Bricks & Mortals

MEMBERSHIP MEETING

02.09.22
11:00am - 12:30pm

Membership Google Drive
Meeting 02.09.22

1. **Welcome by Donna Schaper (5 mins)**
    - *Motion to open meeting (Members only) – unanimously passes*
    - *Motion to approve December minutes (Members only) – unanimously passes*
    - Welcome - please put introductions in the chat!

2. **B&M update (Kate Toth + Kevin Ritter)**
    - Update on Sustainable Solutions for Sacred Sites
        - Funded by the Lilly Endowment
        - In January, we launched our cohorts – 5 cohorts in 5 cities, 46 congregations.
        - We have one coach for each cohort.
        - Each congregation will be doing an adaptive reuse project.
        - The cohorts are two years long.
        - Link to website: https://www.s4program.org/
    - Update on Space Sharing Program - officially named and launch date
        - With Partners for Sacred Places and Hartford International University for Religion and Peace
        - We will be launching venue.ly in April of this year
        - The website will help match congregations with non-profits, artist groups, etc. to share their buildings and spaces.
    - Bricks and Mortals released its annual report.
    - Update on the Partnership for Faith-Based Affordable Housing and Community Development
        - We continue to provide pre-development support for congregations.
    - Upcoming Event: Two Event Series on Environmental Sustainability Laws for Houses of Faith
        - New Energy and Sustainability Laws (Local Law 97, 95, 94 & 92) – What They Mean for FBOs and a More Sustainable NYC
        - Tuesday, March 1st and Tuesday, March 29th (11am-12:30pm)
        - These events will be hosted by Meta Brunzema and Taylor Aikin.

        - Will focus on how houses of worship can bring themselves into compliance with new environmental laws in NYC.
        - At a previous membership meeting, Meta Brunzema presented on this topic, and these events will provide an opportunity for a deeper dive.
        - LL97 is a slew of environmental regulations that buildings over 25,000 sq ft must meet by 2024. Houses of worship have to meet prescriptive measures – laying out what houses of faith are required to do by the city.
        - First event has Fatou Jabbie of NYC Accelerator
            - If you are contemplating work being done, prepare your questions
        - Second event will feature many presentations from professionals and technical providers.
        - LL97 is a carbon consumption penalty that applies to all buildings over 25,000 sq ft. Houses of worship do have alternative paths to compliance – it's important to do small things now to help you avoid fines in the future. (Houses of worship below 25,000 sq ft are in a less onerous situation.)
    - Next meetings:
        - April 13th, 11am-12:30pm
        - June 8th, 11am-12:30pm – also Annual Meeting where Membership will vote for Board of Directors
    - Launching publicly: a weekly roundup of news and media relevant to Bricks and Mortals's membership. This includes articles on adaptive reuse, real estate development, houses of worship, and affordable housing. Will now go out to full membership.
    - Reminder: Invite colleagues to become Members!
        - All materials here: https://www.bricksandmortals.org/membership-page-coming-soon
    - Meta Brunzema is teaching a class with Bricks & Mortals at Pratt Institute; students are working directly with congregations

3. **Case study: Cornerstone Fund (Jeanine Heasley-Colozza, Chief Lending Officer/VP Sales)**
    - Introduction on what Cornerstone is and who they lend to
        - Established in 1993, grew out of UCC Chuch Building & Loan Fund
        - They take investments and re-lend them out to UCC churches (and increasingly non-UCC, interfaith, and non-denominational organizations)
        - In the past, mostly did sanctuary repairs and food kitchens, but are expanding into other areas: solar panels, affordable housing, etc.
    - Types of financing products

        - Fixed Rate Loans
        - Revolving Lines of Credit
        - Adjustable Rate Loans
            - This is currently their most popular product
        - Bridge Loans
    - What do organizations use loans for?
        - Purchasing land and buildings
        - Construction – both rehab and new construction
        - Increasingly – audio-visual and tech equipment
        - Refinancing
            - Standard commercial banks sometimes will not loan to faith-based organizations.
    - Range of project types on which Cornerstone works
        - Genesis Worship Center (Oakland, CA)
            - Re-use of fellowship hall into re-entry housing
            - It is important to do up-front work with congregations to make sure all steps of the process are going smoothly.
        - The Village @ West Jefferson (Molo Village)
            - A large 30,000 sq ft commercial/office center in the Russell neighborhood, serving various non-profit tenants
        - The Good Table LLC
            - Another re-entry project
            - Cornerstone Fund is bringing in an architect who will act as an owners rep
        - Multi-Church Initiative (Minneapolis, MN)
            - A model that Cornerstone hopes to replicate in the future
            - Multiple different FBOs coming together to share a single building, while remaining separate entities.
            - This model seems to work best with houses of worship with different denominations
        - NJ Solar Panel Project
            - Working with the Episcopal Diocese of Newark
            - The Cornerstone Fund is looking to do more of this work throughout New Jersey and Virginia
        - Manhattan Bible Church
            - Unsecured pre-development loan of $50,000, working towards $1,000,000 construction loan

- How does the Cornerstone fund underwrite?
  - Look at bank statements, tithes, membership, value of building.
  - Analyzes and determines how large of a loan.
  - Risk rating system
    - A new development that assesses the risk of existing loans
    - These ratings change – individual congregations undergo changes, like declining membership, can change a risk rating
- What's happening in 2022?
  - Webinars
    - Use of space
    - Tech/AV
    - Creation Care/Solar Energy
    - Multi-church initiatives
  - Assessment of Cornerstone's impact by state
    - For example, Cornerstone Fund isn't doing too much in New York State
  - Doing more outreach to multi-church initiatives
  - Looking to provide more direct technical assistance to congregations
- Q&A
  - UCC has two lenders: Church Building and Loan Fund & Cornerstone Fund
  - Does Cornerstone Fund fund start-up projects, like new church development?
    - They would be open to most things, but it would need to be secured.

4. **Resources: Houses of Faith Applying for City Council Discretionary Funding (René Castellanos, Budget Director for Council Member Christopher Marte)**
   - Discretionary funding is currently open, but closes at the end of February
   - Discretionary funding is notoriously complicated, especially for religious organizations
   - The discretionary funding process is pretty similar year-to-year.
   - What is discretionary funding?
     - It is funding for not-for-profits
     - Reimbursement based (you don't get the money up front.)
   - You must be a non-profit with its own EIN and registered with the SYS Attorney General's Charities Bureau. Cannot be a for-profit entity.
     - Religious orgs are eligible so long as they meet the above qualifications.
       - The funded program must not promote the org's religious mission, but should be providing a service to the public regardless of religious belief.



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- Discretionary funding application is all online now.
- Different types of discretionary funding:
    - Member discretionary
        - Each council member has four pots of money to distribute
            a. Local
            b. Youth
            c. Aging
            d. Anti-Poverty
    - Speaker funding
        - The speaker of the city council has discretion.
    - Member designated initiatives
        - Programs after budget adoption – funds tied to budgeted items. (Programs like CASA, A Greener NYC, etc.)
    - City-wide initiatives
    - Borough-wide initiatives
- Vetting process
    - First, general counsel assesses whether your organization is eligible for funding.
    - Also assesses conflicts of interest
    - New not-for-profits may not receive in excess of $20,000 (and no more than $10,000 from a single member)
    - Organizations new to the Council may not receive funding in excess of $50,000 (and no more than $25,000 from a single member)
- You must register with the PASSPort system
- If you receive more than $10,000, a staff member will need to undergo training.

- *Motion to close meeting (Members only) – unanimously passes*