



San Juan Community Home Trust

Community Preservation Through Forever Affordable Homes

NEWSLETTER

SPRING 2010

SUN RISE FOREVER AFFORDABLE HOMES NOW UNDER CONSTRUCTION

January 13, 2010 was the date of the official ground-breaking for Sun Rise, with the construction of 14 new permanently affordable homes currently underway. An unseasonably warm and dry January and February have provided ideal conditions for the dirt work, and progress is well underway and ahead of schedule on extending Grover Street and installing utilities.

Fourteen homes, ranging in size from one to four bedrooms, will be constructed. Twelve of the homes are reserved for households at or below 80% of Area Median Income, and will be priced to be affordable. Grant funds have been secured to provide the subsidies needed to serve this income group, and mortgage payments can be no more than one third of a household's income.

on the resale price is contained in the lease, and the homes have a 99-year, renewable lease on the land.

The homes will incorporate a variety of green features, including solar hot water heaters, bamboo flooring, and wastewater treatment provided by a Living Machine. Wastewater will be treated and pumped back to the homes for reuse in toilets, thus drastically reducing the amount of potable water to be utilized by the homeowners. The homes will be hooked up to town water, but not to the town's sewer system.

The Living Machine is a wastewater treatment system that:

1. Is capable of advanced filtering;
2. Costs less to operate than conventional systems when used to achieve this level of treatment;
3. Doesn't require chemicals that are harmful to the environment as a part of its treatment process;
4. Will be esthetically pleasing through its use of landscaping.



San Juan Community Home Trust

Architect's rendering of Phase One of Sun Rise

As a community land trust (CLT), the Home Trust's emphasis is on permanent affordability. Subsidies are passed from the first buyer on through successive buyers rather than providing a windfall for the first buyer. Land is owned by the CLT, while the home is sold to the buyer along with a leasehold interest in the land. A restriction

The homes will be constructed by Wellman and Zuck, utilizing many local subcontractors. Islanders Bank is providing construction financing.

These fourteen homes are the first phase homes to be constructed on land that was annexed in 2009 by the Town of Friday Harbor. The Home Trust can eventually build 120 permanently affordable homes on 15 acres of Multi-family-zoned land.

Two of the homes will be sold to households between 80 and 120% of AMI without the benefit of grant subsidies, and sold at a higher price. Interest is strong, and applications are still being accepted by the Home Trust. If you (or someone you know) is renting, cannot afford to purchase a home on San Juan Island, have decent credit and a steady income, you (or they) may qualify. Call 378-5541 for more information.

FROM THE EXECUTIVE DIRECTOR: NANCY DEVAUX

“Sun Rise” brings magnificent vision to life

Following three years of uphill struggle to bring this project to reality, it is thrilling to see homes now under construction at Sun Rise! A neighborhood of forever affordable and environmentally sustainable homes has been born.

Once clearing of the land began at Sun Rise, it became obvious that the site was well named. A hillside (or “rise”) facing towards the southeast insures great solar access. This will be a wonderful boon to future homeowners, bringing light and warmth into their new homes.

Energy from the sun will be used to create hot water in these homes, by installing flat panels of evacuated tubes on the roofs of the homes. This will be one of our contributions to reducing global warming, as well as towards significantly reducing the electricity bills for our future homeowners.

According to the US Department of Energy, “On average, if



Future homeowner Stacie Milam captured the view over the foundations in January, 2010.

you install a solar water heater, your water heating bills should drop 50%–80%.” (See: <http://www.energysavers.gov>.)



Homeowners will also benefit from a variety of water conservation methods. There will be three sets of plumbing: potable water from the Town for drinking and bathing; rainwater will be collected for use in washing machines, and treated waste water will be reclaimed and reused for toilet flush and irrigation. The combined savings on water and electricity should lead to a dramatic reduction in utility bills.

I’m further amazed to glimpse the views that homeowners will have from their new homes. Once the site was cleared, it became evident that homes may have distant water views. From the site, you can look directly south out Cattle Pass, with Mt. Rainier visible on a very clear day!

The vision of forever affordable and environmentally sustainable homes has been promoted by the Home Trust since its beginning, in 2001. An “eco-charette,” carried out by the WA Department of Ecology in 2008, helped to determine which sustainable features would be included in this project. Now these dreams are coming to life!

Best of all is the knowledge that generations of future homebuyers will benefit from all the planning that has gone into these homes, as subsidies are passed on through successive buyers via the community land trust model of perpetual affordability. The supporters of the SJCHT are leaving a legacy for the future residents of Friday Harbor of which they can be very proud!

In Memory: Richard Lawson

The Home Trust honors Richard Lawson, whose construction company is working on building the infrastructure for Sun Rise. Richard passed away unexpectedly on January 26, 2010.

His company has continued work without interruption under the leadership of his sons, Richard Lawson, Jr. and Tommy Lawson.

Richard will be remembered as a man who gave back to his community in many ways.

We extend our deepest sympathy to his families and to his employees.



Richard Lawson,
November 2009

Home Trust infuses \$2.5 million into local economy with construction of Sun Rise

Fourteen homes under construction at Sun Rise, the San Juan Community Home Trust's new neighborhood of permanently affordable homes, are creating jobs for local residents and pumping millions of dollars into the local economy. A total of \$2,519,289 is being spent on labor, materials and services. The houses have roofs on them, siding and windows are going on, and solar hot water systems are being installed.

At the outset, the Home Trust set a goal of using as much local labor as possible in the construction. The general contractor, Wellman & Zuck, agreed to develop a bid set of local subcontractors, and worked closely with the Home Trust to choose as many local subcontractors as possible. "It's worked out very well," according to Brian Wellman.

Home Trust Building Committee Chair Peter Kilpatrick expressed gratitude for the local builders "who have done such a great job on our project". Work is proceeding on schedule.

Concrete, site work, lumber, framing, flooring, insulation painting, installation of solar hot water heating units and electrical work are being completed by local subcontractors. Major infrastructure (streets and utilities) is being completed by Richard Lawson Construction, Inc.

In addition to construction, funds that have been spent in the community include \$119,000 in permits and fees to the town of Friday Harbor, bank loan fees, surveying and project management costs.

A recent article by the San Juan County Economic Development Council points out that between 33% and 70% of every dollar spent locally will be reinvested in our community. (See: www.sanjuansedc.org)

The 14 homes under construction in this first phase of development will be ready for homebuyers to move into by the end of the year. Home prices range from \$130,000 for a one-bedroom unit to \$190,000 for four bedrooms. Eligibility requirements include having lived in San Juan County for a minimum of two years.

Twelve of the 14 homes are reserved for families earning up to 80% of Area Median Income, which is \$54,300 for a family of four, adjustable by family size. Two of the homes are reserved for households earning up to 120% AMI, and will have higher sale prices to compensate for the lack of direct subsidies.

Committed homebuyers have already reserved nine of the 14 homes; if you would like more information or an application form, call the Home Trust at 378-5541.

MEET THE BOARD: VICE PRESIDENT CHARLES RICHARDSON

Charles Richardson, Vice President of the Board, joined the board in 2008. Charles moved to San Juan Island in 2007 from a coastal community in California. There, he was acutely aware of the issues caused by "gentrification," where affordable homes are displaced by rising home prices, thus shutting out low and moderate income households.

Charles was also involved earlier in his life in Minneapolis with organizations that successfully fought off developers attempting to replace an historically-significant, small-scale urban neighborhood with a massive redevelopment. Thus, he is very aware of the importance of preserving the character of a community when dealing with growth and change.

Home Trust Executive Director Nancy DeVaux says Charles is a terrific addition to the Board: "He approaches problems with a positive attitude and a sense of community, above all else. He also has a strong commitment to the Home Trust's vision of low impact development."

A long-time self-taught student of sustainable building models, Charles believes we must be aware of resource use and environmental impact in any efforts to increase our housing stock, and never sacrifice long-term sustainability for short-term solutions.



Additional Funds needed for Sun Rise

Continued help from our members and donors is needed to complete the newest neighborhood of permanently affordable homes on San Juan Island. The San Juan Community Home Trust is close to meeting to its fundraising goal, yet another \$300,000 is needed to complete the \$5.2 million project of 14 homes and infrastructure to serve additional phases of development.

New homes in Sun Rise cost more to build due to the installation of all new infrastructure, and because the Home Trust is committed to using additional features to insure sustainable development. Extra plumbing is required to in order to use reclaimed water from the Living Machine, for example, and to use rainwater catchment. Yet the Home Trust is committed to setting a positive example, and to stop flushing the Town's precious potable water down the toilet, treating it with chemicals, and sending it through an outfall into the rich marine waters surrounding San Juan Island. Homeowners in Sun Rise will benefit from reduced utility bills, and everyone will benefit from less water pollution and conserving fresh water resources.

Continuing Need for Affordable Homes

Circumstances in San Juan County are not improving for those shut out of the real estate market. In fact, some statistics indicate that the situation is getting worse.

For example, data from the San Juan Island School District illustrates a troubling trend. Ten years ago there was enrollment of 1,047 students, and just 17.2% received free or reduced lunches. By 2005, enrollment dropped to 972 students, with the percentage of students receiving free and reduced lunch increasing to 23.2%. In 2009,

enrollment dropped even more, to 905 students, with 30.7% now receiving free or reduced lunch.

Other statistics to consider include the falling real estate prices. In the first quarter of 2010, the median home resale price in San Juan County dropped to \$372,500 from \$570,000 just 2 years ago. Yet this is still the highest in the State. For first time homebuyers, the Housing Affordability Index is 49.1. This means that those earning area median income have less than half of the funds needed to purchase the median priced resale.

San Juan Community Home Trust creates a permanent impact, with forever affordable homes providing secure housing for generations of island families. Initial subsidies are retained and passed on to successive homeowners upon resale. Homeowner mobility is not impaired, as has been demonstrated in several recent resales in Salal, where homeowners "moved up" into market rate homes. Recent resales in the Salal Neighborhood have returned a fair amount of equity to the seller.

The entire community benefits when families have decent and affordable homes. Employers can retain valued employees, volunteerism increases, and stress levels are reduced by affordable home ownership.

Your donation will help real people in our community; it will help the Home Trust usher in new types of construction that protect the natural environment, and have a permanent impact on maintaining a stable workforce on San Juan Island.

SUPPORT THE HOME TRUST TODAY!

The Home Trust depends on your membership and charitable gifts to fulfill its mission of creating permanently affordable housing for low- and moderate-income island residents. Gifts of all sizes are much appreciated and put to good use!

Name: _____ Send this coupon with your check to:
Address: _____ SJCHT - P.O. Box 2603, Friday Harbor, WA 98250
Town/State/Zip: _____
Telephone: _____ E-mail: _____

Join or Renew Membership \$30 \$50 \$100 \$250 \$500 Other (Please specify) _____

Make a special gift to the Leave a Legacy Campaign \$ _____

Join as a Business Supporter \$100 \$250 \$500 \$1,000

Join as a Business Sponsor \$2,500 \$5,000

Make a gift of stock Volunteer (many possibilities) Donate buildable land

Include the San Juan Community Home Trust in your will or estate plans

The Home Trust is a non-profit 501(c)(3) organization. Gifts to the Home Trust are tax deductible to the full extent of the law.

FROM THE NEIGHBORHOOD: SALAL BY THERESE FINN

Daniel and I have lived on San Juan Island for 31 years, mostly in small cabins in the woods. So when we bought our house in Salal Neighborhood five years ago, we couldn't imagine living in town. But now...we love it! We can walk everywhere that we need to go, which means good exercise and less gasoline consumption.



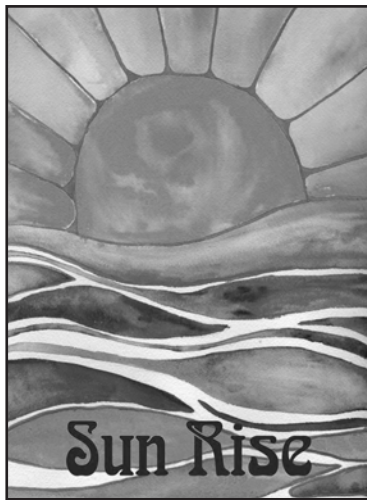
Although we might drive out to the beach on a weekend, now that we own our home, we have become more interested in gardening. We grow our own vegetables, and Daniel built a patio and a rose-covered arbor. Five years ago, the yard was almost a moonscape, and now it is our own little bit of paradise.

We thought it might be hard to live so close to other people but all-in-all our neighbors are very sweet and respectful of privacy. And, when we're in need, we help each other out. So we're very positive about our Home Trust experience.

We do wish we'd have more parties though—there are some great musicians living in Salal! Maybe this summer we can fire up the BBQ and party down in the common area! Croquet, anyone?

Another Resale in Salal: Schuberts are Moving In and Up

Judy Welch was thrilled when her sister Elizabeth decided to move to San Juan Island. They are both artists (Judy designed the new logo for Sun Rise on the right) and would have the opportunity to pursue their passions together again.



However, a year after Elizabeth moved in--complete with all her art supplies and furniture, it became apparent that Judy's two-bedroom Salal home just wasn't big enough to contain all that creativity. So the hunt for a larger, but affordable home, was on. The downturn in the local economy was a blessing because the sisters could now afford a 6 bedroom home at The Oaks, which they quickly purchased.

Thus, another home came up for sale in Salal--just in time for Elizabeth and Christopher Schubert to buy their first

home. They are very excited to have a home of their own instead of the converted garage they were renting from Elizabeth's mother.

And the Salal neighborhood is very happy to welcome another youngster to the 'hood--Felicity Schubert turned one-year-old this spring. She will have her own bedroom for the first time.

Many Salal homeowners are actively involved in the Arts. Both Judy Welch and her sister Elizabeth sang with the San Juan Singers for their spring Broadway concert this April. And Daniel Finn played Professor Higgins while his wife Therese was Assistant Director in this spring's musical, *My Fair Lady*, at the San Juan Community Theater. Salal homeowner Judy McManus was one of the chorus members in the show, along with Salal's newest homeowner, Elizabeth Schubert. Future Sun Rise homeowner, Deb Langhans played Professor Higgins' mother.

As everyone who attended the performances of either the concert or the musical can attest, Home Trust homeowners give back to the community in a big way!



San Juan Community Home Trust

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NEWSLETTER

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SAVE THE DATE!

Saturday, September 18th
Time: 5 PM to 9 PM

Sun Rise Music Festival and Fundraiser

County Fairgrounds

**Help complete the first
14 homes in Sun Rise,
Forever affordable and
GREEN!**



Music! Food! Fun! Friends!
Watch for more details!