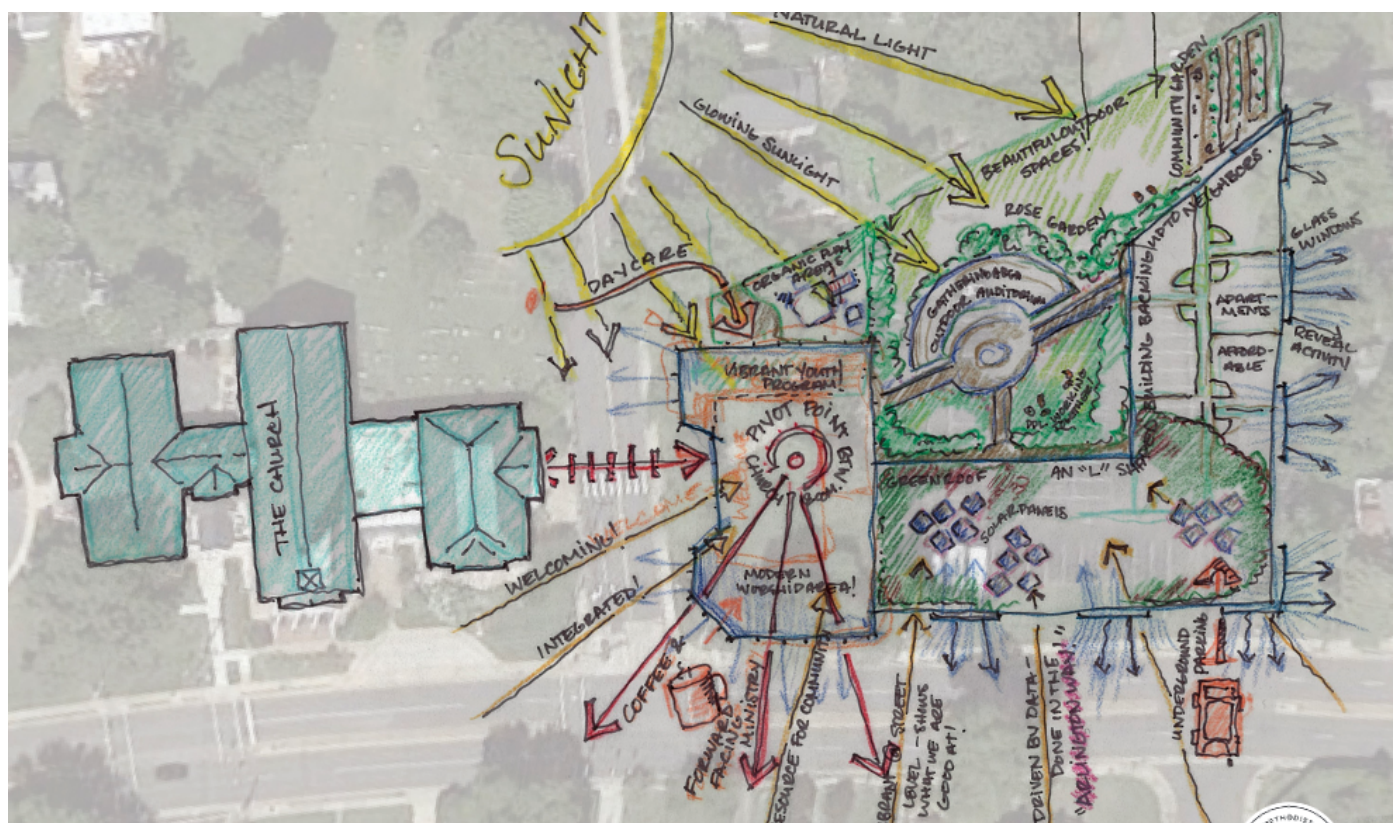


Report of the Task Force Exploring the Potential for Development of the Mount Olivet United Methodist Church Parking Lot in Arlington, VA



Initial Issue: May 19, 2022

Rev 1: June 27, 2022

Submitted by:
Chuck Mitchell

Revision Log

Revision	Date	Changes
0	5/19/22	Initial Issue
1	6/27/22	Expanded discussion of options considered for development. Record the outcome of the May 21, 2022 Church Conference

Introduction

This report documents the activities, results and recommendations of the Property Development Task Force leading up to the Church Conference meeting on May 21, 2022.

In 1954, Mount Olivet purchased the land on the corner of Glebe Rd and 16th St. North that is currently being used as the parking lot for Mount Olivet. Later that year, a church committee made a motion to investigate the possibility of building a Youth Center and a swimming pool.¹ Neither of these options were pursued, the paving began in 1955 and was expanded a number of times until it reached its current size in 1988.

Since 1988, a number of ideas, suggestions and research have investigated the potential for building on the parking lot.² Developing the parking lot would require funding from Mount Olivet, generally achieved through a capital campaign. In all cases, Mount Olivet opted to retain use of the space for parking.

In March, 2017, the three-year strategic plan, adopted in 2014 was coming to an end. A church the size and complexity of Mount Olivet works best when there is a central plan that guides the priorities, assets, and resources. Mount Olivet Sr. Pastor working with the Church Council agreed to “refresh” the strategic plan. Mount Olivet contracted Paul Nixon of the Epicenter Group to gain an understanding for Mount Olivet potential in the next decade³. In that work, Paul took a broad look across data and trends to inform his recommendations. He looked at:

- Demographic data about Arlington
- People and money trends at Mt Olivet
- Observations of Sunday morning ministries
- Community Assistance
- Church Identity and Inclusivity
- Adult Discipleship and Youth Ministry
- Property and Facilities

From these observations, conversations and research, Paul identified six key recommendations. One of those recommendations was to identify a working group to research ideas for the eventual planning and construction of a large facility beyond the Green, to replace the current parking lot. The specific recommendation states:

Mount Olivet Community Life Center. Identify a working group to research ideas for the eventual planning and construction of a large facility beyond the Green, to replace the current parking lot.

¹ Hank Hulme research papers

² May 7, 2008, Zoning Regulation Summary, Kerns Group Architect

³ Fall 2017, Washington DC, Mount Olivet UMC Looks Toward 2030, Reflections, Possibilities, Recommendations, Paul Nixon, The Epicenter Group

This facility could include two decks of underground parking, plus a mixture of church, community and non-church development (either residential or office space). The church and community space would face into the Green, looking back toward the historic buildings. It could also include additional preschool classrooms, a coffee house/restaurant (Busboys-like), flexible and multi-purpose meeting space and possibly some recreational space – even a gymnasium/worship space if we felt the needs justified such.

This Mount Olivet Community Life Center would serve to increase our current square footage and our off-street parking by at least fifty percent.

The cost of this development could be largely covered by the mixed-use nature of the total development. By this plan, we could add very modern space to compliment our historic facilities, space designed for a high interface with our neighbors.

We would work with a developer who sees the possibilities of a win for the church, a win for the neighborhood (with better public services) and a win for the developer in making a profit. By giving the land for this development, such a win-win-win should be possible.

In keeping with the strategic recommendation of Paul Nixon, Mount Olivet formed a working Group in the Fall of 2019 to begin looking at options and potential paths forward.

The Mount Olivet Property Development Task Force, which had some changes over time, was initially made up of:

- Chuck Mitchell - Task Force Chair and Mount Olivet Trustee
- Sr. Pastor Ed Walker
- Ryan Brown – Mount Olivet Legal Counsel
- Meredith Chistolini – Witness and Welcome
- Mike Nelson – Mount Olivet Trustee and PM for the recent Fellowship Hall renovation
- Marylin Traynham – Church Administrator

Collectively the group brings exceptional talent, relevant professional and Congregational experience and insights from similar projects.

Approach

The Task Force first met in Fall 2019 and spent time brainstorming and developing initial ideas and concepts for proceeding in a manner to remain aligned with Mount Olivet ministries and the needs of the Community and Arlington County. Ultimately the group proceeded by:

- Evaluating Scope and Development Options
- Inviting Outside Expertise
- Conduct Envisioning workshop

Scope and Development Options

The group first reviewed historical documents from Hank Hulme's work and from previous architectural assessments. Then outlined the following potential scope and ownership options:

The properties under consideration are the three parcels outlined in red in the figure comprising the parking lot, The Green and the associate pastor parsonage.

The properties under consideration are the 3 parcels comprising the parking lot, The Green, and the associate pastor parsonage



At the time of the Task Force's initial meetings, there was a need to coordinate with the timing of the special use permit and parking lot lease that was on a 3-year renewal cycle with Virginia Hospital Center. That lease has not been renewed so this is no longer an issue.

When evaluating alternatives for potential development of the parking lot, the Task Force first considered the following ownership options:

Outright sale of the land: This is considered a non-starter for consideration

Ground lease: This would provide the least risk for the church

Outright sale to Developer: The church could potentially net a large sale price for the parcel but would give up title to the land.

Partnership with Developer: This would be higher cost and more work for the Church to set up, but outcome could be a condominium structure with the Church owning some condominium

units (e.g. parking spaces, church office / classroom / etc. space, or condominium units that the church can own and rent out to create an income stream).

Church as Developer: Similar to a partnership with a developer, except that the Church would take the primary responsibility for building and financing and then hire contractors to carry out the work. This would involve the most work by the church but would give the church the most control and potentially highest reward.

The Task Force also reviewed Case studies of similar projects namely:

- The Church at Clarendon (formerly First Baptist Clarendon)
- Calvary Baptist DC
- First Congregational Church DC
- Emory UMC
- Central UMC

The evaluation of development options for the property was guided by:

- The Mission and Ministries of Mount Olivet,
- Mount Olivet's relationship with our neighbors and with Arlington County,
- The long-term financial stewardship of the parking lot property and
- Achieving the first three objects without a capital campaign in Mount Olivet

The final point (i.e., not requiring a capital campaign) was driven by the fact that Mount Olivet recently completed a campaign for the renovation of the Fellowship Hall and asking the congregation to repeat this process on a substantially larger scale would not work. Furthermore, previous efforts that were discussed in the 1950s and again as recently as 2008 and 2015⁴ were not pursued because of the substantial burden that would be placed on the congregation through capital campaigns.

As work progressed the Task Force was broadened within Mount Olivet to include additional leadership in the church. We expanded the group to include representation from:

- Council
- Finance
- Trustees
- Lay Leadership
- Community Assistance
- Young adults
- Children's ministries

⁴ Trustees review of Kern's 2008 zoning study

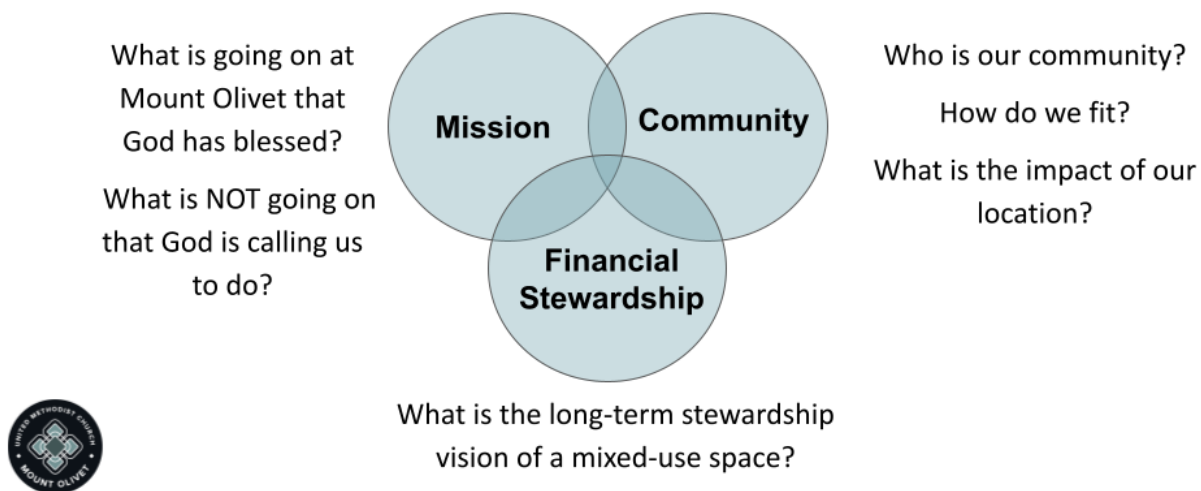
Invite outside expertise

Ultimately the Task Force came to the point where we needed outside expertise to help guide us on the journey. We entered into Non-Disclosure Agreements and solicited bids from:

- Michael Foster (MTFA) who led the Church at Clarendon project and
- CGS who recently completed our Fellowship Hall renovation.

Mount Olivet contracted with MTFA to provide consultation and subject matter expertise. MTFA guided our focus on three core components of a successful project visualized in this Venn Diagram.

Our first step is to align the ministries and mission of the church with financially viable services needed in Arlington



From a Mission perspective, our congregation is engaged in many ways with activities that God has blessed BUT where MTFA challenged us throughout much of our discussion is:

What is NOT going on at Mount Olivet that God has called us to do in our Community?

A number of opportunities lie before us:

- Child care – a Washington Post article identified the severe shortage or “desert” of child care facilities not only in our region but across the country⁵.
- Flex Space w/showers to support visiting mission trips and/or shelter-in-place programs
- Job training Center
- Space for:
 - o Performing
 - o Recreation

⁵ Feb 28, 2021, Pandemic unleashes a dual day care crisis, Caroline Kitchener, the Washington Post Sunday

- o Outreach
 - o Blended Worship
- Affordable housing with dignity
- Elder Care coordinated with Virginia Hospital Center

Financial Stewardship would take into account

- Long-term stewardship vision that the funding stream a mixed-use space would create
- Transition over time of developing the parking lot for near-term revenue and income streams to later long-term mission development

Conduct Envisioning Workshop

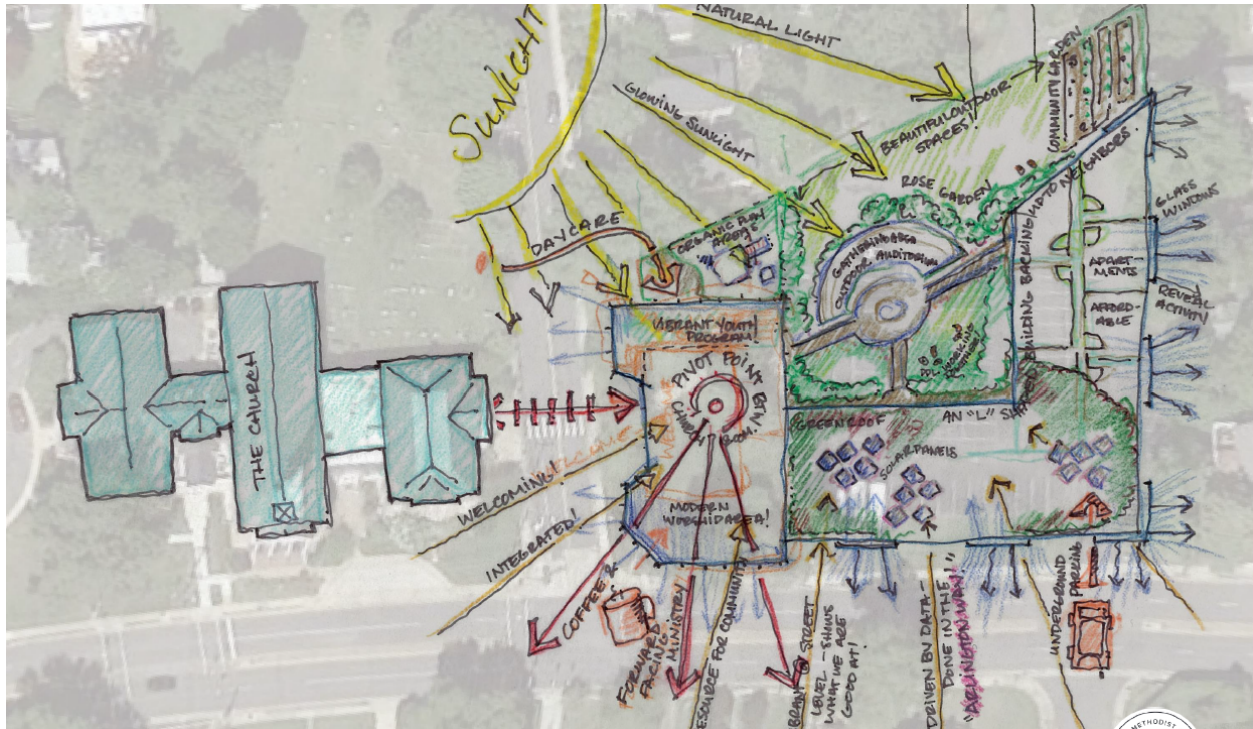
MTFA proposed and was invited by Mount Olivet to facilitate a visioning session that would explore their existing facility needs and explore options for the future of the church as it adapts its physical environment to allow it to thrive and better serve the congregation's goals and vision.

The first phase of the "Visioning Workshop" was held on December 2, 2020 and included a selected group of "Ambassadors" to represent a broad cross-section of the congregation and church programs. The Ambassadors provided insight into the diversity and interests of the church and openly shared information about the church's strengths, weaknesses, and dreams for growth.

Information about the vision and values of Mount Olivet was gathered in response to questions, feedback and dialogue collected throughout the visioning process. The goal of this effort was to build consensus and help prioritize values within the scope of possibilities for future development.

The Workshop explored the need for facilities that align with the ministry goals of the church as it seeks to live out its mission to share God's love, grow in faith, and remain a vibrant part of the Arlington community. As Mount Olivet seeks to respond to the needs of its neighbors, the visioning process looks to embody its welcoming spirit on the physical campus. The Ambassadors brought to light the strengths and limitations of the current facility and described the hope for an efficient, sustainable and inclusive hub in the community.

The visual representation of feedback from the workshop provides a framework for Mount Olivet's potential to better serve the congregation and the community in a manner that aligns with our pledge as Caretakers of God's Creation.



Results

Following the Ambassador's Workshop and follow-up meetings with the Task Force, MTFA provided reports to Mount Olivet describing the potential for development on the parking lot.

Mount Olivet Visioning Workshop and Programming Report, July 2, 2021. This comprehensive PowerPoint format report provides details of potential site development, market rates for potential occupants, options for funding and financial viability, and potential next steps for involving developers.

Summary of Potential Development, July 2, 2021: This text report summarizes the zoning, market and potential building options that are contained in the detailed PowerPoint report. The following is excerpted and abridged from the summary report:

Summary of Potential Development:

Owner:	Mount Olivet Church
Site:	Parking lot at corner of Glebe Road and 16 th Street
County:	Arlington County, Virginia
Zoning:	R-6 with GLUP designation for S3-A or S-D, Special Development District
Area:	Approximately 84,534 SF
FAR Potential:	Under 4.1 Site Plan, S-D zoning 1.5 + Bonus = 2.35+ FAR or approx. 198,000 SF

Mount Olivet Church Site zoning, setbacks, and FAR limitations and potential:

1500 N. Glebe Rd. Arlington, VA 22207.

The properties in consideration include Parcel numbers 07029013, 07029028, and 07029029, across 16th street from the main church property. Each of these are zoned R-6. The general land use plan (GLUP) allows S-3A or S-D zoning for semi-public use.

EXISTING AREA TABULATION:

Lot:	07-029-013	07-029-028	07-029-029
Area:	59,995 SF	10,953 SF	13,586 SF

Total SF: 84,534 Square Feet

ZONING CONSIDERATIONS:

Current zoning R-6 allows for 1-12 houses on these combined lots.

Re-zoning outside of the GLUP allowances would have challenges, examining the by-right building options for churches under S-3A or S-D zoning opens up potential options as a designated Special Development area.

STEWARDSHIP & CONTEXT:

During the Visioning Workshop, the Church discussed the context of the property to determine the site's highest and best use" within the market and Zoning/GLUP potential:

- Close to Ballston Metro (Orange/Silver Line people)
- Near Ballston corridor
- Near Virginia Hospital Center and medical/clinical resources
- Close by Woodlawn Park and Washington Liberty High School.

Zoning potential under the GLUP is S-D zoning (summary attached) which allows up to 1.5FAR + eligible bonus density. This could include bonus provisions as reviewed with the County for specific uses, LEED, affordable, housing, age restricted housing, and community other benefits, and a community center for a total potential of about 1.5FAR + up to .85 or 2.35FAR x 84,534sf or approximately 198,000sf.

This area could be comprised of a single use or combination of uses from assisted living, affordable housing, medical office, or day care center. The building will include a church community center space of about 16-18Ksf on the first floor and below grade at the corner of Glebe and 16th Street across from the church. Below grade parking of approximately 200 parking spaces will serve the entire facility during the week with approximately half remaining available on Sunday morning.

Based on meetings with several reputable commercial brokers, affordable housing and assisted living developers, and the County Planning office as well as the County Economic Development office, we have identified the current average comparable land cost valuation range for this market.

1. Affordable Housing: \$50-65/Usable Square Foot
2. Day Care: \$55-65/Usable Square Foot
3. Independent Medical Office: \$60-70/Usable Square Foot
4. Assisted or Independent Living: \$80-85/usable Square Foot

Note, market rates are sensitive to timing, exact micro location, sale or land lease terms, and rezoning conditions.

Program options and use mix to meet the S-D zoning potential areas envisioned include:

- P-1 and P-2 parking accessed from Glebe Road to keep traffic out of the neighborhood.
- Lower Level: Approx. 38-40,000sf open to courtyard, Community Center, and Day care.
- Level 1: Approx. 38-40,000sf entry from Glebe Road for medical office or assisted living.
- Level 2-4: Approx. 36-38,000sf assisted living or age restricted affordable housing.

Recommendations

Having completed the research described in this report, the Mount Olivet Parking Lot Development Task Force has sufficiently addressed the recommendation of the 2017 Strategic Plan recommendation by Paul Nixon. That recommendation is to mobilize a task force and explore the potential for development. Furthermore, given the positive results of the research, the Task Force recommends that Mount Olivet call a church conference to authorize a building project on the church parking lot property and to elect a building committee.

This recommendation was acted on with the following outcome:

THEREFORE, BE IT RESOLVED THAT, the Church Conference of Mount Olivet United Methodist Church, meeting in called session on Saturday, May 21, 2022, authorizes the development of a building project on the Parking Lot according to The United Methodist Book of Discipline (2016) Paragraph 2544(4). This action authorizes a Building Committee to proceed from Paragraph 2544(1) through 2544(6).

THEREFORE, BE IT RESOLVED THAT the Church Conference elects the following church members to serve as the Building Committee to oversee this project: Chuck Mitchell (chair), Justin Kopca (vice-chair), Marilyn Traynham, Ryan Brown, the chair of Finance Committee, Mike Nelson, and the senior pastor (ex officio). In addition to these members, the following will serve as Ambassadors to the Building Committee: Neela Babu, Jaydee Hanson, Greg Hitt, Alexis Joyce, Mike Cropper, and the Lay Leader and Associate Lay Leaders who choose to participate. Changes to the Building Committee and/or Ambassadors are subject to the approval of Church Council.

BE IT FURTHER RESOLVED THAT the Building Committee comply with Paragraph 2544 (1 through 6) of the United Methodist Church Book of Discipline (2016) and is authorized to engage the services of one or more architects and consultants to:

- *develop a budget to support the work of the Building Committee;*
- *meet/communicate with members of the Arlington County government, non-profit organizations, and community members including but not limited to the neighborhood associations and neighbors abutting the church to identify how community needs compatible with the church's ministry and mission could be addressed by the building project;*
- *develop preliminary architectural plans;*
- *complete a detailed study of the size of the parking lot and its daily use;*
- *identify requirements for and develop a preliminary financing package that uses the Parking Lot property as the church's primary financial investment in the project and for a long-term ground lease;*

- *assess the experience and capabilities of developers and builders who might be interested in the project and develop a RFP;*
- *provide a report on the work of the Committee to the congregation at least quarterly.*
- *take all other actions of a building committee as authorized and directed by The United Methodist Book of Discipline (2016) Paragraph 2544(1-6).*

References

[Mount Olivet UMC Looks Toward 2030, Reflections, Possibilities, Recommendations, Paul Nixon, Fall 2017, The Epicenter Group](#)

[Mount Olivet Visioning Workshop and Programming Report, July 2, 2021, MTFA Architecture](#)

[Summary of Potential Development, July 2, 2021, MTFA Architecture](#)

[Zoning Regulation Study, May 7, 2008, Kerns Architect](#)

[Parking Lot Historical Notes](#)