

## Brief History

### Mount Vernon Place United Methodist Church Property Redevelopment

Rev. Dr. David McAllister-Wilson, President of Wesley Theological Seminary, has had a longtime relationship with Mount Vernon Place. President McAllister-Wilson was inspired by the Chicago Temple, a downtown congregation also known as First UMC, who created a high rise through a mixed-use development. One of the then board members of Wesley Theological Seminary was the mother of Robert Carr, who was our developer from what was then CarrAmerica. President McAllister-Wilson used this inspiration and connection with the Carrs to enter a conversation with our then members about what might happen at MVP.

The Church Conference to vote on the sale of the property took place on July 17, 2005. The congregation then vacated the property in the fall of 2006, worshipping in the nearby Carnegie Library Building. The congregation returned to the historic building on September 21, 2008 and dedicated the office space in the new office building on October 25, 2009.

The property sold in 2005 consisted of a 1940 building addition, a 1958 building addition, and a small parking lot with space for approximately 25 cars.

2005 View from corner of 10<sup>th</sup> and K Streets, NW



2005 View from K Street, NW



The property was originally sold to CarrAmerica. CarrAmerica then went from being privately held to publicly owned. Blackstone, a hedge fund in New York City, then purchased the Washington portfolio, including our project. Blackstone sold it to Tishman Speyer. After multiple negotiations, our project wound up with Carr Properties and our original developer of Robert “Bob” Carr.

The proceeds of the sale were used to completely restore the 1917 historic building, much of which was unusable at the time due to extensive water damage. The congregation then bought back 22,000 square feet in the new office building. MVP owns a 22,000 condo in the 901K building.

After all bills were paid on the historic renovation, purchase of 22,000 square feet in 901K, and all furnishings and equipment purchased, the balance was used to establish the “building fund.”



The building fund is to sustain the historic property for years to come and is governed by paragraph 2543 in the *2016 Book of Discipline* which reads:

*2543. Restriction on Proceeds of Mortgage or Sale – 1. No real property on which a church building or parsonage is located shall be mortgaged to provide for the current budget or operating expense of a local church. The principal proceeds of a sale of any such property shall not be used for the current budget or operating expense of a local church. Provided that provisions are made for the current and future missional needs of the congregation and the current and future housing needs of a pastor, the principal may be used for capital improvements beyond the regular operating budget when written approval is granted by the district superintendent and the pastor. This provision shall apply alike to unincorporated and incorporated local churches.*

Wesley Theological Seminary purchased 7500 square feet for residential space on the 3<sup>rd</sup> floor, above the church offices. The language used by Wesley is that MVP would be like a “teaching hospital” for their students, particularly students called to urban ministry. Nearby Asbury United Methodist Church considered purchasing space for their credit union in the 901K building but ultimately discerned not to do so.

Working closely with the developer’s guidance and request, MVP purchased the entire 29,500 square feet (MVP and Wesley Theological Seminary space) and then proceeded to a second closing on the same day of the 7500 square feet to Wesley Theological Seminary. A sub condominium regime was put in place where Carr Properties deals completely with MVP, including operating budgets. Wesley then reimburses MVP each month for a portion of the condo operating fees. Bishop John Schol, then resident bishop of the Baltimore Washington Annual Conference, required MVP to give Wesley a discount on their space, something akin to a “tithe.” This amounted to just under a \$500,000 discount to Wesley.



In January 2020, MVP leadership was notified by President McAllister-Wilson that Wesley would be seeking to sell the Birch Residential Hall, the 7500 square feet sub-condominium. It continues to be on the market as of February 2022.