

Mayhew Parsonage Proposals

Summaries

April 30, 2022

Proposal submitted by Jim Butterick, Jean Lewellyn, Jeff Meeks, and Bill Vrooman

Our proposal is to sell the parsonage, place the Net Proceeds in a carefully restricted account to be used to fund visions designated by the congregation and fund other needs determined by the congregation. "Net Proceeds" will be the total proceeds of the sale, less the purchase price and associated costs for a new parsonage and re-payment of the existing parsonage loan.

The most immediate need would be to purchase another parsonage to house our pastor. We also think it would be appropriate to name it the Sara Joy Mayhew Parsonage in honor of the gift she made to the church through the current parsonage. This would need to be done as soon as possible to foster the recruitment of a new settled pastor.

- We could put funds into our Mission Fund, Outreach & Growth Fund, and Endowment Fund to support the church for years to come.
- We could establish a Maintenance Fund to support major projects of the church such as air conditioning, a new kitchen, gutters, etc. that would make our facility more useful for the members and the community.
- We would like to see a Bruce Lewellyn Fund created to honor the work Bruce did in clearing the title of the parsonage. This fund's designated use would be for one of Bruce's key interests: fighting housing inequity.
- In the same light, we suggest a Peter Boak Fund be established to assure an ongoing vibrant music program with a top-notch minister of music.

Following our visioning, we could support social justice initiatives as the congregation designates such as:

- homelessness,
- hunger,
- housing inequity,
- childcare, and
- Provide enhanced support for the wider missions of the island, nationally and world-wide, including our existing missions

We believe that this asset can be put to work toward that which we believe would please God. A failure to sell would not be in accord with our visioning goals. We are stewards of a tremendous gift, but it was given for church purposes and what better stewards could we be than to share it with the rest of the island and the world?

Invest in the Future of The Federated Church - Doug Jones

I propose that we sell the current parsonage, pay off our debts, and invest the remaining proceeds in the three P's: Personnel, Programs, and Preservation.

Why sell?

To realign our assets more closely with our vision and to ensure that by eliminating our structural budget deficit and debts, the Federated Church will forever thrive as a welcoming congregation serving God and the Community through **worship, music** and **mission**.

Why invest in the 3 P's?

We will honor our visioning process by collectively agreeing to a predetermined roadmap for the use of the proceeds from the sale. These funds will provide key resources to help us fulfill our vision to be the vibrant, energetic church that glorifies God through Inreach, Outreach, and Upreach, now and in the future. Proceeds from the sale will create sustainability and help us to be more engaged, more giving, and will aid us in our efforts to better serve our community and the world. By actively living our vision, supported by the resources realized by investing in the 3 P's, we can attract members who share that vision.

Endowed Personnel, Programs, and Preservation, No debt, No annual deficits.

THREE P's	Proceeds From Sale	Percent of Total	Annual Withdrawal @5%
PERSONNEL			
Pastor, Min of Music, Youth Min, Admin Asst	3,400,000		170,000
Subtotal	3,400,000	34 %	
PROGRAMS			
Local & Global Mission	2,550,000		127,500
Youth, Alternate Worship, Speaker's Programs, Music	400,000		20,000
Van	52,500		
Subtotal	3,002,500	30 %	
PRESERVATION			
New Mayhew Parsonage	2,275,000		
Upgrades to Meetinghouse and Parish Hall	250,000		
Preservation and maintenance	300,000		15,000
Subtotal	2,825,000	28 %	
EXPENSES			
5% Commission on 10,000,000	500,000		
Parsonage Debt Payoff	168,000		-6,180
Reimbursement of Legal Fees to Endowment	104,500		
Subtotal	772, 500	8 %	
Total	10,000,000	100 %	326,320

Mayhew Parsonage Proposal

Matt Regan, Gretchen Regan, Frederica Carpenter, Betsy Dripps, Sue Pew

We propose that The Federated Church keep ownership of the Mayhew Parsonage, using it as the home for our Pastor and making necessary immediate repairs (i.e. porch, windows, estimated at under \$50K) and addressing other deferred maintenance and making further improvements over the next several years. We also propose that we as a church make use of the Parsonage lawn more fully by the Congregation for outdoor worship, youth gatherings and as a site for a new memorial garden; as well as for fundraisers and other outreach-centric activities.

It's important that our minister live within walking distance of the Meetinghouse, so that they may be more easily integrated and connected to everything going on at the church. And living within walking distance of the downtown village, the school, and library are attractive considerations to future potential ministers, especially those with families. Any replacement Parsonage within walking distance of the church and village is likely to consume a considerable portion of the proceeds from selling the current Parsonage. (And no house, anywhere, is without operation, upkeep and maintenance costs.)

The Parsonage could also play a more prominent role in building up our membership and embracing the future in a vibrant way. The true source of our financial distress is not the Parsonage, but rather our low and declining membership—down 42% over the last 10 years—which has severely impacted our bottom line. This decline is a fundamental, existential problem that a financial windfall does not solve, regardless of its size. (What good is a rich church with no members?) We calculated that we would need at least 40 new members, at current giving rates, to correct our income gap. This is doable! Addressing the need to grow our membership requires people, passion, and persistence—not money.

Keeping the Parsonage would also preserve the cultural and historical continuity between TFC and the island, and allow us to continue to be stewards of the gift and the wishes of Sarah Joy Mayhew, using the property she bequeathed us as a home for our Pastor. If we were to sell it, it would be gone forever. As stewards, we believe that it should be preserved, used and enjoyed by our church and community—not becoming yet another bit of the gentrification of our village that drives out the locals and forever changes its character.

Funds for repairs, and upgrades, as well as to address budget deficits, would come from several sources:

- The true goal: membership growth, increasing our pledges and increasing the number of people involved in other church-based fundraising events
- Create a Parsonage Bicentennial Capital Campaign committee, with a goal of raising a minimum of \$400,000, to fully restore the Parsonage in time for its 200th anniversary, in 2032
- Apply for grant funds for the building (historical preservation, cultural use). Potential sources: local endowment grants, Private charitable foundations (i.e. Saltonstall, Getty, Jewett), and State-supported grants

Potential other sources of income:

- The Mayhew Trust (would need to petition the BofA trustees)
- Rental of Parsonage lawn in the shoulder seasons for wedding receptions and/or other events (Potential income: \$5K-\$8K per event, more with some improvements to the landscaping)

PARSONAGE PROPOSAL 4/30/22
presented by Alice Goyert

My proposal suggests we keep the Parsonage, but renovate it so that there are two separate living spaces for families; one on the lower floor for the minister and his family and one on the upper floor to be rented out seasonally.

FACTS:

1. The Parsonage is in the R-5 residential district that allows for 2 family dwellings.
2. The Edgartown assessor said that MIXED USE of a building in this district is permissible. (That would mean that we as a church could keep the lower floor and the grounds for use of the church with no taxes. The rental property on the second floor would pay taxes.)
3. Each "family unit" would consist of 2 bedrooms with bath, with the possibility of a third bedroom, plus eat in kitchen, living room, and access to a porch. There would be separate parking areas for each unit & separate entrances.
4. The contractor we spoke to said that he could start construction in the fall and would work on all the permitting over the summer.
5. Estimated income from renting upper floor for 6 months could come in at \$167,000 minus \$25,050 (15% rental fee) minus annual management fee \$4,000 for a
Total estimated annual income: \$137,950.
6. Estimated budget for Parsonage renovation \$460,000
This includes permitting, structural engineering, repair of windows, re-deck back/front porch, build porch on second level, heat pumps for both units, landscaping).
A 9-month rental for the pastor: \$20,700, plus utilities \$4,500.
Total estimated budget: \$485,200.

Mayhew Parsonage Proposal

Deanna Ahearn Laird

I propose that we keep ownership of the Mayhew Parsonage, and rent it out during the summer months to generate income. This idea will raise significant funds and keep the property for future use for the Congregation and the new settled Pastor. This, after consultation with a realtor in Edgartown, would likely yield \$25,000.00 per week during the summer season (10 weeks), with more in August. If improvements and updates were made to the property, using income generated the first couple of seasons, we could potentially get far higher weekly rates (\$40,000 per week or even more), which would also allow us to rent for fewer weeks to meet our budgetary goals.

Tjark Aldenborgh has said that the property would easily be rented. Provided the immediate issues with the porch, deck and windows are taken care of prior to the summer rentals commencing.

We do understand that this is also can be problematic for the Pastor in residence. Being that we are just beginning the process of the search, this may be an opportunity to raise significant funds by maintaining ownership of the incredible property that Sarah Mayhew had bequeathed to us, in perpetuity as I understand the gift.

The projected income for these rentals: \$250,000.00+ annually

The expenses attached to these rentals:

Manager – would take 20% but be in charge of everything pertaining to the rentals – they take the calls, they check on the tenants needs – they make sure that the cleaners have left the premises in good order for the incoming tenant – do check in and check outs.

Summer housing for the pastor – a much less expensive rental for the duration of the parsonage rental season. Even at \$2500 per week we would still be earning far more.

Tax repercussions: We would be exempt from income tax on rental income, as that income is used for church purposes. We may be liable for a portion of the assessed property tax, for the portion of the year that the property is rented. 10 weeks' worth, pro-rate, would be a bit more than \$2000.

Total projected income: \$173,000 per year.