

St. John's Cathedral
Special Vestry Meeting Minutes
March 19, 2018

6:00 p.m. – Vestry Meeting begins

Members Present

Tommy Donahoo, Martha Cox, Claude Moulton, Forrest Andrews, Patricia Young-Jones, Lindsey Riggs, John Sefton, Bruce Barcelo, Chris Steilberg, Chris Haley, Tom Burrell, Bill Fouraker

Members Absent

Deborah Baker

Quorum

Yes

Treasurer

Charles Winney

Chancellor

Steve Busey

Clergy/Staff Present

Kate Moorehead

Tina Hutcheson

Guest

David Busse

Ginny Myrick

Cathedral District-Jax

John Sefton began by explaining the additions he made to the previously-presented resolution and circulating a new resolution. Ginny Myrick gave a complete overview of the project and explained the progress made since the last meeting and the new position of Episcopal Church Building Fund (ECBF), the lender.

After extensive discussion, Martha Cox made a motion to approve the revised resolution. Tom Burrell seconded the motion. With no further discussion, the Vestry unanimously approved the revised resolution (attached).

With nothing further, the meeting was closed in prayer.

Minutes submitted by Tina Hutcheson

RESOLUTIONS OF
THE RECTOR, WARDENS AND VESTRY OF ST. JOHNS PARISH, AT
JACKSONVILLE, FLORIDA

The following resolutions are hereby adopted this March 19, 2018:

WHEREAS Cathedral District-Jax, Inc. ("CDJ"), a Florida corporation not-for-profit was formed, among other purposes, to advocate neighborhood revitalization of the Cathedral District;

WHEREAS, CDJ has obtained a proposed master plan of the Cathedral District from urban designers Torti Gallas;

WHEREAS, consistent with that master plan CDJ desires to foster the development of work-force housing on the city block lying immediately East of the Cathedral (the "YWCA Property"), which property is now lying vacant due to the closure of Community Connections of Jacksonville, Inc. f/k/a/ The Young Women's Christian Association of Jacksonville, Florida, Incorporated;

WHEREAS, CDJ has obtained an appraisal of the YWCA Property and a satisfactory environmental site assessment;

WHEREAS, CDJ has arranged for the purchase of the YWCA Property by its wholly owned Florida Not For Profit Corporation, Billy Goat Hill, Inc., through a loan of between \$681,000 and \$868,000 to be secured by a first priority mortgage loan (the "ECBF Loan") from the Episcopal Church Building Fund ("ECBF");

WHEREAS, the financial terms of the ECBF Loan are three percent (3%) for the first two (2) years, payable interest only, with the loan thereafter amortizing on the basis of a 20 year loan at an interest rate of [] percent (%) per annum, with the entire balance of the loan due in a balloon payment One Hundred Twenty (120) months from the date of the original closing;

WHEREAS, the purchase price of the YWCA Property is (i) the pay-off approximately \$533,000 in mortgage loans, plus closing costs, and the payment of certain maintenance expenses discharged by Community Connections and/or developer Chase Properties, all of which are to be paid by the ECBF Loan, and (ii) the assumption by Billy Goat Hill, Inc, of two (2) City of Jacksonville loans, the HOME loan in the amount of \$235,200 and the SHIP loan in the amount of \$134,279.91, the liens of which City loans are being subordinated to the purchase money mortgage loan from ECBF;

WHEREAS, the ECBF Loan will be utilized to pay the \$533,000 portion of the purchase price of the YWCA Property represented by the Valley National Bank and SAIL loan, as well certain "Costs and Expenses at Closing" as shown on Exhibit "A", including past due amounts of the salary of the executive director of CDJ;

WHEREAS, ECBF recently advised CDJ that ECBF's policy precludes the funding of soft costs including the interest reserve, original fee and other reserves for taxes and insurance; and

WHEREAS, a condition of the purchase money loan, ECBF's commitment letter requires that St. Johns Parish issue a "collection guaranty of the Loan limited to deficiency only".

NOW THEREFORE BE IT

RESOLVED, that "The Est. Costs and Expenses at Closing" in the amounts set forth on Exhibit "A" are approved by the Vestry as appropriate for funding through the ECBF Loan;

RESOLVED, that the Parish grant a collection guaranty to Episcopal Church Building Fund for its loan to Billy Goat Hill, Inc., a Florida corporation not-for-Profit, wholly owned by Cathedral District-Jax, Inc., provided, however, that the interest rate on the loan (if still outstanding) beginning with the 25th month shall not exceed a rate acceptable to the Senior Warden, Dean and chairman of the Finance Committee;

RESOLVED, that any loan amounts in excess of the purchase price of the YWCA Property and the "Est. Costs & Expenses at Closing" as shown on Exhibit "A" shall be (i) held in reserve by ECBF until approved by the Vestry or (ii) delivered at or immediately subsequent to the Closing to the Parish and then re-loaned to Bill Goat Hill, Inc., for purposes to be subsequently approved by the Vestry;

RESOLVED, that as consideration for the Guaranty, the Parish shall receive 15% of any profit made by Billy Goat Hill, Inc. on the sale of the YWCA Property;

RESOLVED, that to the extent of other costs listed as "Future Financing & Maintenance Costs" are not paid by the ECBF loan, the Parish may advance such costs to CDJ and the Borrower as a loan to be repaid with interest to be determined, such amount not to exceed \$25,000 at Closing without approval of the Vestry, and further amounts to be advanced as approved by the Vestry; and

RESOLVED, that each of the Senior Warden and Dean are authorized to execute on behalf of the Parish the collection guaranty and other related certifications, all in such form as they shall approve.

SOURCES AND USES OF FUNDS FOR PURCHASE OF YWCA PROPERTY BY BILLY GOAT HILL, INC

<u>USES</u>		<u>SOURCES</u>	
Pay-off of Valley Nat'l Bank Mtge	245,000	ECBF Loan	245,000
Pay-off of Fla. State SAIL loan	288,000	ECBF Loan	288,000
Subtotal	533,000		
Est. Costs & Expenses at Closing			
SURVEY	3,300		
APPRAISAL	3,000		
TITLE SEARCH	300		
TITLE INSUR	4,700		
ENVIRONMENTAL PHASE I	2,200		
ENVIRONMENTAL PHASE II	8,800		
ELEVATOR EVALUATION	350		
LIABILITY INSURANCE	6,000		
DOC STAMPS ON DEED	3,906		
DOC STAMPS & INT. TAX ON MTGE	4,703		
FIDELITY TITLE -- ESCROW FEE	1,500		
P&S ASSIGNMENT-CHASE to CD-J	9,000		
	47,759	ECBF Loan	47,759
MYRICK Policy Grp -- 2017 fees unpd, to be paid at or immediately subsequent to Closing	53,000	ECBF Loan	53,000
Total Est Closing & Admin	100,759		
	633,759	Subtotal, Basic ECBF Loan	633,759
Additional Closing Cost Est.			
Hazard Insurance	14,000	Vestry Loan or Other	14,000
Assumption of Existing Mortgage Debt:			
COJ HOME Loan	235,200	Loan Assump.by Borrower	235,200
COJ SHIP Loan	134,280	Loan Assump.by Borrower	134,280
Total Sources & Uses Through Closing	1,017,239		1,017,239
Possible ECBF Advance			
Reserve for Lot Purchase or Other	53,446	Either ECBF Loan or deleted	53,446
Future Financing & Maintenance Costs:			
ECBF 3% INTEREST (24 mo) due in 2020	41,000		
ECBF ORIGINATION FEE (2%) due in 2020	17,000		
Legal in future	5,000		
Est. RE taxes @ \$26K/yr.	52,870		
Electricity @ \$500/mo	12,000		
Casualty & Liability Insurance @\$14,000/yr	28,000		
Misc repairs	5,000		
Maintenance person @\$300/mo.	7,200		
Subtotal	168,070	Other sources / Vestry Loan if property not sold	168,070
Total Purchase Price of Property	902,480		
Total Mortgage Debt	902,480		
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Color Codes:			
Approved for funding by ECBF	■		
To be presented to ECBF Board for funding	■		
Possible additional funding from ECBF Board	■		
Not Approved by ECBF Borad	■		
Funded by Vestry at Closing	■		

2018 (4/1 - 12/31)		
Insurance (annual prem.--pd at closing)	14,000	
Maintenance (\$300/mo)	2,700	
Electricity (\$500/mo)	4,500	
		21,200
Year 2019		
*RE Taxes	26,435	
Insurance (annual prem.--pd on anniv.)	14,000	
Maintenance (\$300/mo)	3,600	
Electricity (\$500/mo)	6,000	
Legal	2,500	
Repairs	2,500	
		55,035
Year 2020 (through 3/31)		
Interest due for 2 year loan	41,000	
Origination Fee	17,000	
*RE Taxes	26,435	
Insurance (policy pre-paid thru 3/31)	-	
Maintenance (\$300/mo)	900	
Electricity (\$500/mo)	1,500	
Legal	2,500	
Repairs	2,500	
		91,835
		168,070
*Assumes payment at par on 3/31. Could be paid earlier for discount.		