

Building on a Prayer: First United Methodist Church Plans A \$60 Million Tower to Turn Its South Park Lot Into a Village Beacon

By Evan George - January 29, 2007

For the First United Methodist Church of Los Angeles, the oldest congregation in Downtown, the last four years have been spent in exodus.

The former church building at 1010 S. Flower St. was demolished in 2002, with the idea of it being quickly replaced by a modern, one-story chapel and a six-story office building. But as a new South Park neighborhood rose, and funding proved difficult to come by, FUMC had to scrap its plans and seek sanctuary in a nearby senior center. The church land has since been used as a parking lot.

Now, the church is moving forward on a more ambitious effort. Officials recently announced plans to build a \$60 million mixed-use development with at least 12 floors of office or residential units, along with ground-floor retail space to help pay for the project. The church is looking for a development partner.



First United Methodist Church's site at Flower Street and Olympic Boulevard in South Park. The church hopes to partner with a developer on a mixed-use project that would be at least 12 stories. Photo by Gary Leonard.

With the first two floors reserved for church activities, including a 500-person auditorium, classrooms, offices and a sky chapel on top, the rest of the 200,000-square-foot building could be managed and owned by the developer, said Byron Hayes Jr., a member of the church's building committee.

"The old development was too small for the site," Hayes said. "What we want to do is partner with an experienced developer to build a mixed-use, mixed-ownership site that would have the church's facilities as part of it, but otherwise be facilities that the developer could exploit."

First United Methodist, Hayes said, came to realize that the only realistic strategy - given the South Park boom and the financing woes - is to find a developer both sympathetic to their non-profit needs and interested in what has become prime real estate.

Part of the change in thinking came from a new pastor, Rev. Sandie Richards, who was hired in 2005. Richards, currently on sabbatical, and other church leaders hope to get more out of the mixed-ownership deal than just a physical church, however.

"For a long time this church was in a wasteland Downtown and now a congregation is, I hope, building up all around us," said Hayes. "We want to be, in essence, the community church and the community meeting place for South Park."

Late last year the church hired Burbank-based BTG Advisors, which assists non-profits with development decisions. "One of the things I find is that non-profits really focus on their mission," said CEO Richard Gentilucci, "and real estate is not the church's mission." BTG will help screen developer and architect applicants for the project. This week they expect to receive preliminary site plans from Killefer Flammang Architects, who will be in the running to design the project.

The First United Methodist Church of Los Angeles, founded 151 years ago, remains one of Downtown's oldest institutions. Over the decades it has moved from Broadway to Hill Street to what is now the University of Southern California, whose first president was a FUMC pastor.

In 1982, the church moved to its seventh location, an office building in South Park, where it helped found numerous social service non-profits. Around this time, church members voted on whether to remain in the area or relocate elsewhere in Los Angeles. The new church motto became "In Downtown for good."

In 1991 the church created the non-profit 1010 Development Corporation to build affordable housing in South Park. The group now operates Villa Flores at 1020 S. Flower St., the senior housing complex that the church currently calls home. Accessed through a back alley, the senior center's multi-purpose room becomes an altar every Sunday for church members. Building manager Victor Moller said he hopes the future development will expand what the church does for his tenants and the neighborhood at large. "We really have to be a village," Moller said. Regarding the new developments in South Park, he added, "[Developers] are trying to not put in any affordable housing in these projects and we're really trying to break that."

1010 Development also built Hope Village, the low-income apartments on Olympic Boulevard where the church helps run the South Park Neighborhood Center, a 69-child learning complex with a computer lab and several after-school programs for children of low-income families. It all adds up, Hayes said, to transforming the now hot real estate of South Park into a thriving community. "The Church believes in multiculturalism, it believes in multi-income-ism, you might say."

When Richards arrived, she inherited a parking lot and the proposal to build another small chapel with office space in the shadows of South Park's building boom. The church is already towered by the 264-unit Met Lofts apartment complex at Flower and 11th streets and the \$65 million Elleven at 11th Street and Grand Avenue. Soon that shadow will include the Fashion Institute of Design and Merchandising building and Hanover Company's 717 Olympic apartment complex, which will both rise one block away on 10th Street between Flower and Figueroa streets.

A few blocks west sits the future site of L.A. Live, with its 54-story Convention Center hotel, 7,100-seat Nokia Theater, a 15-screen movieplex and about a dozen restaurants. Across the street, the Figueroa Central project will house up to 700 condominiums. Taking this into account, Richards encouraged abandoning the old design and looking for funding beyond donations. "We realized we had to go to a different system," said Hayes. "So we've gone through a process of sort of deciding anew what the church really needed, deciding how we could do it, and we're now, I guess you would say, getting up to speed."

By enlisting BTG Advisors, the project looks to become more feasible and provide a better use of the property, he said. BTG Advisors spokeswoman Marie Chung said they will help the church pick a developer and architect that best matches the project and will assist in the deal making.

"We'll be better able to negotiate with these developers who know what they're doing," said Chung. "They can look at a space and basically calculate it on the back of a napkin, whereas the Church may or may not know what kind of deal they're getting."

"Today's products - whatever you are building - is driven by the economics of what can be built," Gentilucci said. In South Park, where thousands of residential units have already hit the market and thousands more will land in the next few years, it remains to be seen what will sit below First United Methodist's sky chapel. "In terms of the church's mission, affordable housing might be close to the top of the list," Hayes said. "When you look at the practicality of the building though, office might be a better use." Ultimately, Hayes said, it will hinge on negotiations with a developer, so the church can guarantee that this time around it will go up.