# **Report From the Administrative Commission on Congregational Property** 4/27/22

# **Important Information for Churches**

# G-4.0206 Selling, Encumbering, or Leasing Church Property from the Book of Order

## a. Selling or Encumbering Congregational Property

A congregation shall not sell, mortgage, or otherwise encumber any of its real property and it shall not acquire real property subject to an encumbrance or condition without the written permission of the presbytery transmitted through the session of the congregation.

### b. Leasing Congregational Property

A congregation shall not lease its real property used for purposes of worship, or lease for more than five years any of its other real property, without the written permission of the presbytery transmitted through the session of the congregation.

### All leases executed by NCP Sessions must contain the following language:

"Notwithstanding anything contained in this Lease/License to the contrary, in the event that the Landlord as a religious organization is dissolved, Lessee or the National Capital Presbytery may terminate this Lease/License, provided that notice of such dissolution is provided to Lessee at least ninety (90) days prior to the anticipated date of dissolution, and (ii) the Lease/License shall not terminate for ninety (90) days after the date of such dissolution unless otherwise agreed by the Parties."

The Presbytery has empowered the Administrative Commission on Congregational Property with the powers of an Administrative Commission to consider and approve requests from churches to lease, sell or encumber the real property of a church. Any action in this regard by a congregation without the Presbytery's permission will not be recognized as legally valid.

If your church is considering leasing, selling or encumbering real property please contact the Director of Business Affairs, Heather Deacon, hdeacon@thepresbytery.org.

• Kirkwood Presbyterian Church (Springfield, VA) – March 22, 2022

Approved a request to borrow \$500,000 from SBA (EIDL COVID-19 Relief Loan Program) to pay down existing loan with United Bank as follows:

Under its authority as an Administrative Commission of National Capital Presbytery (NCP), the Administrative Commission on Congregational Property (ACCP) grants approval to Kirkwood Presbyterian Church to borrow \$500,000 from SBA for a term of 30 years with a rate of 2.75% for the purpose of paying down their existing mortgage with United Bank. <u>Approval contingent on receipt</u> of congregational approval for new borrowing and NCP Certificate of Agreement with NCP Loan Guarantee Policies. ACCP further requests that Kirkwood Presbyterian Church engage with the Church Development Commission to assess their assets in connection with their future ministry efforts and are encouraged to consider a capital campaign to assist in retiring additional debit. ACCP formally requests that Kirkwood Presbyterian Church follow up with ACCP on the progress/outcomes of these requests

• Geneva Presbyterian Church (Rockville, MD) – March 22, 2022

Approved a request to enter a temporary easement with their neighbors at 7905 Van Gogh Court as follows:

Under its authority as an Administrative Commission of National Capital Presbytery (NCP), the Administrative Commission on Congregational Property (ACCP) grants approval to Geneva Presbyterian Church (GPC) to enter a temporary easement with their neighbors at 7905 Van Gogh Court that will expire when the neighbors sell, rent, or vacate their premises for more than 6 months. The easement will permit the neighbors to **temporarily** maintain their existing deck, which encroaches on GPC property, and requires the neighbors to remove fencing they erected on GPC property and to irrigate a tree screen that GPC will plant as a privacy screen. Any new fencing must be on their property or adjoin the portion of the deck remaining on GPC property and permitted by the temporary easement. The neighbors, in accepting the easement, renounce any claim on GPC property, and are aware that the easement will be recorded in the public record. The structures permitted by the easement will no longer be permitted to remain once the property is sold, rented, or vacated by the current neighbors. ACCP formally requests the transaction include a letter of understanding and/or written easement agreement outlining the terms of the temporary easement to be signed by all parties.