



286 Enchanted Forest Rd.
PO Box 1133
Eastsound, WA 98245
360-376-3191
opalclt@opalclt.org
www.opalclt.org

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IN THIS ISSUE

Writing: Lisa Byers, Suzanne Smith Olson
Editing: Carol Bee, Lisa Byers, Carol Ely
Photographs: Joe Floren, Suzanne Smith Olson
Design: Tina Rose
Layout: Suzanne Smith Olson

**PLEASE JOIN US
FOR OPAL'S ANNUAL MEETING**

**SATURDAY, APRIL 29TH
4:00 P.M.
ORCAS SENIOR CENTER
62 HENRY ROAD**

YOU ARE INVITED TO SHARE YOUR IDEAS
ON THE DESIGN PROCESS
FOR THE MT. BAKER RD. PROPERTY.

AGENDA:

- ELECTION OF BOARD MEMBERS
- OVERVIEW OF MT. BAKER RD. DESIGN PROCESS
- OPEN DIALOGUE ON THE DESIGN PROCESS



Pond at the new Mt. Baker Rd. property with Medical Center in the background.

**SAVE THE DATE:
SEPTEMBER 30TH, 2006

OPAL'S ANNUAL
DINNER & AUCTION**



SPRING 2006

OPAL ANNUAL REPORT 2005

HOUSING ISLAND PEOPLE, MAINTAINING ISLAND CHARACTER

WE DID IT! OPAL PURCHASES MT. BAKER ROAD PROPERTY!

On March 15, 2006, OPAL became the proud new owner of seven acres of land on Mt. Baker Road. OPAL members and supporters contributed more than \$680,000 to purchase the land, where OPAL plans to build at least 28 new permanently affordable homes.



Prospective homeowners from OPAL's waiting list join with staff and board to celebrate the purchase of the Mt. Baker Rd. property. In the background is Peter Fisher's new home. Peter was instrumental in starting OPAL and is thrilled to be a neighbor to the new development.

"We can all celebrate another big step toward maintaining some diversity in our island community," said Executive Director Lisa Byers. "The Mt. Baker Rd. project will give hope to at least 28 more families for affordable housing and the stability that home ownership could bring into their lives. That hope also extends to other members of our island community who rely on OPAL homeowners in their daily lives."

Purchasing the property with private rather than government funds enables OPAL to pursue its vision for a mixed-income neighborhood that will provide permanently affordable homes for households who are caught in the gap between their modest incomes (up to 95% of median income) and the high cost of housing, while continuing to serve households of lower incomes.

The timeline for the project will depend on our success in securing grants for site work,

obtaining financing for construction, raising additional funds, and navigating the county permitting process. OPAL hopes to complete the site and building designs by the end of 2006, start on-site work and construction in 2007, and have homeowners occupy the first phase of homes late in 2007 or early in 2008. Since the neighborhood will be built in stages, construction is likely to stretch until 2010 or 2011.

Our members and neighbors are invited to share their views and ideas on the design process at OPAL's Annual Meeting, scheduled for April 29th.

FROM THE BOARD PRESIDENT: BARBARA ROSENKOTTER

This past year was an amazing time of accomplishment for OPAL. We built six new homes and welcomed six new homeowners at Lahari Ridge in Deer Harbor, our first neighborhood outside Eastsound. We began constructing two new cottages on Madrona Street, on the first piece of land donated to us. And most extraordinary of all—thanks to the unprecedented generosity of our members and donors—we succeeded in raising enough funds to acquire the Mt. Baker Road property.

We asked you to dig deep, and you responded by stretching your resources, making multiyear pledges, and showing us that meeting the need for permanently affordable homes matters to you. With your support, OPAL raised \$680,000 for this significant purchase, which will enable us to develop our largest neighborhood so far. Your gifts ranged from \$5 to \$100,000—a true community effort. On behalf of the board and staff of OPAL Community Land Trust, thank you for your strong support and your commitment to “housing island people and maintaining island character.”

Last summer, six households moved into new homes at Lahari Ridge. Land is the key to building affordable homes, and in the case of Lahari Ridge, the purchase of land was made possible when Lahari Hospice & Respite Care offered to sell to OPAL at a below-market price. Today, with landscaping and personal touches on each home, Lahari Ridge looks and feels like the well-loved neighborhood that it has become. During the Lahari project, OPAL formally adopted green building guidelines and won a \$15,000 award from the Housing Assistance Council / Home Depot Foundation Green Fund in support of its green-building and healthy-homes practices.

On Madrona Street, behind the Orcas Island Library and just a couple blocks from the public school, an OPAL supporter donated a lot on which we are building two cottages. These small homes were designed to blend into the neighborhood and reflect the character and charm of the village. Construction is nearing completion and the new homeowners will move in this summer.

We are grateful to our members and donors for this tremendous progress. We invite you to celebrate with us at OPAL's Annual Meeting on April 29th, and we hope you will continue to support the hard work that lies ahead as we create the Mt. Baker Road neighborhood. Your ongoing support is the key to our success.

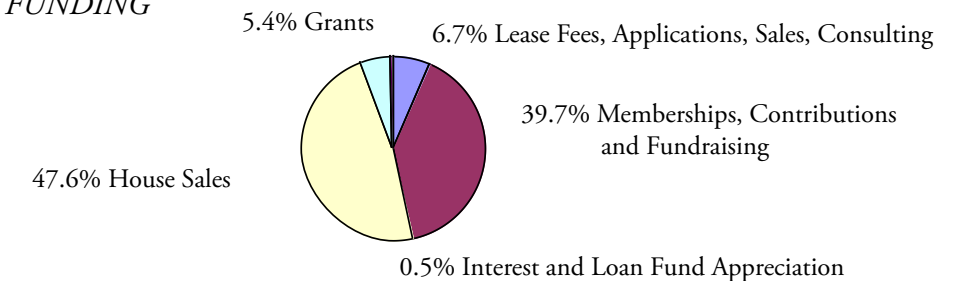


OPAL board members and staff on retreat in February at Michael Brennan's "Buddha Barn"

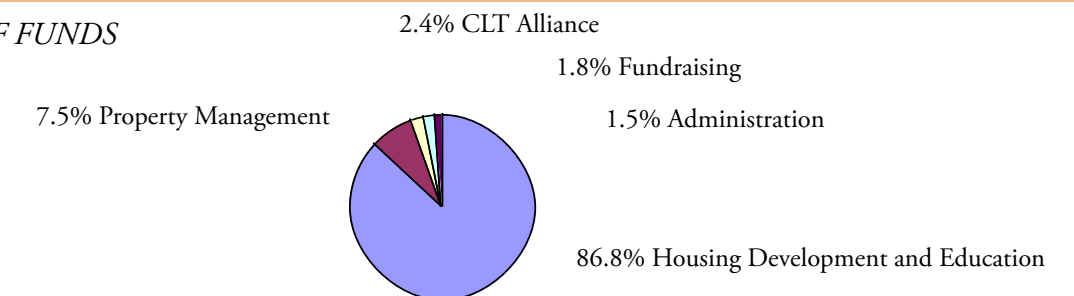
2005 ABBREVIATED STATEMENT OF ACTIVITIES with comparison to 2004

| Revenues: | 2005 | 2004 | Functional Expenses: | 2005 | 2004 |
|---|--------------------|--------------------|---|--------------------|------------------|
| Lease Fees, Rents, Applications, Consulting | \$124,128 | \$99,874 | Housing Development | \$886,676 | \$22,050 |
| Memberships, Contributions & Fundraising | \$732,518 | \$540,016 | Property Management | \$138,527 | \$88,702 |
| House Sales | \$877,784 | \$10,607 | CLT Alliance | \$44,327 | \$81,358 |
| Grants | \$99,251 | \$385,254 | Housing Assist. & Ed. | \$11,100 | \$14,165 |
| Interest and Loan Fund Appreciation | \$10,081 | \$6,133 | Fundraising | \$32,385 | \$27,783 |
| | | | Administration | \$27,392 | \$38,467 |
| Total Revenues: | \$1,843,762 | \$1,041,884 | Total Expenses: | \$1,140,407 | \$272,525 |
| | | | Increase in Unrestricted Net Assets: | \$703,355 | \$769,359 |

2005 SOURCES OF FUNDING



2005 USES OF FUNDS



2005 ABBREVIATED STATEMENT OF FINANCIAL POSITION with comparison to 2004

| Assets: | 2005 | 2004 | Liabilities: | 2005 | 2004 |
|--------------------------------|--------------------|--------------------|--|--------------------|--------------------|
| Current Assets: | \$1,122,808 | \$662,682 | Current Liabilities | \$299,458 | \$330,009 |
| Long-Term Assets | | | Long-term Liabilities | \$928,590 | \$940,027 |
| Land | \$1,388,530 | \$1,388,530 | | | |
| Improvements | \$2,153,246 | \$2,017,059 | Net Assets: | | |
| Predevelopment | \$28,234 | \$73,588 | Unrestricted | \$1,346,595 | \$1,266,078 |
| Notes Receivable—Long-Term | \$209,697 | \$165,747 | Board Designated | \$1,517,861 | \$1,473,720 |
| Pledges Receivable—Not Current | \$66,459 | | Temporarily Restricted | \$835,391 | \$297,772 |
| | | | Permanently Restricted | \$41,079 | |
| Total Assets: | \$4,968,974 | \$4,307,606 | Total Liabilities and Net Assets: | \$4,968,974 | \$4,307,606 |

The full financial audit prepared by Sanders and Sanders CPAs, PSC, is on file at the OPAL office

MEET THE MEMBERS

CLYDE & DOTTIE EAGLETON: OPAL MEMBERS SINCE 1998

Clyde and Dottie support OPAL because they believe that people should be able to afford to live where they work and because they appreciate the role that OPAL plays in protecting the diverse and eclectic nature of this community. “We don’t want to see Orcas go the way of Aspen and Nantucket, where high housing costs are forcing working people out. Working people are the backbone of the middle class, without which democracy fails, as does the sense of community most of us sought when we came here.”



During the early 1960s, Clyde lived on Longboat Key in Florida, a small island and culturally rich community, which Clyde describes as a “mixed crew of eccentrics, retired CEOs and working people—including many artists and fishermen—not unlike Orcas. People socialized comfortably and helped each other out.” In 1995, Clyde returned to Longboat Key and found it unrecognizable. The idyllic, diverse community had become a monoculture: ten miles of wall-to-wall condos where nobody except the very rich could live.

“We applaud the heroic efforts of OPAL, its extraordinary leadership and professional staff. Time is critical. We must help OPAL now in its work to secure more land for affordable homes before it’s all in the hands of developers. The natural beauty brought us to Orcas, but it’s the diverse community that keeps us here.”

As a nonprofit membership organization, OPAL depends on the generosity of its members to continue its work of “housing island people and maintaining island character.” Please consider a membership gift today. A reply envelope is included with this newsletter for your new membership, renewal, or additional gift.

Thank you for your support!

SISTER CLT NEWS

LOPEZ COMMUNITY LAND TRUST (LCLT)

LCLT purchased seven acres of land in Lopez Village and hopes to build a neighborhood of affordable zero-net-energy homes. LCLT, in partnership with A W.I.S.H. (A World Institute for Sustainable Humanity), recently hosted a design charrette to develop concepts for the new project. OPAL staff members Lisa Byers and Gabriel Olmstead attended portions of the two-and-a-half-day think tank that brought together more than 30 skilled volunteers including architects, engineers, and natural resource and energy consultants.

SAN JUAN COMMUNITY HOME TRUST

The Home Trust has completed its first neighborhood of 15 affordable homes in Friday Harbor. The first two clusters of five homes each in the Salal neighborhood were completed last spring. Five new homeowner households moved into the new cluster at the end of March. Julie Brunner of OPAL assisted the new homeowners with their mortgage applications. The Home Trust is now looking for land to begin its next project.



New cluster of affordable homes completed in Friday Harbor.

FACES OF OPAL

THE NATURAL CYCLE OF HOUSING: A NEW GENERATION AT BONNIE BRAE

When Jeff and Kristen Zbornik came to Orcas in 1990, they did the usual shelter shuffle: caretaking property, then living in a tipi, a yurt, and even a goat shed before settling into a double-wide on a small lot. They were part of the formative group when OPAL was creating its first neighborhood, Opal Commons, but chose to leave the island for a year to pursue a work opportunity. The next year, they were back on the island, Kristen was pregnant with their first child and it was clear that they wanted the stability of owning their own home. Kristen and Jeff were original homeowners at Bonnie Brae and lived there with their two children, Tika and Kyle (now nine and six),

until last September when an opportunity came up to buy another piece of property on Orcas in partnership with Jeff’s mother. Jeff explained, “We wanted to create a place where Mom could comfortably live with us when the time comes, and she was ready to buy.”

At Bonnie Brae, they enjoyed the tight-knit sense of extended family—the well-worn footpath between neighbors’ homes, spontaneous play dates, shared meals, and the ability to walk to school and into the village. Being an OPAL homeowner made it possible

for Jeff to purchase and build a small business, Shearwater Kayaks—now employing 18 people during the summer—and for Kristen to take on the lead production position at Orcas Island Pottery. Kristen was also part of the group of parents who started the Montessori elementary

program in the public school and she served on the OPAL Board. Jeff was on the Montessori Preschool Board and is an Oddfellow. Kristen is now embarking on a new career as a real estate agent with Gudgell Properties. The family misses the old neighborhood—as Kristen said, “It was sad to move away, but exciting to think that another family would have the same opportunity that we had.”

Paula Towne and her two children, Cameron and Huxley (ages 11 and 13), are the new family of homeowners at the Bonnie Brae house. Paula has lived on Orcas since 1989, most of that time living with her husband in Deer Harbor. After a divorce, she wanted to stay on the island with her kids, so she rented until an OPAL home became available. Paula and her kids are wearing new ruts in the path between neighbors’ homes and enjoy living so close to the Village. Paula teaches seventh- and eighth-grade literature, and is a substitute teacher, as well as a server at Roses. The kids are both busy with after-school activities: both play soccer; Cameron also takes karate and plays the violin; Huxley is involved in theater and *Run Girl Run*. Paula feels they’ve found a good fit at Bonnie Brae. “Home is important—it’s the place we can be together as a family. It gives us a safe and comfortable haven, and it’s wonderful to have such close friends and neighbors.”

“We want to express our gratitude for the home and community that Bonnie Brae provided for us.”

—Kristen and Jeff Zbornik



Two generations of homeowners at 37 Bonnie Brae. From left: Kristen Zbornik, Paula and Cameron Towne; Jeff, Tika and Kyle Zbornik.

FROM THE EXECUTIVE DIRECTOR: LISA BYERS

OPAL Community Land Trust could not accomplish what it has without your support and the help of so many others. Last year more than 440 households supported our work by either donating funds or volunteering their time. On an island with 3100 households and more than 50 nonprofit organizations, that is a very impressive number.

The visibility of our work ebbs and flows. Sometimes our activities are very public, such as when we're building homes like the Madrona Street cottages that many people drive by every day, or when we're fundraising for an opportunity such as purchasing the Mt. Baker Road property. At other times our work is less noticeable, such as when we are planning OPAL's next steps (see the update of our Strategic Plan at www.opalct.org), coaching and counseling applicants, writing grant applications, or designing a new neighborhood.

After a period of higher visibility, we are about to enter a time when our activities will be less obvious. During the next nine months we'll focus on designing the Mt. Baker Road property and on securing the additional funds needed to make the project a success. Along the way we will invite you, our members, and other islanders interested in the design process (such as the abutting property owners), to share your views and help us design a model neighborhood of healthy, attractive and durable homes—a vibrant place where toddlers, parents, and single adults of various ages can enjoy the benefits of neighborhood life and the security of a home they can afford.

Other activities in the “behind the scenes” category can also result in OPAL's having an impact in small yet significant ways. For instance, OPAL's trustees authorized me to serve as a resource for the effort to create the San Juan County Housing Bank, to be funded in part by a Real Estate Excise Tax (REET). If islanders vote on May 16th to establish this tax in support of affordable housing, the Housing Bank would be a source of grant and loan funding for OPAL—filling a gap created by shrinking public resources. In our first decade, state and federal grants funded almost 40 percent of OPAL's work. Over the past six years, governmental support declined to less than 20 percent of our total financial support.

Another example of OPAL's quiet influence is the role that Julie Brunner and I have played in the creation of a new national “Community Land Trust Academy.” For years I have advocated for top-quality professional training for board members and staff of community land trusts. And now, thanks to significant financial support from the Lincoln Institute for Land Policy (www.lincolnst.edu), the first intensive intermediate-level CLT training is being held in the Seattle area in early April.

As I look ahead to this year, I am filled with hope and optimism. I have those feelings because people like you are helping OPAL make a difference here at the local level. You are helping us offer opportunities which can change people's lives for the better.

Thank you for all this, and I hope that in addition to seeing you around town, I will see you at upcoming OPAL events such as our Annual Meeting on April 29th and our Annual Benefit Dinner and Auction on September 30th.



MADRONA STREET COTTAGES



As the Madrona Street cottages near completion, applicants on the waiting list are being matched with the houses. The homeowners will move into their new, permanently affordable homes this summer.

ALSO IN 2005 . . .

In addition to our familiar work of developing permanently affordable homes and managing seven low-income apartments, OPAL is also active in the local community, region and nation. In 2005, OPAL also . . .

- Provided certified homebuyer education courses for 20 households;
- Administered programs for the Opportunity Council that provided energy assistance to 53 of the 59 Orcas households who requested help, and rental assistance to eight of the 20 households who requested it (those eight households included 15 children and none were OPAL renters);
- Served on the Washington Low Income Housing Alliance's Homeownership Committee, advocating for a range of state legislative initiatives;
- Served on the organizing committee for the National Community Land Trust Conference held in Portland, Oregon attended by over 300 participants; and
- Provided advice or consulting services to six other community land trusts, and presented workshops on a range of topics at three national housing conferences.

WISH LIST:

- Fireproof filing cabinet: 2-drawer or 4-drawer
- Wooden benches with backs for the Reddick Apartments garden
- 16" - 18" diameter x 12"+ tall pot for an office plant
- 2 - 4 padded folding chairs
- Native plants for Lahari Ridge
- Gift certificates for plant nurseries

Please call Carol Ely
in the OPAL office, 376-3191,
if you can help with any of the above.