

**Grace Memorial Episcopal Church**

**Vestry Meeting**

**December 19, 2017**

**Minutes**

**Members of the Vestry**

Gale Beagle, Jr. Warden  
Elyssa de la Cruz  
Robin Gault  
David Goodrich  
Phillip Koop  
Steve Lovett, Sr. Warden  
Nora McLaughlin  
Peyton Snead  
Rebecca Wong

**Members of the Vestry Absent**

Andrew Eshleman  
Charlene McGee

**Clergy**

The Rev. Martin Elfert

**Others**

Curt Germundsen, Treasurer  
Matthew David Morris  
Nancy Entrikin  
Paddy Tillett  
Julia McCray Goldsmith  
Alicia Perkins Lehrle, Clerk

**1. Formation**

1.1 Opening Prayers

- The meeting was called to order at 6:10pm with an opening prayer by Martin.

## **2. Minutes**

### 2.1 Approval of the Minutes

- There were no corrections to the November minutes, and Nora was thanked for providing the minutes for November in Alicia's absence. Gale moved to accept the minutes as presented, and Becky seconded the motion. There was no further discussion, and the motion passed unanimously.

## **3. Items**

### 3.1 Gift to Interfaith Alliance

- Martin relayed a message to the vestry from Sally Fraser asking for a gift of \$300 to the Interfaith Alliance, which will be used to provide scholarships to help people rise out of poverty. A previous discussion with Sally regarding the needs of the Interfaith Alliance resulted in the vestry's decision to have Sally ask the vestry for money on an as-needed basis. Gale moved to have Grace give \$300 to the Interfaith Alliance, and Becky seconded the motion. There was no further discussion, and the motion passed unanimously.

### 3.2 Episcopal Service Corps

- Martin introduced Julia McCray Goldsmith, a colleague of his who is with the Episcopal Service Corps and a recent transplant to Portland. She is here to explore the possibility of starting the ESC program in the Portland area. She explained the program is for young people just out of college, providing them an opportunity to live in an intentional community and work in non-profit organizations for approximately a year. There are currently about 50 sites church-wide, and the national clearing house has about 200 positions available per year. The participants perform a variety of services for non-profits from deaconal work to service and social work, and the organizations they work for pay the program a fee for participant services. Ideally, they live together in one location and share meals and fellowship. While in the program, they receive a small stipend for necessities. Julia said the program is a formative experience for the participants, and she successfully started one in the San Francisco area. Currently, there is a member from Trinity participating in the program.
- Julia asked if Grace could provide housing for a group of participants, possibly in the Halsey House. Art Camp's need for the Halsey House was discussed, and it's possible the ESC program could be a 10-month program to accommodate the House's use in the summer by Art Camp. While it's ideal to house the participants together, it's possible to house them in more than one location. If Grace provided housing, the parish would either receive rental payment for the house or the services of one of the participants. Julia provided a draft of a business model to illustrate the program's possible expenses. The need for additional furniture and maintenance at the Halsey House was discussed, if used for ESC.
- A possible pairing with the PSU campus minister or a youth minister was suggested by Julia. Ideally, the program would begin in 2018, but the housing is needed first. No commitment was expected by Grace this evening. She noted the national program director lives in Oregon and is very excited about a program starting here. After Julia left, there was continued discussion of the pros and cons of Grace's participation in the program. More discussion is needed before a decision can be made.

### 3.3 First Draft of 2018 Budget

- Curt, Martin and Steve presented the first draft of Grace's budget for 2018 with notes on some of the entries for discussion. Increases and decreases were explained by Martin. He noted PHAME now lists Grace as a major sponsor at their annual gala, based on the low rent charged by Grace to PHAME. He added many groups use space at Grace at below-market rent.
- The proposed budget is very close to the budget for 2017. One hope is to find money for cost of living increases for the staff as well as raising Sue's salary over the next few years to an amount closer to the market rate for her position. More research is needed to determine the market rate for a position similar to Sue's. The budget currently has a deficit which is due in part to now providing insurance for the staff, a salary for the church school coordinator, and the maintenance fund. A question was raised about the amount of the DPA and whether or not it has been calculated correctly by the Diocese. Martin will call the Diocesan office for further information.

### 3.4 Campus Renovations Possibilities

- Nancy and Paddy presented development possibilities for the Grace campus for consideration. Paddy noted he has been involved with this project since 2010. The basic idea is to use the value of the land as equity in the development and have the completed development provide a revenue stream as well as improved facilities. The church itself is to be excluded from renovations. Ross Cornelius of Walsh Construction has also been very involved with development possibilities and has provided good advice.
- Nancy distributed an open letter to the vestry and Campus Development Committee outlining possible partners for development. Notes from the Master Plan Meeting of December 5, 2017 were also distributed. One possible partner is Holladay Park Plaza, which would like to expand the number of their units to the Grace campus and assist with the building of a new parish hall. Low income housing would not be included in a Holiday Park sponsored project. Therefore, due to the February 2017 law requiring low income housing in new development, the project would need to pay \$2,000,000 to the City of Portland to buy-out of the requirement, making the Holiday Park option unattractive. Another possible partner is the Portland Housing Bureau, and this development option would include low income housing. Ross has also talked to Portland Parks and Rec about the possibility of Parks and Rec financing the Art Camp and PHAME portion of the development. He feels this has some interesting possibilities and would be beneficial to Grace and Parks and Rec in terms of both facilities and income. Parks and Rec has capital available but cannot cover operating expenses. Parks and Rec capital could help fund new facilities for art programs and common areas and increased space for PHAME and Grace Institute. More space would allow the programs to grow and offer more to the general public.
- Additional conversations are needed with both possible partners to get a better idea for the potential of working together, but a commitment is not expected at this point by either Grace or the potential partners. If it is determined neither partner will work out, a new development partner will need to be found or we will need to begin raising a great deal of money for replacing or repairing the Parish Hall, which still needs to be assessed. Nancy will work with Ross and some of his construction supervisors to develop this information. Paddy advised going ahead with the additional discussion with Portland

Housing Bureau, which is proposed for the end of January. There will be no commitment as a result of this discussion, but information gained at the meeting should help guide the next steps.

- Current limitations and development concerns were discussed at length. Parking is an issue, and it needs to be determined how much parking is actually needed and to what extent the parking lot is used during the week and by whom. A study is planned to find answers to parking lot use. Underground parking could be part of a development but it is very expensive. Valet parking on Sundays is also a possibility. An assessment of the cost of repairing campus buildings rather than replacing them will be done as noted by Nancy. Also, PHAME would like to increase their program but are limited because the basement is inaccessible to a number of their participants. If a development project was pursued, temporary space would be needed for Art Camp, and the parish would likely be without a parish hall during the construction period. There was some concern that the church could experience a loss of members during the construction process. Sharing building use as a result of development was also a concern. Also discussed was the possibility future residents, if housing is part of the project, could dovetail nicely with life at Grace. Additionally, the concerns of the neighborhood need to be taken into account as well as matching future programs with the outreach and mission concerns of Grace.
- Nancy noted the parish needs to first determine the direction it wants to go, and a general consensus in favor of a possible development project is needed to proceed with the proposed discussion with the Portland Housing Bureau at the end of January. It was stressed the discussion is not a commitment of any kind by either party and the concepts are very broad at the moment. After additional discussion, it was decided to send a letter to parishioners explaining the current situation, broadly addressing renovation/development possibilities, and noting the upcoming proposed meeting with the Portland Housing Bureau. The letter will be followed with a parish meeting after one of the 10am services in January, possibly the second Sunday. Nancy asked vestry members to send her questions and she will compile a list of the concerns. Also, Paddy will put together a chronology of discussions in years past concerning campus renovation/development. A draft of the letter to the parish will be circulated via e-mail to vestry members for discussion before distribution. It was suggested the letter be mailed to parish members, not just e-mailed. A sub-committee of Matthew David, Elyssa, Nora and Robin will work to formulate concerns. It was stressed there is not a “do nothing” option as the parish hall and houses are all steadily deteriorating. The church will either need to pursue development with a partner or raise a very large sum of money for repairs.

### 3.5 Rector’s Report

- Martin provided a chart of how his time is spent during the week and will continue to supply this information.

### 3.6 Jr. Warden’s Report

- Gale reported he needs some help to replace lights, which require a ladder to reach. Martin and Phillip volunteered to help. He also noted Grace Institute looks to be expanding according to Nancy’s hand-out. Becky confirmed this is a possibility.

### 3.7 Treasurer's Report

- Curt reported November's report looked good. He said the follow-up calls to past pledging members who have not yet pledged will be happening.

### 3.8 Other Business

- The Grace Institute representative from the vestry will be discussed at the next vestry meeting.

After a closing prayer by Martin, the meeting was adjourned at 8:25pm.

Respectively submitted,

Alicia Perkins Lehrle, Clerk