

Building Application Form

District Building Committee Responsibilities: PART 3, CHAPTER 5 2004 Discipline

F. District Building Committee

1345. There shall be a district building committee elected by the district conference (1180:35a; cf. 1175:2), unless the district conference shall delegate the election to the district board of administration. The committee shall consist of the district superintendent as chair, and one or more ordained ministers as desired with an equal number of lay members. The elected members should be persons who are capable and experienced in property transactions and the construction of buildings. General regulations governing the membership of this committee are given in 1275-1292. The duties of the district building committee are:

- (1) To investigate the proposed sites for local church buildings, parsonages or other units, in order to ascertain that such properties are properly located in the community to be served and adequate in size for future expansion and parking facilities; to consider also the plans and requirements of any metropolitan or urban planning commission, if such an agency exists; to consider also the financial plans and liabilities to be incurred; to act upon the proposal of the local church and to report its findings and recommendations in writing both to the district board of administration and the local church (cf. 4700-4720).
- (2) To consider the proposal of a local church, on behalf of the church or a subsidiary of the church (655:13) for the:
 - (a) Purchase of land;
 - (b) Purchase of land and buildings;
 - (c) Construction of a new building;
 - (d) Addition to or remodeling of a building when the consequent costs are anticipated to be ten percent or more of the value of the current building.
- (3) To advise the local church in detail concerning the architectural plans; to consider carefully the financial liability and the plans of the local church for meeting such liabilities; and to report its findings and recommendations in writing to the local church and the district board of administration (1233:32; cf. 4700-4720).

Local Church Responsibilities:

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DISTRICT STANDING RULES

III. District Committees and Boards

A. The District Building policy shall be as follows:

- Stage One - Concept Approval
- Stage Two - Architectural Drawing Approval (Plans and Specifications)
- Stage Three - Actual Cost and Financial Plan Approval

All three (3) levels must be recommended by the Building Committee and approved by the District Board of Administration before a building project is considered to have been given full approval. The following debt guidelines will be utilized in approving church building projects:

- a. Debt loan incurred by a local congregation should not exceed 2.5 times the annual income (3 times for a new church plant.)
- b. Or, 75% of the appraised value of the building project.
- c. Or, 28% to 30% of the income of the local congregation for principal and interest.

Please fill out this form and submit it to the District Building Committee Chairperson

Before completing this application, be it noted that full participation in the United Stewardship Fund is required for any building projects, purchase of property, etc. to be considered by the district. So before filling this form out be sure that your USF is at 100%.

Please read the “**Seven Steps To A Successful Building Project**” on page four of this application as it will help you think through the process and help you learn what is required of your church.

Stage One - Concept Approval

Reasons for Building/Remodeling/Relocating: (Please circle one)

- We are near or at 80% of our seating capacity.
- We have out grown our Education area.
- Our facility is in need of major repair.
- Other _____
- _____
- _____
- _____

Desire To:

- Buy property with preexisting facility, church/storefront/warehouse etc.
- Buy land to build a new facility on.
- Totally remodel existing facility.
- Other _____

Drawings:

Please submit a simple drawing of your addition or new building for the building committee to review. Digital pictures of existing building/s would be helpful and if you're adding on have someone draw and outline on those pictures of what it would look like.

Cost:

What is the estimated cost of the project? \$ _____

How will you raise the money and if you need to borrow, how much? _____

Project Overseer:

- Hired General Contractor
- Volunteer From the Church
- Senior Pastor

After the building committee reviews the Stage One we will converse with the local church building committee before recommending the project to the DBA.

Stage Two - Architectural Drawing Approval (Plans and Specifications)

Stage One will have been approved by the district building committee and DBA at this point and stamped architectural drawings would be needed for the district building committee to review with the local church building committee. It would then be recommended to the DBA with any changes that may be appropriate.

Stage Three - Actual Cost and Financial Plan Approval

Stage two will have been completed at this third stage and the district building committee would need a report of actual cost with a financial plan for the project. After reviewing the financial plan with the local church building committee it will then go before the DBA for final approval. Guidelines for borrowing money for this project are under the Standing Rules portion of this form.

Church annual giving total	\$ _____
Actual Cost w/ 15% contingency	\$ _____
Monies you have raised	\$ _____
Money you need to borrow	\$ _____

Do you meet the debt formula as outlined above?

A reminder: All three stages must be approved by the DBA before monies for a building project are exempt from assessment by the district.

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.