

**San Francisco Zen Center
Board of Directors Meeting Minutes
February 20, 2019
Greens Restaurant**

Present: Helen Degenhardt (chair), George Kellar, Joe Rodriguez, Greg McClune, Ed Sattizahn, Margie O'Driscoll, Marcelo Marer, Dan Zigmond, Jeremy Levie, Julia Ten Eyck, Linda Galijan, Linda Cutts, Fu Schroeder, Maitri Goonewardena, Eli Brown-Stevenson, Ivan Gallo, Kathy Hyland, Brian Marshall, Carla Walter, Diego Miglioli

Absent: Jody Greene, Piper Murakami, Emily Hildore

Agenda

Sitting & chant/service

Welcome new board members

Approval of Minutes of Nov. 2018 Board mtg.

Abbots' Reports

Governance Report

Finance, first draft of 2020 budget

ZISL presentation

President's report

Vice president's report

Welcome new board members & a few thoughts by the new chair

Helen introduced herself as the new board chair and gave an overview of the meeting schedule for the year. She mentioned that there are three meetings scheduled to be in the Sangha Room at City Center that would be available to attend remotely. She is hoping to cancel the September meeting, but it is on the books for now.

She outlined five major organizational goals, which are as follows:

- DEIA (Diversity, Equity, Inclusivity, and Accessibility)
- Curriculum/Training
- Enhancing Development Efforts
- Succession Planning
- More coherent and organized overall organizational structure

She also mentioned that this would be the last meeting for Central Abbess Linda Cutts and expressed appreciation for her service.

Approval of Minutes of Nov. 2018 Board mtg.

Joe made a motion to approve the minutes, which Margie seconded. The minutes were approved unanimously as written with four abstentions.

Abbots' Reports

Central Abbess Linda Cutts, in addition to the written report she submitted, which commented on her years of service as Abbess and the preparations for the Mountain Seat Ceremony, she offered her thanks to the board members for all of their work and wisdom and expressed the great trust and appreciation she has for everyone serving on the board.

Abbess Fu Schroeder reported on the departures from ZMC PP of students due to SFZC's loss of school status. In addition three students needed to leave for other reasons. With more careful screening this may have been avoided. She participated in the January Intensive and is now teaching the Spring PP. She also reported that she will be doing Dharma Transmission with Reirin Gumbel, which will make the Milwaukee Zen Center an affiliate of SFZC.

She and Dr. Grace Dammann have been invited to be the Keynote speakers at a gathering of about 7,000 occupational therapists in New Orleans in April that will be accompanied by a screening of the film *States of Grace*.

City Center Abiding Abbot Ed Sattizahn reported on the current PP being led by Paul Haller. He mentioned the three major upcoming ceremonies at City Center: Eijun Linda Cutts' Stepping Down Ceremony on Friday, 3/1, Ed's own stepping over ceremony on Saturday, 3/2, which will take place after Hoitsu Roshi's Dharma Talk, and David Zimmerman's Mountain Seat Ceremony on Sunday, 3/3. He also reported that Lion's Roar will be doing an article on David's Mountain Seat Ceremony and the generational change in leadership. Ed shared that his work also includes attending to finances and working on the capital campaign. In response to a question, there was some discussion about online participation in the practice period.

Governance Report

Joe presented a power point presentation on the function and composition of the board, and the results of the board self-evaluation survey. The board is currently at full strength with 23 members and has made progress diversifying its composition over the last few years. To summarize the results of the survey, the board feels that it is sustaining and carrying out our Soto Zen lineage and that it is accomplishing many of the board's strategic goals, including and especially:

- Creating greater financial discipline and sustainability
- Increasing the diversity of the board
- Advancing major projects: ZISL, Capital Campaign for City Center

Generally, board members like their board service and experience and as Suzuki-Roshi said, "there is always room for improvement," especially:

- Continued focus on policy matters, strategic performance, and sustainability
- Taking development to the next level
- Improving board and SFZC communications

Greg McClune presented a draft document articulating the expectations of being an SFZC board member, so that board members would have a clearer idea of what would be expected from them.

Finance, first draft of 2020 budget

Helen gave a short overview of the budget approval process. The third draft budget will be presented in April for final approval.

George gave a presentation on the current finances. For the current budget year, at this time income is above budget and the expenses are at budget, so overall SFZC is ahead of budget. George expressed his appreciation to SFZC leadership and staff for this. George also encouraged the board to help with all Development efforts and to eat at Revelry and at Greens, as a way to support SFZC's income streams.

George also presented the first draft of the FY'20 budget, which shows a significant decrease in negative total budget net. This is due to a reduction in personnel and general and administrative expenses and an increase in development revenue. Questions and conversation followed with the board about potential additional revenue sources for SFZC. Zen Inspired Senior Living (ZISL) is SFZC's best opportunity for a significant new revenue stream.

Zen Inspired Senior Living (ZISL)

Susan O'Connell made a presentation on the Zen Inspired Senior Living Project. The potential projected revenue from ZISL will come to SFZC and is a potentially significant source of revenue for SFZC. Susan offered some background on ZISL. When SFZC established a retirement policy, it promised "room and board" for life to seniors retiring in the community, but there was and probably still is not sufficient housing at SFZC to house all of the potential retirees and to continue to staff SFZC at the levels required for current activities.

Susan gave an update on the project, noting that there has been progress, but also some delays, which are within the normal range for a project like this. The project is currently running a few months behind schedule. She gave an overview of the corporate structure for Kendall at Sonoma (also known as Enso Village) and reviewed the membership of the Kendall at Sonoma Board

She reviewed the recent history of the project including selecting Kendall/Greenbrier as partners, finding a site for the project, making an agreement for seed capital for the project, and signing a pre-affiliation agreement with Kendall.

Susan reviewed the current activities with regard to financing, which include hiring a construction estimator (Weitz) and working on construction estimates and value engineering. She reviewed the current activities with respect to the design, which is being fine tuned, and that include meeting with the Kendall Operations team regarding health care innovation, parking and dining, as well as conducting a sustainability charrette. Work is being done on an emergency preparedness plan and a schematic design for the project will begin in February 2019.

Susan also described other current activities with regard to the Land Use Permit or "entitlement" process. She mentioned that the team of Kendall/Greenbrier/Comstock/ZISL is collaborating well, that the Environmental Impact Report (EIR) comment period is over, and that the North Area Entry Plan and EIR will go to City Council for approval in May. She also mentioned that Comstock will submit the Conditional Use Permit (CUP) application at the end of February. There will be a planning commission hearing on the CUP at the end of July.

Susan also reviewed some recent marketing efforts, including that the department of social services approved starting priority deposit outreach and that 21- \$1000 deposits were received in the month of December from a list of 40 Healdsburg residents. A full scale marketing effort is being planned for the end of July to send to a list of 3500 people who have expressed interest in the project.

Susan reviewed some challenges and risks going forward, which include:

- further slowdown of the process with the City of Healdsburg, to which we would be unable to adjust our business plan
- requirements from the city for add-ons to the project as a whole, such as affordable housing or workforce housing that do not fit our budget
- substantial delays or denial of Conditional Use permit
- changes in the economy or capital markets for tax exempt bond purchases
- increased construction costs.

It was mentioned that the construction budget for the project is currently estimated at \$140,000,000 and so is a very large undertaking and is an example of SFZC again innovating in the world.

President's report

Linda G. reported on the current challenging condition of the Tassajara Road, which is officially closed. She gave an update on the grievance policy, which was discussed at the full Abbot's Executive Group. Jeremy and Tova will assist with further process.

Linda shared her work on the new strategic plan and her excitement in moving forward, especially with DEIA work and on developing a curriculum. The plan also includes a continued effort to widen the circle of participation at SFZC, although she sees the organization's main issue as being able to attract, develop, and retain students (which constitute 90% of SFZC staff). To address this, the Strategic Implementation Team (SIT) has agreed that Zen training is the most important thing on which to focus.

The new plan is short, actionable, and measurable. Goals 1 (*Strengthen SFZC's Zen Training Program*) and 2 (*Enhance SFZC's Ability to Provide an Accessible, Effective and Sustainable Work-Practice Training Environment*) are the same as in the original plan with the objectives aligned (and with simplified tactics). These goals articulate the effort to develop and implement a curriculum, which would include Zen Training for Everyday Life, Diversity, Equity, Inclusivity, and Accessibility (DEIA), cultivating Social and Emotional Intelligence, and Supervisory and Leadership Training. Goal 3 (*Ensure SFZC'S Long-Term Organizational Health and Sustainability*) replaces previous goals 3, 4, and 5 and focuses on sustainability, including enhancing Development efforts, streamlining SFZC's business functions, and supporting people at SFZC.

Linda queried the Board to see if there was anyone with expertise in DEIA, Development, or Emotional Intelligence who could help with the above efforts. Several suggestions were made:

- Jody Greene
- The National Equity Project in Oakland
- The Mindful Life program in Richmond
- The Marin Community Foundation
- Erin Merk, who offers meditation programs at Lick-Wilmerding

Vice President's report

Website

Diego gave a presentation on the new CMS status and the relaunching of the SFZC Website. He reviewed the vision and mission statements for the project and other project objectives. He shared the guiding principles for the work being done and offered an overview of the Content Map of the website, which is among the most complex he has ever seen.

Work on this project is being done by a firm called Kalamuna. They are spending a total of 540 hours, including 25 hours to support the launch of the new site. The estimated scheduled launch is for April 2019. The budget for the project is \$80K (although a total of \$90K will have been invested before launch). Next steps, which are not included in the budget, include Salesforce Integration, Online Programs Platform, and Membership Login. Work is being done on content migration (as SPDR is being phased out).

In response to questions, Diego shared that the SFZC website receives 45K unique visitors a month and that it will take only one click to access live-stream Dharma Talks.

Diego also reassured the board that SFZC will have the resources to maintain the website beyond the launch in April. There will continue to be a full-time web editor, plus the new site will make it much easier to create and place content on the website.

Diego mentioned the possibility of offering different content through specific access, including small groups, discussion platforms, etc. He mentioned that Dharma Talks from SFZC are on SoundCloud and that SFZC has app. 1.35 million followers. The talk most listened to was given by Eijun Linda Cutts and has had over 800K listeners. Diego also shared and emphasized the efforts to champion and fund the new CMS project.

Development Department

Diego gave a report on the development department, including the status of the Year-end letter and shared some possible impacts on the response to that letter. He gave an update on the Zen-a-thon and shared that he felt this was an opportunity to speak about Zen practice in a fresh, playful way. He made a request to the board to share information about any potential sponsors and to make a fundraising page on the website. The Zen-A-Thon will be April 20th, 2019, from 8:30am-5pm.

Capital Campaign for City Center

The theme of the campaign is to create a more welcoming spiritual home, to prepare this historic building for its second century and meet the needs of a 21st century residential practice center. The campaign is still in the quiet phase and has raised 51% of the \$9M goal.

SFZC has sufficient prospects for the campaign, but is not asking for enough meetings with these prospects. Work needs to be done to cultivate more prospects, ask for commitments, and find more leads.

Diego shared with the board the key objectives for the capital campaign in 2019 and asked for the board's help. If there is anyone who wants to help, but doesn't know where to start, to just be in touch directly with him.

Respectfully submitted,

Jeremy Levie, Secretary