

Iona-Hope Episcopal Church
Special Meeting of the Vestry via Zoom
May 26, 2020

Attendees:

The Reverend Ray Buchanan ✓

Vestry Members:

Joe Mullin, Senior Warden ✓

Ray Zentis, Junior Warden ✓

Bob Earl ✓

Margo Farrara ✓

Alison Kinch ✓

Robin Mills ✓

Andi Jerger ✓

Debbie Prather, Treasurer, Member ✓

Patricia Ingram ✓

Guests - Persons of Interest:

The Reverend Suzy Post ✓

Eileen Carrara, Thrift Shop Manager ✓

Paula Paquette, Clerk of the Vestry ✓

Guest: Douglass Lind, Consultant ✓

5:00 pm, Meeting began

Opening Prayer: Father Ray

Discussion

Three topics for discussion this afternoon.

- 1. Thrift store.**
- 2. Niche sales and columbarium.**
- 3. Re-opening of the church for live services.**

Thrift Store

What the Vestry decides to do as to the status of the thrift store lease. The question at hand is the long-term issue. Are we going to stay at this location? Diocesan Chancellor made it clear that legally, we have the obligation by contract to pay the rent. However, what seems to be clear is that the owners of the property have no interest not only in upgrading the facilities, or even in meeting code. Big Lots really did not want to move, and really wanted to expand, but the owners were not willing to bring additional space up to code so they could stay. Diocesan counsel was queried about what would happen if we did not pay the rent. LaMotta's is being served with an eviction notice for lack of rent payment. They have not paid for 4-5 months. They welcome this. Our rent total including CAM is \$9,600 per month. CAM is \$2,764. Balance is rent. We also pay utilities. Electric is about \$500 per month. When there is an agreement, both sides need to keep up their agreement. The owner does not seem to have kept up their side of the bargain. The owners may just be wanting to sell the property for redevelopment for a housing development. When we leased the place, it had a certain situation as to foot traffic and certain conditions. That was what we leased. The conditions are not the same now. The value of the property has dropped dramatically. That fact should be reflected in the rent. If it's \$10,000 per month, we most probably cannot recoup it. We have genuinely tried to work with them. That amount of CAM, it seems, they have not done anything to improve the place. The only thing it seems they have paid is the property taxes. If they wanted to sell it as a retail mall, they would want good, long term tenants there. Since they don't seem to want that, perhaps they really want another purpose there, not retail. Roadhouse restaurant is still in existence. It is closed now because of the pandemic. If governor says the restaurant can open at 50%, it

seems they would have a very hard time to open and make it. We need to look at this from a macros sense. The shop has been open for about 16 years. It is a wonderfully well-run thrift shop. The question was asked, what is the long-term goal of the thrift shop? What do we want to accomplish with it? Support outside entities and people? Support the church? It seems we won't be able to open for 2 to 3 months since it might affect \$100,000 has been donated to outreach over the years. Two thirds of money has gone to benefit operation of Iona-Hope and one third to Outreach. Originally, we thought all the proceeds would be used for outreach, but we needed to use some for operation of the church over the years. ReMax broker was contacted by Senior Warden Joe to see what possibilities may be as to moving to another location in south Fort Myers. Suggestion was made by one member to leave this location and move on to a location that will be beneficial to our business. No-one wants to break the lease, but this is a series of events that might encourage us to break the lease and move. We have three and a half years left on the lease. We are not sure what the process of an eviction would be. If we are evicted, we may still be liable for the balance of the lease. We have tried negotiating with them. If we stop making payments as of June, we might still have some time to make some decisions. It usually takes 5-6 months for an eviction to be served and completed. Are we not paying the CAM charge for June? Do we need a motion? We are in complete compliance for all payments through May. We are paying over \$90,000 per year in rent at the location we are at. Chancellor Ted Tripp asked the question, what is the likelihood that they will pursue legal action against a church? He also recommended that the thrift shop should be set up as an LLC which offers more protection. Optimally, it would be nice to have a meeting with a decision maker, but that seems like it will not happen. We could make a reasonable case that this is not working if we could meet with someone. People usually don't like to sue a church. We have been very transparent with them. We have let them now what's happening. We have been a good tenant. They have not really worked with us. Upkeep of AC and other items have not been tended to. Also on our minds has to be how we reopen and what we do. We don't know what the future is for thrift shops and other such entities considering covid19. Manager Eileen Carrara reported that we may be the only thrift shop in south Fort Myers which is NOT open yet. Most others ARE open already. Our manager is there cleaning, organizing merchandise, etc. There is a belief that there may be more of a need for thrift stores now since people, perhaps, cannot afford to shop at other stores now. It will be a matter of setting procedures in place for how to open safely. We may look at a smaller space if we decide to move. Volunteers are calling to see about returning. There is a limit now of 5 people at most to work there setting things up and cleaning, all wearing masks and gloves. Some thrift stores have closed their rest rooms. Some stores are not wearing masks, gloves, only washing door handles. One has installed plexiglass at the register. If we can come up with a plan, it would be good to do so to generate some revenue. Manager suggests a SOFT opening. Bob Earl sent an article to Father Ray who sent it to the Vestry members as to things to think about related to the thrift shop. Perhaps a sidewalk sale for the furniture would be a good idea. This would set the stage for emptying the warehouse. All children's toys have been removed and discarded. Maybe reopen for one or two days per week to do a furniture sale outdoors. Are people supportive of walking away from the lease? Nods for the most part. Is the Vestry ready to not pay CAM and rent beginning in June? One member said yes. Suggested we meet with the representative of the owner and ask their intentions. Another member concurred. Senior warden Joe said he would be happy to go try and speak with them. He has not had a response from them in a year. No response from them is really a response. We could get into something new fairly quickly, but we would need to liquidate some inventory if we plan to get into a new place. The racks and all that are ours. What will the future look like two years from now? What is the future of the thrift shop business for us? General concurrence that it is a good idea for Iona-Hope to continue in the thrift shop

business. It would be nice to try to get a 3 year lease, rather than a 5. There will probably be an abundance of donations for us to sell. People have been cleaning. General agreement that we somehow want to keep this going. Yes, we want to continue to pay utilities is the consensus. Motion by Senior Warden Joe to suspend payment of CAM charges and rent effective June 1, second by Bob Earl. All in favor. Unanimous. What about re-opening the store? Generally, the Vestry suggests staff, leadership, volunteers make some decisions, come up with some guidelines, and have a soft opening. The idea of a sidewalk sale is favored. They will move forward in that manner. Utilities will be paid. Thanks was extended to Manager Eileen Carrara. She was offered thanks by the Vestry for her exceptional work.

Niche sales and columbarium

Revenue utilization from sales. Six niches have been sold so far. Others are in the pipeline and will be forthcoming, no doubt. Vestry needs to decide how that will be divided out? There has been conversation about like \$600 going to repay the capital campaign, \$600 going into purchasing/paying for the next niche, and then the balance going toward maintenance? We need to understand, if we place this in an endowment sort of fund, then we could not use more than 3 to 4 percent of the monies, which would be the revenue. We might want to open an endowment as a subaccount. We probably do not want to put future niches money into an endowment. We probably only want to endowment the maintenance monies. We have 90 niches to sell. We replace niches in blocks of 45. It's nice to buy two at a time for symmetry. But it's not necessary to do that. At some point, we will need to invest the \$600 portions of the niches monies. It is going to add up to a lot of cash over time. The Vestry does not need to act tonight. Final decision can be held to June meeting if Vestry decides to do so. Suggestion was made to hold the final decision to the June meeting. The premise of the discussion seems to be mostly agreeable to most.

Re-opening of the church

Re-opening the church as well as facilities for others to use. We need to start the conversation as to what re-opening is going to look like. Father Ray stated he is going to be deliberate, safe, and careful so as not to jeopardize anyone. There have been many instances of people getting sick resulting from church activities and Father Ray does not wish to see that happen at Iona-Hope. One member suggested Father Ray state that concept to everyone at church services. A concern was expressed that IF we have volunteers working at the thrift shop, how can we then not have the church open? Suggestion was made that we really need to discuss this fully and be very careful. Seems like a dichotomy to have people at thrift shop and not able to go to church? Vestry generally expressed care and concern over opening of the church. Outside activities seem to be safer feeling than inside activities. There are a lot of people at various places out and about who do not social distance at all even now. Bishop Dabney Smith has been issuing his recommendations to clergy. Advice shifted from gatherings of ten people maximum to gatherings being allowed of up to 25 percent of occupancy. Different organizations are doing different things. Comment was made that Vestry would support whatever safety recommendations as to opening or not that Father Ray suggests.

June Lockhart 100th birthday celebration

Scrapbook project has gone well. Over 40 letters were received. There will be a car parade at 12 noon on Saturday, June 6. Donations are being encouraged to go to Gladiolus Food Pantry. Parade starts at 12 noon. Social distancing guidelines will be in effect.

Regular Vestry meeting will be held in two weeks.

Vestry agenda completed 6:00 pm.

Adjournment