

Planning to Build?

7 Steps to a Successful Church Building Project

Your district offers the following guidelines for any church planning to purchase property, remodel, construct a new addition, or build a new building. We hope that this clear communication will help the district and your local church avoid delays, embarrassments, frustrations, problems or wasted money.

- I. **Appoint or elect a local building committee with a chairman.**
 - A. Every project needs a leader and/or a team in charge.
 - B. Your church's Board of Trustees will normally serve as the local building committee, unless the Local Church Conference has ordered a larger body or separate committee to do this specialized work (see *Discipline*).
- II. **Check local building codes and regulations.**
 - A. Will local zoning regulations permit the kind of use envisioned for the property?
 - B. What type of construction is or is not allowed?
 - C. What parking regulations, setback requirements, easements, etc. affect this proposal?
 - D. Are there environmental issues that must be addressed?
 - E. What certification is required for drawings?
 - F. What other variances, permits or authorizations will be involved in getting the project approved by local, county or other government authorities?
- III. **Prepare a preliminary concept proposal to be approved by the Local Church Conference.**
 - A. This proposal should include items such as a plot or site master plan, an initial floor plan and proposed elevations, parking lot design, and estimated costs.
 - B. The proposal should include a list of reasons why this project is needed at the present time and how it will benefit the church in its work for the Kingdom.
 - C. A majority of the members present and voting at a duly-called session of the Local Church Conference must approve any proposed purchase or sale of property, the erection or major remodeling of buildings, and all mortgages or other indebtedness which encumbers the property before it can proceed (see *Discipline*). The congregation does not need to vote on every detail of construction, or even the architectural design to be used. It does, however, have the duty to decide whether or not the church will attempt the project itself. Remember that, while this is the first one needed, several additional approvals are also necessary along the way. After congregational approval, all property and indebtedness proposals must also be approved by the District Board of Administration, according to the procedures in the *Discipline*.
 - D. Keep the following district policies in mind that affect local church building plans:
 1. There are three district approvals that must be received before projects can move forward:
 - a) **Stage One – Concept approval** (it may save the church considerable time and money to seek this approval *before* hiring an architect or draftsman);
 - b) **Stage Two – Architectural drawing approval** (plans and specifications must bear all necessary architect and engineering stamps as required by Labor and Industry, EPA, ADA, or other laws);
 - c) **Stage Three – Actual cost and financial plan approval** (including a cost per square foot estimate based on either an actual construction bid or professional construction estimate).
This step may be combined with your Stage Two presentation.

2. The total debt load incurred by a local church for a building project should not exceed two and a half times the church's annual contributions income (three times for a new church).
3. The church must raise at least 25% of the project's cost in cash (not just pledges) before it may proceed.
4. No more than 28-30% of the local church's income should be required for repayment of principal and interest.

IV. Request a meeting with the District Building Committee for Stage One approval.

- A. This meeting will help the local church building committee establish clear communication with the district and eliminate potential future problems.
- B. The District Building Committee may recommend changes that need to be made in the preliminary concept proposal before referring it on to the District Board of Administration, or it may recommend the proposal as is for DBA approval. Contact the District Superintendent to request a meeting with the District Building Committee.
- C. If deemed necessary, the committee will make a scheduled on-site inspection of the property to be purchased or involved in construction.

V. Prepare construction drawings in consultation with local building authorities.

- A. Check and double-check to be sure what is legally required: site plan, floor plan, cross sections, mechanical plan, electrical plan, foundation plan, other specifications, zoning variances, permits.
- B. Be prepared to present all of these plans to the District Building Committee when your local representatives meet with it again. The district will not allow projects to move forward that do not conform with known laws or that create serious future legal liabilities for the church.

VI. Meet again with the District Building Committee for Stage Two and Stage Three approvals.

- A. Provide detailed, properly stamped architectural drawings for the committee. One complete set of prints and specifications must be filed for permanent safekeeping by the District. Be ready to answer questions about zoning, variances and permits related to the drawings.
- B. Be ready to show written bids to the committee reflecting realistic costs of the project. An accurate cost per square foot estimate will be required at this point (take the expected costs of all aspects of the project – including architect and engineering fees, permits, contractor's fees, materials, paid labor, the value of anticipated donated labor, contents, etc. – and divide by the number of square feet to be built to arrive at this estimate). Figure in donated labor as if it was an actual expense; this will avoid a budget crisis later in case unexpected labor must be hired.
- C. Be ready to explain to the committee the local church's plans for financing the project. Bring copies of a current church financial report, showing current income and expenses. Give us the "bottom line" cost to the church of the entire project. Tell how much debt will be necessary. Explain how money will be raised or borrowed and the timetable for doing so. Report how much money is on hand in the building fund. Bring a copy of the church's proposed budget to show how mortgage payments and other costs related to occupying the new building will be paid (including insurance, added utilities, upkeep, sound system, new furnishings, etc.).
- D. Present evidence to the committee that proposed contractors are qualified, bonded and insured. You will be asked about references from previous clients of your builder showing that they were satisfied with the quality and timeliness of work done. It is wise to have bids from more than one source to compare for accuracy. It is usually wise to avoid using church members as volunteer or paid contractors, due to the normal stress and conflict experienced in most building programs.

VII. Wait for final, written approval by the District Board of Administration of all project plans and financial plans.

- A. Check out and follow the requirements of *The Discipline of The Wesleyan Church* in regard to the trust clause that must be included in all titles and deeds.
- B. The District Board of Administration will approve projects only when it is satisfied about the need for the project, the accuracy of estimated project costs, the financial ability of the local church to handle the project successfully, and the positive recommendation of the District Building Committee.