

Richard Zevnik, Chancellor, and
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Episcopal Diocese of Los Angeles

**IN THE TITLE IV MATTER INVOLVING THE RT. REV. BRUNO,
RESPONDENT’S STATEMENT OF FACTS, CLOSING BRIEF, AND
PROPOSED ORDER, SUBMITTED CONCURRENTLY**

I. INTRODUCTION

At the hearing, the Respondent, Bishop Bruno, established that the Church’s first charge for violation of Title II Canon 6.3 based on his sale of property on Lido Island in Newport Beach California without Standing Committee approval is unsupportable because the Newport Beach Property was not sold. Similarly, the Bishop has proved that the second charge for alleged misrepresentations fails because: (1) the Bishop did not misrepresent his plans for the forming congregation St. James the Great; (2) based on the information he had at the time, the forming congregation was not self-sustainable; (3) Rev. Voorhees admitted at trial that her “final pastoral letter” was a resignation; and (4) the promises the Bishop made to the congregation about leasing back the property with support from the Diocese, were contingent upon escrow closing. The Church Attorney’s third charge is based on the second alleged canonical violation that is part of the second charge of misrepresentations and the sixth alleged canonical violation, abandoned by the Church Attorney at the hearing: that the Bishop summarily took the real and personal property of St. James the Great on or about June 29, 2015. The Church Attorney has not met his burden as to the six “Factual Allegations in Support of Alleged Canonical Violations” supporting the three charges. Therefore, the Hearing Panel must find for the Bishop and dismiss all charges.

II. RELEVANT FACTS ESTABLISHED AT THE HEARING

While a number of facts were presented by both the Church and the Respondent at the hearing, only a handful were relevant to the six alleged canonical violations. These 28 facts are undisputed and compel dismissal of all charges:

(Facts disproving the first charge: disposal of consecrated property without prior approval of the Standing Committee.)

1. The Newport Beach church campus on Lido Island (“NPB Property”) was not sold; escrow was cancelled on November 28, 2016. (Ex 164; Bruno-H 672:21 to 673:15.)¹
2. The Bishop signed a contract to sell the NPB Property on April 10, 2015. (Ex 25.)
3. The Standing Committee unanimously approved the NPB Property sale after the contract was signed but before escrow was to close. (Ex 19; McCarthy-H 713:11-25, 714:1-10, 716:8-25, and 720:1-21.)

(Facts disproving the second charge of misrepresentations before May 17, 2015, by the Bishop regarding his plans for the future of St. James the Great.)

4. The Bishop did not promise anyone he would not sell the property because he has always considered the possibility of sale of each property that came back from the disaffiliating congregations. (Bruno-H 550:20 to 552:3; Tumilty-H 808:5 to 810:5; Ex.35; McCarthy-H 719:25 to 720:16.)
5. The Bishop received numerous unsolicited offers for the NPB Property after it was returned to the Diocese in 2013. (Tumilty-H 804:1-13; Bruno-H 519:7-15 and 684:19 to 686:3.)
6. The Bishop consistently informed the Corporation of the Diocese and the Standing Committee of the status of the four properties taken by the disaffiliating parishes and sale of the properties was always considered by the Bishop. (Ex 35; Zevnik-H 864:8-22; McCarthy-H 706:2 to 707:13; Voorhees-H 219:3-20; and Standing Committee minutes requested by the panel from April and May 2015.)
7. On or about April 2, 2015, the Bishop received an unsolicited all cash offer of \$15 million for the NPB Property. (Tumilty-H 814:22 to 816:6; Bruno-H 520:13-19.)

¹ Citations will be abbreviated as: Relevant Facts=F, Exhibit=Ex, Hearing Transcript =H, then witness testifying, then page and line references will be “[page]:[line]-[line]” or “[page]:[line]to[page]:[line].” Other transcripts will be denoted as Deposition=D and Witness Statement=WS.

8. The last appraisal done on the NPB Property before 2015 valued it at \$7.8 million. (Ex 63, pages 063-007 and 063-010 to 063-012; Tumilty-H 804:14-20.)
9. The Bishop gave St. James the Great congregation (“SJG”) the option to continue its mission in Newport Beach with \$1 million from the proceeds of the sale. (Ex 17; Bennett-H 67:24 to 68:6.)

(Facts disproving the second charge of misrepresenting that St. James the Great was not a sustainable congregation.)

10. The “Missions Manual” requires mission congregations to make monthly reports, including actual finances, to the Diocese. (Ex 3, pages 3-7; Zabala-Bangao-H 754:25 to 755:19.)
11. SJG was a “Mission Station” and governed by the policies and procedures set forth in the “Missions Manual” (Ex 3, pages i and 3; Kurtz-H 729:20 to 730:8, Voorhees-H 328:7-10.)
12. Rev. Voorhees did not submit any SJG monthly reports to the Diocese. (Voorhees-H 329:10 to 331:7; Zabala-Bangao-H 759:17-25 to 761:1-3.)
13. The Bishop made numerous requests to Ms. Zabala-Bangao and she made numerous requests to Rev. Voorhees for SJG’s monthly reports. (Bruno-H 516:22 to 517:12; Zabala-Bangao-H 760:5-17.)
14. On July 31, 2014, Rev. Voorhees submitted her first financial data for SJG as part of a packet to request an additional grant of \$48,000 from the Corporation of the Diocese. (Ex. 10; Bruno-H 530:14 to 531:12.)
15. The Bishop determined the SJG was not sustainable at the Lido Island church campus based on the information available in the Diocese the first week of April 2015. At that time, the only actual financial information available from SJG was the 2013 Parochial Report and July 2014 request for a grant which only included eight months of actual financials. That data demonstrated that the forming congregation was relying on the rental income from portions of the 40,000 square-foot campus and a NPB former rectory, the funding from the Diocese, and the free services of the vicar to meet its budget. (Ex 10, see page 010-021, column headed “Jan-May 2014 ACTUAL,” lines 6, 11 & 14 and compare with lines 6, 11, & 14 of the two columns to its right, headed “2014 BUDGET” and “2015 PRELIMINARY BUDGET;” Ex. 11; Bruno-H 530:23 to 531:12; Anderson-H 133:18-23; and Bennett-H 65:12 to 66:10.)

(Facts disproving the second charge of misrepresenting that Rev. Voorhees resigned her position.)

16. While the Bishop was at General Convention, Rev. Voorhees resigned her position in her last pastoral letter on June 25, 2105. It states in part: “It is with great sadness that I write this last pastoral letter. ...It is now time for us to scatter into the Holy Spirit’s wind and plant our fertile seeds elsewhere. I have decided that I cannot lead you into a diaspora situation, not only for personal reasons but for professional reasons as well....This Sunday will be our last service...” (Ex 14, Voorhees-H 373:12-22 Bruno-H 543:13-18.)
17. Rev. Voorhees did not send a copy of her “last pastoral letter” to the Bishop. (Voorhees-H 375:10-16.)
18. The Bishop, received a copy of Rev. Voorhees’ “last pastoral letter” while he was at General Convention in Salt Lake City. He sent her a letter accepting her resignation effective midnight June 28, 2015. (Ex 32, Bruno-H 547:4-12; Voorhees-H 376:3-25.)
19. Until the hearing, Rev. Voorhees disputed that her Last Pastoral Letter was a resignation. (Ex. 32 page 1.)
20. During the Hearing, Rev. Voorhees admitted her Last Pastoral Letter was in fact a resignation. (Voorhees-H 373:12-22 and 375:6-20.)

(Facts disproving the second charge of misrepresentations on May 17, 2015 to the St. James the Great congregation regarding use of the property under a leaseback and financial assistance during the leaseback period.)

1. The Newport Beach church campus property on Lido Island was not sold. (Ex 164, Bruno-H 672:21 to 673:15.) (This is the same as Fact 1.)
21. The Bishop’s offer to the SJG congregation to arrange a leaseback of the property and provide financial assistance were contingent on the sale of the Lido Island campus property. (Ex 17; Bennett-H 67:24 to 68:6; Ex 128, page 3; Bruno-H 539:12 to 540:14.)

(Facts disproving the Third Charge: acting in a manner unbecoming a member of the clergy by (a) misleading and deceiving the clergy and people of St. James The Great as to the plans for St. James the Great and (b) summarily taking possession of the real and personal property of St. James the Great on or about June 29, 2015.)

- 4-9. As to (a) the Bishop incorporates by reference Facts 4-9 above, disproving the same misrepresentations under the second charge.

22. The last service of SJG at the NPB Property was scheduled for and held on June 28, 2015. (Ex 14.)
23. Save St. James the Great is a non-canonical, non-diocesan, Internal Revenue Code section 501(c)(3) corporation, which Rev. Voorhees serves as “priest” without authority from the Bishop. (Voorhees-H 362:22 to 363:8.)
24. On June 22, 2015, the day the Bishop was leaving for General Convention, Save St. James the Great filed suit to stop the NPB Property sale. (Ex 13, Bruno-H 542:7-18, Voorhees-H 363:6-8.)
25. Rev. Voorhees aided in the efforts to stop the sale through a lawsuit and this Title IV proceeding. (Ex 13 and 15; Voorhees-H 368:7-16. See also, Ex 212, Bishop Bruno’s Motion to Dismiss or Stay, August 29, 2016 Declaration of Richard W. Zevnik and Exhibit 3 thereto, excerpts of the deposition of Joel Bernard, at pp. 24:10-15, 28:1-28 to 29:1-11, and 142:8-11.)
26. Because the last service of SJG at the property was scheduled for June 28, 2015, and because the Bishop had accepted the Rev. Voorhees’ resignation effective midnight on that date while the Bishop was at General Convention in Salt Lake City, he instructed David Tumilty to secure the property. (Bruno-D 157:1-11; Zabala-Bangao-H 763:19-25).
27. David Tumilty called Ted Forbath and instructed him to secure the NPB Property on June 29, 2015. (Tumilty-WS, page 7, last paragraph; see also Ex. 32.)
28. Mr. Forbath and Ms. Zabala-Bangao secured the property on June 29, 2015 by changing the locks and secured certain church records. (Zabala-Bangao-H 763:19-22).

III. APPLICATION OF THE LAW TO THE CASE

A. The Burden of Proof is on the Church; and the Hearing Panel Must Presume the Bishop Did Not Commit the Canonical Violations Under Title IV.

Title IV, Canon 19, General Provisions, section 16 provides: “There shall be a presumption that the Respondent did not commit the Offense. The standard of proof required for a Hearing Panel to find an Offense by a Respondent shall be that of clear and convincing evidence.” Title IV, Canon 19, Section 17 provides: “In all matters under this Title, it shall be the burden of the Church through the Church Attorney to establish an Offense by any Respondent.”

Further Title IV, Canon 3: Of Accountability, Section 3. states: “In order for any conduct or condition to be the subject of the provisions of this Title, the Offense complained of must violate applicable provisions of Canon IV.3 or IV.4 **and must be material and substantial or of clear and weighty importance to the ministry of the Church.**” (Emphasis added.)

B. The NPB Church Property Was Not Sold. Therefore, the Bishop Did Not Violate Title II Canon 6.3.

The relevant evidence regarding the Church’s first charge is undisputed and establishes no legal basis for a violation of Title II. Canon 6.3. by the Bishop. Title II. Canon 6.3, provides: “No dedicated and consecrated Church or Chapel shall be **removed, taken down, or otherwise disposed of for any worldly or common use**, without the previous consent of the Standing Committee of the Diocese.” (Emphasis added.)

The Hearing Panel received undisputed testimony that the church buildings on the NPB Property occupied by St. James the Great and previously by the St. James disaffiliating parish from 1945 until 2013, have not been “**removed, taken down, or otherwise disposed of.**” (F.1.) Violation of Title II, Canon 6.3 required the Church Attorney to prove there was a sale of NPB church campus. Despite his badgering witnesses to call the contract for the sale of the premises a “sale” of the property, there is no dispute that escrow did not close and the sale did not occur.²

Consequently, the Hearing Panel must find that the Bishop did not violate Title II Canon 6.3; and the Church Attorney has not met his burden of proving the first Charge of failing to exercise his ministry in accord with the Canons.

C. The Church Attorney Has Not Met His Burden Of Proving The Bishop Made A Misrepresentation.

1. The Church is bound by its “Factual Allegations of Alleged Canonical Offenses.”

² The Bishop entered into a sales contract on April 10, 2015, and the Standing Committee voted unanimously to concur in the Bishop’s decision to sell the property on June 8, 2015, prior to the then-expected closing date. (F.2 and 3.) The Church Attorney’s offer of “expected testimony” from 2 of 8 members of the 2009 Standing Committee regarding a perceived “consensus” that none of the four properties recovered in litigation should be sold if there were viable congregations at the sites has no relevance given the lack of sale; the fact that the minutes of that meeting, more than seven years ago, reflect no vote or discussion regarding viable congregations; and the fact that the secretary of the Standing Committee testified there was no consensus during that meeting and the Bishop was not present during the discussion. (Zevnik-H-864:9-25 to 865:1-23; Exhibit 35.)

The Church Attorney's second charge against the Bishop is that he did not "refrain from ...conduct involving dishonesty, fraud, deceit or misrepresentation." As to this charge, the Church Attorney has identified four alleged canonical offenses:³ that the Bishop made misrepresentations (1) regarding his plans for "St. James the Great" before May 17, 2015; (2) that SJG was not a "sustainable" congregation; (3) that Rev. Voorhees resigned as "vicar" of SJG; and (4) that SJG could lease back the NPB Property until October 2015 with financial assistance from the Diocese. There is no dispute regarding the relevant facts which prove that the Bishop cannot be liable for these four "misrepresentations."

The only conflicting evidence the Church Attorney offered was based on allegations outside the scope of the alleged canonical offenses: that the Bishop promised Rev. Voorhees he would not sell the NPB Property that St. James the Great was using. Because the Church Attorney has not met his burden of proof regarding the second through fifth alleged offenses as detailed below, the Hearing Panel should dismiss the second charge of misrepresentations. However, even if the Hearing Panel allows the Church Attorney to amend alleged canonical violations after the hearing, it must find for the Bishop on this "he said/she said" allegation because the Bishop's testimony has been consistent, candid even though it was not always in his own interest, and credible. Rev. Voorhees' testimony has been inconsistent; guarded, and impeachable. The burden is on the Church in weighing the evidence; and any misrepresentation allegedly made to Rev. Voorhees must be such a significant offense that it represents a "material and substantial or clear and weighty importance to the ministry of the church."

2. The Bishop's support of the SJG congregation did not imply a promise that the mission congregation could remain on the NPB Lido Island church campus.

The Church Attorney's second "Factual Allegation of Alleged Canonical Offense" is that "the Bishop made misrepresentations to the clergy, congregation, and community before May 17,

³ The Church is bound by the "Factual Allegations of Alleged Canonical Violations" which he provided to the Hearing Panel and had opportunity to update, but did not. (Title IV. 13.2). At trial, the Church Attorney focused much attention on eliciting testimony not relevant to the six "Factual Allegations in Support of Alleged Canonical Violations" forming the basis of this matter. Any closing arguments based on new "factual allegations" must be rejected under Title IV as expanding the charges against the Bishop at the hearing is extraordinarily prejudicial.

2015, regarding his intent for the St. James the Great congregation.” SJG, a forming congregation, a “mission station” under the Diocese’s “Mission Manual,” was given its start at a service on October 6, 2013. The Bishop allowed the congregation to use the empty NPB Property that formerly housed a congregation of 1,511, and to rent receive rental income from a Newport Beach former rectory located five miles away to aid its development. (See Exhibit 11, SJG 2013 Parochial Report.) At the hearing, the Church Attorney offered witness testimony that the Bishop implied to the congregation that the church property would not be sold when he stated and wrote: “We look ahead to engage God’s mission locally for the days and years to come.”

The original congregant complainants, Rev. Voorhees, and the Church Attorney do not see St. James the Great as a church apart from its identity at the property.⁴ They fail to recognize a positive and affirming opinion⁵ about the mission congregation as anything other than a promise that they could stay in a property ten times the size the congregation needs. This is demonstrated by the fact that the congregation, although continuing its worship in Newport Beach, continues its suit against the Bishop as Corp Sole⁶ and in this Title IV proceeding prays for their return to the campus. (Church Attorney’s Trial Brief, page 11, “The most important act is ...to order the Church reopened...”)

⁴ Rev. Voorhees’ focus is to “save the building.” Her email to the transition team about her meeting with Frank Trane on June 18, 2015, says “I asked him why he wanted to throw us under the bus ----I built the building with him, George Bissell and the team and wanted to save it—that his legacy was at stake. ... I implored him to help me save the building and he said he would throw us a bone.” (Ex. 15.)

⁵ See California Civil Jury Instructions 1904. Opinions as Statements of Fact. “Ordinarily, an opinion is not considered a representation of fact. An opinion is a person’s belief that a fact exists, a statement regarding a future event, or a judgment about quality, value, authenticity, or similar matters....”

⁶ The Bishop of the Protestant Episcopal Church in the Diocese of Los Angeles, a Corporation Sole, was incorporated as a California corporation in 1907 pursuant to then-EDLA Canon 175 (now Canon 30.00) as recited in its Articles of Incorporation. (See Exhibit 203, Articles of Incorporation of Corp Sole. See also, Exhibit 202, EDLA Canons, Canon 30.00, p. 64.) The incumbent Bishop of EDLA is the sole member of Corp Sole. Corp Sole is a remnant of California law which required this legal structure in order for a church to hold title to property from generation to generation. Although the law has changed, churches have often kept their Corp Sole structure because many endowments cannot be transferred and transferring real property often has adverse tax consequences.

In order to find against the Bishop on this portion of the charges, the Hearing Panel would have to conclude there is clear and convincing evidence that: (1) it is a misrepresentation for a bishop not to tell a forming mission congregation of his willingness to consider offers to buy property the congregation is using with the Bishop's permission rent-free; (2) that the Bishop intended to deceive the congregation into believing it would always stay at the NPB Property by not telling them he was open to offers to buy the property; and (3) that the Bishop's failure to tell the congregation of his willingness to consider offers was **material and substantial or of clear and weighty importance to the ministry of the Church.** (Title IV.3.3. emphasis added). There is no evidence supporting a finding against the Bishop on this second canonical offense. The Hearing Panel must dismiss this charge.

3. The Hearing Panel Must Find In Favor Of The Bishop On the Single Factual Allegation In Dispute: The Promise of No Sale.

In addition to the canonical offenses charged against the Bishop, the Church Attorney has also offered testimony from Rev. Voorhees that the Bishop failed to tell her he was intending to sell the NPB Lido Island Property and that he lied, telling her that he would not sell the property.⁷ At trial, the Church Attorney elicited the following narratives from Rev. Voorhees. First, she testified that she received a call from a disreputable⁸ realtor who asked her for Ted Forbath's number. Her October 14, 2014, email to Ted Forbath and David Tumilty, the CFO and COO, respectively, of the Diocese, states:

John McMonigle just called the church and asked for Ted's phone number. Said he talked to Ted about the sale of the church property and had the information for him but lost his number. I know John McMonigle. Is there something I need to know? Because I am devoting my life to this parish [sic] and want to know if I am wasting my time. (Exhibit 21.)

⁷ Here the Church Attorney conflates the NPB Property and the SJG congregation in order to go outside the alleged canonical violations which only concern misrepresentations about the Bishop's "plans for the future of SJG." For this reason alone, the Hearing Panel should find in favor of the Bishop.

⁸Rev. Voorhees used a disparaging adjective to describe this realtor. She also characterized as "crazy" a St. James parishioner who told her he purchased the release of the use restriction and reversion provision in the NPB Property from the original donor. Apparently, in Rev. Voorhees' view, this allowed her to discount the truth of information she receives which conflicted with her goals and relieved her of any responsibility to inquire further or act upon the information.

Second, Rev. Voorhees claimed that the Bishop asked her which church she would sell, St. Michael & All Angels or SJG, and a month later that he told her he would not sell SJG.⁹ (Voorhees clearly equates SJG with NPB Property, though SJG did not own the property.)

Rev. Voorhees denied her awareness of the unsolicited offers being received by the Bishop for the NPB Lido Island church property, but her receipt of such information from a realtor in October and her follow up with Mr. Forbath and Mr. Tumilty put her on actual notice, as would her alleged conference with the Bishop about the sale of St. Michaels or St. James, if it were true. The only statement attributed to the Bishop by Rev. Voorhees which the Church Attorney can characterize as misleading is the Bishop's alleged promise he would not sell the property.

The Bishop testified that he never told anyone and never would have told anyone that he would not sell the NPB Property because he always considered it a possibility. (F.4.) In fact, he testified that there were at least three unsolicited offers which he turned down. (F.5.) Thus, it is reasonable to assume that the Bishop reported the offers and rejection of offers as part of his updates to the Standing Committee and Corporation and executive staff and it is not unreasonable to conclude that Rev. Voorhees heard of the rejection of a particular offer or offers and misinterpreted that information. (F.6.)

A trier of fact should view the Bishop's testimony as more credible on this issue because: (a) the Bishop had no motivation to mislead Rev. Voorhees;¹⁰ (b) the Bishop's testimony was candid even when it was against his interests at the hearing,¹¹ Rev. Voorhees' was not; (c) Rev. Voorhees' testimony was disputed by witnesses other than the Bishop,¹² the Bishop's by hers

⁹ In her Witness Statement, Rev. Voorhees asserts the Bishop told her "not to worry, that he would not sell St. James the Great." She states he said this on March 17, 2015, during her "regular" monthly oral report at the Board of the Corporation meeting. (Voorhees-WS, Ex 298, paragraph 14.) The Bishop was not at that Board meeting and did not meet with Rev. Voorhees because he was traveling back from the Kanuga conference. (See Ex 87, p. 087-005.)

¹⁰ The Bishop would gain or achieve nothing by falsely promising Rev. Voorhees he would not sell the property. Rev. Voorhees was tremendously motivated to state she had received promises.

¹¹ For example, the Bishop's willingness to endorse Bishop Matthews' notes of a phone interview, of which the Bishop could not remember details. (Bruno-H 684:16 to 685:1.)

¹² Bruce Bennett testified that Rev. Voorhees told him it was the Bishop's idea to remove him as co-warden; that the parking license agreement was sitting on the Bishop's desk waiting to be signed; and while crying on the phone a month after she knew of it, that she had "just" found out about the sale of the NPB property. (Bennett-H 73:18 to 75:18, 62:11-16, 64:23 to 65:2, and 76:15 to 77:10; but see Voorhees-H 252:22 to 253:2, 337:23 to 339:5; Ex. 53; Voorhees-D 59:9 to 60:1 and 195:6-13.) Ms. Zabala-Bangao testified that she asked Rev. Voorhees for her monthly reports

alone; and (d) the Bishop's testimony was consistent, Rev. Voorhees' was not.¹³ If the evidence were only a "tie" the Hearing Panel would be required to accept the Bishop's testimony on this alleged offense because the Church Attorney has the burden of proof. The evidence is not a tie, it clearly supports the Bishop's testimony that he did not promise Rev. Voorhees he would not sell the property. Therefore, the Hearing Panel must find for the Bishop on the new alleged offense which presents disputed factual evidence.

4. The SJG congregation was not sustainable at the NPB Property.

The relevant evidence regarding the Church's third "Factual Allegation of Alleged Canonical Offense" in support of the second charge is undisputed. The Hearing Panel must find that the Bishop did not misrepresent the sustainability of the forming congregation given the information available to him when he made his decision to sell the NPB Property. The Bishop admits that he considered SJG's lack of sustainability as one factor in his decision to accept the unsolicited \$15 million offer to buy the NPB Property.¹⁴ The Bishop's statement that the SJG congregation was not sustainable was a reasonable and accurate assessment based on the financial information he had on April 2, 2015, when he received that unsolicited offer. At that time, the Diocesan staff and the Bishop had only income and expense data from inception of SJG, October

many times and that she personally handed a copy of the Mission Manual to her when she became a vicar. (F. 12 and 13; Ex. 79; but see Voorhees-D 164:18-24). Rev. Canon Kelli Grace Kurtz, testified she made considerable efforts to meet with Rev. Voorhees to help her as a new vicar and Rev. Voorhees was not one of her mentors. (Kurtz-H 739:22 to 742:3; but see Voorhees-H 331:8-18.) David Tumilty testified that Bishop Bruno asked Rev. Voorhees two or three times if she wanted June 28, 2015, as the date of the last service and that she said she wanted it done because she was "overwhelmed" providing pastoral care. (Tumilty-H 816:7-24; but see Voorhees-H 300:11 to 301:19 and 356:20 to 357:4.) Rev. Voorhees denied a leadership role in the litigation, Title IV complaint, and social media and political action campaigns. (Voorhees-D 167:13-25, and 195:16 to 197:10; but see Dixon-H 411:16-23 and the video exhibit cut off before Rev. Voorhees speaks; Voorhees-H 357:5 to 358:1; 306:1-3, Ex. 137; 362:22 to 368:8, 364:5-21, Ex. 15; and F. 25.)

¹³ Rev. Voorhees changed her hearing testimony about choosing June 28, 2015, as the closing date, she now admits her "final pastoral letter" was a resignation (to the congregation only); and no longer is sure of the date of the Bishop's alleged promise not to sell the property. (Voorhees-H 352:10 to 354:23; 252:21, 344:24 to 345:25; Voorhees-WS paragraphs 14-15, Voorhees-D 145:8-25.)

¹⁴ The Bishop also considered the amount of the offer—almost twice the July 2013 appraised value, the finances of the Diocese, the number of Episcopal churches in the vicinity, the money spent in recouping the NPB Property, and the best use of the asset for the Diocese as its steward.

2013 through May 14, 2014. (F. 14 & 15.) Although, admitting that fact, the Church Attorney relied upon financial information not at the Diocese in order to make its argument. (See Ex. 182; Anderson-H 95:17 to 100:20.)

Rev. Voorhees failed to submit monthly reports required of missions in the Diocese. (F.12.) She submitted financials from October, 2013, through May 14, 2014, as part of a July 2014 application to the Corporation of the Diocese for \$48,000 in support during 2015. From the seven months of data, SJG's plate, pledge, and non-Diocesan gifts totaled \$127,169. SJG expenses for the first seven months totaled \$171,167--\$43,998 more than SJG's non-Diocesan income. Diocesan and Corp Sole support of SJG during the same seven months totaled \$75,788.30, not including the rental income from the NPB campus kitchen and classrooms, and, the a separate NPB rectory, which totaled \$30,668. Finally, Rev. Voorhees was non-stipendiary. Thus, this deficit does not reflect SJG paying anything toward a full-time priest.

The 2013 parochial report and 2014 parochial report (which was not part of the materials the Bishop had) showed an increase in baptized members from 40 in 2013 to 57 at the end of 2014, and a decrease in average Sunday attendance from 92 to 85. (Ex. 11 & 12.) Based on these facts, the Hearing Panel must determine that referring to the SJG congregation as unsustainable at the NPB Property was not an intentional misrepresentation. It was an accurate assessment of the information the Bishop had at the time.

The Church Attorney has also raised a parking issue, outside the stated "Alleged Canonical Offenses." Specifically, that the Bishop misrepresented that the NPB Property did not have the required number of parking spaces for the Church and that a permanent solution to the problem would be prohibitively costly. At the Hearing, Rev. Voorhees stated that she had a solution to the parking in the form of a licensing agreement that would provide additional income to the forming congregation, but that the Bishop and Diocese were stalling its approval. (Ex. 53; Voorhees-H 262:1 to 267:18; Bennet-H 62:11-16.) She admitted on cross examination: (1) that the packet she sent to the Diocese and Bishop contained a red-lined, draft; (2) she did not know if the licensing developer had approved the red-lined version; (3) she did not know whose changes were represented by the proposed edits; and (4) she thought that the agreement would not need approval by the Corporation Board (which she sat on) or the Standing Committee (of which she was a former member) because the property was owned by Corp Sole. (Ex 53; Voorhees-H 337:16 to 340:7.) In addition, the CFO of the Diocese, Ted Forbath, testified that he was opposed to the proposed

license agreement, and was frank with Rev. Voorhees about his reasons for his opposition. The proposed license agreement presented potential adverse property tax exemption consequences, not only to SJG, but also to every other Diocesan church throughout Orange County. (Forbath-H 839:16 to 841:7.)

Based on the information the Diocese had regarding the SJG congregation's finances, and the parking issues during the first week of April 2015, the Bishop's representation that the SJG congregation was not sustainable on the 40,000 square-foot campus of Lido Island was accurate. Therefore, the Hearing Panel must find for the Bishop on the third "Factual Allegation of Alleged Canonical Offense" in support of the second charge.

5. Rev. Voorhees Now Admits Her "Last Pastoral Letter" Was a Resignation; Therefore, The Bishop's Letter Accepting Her Resignation, Cannot Be a Misrepresentation.

The fourth "Factual Allegation of Alleged Canonical Offense" of the Church Attorney, supporting the second charge of misrepresentation is that the Bishop misrepresented that Rev. Voorhees resigned her position as vicar of St. James the Great. Until the hearing, Rev. Voorhees consistently asserted that her June 25, 2015, last pastoral letter to the SJG congregation was not a resignation. (F.19.) The letter stated: "It is with great sadness that I write this last pastoral letter. *** It is now time for us to scatter into the Holy Spirit's wind and plant our fertile seeds elsewhere. I have decided that I cannot lead you into a diaspora situation, not only for personal reasons but for professional reasons as well." (F.16.)

The Bishop received a copy of Rev. Voorhees's June 25, 2015 last pastoral letter at General Convention in Salt Lake City by way of third parties. He sent her a letter accepting the resignation and directing her to come see him. (F. 17 and 18.) She responded to the Bishop, at General Convention: "I have not resigned, I have not tendered by resignation to you, nor have I ever communicated to you that I was resigning from St. James the Great." (F.19., Ex. 32, page 1.) At the hearing, Rev. Voorhees admitted that the letter was a resignation and that the SJG congregation waited for her after the service and talked her out of resigning. (F. 20.)

Thus, the Bishop's statements that she resigned cannot be misrepresentations because Rev. Voorhees now admits she resigned and subsequently changed her mind. For this reason, the Hearing Panel must find for the Bishop on the fourth "Factual Allegation of Alleged Canonical Offense" of the Church Attorney.

6. There is No Factual Dispute that the NPB Property Was Not Sold; Therefore, the Bishop's Promises Regarding What He Would Do For SJG After the Sale Cannot Be A Misrepresentations Offense.

The fifth "Factual Allegation of Alleged Canonical Offense" of the Church Attorney, supporting the second charge of misrepresentation, is that on May 17, 2015, the Bishop misrepresented "that the church could have the use of the church property until October 2015 under a leaseback¹⁵ and the Diocese would provide financial assistance for the congregation during that leaseback period." (F. 21.) This fifth factual allegation suffers the same defect as the first charge: the sale of the NPB Property did not close. (F.1.) Because the sale did not close, it is not possible for these representations to be untrue. The sale did not close because of litigation instigated by many of the complainants in this proceeding. (Ex 13 and 284, original and first amended complaints in the *Save St. James the Great* civil suit.) Based on the undisputed fact that the NPB Property sale did not close and that the Bishop's promises were contingent on the sale, the Hearing Panel must find for the Bishop on fourth "Factual Allegation of Alleged Canonical Offense" in support of the second charge.

D. The Bishop is Not Guilty of the Third Charge Which is Based on the Second and Sixth Alleged Canonical Offenses.

Title IV.2 provides: "'Conduct Unbecoming a Member of the Clergy' shall mean any disorder or neglect that prejudices the reputation, good order and discipline of the Church, or any conduct of a nature to bring material discredit upon the Church or the Holy Orders conferred by the Church." The Church Attorney alleges that the Bishop acted in a manner unbecoming by: (a) "misleading the St. James the Great and the community about his plans for St. James the Great"; and, (b) "summarily taking possession of the real and personal property of St. James the Great on or about June 29, 2015." This misrepresentation allegation is exactly the same as the second alleged canonical violation of Title IV.4.1(h)(6) and Bishop Bruno incorporates the evidentiary analysis in Section III.C.2-3 above by reference.

The sixth alleged canonical violation was abandoned by the Church Attorney. There was no evidence of the Bishop acquiring any personal or real property of SJG. There was no evidence

¹⁵ The Purchase and Sale Agreement included a leaseback provision up to 90 days following the close of escrow. Exhibit 25.

that SJG owned any real or personal property. The NPB Property belonged to the Bishop as Corporation Sole. Members of the congregation were permitted access to the premises to retrieve their items of “personal property” from the Church. (Voorhees-H 317:17-25.)

Further, the securing of the NPB Property on June 29, 2015, was an appropriate and prudent decision made to protect the church building and facilities in light of Rev. Voorhees’s “last service” on June 28, 2015, the Bishop’s acceptance of her resignation, and the lawsuit filed by the congregation on June 22, 2015, seeking to block the NPB Property sale. (F. 14, 18, and 24.) In order to preserve the property, the Bishop directed David Tumilty to secure the property. (F. 26.) Mr. Tumilty, like the Bishop, was at General Convention. (F.27.) He called from Salt Lake City and arranged for Mr. Forbath and Ms. Zabala-Bangao to arrange for the locks to be changed. (F. 28.)

Further, the evidence is clear that Rev. Voorhees and the congregation knew that June 28, 2015, was the scheduled date for the final service. As of the June 9, 2015 meeting between the Bishop and the SJG evaluation team, they knew that it was unlikely that the congregation would have access to the premises after the June 28, 2015, final service, with the possible exception of a small number of special events (a wedding and a memorial service). (Ex. 14, 17 and 179.)

Moreover, the Bishop’s direction to lock the buildings must be considered prudent in light of the fact that on June 22, 2015, Save St. James the Great commenced its civil suit in Orange County Superior Court against the Bishop, claiming rights to continue to use and occupy the premises. (Ex. 13 and 284.) Under the totality of the circumstances, the congregation could not have had any reasonable expectation of continued unfettered access to and use of the NPB Property after June 28, 2015.

The Hearing Panel must find for the Bishop on sixth “Factual Allegation of Alleged Canonical Offense” of the Church Attorney, supporting the third charge because Church Attorney cannot establish by clear and convincing evidence that the Bishop’s action in ordering the securing of the NPB Property after the last service was unbecoming a member of the clergy.

IV. CONCLUSION

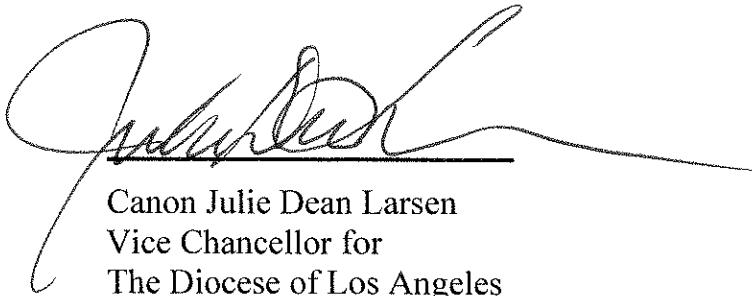
This Title IV proceeding, and Save SJG's civil lawsuit, political actions, and social media campaign were wrongfully,¹⁶ but successfully and strategically, designed to stop the sale of a 40,000 square-foot church property campus on Lido Island in Newport Beach, California. Title IV was not intended to be used as a weapon to challenge a Diocesan Bishop's decisions regarding the administration and stewardship of his or her Diocese.

Title IV requires that the Church Attorney meet certain standards to override the fundamental and moral concept that the accused is innocent until proven otherwise. He has failed on all accounts to meet the burden. Title IV further requires that the Hearing Panel consider what is really material, substantial, clear and of weighty importance to the Church.

We thank the Panel for your ministry to the Church and for your informed and prayerful deliberations.

Date

April 29, 2017



Canon Julie Dean Larsen
Vice Chancellor for
The Diocese of Los Angeles

¹⁶ The Bishop reserves his objections to the procedural violations of the Church in this proceeding. As stated more fully in the Bishop's motion to dismiss, the Title IV proceeding was manipulated to the prejudice of the Bishop. On July 23, 2015, Bishop Mathews sent a copy of his confidential intake interview notes to Mr. Kroener, lead complainant and missing witness at the hearing. Save SJG published the intake officer's notes on their website following the proceeding. David Beers participated in a call on October 30, 2015, which turned out to be a confidential interview by Bishop Mathews and which became Exhibit 143 in this hearing. Finally, despite the Standing Committee's motion to the Church to stop them, Save SJG was allowed to depose the Standing Committee President and another member as part of its lawsuit to regain the property, precisely what the Church Attorney seeks in this Title IV proceeding.