

# St. James' Episcopal Church

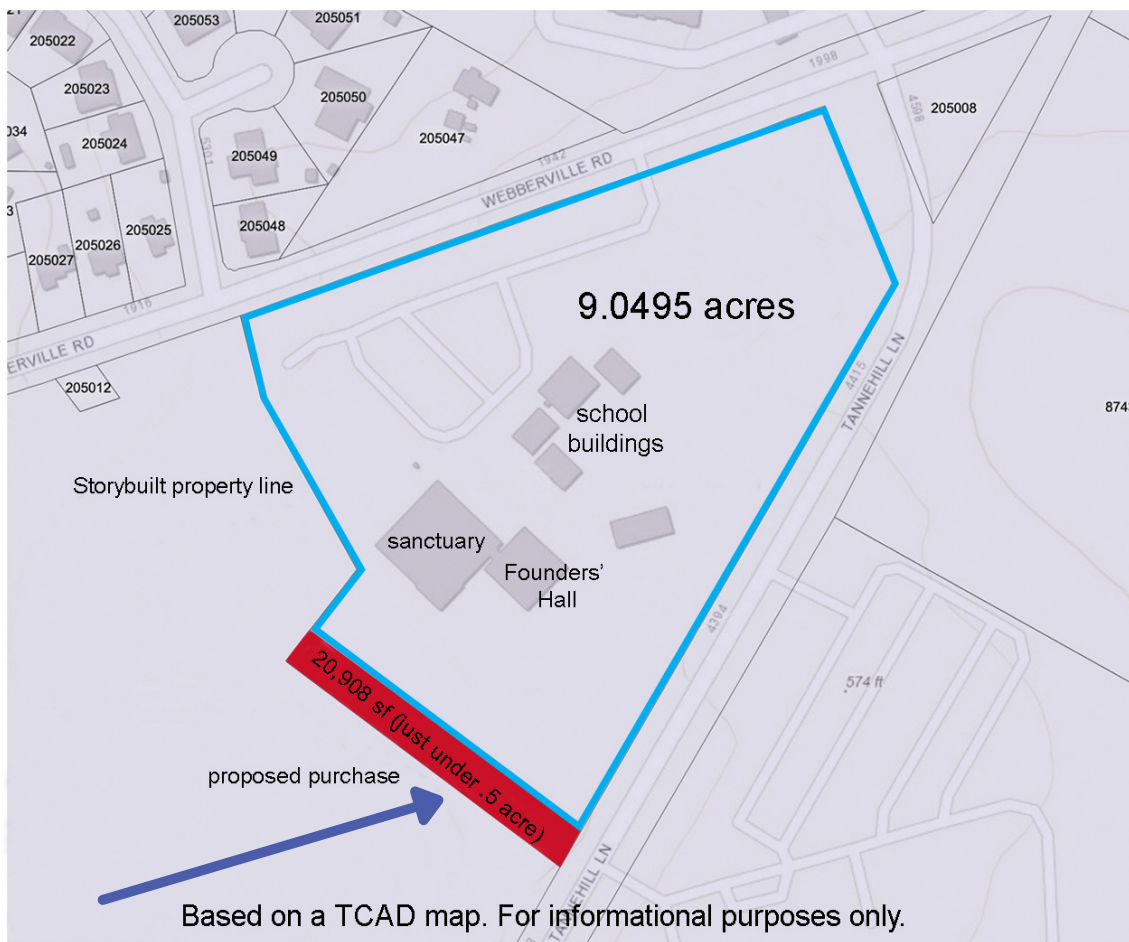


An opportunity to share  
with you

# The Opportunity

- We have an easement that runs along the south edge of our property, on top of a gas line.
- It is less than .5 acre in size.
- We can't build structures on top of it.

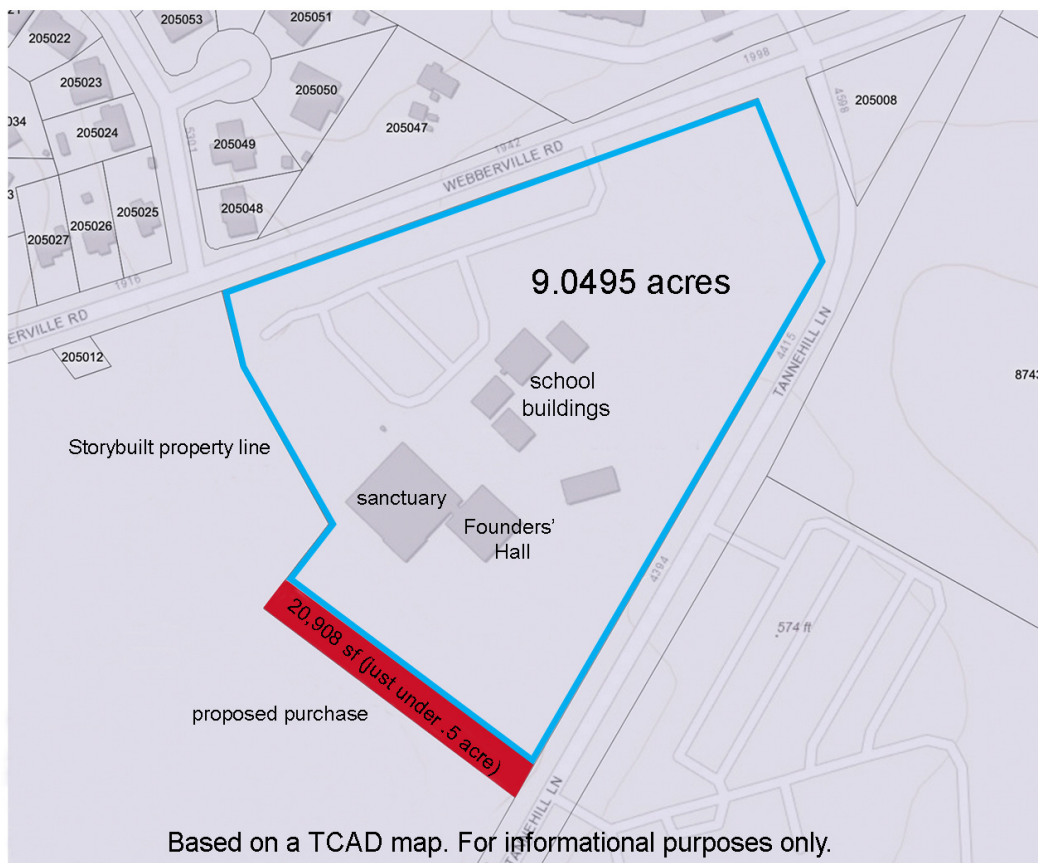
It looks like this:



- Nobody else can build on it either, EXCEPT...

# The Opportunity

- StoryBuilt, the company building homes south of us, has discerned that they could put a street over this easement parcel - if they plan for that now.
- They offered us **\$168,000** for the parcel in February. We declined.
- They offered us **\$365,000** for it in May. We declined again. However, at that time, the Vestry asked that our Land Committee determine what the best and final offer we could receive would be.
- The Land Committee navigated a process to bring a final offer to the Vestry.



- That best offer for this easement parcel has been determined: It is for **\$570,000**.
- We now are able to decide if we want to accept this offer.

# Financial Impact

Here's how **\$570,000** would impact our future finances:

- We would pay off our mortgage entirely in **2025**. We are currently scheduled to pay off our mortgage sixteen years from now— in **2037**.
- We would save \$167,499 in interest immediately.
- Between the price (\$570,000) and the combined interest savings from current and future loans (+\$300,000), we would see a nearly \$1 million impact on our finances— and become debt free.
- Our \$6,000 per month mortgage payment would go away twelve years early, and we could apply the money toward the pursuit of our mission.
- We would avoid a series of exhausting debt reduction-focused capital campaigns, and we could plan to build for mission and growth in this decade.

**Imagine the opportunities for ministry this opens up...**

# The Vestry wants to hear from you

The Vestry will not hold a vote on this until the congregation's voice is heard.

The Vestry did unanimously and enthusiastically vote to present this opportunity to the congregation, before the necessary Yes/No Vestry vote at the end of September.

You are invited to join us for any of four listening sessions:

**Wednesday, September 15, 7-8 pm:** This in-person listening session will include a presentation and the opportunity to walk the easement parcel. Childcare will be provided.

**Saturday, September 18, 1-2 pm:** This hybrid listening session will allow people to join online, and those who show up in person will have the opportunity to walk the easement parcel.

**Sunday, September 19, 12-1 pm:** This hybrid listening session will allow people to join online, and those who show up in person will have the opportunity to walk the easement parcel.

**Sunday, September 19, 2:15-3:15 pm:** This hybrid listening session will be presented in Spanish for our Spanish-speaking community.

Each listening session will include a presentation from Vestry and land committee members and plenty of time to ask questions and offer feedback for the Vestry's consideration.

## Other notes:

- The Land Committee has compiled a FAQ (Frequently Asked Questions) list that addresses many of the essential questions the Vestry has raised throughout the process.
- The Vestry and Land Committee is a broad representation of St. James' past and present leadership, and is extremely sensitive to the implications of any decision.
- We paid \$430,000 for 21 acres in 2007 (\$20k per acre). The offer for this half-acre easement parcel alone is \$570,000 (\$1.14M per acre).
- We are proud to continue to hold 9 acres of valuable land for our future St. James' campus use.

► Reminder: This is a narrow easement parcel that we cannot build on, and that cannot be used for most purposes, except (for example) putting a street over it. It would not have future value on the market to other parties, including the company currently inquiring about it.

## Vestry/Land Committee Members

### **Vestry:**

Rudy Green, Senior Warden  
Teresa Chang, Junior Warden  
Alondra Johnson, Finance Chair  
Craig Watkins, Mission & Ministry Chair  
Dulce Aguilar-Garcia  
Micah Barber  
Jim Crosby  
Simone Talma Flowers  
Susan Gezana  
Martin Jolivet  
De Sellers  
Suzy Stege, Clerk

### **Land Committee:**

Rudy Green, Senior Warden  
Teresa Chang, Junior Warden  
Aimee Estep, Parish Administrator  
Riley Carruthers  
Scott Madison  
The Rev. Eileen O'Brien, Rector  
Advised by Will Clark, Treasurer

# Frequently Asked Questions

- 1. Why are we considering this sale? The last time we sold land, we were told that we would not be selling any more.** We were not looking to sell any more land, but when StoryBuilt approached us, we had an obligation as stewards to consider. For us, this is a question of stewardship. We are considering this offer because the sale of this small piece of land, with its very limited utility for us, would eliminate a large portion of our debt, creating a nearer future of new possibilities as we seek to live into our mission. St. James', its on-campus partners, and Welcome Table are all bursting at the seams, yearning for additional space to carry out their ministries in the East Austin community. By dramatically reducing our debt, we can imagine taking action to build for the future in THIS decade, without the exhausting work of successive debt retirement campaigns.
- 2. St. James' financial health is good, so why would we consider selling this land if we don't need the money?** We're doing well on operating funds; however, we don't have the funds to pay off our debt in the near future. The money from the sale would enable us to pay off a substantial portion of our debt.
- 3. What will we do with the money?** Pay down our debt.
- 4. Why do we need to pay down our debt?** As long as we carry substantial debt, we can't hold a capital campaign to get the funds to build on our campus. The size of our current campus limits the growth of our congregation and ministries.
- 5. If we don't sell the land, how long will it take to pay off our debt?** In 2027, we will have a payment of \$580,000 that will be refinanced into, most likely, a ten-year loan. This would mean we would be making loan payments through 2037.
- 6. Are we planning to sell more land in the future?** There are no plans to sell more land, and, once we are out of debt, we won't have any incentive to sell.
- 7. Are we being pressured by the Bishop or the Diocese to sell?** No.
- 8. What could we do with the land if we kept it?** It's a gas easement, so its use is restricted to a street, parking, or drainage. It is not located in an area where we would want to build a street or parking, so it would remain green space.
- 9. What is an easement?** An easement is an area that another party, in this case Texas Gas Service, has a right to access. Texas Gas Service requires access to maintain gas lines.
- 10. Why is the land valuable to StoryBuilt?** It allows them to build two additional houses on the space that would otherwise be taken up by a street.
- 11. What will the developers do with the land?** They plan to build a street so their community can be accessed from Tannehill. They cannot build structures on the land because it's a gas easement.
- 12. How much closer would the development be to the church?** 50 feet at most.

# Frequently Asked Questions

13. **Will we be able to see the road from the sanctuary? No. From Founders Hall?** From the west side. Also, StoryBuilt will build/plant green-screening between us and the road.

14. **Will selling the land bring more noise closer to the church?** There may be some traffic noise from the street, but it should not be significant.

15. **Will we have enough room left to build?** Yes. We will still have a total of 9.0495 acres. We could construct impervious cover (buildings and paved areas) on 117,338.659 sf.

16. **Are there others interested in this land?** Because of its location, and because it's an easement, it is only valuable to St. James' or Storybuilt. No one else could possibly do anything of value with it.

17. **Why don't we hold the land and sell it later?** Storybuilt's plans depend on whether or not they have the land. If we don't sell now, they will base their plans on the land remaining part of St. James'. We will not have another opportunity to sell.

18. **Why doesn't the congregation get to vote on this?** As the governing body of the church, it is the function of the Vestry to make decisions in the best interest of St. James'. The Vestry will make a final decision after listening to you.

19. **If we make a lot of money off the land, do we still need to make an annual pledge?** Yes, your pledge is needed to pay for annual operating costs.

St. James' annual budget is a bit over \$800,000, and it provides for things that are necessary for St. James' to fulfill its mission (salaries, outreach and ministry expenses, maintenance, mortgage, etc.). The money from the sale means that when we eventually do a capital campaign, it will not be for debt reduction, but for something far more exciting.

