

Palmer Memorial Episcopal Church
Vestry Meeting Minutes
May 18, 2021

Vestry present:

The Rev. Neil Willard
David Robinson, Senior Warden
Shannon Westin, Junior Warden
Gretta Boshara
Melanie Fahey
Steven Killworth
Danna Kurtin
Mike Murphy
Jim Rosenbach
Posey Saenz
Libby Spoede
Susannah Webb
Kelly Williams
Lam Yu

Vestry absent:

Randy Byrd
Rand Key

Clergy present:

The Rev. Elizabeth Parker
The Rev. David Wantland

Clergy absent:

The meeting started at 5:30 PM by Zoom and ended at 7:20 PM.

1. **Opening Prayer.** Neil opened the meeting in prayer.
2. **Community Sharing.** David encouraged community sharing.
3. **Minutes.** The April 20 and May 11 special meeting minutes were approved with the following corrections: change the spelling of “Shari” to “Sherry” Byrd in the May 11 minutes. Motion by Posey, second by Steve, and the vestry voted to approve the minutes.
4. **Council Reports.**
 - a. Finance Council. Posey said everything continues to look good with pledges ahead of schedule and there will be analysis on it is a true increase or pre-payment of pledges. The “rectory repair fund” will be called the “major improvements fund”. There have been discussions on how to use money from the restricted fund, possibly with additional funds from the endowment, to start making some needed repairs. The February electricity bill contained an additional fee from the freeze that will be disputed. Palmer has been in communication with the diocese to coordinate a response to the energy provider as other churches were similarly affected.
 - b. Worship Council. Steve reports that acolytes will slowly start participating in the service. The pre-recorded services will change over to live stream.
 - c. Outreach Council. Kelly said Serve Sunday has new leaders starting in August and will serve for 2 years in that role. Box lunches will be provided to New Hope Housing and

- can be sponsored. Palmer Place housing will need a new leader. So let Kelly know if you know of anyone that may be a good fit for the role. There is a blood drive this weekend.
- d. Evangelism Council. Melanie said there was a homecoming meeting that they were unable to attend and unable to report on the outcome of the meeting. More to come later. Steve proposed to start asking why people are coming and/or why people are leaving to continue with effective evangelism.
 - e. Communications Council. Susannah said there is a need for camera and other AV equipment in the nave and two conference rooms for hybrid (in person and virtual) meetings which total approximately \$15,000 and donations are being collected. Dustin is looking to revive the Media Ministry and is looking for volunteers.
 - f. Stewardship Council. Mike reports the traditional stewardship drive starts in October and he wonders whether the discussion of treasurers can be a two way discussion (what is received and given), and then follow up with the discussion on stewardship. Jim suggested the treasurers may be able to be linked with Evangelism and their fall event(s).
 - g. Buildings and Grounds Council. Gretta said that Kirk has joined the group and is a link to the finance committee. Gretta said there is a list of repairs which is being prioritized and Tara is getting bids on the top items.

5. Warden Reports.

- a. Senior Warden. David deferred his time to the property development task force.
- b. Junior Warden. Shannon said that some small meetings are happening in person. The group of medical professionals continue to provide recommendations based on new CDC guidelines.

6. Task Force Reports.

- a. Membership Task Force. Deferred to the next meeting.
- b. Property Development Task Force. Reid Wilson of Wilson, Cribbs & Goren PC joined the meeting. He is a commercial real estate attorney and does a lot of work for the nonprofit sector. He joined the meeting to answer vestry questions. He represents Palmer. One question is how does a ground lease for 99 years work? Reid said the entity that has a ground lease typically has a lease for a long period of time. The tenant acts like the owner, renting the ground and everything above it within restrictions of the lease. Typically the ground tenant builds the building to their own specifications but within the specifications in the lease. The diocese would then own the building at the end of the 99 year lease. Generally, less restrictions have a wider market and larger income stream, and more restrictions have a smaller market with a smaller stream of income. Another question is how the church can use some of the areas/spaces in the new building if it is being leased out? Reid said that items such as access to parking, classrooms, etc. can be included at no cost to Palmer in the lease. But these kinds of benefits to the lessor offset in the stream of income. Reid added that Palmer may have some approval of the overall design. What is JLL or Transwestern's role? Reid said they work with Palmer to determine the market and how to develop the project. They will put together materials, website, etc. and bring it to the marketplace and to developers that may want to submit a proposal. They will act as the broker or the middle person in the process in getting the lessor together with the lessee. After the property has been built, who oversees the property? The ground tenant will then maintain control over the property and tenants. Is there a risk of losing the property if the ground tenant leaves?

Reid said that is why it is important to have the vetting process of the ground tenant with the developer but it is rare to have that situation due to the loan size to fund the construction of the building. The lender will normally require protections of the ground lease to ensure there is no default. Will or at what point will we have an idea about the cash flow? The broker will evaluate. Typically the cash flow is a percent of the value, but the value needs to be determined. David reminded the vestry there are packets at the church with some evaluations which are at ~6% of the value. What level of development is the concept that the broker will bring to Palmer to evaluate (such as building size, look, use, etc.)? Reid said that this depends on what Palmer wants. He noted that more "asks" may limit the pool and typically just numbers are initially presented. Reid also offered that once the proposals are narrowed down, at that point Palmer can ask for renderings and more specific architectural concepts.

David suggested the next step would be to introduce JLL as the recommended broker. Kelly suggested to ask the parish for a visioning session to bring the parish into the process to discuss the future of Palmer and Liz suggested having someone from the diocese facilitate that session. Danna added that it can be a part of the upcoming evangelism events. Susannah added that some communication may be needed in the near term. Shannon suggested perhaps smaller workshops over the summer so people have the opportunity to share their ideas.

7. Clergy Reports.

- a. The Rev. Neil Willard. Neil is going to send an email to the parish about how the events will be coordinated this weekend for the church picnic and the thank you to David Wantland before he moves to Savannah. With Randy Byrd leaving the vestry as he is moving, Neil will follow the process for filling the vacancy.
- b. The Rev. Liz Parker. Liz said tomorrow is the start of Sacred Ground taking a deep dive into race and faith for 11 weeks, every other week, ending in October.
- c. The Rev. David Wantland. David said the goal for Sunday in-person worship is to have a variety of options based on people's different comfort levels, keeping in mind children are not yet vaccinated. The 8am Eucharist will be inside, unmasked for vaccinated persons, masked for unvaccinated persons, socially distanced. The 9am Sung Eucharist will be in the courtyard with the choir in the balcony. People may be unmasked if vaccinated and socially distant. Liturgy prep may occur in St. Bede's with masks. The 11am Sung Eucharist will be inside for vaccinated persons (unmasked, no social distance, no liturgy prep). The choir at the 11am will be determined by the music director, but permitted to be unmasked and no social distance if all are vaccinated.

8. Closing Prayer. Neil ended the meeting with a blessing.