

In the Title IV Disciplinary Matter Involving the RT. Rev. John Bruno, Respondent, the Church Attorney submits this Trial Brief.

I. Introduction

Respondent violated the Canons by: 1) failing to obtain the previous consent of the Standing Committee before entering into a binding legal contract to sell a consecrated church, St. James the Great (Canon II 6.2); 2) misrepresenting his plans for St. James and the proceeds; 3) claiming that St. James was not sustainable; 4) representing that Reverend Voorhees had resigned; 5) claiming the congregation could use the Church until October 2015 (Canon IV 4.1 (h)(6)); and 6) acting in a manner unbecoming of a member of the clergy, both in the ways outlined above, and by locking the congregation and community out of St. James (Canon IV. 4.1(h)(8)).

Canon 2 defines “conduct unbecoming a Member of the Clergy as “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.” Canon IV.4.1(h)(6) places a broad mandatory duty on members of the clergy: they “shall . . . refrain from . . . conduct involving dishonesty, fraud, deceit or misrepresentation.”

II. Short Factual History

In October 2013, after the St. James Church was recovered from Anglican possession, Respondent re-opened the Church, now renamed St. James the Great, appointed a vicar and Bishop’s Wardens, and re-dedicated it in an enthusiastic, positive and forward-looking ceremony before some three hundred people.

Bruce Bennett and his wife became Bishop's Wardens, working full time (unpaid) to clean up the mess they inherited and restoring an operating facility and vicarage. Mr. Bennett will describe the long hours and massive efforts he and his wife put in, the success they achieved and the pride they felt in their accomplishments. Mr. Bennett also served on the financial team. Respondent's statements and actions led Mr. Bennett and others to believe St. James the Great had a long-term future. They were devastated on May 17, 2015 when the bishop announced he had sold the Church to a developer.

Mr. Bennett will testify that Respondent misled him about his plans for St. James. Mr. Bennett attended the meeting in the Parish Hall in May 17, 2015, and challenged Respondent specifically on his claim that resolving a parking issue had proven impossible, and was a reason to close the Church. Mr. Bennett knew that statement was untrue.

By the end of 2013, Reverend Voorhees had found and persuaded several volunteers to serve as a Finance Team. They were all accomplished business people with successful careers. They chose Evangeline ("Ally") Andersen, a CPA, to chair their team. Ms. Andersen will testify that their objective was to become a parish as soon as possible, so they were specifically targeting sustainability in the shortest time possible. She will describe the fast financial growth of St. James, through pledges, plate collections and other income they generated. She will show the Panel financial statements she prepared at the time demonstrating the growth to the point that St. James was sustainable by the time the Respondent announced he had sold the Church on May 17, 2015. She was at

the May 17 meeting. She knew how hard many members of the congregation had worked and how much they had given and pledged, all in reliance on Respondent's promise of a great future. She was astonished by the announcement, and knew that several representations Respondent made in response to questions by members of the congregation were untrue. She will describe the meeting and the misrepresentations to the Panel. She was especially offended by his cold dismissal of the people of St. James and statement that he owed them no fiduciary duty.

Ms. Andersen later saw Respondent's letter to pro-tem Mayor Dixon of Newport Beach claiming that St. James had to be closed because it was economically not sustainable. She knew this was untrue.

Respondent appointed Reverend Cindy Voorhees as Vicar of St. James the Great (a name she suggested) in or about September 2013, and re-opened the Church, praising her to the congregation at the opening. He announced to the enthusiastic assemblage of 300 people that this was a church "for years to come". He made no mention of possibly selling the Church.

Reverend Voorhees started with nothing, but landed running. Following a model she learned from a nearby church, she chose to follow initially a "team" approach rather than use a vestry. She got members to volunteer for several teams. Combining her hard work, church background and innovative nature with that of the volunteer teams and the Bennetts, the Church came alive again. The people of the congregation met Sundays after mass for a sit-down breakfast getting to know each other and sharing goals. They began a program of teaching

computer programming to local children (“Holy Coding”) which was highly successful. She helped build a spirit of belonging in her congregation. This led to a growing congregation and dramatically increasing donations and pledges. By not moving into the rectory, she made it available for rental, thus infusing more cash into St. James. Leases for Holy Coding and the kitchen brought in more money. She had negotiated a parking agreement that would have brought in \$6,800 per month, but Respondent delayed signing the agreement. It remained unsigned at the time of sale.

In September 2014, Reverend Voorhees gave a power point presentation describing the status and achievements to the Board of the Diocese. She understood Respondent was pleased with her presentation. Several witnesses will testify to their participation in the congregation and those developments.

In October 2014, Reverend Voorhees received a telephone call from a real estate agent inquiring about sale of the Church. She told him it was not for sale, but followed up with an email to Respondent, his chief of staff David Tumilty, and his chief financial officer Ted Forbath. “Is there something I need to know? Because I am devoting my life to this parish and want to know if I am wasting my time. Please advise.” They did not tell her they were considering selling the Church.

In early 2015 Respondent asked her an odd question – if she had to sell either St. James or the nearby church of St. Michael & All Angels, which would she sell. She said neither – that both could thrive. At her next meeting with Respondent, he told her that St. James would not be sold. The conversation is

evidenced in an email and we now know that Respondent and his staff had determined they would sell St. James Church rather than St. Michael. They actively hid from her their discussions of selling St. James at the very time Reverend Voorhees was attempting to get them to finalize a parking agreement they had all worked on. They put her off because they said they were busy “with other items”. The other item was the sale – which they specifically did not mention to her.

Reverend Voorhees will testify that Respondent did not tell her he was selling St. James until after he had signed the Purchase and Sale Agreement. It was always understood that if she established a viable congregation, the Church would be open.

Finally, in mid-April, after he had signed a binding contract to sell St. James, Respondent summoned Reverend Voorhees to his office and in a very short, curt meeting, told her he had sold the Church. He told her not to tell anyone. The next several weeks were emotional and stressful. She tried to work with the Bishop, and after his announcement on May 17, 2015, to the congregation she was consumed with pastoral care for many of her parishioners, who were hurt, confused and angry. She wrote a series of pastoral letters to the congregation to help them deal with the apparently inevitable closing of the Church.

Several parishioners agreed to serve as a transition team and tried to meet with Respondent. After multiple efforts, the meeting eventually occurred on June 9, 2015. Bill Kroener, a member of the transition team, will testify to the

representations in the meeting made by Respondent, the failure of Respondent to agree to meet again and a letter he received from Respondent. Given those events and the imminent closing date, he and others felt compelled to attempt to restrain the sale through the courts. He will also testify to discovering and figuring out the link between the sale of the Newport Beach church and the purchase of an additional interest in the Anaheim commercial property.

Respondent gave multiple reasons over the next two months for closing the Church, including his need to recover \$9 million he claimed he spent on the Anglican litigation, that St. James was not sustainable financially, that other churches were nearby and equally available to the congregation, and that parking was an un-resolvable problem. At the time he never claimed he was closing the Church because the Vicar had not followed rules, or had not lived up to expectations. Notably, he did not mention to the congregation his real reason: to provide money to complete the purchase of a purely commercial property (containing a gas station and RV storage facility) in Anaheim, California. This omission was a deliberate and serious misrepresentation.

At this same time, early June, at the request of the buyer (Legacy), Respondent wrote a letter to Mayor Pro-Tem Diane Dixon of Newport Beach, in which he misrepresented that St. James was “no longer sustainable” and claimed he needed to sell the Church to compensate for the \$9 million he claimed he spent litigating with the Anglicans. The proposed sale led to public furor, evidenced at a town hall meeting held by Dixon on June 15, 2015, and a meeting of the whole city council on June 23, 2015. Ms. Dixon will testify to the letter she received and

these events. Respondent sued the Griffith Company, the original donor of the land on which the Church sits.

On June 25, 2015, Reverend Voorhees provided the congregation a "Final Pastoral Letter." On June 28 she led the congregation in Sunday morning services; they prayed it would not be their final service in the Church. Nonetheless, the next day Respondent emailed her a letter stating he had received her Pastoral Letter from a third party and "considered it a resignation". She immediately emailed him stating that she had not resigned. Later in the day, Tumilty emailed her and instructed her to remove her personal effects from the Church, that he had re-keyed the locks, and that her salary was terminated. Reverend Voorhees again immediately replied that she had not resigned. In fact, Respondent fired her without proper notice or procedures. Nevertheless, Respondent represented that Reverend Voorhees had resigned; indeed on the very day of this correspondence, June 29, 2015, Respondent told Bishop Clay Matthews that Reverend Voorhees had resigned.

On this same day, June 29, 2015, at the direction of Respondent, his staff members closed and locked the St. James campus. Michael Strong and Patrick DiGiacomo, two other members of the St. James congregation, will testify to the events of that day, including the way in which Ted Forbath offered cash to Patrick DiGiacomo to persuade him not to object to the early termination of his kitchen lease. Starting on Sunday July 5, 2015, and continuing thereafter, the congregation was forced to worship in a nearby public park, rather than in the church building. Kathi Liebermann, a long-time member of St. James, will testify

that at the time of the lock-out, her family had a wedding planned for October. She will testify about her anguish at being locked out of St. James a second time (her family was among the Episcopalians effectively locked out of St. James by the Anglicans in 2004) but also at not knowing whether the wedding would occur in St. James. She wrote Respondent letters, she called his office, she called his cell phone, she sent text messages: there was no answer. Finally, only two weeks ahead of the wedding, she learned through Reverend Voorhees that Respondent would allow the church to be opened for one day, to allow the wedding, and then locked again.

Reverend Voorhees and several members of the congregation will testify to the difficult circumstances of their exile: members of the congregation have to bring all the elements of the service to and from the site by their cars, how there is no room in which to hold Sunday School for children. Even under these difficult circumstances, St. James attracts about one hundred people every Sunday morning. The St. James congregation continues many of their activities, including Bible studies and service at a local homeless shelter. They consider themselves Episcopalians, but have been disappointed and hurt by Respondent's conduct and claims, including his recent claim that they are no longer an Episcopal congregation, because of an alleged failure to file financial reports, a failure never raised until after the congregation was locked out.

III. The Defenses

Who knows? Respondent's disclosures, briefs, motions and answers include so many "defenses" it is impossible to predict with any certainty what Respondent will actually prove. The shotgun list of defenses have included:

- Presiding Bishop Schori (and David Beers) essentially waived in a phone call with Respondent the canonical requirement for Standing Committee Approval for sale of a church;
- Bishop Matthews violated confidentiality;
- Complainants have unclean hands;
- Complainants have engaged in an "alternate facts campaign";
- The transition team was composed of people who attempted "to dictate terms to" Respondent;
- The Church Attorney lacks impartiality;
- This panel has no jurisdiction over a transaction by Corp Sole;
- These proceedings by the complainants and the Church have caused Corp Sole money damages of \$3-5 million;
- Respondent through Corp Sole spent a lot of money litigating with the Anglicans;
- Once a property is in Corp Sole, it is no longer subject to Standing Committee jurisdiction;
- The Anaheim transaction lacked any connection to the St. James sale other than "coincidental intended closure dates";

■ Reverend Voorhees “badgered” Respondent to make her vicar. She was unqualified for the position. She engaged in “serial unilateral acts without notice or authority” from Bishop Bruno and staff by entering into contracts, including kitchen rental, Holy Coding and parking. She failed to file monthly reports. She did not go to court hearings during the Anglican litigation. She failed to grow into her responsibilities or live up to her responsibilities. She always knew he might sell the Church,

■ And many others.

It was always hard, if not impossible, to see the relevance of these numerous “defenses” to the charges that Respondent made misrepresentations. Perhaps Respondent believed his best defense was to go on the offense. Since the depositions of Respondent and Tumilty, actual defenses are not much clearer. The testimony of Respondent and Tumilty reveals their belief that the Standing Committee had no control over the sale of the Church – because they had transferred it to Corp Sole. On the issue of sustainability, Respondent’s staff has prepared after the fact “financials” in an effort to show that St. James was not sustainable. Otherwise, the defenses remain opaque.

IV. Remedies

Respondent’s misconduct was terrible for the Episcopal Church. He has in the words of Canon 2 engaged “in conduct unbecoming a member of the clergy” “prejudic[ing] the reputation, good order and discipline of the Church” and he has brought “material discredit upon the Church”. He publicly misrepresented his

plans for St. James raising the hopes of the congregation, and he later disguised his reasons for selling the Church. He put a commercial transaction for money above the religious value of a church ignoring the important canonical requirement of previous Standing Committee approval. Although the Standing Committee later “concurred”, it expressly noted it had no jurisdiction. Simply put, Respondent was seduced by the \$15 million business opportunity, then tried to cover up his real reasons for the sale. In doing so, he gave no heed to feelings of the many people who had relied on his positive statements on re-opening St. James the Great. He ultimately dismissed them, saying he owed them no fiduciary duty. In his desire to get money for Corp Sole, Respondent completely disregarded the fact that the building had now become a congregation of people worshipping God.

The Panel has broad power to issue an order to: “provide any terms which promote healing, repentance, forgiveness, restitution, justice, amendment of life and reconciliation amount the Complainant, Respondent, affected Community and other persons”. The most important act to satisfy that goal is to order the Church reopened so the congregation, the affected community and even Respondent if he chooses to participate (or, if not, his successor) can enjoy their beautiful historic place of God again for religious services. As Legacy has recently terminated the Purchase and Sale Agreement, there is no legal impediment to returning St. James the Great to active status.

The panel also can sanction Respondent in several ways. The Church Attorney will reserve making these recommendations until after the evidence is in.

V. Conclusion

Title IV, Canon 1 states: "The Church and each Diocese shall support their members in their life in Christ and seek to resolve conflicts by promoting healing, repentance, forgiveness, restitution, justice, amendment of life and reconciliation among all involved or affected. This Title applies to Members of the Clergy, who have by their vows at ordination accepted additional responsibilities and accountabilities for doctrine, discipline, worship and obedience". Respondent has not only ignored Canon 1, he has acted in an exactly opposite fashion, by his continued attacks on everyone involved in this case.

Respectfully submitted,

A handwritten signature in black ink that reads "Jerry Coughlan". The signature is written in a cursive style with a large, sweeping initial "J".

Jerry Coughlan

Church Attorney