

SYNOD OF SOUTHERN CALIFORNIA AND HAWAII  
**COMMISSION OF ASSEMBLY**  
**Regular Meeting**  
 Audio-Visual Conference via Zoom.com  
**Saturday, December 12, 2020**

CONVENE	The meeting was called to order at 9:30 a.m. by Commission of Assembly Chair Joshua Yee.		
ROLL	Those present, absent (A), excused (E) and those attending via the internet or telephone (T) are indicated below:		
	LR-Los Ranchos, PA-Pacific, RS-Riverside, SB-Santa Barbara, SD-San Diego, SF-San Fernando, SG-San Gabriel; TE- Teaching Elder, RE-Ruling Elder; SMOD-Synod Moderator, SVMOD-Synod Vice Moderator, CoAC-CoA Chair/President, SC/SE-Stated Clerk/Synod Executive		
	<u>Synod Officers</u>		<u>Presbytery Executives/Designees</u>
	T	TE Joshua Yee – CoAC – PA	T RE Sandy Thoits – SB *
	T	RE Pat Niles – SMOD – LR	T TE Juan Sarmiento – SF
	T	TE Suzanne Malloy – SVMOD – SB	T TE Michael Mudgett – SD
	T	TE Mark Hong – SC/SE – LR	T TE Linda Culbertson – PA
	T	RE Bill Hughes – Treasurer – SB	T TE Lee Ireland – RS
			T TE Wendy Tajima – SG +
	<u>Commissioner Members</u>		T TE Forrest Claassen – LR
	T	RE Sue Currie – LR	
	T	RE Frances Lin – SD	<u>Ecclesiastical Chairs</u>
	E	TE N'Yisrela Watts-Afriyie – SG	T RE Martha Kadue – PA (P&R)
	T	RE Melodee Kistner - RS	TE Wendy Tajima – SG + (CoRN)
			TE David Won – PA + (CoRN)
	<u>Diversity Members</u>		
	T	RE Yvonne Harmon – SG	<u>Also Present</u>
	E	RE Hagar Benitez – LR	T RE Fried Wilson – Synod Staff
	T	TE David Won – PA +	T Joanne Yi-Bortfeld – Synod Staff
			T TE Paula Mann – Synod Staff
	<u>Guests</u>		* designee
	T	RE James Rea (PA)	+ serving in dual capacities
Opening Prayer	TE Joshua Yee opened the meeting with prayer		
REPORT OF THE STATED CLERK	<b><u>Quorum</u></b>  The Stated Clerk reported that a quorum was present, and the Chair declared that a quorum was present: a quorum being that 10 of the 19 members are present, 5 presbyteries are represented, and there are four ruling elders and four teaching elders present.		

	<p><b><u>Agenda</u></b></p> <p>He reported that the primary item of business for this meeting is to review a proposed sale agreement submitted by Presbytery of the Pacific for the manse of University Presbyterian Church at 907 Malcolm Avenue, Los Angeles, CA. The property was originally owned by the Synod and subsequently transferred to the Presbytery in the 1990s with a reversion clause and a lien for repayment of funds that the Synod had provided for necessary earthquake repairs and upgrading.</p> <p><b><u>Approval of the Minutes</u></b></p> <p>It was VOTED approve the Commission of Assembly meeting minutes of October 10, 2020 as revised on December 9 with minor corrections.</p>
HISTORY OF THE 907 MALCOLM STREET PROPERTY AND PROPOSED SALE	<p>RE Martha Kadue presented the proposed sale agreement on behalf of Presbytery of the Pacific and its Board of Trustees.</p> <p>Along with TE Linda Culbertson, they presented a brief history of the Synod's original college ministry programs at both UCLA and USC. These and other college ministries within the bounds of the Synod had originally been staffed and overseen by the Synod. Over the years the Synod turned these ministries over to the presbyteries. Presbytery of the Pacific turned the responsibilities over to the local churches.</p> <p>In the case of UCLA, this has been University Presbyterian Church (UPC) whose vision is " <i>to share the gospel to the university community at UCLA so people come to know Christ and be transformed to be followers of Him.</i>"</p> <p>Details on why UPC believes this sale would be in its best interest and how those funds would be used to support its mission to the UCLA community and to the broader community, can be found in the Ministry Plan and Sale Proposal for the Manse at 907 Malcolm Avenue which is included as Attachment 1.</p> <p>This document had already been reviewed and approved by the Administrative Commission for this congregation and by the Presbytery of the Pacific.</p>
DISTRIBUTION AGREEMENT	<p>The Distribution Agreement prepared by the Trustees of the Presbytery of the Pacific is included as Attachment 2 as well as the grant deed. This shows the reversionary clauses and a lien of \$22,750 that was placed upon the property as "reimbursement for rehabilitation for earthquake damage performed by the Synod in 1994." RE James Rea, a member of that commission, and General</p>

	<p>Presbyter Linda Culbertson spoke more about the church and the support for this proposal throughout the presbytery.</p> <p>Note: A review of the Synod's book showed a receivable related to this property of \$17,109.45. Consequently, this latter amount is the one which has been included in the Distribution Agreement.</p>
	<p>A motion was made and seconded to approve the Distribution Agreement as presented in Attachment 2. The members of Presbytery of the Pacific were excused.</p>
	<p>In the absence of CoA Chair TE Yee, RE Pat Niles assumed the chair. Following a brief discussion, it was VOTED to approve the Distribution Agreement and to empower Stated Clerk TE Mark Hong to sign the document.</p> <p>TE Yee then re-assumed the chair.</p>
CONVERSATION ABOUT ZEPHYR POINT CONFERENCE CENTER	<p>At prior meetings, TE Mark Hong has reported on the financial challenges facing this conference center due to the COVID-19 pandemic, as well as the staffing changes that have been made. The board's effort to manage the current situation at Zephyr Point continues. At the October CoA meeting, Mark reported that a recent board meeting held on September 27-29, it was voted to create a Special Task Force (2 Synod Execs and 3 others) to study the financial outlook as well as reviewing its article to clarify the Synods' ownership of Zephyr Point.</p> <p>The Synod shares the management of the center with the Synod of the Pacific with 1/3 of the membership from our Synod and 2/3 from Synod of the Pacific. There has been a question asked for many years about what should be our Synod's involvement with this Facility given that it is about 500 miles away from Los Angeles and a study shows that only 7% of the users are from Southern California.</p>
	<p>After some discussion, the CoA members believed it was a good time to reconsider our Synod's relationship with Zephyr Point especially since the ZP task force mentioned above will be reporting to the ZP Board.</p> <p>A motion was made and seconded to create a task force for Zephyr Point with members appointed by the Chair of CoA in consultation with the Synod Executive/Stated Clerk.</p> <p>After further discussion, an amendment was made and seconded to set the size of task force at 3-7 members, not limited to CoA members, with the charge to help inform the Synod of Southern California and Hawaii Zephyr Point board members and to make a recommendation as to our continued involvement with Zephyr Point.</p>

	<p>It was VOTED to approve the amendment and it was then VOTED to approve the amended motion as follows.</p> <p>To create a task force for Zephyr Point of 3-7 members, not limited to CoA members, with the charge to help inform the Synod of Southern California and Hawaii Zephyr Point board members and to make a recommendation as to our continued involvement with Zephyr Point. Member to be appointed by Moderator of CoA in consultation with the Synod Executive/Stated Clerk.</p>
FAREWELLS	Farewells were said to TE Michael Mudgett and RE Fried Wilson who will be retiring from their positions at the end of this year and to TE Joshua Yee and REs Martha Kadue, Bill Hughes and Hagar Benitez who will be rotating of the Commission at the end of this year.
ADJOURNMENT	As there was no new business, RE Joshua Yee closed the meeting with prayer. The meeting was adjourned at 10:35 a.m.

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Mark Hong, Stated Clerk

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Fried R. Wilson, Journal Clerk

**ATTACHMENT 1**

**MINISTRY PLAN AND SALE PROPOSAL  
FOR THE MANSE AT 907 MALCOLM AVENUE**

**University Presbyterian Church**  
*Bringing People In, Building People Up, Furthering the Kingdom of God*

**A Ministry Plan & Sale Proposal**

**Partnering Together**

University Presbyterian Church ("UPC") seeks the partnership of the Presbytery of the Pacific and asks for the Presbytery's approval in the sale of the manse as a way to wisely steward its resources and enable the ministry to flourish at UCLA.

**Our Vision**

Since 1929, University Presbyterian Church has continued the Presbyterian mission to bring the gospel to UCLA by building connections with and reaching out to the university community. By His grace, countless people have come to know Christ and been transformed to be His followers.

**Our Need**

In the last three years, UPC has been forced to change its location which has profoundly affected its ability to carry out its vision. Originally, UPC met at the University Religious Conference building, located at 900 Hilgard Avenue. The building housed UPC's offices at reduced rental rates and provided a place for its congregation to meet for services, Bible studies and events. The manse at 907 Malcolm Avenue was located behind the URC building and was a place for hospitality and fellowship - these two buildings went hand in hand in how UPC carried out its ministry. Unfortunately, the University Religious Conference building was sold in Spring 2016, and UPC was asked to move out.

**Consequences for Our Ministry**

*1. Varying Locations Creates Instability*

Once UPC moved out of the University Religious Conference building, it became a mobile church. In 2017 alone, UPC held Sunday services at twelve different locations. Fortunately, in 2018, UPC was able to come to an agreement with the Nora Sterry Elementary School, and now consistently holds Sunday services in Nora Sterry's auditorium. Nonetheless, UPC still does not have a central location for staff meetings and fellowship events, and is limited in space. Bible studies and meetings are currently held at our Ministry Center (offices at 921 Westwood Blvd.), the UCLA campus, Westwood Presbyterian Church and various other locations. We have found that the lack of a central location has made it difficult to build consistency and community, dramatically stunting UPC's ability to grow.

*2. Negative Financial Impact*

The location costs and related needs have increased UPC's expenses five-fold. Additionally, the lack of a central location led to long-term members and families leaving in droves and caused a significantly negative impact on UPC's income.

*3. Strain on Volunteers*

Substantial manpower is needed to set up, break down and clean for our weekly Sunday services. This has put a growing strain on our staff and volunteers.

**Our Plan**

Historically, when UPC had a stable location, its congregation grew. Currently, although UPC has managed to raise funds to help pay for its increased operating expenses, the church needs a more stable location to enable long-term growth. As such, UPC requires additional funds to obtain a long-term lease and expand its spaces. Stabilizing UPC's location will help establish two groups of people within the church, ultimately ensuring the church's ability to thrive and continue its outreach mission: (1) families, alumni and others who intend to stay and grow with UPC long-term, and (2) students whom UPC nurtures, disciples and sends out.

*Using Proceeds from Sale of the Manse to Create Stability*

Due to the location changes, UPC has found that that manse is no longer a hub for church members to gather for hospitality. UPC proposes to sell the manse at 907 Malcolm Avenue and use the proceeds to effectively minister to UCLA in the following three ways:

*1. Secure a long-term lease for ten years*

- We propose that a third of the proceeds be used to subsidize leasing and tenant improvement costs in order to stabilize and expand UPC's location; a lack of financial resources has prevented UPC from securing a long-term lease.

*2. Manse*

- We propose another third of the net proceeds be dedicated to securing another manse for the senior pastor.

*3. Endowment fund*

- We propose that the last third of the proceeds be dedicated to an endowment fund for UPC. This fund would be jointly managed by UPC and the Administration Committee.

To the Synod of Southern California and Hawaii:

On December 3, 2020, the Board of Trustees of the Presbytery of the Pacific voted to request that the Synod of Southern California and Hawaii agree to the following Distribution Agreement regarding the manse of University Presbyterian Church at 907 Malcolm Avenue, Los Angeles, CA:

#### DISTRIBUTION AGREEMENT

This Distribution Agreement (“Agreement”), is made and effective as of December \_\_, 2020, by and among Synod of Southern California and Hawaii, a California corporation (“SOSCH”), Presbytery of the Pacific, a California corporation (“POP”), and University Presbyterian Church, a California corporation (“UPC”), with respect to the following facts:

- A. Originally SOSCH owned the real property and improvements commonly known as 907 Malcolm Avenue, Los Angeles, California 90024 (“Property”). The legal description of the Property is: Lot 2 in Block 12 of Tract 9070, in the City of Los Angeles, County of Los Angeles, State of California, as per map recorded in Book 121, Pages 42 to 46 inclusive of Maps in the office of the County Recorder of Los Angeles County. The assessor’s parcel number for the Property is 4360-006-002.
- B. SOSCH executed a grant deed, dated August 11, 1997, and recorded on October 17, 1997, as instrument number 971630900 (“1997 Grant Deed”), which conveyed ownership of the Property to POP. Exhibit B to the 1997 Grant Deed provides for the Property to revert back to SOSCH if POP sells the Property unless certain “Curative Payments” are made (“1997 Reversionary Interest”).
- C. POP executed a grant deed, dated August 9, 2011, and recorded on August 19, 2011, as instrument number 20111122667 (“2011 Grant Deed”), which conveyed ownership of the Property to UPC. The 2011 Grant Deed contains the language of the 1997 Reversionary Interest as well as other restrictions on the use of the Property as well as other reversionary interests if the Property is sold (“2011 Reversionary Interest”).
- D. UPC is currently in escrow to sell the Property.

The parties now agree as follows:

- 1. The 2011 Grant Deed was consented to by the appropriate parties and did not result in the 1997 Reversionary Interest being triggered.
- 2. The parties acknowledge and agree that SOSCH and POP have taken all action necessary so that all funds from the sale of the Property shall belong to UPC, including, but not limited to the following actions: (i) the 1997 Reversionary Interest is null and void, and (ii) the 2011 Reversionary Interest is null and void.

3. If any further action is necessary to allow UPC to sell the Property and retain all funds from such sale of the Property, the parties agree to take such actions as are necessary to allow for such sale of the Property and for UPC to retain all funds from such sale of the Property.
4. SOSCH and POP both do hereby release UPC and their officers and directors, from any liability related to the sale of the Property and the funds of such transaction being retained by UPC and solely belonging to UPC.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date provided above.

“SOSCH”:

Synod of Southern California and Hawaii, a California corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

“POP”:

Presbytery of the Pacific, a California corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

“UPC”:

University Presbyterian Church, a California corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

**BACKGROUND:**

1. The manse at 907 Malcolm provided a home for the UCLA Presbyterian campus ministry for decades, since the 1930s.
2. The property was initially purchased by the Women of First Presbyterian Church of Santa Monica.
3. When the campus chaplaincy program was disbanded, the property ended up in the name of the Synod. The Presbyterian ministry to UCLA continued without interruption and since 1991 it has been housed in University Presbyterian Church, a member church of Pacific Presbytery.
4. At the time of the Northridge earthquake, a loan was obtained from the Small Business Administration to repair the chimney. Since the property was held in the name of the Synod, the loan was obtained through the Synod. The Synod currently has a receivable on its books related to this loan in the amount of \$17,109.45. At the closing of the sale of the property, University Presbyterian Church will repay this balance to the Synod of Southern California and Hawaii.



5. In 1997 the Synod transferred the property to Pacific Presbytery with an unusual reversion clause (Exhibit B, attached). In 2011 Pacific Presbytery transferred the property to University Presbyterian Church, subject to the Exhibit B reversion clause.
6. The Presbyterian ministry at UCLA utilized the 907 Malcolm property and rented office, meeting, and worship space at the nearby University Religious Conference building at 900 Hilgard for many years. In the spring 2016, the URC building was sold and University Presbyterian Church was forced to hold meetings and worship services in a variety of locations. The lack of consistent cohesive locations has limited the church's ability to minister to students and other members, and to grow its ministry.
7. The University Presbyterian Church worked with Pacific Presbytery's Administration Committee to develop a long term plan for stabilization and growth. Its largest asset, the 907 Malcolm property, was less useful without nearby space for other church activities. If the Malcolm property were sold, the proceeds could be used for a (i) smaller manse, (ii) a long-term lease or purchase of property for church worship/meeting/office space, and (iii) an endowment fund jointly managed by the Presbytery's Administration Committee to continue to support church growth. This plan for selling the 907 Malcolm property and the use of the proceeds was approved by the Administration Committee on February 6, 2020 and by the Presbytery of the Pacific on February 22, 2020.
8. On December 3, 2020, the Board of Trustees of Presbytery of the Pacific agreed to the Distribution Agreement regarding the University Presbyterian Church manse at 907 Malcolm Avenue, Los Angeles, CA.

## **ATTACHMENT 2**

### **DISTRIBUTION AGREEMENT**

## EXHIBIT B

IN THE EVENT that the PRESBYTERY OF THE PACIFIC or its successors in interest ("PACIFIC PRESBYTERY") shall sell the Property then title to the Property shall automatically vest in the SYNOD OF SOUTHERN CALIFORNIA AND HAWAII, a California corporation or its successors in interest (the "SYNOD"), and the SYNOD shall have the right of possession. Notwithstanding the previous sentence such automatic vesting in the SYNOD shall not occur if the PACIFIC PRESBYTERY shall perform both of the following acts (collectively, the "Curative Payments"):

- (a) Pay to the Synod \$22,750 as reimbursement for rehabilitation for earthquake damage performed by the SYNOD upon the property in 1994; and
- (b) Place into a permanent endowment in a form approved by the Synod for the exclusive purpose of supporting campus ministry services on behalf of the Presbyterian Church (U.S.A.), A Corporation, or its successors in interest (the "National Church") or other similar uses approved by the Synod an amount equal to all net proceeds from such sale, with such net proceeds calculated as the gross sales price of the Property less the sum of the payment described in subparagraph (a) and all other normal seller closing costs of the sale (such as escrow fees, title charges, broker fees, and other customary closing expenses).

The event of sale of the Property shall be deemed conclusively to have occurred and the Curative Payments shall be deemed conclusively not to have occurred by a declaration to those effects in writing signed by the National Church, approved by the SYNOD, and recorded in the official records of Los Angeles County, California.