



SPRING 2005

OPAL ANNUAL REPORT 2004

HOUSING ISLAND PEOPLE, MAINTAINING ISLAND CHARACTER

PRESIDENT'S LETTER

This past year OPAL Community Land Trust marked some significant events that are 'firsts' for us in accomplishing our mission. In February seven households moved into their new homes – our first-ever rental apartments. In August, we concluded purchase of our first property in Deer Harbor, offered to us at below-market price by Lahari Hospice. We are constructing six small affordable cottages there. In September we received our first donation of land suitable for building—a lot in Eastsound Village where we will be able to construct two affordable homes.

Support by donors, hard work by staff, and help by volunteers all enabled us to secure a highly competitive Washington State grant for the Lahari project.



Lahari Ridge home under construction

Our collaboration, the Community Land Trust Alliance of the San Juan Islands, became an active organization in 2004, purchasing high-quality teleconferencing equipment, updating of computer equipment and software of all the CLTs to a current and common standard, and budgeting for a part-time communications specialist to produce newsletters and outreach materials for all the CLTs in 2005.

As we, the members, supporters, trustees and staff of OPAL, celebrate what we did together, we continue to be mindful of the level of need on Orcas Island for safe, stable, affordable homes. As we move forward in 2005,

we will continue to be innovative in our approach to "housing island people and maintaining island character".

Please join your fellow members and supporters for a site visit at Lahari Ridge and our Annual Meeting on April 2.

Warm Regards,

--Mary Blackstone

OPAL BOARD ADOPTS NEW THREE YEAR STRATEGIC PLAN

At their annual planning retreat in November 2004, the OPAL Board of Trustees discussed a range of issues that became the foundation for a new strategic plan for OPAL. The plan includes a vision statement and fifteen goals. The full plan can be viewed on OPAL's recently revised website at www.opalclt.org.

VISION

The trustees of OPAL Community Land Trust are committed to continuing to meet the need for permanently affordable access to land and housing on Orcas Island.

Their vision for OPAL includes strengthening values and conditions that already exist:

- OPAL is a community-based, community-supported, and consensus-driven organization known for innovating sustainable solutions to evolving needs for access to land, homes and workplaces
- OPAL homeowners and tenants are integral participants in the work and creativity of island life
- OPAL is supported by a growing number of dynamic, dedicated, and creative volunteers, led by an engaged, well-connected, and mission-driven board of 10 to 12 trustees
- OPAL is served by a highly skilled and dedicated staff, who implement projects and programs in response to community needs and direction by the board of trustees
- OPAL works in partnership with other community land trusts through the CLT Alliance of the San Juan Islands and the Northwest CLT Coalition, and in collaboration or partnership with other organizations that help to provide permanently affordable access to land and housing
- OPAL is a resource and support for OPAL homeowners in maintaining their homes to the highest possible standards
- OPAL is a model steward of the land and buildings that we own



Lisl and Ian Woolworth purchased a home in the Bonnie Brae neighborhood in 2004

The trustees' vision also includes specific goals to be met by the year 2010:

- To have a total of 90 homes in trust by the year 2010 or before, responding to the demand for housing for very-low-, low- moderate-, and middle-income households
- To have a proven track record of building green and affordable structures with a light footprint on the land
- To be supported financially by a variety of public funding sources, including a county fund, and by private donations, including large and small gifts from 25% of the island's households

GOALS for 2005 – 2007:

Provide Access to Land, Homes and Workplaces for Islanders in Need

1. Acquire up to 30 more acres of land to own a total of up to 65 acres on Orcas Island, with a majority of the land set aside for future development
2. Construct or bring into trust 20 homes.
3. Provide homebuyer education and counseling, energy assistance, and rental assistance programs to qualified households in a timely and respectful manner.
4. Adopt, implement, evaluate and refine annual “green” guidelines for the design, development and construction of all OPAL projects. OPAL is committed to building homes that are healthy for inhabitants, minimize the use of fossil fuels, and...
5. Explore and possibly enter into partnerships, initiated by others, to provide permanently affordable access to workplaces.
6. Explore the viability of providing permanently affordable access to farmland.
7. Be an active partner and advocate for local, regional and national efforts to sustain and enhance the effectiveness of community land trusts.

Steward Property Owned by OPAL and Support Homeowners and Tenants

8. Provide guidance and support for the resale or refinancing of existing OPAL homes.
9. Manage the Reddick Property to a high standard for physical care and tenant satisfaction.
10. Insure that all land leased by others is well-maintained and appropriately stewarded.

Manage an Effective, Stable and Cooperative Organization

11. Provide Funds sufficient to carry out the goals and strategies of this strategic plan.
12. Adhere to best practices for non-profit management control systems.
13. Provide clear, accurate and compelling educational information about the need and demand for affordable access to land and OPAL’s activities in response to that demand.
14. Maintain a board of dedicated and informed trustees to lead the organization.
15. Maintain a professional staff that is regularly nurtured, competitively compensated, highly educated in current trends and best practices, and is regularly challenged to do their best.



All OPAL projects involve careful planning that begins with brainstorming sessions to integrate new ideas and agree upon a unified vision

IT ALL BEGINS WITH THE LAND

DIRECTOR'S REPORT:

The year 2004 is notable in OPAL Community Land Trust's history because of two generous donations that provided suitable land on which OPAL could develop housing—a bargain sale for six lots in Deer Harbor, and the outright donation of a lot in the village of Eastsound.

Suitable land is the key ingredient to providing long-term affordable housing for the island.

Throughout history land values have appreciated at a faster pace than any other aspect of the cost of housing. By owning the land in perpetuity, the community land trust eliminates the cost of land from the price of a home.

Since the early 1990s, when OPAL purchased its first property, the price paid by OPAL for land under an affordable home has increased by over 750%. During this same time period the change in all other costs for us to deliver an affordable home increased by 83%.

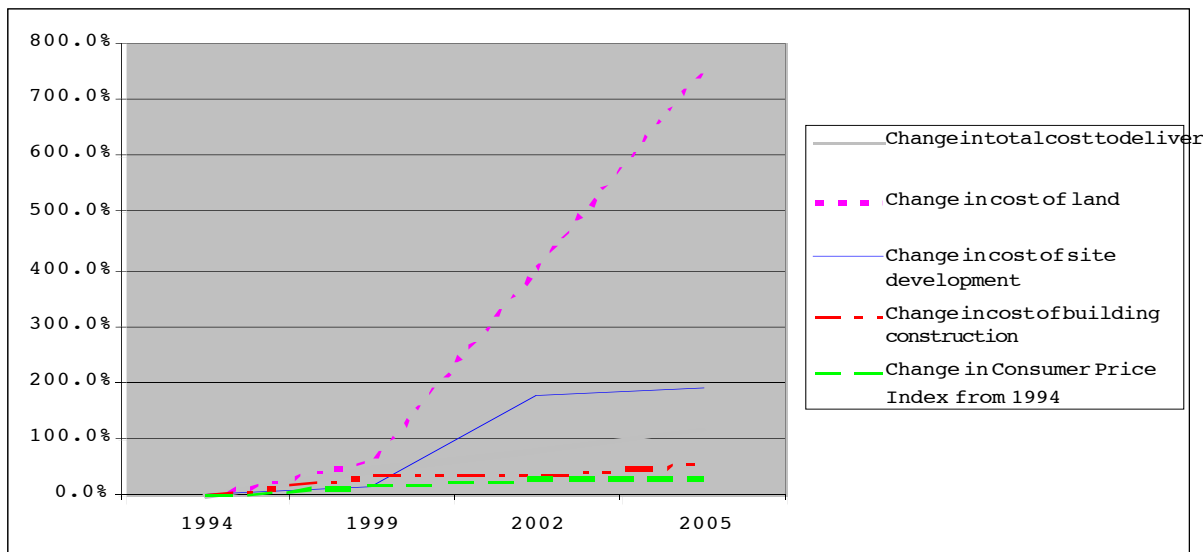
The escalation in land values is significant not just for lower-income folks, but also for middle-income people. The Orcas Research Group, a group of individuals who “support and encourage the creation of new businesses or the expansion of existing business on Orcas Island...”, are concerned about housing. Workers are leaving the islands because they can not afford to own a home here. In 1990 30% of the county's population was aged 25-44. In 2003 that age group had declined to 20% of the population.

The loss of working-aged folks is galvanizing a coalition of business leaders, social workers, educators, and others who are working to develop a new local private-public partnership to finance affordable housing. The idea is that a local “Housing Bank” could support the acquisition of land and homes with grant funds and low-interest rate loans. The loan fund would be capitalized, in part, by investments from individual islanders.

OPAL's new strategic plan recognizes that while we must keep providing housing options for the families and individuals on our waiting list, we must also focus more effort on acquiring land for future needs. We will be looking for suitable land more actively than we have in the past, and we encourage you to consider donating land. Your legacy could help to sustain many generations of islanders.



OPAL's Executive Director, Lisa Byers



INSTITUTIONS, GRANTS, FOUNDATIONS

Paul G. Allen Charitable Foundation, Fieldstone Foundation, Impact Capital, Institute for Community Economics, Islanders Bank, Opportunity Council, Orcas Island Community Foundation, Seattle Foundation, United Way, USDA Rural Housing Service, Washington State Housing Trust Fund, Washington Mutual Foundation

BUSINESSES

Bilbo's Festivo, Chimayo, Circle of the Spirit, d.b.a. Lahari Hospice and Respite Care, CompU-help, Deer Harbor Inn, Double-Rich Design, Doty's Marketplace, Driftwood Nursery, Gudgell Properties, Island Market, Key Club – Orcas High School, Office Cupboard, Orcas Excavating, Orcas Village Store, Orcas Net, Inc., Philanco, Inc., Rosario Resort, Roses Bakery Cafe, Shearwater Adventures, Terra Firma NW, LLC, Windermere Real Estate

INDIVIDUALS

A Jaqueline Abell, Rachel Adams, Heidi Alexander, Doug and Ellen Allen, Nikki Ames and Gene Nery, Carol Anderson, Marilyn Anderson, Mark Anderson and Kim Skarda, Mary and O. John Anderson, Henry and Marilyn Andrews, Bill Appel and Hallie Rive Appel, Daniel and Moriah Armstrong, Dick and B.J. Arnold, Isabel Athmann

B Belinda Bail and Joseph Herrin, Eden Bailey, Beth Baker, Betty Barats, Susan Barnett, Wally and Claire Barrow, Rosemary Bauer, Marie E. Baxter, Christopher and Cynthia Bayley, Carol Bee, Helen Bee and Carl de Boor, Phoebe Bee, Peter and Elizabeth Beglin, Patrick Bennett and Jenny Hovelman, Sylvia and James Biddick, Sandy Bishop and

Rhea Miller, Mary Blackstone and Roger Collier, Libby Blackwell, Robert and Enid Blanc, Karen and Gil Blinn, Antoinette Botsford and Vance Stevens, Ruth Boyd, Ted and

“One of the best things about owning our home is the diversity of the Bonnie Brae neighborhood—single women, young couples like us with children, some older residents; it’s neat. And it’s a challenging learning process, too, communicating with people whose styles each are different.”

—Sarah Coffelt, office manager, mother and Bonnie Brae homeowner

Alice Braun, Monterey Bravinder, Chris and Vicki Brems, Michael Brennan, Susan and Mike Briddell, Raymond and Patty Brogi, Barbara Brown, Tina Brown, Julie Brunner and Joseph Gaydos, Mollie Brunner, William and Sharon Buchan, Caroline Buchanan, Sarah and Bruce Buchanan, Jonathan and Carol Buchter, Gail Bulletset, Joyce and Galen Burghardt, Gwyneth Burrill, Sandra Burt, Merry Bush and Paul Losleben, Laura and Wheaton Byers

C Tom Campbell and Associates, Paula Capitano, Lynn Carter, Pamela Charlesworth, Mathew Chasanoff, Tom Christie, Earl Cilley, John and Vicki Clancy, Becky and Dan Clemens, Jan Cleveland, Mary Clure, Kiki Coe, Sarah and John Coffelt, Vern and Sidney Coffelt, Philip Cohen and Sharon Oviatt, Jollefern Cole, Cela and Gordon Coleman, Carolyn Colvin, Diane and Michael Cooper, Margie and Herb Crowe, Fred Croydon and Gale Marple, Bruce and Kathy Culver

D Sandy Dagnon, Yael West Dalnoky and Antoine Dalnoky, Madeline Danielson and Thomas Rubottom, Alan and Janet Davidson, Edward Davidson, Nicole de Marval, Betty and Kenneth Densmore, Julian and Alice Dewell, Robin di Giorgio,

Jean Dickerson, Kim (Haines) Doheny, Zackary Dolan, RoseAnn and Chris Dolan, Richard and Lauren Donner, David Dotlich and Douglas Elwood, Velma and Dick Doty, Laurie Drake

E Bob Eagan and Josephine Bangs, Clyde and Dottie Eagleton, Karen and George Eberle, Barbara Ehrmantraut, Brian Ehrmantraut and Moana Kutsche, Dale and Carol Ely, Ellen Emery, Rolf Eriksen, Marilyn Erly, Gunther Eschenbrenner, Barbara and David Evans, Lance Evans and Janet Brownell

F Martha Farish and Joseph Cohen, Cathy Ferran, David and Irene Fisher, Peter Fisher, Ethna Flanagan, Eugene and Judith Flath, Bill and Susan Fletcher, Joe Floren and Ann Hay, James Foote and Nannette Simpson, Cliff and Cleo Forbes, Thomas and Sarah Forster, Richard and Nanae Fralick, Julie and Cy Fraser, Robin Freeman and Kurt Thorson, Aloysia Friedmann and Jon Kimura Parker, Liz and Alan Fritzberg

G Laurie Gallo and Lisa Byers, Bob Gamble and Winnie Adams, Millard and Gloria Gamble, Sheila Gaquin, Mary and Robert Gardner, Steve Garrison and Pat Diviney, Libi Geddes, Sarah Geiser, Donna Geluso, Mary Getten, Tony P. Ghazel, Scott Gianola, Didier Gincig and Kathryn Kier, William and Monique Gincig, Joe and Elaine Goodrich, Eric and Barbara Gourley, Enid Granger, Gordon and Kathleen Greiner, Wally and Susan Gudgell, Stephen Guy and Gerald Reifert

H Anne Ha and Joe Thoron, Dick and Madeline Haffey, Jan Hall, Robert and Jody Hamaker, Sukima Hampton, Paul and Ann Hanson, Jens and Ellen Harboe, James Hardman, Pam Harney, Kamala and Kiko Harrison, Penelope

OPAL COMMUNITY LAND TRUST SUPPORTERS AND VOLUNTEERS 2004

Hawkes, Gordon and Marge Hayes, Theresa Haynie and Kathryn Wehle, Jack and Jan Helsell, Susan and Robert Hendrick, Hugh and Andrea Hendrick, Bob and Phyllis Henigson, Jean and Steven Henigson, Linda Henry and Pam Loew, Timothy Higgins and Nancy Reichley, Anita Leigh Holladay, Lea Austen Hooker, Franklin and Karla Horwitz, Peggy Hoyle, Heidi Hudlet-Lindholm and Ladd Lindholm, Cheryl Hunnicutt Danskin, Steve Hussey

I-J-K Gary and Brenda Ivans, Leslie Jacques, Candace and Erik Jagel, Bernard Jalbert and Carole Jones, Barbara Jamieson, Pat Jeffries, Ruth Johns and Dean Dougherty, Eric and Laurie Johnson, Maile Johnson and Ed Suij, Patty Johnson, Sara Jane Johnson, Mahmood and Carelle Karimimanesh, Thomas Kelty, Susan and Jay Kimball, Ed and Majorie Kirschbaum, David and Susan Kosiur, Mike and Susan Krieger, Werner and Frederica Kundig, Paul Kutsche

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N-O Ruth O. Newman, Peg Nicol, Bob and Maria Nutt, Coleen O'Brien, Gabriel and Jeanne Olmsted, Harvey and Liane Olsan, Irene O'Neill, Bruce and Christina Orchid, George Orser, Dorothy and Phill Osborn, Bob and Barbara Otis, Jeff Otis

P Luann Pamatian, Eliza Pang, Maria Papademetrios, Dave and Katie Parish, Mike and Dawn Parnell, Jenole Peacock, Sharin Pecnik, John and Mary Poletti, Tammy and Paul Pollard, Lovel and Boyd Pratt, Roy and Sheila Pringle

Q-R Miranda Randolph, Kevin McNay Ranker, Lynn and Glenna Richards, Anthony and Janice Richardson, Virginia and David Ridgway, Elizabeth Roberts, Molly Roberts, Ron and Judith Romines,

Nowhere else has satisfied my need for community as well as Orcas Island. Owning a home plants me here in a more permanent way than ever before. It is a very nice house, it's all mine—and I can afford it.

—Carol Bee, postal worker, editor, actress, Oberon Wood homeowner

Tina Rose, Candace Roseberry, Barbara Rosenkotter and Arthur Tyson, Deborah Rudometkin, David and Michelle Russell, Mary Russell and Ron Rebman

S Polly Sanford, David and Margaret Sarver, Maggie Schuller, Anne Marie Schultz, Joanna Serwold, Robb Shaepe and Kerissa Thorson, Carla Shaffer, Neil and Margaret

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T-U-V Kathleen Taylor, Patty Thompson, Sandy Thompson, Matt Toma, John and Helsa Tong, Paula Towne, Linda Tretheway and Jennifer Bentley, William and Dorothy Trogdon, Rosalyn Truett, Theodore Tyson, Elyse Van den Bosch and Fred Munder, Ian and Kari Van Gelder, Lorna Vester, Suzanne Vidal

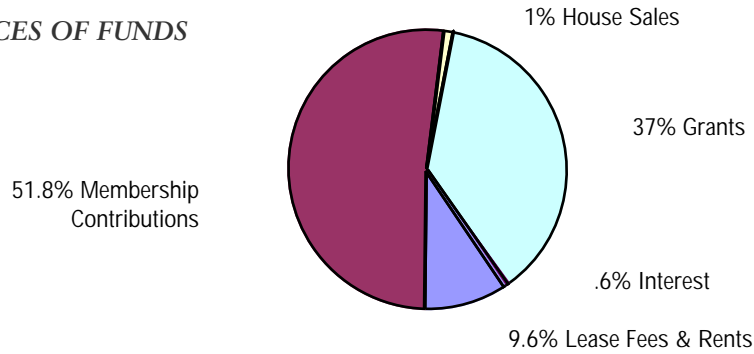
W-Z James and Kathleen Walsh, Ruth Walter, Susan Watkin, Kenneth and Carolyn Wayland, Phil and Nancy Weatherspoon, Mike Weaver and Monica Woelfel, Craig Webster, Janet Wells, Linda Westerman, Ken and Carolyn Weyland, Jill and Thomas Wheeler, Michael and Cassandra Whellams, Tess White, Jonathan White and Donna Laslo, Judy and Scott Whiting, Fred Whitridge, Andy Wickstrand, Janice and Alan Wiemeyer, Craig and Cathie Wier, Charmian Wilcox, David and Anna Williams, Ravin Williams, Bruce and Lee Wiscomb, Elisa Wiscomb, Theodore and Barbara Wixom, Leonard and Sue Wood, Robin Woodward, Bill Wulff, Jim and Kathy Youngren, Kristen and Jeffrey Zbornik, Jan and Connie Zehner

And anyone who may have been inadvertently omitted from this list.

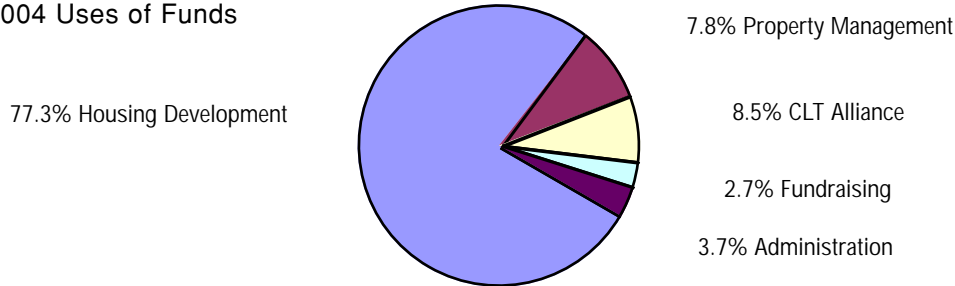
2004 Abbreviated Statement of Activities
with comparison to 2003

<u>Revenues</u>	<u>2004</u>	<u>2003</u>	<u>Functional Expenses</u>	<u>2004</u>	<u>2003</u>
Lease Fees, Rents, Applications, Consulting	\$99,874	\$54,765	Housing Development	\$22,050	\$165,226
Membership, Contributions, Fundraising	\$540,016	\$184,500	Property Management	\$88,702	\$32,581
House Sales	\$10,607	\$128,008	CLT Alliance	\$81,358	\$90,000
Grants	\$385,254	\$178,835	Housing Asst. & Education	\$14,165	\$6,373
Interest & Loan Fund Appreciation	<u>\$6,133</u>	<u>\$2,249</u>	Fundraising	\$27,783	\$25,367
			Administration	<u>\$38,467</u>	<u>\$53,023</u>
Total Revenues	<u>\$1,041,884</u>	<u>\$548,357</u>	Total Expenses:	<u>\$272,525</u>	<u>\$372,570</u>
			Increase in unrestricted net assets	\$769,359	\$175,787

2004 SOURCES OF FUNDS



2004 Uses of Funds



2004 Abbreviated Statement of Financial Position
with comparison to 2003

<u>Assets</u>	<u>2004</u>	<u>2003</u>	<u>Liabilities</u>	<u>2004</u>	<u>2003</u>
Current Assets	\$662,682	\$376,951	Current Liabilities	\$330,009	\$153,825
Long-Term Assets			Long-Term Liabilities	\$940,027	\$832,602
Land	\$1,388,530	\$830,592			
Improvements	\$2,017,059	\$1,761,379	<u>Net Assets</u>		
Predevelopment	\$73,588	\$73,266	Unrestricted	\$1,266,078	\$1,087,991
Notes Receivable - Long-Term	<u>\$165,747</u>	<u>\$212,497</u>	Board Designated	\$1,473,720	\$880,006
			Temporarily Restricted	<u>\$297,772</u>	<u>\$300,261</u>
Total Assets	\$4,307,606	\$3,254,685	Total Liabilities and Net Assets	\$4,307,606	\$3,254,685

Full financial audits for the years 1996-2004, prepared by Sanders and Sanders CPAs, PSC, are on file at the OPAL office



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Julie Brunner, *Housing Manager*
Lisa Byers, *Executive Director*
Carol Ely, *Office Manager*
Gabriel Olmsted, *Project Manager*

IN THIS ISSUE

Writing: Lisa Byers, Mary Blackstone
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Design: Tina Rose
Layout: Bob Gamble



*Looking into the future—through a window
at a Lahari Ridge home under construction*

Please join us for
OPAL Community Land Trust's
16th Annual Meeting
Saturday, April 2, 2005

Deer Harbor Community Club, Deer Harbor Road

Activities & Agenda:

3:00 p.m.—Tour of Lahari Ridge homes under construction
Park at the Deer Harbor Community Club and take shuttle to site

4:00 p.m.—Hors d'oeuvres—Potluck—please bring sweet,
salty or other kind of finger foods to share
Beverages and utensils provided.

4:30 p.m. Presentations:

Affordable Options for Green Building
The Need for Moderate-Income Housing

5:00 p.m. Business Meeting

Report from the Executive Director
Awards for Volunteerism that Builds Community & Fair Housing
Nomination of New Trustees