWHFT tax credit legislation subcommittee send Theresa an email. There should be a follow up meeting quickly with this AWHFT subcommittee. Then the subcommittee can decide on a member or two for the Senator’s work group.</p> <p>Theresa: Send team a request for team goals and objectives to be discussed at the July meeting. (Brett will work in conjunction with Theresa on this action item.)</p> <p>Theresa: Add Roberto Jimenez to July agenda to provide an update on Intel.</p>
<p>Next Meeting:</p>	<p>Tuesday, July 26, 2016 Oregon Housing and Community Services 10:00a-12:00p, Room 124B</p>
<p>Contact:</p>	<p>Theresa Wingard, Planning and Policy Analyst, OHCS (503) 986-0999 theresa.wingard@oregon.gov</p>

