

Keshar Israel Board Meeting Minutes – May 15, 2005

Attendees: Natasha Rosenstock, Rabbi Freundel, Roz Singer, Jerry Chapman, Gary Winters, David Epstein, Al Altschul, Debbie Rogal, Jonathan Pincus, David Barak, Jonathan Frenkel, Rabbi Freundel, Leon Weiseltier, Elanit Rothschild, Evonne Marzouk

1. Minutes from March and April

The board approved the minutes from March and April, as emended.

2. New Members

The board approved the following new members:

Eugene Kontorovich (Associate)

Daniel Friedman

Asher and Jessica Troppe

Helen Singer

Daniel and Danielle Shamah

3. Financial Report

It was noted the insurance is higher than expected. This is because the insurance year does not match our fiscal year, and will even out over the year. Our expenses are running a little under, and our cash position is very good. There are still some outstanding dues and Kol Nidre commitments, but this is only \$5-6K outstanding, which is less than usual.

The Yom Iyun fundraiser suggested for June 5th will not be held this year because of timing challenges and the scheduling of Israel Fest on the same day. We may do it next year. Debbie Rogal noted that fundraisers around education must be discussed with the Gelfands.

The Kaboff event will be our fundraiser for the season. It will be held on Tuesday, June 28th at the Mansion at Strathmore Hall, at 7 pm. The proposed ticket cost was \$75. Previous dinner party tickets have been \$75 or \$100 with \$250 sponsorships and \$500 patrons. There are 110 seats in the hall. Gary said he would like the ticket cost to be at least \$100. Roz Singer said that the goal is to cover costs with sponsorships in advance. The organizing committee will be holding a meeting to discuss details.

4. H Street Development Corporation

Jerry Chapman explained that Keshar Israel owns 2 lots of property on Southern Ave in Southeast Washington, across from the Southern Avenuu Cemetery. The total square footage of the properties is a little less than 5000 sq. ft. This land was originally intended to be part of the cemetery, but when DC rebuilt Southern Avenue, this parcel was broken off. It has not been useful to us. Because we have not used it for a synagogue purpose, we owe property taxes on the property, which we have not paid. The expectation was that it would be sold in a tax delinquency proceeding. Both lots were bought by third parties last year, which means that they have the right to acquire the property in a foreclosure hearing. One property will have a foreclosure hearing in August. The purchaser of the other property has not yet filed for foreclosure.

A non-profit organization, H Street Community Development Corporation, is acquiring property in this neighborhood with the intention of building affordable townhouses there. They would like to acquire our property in exchange for paying off our tax delinquency.

The assessed value for the two properties is less than \$80K. It is unclear what the market value is. In order for us to redeem the properties, we would need to pay about \$30K of back taxes, a small redemption fee, and the cost of the filing for foreclosure by the purchasers. H Street CDC has requested to pay these costs and then have us donate the property to them.

Our options are:

1. Do nothing, and the property will be acquired by the purchasers at some point. We will lose the property and not make or lose any money.
2. Agree to the H Street CDC deal, and we will donate the property, and perhaps gain a tax deduction from the charitable donation.
3. Negotiate with H Street CDC to see if they will pay us less than they would pay the purchasers for the property. In this way, we can make money, while still saving the H Street people money because they would pay less than market value for the project.
4. Find the money to redeem the property and turn it into something, with the likelihood that it will now escalate in value.

Jerry was congratulated for his hard work on this issue.

Al Altschul recommended that we empower a small group to assess options and decide on the issue. However, a board resolution may be needed to move forward.

David Epstein said that our responsibility is to maximize the money for the congregation. He suggested putting it on the market to see how much money we can get for the property.

Gary said that marketing the property will require a lot of time, which none of us have. His question was, if H Street pays more for the property, where will that money come from? Who are we taking it from? They don't make a profit on the housing. If it comes from a major donor or DC, it may not hurt them.

Leon Weiseltier said that his wife could help check out the H Street organization. Jerry said that they have contributors and also the DC government provides funds and concessions.

Gary supports option #3. He says marketing will take too much time, but this may be a windfall for us if we are able to negotiate. If they won't put up additional funding, we can default to option #2.

Leon Weiseltier said that even if they paid a bit more than the redemption value, at least they would end up paying less than market value, and that is still charitable.

Rabbi Freundel said that it was likely that the speculators bought the property because they knew development was coming to the area, and so would charge much more if the money fell into their hands. He also provided the halachic framework that we are required to help the poor of the gentiles “along with the poor of our own people.” We are a poor institution, and this happened because DC did not take us into consideration in putting the road through our cemetery. By giving them the property at less than market value, we will be helping them and addressing our own needs.

David Epstein said that we should put it on the market to maximize our return for the congregation. If needed, we should find an agent who will take 10% so that we don’t need to spend our own time.

In order to do this, we would need to find money to redeem the property. Leon said that money does not come easy to us. We have recently tapped many donors for the nursery school project.

It was agreed that we need the market value of the property to assess our situation. David Barak did a quick search on the District’s database and found that, in 1999, one comparable lot sold for \$40K. We believe that each of our two properties is worth more than that now.

Jonathan Frenkel said that we should consider the result of our actions. If we make an additional \$10K, but stop the organization from doing what it is trying to do to improve the neighborhood, will we be comfortable with having done that? Jerry said that he thought that if they didn’t get our property, they would probably build in the areas adjacent to it.

Evonne Marzouk asked whether the opportunity to simply donate the property might be worth it as a Kiddush Hashem, and whether going back to negotiate would look like we were “nickel and diming them.”

Gary and Rabbi Freundel said that giving them the property at less than market value is an opportunity to do a Kiddush Hashem.

It was agreed to get more information on H Street CDC, find out the market value of the properties, and consider option 3 for a discussion next month. It was agreed to set up a committee and to consult with Mort Press. Jerry will lead the committee. David agreed to be an advisor. Leon will ask his wife, Jennifer Bradley, to help find information on the H Street organization. Evonne volunteered to help as available.

Jerry suggested a committee telephone call later this week to discuss further.

4. Discussion regarding the Shul Refurbishment

We have received the \$417K Kadcon estimate. It does not include the kitchen, but it does include the bathrooms.

In the middle of April, Milton Gottesman passed away. He saw the proposed plan, and expressed his support for it. Gary has spoken to the family, and they are committed to carrying out the plan. We would like more to be funded for the refurbishment, and Gary will discuss this with them. This is the next step.

The contractors will need access to the shul for four months. The refurbishment cannot be done over the summer, so we are looking at after Sukkot. We will need to find an alternate space for the congregation during that time.

We have received permission in concept for “clear glass windows” from the Old Georgetown Board for changes to the windows. Next we will need to get specific permission.

Evonne Marzouk asked if lighting fixtures are part of the plan and if we can discuss energy efficient fixtures. Gary said we could discuss this.

The work will proceed in phases:

Phase 1: fixing the roof

Phase 2: improvement of bathrooms (beautification, not structural changes)

Phase 3: refurbishment itself, including windows, painting, lighting, air conditioning ducts, etc.

We are still looking for a proposal on improving the floors and electricity system, and discussions for improving the kitchen. One possibility for the kitchen improvement would involve removing the wall and creating a utility kitchen in the social hall, and making the Bayit kitchen into our main kitchen.

Shalom Baranes will provide more specific drawings for us to consider. David Barak said he would like to be involved in the drawing stages.

Natasha Rosenstock asked whether it would be possible to put a space for nursing in the ladies’ room. There is no space for this. There is a nursing room in the Bayit and we should publicize its existence.

5. Naming Policy

David Epstein expressed concern that a naming policy previously adopted by the board is not being followed. This policy required a substantial contribution above the value of the item itself in order to have a name put onto an item. (It also required consultation in regard to aesthetics if an item is to be purchased for the shul.) No numbers were agreed to, so it is difficult to enforce this policy. There needs to be an element of discretion to this.

If items need to be replaced, it should be publicized so that people have an opportunity to make a significant donation for this purpose.

Evonne Marzouk said that it was important that there be a range of prices for naming opportunities so that it is not reserved only to those with the ability to pay high prices.

Jerry Chapman said that there should be a schedule that we could follow, revisited over time, with a range of donation opportunities.

Gary asked for a volunteer to provide a schedule.

6. Mikvah

The Mikvah is now functional and has been used. We have completed our fire inspection. The plumbing inspection was done and there is one more issue to be addressed there. Our final electric inspection is in progress. Once all this is done, we will receive our certificate of occupancy.

If a woman would like to use the Mikvah, she should call Sharon Freundel.

Contributions to the Mikvah are welcome.

7. Sisterhood Report

The profit from the Shaloch Manot project was \$12K. The profit from the wine sale was \$1700. Natasha suggested that the profit from the wine sale was too little for the amount of work put in. It is also hard for the sisterhood to have two big projects at the same time. She suggested a fundraiser around Rosh Hashanah. Rabbi Freundel suggested selling printed Rosh Hashanah cards. David Barak suggested that other volunteers, not the sisterhood, could do the wine sale.

It was agreed that the Shaloch Manot was a great fundraiser and could be even better if it could be assured that doing this fulfills the mitzvah. Rabbi Freundel said this can be arranged. Natasha will look into it for next year.