

**Loan and Grant Committee
Report to the 235th Annual Diocesan Convention**

In 2018 the Loan & Grant Committee held three meetings on the sites of applicants (in Lakewood, Atlantic City and Woodbridge) and endorsed, and Diocesan Council approved, two loans and four grants. Loans were approved for St. Augustine's Church, Atlantic City for repairs to its church and to St. James Church, Long Branch for upgrades to its kitchen (which serves a substantial feeding program). Grants were approved for repairs to All Saints Church, Lakewood, St. James, Long Branch, and Trinity Church, Woodbridge, (all Mission churches) and to the Diocese itself for work on the grounds of The Episcopal Residence in Trenton. All have been drawn down and the work done or in progress except for the work on the grounds of The Episcopal Residence, which has not yet been drawn down. All are detailed below. Financial details of the Loan and Grant Funds are in the Financial Reports to Convention.

The Loan & Grant Committee and (subsequently) the Board of Missions each endorsed a grant of \$25,000 from the Capital & Revolving Fund and a 4 year loan split between the R. Bowden Shepherd Fund and the Capital & Revolving Fund (and so carrying a blended rate of about 2.6% interest) to St. James Church, Long Branch, for kitchen repairs and upgrades. The Committee endorsed a grant of \$17,800 from the Capital & Revolving Fund for drainage work, repairs and improvements to the outside and grounds of The Episcopal Residence in Trenton. All proposals were approved by Diocesan Council on March 20, 2018.

The Committee and (subsequently) the Board of Missions each endorsed a grant of \$11,600 from the R. Bowden Shepherd Fund to All Saints' Church, Lakewood for siding and exterior painting. Diocesan Council approved this at its May meeting. The Committee endorsed a loan of \$30,000 from the Venture in Mission Fund for 10 years at 4% interest to St. Augustine's Church, Atlantic City, for roof and structural repairs. The Committee, at Council's request, also reviewed and then endorsed a grant of \$30,000 to St. Augustine's from the Mission Renewal Fund (which is not one of the Loan & Grant Funds.) Both proposals were approved by Council at its September 18 meeting. The Committee wants to express its admiration to the leaders of St. Augustine's for their hard work in raising money internally to fund additional repairs to the church and to the rectory by fund-raising, greatly reducing the size of the loan needed.

The Committee and (subsequently) the Board of Missions endorsed a grant of \$25,000 from the Capital & Revolving Fund to Trinity Church, Woodbridge for HVAC and lighting replacement/upgrades, four new insulated steel doors to the outside and improvements to complete handicap accessibility to its Outreach building. Council approved the grant at its December 11 meeting. Trinity Church participated in the State's ***NJ Direct Install Program***, which meant that the State is paying over 2/3 of the costs of the energy-saving upgrades, which will save the church over \$4,000 a year in utility costs. *The Committee encourages all churches looking to replace older HVAC systems and lighting to look into this excellent program.*

Committee congratulates Christ Church, Shrewsbury, St. Stephen's Church, Mullica Hill, and St. Francis, Dunellen for paying off their loans in full and on time in 2018. Church of the Holy Spirit, Tuckerton and St. Peter's Igbo Church, Hamilton in 2018 each paid off part of their loans, in each case ahead of schedule.

The Committee seeks collectively, as part of our individual Baptismal Covenants, "to respect the dignity of every human being" and "to strive for justice and peace among all people," in partnership with local churches or chaplaincies as well as our diocesan staff and other diocesan bodies, to make church buildings more ***safe, sound and sustainable*** and, if possible, ***suitable***. The vast majority of church-owned buildings in our diocese were not

built or bought by the current generations which worship, serve or live in them, but have been inherited from previous generations of Episcopalians. As a result, there is often substantial deferred maintenance to be done.

The Committee has sponsored initiatives, approved by Council, to have all of the buildings to which title is held by the Trustees of Church Properties of our Diocese (all of the Mission churches, and buildings used by the Diocese itself and its bishop and staff) professionally inspected. In response to the Committee's concern, Diocesan Council also approved a resolution on December 16, 2003 for all churches in transition between longer-term clergy to have professional property inspections, a resolution which has been enforced unevenly over the years. Both inspection efforts aim to avoid having a church (or diocesan staff) "blindsided" by unexpected serious problems which could pose hazards to those who serve (or live) in the buildings and, if not anticipated and repairs planned for, seriously damage mission and ministry.

We have found that, generally speaking, *the worst buildings in our diocese are **rectories*** and other buildings in which clergy are expected to live. Asbestos, lead paint, radon, 100 year old wiring, cracked foundations, scorched base plugs, obsolete boilers or furnaces and other dangers are examples of issues revealed in inspections and which our loans and grants have helped to correct. *I urge all churches to have their buildings inspected if they have not been in the last 10 years. **What you don't know can hurt you.***

Loan and [capital] grant application forms are sent by hard copy to all churches each November and are available on the diocesan website or by calling the Diocesan Finance Office. Churches are encouraged to contact the Committee or the Finance Office *early* in your process of discernment of your property needs, even before applying for a grant (available to Mission churches) or a loan. The Diocesan Stewardship and Church Architecture Committees can also be helpful.

The Loan and Grant Committee is governed by Canons 20 and 21 of the Diocese of New Jersey. We have responsibility under Diocesan Council (which serves as the Board of Trustees of the loan and grant funds) for the Venture in Mission Loan Fund, the R. Bowden Shepherd Fund and the Capital and Revolving Fund, each of which has its own criteria, loan rates and (in the latter two cases) availability for grants for capital projects. Capital grants to Mission churches must be endorsed by the Board of Missions after it reviews each Mission's current stewardship and evangelism activities. Both this Committee and the Board want to help empower those who are already working hard for the Gospel of Jesus Christ and not to encourage passive dependence.

During the year, long-time Committee member Ms. Carole Forsythe moved out of state and therefore resigned from the Committee. The Committee expresses its deep appreciation for her years of service and of those members who are retiring. As of Convention, three additional members are retiring from it: Deacon Jack Hain, Mr. John Holt (who has served for 20 years), and me.

I have been Chair of this Committee for 20 years (and a member for a short time before that), during which time we have served our sisters and brothers in Christ in this diocese with loans or grants to 54 congregations, in addition to mini-grants for professional inspections to all Missions, college chaplaincy buildings, Diocesan House and the back building as well. During that time we have steadily improved the system of mutual accountability, transparency, coaching and generosity between diocesan bodies and congregations. I give thanks to God for the dozens of Committee members, Board of Missions and Council members and diocesan staff members and the hundreds of priests, deacons and lay members of churches from every Convocation and the full length and breadth of our diocese with whom I have served over these years. It has been an honor, and we have done much together. More awaits, under new and very capable leadership.

Respectfully submitted,
(The Rev. Dr.) Francis A. Hubbard, D.Min., Chair