This spring OPAL is launching a three-year island-wide effort to answer two acute needs – more rental housing and more accessible mortgage financing.

The need for affordable housing – especially rental housing – has become critical. And it’s putting the island economy at risk.

Local businesses can’t find staff because prospective employees can’t find places to live. Restaurants have had to cut their hours. Islanders with year-round jobs have been living at the local hostel because they can’t find long-term housing (see page 3). A survey of Orcas employers listed lack of housing as a primary barrier to hiring a sufficient number of suitable employees.

And the problem extends beyond shops and restaurants. The public school is anticipating the retirement of a number of teachers in the next few years and worries that new teachers won’t be able to accept jobs because they can’t find reasonable housing.

30 new rentals on North Beach Road

Last year OPAL identified 3.8 acres of land, arranged to buy it from local owners (contingent on funding), hired architects, conferred with the community about needs, did preliminary design for a
The State of Washington is currently experiencing a significant teacher shortage. Orcas Island is experiencing this to a greater degree due to the shortage of affordable housing on the island.

“In order to compete in the recruitment and retention of quality teachers for our students, we simply must be able to offer affordable housing to both our present and future teachers.

“Our students deserve the very best educators out there! Help us attract quality teachers by supporting OPAL and their mission to promote affordable housing on Orcas Island!”

– Eric Webb, superintendent, Orcas Island School District

The State of Washington is currently experiencing a significant teacher shortage. Orcas Island is experiencing this to a greater degree due to the shortage of affordable housing on the island.

“A community-based loan fund to provide mortgage financing

A second vital piece to the housing puzzle is mortgage financing. Rules have tightened so that many previously creditworthy islanders can no longer qualify for bank financing. One answer is something that homebuyers have done in the past – turn to private individuals for loans.

For the past two years, OPAL has led an effort to create a nonprofit community-based loan fund that would pool investment dollars from local residents and make loans to creditworthy islanders who are not able to borrow from local banks. These loans would serve both OPAL and non-OPAL borrowers. Islanders Bank and Washington Federal both support this effort and have invested time and research dollars.

OPAL is uniquely qualified to take on this work because of our existing in-house expertise and infrastructure, and our history of success in qualifying borrowers. OPAL may also qualify for certain exemptions from Washington State loan regulations.

As part of the three-year initiative, OPAL will advance the launch of the loan fund to the next stage: a final regulatory review, creation of loan policies and borrowing procedures, and implementation of a pilot phase.

“What’s at stake is our community’s economic viability,” said OPAL Executive Director Lisa Byers. “Businesses need staff, working people need places to live, and young families need to be able to buy houses and put down roots. Otherwise, island life as we know it starts to fall apart.”
The Rental Crisis First-Hand: 
Hardworking Island Couple in Search of Home

Housing options have always been limited on Orcas, but the current rental housing crisis is year-round and it’s not only leaving wage earners out in the cold, but also endangering the character of the island.

R.J. Myers and Ali Boe spent this winter living at the Golden Tree Hostel after their long-term rental was put on the market. Unable to find another rental, the two fully employed islanders put their belongings in storage and took up residency with eight other displaced workers in the local hostel.

Both are college graduates. R.J. is the OIFR Fire Inspector and also works as a boat captain for Deer Harbor Charters, a diver for Research Support Services, Inc., and a teacher for the Our Whole Lives Sexuality Education program.

Ali is a customer service representative for Rock Island Communications’ new office. She came to Orcas in 2005 as a farm intern. “It’s ironic,” said Ali, “that I’m finally making a year-round living wage, but the days of the funky cottage rental are gone, and I’m in an even more vulnerable position.”

R.J. and Ali are concerned about what’s happening to the Orcas community where working people can no longer afford to stay.

“It’s been dismal and depressing for us – and we know a number of people with children in the same situation. I can’t imagine raising kids with this uncertainty and instability,” said Ali.

Renters like Ali and R.J. want the same basic comforts that homeowners do: stability, affordability, some privacy, and outdoor space to share island living with friends and family. They are willing to work hard to keep their place on the island, and they contribute their time, energy and talents to make the community they love the kind of place where we all want to live.
Designing New Rental Housing to Meet the Needs of Orcas Islanders

Two years ago, OPAL’s trustees determined that the greatest need for more affordable housing on the island was rental homes. After signing a purchase and sale agreement last summer on 3.8 acres of land, we dove into the process of design.

The first steps were to analyze available data, and to ask people in need of housing and others who have experience with the island’s housing needs (employers and realtors) to tell us what would work. We learned there is need for:

- Single individuals who are currently homeless or at risk of being homeless;
- Single individuals or a couple with one member who has physical or mental disabilities;
- Singles, couples and families who are employed, but cannot find a year-round stable and affordable rental;
- Individuals and families who are hired for a job on island and need a place for their initial few years on the island.

The range of incomes of people seeking housing was broad: from less than $12,000 per year to more than $80,000.

At a series of public meetings and workshops last summer and fall, the design team heard that people’s priorities for the property included:

- Cluster the buildings and save special trees;
- Each home has privacy and sunshine;
- Buildings and spaces of varied shapes and sizes;
- Walking paths connecting the buildings and play area/open areas – keep parking separate from walking areas;
- Protect the canopy of trees along North Beach Road AND have glimpses through the trees to the buildings on the site;
- A place that is friendly and appealing for children and for seniors;
- On-site affordable laundry, and storage, as well as common gathering spaces.

The design team combined this information with the constraints and requirements of our likely funding partners and developed a site plan that places 30 apartments in seven buildings, plus a commons building.

The plan retains many of the special trees on the property. About 20 percent of the property – along the north end – will be set aside for a later phase of development.

This year OPAL plans to submit a Conditional Use Permit, sub-divide the property, choose a general contractor, and revise the building specifications in order to improve the project’s state of readiness for the next significant grant application, which is due in September.

OPAL’s North Beach Road Residences:

- 4 studios (384 s.f.) with rents from $340 to $630
- 6 one-bedroom (576 s.f.) with rents from $350 to $660
- 10 two-bedroom (1,204 s.f.) with rents from $400 to $1,000
- 10 three-bedroom (1,280 s.f.) with rents from $550 to $1,400
Virginia Erhardt:
“What appeals to me about making monthly donations to OPAL.”

“When I heard that OPAL’s goal is to raise $1.3 million over a period of three years for the rental housing project, that figure was overwhelming to me. As an OPAL resident who is retired and living on a modest fixed income, I can’t give as much money as I wish I could. But I want to do my part.

“I knew it would work better for me to give monthly, rather than making a larger annual donation. My automatic monthly payments to OPAL are the equivalent of one mocha latte a week, the max I allow myself. It’s a tiny deprivation compared to the satisfying knowledge that I’m part of the solution to the rental housing problem on Orcas.

“A friend, who is in a position to give significantly more to OPAL than I am, said that it feels more exciting and impactful to him to give monthly ... different motivations for people in different situations, each helping Orcas to thrive.”

LET’S do THIS!

Your support matters!

The dollars needed for OPAL’s three-year initiative are substantial. But the benefits to the Orcas community will be long-lasting and far-reaching. However you choose to give – monthly, once a year, or whenever you can – every dollar moves us closer to the goal:

$750,000 in donations or pledges by September 1 in order to apply for grant funding to build 30 new affordable rental residences on North Beach Road

$1.3 million total, payable over three years, for
• new rental housing for working families, seniors and persons with disabilities;
• loan fund start-up to provide alternative mortgage financing so residents can buy homes and put down roots;
• day-to-day operations and ongoing stewardship of the island’s permanently affordable housing.

Giving Monthly Adds Up

Pledging a monthly amount, over three years, adds up to a sizable contribution:

- $5 a month = a gift of $180
- $10 a month = a gift of $360
- $25 a month = a gift of $900
- $50 a month = a gift of $1,800

The OPAL office can help you set up automatic payments each month. There are several ways to do it, so you can decide what works best for you.

Call Elaine at 376-3191; she will be happy to answer your questions.
Jon Chappelle and Sara Lucia, who met working at Doe Bay Resort & Retreat six years ago, bought their home in Bonnie Brae last year. Jon is executive chef and manager at Doe Bay Café. Sara is currently an at-home mom to their daughter, Mabel, who is 15 months old.

Prior to moving into Bonnie Brae, Sara and Jon lived in four rental houses in five years. “We had to move every 9 to 18 months for one reason or another,” said Jon. “The biggest thing for us is having the stability and peace of mind of our own home.”

They like having close neighbors and children for Mabel to play with. “In the summertime, there are lots of kids playing outside,” said Sara. “That’s the way I grew up – kids running through our backyard – it’s hard to find anymore.”

They also like being able to invest in their home. Their monthly payments are about the same as rent, but now they’re putting that money toward equity. “We were able to buy without a huge down payment,” explained Jon. “Working with OPAL helped us become homeowners sooner than we would have otherwise.”

Sara and Jon like being involved and describe themselves as “fresh eyes in the neighborhood.” Sara is now treasurer of the homeowners association. They appreciate having a forum to discuss neighborhood issues, as well as the opportunity to get to know their neighbors better.

Both Jon and Sara have deep ties to the San Juans. Jon, who grew up in Seattle, spent time here during the summers, sailing with his family. Sara, originally from Boston, came to Orcas for the first time 11 years ago as garden manager for Camp Four Winds.

“OPAL helps people who work here,” said Jon. “I know from my position at Doe Bay Resort that you can’t attract and keep key people without affordable housing.”

“We’re grateful to be part of the OPAL community,” added Sara.

Thanks to Your Support:
OPAL serves 132 island households, representing 5 percent of the island’s year-round population.

Among OPAL residents, 130 working adults hold down 171 jobs. While many are self-employed, 60 Orcas businesses and organizations depend on employees who live in OPAL homes.

OPAL residents volunteer for 47 different community organizations.
Legacy Giving: How OPAL Is Putting Bequests to Work

Last year OPAL received three significant bequests that will make a meaningful difference in OPAL’s ability to answer the island’s housing needs for generations to come. Every bequest is unique and has the potential for long-lasting impact.

When a bequest is made with specific restrictions or instructions, OPAL follows the donor’s wishes. In 2015 we received a bequest from the estate of Mary Ellen Gaylord. She stated in her will that it was “to be used to encourage creative thinking and to enable new ways of approaching issues relating to housing needs on Orcas Island ... I desire that the amount distributed not be used primarily for maintenance of existing programs.”

This intention is a perfect match for OPAL’s Opportunity Fund, which exists so OPAL can respond to new opportunities, such as buying land or providing interim financing for a new project. The value of the Opportunity Fund, thanks to Mary Ellen and others, is now just over $190,000. The trustees’ policy is to keep the principal of the fund intact and to earn interest by lending the principal for use in projects that advance OPAL’s mission. The loans are always repaid, and the interest earned is added to the principal so the fund keeps growing.

When OPAL receives a bequest without restrictions, the gift is added to the Stewardship Endowment. Because OPAL will own the land forever, we must be prepared to care for the land, for the houses and apartments on the land, and for the families who live in them. The trustees have set a goal of $3 million for the stewardship endowment. At that level, income produced for stewardship activities would potentially range from $60,000 to $150,000 annually.

Last year OPAL received two unrestricted bequests from Bob Henigson and from Larry Sacks. Their gifts were added to the Stewardship Endowment, which now totals over $1.4 million. For the time being, OPAL’s trustees have decided not to withdraw any income, but instead to reinvest earnings so the fund will continue growing toward that $3 million goal.

Leaving a bequest to OPAL is a meaningful way to perpetuate your values and continue work you care about. For more information on including OPAL in your will, ask for a copy of OPAL’s Legacy Circle brochure.

Legacy Circle

Each of the people on this list has made a commitment to leave a gift to OPAL in his or her will.


OPAL has been honored by the following deceased members of its Legacy Circle: Cris Chandler, Mary Ellen Gaylord, Bob Henigson, Mary Lee Campbell, Larry Sacks.

Members of the OPAL Legacy Circle
Mallory Hagel: Shortage of Affordable Rentals

“I moved to Orcas over a year ago and last summer I could not find a rental. Fortunately, some very generous folks made it possible for me to live in a tent so I wouldn’t have to leave the island.

“All summer, and even now in the off-season, I am constantly offered work; there is no shortage of that here. But when it comes to affordable rentals, there definitely is.

“It is absurd to think you have to sacrifice things like indoor plumbing, hot water, electricity and walls in order to live and work here.”

- Mallory Hagel, bartender at The Lower Tavern, executive director of Wild Abundance Expeditions, outdoor educator at YMCA Camp Orkila, OI Fire & Rescue EMT, and community volunteer.