

**Case statement, Jacobs Property Purchase  
Draft 6, July 14, 2020**

**Overview-** At the 2020 annual meeting of the United Church of Underhill, a group was tasked with investigating the possible purchase of land behind the church currently owned by Phil Jacobs. The group began with the Trustees, Pastor, and Church Council Chair and has evolved to Dave Clift, Sandy Wilmot, Al Simard, Mark Stephenson, Dan Manz and Pastor Jen Mihok. The agreement at the annual meeting was for this working group to bring a recommendation back to the church body before making any commitments. This case statement includes the background that leads us to a recommended course of action. Specifically, the work group recommends:

***Purchase the lot behind the church being sold by Phil Jacobs for a sum of about \$250,000 with the vision of developing a portion for affordably priced homes and keeping a portion open for agricultural, recreational, and Harvest Market purposes.***

We recognize this is a major undertaking for our small church. At the same time, the opportunity to acquire this land, provide housing that could enhance social and economic diversity, and preserve open space for agricultural and recreational purposes is a compelling missional opportunity. Please read this document carefully, pray, and then close your eyes to envision what this space might become.

**History of the United Church of Underhill and the property it currently owns-** The United Church of Underhill (UCU) was formed in 1973 when the local Methodist church and the local United Church of Christ combined as a single home for persons of a broad range of faiths and perspectives. Since that time, the UCU has been a community anchor to the northwest corner of Jericho and the southwest corner of Underhill. When it was first created, the UCU owned the current church building and a small amount of surrounding property, as well as the former Methodist Church building which now houses Green Mountain Hydroponics.

Since its formation, the UCU has played a role in hosting and enabling many important groups and activities that provide Underhill and Jericho towns with a rich quality of life. These have included:

- Active Sunday morning worship
- Weddings
- Funerals
- Scout groups
- The local Water Board
- Square dancers
- Tai Chi for seniors
- A quilting ministry
- Lions Club events
- Alcoholics Anonymous meetings
- Community dinners
- Music recitals
- A parking lot used by many as a carpool meeting point
- Church youth group
- Retired men's and women's social lunch groups
- A lending ministry for durable medical supplies

While many residents in the two towns do not hold a formal affiliation with the UCU, a large number attend an event or activity connected with the church on at least an occasional basis.

In 1975, the UCU began hosting a one-day Old Fashioned Harvest Market, always on the last full weekend in September. The Harvest Market has grown to become a two day event and one of the most recognizable celebrations of Fall in Underhill, Jericho and far beyond. Each year Harvest Market is attended by thousands of people. Activities include a parade, 5K fun run, pet show, zucchini decorating contest, cider pressing, multiple food venues, craft booths, musical entertainment, children's games and a large flea market. Since its inception, the UCU has embraced the participation of other community partners in offering their own version of sales, food, fun and a celebration of the season. The size of the event has grown so large that just the UCU parts spill over to the property of surrounding neighbors and onto the community green in front of the church.

Since the earliest days of Harvest Market, the UCU has included a rummage sale known locally as the "Clutter Barn." Originally, this part of the event was simply one piece of the puzzle in bringing people together. Today, the Clutter Barn has matured to a much more comprehensive ministry. The Clutter Barn fills many important roles:

- It serves an important social role by supporting multiple social service agencies in their placement of refugees settling in Underhill, Jericho and beyond as well as families who may have had to relocate due to fires, flooding or similar natural disasters.
- It serves an important economic role by putting low cost household items, clothing, toys and similar things into the hands of those who need them
- It serves an important environmental role by keeping unwanted household items from ending up in a landfill

The Clutter Barn has grown to about a 6-month operation during the Spring/Summer/early Fall seasons where it receives donations, offers multiple weekend sales and culminates in the Harvest Market event.

In the years after the UCU was formed, it purchased a house on Park St, slightly east of the church as a parsonage. That building has been home to various pastors and their families serving the church ever since. In 19XX the UCU also bought the former Gifford Funeral Home building on the north side of the church. This purchase enabled the UCU to own the driveway between the church and the Gifford building. Originally it was unknown how the Gifford Building would be used: as a Sunday School educational facility, a senior drop-in center, a meeting space for outside community groups, or other functions. But in 20XX it began to be used as the Clutter Barn for Harvest Market. Since that time, the Clutter Barn has expanded outside the Gifford Building itself and now includes multiple tents surrounding it for both tag sales and Harvest Market weekend. Community members recognize it as "the place" to donate items they no longer need. *It is fair to say the United Church of Underhill could not support the range of programs and services it provides today without owning the property it has.*

***The Jacobs Property-*** Phil Jacobs is the current owner of a parcel of about 9 acres of land that extends from Park Street in Underhill to the area behind the Underhill Jericho Fire station. This land abuts the back side of UCU's property. The land is currently open and Mr. Jacobs has historically been very generous in allowing the UCU to use the property during Harvest Market. It is also used for other neighborhood purposes including kite flying, dog walking, cross country skiing, picnicking and similar outdoor recreation. His timeline for selling is sometime in 2020, and he is asking \$250,000 for the entire parcel. There is an interested party who wants to purchase a piece of the land that is next to the Fire Station, so we also have an option to purchase about half of the property for \$125,000. Mr. Jacobs has offered a first opportunity to purchase the property to the UCU. In meetings with him, he informed the UCU that he has enjoyed supporting the church's use of the property for Harvest Market, and he would like that to continue. He would also like some or all of the property to remain open for community use.

At the 2020 annual meeting of the UCU, a committee was appointed to meet with Mr. Jacobs and learn more about his plans to sell the property. The group has met many times to consider and discuss questions like: what would the church do with this property, how could we afford to pay for it, what might happen if we don't purchase the land, and where is the Holy Spirit moving us to act?

***What would the church do with this property?*** In late 2019, the Church Council of the UCU agreed on the following priorities statement to help us make decisions to fulfill our church mission:

*At the United Church of Underhill, we love and strive to*

- *preserve and connect with the natural world, God's gifts of life*
- *witness for peace and justice, taking local action for global impact*
- *grow and nourish a community of faith, be a good neighbor, and share our gifts*

These priorities were adopted after a considerable process of input and discernment from our church membership. Owning this property could enable UCU to enact its mission with new and greater possibilities for community partnership and impact.

The environmental orientation in the priority statement gives us guidance about possible uses:

- Labyrinth for prayer and rest
- Vegetable garden on one acre run cooperatively and feeding 150-200 people
- Apple orchard with combined dwarf trees planted close together for quick harvest (Harvest Market), and standard trees grown using regenerative methods
- Other fruit crops interspersed with the standard apple trees for jams and jellies
- Outer 25-30 feet of property kept open for neighborhood recreation, hayrides during Harvest Market, etc.



The justice orientation in our priorities could lead in a number of directions but a particular need that we have become aware of concerns the lack of affordably priced housing in Underhill.

**Housing as a piece of the puzzle-** The Town of Underhill has identified a need for affordably priced housing and identified Underhill Flats, and in particular the land currently owned by Phil Jacobs, as one of very few viable locations for construction of multiple housing units. Creating decent, attractive, reasonably priced, and environmentally efficient housing ties together the priority statements of the UCU. Our United for Justice group has recently been exploring housing needs in the Underhill Jericho area and learned that the inability to find decent housing at a reasonable price is a significant barrier to improving the diversity of our communities. Including some housing as part of the plan for this property could be a way to bring more young people, working families and people of color to Underhill. If the church plays a role in bringing some new housing to the area, there may be ways to structure the development so prices stay more affordable into perpetuity.



If the UCU were to play a role in the development of the property, we would be in a strong position to assure that the housing fits with the architectural flavor of the neighborhood and has a reasonable number of units while still affording open space with views and being compatible with other uses.

***How could the United Church of Underhill afford this purchase?*** There are several options available if the decision is to go ahead with purchase of the property.

1. The UCU could undertake a major capital campaign and seek donors interested in supporting the church's vision for this land. Potential donors include surrounding neighbors who share the church's plans for use of this property. Other interested groups and persons who support preserving open land and/or who support additional housing may be willing to contribute.
2. The UCU could borrow money to make this purchase. We may be able to leverage equity we have in the parsonage and Gifford building. We could also pursue loan opportunities through the United Methodist and United Church of Christ denominations. Phil Jacobs has indicated a tentative willingness to finance some portion of the purchase.
3. Some combination of a capital campaign and borrowing.

***Transaction scenarios-*** The following scenarios are illustrations only and represent approaches the church might take in purchasing the Jacobs property and using it. The financial details on each of these scenarios remains somewhat of an unknown until we choose a particular pathway to pursue. If the church chooses to pursue one of the purchase options, the specifics of ***how best*** to accomplish this will be determined in conjunction with the Trustees.

- A. **Purchase the property and keep it open for agricultural and recreational purposes-** The church could buy the property and keep it all as open space, or add community gardens and orchards for similar agricultural/recreational uses. We would need a down payment and then make loan payments until the loan is paid in full. Phil Jacobs is willing to consider acting as the bank and the details of that offer are not defined at this point. There would be a property transfer tax, and there could be property taxes to pay as well. The cost for development of community gardens and fruit orchards would need to be included in the loan and might add about \$15,000 to the \$250,000 purchase price. This option is not recommended because it would add a total of about \$265,000 debt to the church with no ability to recover that amount. More importantly, it misses an opportunity to steward this land for broader purposes.
- B. **Purchase the property, divide it into multiple parcels keeping one for open space and the other(s) for housing development-** The open space for agricultural/recreational purposes is as described above. Another piece of the total parcel could be used for the development of moderately priced housing. The church might partner with a developer(s) or groups such as Habitat for Humanity. Keeping part of the land open and developing housing on another part of the land would be consistent with the Church's agreed upon mission priorities of:
- *preserve and connect with the natural world, God's gifts of life*
  - *witness for peace and justice, taking local action for global impact*
  - *grow and nourish a community of faith, be a good neighbor, and share our gifts*
- While development costs that could include items such as engineering, septic, utilities, road and sidewalk improvements, housing construction, taxes, etc. would be significant, it is expected the church would be able to recover those costs through the sale of the housing units. This is the recommended course of action because it aligns closely with our priorities and is likely to be the most economical approach.
- C. **Walk away from the purchase of the property-** If the members of our congregation feel like the purchase of this property is not consistent with our calling or is simply more expensive and complex than we are willing to take on, we can inform Phil Jacobs of this decision and he will continue to look for other purchasers.

***What will happen if the United Church of Underhill does not purchase this property?*** The answer to this question is unknown and depends on who the eventual owner of the property might be. We know that Phil Jacobs is motivated to sell the property, so it seems unlikely the status quo will continue into the foreseeable future. It is possible the property would be desirable to a developer. Some preliminary work has been done on utilities but other work would need to be done before development could occur. The UCU does not know whether any other interested party would want to keep a portion of the property open or whether or not the UCU might be able to use the property for Harvest Market or similar uses.

***Summary-*** Phil Jacobs' announced intent to sell the 9 acre parcel behind our church presents us with a rare opportunity to be involved in helping preserve open space as well as improving food security, meeting housing needs and improving the social/economic diversity of our community. It may be tempting to think about this space in terms of our church's historic use of it during Harvest Market, but the significance of this property goes far beyond that one weekend each year.

The group charged to work on this project at the 2020 UCU annual meeting recommends: ***Purchase the lot behind the church being sold by Phil Jacobs for a sum of about \$250,000 with the vision of***

***developing a portion for affordably priced homes and keeping a portion open for agricultural, recreational and Harvest Market purposes.***

The opportunity for our church to be involved in fulfilling a vision for the future use of this property is a missional opportunity that likely comes with a rapidly approaching deadline. If the decision of our church body is to move forward with pursuing the purchase, we will need to bring additional focus to exactly how we plan to use the land. After that vision is agreed upon, we can identify the details of how best to raise money and arrange the financing of a purchase.