

My Conversation With the Orcas Community: What I Learned About the Need for Affordable Rentals



Tim Fuller

By Tim Fuller, an OPAL trustee, who is currently serving as vice president of the board. He has had a lifelong career in public service. His interest in OPAL began when he became a full-time resident of Orcas in 2014. He joined OPAL's board in 2015.

In February 2016, when planning for the OPAL rental project now called April's Grove, I started to meet with people, intending to gauge their enthusiasm for the project.

As a board, we wanted to understand the depth and breadth of the

community's awareness of Orcas Island's lack of affordable housing.

We felt that the project's success depended on strong community support, and the first step to building that support was awareness of our rental housing problem.

I hoped that if the folks I talked with understood this shortage, and supported our plan to address at least part of that problem, they would agree to help get the word out about the April's Grove project.

I was very surprised, and touched, by what I learned. The people I spoke with very much understood the rental housing shortage. They were plenty enthused about April's Grove, and it turns out their enthusiasm was strong and immediate because they either had witnessed or been personally affected by it.

It was not just the several bars and restaurants that had to reduce their hours of operation due to a lack of servers, cooks and bartenders. It was

(Continued on next page)

You, readers of this annual report, OPAL supporters, understand the shortage of affordable rentals on Orcas. You have spoken up, joined in to create awareness of the need, and donated generously to the operations of OPAL, the proposed April's Grove rental neighborhood, and the Island Loan Fund. Thank you for all of that. Please see Lisa Byers' article on page 3 for more details on this and other goals we've achieved.

Regrettably, we have been let down by state and federal government funders, so the

construction of the 30 April's Grove apartments will be delayed a year or more. In the meantime, the OPAL board and staff continue to work on solving this piece of our housing problem, feeling encouraged by the affirmation you gave this work in 2016.

The first step in solving a problem is identifying and understanding it. The year 2016 was defined by those efforts. **You "get it."** And we continue to work this problem, and will succeed with your continuing energy, input and support.

The Need for Affordable Rentals *(from page 1)*

very evident that the problem was much more widespread and had much broader impacts: employers in the construction, tourism, healthcare, home maintenance, public safety, utilities and education sectors all were – and still are – constrained by the lack of qualified, long-term employees. They are unable to meet the demand for their products and services because their prospective **employees literally cannot locate housing on Orcas that they can afford.** Current employees are at risk of losing their housing because landlords could raise rents, or convert the properties to vacation rentals.



The need for rental housing is widespread and has broad impacts.

We heard how hard it was for employers to hire and retain employees because those workers simply couldn't find housing, and if they did, it was frequently rooming with several others to share the cost, sometimes in substandard housing stock. **“You know, (I want) to just have a bed in a warm, dry, clean room,”** as someone put it to me.

The story that really got me was the impact the lack of affordable housing could have on our ability to provide a quality education to Orcas Island's children and young adults.

Anecdotally, I had heard about the school district having difficulty finding teachers. But it wasn't until I talked with Eric Webb, superintendent, Orcas Island School District, that I understood how lack of affordable housing was hamstringing the school district's ability to recruit, hire and retain qualified educators.

New teachers need assurance that they can get through their first year or two with predictable housing they can afford, so they have the stability to better concentrate on teaching. This is even more true for teachers with spouses or families.

On the flip side, Orcas Island kids need a safe, reliable place to call home so they can concentrate on learning. For those families that must move, sometimes multiple times a year, this disruption – and the burden of the high cost of housing here – makes securing affordable housing nearly impossible. As a result, those kids aren't able to focus and to achieve to their full potential.

It seemed from my conversations that, individually, employers were well aware of the rental housing shortage – but there was not a collective affirmation of the problem nor a demand for solutions. Individual employers, individual employees, and those not able to procure the services they need had not come together to speak with one voice.

So, the conversation is underway. Let's keep it going.

OPAL Headlines from 2016: The Visible and Not So Visible

In the life of any project, there are generally long stretches of time when the “work” of bringing that project to fruition is not visible in the community. It involves writing grants and funding proposals, calculating numbers, and talking with the many people involved. That was the case for much of OPAL’s work last year. Here’s a brief summary of activities (both the visible and the not so visible):



Photo by Steve Horn

Lisa Byers,
OPAL executive director

Moving and Renovating Houses for Sale

- Sold to a new owner a house that was moved from Langley, B.C., in 2015.
- Accepted an offer to move a three-bedroom houseboat located on Lake Union in Seattle. Built to standard building code, it will be moved to a lot on Mountain View Street in 2017.

Developing a New Rental Housing Neighborhood: April’s Grove

- Selected Dawson Construction to be the general contractor. This firm has extensive experience with multi-family rental housing construction and working on islands.
- Refined the site plan and building designs to reduce costs while improving durability.
- Obtained approval from the county for our stormwater detention plan, and preliminary approval for the plan to subdivide the property.
- Received an award of funding from the federal Community Development Block Grant program. Unfortunately this was rescinded when the project was not funded by the state Housing Trust Fund.

Developing a New Program: Island Loan Fund

- Obtained exemptions for licensure as a non-profit lender from the Washington State Department of Financial Institutions. This was critical for the program to succeed.
- Revised OPAL’s mission statement to clarify work we’ve been doing, and clearly plan to do more of, by stating that OPAL “facilitates financing for mortgages and home repairs.”

Supporting Homebuyers, Homeowners, Tenants

- Provided homebuyer education to 26 households.
- Provided support to four neighborhoods related to concerns about Conditions, Covenants and Restrictions, and to 29 homeowners with a review of their household finances or questions about repairs and maintenance of their homes.
- Developed a loan program to enable OPAL homeowners in Eastsound to gain access to fiberoptic internet.

Strengthening Our Ability to Serve the Island

- Received from individual supporters over \$1.35 million in contributions, intentions to give, and pledges, enabling (1) the development of new rental housing (April’s Grove), (2) progress toward launching the Island Loan Fund, and (3) OPAL’s operations for three years.
- Participated, along with business leaders, county employees and elected officials, in the creation of San Juan County’s Affordable Housing Action Plan.
- Was selected to become a partner of Rural LISC. This national agency invited 12 organizations state-wide to apply and chose two. It provides annual funding, technical support, and access to loans.

Of course, none of this could have happened without your steadfast support. You make it possible for OPAL to continue the work of answering islanders’ needs for affordable places to live. And in doing so, you encourage stable families, support local businesses, enhance our island’s quality of life, and create value that lasts. Thank you!



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Many Thanks to Our Generous Supporters

Thank you for helping to make our work possible. The following foundations, organizations, businesses and individuals are the people whom we know supported OPAL Community Land Trust in 2016. If we have inadvertently omitted you, please let us know.

Businesses, Foundations and Organizations

Amazon Smile, BCS Services, Bennett Video Productions, Brown Bear Baking, Clever Cow Creamery, Enterprise Community Partners, Fidelity Charitable Grant, Island Hardware and Supply, Inc., Island Market, Islanders Bank, Microsoft Matching Gift Program, Nickel Bros. House Moving USA, Orcas Auto Tech, Orcas Community Resource Center, Orcas Excavators, Inc., Orcas Island Community Foundation (OICF), Orcas LGBT Fund, Quiet Harbor Trust Fund, Rock Island Communications, Roses Bakery & Café, Rural LISC, San Juan County Housing Bank, San Juan Insurance Services, San Juan Propane, Schwab Charitable, Seattle Foundation, Seattle-Sonoran Foundation, Shell Oil Company Matching Gifts Program, Sircely Marketing and Design, SOS Foundation, Springcreek Foundation, The Christine Chandler Family Memorial Fund, The R & L Donner Trust, Tres Fabu!, Turtleback Farm Inn, United Way of King County, Vincent J Coates Foundation, WA State Housing Finance Commission, Washington Federal Savings, Washington State Housing Trust Fund, WWW Foundation

Individuals

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Babies. In 2016, five new babies joined OPAL families, four boys and one girl.

Kim Freeman, Robin Freeman and Kurt Thorson, John Friedmann and Leonie Sandercock, Tim and Martha Fuller

G Bob Gamble and Winnie Adams, Gloria Gamble, Millard Gamble, Audrey and George Garrels, Elizabeth Geddes, Kate Geddes, Patricia Gehlen, Doreen George, Scott Gianola, William Gincig, Harvey and Gail Glasser, DD Glaze, John and Julie Gottman, Eric and Barbara Gourley, Michael Grady, David and Deborah Grant, Bryan Grantham, Gary and Lynne Greene, Suzanne Gropper, Pegi Groundwater and Michael Moss, Kirsten Gustafson

H Mallory Hagel, Matthew Hamilton, Sukima Hampton, Jeff and Deb Hanson, Max and Jessica Hanson, Ellen Harboe, Megan and Robert Harris, Alan and Joellen Hartley, Joe Floren and Anne Hay, Don and Kathleen Heino, Dale and Jane Heisinger, Matthew Helms and Keely Scott, Jack and Jan Helsell, Andrea Hendrick, Phyllis Henigson, Steven and Jean Henigson, Linda Henry and Pam Loew, Mary and David Higgins, Marc Cohen and Eleanor Hoague, Anita Holladay, Beth and Paul Holmes, Casey Hons and Rosannah Cope, Jon and Marion Hookstratten, Richard Horton, Tara Hubbard, Rick and Marlace Hughes,

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M Malcom and Dianne Macondray, Kimaya Maitreya, Kathryn Marie, Rick Markov, Deborah Martyn, Meg and Joe Massey, Ana Maria and Julio Matal, Robert Maynard, Danny McAndrew and Chelsea Dean, Steve Jung and

New families. In 2016 we welcomed four new families to OPAL homes:

- **Bonnie Brae's** newest homebuyer is *Brook Meinhardt* and her two children.
- **Wild Rose Meadow** neighbors welcomed *Cristal Carrion de Quintero* and *Sebastian Huerta* and their five children; and *Courtney Bell* and her two sons.
- *Jami Plummer* and her daughter purchased a **scattered-site home**.



OPAL lost a very dear friend in April 2016 when *Marilyn Anderson* passed away. Marilyn was one of the first lifetime members honored by OPAL, in 2011. She was a generous supporter of OPAL as well as a member of the Legacy Circle. Marilyn sponsored the creation of a reserve fund analysis for the shared infrastructure in two neighborhoods, and a cyclical maintenance plan with best practices for homeowners.

Susan McBain, Mary McCulloch, Rinda McGarry, Emily McGerty, Cynthia McGrady, Chanda McKeaver, James McKeon, Morgan Meadows, James and Joan Mehl, Stewart and Barbara Mehlman, Brook Meinhardt, Laurie Michael, Bret Miller, Carrie and Ryan Miller, Christopher Miller, John Mark Miller, Scott and Rosemary Miller, Margaret Mills, Andrea Mitchell, Jami Mitchell and Fabrice Van Putten, Pete Moe, Stan and Jo Ellen Moldoff, Indira Monk, Martha Monroe and Dane Steck, Vanessa and Sean Moriarty, Robert and Bonnie Morris, Annie Moss Moore, Crystal Mossman, Robert and Trudi Murch, Don and Teri Murray

N Ruth Newman, Margaret Nicol

O Coleen O'Brien, Irene O'Neill, Heather and Gregory Oaksen, Gabriel and Jeanne Olmsted, Harvey and Liane Olsan, John and Suzanne Olson, Barbara Omalev, Dorothy and Phill Osborn

P Sue Livingston and Donald Padelford, Ryan and Whitney Page, Luann Pamatian, Issa Parker, Derek Paulson, Margaret Payne, Douglas and Joyce Pearson, Anne Pekuri, Peggy Phillips, Jami Plummer, Karen Plunkett,

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W Jennifer Wallace, Ruth Walter and Gene Allgaier, Phil Weatherspoon, Jana and Eric Webb, Kathy Wehle and Theresa Haynie, Judith Weyandt-Mattson, Jill and Thomas Wheeler, Cassandra and Michael Whellams, Susan Whilder, Jonathan White and Donna Laslo, Scott and Judy Whiting, Janice and Alan Wiemeyer, Orgelina and Brian Wiese, Andrew and Bari Willard, David and Anna Williams, Ravin Williams, Arthur and Judy Winer

Y Jill Young

Z Judy and Edgar Zimmerman, Binah Zing, Susan Zox and Hedrick Smith, Brenda Johnson and George Zweibel

Bequests Received

In 2016 OPAL received the final gift from *Bob Henigson's* legacy bequest.

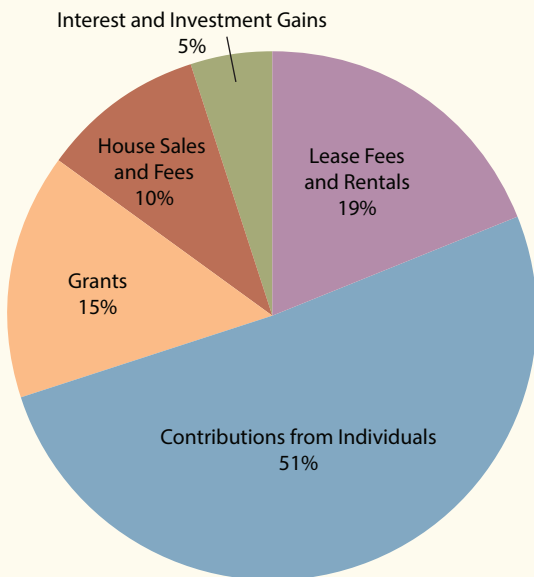
**2016 Abbreviated Consolidated
Statement of Activities**
with comparison to 2015

Revenues:	2016	2015
Lease Fees & Rents	\$412,601	\$402,985
House Sales, Fees & Consulting	\$210,084	\$960,999
Contributions From Individuals	\$1,096,561	\$1,812,183
Grants	\$317,002	\$166,461
Interest & Investment Gains	\$113,892	(\$33,398)
Total Revenues:	\$2,150,140	\$3,309,230
Expenses:		
Housing Development	\$276,950	\$973,893
Leasehold Stewardship	\$175,932	\$139,094
Rental Stewardship	\$338,791	\$308,693
Administration	\$70,081	\$61,117
Fundraising	\$117,390	\$80,203
Total Expenses:	\$979,144	\$1,563,000
Increase in Net Assets:	\$1,170,996	\$1,746,230

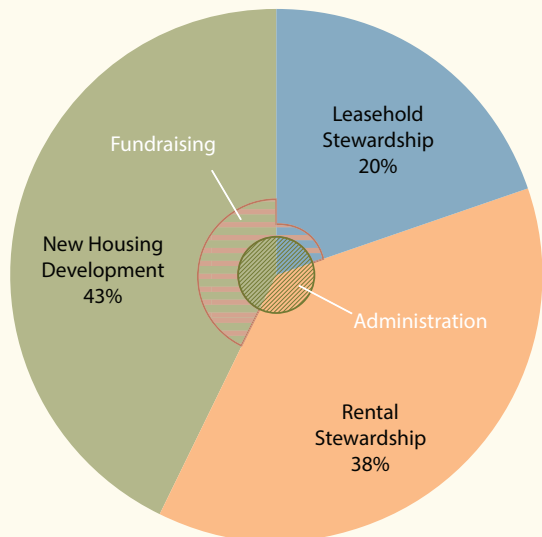
**2016 Abbreviated Consolidated
Statement of Financial Position**
with comparison to 2015

Assets:	2016	2015
Current Assets	\$2,618,760	\$2,025,838
Property & Equipment	\$12,435,869	\$12,294,345
Notes Receivable-Long-Term	\$403,847	\$396,892
Promises to Give, Not Current	\$189,013	\$0
Restricted Cash	\$230,673	\$203,184
Total Assets:	\$15,878,162	\$14,920,259
Liabilities:		
Current Liabilities	\$194,576	\$366,348
Long-Term Liabilities	\$1,884,858	\$1,926,179
Total Liabilities:	\$2,079,434	\$2,292,527
Net Assets:		
Unrestricted	\$237,139	\$67,969
Board Designated	\$12,663,170	\$12,122,337
Temporarily Restricted	\$819,346	\$360,614
Permanently Restricted	\$79,073	\$76,812
Total Net Assets:	\$13,798,728	\$12,627,732
Total Liabilities & Net Assets:	\$15,878,162	\$14,920,259

2016 Revenues



2016 Expenses



A full financial audit is available upon request.