

Kesher Israel Board Meeting Minutes – July 18, 2005

Attendees: Gary Winters, Jonathan Frenkel, Leon Wieseltier, Dave Sloan, Natasha Rosenstock, Michael Gelfand, Jerry Chapman, Elanit Rothschild, David Barak, Roz Singer, Al Altschul, Sharon Freundel, Lisa Schreier

1. Review of Agenda

Gary Winters said that “kids’ behavior” would not be an agenda item. David Barak objected to this, but was overruled.

2. Budget and Fundraising

The budget general contributions are down, but dues and kol nidrei are up. There was some profit carryover from last year, so we have a positive balance for this year. Budget numbers are up. It was noted that we now pay \$1000 to \$1500 for speakers.

It was reported that the fundraiser at the Mansion at Strathmore Hall was greatly successful. Costs for the event were \$9000, and our total receipts were \$29,400 resulting in a profit of \$20,000 for the shul. This does not include contributions from some individuals who said they would send in checks but could not attend the concert. John Kaboff has offered to perform for a concert next year.

For additional fundraising this year, Gary said that Debbie Rogal had suggested a theatre party in the winter, but it was felt that the timing would do more harm than good because we would like to do a more significant fundraiser next winter. The Purim *mishloah manot* fundraiser raised approximately \$4000.

Leon Wieseltier said that Rabbi J.J. Schacter had said that he could come and speak. Leon said he would talk to him.

3. Appointment of new board members

Gary Winters nominated Lisa Schreier and Ken Weinstein to be members of the board. These members will replace Heather Zomer and Lea Mendelsohn, who have moved. David Barak seconded the motion, and Lisa and Ken were approved by unanimous vote.

4. Rabbinic Intern discussion

Gary Winters noted that we had two candidates come to Kesher Israel for interviews. Our first choice turned us down. Regarding our second choice, it was felt that there was not enough excitement about him, and the people on the committee were not impressed by him. The plan is not to have an intern this year.

Leon Wieseltier asked whether we could have an intern for the second half of the year, but Gary said that doesn’t really work very well, because the schedules of the *yeshivot* don’t work that way.

Dave Sloan said that Nissan Antine is on his final year at *Chovevei Torah*, so we might be able to have some individuals come down for one-time *Shabbatot*.

David Sloan asked if we could incorporate this into the adult education budget. Gary said we could. There was general agreement.

David Barak suggested the possibility of an assistant rabbi instead. Gary said that we would need to talk to the rabbi about that, and this would be very expensive.

5. Approval of Minutes

Al Altschul made a motion to approve minutes from February, May, and June, which Evonne Marzouk had previously distributed to the board. Leon Wieseltier seconded and the minutes were accepted unanimously.

6. Discussion of Shul Property

Jerry Chapman reviewed the fact that the shul owns two lots in DC. They were created by the actions of the city by cutting off the corner of the cemetery with a road. We have not paid taxes on the property but have also not challenged the taxes which have accrued. In fact, there are a series of letters from Gerard Leval to the city asking them to take the properties and sell them. It turns out that these have been sold several times at tax auctions. The purchasers have not actually redeemed it, and their claims have always expired.

Now, the H Street Development Corporation is developing the area adjacent to this, and they've been buying up the property nearby. They approached us, through a letter to Gary this year, asking us to consider working out an arrangement with them so that they would acquire the rights to the property, and they would take care of the taxes. Last time this was discussed, we wanted to know what the actual value of the asset was. We worked through Mort Press, who has some experience with this. Mort obtained a value of \$35K for the property (from Riley, a fellow who lives in the area who is a broker). The total needed to redeem both lots is \$30,448.47.

Roz Singer noted that the square footages are wildly different, but the assessed values are very similar. Jerry said that's why we were counseled not to trust the assessed values. He wants the authority to negotiate with the H Street Development Corporation, to transfer these to them for as much as we can get, with the assumption that under no circumstances would any offer cost us any money.

Natasha Rosenstock clarified that the value of \$35K is for both lots. David Sloan asked if we would incur transactional costs.

Jerry said we should just engage in negotiations with the H St. Development Corporation. He would begin with the 2006 assessed value, which is \$78,340. (\$40K for one, and \$37.7K for the other). His motion is a request to be authorized, with other members of the board, to negotiate with the corporation to dispose of the property. He would report to the board before completing the action.

Jerry added that, as mentioned before, when there's a bid, the buyer has a year to foreclose. With respect to the smaller lot, a foreclosure action was filed against Keshet Israel Congregation, and there is a hearing on Aug 31st. The only defense is that we have exercised our right of redemption. The deadline is July 19th for a foreclosure action on the larger property. It would take a while to serve us, so we could lose both properties. On the foreclosure, we would also pay some court costs.

Gary Winters pointed out that as a matter of process, the board needs to recommend it to the trustees, who can empower Jerry. Michael Gelfand said that, from the trustees' point of view, he appreciates everything Jerry has done. He said that his analysis is slightly different. This is a no-lose situation. He asked why we owe any taxes on the property, since the city created the problem themselves.

Jerry said that whatever argument we might have had along that line of reasoning, we lost, by not raising it when we were first taxed. There is a statute of limitations – you can have the greatest claim in the world, but it has to be timely.

Michael Gelfand said that he had experience with another synagogue where they were able to work it out with the tax people, and he thought he could work it out with them. Failing that, he would agree that we should negotiate with H St. and tell them that we want some substantial amount of money above the 30K.

Gary said the only other option would be to pay to redeem it, and then sell it. He does not support this.

Al Altschul recommended listening to Jerry. Elanit Rothschild said that the board had voted to divest ourselves of the property, and that we should take the opportunity to do so. Gary agreed and said that there is a benefit to ending the tax liability as well.

Michael Gelfand said the trustees disagree.

Gary said that the sense of the board is that we get a moral benefit from giving this to H St. If H St. chooses not to accept our offer, then that's probably because they've done the independent research themselves. Jerry added that the new development by H St will likely improve the neighborhood near our cemetery, which will make our cemetery property more attractive.

Michael Gelfand said that the DC government thinks that the value is rising. He doesn't see any downside in trying to maximize the revenue realized to the synagogue. He wants to make sure that we don't give this away for nothing.

Gary said that he doesn't want to expend the "opportunity cost" of finding another bidder.

Leon asked Michael if Jerry was about to get \$50K from H. St., would that be acceptable? Michael said yes. In that case, Leon said we should recommend to the

trustees for Jerry to work with H. St. to negotiate a price. Jerry said that he would go in asking for as much as he could.

7. Discussion of Refurbishment

Gary reminded us that we did get the letter from Bob Gottesman committing \$475K. Most of the elements in the estimate are included in the commitment letter, but the downstairs is not part of it.

The contractor is now doing an estimate for refurbishing the kitchen. There are two options: 1) leave it the way it is and just redo some of it, or 2) take the wall away, and turn it into a galley kitchen. This might make it feel more open. Regardless of what we decide to do with the kitchen, it will not be paid for with the Gottesman money. Roz Singer said that with the second option, we were talking about just having warming ovens, and that requires work on the *bayit* kitchen.

Al Altschul asked about the roof. Gary said that that is part of the Gottesman funding. He said this is getting into a gray area between the Gottesmans and us. They think that Milt only wanted to do aesthetics. We've proposed that we split it 50/50, and we think Bob will be reasonable and accept this proposal.

David Barak said that if we change the kitchen, we need to make sure the window is still opaque to afford privacy to those women using the mikvah. Gary took the opportunity to remind everyone that the National Capital *Mikvah* is open! There was general applause.

Gary Winters said that, with regard to windows, the architects are investigating our alternatives. David Epstein, Shelly Wiesel and Michael Gelfand will sit down with the architect to see what's available. Gary added that they took a seat from the men's section to see what they can do with it. (Most of the seats in the women's section upstairs are newer.)

Michael Gelfand commended Gary for his work, and said we need to make sure that the contractor is giving a "not-to-exceed" contract, because our funds are limited. Gary agreed.

Gary said that unless there were objections, we would move forward with the Gottesman project. The details (like the windows) would be subservient to the bigger project. David Barak objected and said it would be irresponsible to give blanket approval until we know the nature of what is available regarding the windows.

Al said that we have a letter contributing a half million dollars, and we need to take it. David Barak agreed but said that we need up or down votes after we know about the windows.

David Sloan said his big issue was the shul displacement. He expressed concern that, given the nature of our *shul*, when we come back, we'd have a lovely building with no

one to fill it. Gary said that he had the same concern. The contractors expressed a strong preference that they have complete access. This is an issue on which the representatives of the board will continue to work closely with the architect to ensure a minimum of displacement.

Al said that this is a unique opportunity: we have to move forward. He said we need to empower a group to make decisions.

8. Other issues

David Barak said we need to do plantings in front of the Bayit, and clean up the backyard. It'll be several hundred dollars if we hire people to do so. Gary directed David to have the buildings and grounds people hire someone.

David Barak also reminded us that the Friday night minyan will track *Shkia* during the time when *Shkia* is 7:50 or earlier, which we had previously agreed upon.