



*Policies for
Funding and
Completion
of Parish Capital Projects*

DIOCESE OF LONDON

Building Commission and Parish Deposit & Loan Fund Committee

September 2002

(revised June 2012)

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Introduction

Our Policies for Funding and Completion of Parish Capital Projects fit into the broader context of our parishes' and diocesan Pastoral Plan. We are called to be good stewards of the gifts we have been given in the construction, renovation, restoration and maintenance of our buildings. It is in our churches where we gather for the celebration of Sunday and weekday Eucharist, Morning and Evening Prayer, the Sacrament of Reconciliation; and the key ritual moments of our lives: Christian Initiation (Baptism, Eucharist, Confirmation), Marriage and the Funeral Liturgy.

People who came before us worked hard, and made personal sacrifices in order to establish a place of worship, and when the time came, they handed it on to us. We do not own this property; we are stewards, entrusted with its care. If we properly maintain this property we will be able to pass it on to those who come after us. None of us wants to mortgage our children's future by leaving them to cope with a poorly-maintained property or an unmanageable debt.

As a Diocese, we have the benefit of wisdom accumulated over many years of experience, maintaining more than 125 church properties. We know the kinds of problems that can occur; we know what to look for. We have seen examples over the years of parishes having to undertake a construction or renovation project a second or third time because it was improperly planned and/or executed the first time around. As a Diocese, we share responsibility for adhering to civil laws regarding buildings and construction (i.e. Ontario Building Code and Fire Prevention Act). Provincial construction laws are more stringent than ever before, exposing us to legal liability issues that never existed previously.

Because of the wisdom of experience, we insist that all parishes considering capital projects, such as construction, restoration or renovation, must go through an approval process overseen by the Building Commission and the Parish Deposit & Loan Fund Committee. The process is designed to avoid problems and to ensure prudence in

spending the money that our parishioners have given.

Pastoral Planning

Pastoral planning is first and foremost about how the Mission of Jesus is carried forth in this time and in this place. Our Diocesan Pastoral Plan is the ground on which diocesan and parish's activities, on behalf of the Mission, are rooted. Integral to pastoral planning are vibrant and effective faith communities who have a vision of who they are and what they are called to be.

Parishes do not exist in isolation from one another. They are part of a greater whole and decisions made in one parish impact neighbouring parishes, deaneries and the diocese as a whole. Pastoral Planning is a connecting piece that invites parish communities into dialogue with neighbouring parishes, the deanery and diocesan personnel about how best to carry out the Mission and how to use available resources. Therefore, pastoral planning is an essential component in planning capital projects.

Stewardship and subsidiarity

The leadership of the parish or cluster presumably knows the local situation — needs, strengths and weaknesses — better than the leadership of the diocese. The leadership of the diocese seeks to assist the local community to assess the situation in the context of the broader community and common good including the Parish, Deanery and Diocese.

The term and concept of "parish autonomy" is frequently misused and has often become synonymous with the "principle of subsidiarity." They are not the same. The principle of subsidiarity means "What can be done at a local level should not be done at a central level" or, put another way, "whatever an individual or smaller group can accomplish alone should not be taken over by the society or larger group."

Parishes are not autonomous. They are interdependent and part of the Diocese, a

community of communities, under the leadership of the Bishop.

The concepts of responsibility and accountability are critical to the understanding of Diocese and subsidiarity. The community of the Church has struggled with both the principle and the lived experience of subsidiarity since the time of Christ. The struggle goes on. Our objective is to uphold Gospel stewardship and promote accountability and transparency (see Goal VI of the Pastoral Plan). Our goal is to live out our Pastoral Plan – Micah 6 says: “Act justly, love tenderly, walk humbly.”

A capital project includes, but is not limited to:

Any project which, the general requirements of the Ontario Building Code, would require the engagement of an architect and/or professional engineer, for design and review. Almost all capital projects undertaken at our parishes require the services of an architect and/or engineer because our buildings are classified as “Assembly Occupancy” buildings under section 2.3 of the Ontario Building Code.

Assembly Occupancy is defined as: “the occupancy or the use of a building, or part thereof, by a gathering of persons for civic, political, travel, religious social, educational, recreational or like purposes, or for consumption of food or drink” (*Ontario Building Code Sec. 1.1.3.2.*).

- Any project which impacts on the worship space:
 - Liturgical Changes / Modifications
 - Renovation / Replacement (carpeting, painting, furnishings, etc)
- Any project having an impact on overall building integrity:
 - Roofing (storm water management)
 - Masonry
 - Electrical / Mechanical upgrades
- Any new construction.

For our approval purposes, we have identified projects of \$10,000 or more as needing the pre-approval of the Financial Administrator of the Diocese.

A companion document

This document contains policies of the Diocese of London concerning capital projects — new construction, or renovations. These policies are designed to complement the document *Guidelines for Building a New Church*, which has been in use in our Diocese since 1994.

Approval, Promulgation and Implementation

At a joint Building Commission and Parish Deposit & Loan Fund Committee meeting of March 22, 2001, an ad hoc sub-committee was struck to study and bring back recommendations concerning a number of issues impacting the funding and completion of parish capital projects across our Diocese.

Four sub-committee meetings were held to develop recommendations dealing with issues that were identified in the areas of:

- (a) Capital Project Policy and Procedures;
- (b) Internal Procedures or Modus Operandi; and,
- (c) Communication and Implementation Issues.

On August 23, 2001, the policies were approved at a joint meeting of the Building Commission and Parish Deposit & Loan Fund Committee. They were promulgated by Bishop Fabbro in September 2002. A sub-committee was formed in 2009 to further update our policies. The recommendation from this committee was presented to the Building Commission and Parish Deposit & Loan Fund Committee on June 26, 2012. The updated policies were promulgated by Bishop Fabbro on August 22, 2012.

1. Policies

1.1 CONDITION REPORTS

Policy:

A Condition Report will be completed for each Church property on their 25th anniversary and updated every 25 years thereafter and/or prior to a capital project being approved.

Rationale:

Experience over the years has demonstrated the need for and the value of a Condition Report even on relatively “new” buildings. Time and time again, “simple work,” (i.e. roof shingle replacement, plaster repairs, cosmetic improvements), has been done only to discover when completed there were more important matters requiring immediate attention. This has, on occasion, required the closing of a church for safety reasons. Experience has shown that the money spent on such a report is money well spent.

Before smaller projects are initiated it is important that parishes carefully consider the bigger picture. Among the benefits of this approach is the trust that builds among our parishioners for the integrity of the process. This makes condition reports a necessary part of the parish capital planning process.

Procedure:

An architect/engineer who has demonstrated the ability to do work of this scope will be engaged to complete a Condition Report of all the parish buildings. The architect/engineer must be pre-approved by Diocesan administration. Page 12 describes the different types of condition reports. Criteria for establishing the qualifications can be found on page 14. Please note that the Condition Report is a comprehensive analysis of the building but it is not detailed enough to solicit or tender work. The tendering process is described later in this booklet. Condition reports must be shared with the Parish Building Committee. The condition report findings must also be presented to the parishioners at an open meeting.

1.2 RESPONSIBILITY FOR CARE OF OUR PROPERTIES

Policy:

The Pastor in each parish will appoint a Parish Committee to work with him and Diocesan administration to care for our properties.

Rationale:

We are blessed to be stewards of beautiful Churches built by those who came before us. In order to maintain our Churches and other buildings we need to call for the skills of our volunteer committee members. Condition reports provide a road map to determine the capital needs, and enable the Pastor, members of a Parish Committee and Diocesan administration to deal with these needs in an organized, open fashion. The Parish Committee provides the continuity that is essential for the care of our properties. Diocesan administration offers the experience of working on numerous capital

projects each year. We've found that the most successful projects are those where the Pastor, Parish Committee and Diocesan administration work as a team to plan and execute the work.

The scope of work includes the church, rectory, hall, and maintenance of each. In some cases a separate Building and Property Committee will be charged to do this work, in others the Parish Finance Committee may take this responsibility

Procedure:

The Parish Finance Committee, Property Sub-committee or an appropriate committee of the parish will be appointed by the Pastor and will work with him and Diocesan administration to care for our properties in each parish. Our *Guidelines for Building a New Church* and Parish Administration Manual (see Property Section which includes a Maintenance Manual) are resource materials that provide further guidance and information.

1.3 SELECTION OF ARCHITECT/ENGINEER

Policy:

The “Quality-Based Selection Process” will be used to select an architect or engineer.

Rationale:

Selecting the architect/engineer that best suits the proposed project (including condition reports) is a very important step. The trust and relationship that is necessary to work through a parish capital project is essential in order to build community and complete the project. Architects and Engineers must be pre-approved by Diocesan administration. Please contact the Diocese for an up to date list of pre-approved architects and engineers. This list will differ depending on the type of project you're planning. The list is long for new construction but is very short for restoration of historic buildings.

Procedure:

The Pastor and his Parish Committee must contact Diocesan administration to obtain a list of pre-approved architects/engineers. They must then follow the *Criteria for Choosing Architects/Engineers* on page 14 of this document. Once the Parish has selected an architect/engineer please contact Diocesan administration so that they can coordinate the preparation and signing of a contract.

1.4 TENDERING PROCESS

Policy:

The lump-sum tender process will be followed for all capital projects.

Rationale:

The tendering of all capital projects helps to ensure the completion of the project for the best possible price. In order for this to work effectively all contractors, including parishioners who are contractors who bid on projects must be pre-qualified by the architect/engineer. Also, each contractor will be bidding on exactly the same work as the detailed scope of the work is prepared by the architect/engineer and provided to each contractor.

The tendering process is a specific legal process that helps to ensure the best price for the particular scope of work. It also ensures the right work is done. It's very difficult to ask a contractor to give you a price to "fix the tower" or "fix the structural problems in the attic". Architects and engineers are trained and experienced in determining the scope of work necessary to complete needed repairs/restoration. The alternative of inviting bids from contractors and allowing the contractor to determine the scope of work can be used on very small projects only; for example, replacing carpet in a meeting room or repaving a driveway.

There are few contractors qualified to do restoration work on our historic churches. Replacing a slate roof, properly repointing a masonry wall and repairing stained glass windows, are all examples of work that requires the proper level of experience and skill to ensure it is done properly.

Procedure:

The selected architect/engineer, using input from the Parish and Diocesan administration completes this step of the process. All contractors who bid on the projects must be pre-qualified. The architect/engineer will prepare tender documents so that each contractor is bidding on the exact same scope of work.

Subject to the approval of the Building Commission, a parish may forego the tender process and negotiate directly, with a diocesan approved contractor, for restoration work on historic churches.

1.5 LOAN PERCENTAGE

Policy:

The Parish Deposit & Loan Fund Committee will grant loans to parishes who qualify.

Rationale:

None of us likes to be in debt whether in our personal life or our Parish. We've seen situations where parishes take on too much debt and then struggle for many years to repay it. Sometimes a parish has resorted to cutting back on ministry programs to be able to afford to make debt payments. We've learned from our past and therefore limit the amount of debt a Parish is permitted to accumulate. This is why the Parish Deposit & Loan Fund will only approve debt to a maximum of 30% of the cost of

a project except in emergency situations. In other words the parish must raise 70% of the project in cash in advance. Typically this is done by conducting a parish capital campaign. The Diocese has developed a Parish Fund Raising Tool Kit to assist your Parish.

Procedure:

The maximum loan is 30% of the project cost. Emergency work will be assessed on a case by case basis. The Pastor and lay leaders must sign a loan agreement which includes repayment terms.

1.6 CAPITAL SPENDING FREEZE (WHEN NECESSARY)

Policy:

The Building Commission and Parish Deposit & Loan Fund Committee may implement a capital spending freeze.

Rationale:

A capital spending freeze may be on a parish level or diocesan wide. A freeze will only be initiated in exceptional circumstances. At the parish level a freeze may be initiated for a number of reasons including, waiting for the completion of a condition report or waiting for either a deanery or diocesan review of the future of a parish. Diocesan wide freezes are rare but can occur if the Parish Deposit & Loan Fund has more money loaned out than it has on deposit from parishes.

Procedure:

The Building Commission and Parish Deposit & Loan Fund Committee may implement a capital spending freeze as it considers necessary and shall notify the affected parties.

1.7 CAPITAL APPROVAL LIMIT

Policy:

Capital projects in excess of \$10,000 must be pre-approved by the Financial Administrator of the Diocese.

Rationale:

This policy exists for a number of reasons including ensuring prudent spending of parish money and completion of work in a proper prioritized order. We wouldn't paint the inside of the church for example before we made sure the roof and building envelope are sound. The Financial Administrator will also work with the Parish to ensure proper contracts and, where necessary, building permits are obtained. Our buildings are classified as "Public Occupancy" buildings under the Ontario Building Code which means that we need the services of an architect and/or engineer for most of the capital work we do.

Projects in excess of \$10,000 are not to be split into pieces, nor is a contractor to issue multiple smaller invoices, to avoid needing approval. This practice is not only in contradiction of the policy but is also unethical.

Procedure:

The Parish must contact the Financial Administrator in the very early planning stage (i.e. before any quotes are solicited) to request approval and discuss the necessary steps in the project.

1.8 LITURGICAL PROJECTS

Policy:

Since the liturgy is what shapes our church buildings, all changes to the existing liturgical area in a church must be reviewed in advance by the Director of Liturgy for the Diocese of London.

Rationale:

“When churches are to be built, let great care be taken that they be suitable for celebration of liturgical services and for the active participation of the faithful.”
(*Constitution on the Sacred Liturgy* #124).

Procedure:

Parishes planning to make changes to the liturgical space or build a new liturgical space must involve the Director of Liturgy for the Diocese of London early in the planning stage. The parish is to present a written proposal for consideration and approval to the Director. The parish will be notified of the Director’s decision. If the Director feels changes are necessary, the parish committee will dialogue with the Director on appropriate options for the liturgical area of the parish church. The parish and Director shall follow the norms of the Diocese.

1.9 CLEAR LANGUAGE

Policy:

Reports sent back to parishes must state clearly whether a directive is a requirement, a recommendation, or a suggestion.

Rationale:

Based on past experience it is clear that the expectations of Parishioners, Pastor, Parish Committees, Diocesan Building Commission, Parish Deposit & Loan Fund Committee and Diocesan administration are not always understood or met. It is imperative that the feedback following a parish presentation is given in language that clearly states the directives of the Diocesan committee(s). All parties must know exactly what is expected as the next steps.

Procedure:

When the Building Commission and Parish Deposit & Loan Fund Committee reports back to the parish, its directives will be clearly indicated as either *requirements*, or *recommendations*, or *suggestions*.

A **requirement** involves a policy issue that is non-negotiable. The parish must revise its plans to reflect the necessary change. A **recommendation** is counsel or advice about something to be done. If a recommendation is not followed, the parish must submit a written response to the committee. A **suggestion** is an idea or issue put forth for consideration and it is up to the parish committee to accept it or not.

1.10 SHARING OF INFORMATION

Policy:

Information will be shared between Pastors, Parish Committees and Parishioners.

Rationale:

Information must flow so that we demonstrate stewardship, accountability and transparency (see Goal VI of our Pastoral Plan). Principles of good governance and subsidiarity will be used.

Procedure:

The status of a parish's capital needs, options and decisions will be clearly communicated within the Parish.

Requirement: Capital budgets will be developed by the Parish Building and Parish Finance Committees and communicated annually to our parishioners. Our churches are worth millions of dollars and maintenance is critical – it is good stewardship to care for what has been entrusted to us.

1.11 STANDARDIZED PRESENTATIONS

Policy:

Parishes presenting to the Building Commission and/or Parish Deposit & Loan Fund Committee must prepare their presentation in accordance with the outline later in this booklet entitled “Checklist to be Completed in Preparation for Parish Capital Projects”.

Rationale:

The information received from parishes frequently varies in form and completeness. This may result in the committee(s) deferring their decision on a proposal pending further information. This becomes time consuming for the Parish Committee, Building Commission and Parish Deposit & Loan Fund Committee. Using the standard format in this booklet helps to ensure the Building Commission and Parish Deposit & Loan Fund Committee has all the information to make a decision. Please contact Diocesan administration if you would like copies of past presentations by other parishes to assist you in preparing your presentation.

We recommend the Pastor, members of the Parish Committee and your architect/engineer make a joint presentation. Also, if you will need to fundraise for the proposed project members of the Parish Fundraising Committee must also attend and present.

Please ensure you contact Diocesan administration well in advance of the meeting you want to attend. Your presentation must be provided to Diocesan administration 2 weeks in advance of the meeting so it can be distributed to committee members. Typically you will have 15 – 20 minutes to present followed by 15 – 20 minutes of open discussion and questions. Diocesan administration will notify you of the time of your presentation and the time allocated. Meetings are typically held quarterly.

Procedure:

Parishes must prepare presentations in accordance with the checklist in this booklet entitled “Checklist to be Completed in Preparation for Parish Capital Projects” (page 15). Contact Diocesan administration well in advance of the meeting to get on the agenda and then submit a copy of your presentation at least 2 weeks before the meeting. Diocesan administration can also provide sample presentations to assist you in preparing your presentation.

2. Internal Committee Operating Procedures

2.1 JOINT MEETINGS OF THE BUILDING COMMISSION AND PARISH DEPOSIT & LOAN FUND COMMITTEE

Policy:

The Building Commission and the Parish Deposit & Loan Fund Committee will meet jointly when dealing with capital projects requiring input from both Committees.

Rationale:

Capital projects may require input from both the Building Commission and the Parish Deposit & Loan Fund Committee. Most parish building committees are made up of volunteers who have only a limited amount of time to contribute to the project. Some members of the diocesan committees are also volunteers and some cross over of personnel exists that makes meeting jointly the best use of people's time. This format has been found efficient and effective for all parties dealing with capital projects.

Procedure:

When a parish committee requests an opportunity to make a presentation regarding their capital project, they will be invited to attend a joint meeting of the Building Commission and Parish Deposit & Loan Fund Committee.

Motions are to be separated so that the Building Commission votes on building issues and the Parish Deposit & Loan Fund Committee votes on loan issues.

Each committee must have its own quorum and each quorum must reflect the needed expertise (e.g., Liturgy).

2.2 COMMITTEE AND COMMISSION STRUCTURES

Policy:

Membership on Diocesan Committees is reviewed annually to maintain the appropriate mix of skills and representation.

Rationale:

The Diocese is made up of a mixture of people from both rural and urban areas. Committee work is a process that allows input from parish representatives, working in conjunction with administrative staff of the Diocese. An appropriate mix of skills, gender, and geographical representation is the desired composition for Diocesan committees.

Procedure:

The Building Commission and Parish Deposit & Loan Fund Committee will monitor committee compositions and length of service of committee members and recruit and retire members as necessary. The Chair will submit potential committee member names to the Bishop for approval and appointment.

The Episcopal Director of Administrative Services, Director of Liturgy, Director of Pastoral Planning, Director of Accounting and Property and Building Coordinator are ex-officio members of the Building Commission.

The Episcopal Director of Administrative Services, Director of Accounting and Property and Building Coordinator are ex-officio members of the Parish Deposit & Loan Fund Committee.

Condition Reports

The purpose of the condition report is to assist the parish in prioritizing, scheduling and budgeting for anticipated capital projects and maintenance work over a defined period of time, dependent of course on the degree of restoration/preservation identified. In many of our churches, halls, offices, parish centres and rectories of the Diocese the anticipated scope of work necessary to preserve these buildings for future generations is “frightening”. However, the challenges facing individual parishes and cluster partners regarding building issues can be more clearly understood having completed a comprehensive report.

Selecting the architect/engineer to complete the condition reports is a very important step. The trust and relationship that is necessary to work through a parish capital project is essential in order to build community and complete the project. Architects and Engineers must be pre-approved by Diocesan administration. Please contact the Diocese for an up to date list of pre-approved architects and engineers. This list will differ depending on the type of project you’re planning. The list is long for new construction but is very short for restoration of historic buildings.

Comprehensive Condition Report

Following are *some* of the elements which would be included.

Roof

- Flashing detail
- Fascia / soffits
- Shingles
- Flat roofs and drains

Masonry

- Tower / walls / foundation / attic

Storm Water Management

- Eaves trough
- Downpours
- Grading

Windows

- Stained Glass / storm glazing

Door Systems

Structural Review

- Can include invasive investigation if warranted.

Life Safety Issues

- Accessibility
- Building Code / Fire Prevention Act

Septic and well water systems

Lightning Protection

Electrical / Mechanical Review

Hazardous Materials Review

- Asbestos, lead paint, bat or bird guano, etc.

Interior Finishes

- Plaster, paint, flooring, etc.

The report must contain an analysis of all building components along with a prioritized list of work to be done and estimates of costs over a reasonable period of time. The intent of the report is to describe the work in general terms only. As the work is scheduled, more detailed documentation will be required prior to engaging contractors.

The report must be presented to the Pastor and Parish Committee in “draft” form for discussion. After this meeting the report must be finalized and presented to the parish in an open parish meeting. Normally the Pastor, Parish Committee, Architect/Engineer and Diocesan administration would make a joint presentation.

Completing the Condition Report is the first step. Once completed there is a planning phase including, potentially, fundraising. After this the implementation phase comes which may be over a number of years.

Preliminary Condition Report

Where a Parish finds itself in a crisis management situation, for example, roof replacement required immediately or masonry failure which poses a safety concern, a preliminary condition report is required.

The purpose of the report is two-fold:

- a) An attempt to assess in general terms the investment required for preservation of the facility - long term.
- b) To prevent duplication of the work required with regard to the inter-facing of building components.

The preliminary condition report does not provide a detailed budget or a recommended time-line to implement all the required remedial work. A comprehensive Condition Report may still be required once the Parish has worked through the crisis period.

Criteria for Choosing Architects/Engineers

The selection of an architect/engineer is most important. The firm proposed and the personnel involved in preparing the report must have experience and be familiar with structures of a similar nature. Many of the disciplines involved in the building envelope and interior systems are inter-related and the experience of the team involved is crucial in defining the remedial work which will be recommended.

Different types of buildings require different skill sets from our architects/engineers. The key difference is that some of our buildings are much more complicated than others to work with. This is usually due to being historically significant from an architectural perspective. They are unique and would be very challenging to replicate. For example: our Cathedral, Assumption, St. Joseph's in River Canard and St. Joseph's in Chatham, Kinkora and Corunna just to name a few.

There are four categories in terms of building projects:

- New construction
- Repairs to buildings less than fifty years old.
- Restoration of architecturally significant, historical churches.
- Other

Architects/Engineers must be pre-approved by Diocesan administration. Please contact them for a current list of pre-approved architects/engineers. The pre-approved list is relatively long for new construction but it is very short for restoration of historic buildings.

Once you've selected an architect/engineer please contact Diocesan administration so that they can arrange the completion of the contract.

The following are important criteria for choosing a consultant:

- Related experience on projects of the type that is proposed. (Quantify number and size/cost of similar projects completed in last three years.)
- Experience working with parishes and structures similar to ours. Key here is appreciation and respect for the concept of subsidiarity - who has what responsibilities and authority.
- Excellent communication skills in order to work with individuals and committee structures.
- Excellent facilitation skills in order to work with individuals and committee structures.
- Financially stable (i.e. Carries adequate professional insurance and can provide financial references-banker)
- Member in good standing of Ontario Association of Architects.
- Stable business: i.e. Number of years in business.

Checklist to Be Completed in Preparation For Parish Capital Projects *(Restoration, Renovation or New Construction)*

This checklist is to help guide parishes through our process for capital projects and assist in the preparation of a presentation to the Building Commission and Parish Deposit & Loan Fund Committee. This includes parish restorations, renovations and new building projects. This checklist includes questions on building issues and finances, the answers to which will assist and guide the Building Commission and Parish Deposit & Loan Fund Committee in their analysis of requests that come to them for consideration.

State clearly what is being requested of:

- the Building Commission: (e.g., Approval for what scope of project)
- the Parish Deposit & Loan Fund Committee: (e.g., Amount of money to be borrowed and for how long)

Provide a clear statement of:

- Background to the project
- Needs Assessment and Parish Process
- Liturgical issues
- Physical Building issues
- Financial issues
- Process

A. Background to the project:

Refer to

- Parish Profile
- Parish Pastoral Plan
- Condition Report
- Parish financial history

Review Building Commission guidelines.

Consult with the following “contacts” as early as possible in the planning process:

- Cluster Partner;
- Director of Pastoral Planning;
- Episcopal Vicar;

- Building and Property Coordinator
- Any other “partners” (school board, another social agency, those in need in our local community);
- Parishioners and parish committees;
- Local community, neighbourhood.

B. Needs Assessment and Parish Process to date:

The Pastor, in consultation with appropriate parish committees must:

- clearly identify the need for the project
- complete a feasibility study (need to define)

For example, clarify how this project fits in with other parish capital and operating needs;

Describe the consultation process to date within the parish; describe the parish process, including identification of need, consultation within the parish, findings of condition reports, development of budget, level of support within parish.

Will this project impact the greater community? If so, how?

Are there implications affecting your cluster partner, if any, or deanery? If so, please describe.

C. Liturgical Issues

Will the liturgical space be impacted by this project? If so, please describe how and include how addition/change will be integrated with existing architecture.

Please contact Director of Liturgy for the Diocese of London and consult with the Building Commission.

D. Physical Building:

1. General:

Describe nature of project;

Are preliminary sketches available?

Is this project impacting a building of historical architectural importance? If so, describe how?

How many square feet will be added?

Have current life safety issues/regulations been addressed? For example, have handicapped washrooms, access regulations, Ontario Building Code and Fire Prevention Act laws been considered?

2. Capital Plan:

Has a capital budget been completed? Is it related to the building "Condition Report?" It must include both overall condition of the "building envelope" and the interior?

Is the project proceeding as one contract or in several phases?

3. Ongoing Maintenance Concerns & Capital Projects:

- Structural integrity;
- Roofing;
- Masonry or other material in walls;
- Mechanical & Electrical Plant;
- Finishes: interior, paint, flooring, etc.;
- Sidewalks & Parking;
- Spring and Fall checklists (see Parish Risk Management Manual)

E. Financial Issues:

What is cost estimate of project?

- a)** Construction contract estimate:
- b)** Furnishings/fixtures/landscaping:
- c)** Contingency:
- d)** Architect & Other Fees:

Total Construction Cost: \$_____

Will a "capital campaign" be needed? If not, how will this project be paid for?

Will it be necessary to meet with the Diocesan Parish Deposit & Loan Fund Committee?

- Operating: Specifically, consider increased ongoing costs as a result of the project being considered;
- Capital: Specifically, consider professional, contingency, and other fees and expenses as well as base construction costs – these additional costs frequently add 20% or more to the base cost.

Attach a Financial Summary showing last four years operating and capital receipts and expenditures.

State your parish's history of participation in the Loan Fund:

How will project be financed?

(a) On deposit:
(i) in Loan Fund: \$_____

(ii) in local parish account: \$_____

(b) Capital Campaign: \$_____

(c) Balance needed from
Loan Fund: \$_____

Total Construction Cost: \$_____

If you've already started a fundraising campaign, provide the total dollar amount of pledges outstanding along with a schedule showing how much is due in each upcoming year.

State the proposed repayment period for the loan.

Will it be repaid out of operating receipts or will a Capital Campaign be necessary?

F. Process:

1. If land is being purchased:

- Soil Tests;
- Environmental Assessment.

2. Approval of Parish:

The Pastor and representative members of appropriate parish committees must have a discussion with the Financial Administrator to:

- a) explain the perceived need;
- b) state a desired time-table;
- c) describe the parish financial capacity; and,
- d) seek approval "in principle".

Until approval in principle is obtained, no steps may be taken toward the implementation of the project. This approval process is required for any change or renovation in relation to reservation of the Eucharist, or to the liturgical focal points, namely the altar, ambo, chair and font.

3. Engagement of Consultants:

- Liturgical Consultant;
- Architect (contract required and must be signed by Financial Administrator of Diocese);
- Sub-specialties may include - Engineers: Structural, Mechanical, Electrical;
- Contractor is independent (contract required and must be signed by Financial Administrator of Diocese);

4. Contact with Municipality/Government:

- Architect/Engineer is very helpful with this issue;
- Can property be used as proposed?
- If not, may require zoning or Official Plan amendment;
- May take up to 6 months - consult local municipality;
- Fees;
- May require public meeting;
- Official Plan amendment requires approval by Ministry of Housing - lengthy process;

- May require site plan agreement.
- What are by-law requirements regarding location?
- If need change, may require Application for Minor Variance;
- May take 1-2 months;
- Fees.

5. Building Permit:

- Necessary for most work done at our parishes;
- Fee?

If work in conjunction with cemetery, may require consultation with Cemeteries Branch in Toronto.

6. Tender:

The architect/engineer manages the tender process including preparation of tender documents and analyzing responses. Contractors are pre-qualified by the architect/engineer. We are required by law to accept the lowest compliant bid.

7. All Contracts:

Who Signs: Financial Administrator of the Diocese;

Diocese will require some lead time;

Advice from architect;

There are two contracts:

1. Architect: prepares specifications & guides project;
2. Contractor: completes work defined in specifications.

8. Supervision of the Work:

The General Contractor is responsible for supervising and completing the work. The Architect/Engineer is responsible for certifying the work done by the General Contractor. The Architect/Engineer makes sure the construction work is done according to the specifications and that the General Contractor only bills for work actually completed.

9. Payments:

Payment Approval: Architect approves "Certificate of Payment." Pastor approves based on Architect and requests funds withdrawal from Loan Fund. Chancery issues payment to Parish who pays consultant and contractor. Diocese conducts construction lien search prior to release of holdback.

G. Timeline:

State clearly the time line from start of the project to completion.

10. The Capital Campaign

If a Capital Campaign is necessary, please describe your approach. For example:

- Target amount
- Number of people to be approached
- How will they be approached?
- Amount of Average Gift expected
- Will pledges be utilized?

What is the time frame for payment of pledges?

Please refer to the attached questionnaire which will be of assistance if you decide to embark on a "Capital Campaign."

A manual has been developed to assist with Parish Capital Campaigns and is available by calling the Diocesan administration.

“Readiness for Capital Campaign ”

QUESTIONNAIRE

The following questions will help a parish to determine if it is ready to initiate a fundraising or “Capital Campaign” to build and/or renovate:

1. Have you communicated to all parishioners what the money will be used for? What if you raise more or less than target?
2. Following from question number one, did all of those decisions to build, add-on and/or renovate grow out of long-range planning or did a group of people say, “This is what we need?”
3. What is the level of confidence in the leadership of the parish?
4. How many parishioners know about this building project?
5. Is there a strong sense of ownership where most people would agree with the direction that is being taken?
6. Will this capital campaign allow the parish to continue to fulfill its mission?
7. Is that mission clear to all?
8. Do you have 5-10 financial leaders in your parish who are capable of making a gift equal to the first 1/3 of the campaign goal?
9. Do you have 25-50 financial leaders who are capable of making a gift equal to the second 1/3 of the campaign goal?
10. What percentage of the parish population is presently giving to the church?
11. Does your parish have debt? If so, will it be repaid by this campaign and is it equal to more than 25% of what you plan to raise?
12. How successful was your last campaign?
13. Is your parish doing anything to identify, inform and invite new potential leadership?
14. Will the “same old people” be the ones who will try and “pull off” this campaign?
15. Is the parish willing to spend money to make money?
16. How necessary is this campaign?
17. How will this project help us fulfill our Parish’s Pastoral Plan?
18. Can we answer the tough questions: for example - How will this project help serve the poor in our community?

(We thank the Institute of School and Parish Development in New Orleans, Louisiana, for their work in this area.)

Procedures for Approval of Capital Projects

Approval Process:

Projects costing less than \$100,000, and related loans, may be approved by the Financial Administrator of the Diocese.

Projects costing between \$100,000 and \$300,000 need not present in person but must submit a written proposal for review and approval by the Building Commission. If a loan is required the Parish Deposit & Loan Fund Committee must also review and approve.

Projects costing more than \$300,000 require a presentation in person for review and approval by the Building Commission. If a loan is required the Parish Deposit & Loan Fund Committee must also review and approve

* Refer to Standard Format for presentations entitled "Checklist to be Completed in Preparation for Parish Capital Projects" (page 15).



Policies for Funding and Completion of Parish Capital Projects

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