

The Development Roles of the Farm Workers Service Center

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The National Farm Worker Service Center, Inc., (NFWSC) a non-profit California corporation, has two divisions: housing and economic development. We develop affordable housing and commercial projects. The commercial development plays an important role because what we really do is business development. We set up businesses throughout the State, particularly for farm workers to get them out of their fields, out of farm work. These businesses provide year-round work and increase the economic base and diversity in rural communities.

Another reason for our involvement in economic development is to eliminate or remove the established monopolies that are existent in Southwestern rural America. For example, gas prices in rural farmworker communities are generally twenty to thirty percent higher than they are in urban communities. It is not because the gas is different or because it costs the business owner more. It is an issue of access to fewer facilities that provide gas, thereby creating a monopoly, allowing those businesses to hike up prices that affect farm worker populations.

The NFWSC is essentially an advocacy non-profit group for farm workers; however, it is also a business. Our business consists of development, general contracting, and property management. To be a good business, we need to understand the market for farm workers. We see the market to serve farm workers to be in three different areas: recent arrivals, mainstream residents, and permanent residents.

The recent arrivals are the entry-level farm workers here from Mexico. They are generally homeless and generally have no roots in the community. We plan to address their needs by establishing a single group of programs for them, such as a place where they can go to receive mail and a place to get referrals for other services. Additionally, we are planning to include basic need areas, such as a facility for cooking meals and a place where they can take a shower. This is an idea we discussed with Cesar Chavez to try to establish a place of business where these workers can go when they come to the United States.

The second area of the market is the mainstream resident farm workers who are generally looking for an apartment or somewhere more stable.

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Many people think of farm worker housing as labor camps. We bring a different approach to labor camps. Our perception or idea of farm worker housing is something you want to bring into the market area. Our farm worker housing has tile roofs, stucco walls, tiled entryways, two or three pools, central heating and cooling, and fans in all the bedrooms. It has laundry facilities, recreation areas, and BBQ pits. It is a safe, secure, gated community. This is farmworker housing to us! Our goal is to eliminate the old perception that farm worker housing is more often than not labor camps. We are attempting something different, something more approachable, something that is more presentable to the community. Our goal is service through self-help!

The final area of the market is the permanent resident farm worker who is looking for the American dream—single-family home ownership. Again, this housing also has tile roofs, central heating and cooling, wall to wall carpeting, etc. In the past, if you went to a rural community to try to buy a house, you could not even pick out the colors of the house. Everything was standardized. All the houses in the community looked alike, with few or not amenities. Our job was to go to that same community and offer them an option. We gave them tile roofs and all the things you would find in a market rate project. It was important to give them choices and options.

Providing housing for farm workers has presented us with obstacles. Obviously, we have the legal ones; however, we have many more than that. They fall under several categories: political, community, and financial. Some municipalities do not want us in their community; they prefer us to be in other rural communities, other cities. For example, a city council controlled by the growers would prefer that we be somewhere else. They have often attempted to put obstacles in our way to developing affordable housing for farm workers.

Some community residents can also create obstacles because many have the Not-In-My-Back-Yard (NIMBY) attitude. The last time I went to make a presentation, before a city council, it was in the City of Hanford. There were 200 hundred people there. I tried to get into their community offering tile roofs and the whole nine yards; but they were adamantly opposed to the idea that farm workers would be living in their community.

The other reason why there is a major obstacle in providing farm worker housing is financing. Banks like Wells Fargo and Bank of America take a lot of risk money to build a rural community. Once they decide to fund your project, you may get opposition within the bank itself. On one particular project, we secured funding for construction from Bank of America in Chicago. In a council meeting, they (all of a sudden) got a call opposing the project.

Lack of funding or financing to individual farm workers is another reason why there is minimal farm worker housing in the rural Southwest.

When it comes to home ownership for farm workers, mortgage companies are the problem. Farm workers tend to have multiple employers annually. So, why should a mortgage agent deal with a farm worker who has much more paperwork, much more compliance, than dealing with a client who has been working on one job for many years? Additionally, banks discriminate against farm workers who do not have a savings account; farm workers tend to keep their money at home. Consequently, when they try to apply for a home loan, they do not have any proof that they saved the money for the down payment. These issues facilitate rejections by banks for farm worker home loans.

Another big obstacle in farm worker housing is just lack of capacity within ourselves. We recently took a recent trip to New Mexico, Texas, and Arizona and you could not find a non-profit housing developer in any of those states. Developers of affordable housing are just very few and far between. In the entire Central Valley, there are only five. While working in San Francisco, I observed advocates in every neighborhood trying to develop housing.

In conclusion, I would ask the law students in the audience to consider going into affordable housing when they conclude their studies and pass the bar. We need attorneys for various reasons, one of which is to help us prepare the packages for the lenders and for the cities. Because we develop projects utilizing low income housing tax credits, we need attorneys who specialize in tax law to help us. We also need lawyers to help us with business law and contracts. We have contract agreements with all our subcontractors; we also have joint ventures that require lengthy agreements. In addition, we need attorneys to help us with civil rights cases. It is blatantly discriminatory when we are not allowed to build in a community because of a NIMBY issue or because the farmer controls the community. It is unfortunate when we are not allowed to develop what we consider to be a great project.

