



PROPERTIES BOARD STANDARD POLICY AND PROCEDURES

REQUESTS/APPROVALS FOR LOCAL CHURCH TO:

REMODEL - BUILD - PURCHASE LAND

PURCHASE AN EXISTING BUILDING

REFINANCE EXISTING DEBT

BORROW NEW MONEY

SELL PROPERTY

Revised on September 2020

STANDARD POLICY AND PROCEDURES

APPROVALS FOR LOCAL CHURCH TO REMODEL, BUILD, PURCHASE PROPERTY, BORROW MONEY, REFINANCE DEBT, OR SELL PROPERTY

MANUAL, Church of the Nazarene, 2017-2021:

103. Property. The local church considering the purchase or sale of real estate, the erection of churches or church-related buildings, a major remodeling of either, or leasing real property for any reason, shall submit its proposal to the district superintendent and the District Church Properties Board for their consideration, advice, and approval. No indebtedness, whether involving a mortgage or not, shall be incurred in the purchase of real estate or the erection of buildings or a major remodeling of either, without the written approval of the district superintendent and the District Church Properties Board. The local church shall submit quarterly financial and status reports to this board throughout the construction process. (236-237.5)

103.1. In case agreement cannot be reached between the church board and the district superintendent and the District Church Properties Board, the issue may be submitted to the general superintendent having jurisdiction, for a decision. Either the church or the district superintendent may appeal such decision to the Board of General Superintendents for a final decision. All such appeals, rebuttals of appeals, or arguments pertaining thereto, whether to the general superintendent in jurisdiction or the Board of General Superintendents, shall be in writing. A copy of the appeal, rebuttals of appeals, or arguments pertaining thereto by either the church board or the district superintendent shall be sent to the other party involved. The minute record of a church board appeal shall include the appeal resolution, arguments sustaining it, and the record of the vote taken.

104. Restrictions. The local church may not purchase or lease real estate, nor sell, mortgage, refinance with accrual of additional debt, exchange, or in any other way encumber real property, or otherwise dispose of real estate unless approved by a two-thirds vote of the members present at an annual meeting, or at a special meeting properly called. If a church is refinancing an existing debt, and the refinancing arrangement does not increase the debt of the church and does not further encumber the real estate of the church, approval for the refinancing may be granted by a two-thirds vote of the board, without the need to take a congregational vote on the matter. The church board may approve by two-thirds vote of its members present and voting, the disposition of properties donated for the specific purpose of providing funds for the local church. All items above require the written approval of the district superintendent and the District Church Properties Board. (113.3-113.4, 113.7-113.8, 237.3-237.4)

104.1. The real estate of the local church shall not be mortgaged to meet current expenses.

104.2. A local church which mortgages or sells real estate, or receives insurance claims on real estate, shall use the proceeds only for the purchase or capital improvement of real estate, the planting of a new church, or to reduce other real estate indebtedness. Only with the approval of the district superintendent and the District Advisory Board shall any proceeds be used for other purposes.

104.3. Trustees and/or a local church may not divert property from the use of the Church of the Nazarene. (113-113.1)

236. The District Church Properties Board shall be composed of the district superintendent ex-officio and no fewer than two assigned ministers and two lay members. Members may be elected by the district assembly to serve for a term of four years or until their successors are elected and qualified. The District Advisory Board may serve as the District Church Properties Board upon favorable vote of the district assembly.

237. The duties of the District Church Properties Board are:

237.1. To advance the cause of constructing church-related buildings within the bounds of the assembly district, in cooperation with the District Advisory Board.

237.2. To verify and conserve the titles to local church property.

237.3. To consider propositions submitted by local churches relating to the purchase or sale of real estate or the erection of church buildings or parsonages, and to advise them concerning the propositions submitted. (103-104)

237.4. To approve or disapprove, in conjunction with the district superintendent, propositions submitted by local churches relative to church building plans and the incurring of indebtedness in the purchase of real estate or the erection of buildings.

The Church Properties Board shall normally approve a request to increase indebtedness subject to the following guidelines:

1. The local church requesting approval to increase indebtedness paid all financial apportionments in full for the two years preceding the request.
2. The amount of total indebtedness will not exceed three times the average of the amount raised for all purposes in each of the preceding three years.
3. The details of the planned remodeling or construction shall have been approved by the Church Properties Board.
4. The amount of indebtedness and the terms of payment will not jeopardize the spiritual life of the church.

The Church Properties Board may approve requests that do not meet these guidelines only with the approval of the district superintendent and the District Advisory Board. (103-104)

237.5. To do whatever else the district assembly may direct regarding the matter of local church property.

REQUESTS AND APPROVALS FORMS

The Properties Board materials are intended to assist the local church in applying for certain permissions within the purview of the District Church Properties Board. The following guidelines are offered to facilitate the approval process:

1. Begin communication with the district superintendent and the Vice-Chairperson of the Board of Church Properties very early in your process, even while the idea is still in the development stage.
2. Maintain frequent contact with the Vice-Chairperson of the board during the process, alerting him/her to any changes or revisions being considered.
3. Schedule adequate advance time for completion of the approval process. This will include time for announcing the call of the Board of Church Properties meeting, an on-site visit by the members of the board (if deemed necessary), and time for administrative handling of documents.
4. Plan according to the following order of events:
 - a. Project idea is developed
 - b. Project leader or committee is assigned by local church
 - c. Pastor / Project leader contacts district superintendent and board Vice-Chairperson
 - d. Committee presents finalized project to local church board for vote
 - e. Applications (enclosed) are completed and sent to the Vice-Chairperson
 - f. An on-site visit is scheduled by the Board of Church Properties, if deemed necessary
5. Board of Church Properties provides guidance with required revisions, and votes approval/disapproval (Note: Some applications require multiple approvals throughout the development process)
6. Revisions for compliance, if any, are made and congregational vote is conducted (Note: The revisions may require a vote for approval by the local church board prior to the congregational vote.)
7. Application is sent to district superintendent with information completed regarding congregational vote
8. District superintendent completes final approval/disapproval section of application and returns form to local church
 - g. Provided all approvals are granted, project may begin

This is **God's Church!** Every consideration must be saturated with earnest **prayer for God's guidance and blessing.** While this process may take on some very earthy appearances, we must all be aware that these matters are spiritually freighted and godly stewardship must be exercised.