

16 Mar 2014 | The New York Times | By MICHAEL PAULSON

# Denominations Downsizing and Selling Assets in More Secular Era

## Raising Funds By Exploiting Real Estate

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*A long period of wealth and stability gives way to retrenchment.*

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BOSTON — The American Unitarian Association, peopled and powered by this city's Brahmin elite, announced its presence here in 1886 with a grand and stately headquarters at the very top of Beacon Hill, right next door to the Statehouse.



GRETCHEN ERTL FOR THE NEW YORK TIMES

If anyone doubted the denomination's might, its next move made it clear: In 1927, strapped for space, the Unitarians finished building a new home next to the capitol on the other side, even persuading the legislature to change the street's numbering so they could take their address with them. But the Unitarian Universalist Association, as the denomination is now known, is selling its

headquarters building, as well as two grand homes and an office building it owns in the same neighborhood. It is leaving behind the red brick sidewalks, gas streetlamps and superrich neighbors for a section of South Boston the city has designated an "innovation district," home to up-andcoming technology and arts businesses.

The move — expected to bring tens of millions of dollars to the denomination — puts the Unitarians in increasingly familiar company. Multiple religious denominations, citing everything from diminished financial resources to a need for more contemporary office space, are simultaneously downsizing and raising money by selling longtime headquarters in expensive neighborhoods. The moves come at a time when increasing secularization in the United States is taking a toll on many religious institutions, although most say the reasons for their relocations are not solely financial.

The Jehovah's Witnesses, based in Brooklyn since 1909, have been selling their 34 buildings in the sought-after neighborhoods of Brooklyn Heights and Dumbo, saying they need more modern facilities. The denomination is building a modern world headquarters on a 253-acre property in the Hudson Valley town of Warwick and plans to move in 2017.

The United Methodists, based in Nashville, are selling their publishing house properties in downtown Nashville, noting a reduced need for space because of changes in the publishing industry. They also have a financial opportunity: The nearby construction of the Music City convention center greatly increased the value of the Methodist real estate; the publishing house, best known as Cokesbury, plans to move within Nashville.

The American Baptist Churches, whose workers once filled all three floors of an office building in King of Prussia, Pa., have long since acknowledged the denomination's diminished space needs by renting part of the building to a seminary and several companies; now, after a casino opened across the street, the denomination has begun exploring the sale of the property that has been its headquarters for half a century; if the denomination moves, it plans to stay in the Philadelphia area.

And the Reform Jewish movement, which in 1999 sold its longtime headquarters on Fifth Avenue in Manhattan, is downsizing again, selling one of the two floors it occupies in Midtown. The denomination said enough staff members were working remotely that it needed less space; some employees are being moved to the movement's seminary campus in Lower Manhattan, and a portion of the sale proceeds is being used to help reinvigorate a youth outreach program.

The actions follow a period of relative stability. Churches moved frequently from the Colonial era through the 19th century, but less often in the 20th century, as they became wealthier and acquired better holdings, according to James Hudnut-Beumler, a professor of American religious history at Vanderbilt University. But now denominations are pondering whether some properties "have outlived their usefulness."



"They're finding themselves pressed for finances, and making some hard choices about property, and so we're seeing more sales in the last decade than we had for the last century," Professor Hudnut-Beumler said. "The first things to go were camps and

# Churches Downsizing And Selling Their Assets

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*As priorities shift, a pragmatic move to more modern, less expensive spaces.*

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conference centers, and now there is some downsizing of prime-location land, churches and facilities.”

Some denominations are trying to keep their headquarters in place by finding ways to generate revenue from underused space. The Episcopal Church, based in Manhattan, has rebuffed periodic calls for a move to someplace less expensive, and instead rents out excess space in its headquarters building to the Haitian Consulate, a French-American school and the Ad Council. And Christian Science, based in Boston, has leased much of its headquarters property to Northeastern University and several technology companies, and has agreed to sell two adjoining parcels for high-rise development.

“One of the qualities that God gives us is intelligence,” said Harley Gates, the senior manager of real estate, planning and operations for the First Church of Christ, Scientist, as the Christian Scientists are formally known. “It’s smart to use your assets wisely, and that’s what this was to us.”

Catholic dioceses have been systematically unloading real estate for years, in part because of the financial toll of the clergy sexual abuse crisis. In Boston, the Catholic archdiocese sold its leafy campus, with a three-story home for the archbishop, a tomb for one of his predecessors and a chancery for the staff, in 2004; the church moved its headquarters to a suburban office park near a highway interchange. In the years since, multiple other dioceses have sold or said they intended to sell their chanceries, including Brooklyn; Charleston, S.C.; Detroit; Green Bay, Wis.; Los Angeles; Orange County, Calif.; and Spokane, Wash. In most cases the reason was financial issues, but in some cases it was diocesan growth or a need for office modernization.

The Unitarian Universalists’ sale stands out because of that denomination’s long and close association with Boston. The move is also striking because the denomination’s membership numbers are not falling — the official membership is low, about 160,000, but has remained flat as mainline Protestant rolls have dwindled — and denominational officials say their finances are reasonably healthy. Instead, they say they are moving because their buildings (including the offices of their publishing house, Beacon Press, and the two residences, used for visiting clergy members) would require millions of dollars to upgrade.

On Thursday, the denomination plans to close on the sale of its headquarters and the two guesthouses to a developer who would most likely convert the buildings to high-end condominiums; the office building remains on the market. Real estate experts have estimated that the denomination could raise \$30 million to \$50 million from the sales, and the denomination has not disputed those figures.

The denomination’s president, the Rev. Peter Morales, noted that the Beacon Hill location, while rich with history, “also symbolizes a kind of elitism that we’re moving away from.” In the new location, a gutted 19th-century warehouse, workers, accustomed to private offices, will find clusters of cubicles separated by felt drapes. Denominational officials, who now cherish the golden light of the sunset reflected off the Statehouse dome, will instead look out at a parking garage. And visitors, accustomed to staying in colonial brownstones, will now be offered discounted rooms at a Club Quarters.

Mr. Morales called the existing headquarters — including an archival vault, whose treasures include a lock of a prominent early Unitarian’s hair — “a building that was really designed for another organization in another era.”

“Given the changes that are happening in religion today,” he said, “we all have to move to the innovation district.”