Church Council Recommendation to Congregation Regarding Sale of 400 High Street Property

Voted by Church Council on Tuesday, May 6, 2014; Issued as an Addendum to the Call to Congregational Meeting (2014.05.14)

The Recommendation for Vote on June 1, 2014:

The Church Council recommends to the Congregational Church of West Medford, UCC (CCWM) the sale of the congregation's entire property, located at 400 High Street, Medford, MA to the Evangelical Haitian Church (EHC) of Somerville. The Evangelical Haitian Church of Somerville has offered to purchase the property including the Furniture, Fixtures and Equipment for 2.9 million dollars.

They have demonstrated the ability to pay this amount of money; are expected to use the property as it was intended to be used when built, as a faith community and a place of worship; have expressed their intention to be a resource for the local community and rent space to the current tenants/renters; have been active participants in the community in which they currently serve and are expected to be so in Medford; and have asked for a period of due diligence and closing date that are reasonable and manageable for us.

The Background for the Recommendation as presented to Church Council by the Strategic Planning Team

- 1. Our intention has been to sell the property for the highest and best use—balancing:
 - a. best stewardship possible of the gift of the property;
 - b. our sense of responsibility to the neighbors, our history, our theology and our values;
 - c. our sense of mission for our own congregation;
 - d. our fiscal needs to be a faith community going forward;
 - e. the impact of time and process on our ability to maintain inspiration and hope.
- 2. With the guidance of real estate professionals (Cushman Wakefield, our Brokers and Rich Beal, who has acted as consultant throughout the process), we developed a matrix of these Values and Criteria for making this recommendation. In short, by the time we arrived at the best and final offer stage of the process, this became relatively easy, as all four best and final offers were from Christian faith communities. Each of the four offers wanted all the FF&E, would leave the tenants in place, had Christian mission objectives, were considered good neighbors in their current location; and stand in a theology that is different than ours.
- 3. Due Diligence completed by SPT in regard to the offer from EHC:
 - a. Financial Diligence Are they able to close this deal financially?
 - i. Bank approval for 60% of Purchase Price is considered achievable by brokers and comparable sales;
 - ii. In the process of acquiring Financial Disclosure of ECH's ability to pay remainder.
 - b. Use of the Property/Our Legacy Diligence How will the property be used/affect the City of Medford;
 - i. Offer materials state their intention to use the property as a church, worship space and allow tenants to remain
 - ii. Reference Check(s) Very Positive Reference checks with UCC pastor in Somerville and Somerville Alderman and Mayor of Somerville regarding church's engagement in the community and as being thoughtful, respectful and engaged neighbors
 - iii. Current properties are well kept and neat
 - c. FF&E Requires additional review we will define the few things we want to take;
 - d. Timing, Process, and Close date are reasonable and manageable for us.

Therefore, the recommendation to sell to the Evangelical Haitian Church of Somerville represents the highest and best value; meeting our efforts to balance the matrix of values with which we began. We thank God.