

We're in the 'Home Stretch' for April's Grove! A Once-in-a-Generation Opportunity Is Within Reach

As you probably have read in *The Sounder* and *Orcas Issues*, or figured out when you heard the noisy jubilation from the OPAL offices, OPAL was awarded close to \$6 million in support from the Washington State Housing Trust Fund and the Federal Low Income Housing Tax Credit program. The funding awards are significant pieces of the April's Grove financing puzzle.



Celebrating the grants: OPAL Board President Tim Fuller, trustees Rusty Diggs and Margaret Mills, Executive Director Lisa Byers and Pegi Groundwater, fundraising chair.

“This is the first Federal Low Income Housing Tax Credit funding awarded on Orcas in almost 30 years, truly a **once-in-a-generation opportunity**,” said Lisa Byers, OPAL executive director. The 45 townhomes in April's Grove will

more than double OPAL's permanently affordable rental housing.

About 150 islanders – men, women, children and elders – will directly benefit from the new housing when April's Grove is complete, not to mention all of us who are sustained by these families' working presence and community membership.

This funding would not have been granted without the support of an amazing community! By late last year, a stellar response by you, Orcas Islanders who gave and pledged \$1,375,000 in private donations, along with an unprecedented \$250,000 pledge from the Orcas Island Community Foundation (thanks to Bob Henigson's generous bequest), made April's Grove significantly more competitive for vital government support from county, state and federal sources.

You showed these agencies that Orcas Island is a community that is dedicated to meeting its own needs, helping a diverse and stable community to thrive.

With 45 new, permanently affordable homes, April's

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For a recap of April's Grove, see page 3.



The design team kicked off the next round of planning for April's Grove in late May with a work session to make adjustments caused by the decision to build both phases of the project at once, which means a change from 30 to 45 townhomes. From left, Gregg

Bronn, civil engineer with Hart Pacific; Jeanne Beck and Lisa Byers from OPAL; Jeremy Carroll, general contractor with Dawson Construction; and Bill Singer, lead architect, and Alise Kuwahara Day, architect, with Environmental Works.

We're in the 'Home Stretch' for April's Grove!

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Grove will be the first addition to nonprofit affordable rental housing on Orcas since 2004 when OPAL built seven apartments on the Reddick property. Before that, the Longhouse was the first - 16 units built in the mid-1980s. Then came Lavender Hollow, 22 units built in 1990, and now owned by OPAL. This was the last significant rental development built - almost 30 years ago!

In the next few months, OPAL will be reaching out to the community and private foundations for the last 15 percent of the funding needed for April's Grove - a vital and permanent Orcas community resource.

What We Will Build: 45 Residences

- 4 Studios (384 sq. ft.)
- 11 One Bedroom (576 sq. ft.)
- 16 Two Bedrooms (1024 sq. ft.)
- 14 Three Bedrooms (1280 sq. ft.)

Who Will Be Served (with rent at 30% of income)

- 21 households with income below 50% of Area Mean Income (AMI)
- 20 households with income below 60% of AMI
- 4 households with income above 60% of AMI

With the Following Priorities

- 10 large households (4 or more)
- 9 households who are homeless
- 5 households with disabilities
- 9 for other needs: such as seniors, veterans, or re-homing individuals after domestic violence

A Year of Progress: April's Grove Affordable Rentals

OPAL planned to seek major support for April's Grove from the Washington State Housing Trust Fund and the Federal Low Income Housing Tax Credit program. Neither program was an easy shot for us, because allocation rules in place did not prioritize "rural general-need" housing like April's Grove.

By early 2018, some great additional individual and institutional donor support made April's Grove significantly more competitive for both programs. This spring OPAL was awarded nearly \$6 million in State Housing Trust Fund and Federal Low Income Housing Tax Credit support! **We now have 85 percent of the needed funding in hand or committed.** About \$2 million remains to be raised for the \$12.6 million project.

Some loan sources may help us bridge the last gap, but donations from new supporters will be key to reaching the finish line. **Once funding is in place, OPAL will break ground, as early as January 2019, with new neighbors moving in starting in 2020.**

The Need for Housing Continues to Grow

This summer, businesses' need for employees and employees' need for stable, affordable housing is growing as relentlessly as ever. While more



Architect's rendering of April's Grove townhomes

than one-third of Orcas housing is considered vacant, the vast majority is for seasonal, recreational or occasional occupation. Almost none of this so-called "vacant" housing is available to rent (only about 57 of 1,861 units).

OPAL originally planned a project of 30 rentals, to be followed by a second project with 15 more units at the same location opposite Children's House. Given government programs' then-stated priorities, it became more competitive for their support and more cost-effective overall to combine the two projects and build all 45 townhomes at once.

What We Did This Past Year

- In the face of funding "uncertainties," we took a thorough look at the ever-growing need, and revised our site planning, project budget and fundraising goals to enable the construction of all 45 homes.

- In August 2017, OPAL purchased the property and 30 water memberships with \$223,000 in private donations and a loan of \$773,000.
- Working with housing providers around the state, we educated legislators about the problems of funding allocation priorities in place at that time, especially for rural communities. Support from our legislators and better understanding by program administrators improved our chances for federal and state support.
- We revised our site and project design and acquired the San Juan County land use permits to make April's Grove "shovel ready" for government funding.

For the balance of 2018, OPAL will focus on restarting and updating work on the plans with the architect and general contractor. Final fundraising before groundbreaking is underway.

While April's Grove is not a comprehensive solution to the affordable housing crisis on Orcas, it will increase the current supply of long-term, year-round rentals by 100 percent, adding 45 permanently affordable units to the current supply of 45 units (at the Longhouse, Lavender Hollow and the Reddick Apartments).

“Our OPAL Rental Changed Our Lives”

It’s hard to imagine twin 18-year-old men acknowledging the importance of a safe, quiet place with nice neighbors as a priority in their young lives. And their enthusiasm for the quality and comfort of a living space, the three-bedroom apartment they share with their mother, is equally high.

Carlos and Rodrigo are grateful for the nearly two years they’ve called the Reddick Apartments home. “The place we lived before for five years was not quiet. We had neighbors who played loud music all night. We couldn’t sleep. We had to go to school in the morning and we were tired. We couldn’t concentrate.”

“It’s a good feeling to be able to bring our friends home. We have plenty of room, and all our neighbors in the apartments are friendly and respectful.”

All that changed when a one-bedroom OPAL apartment became available for the family. “We made it work,” Rodrigo said. “We’re twins; we’ve always been together.” And then miraculously, they say, Elaine Shiozawa, OPAL’s office manager, contacted the family when a three-

bedroom apartment on the property became available.

“We were all thrilled,” mother Sandra explained. “It’s peaceful here and we have good neighbors.” She is full of gratitude for the apartment as well.

The sons speak with pride when they talk about how pleased they are for their mother. “It’s a good feeling to be able to bring our friends home. We have plenty of room, and all our neighbors in the apartments are friendly and respectful.”

The brothers are in the process of enlisting in the Army. They’re going to sign up together in a “buddy program” that will allow them to go through the same basic camp and specialized training, then be posted together.

“I want to become an electrical engineer,” Carlos said. “So do I,” added Rodrigo. Both plan to learn as much as possible in the Army, and then, when their service is complete, to continue with a college education.

The young men expressed great enthusiasm for the April’s Grove townhouse rentals project.

“We were worried about where mom would live when we leave for the Army. She won’t need a three-bedroom apartment. We’re excited to think she could move to a smaller apartment and still live in an OPAL rental. We know she’ll be okay there.”



A grateful Sandra celebrates with her twin sons, Carlos and Rodrigo.

“We Have No Other Place to Go.”



Jacque with one of her sons

Jacque grew up on Orcas and returned to the island last year with her two sons.

She found a job right away and enrolled the boys in school. Her work ethic is impressive – within nine months, she was promoted to supervisor, earning raises and a bonus.

For their first two nights on Orcas, the family slept in the car. Then they were allowed to stay overnight at a friend’s office for a week. But they had to depart early in the morning before the business opened. “The kids brushed their teeth on the beach before they went to school.”

Jacque was able to rent a studio apartment for \$850 per month. “We all sleep in one bed, dressing and undressing together.” The apartment has wood rot and smells bad. “I wash down the walls with bleach, but mold still gets up onto the curtains.” The landlord is elderly and “doesn’t have the money to fix it.”

Who Is Looking for a Rental on Orcas?

Every week OPAL is approached by islanders looking for a decent, stable, affordable place to rent. Here’s a brief sampling of some of the applicants OPAL has not yet been able to help:

A married couple in their 30s with an 11-year-old daughter and three-year-old son who have been renting a room in a friend’s house for 18 months, the family of four sharing one bedroom. The husband works for a local landscaping company.

A married middle-aged couple with a nine-year-old son, who recently moved to Orcas to accept jobs in the hospitality industry; they are living with extended family.

A married couple in their late 60s who have lived on Orcas for over 30 years. After renting a house for eight years, they were told they need to move out in 90 days, so a family member of the owner can move in. The husband has cognitive problems.

A woman in her 40s who has been renting for 18 years; in two months, her landlord will move his employees into the house she has been renting.

A working couple in their 30s with two children, aged 10 and one. The lease on the home they have been renting for a year ends in a month; they are looking for alternatives.

A single father in his 40s with three children, between 6 and 13 years of age. One child has special needs. They have been living in a motor home for about 10 months while the father works two jobs.

A man in his 70s whose only income is Social Security; he lives in a travel trailer that’s uncomfortable in winter and lacks plumbing.

A single mom in her 30s with an 11-year-old special needs child. They have been living in a one-bedroom apartment for about a year. Their landlord gave notice that she will need to move in 60 days because his family members are moving in.

Executive Director Lisa Byers:

Legacy Circle Gifts Help Many Lives Now and in the Future

When my wife, Laurie, and I made our wills, we decided to include OPAL. We don't know if there will be much money left when we die, but we want our kids and OPAL to have what there is. Giving to our kids will help them and hopefully our grandchildren. Giving to OPAL will help many people and many children for generations to come.

It feels good to think that our actions could continue to care for people far into the future.

By choosing to leave a legacy to OPAL, we are choosing to support OPAL's activities after someone has bought or rented an OPAL home.

OPAL's role includes the daunting promise to steward the land, houses and people in them – in perpetuity. That means far into the future OPAL must continue to have a strong board of trustees overseeing qualified staff members who maintain the rental properties and facilitate the resales of ownership homes. Staff must also be capable of providing the social support services and financial counseling that enable people living in OPAL houses and apartments to thrive.

So what do these “stewardship activities” look like?

The time that staff members spend helping folks ranges from a quick phone call to answer a single question to regular weekly or bi-monthly meetings for financial and budget coaching. It is work that is practical – answering questions about home maintenance or re-evaluating household spending in order to improve savings or pay for unexpected medical bills – and it is more than that. A high percentage of OPAL residents are single and may not have someone in their lives to help navigate hard financial choices. OPAL's staff members have been, and we hope will continue to be, a lifeline.



Baby Alice Elisabeth, center, convinced her parents and grandparents to embrace the Alice-look top-knot hair style for this selfie. From left, Laurie Gallo, Lisa Byers and Muriel Otto. Top center, Andrew Otto. (Editor's note: It works better on some than others!)

As important as these services are for islanders' success, they are not easy to fund. Recognizing this, OPAL's trustees set a goal for a \$3 million endowment so that the income could fund stewardship activities. Thanks to numerous bequests from generous members of our Legacy Circle of donors, the endowment fund is more than halfway to the goal.

By remembering OPAL in your will or including OPAL in your estate plan, you will help OPAL meet its ongoing stewardship responsibilities. Your Legacy Circle gift assures OPAL's ability to answer the needs of islanders today and far, far into the future.

Contact the OPAL office at 360-376-3191 for more information on the Legacy Circle and how to include OPAL in your will or estate plan.



Jamie Cier, Orcas branch manager of Washington Federal Savings, delivers a check from the Washington Federal Foundation to help fund operations for the Island Loan Fund.

Island Loan Fund: Invest Locally to Sustain the Island Community

After years of planning, the Island Loan Fund has launched!

In mid-May six individuals invested funds in OPAL ranging from \$25,000 to \$100,000 and totaling \$300,000. Their investments have been pooled, and OPAL will now loan the money to creditworthy islanders who wish to purchase a home on the island, but who are not yet eligible for bank financing. Every borrower from the Island Loan Fund will work with OPAL staff so they are able to refinance through traditional banks at the end of their loan term – generally five years.

As this newsletter goes to press, the demand from borrowers continues to grow. Julie Brunner, OPAL housing manager, who meets

with prospective borrowers and originates the review of possible loans, has received multiple inquiries from individuals seeking to borrow from the Island Loan Fund.

Prospective borrowers include people who have great credit, but too much student debt for bank underwriting standards, and people who wish to purchase a house that does not yet meet bank standards, but with a bit of work could comply. The Island Loan Fund will serve as a bridge to move these borrowers from unbankable to bankable.

Perhaps you'd like to invest locally to help sustain the economic viability of the Orcas Island community. To learn more, contact Lisa Byers at opalclt@opalclt.org or call her at 360-376-3191.



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Housing Touches Everyone
A Gala OPAL Evening

Join us on Saturday, June 30, at 5:30 p.m.
Tickets still available at www.opalclt.org!

Family Delights in Their Own Bright, Spacious Home

Raul Conejo and Marisela Medina Flores are very excited about moving from a small apartment to their own bright, spacious home.

This delightful family is in the process of moving into the latest owner-occupied house moved by OPAL to a new location, in this case, to Mountain View Street in Eastsound. The whole family loves all the big windows in their new home.

Raul, who has lived in the United States for 23 years, said, "It's all about giving our three children a comfortable home with a yard. It's important to us to offer them a better life."



The Conejo-Flores family recently purchased OPAL's 11th moved and "recycled" house, and the 104th OPAL house on Orcas.

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