



Old Seminole Heights Neighborhood Association, Inc.

AN OPEN LETTER TO OUR MEMBERS REGARDING "SEMINOLE HEIGHTS FOUNDATION, INC."

The Executive Board of the Old Seminole Heights Neighborhood Association feels it would be appropriate to provide some history and facts about the OSHNA 501(c)3 Committee and the recently formed Seminole Heights Foundation.

OSHNA is currently incorporated in the State of Florida as a 501(c)4 corporation. The designation 501(c) is a provision of the United States Internal Revenue Code for types of non-profit organizations exempt from some federal income taxes. There are two types of 501(c) organizations we are concerned with, the 501(c)3 and the 501(c)4. There are many differences between the two but one of the most significant is that donations to a 501(c)3 are tax-deductible whereas donations to the 501(c)4 are not.

For many years, one of OSHNA's goals has been to acquire 501(c)3 status. In 2008, during the presidency of Susan Long, that goal was significantly advanced when the Board voted to establish a 501(c)3.

By March of 2009, that Committee was well into the process of developing a plan for the Association to have non-profit status. The Committee has researched the differences between a 501(c)4 and a 501(c)3 to understand how any change might affect OSHNA's activities, legal status, bylaws and whether it would alter OSHNA's situation with respect to the IRS. It has also been evaluating the pros and cons of either converting OSHNA to a 501(c)3 or establishing a 501(c)3 charitable foundation that would be managed by OSHNA.

For counsel on creating a 501(c)3, OSHNA retained Gray-Robinson, a highly rated tax attorney firm specializing in 501(c) designations. The Committee met with Mike Nolan, one of the firm's attorneys, and was following his directions in developing the OSHNA sponsored 501(c)3.

The OSHNA Committee had authorization from the Board to hold a special meeting so that the General Membership could offer their thoughts on the Committee proposals. Before the 501(c)3 Committee had completed deliberations and agreed on a proposal to present to the board of directors and membership for input, and totally without any notice whatsoever, the Neighborhood Association learned a new and significantly similar foundation had been formed, complicating any effort on OSHNA's part to establish such an entity.

On March 13, via a press release, OSHNA learned that Randy Baron, Christie Hess, and Susan Long formed a separate corporation on March 10, 2009, titled The Seminole Heights Foundation, registered it as Incorporated with the state, and applied for a 501(c)3 status. The Seminole Heights Foundation was the name being considered by the OSHNA Committee for its non-profit foundation. Their domain name was registered anonymously on February 26, 2009. Christie Hess, president of the new foundation, also purchased an internet domain name titled [oldseminoleheightsfoundation.org](http://oldseminoleheightsfoundation.org) on March 17, 2009. That is the exact name the OSHNA Committee had decided to use. By registering both of the names under consideration by the OSHNA 501(c)3 Committee, the founders of The Seminole Heights Foundation obstructed OSHNA from obtaining them. Both websites currently direct to the same "under construction" page.

The mission statement of the new Seminole Heights Foundation is very similar to the mission statement that was proposed in Committee meetings for the OSHNA 501(c)3.

If OSHNA is changed to a non-profit, the bylaws will have to be changed to reflect that. When it became evident that the current OSHNA bylaws may need to be modified because of the events that occurred with the start-up of the new foundation, Bill Hunter, the Chair of the Bylaws Committee, temporarily suspended meetings until the Board could give direction on the 501(c)3 issue. In an email sent from Randy Baron to Bill Hunter, as Chair of the Bylaws Committee, members of the OSHNA Bylaw Committee, the OSHNA Board, Susan Long and Christie Hess, Randy Baron stated, quote:

*"While a change to c3 status would require some changes, there still remain many areas of the bylaws that need to be updated that would NOT be affected by that status. I strongly suggest that we continue to meet so that current items of concern can be addressed. If you still feel that the committee should suspend, I will form a private committee (since under the current bylaws you cannot be removed as chair despite refusing to hold meetings) and present suggested changes to the board and the general membership for the appropriate vote. "*

The OSHNA Bylaws state, in Article VIII, Section 1. Types of Committees:

*"There shall be two types of committee. Standing committees are those named in the by-laws, are permanent, and represent continuing needs in the promotion of the purposes of the OSHNA. Special committees are those which are not listed in the by-laws and may be formed either by a majority vote of the general membership or by the president with the approval of the executive board"*

There is no provision within the Bylaws for an individual to form "a private committee".

Randy Baron is a member of the OSHNA 501(c)3 Committee and had access to all the information OSHNA developed. Susan Long and Randy Baron attended a presentation by Henry Young, president of Young Associates, LLC, a national fundraising and management consulting firm, for the Committee citing the differences between a 501(C)3 and a 501(C)4.

Christie Hess is OSHNA Crime Awareness Committee chair. Randy Baron was OSHNA's representative to the Tampa Homeowners, an Association of Neighborhoods (THAN). Susan Long and Randy Baron are OSHNA past presidents. While Christie Hess and Randy Baron were candidates for the OSHNA Board in the 2008 elections, neither was elected to the Board. Susan Long was elected as Treasurer of OSHNA, but resigned her position on the Board at the conclusion of the February 16, 2009 Board meeting.

These three individuals have used their positions within OSHNA and its Committees to undercut OSHNA's mission, and to interrupt progress in two critical Committees, Bylaws and the 501(C)3. With the creation of Seminole Heights Foundation, Inc., and its similar mission and scope, Randy Baron, Christie Hess, and Susan Long have created a competing organization which will likely cause considerable confusion. The Bylaws Art. VI, Sect. 3, require the Neighborhood Association Board to "Approve the use of the OSHNA name and/or logo by other parties including, but not limited to, endorsements of products or businesses." The OSHNA board has neither approved nor endorsed Seminole Heights Foundation, Inc.

The news media has been calling to get the Association's comments on the new Seminole Heights Foundation, assuming that, because of the name, OSHNA developed it. Also the City has sent OSHNA a

letter of congratulations on, once again, being on the cutting edge with the establishment of this foundation, one OSHNA had no knowledge of until it was done.


If the Neighborhood Association was to establish an OSHNA foundation, there would likely be confusion between the newly established Seminole Heights Foundation and OSHNA's. This confusion would be impossible to avoid if OSHNA went forward with its plans, since the mission statement of The Seminole Heights Foundation is essentially the same as the mission statement that was proposed in the OSHNA 501(c)3 and the name is the same as that chosen by the OSHNA Committee for a possible foundation.

The Neighborhood Association will be looking at its options in regard to a 501(c)3 status in light of the precipitous and surprise creation of this new foundation. Any decision on this issue will require careful and thoughtful consideration. At this point, however, the Board felt it was proper to provide members with information about the situation as it now stands and, additionally, to point out that the 'Foundation' is not associated with OSHNA.

Sincerely,  
The Executive Board


  
\_\_\_\_\_  
Jeff Harmon, President

  
\_\_\_\_\_  
Evan St. Ives, Vice President

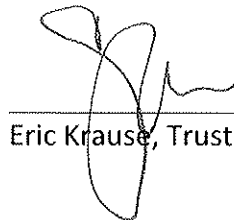
  
\_\_\_\_\_  
Christy Freeman, Secretary

  
\_\_\_\_\_  
Cathy Simon, Treasurer

  
\_\_\_\_\_  
Doreen DiBona, Trustee

  
\_\_\_\_\_  
Shawn Hicks, Trustee

  
\_\_\_\_\_  
Bill Hunter, Trustee

  
\_\_\_\_\_  
Eric Krause, Trustee