WBC Building Project FAQ's

(More information and documentation further detailing the answers below can be found here: https://www.waxhawbible.org/building-project-document-library/)

Below is a list of common questions regarding our current building project. Please feel free to check out this information, ask further questions or for clarification. Questions or comments can be sent to the elders or deacons at: elders@waxhawbible.org or deacons@waxhawbiblechurch.org. Also, please remember that the Building Committee and the Building Finance Committee are always accepting additional members.

What is the overall goal of our building project?

- To provide a more permanent solution in regards to our facilities to better serve our congregation and community.
- Following our renovation project in 2013-2014 to expand our main meeting space from about 225-250 to over 400 people, the congregation recognized the need to replace our aging modular buildings. At that point a decision was made to establish a Building Committee and begin to develop a plan for our campus for the future. Over the course of a few years, many meeting and conversation with the people of WBC the Building Committee developed a 2-phase plan to first replace the 3 modular buildings which houses the majority of our classrooms and office space (Phase 1) and then, if deemed prudent, a Phase 2 to build a new main gathering space and repurposing Building 100 as a multi-purpose building with an expanded kitchen to better serve our congregation and community.
- Much of the work the Building Committee did was to fine tune our actual needs to ensure that the
 proposed building would be as efficient and effective as possible while being the best stewards of the
 monies that God has provided to WBC. What originally was a 20,000+ square foot building with a
 gymnasium has been streamlined down, with the help of an architect and general contractor, to under
 10,000 square feet for Phase 1.
- In November, 2020 the congregation voted to move forward with a permanent solution as opposed to another modular solution.

Have we selected an architect and general contractor?

- Yes. The Building Committee interviewed several and selected an architect and a general contractor. While we are not "under contract" (meaning required to work with) with both of these organizations they were deemed our best partners for this project.
- Our architect is Schaeffer Design Associates, INC (<u>www.sdaarchitecture.us</u>). They were selected for
 three primary reasons: First, they have a heart for ministry, for the local church and have a dedicated
 team for local church projects. They also were very competitive in regards to their pricing structure.
 Finally, they also are local to the Charlotte region so we are not required to pay significant travel
 expenses to get them here on site when needed. (*Note: The architect was originally Adam's
 Associates, but Larry Schaeffer, the architect we were working with started his own firm.)
- Our general contractor is Ecclesia Construction Company (https://www.ecclesiaconstruction.com/).
 They for many reasons. First, they were very competitive in their pricing structure. Second, while they had an impressive portfolio (including a lot of church construction), with very professional work done around the country, they are explicitly Christian. They also are very willing to allow us to help in certain areas of construction as we see fit, and where it's legal and safe to help offset costs. The estimates they have given us are "turn key" (meaning: they do all the work) but we have an understanding that WBC can provide some labor when the time comes.

Do we have architectural drawings?

- Yes. We have architectural drawings, but not full construction documents. We needed to have architectural drawings in order to get an "order of magnitude" (general estimate) from the general contractor.
- Changes and updates to the floor plan can still be made (at a cost). For example, we are looking for ways to update the main entrance so it's more accessible to the parking lot.

How much are we expecting this project to cost?

- We were originally quoted \$119 per square foot for the 9,600 square foot building (Phase 1) in 2019. Since then much has changed in the world of construction. We recently (Feb. '22) requested an update and the general contractor notified us that we should assume a construction cost (does not include site work(moving earth), as that is different and has not changed as much) an increase to somewhere between \$145-\$165 per square foot. That increases our construction cost for Phase 1 (not including site work) from \$1.14mil to between \$1.4 and 1.6mil.
- A real cost to consider, if we are not paying cash is the cost to finance. As of 1st quarter 2022
 commercial interest rates are between 5 and 8%. We have been told by multiple sources that we
 should expect a 1% increase in finance rates in 2022 alone.

Would we consider a modular replacement?

- We did consider a modular replacement. The Building Committee researched, located and received quotes on modular replacements. Ultimately the congregation voted against a modular replacement for the more preferred permanent solution. There are several factors to consider: Modulars are depreciating in value, not considered appreciating assets. Our existing modulars were "grandfathered" into Mineral Springs zoning. Were we to replace them with modulars we would need to work with Mineral Springs on zoning and potentially receiving variances (which is not impossible, we received a variance to plan for the front parking lot). Modulars communicate a certain message to passersby, guests and attendees. The congregation, in a clear majority, desires to communicate a different message to our community.
- While the cost would be less than permanent it is important to consider it's not as low as one might think. There would still be site work to be done, all the necessary foundation, plumbing and electrical work. In 2017 the Building Committee received quotes from multiple modular companies and the range for completion of the work was between \$65-\$100 per square foot. Moving that number forward to 2022 dollars, taking some averages, we could estimate what was \$83/sf (average) would now be closer to \$122/sf. So, using the same square footage, 9,600sf we would be looking at about \$800k total project cost for a modular replacement.

Why are we targeting the front parking lot as opposed to the back parking lot or basketball court area?

- Primarily for two reasons: First, the site work cost for utilizing the front parking areas was significant enough to prioritize that space as preferred (adding dirt is much more expensive than removing or grading it). It did require that we get a setback variance from the Town of Mineral Springs which was received in the fall of 2016. Second, by building where we currently do not have buildings or usable space we create a scenario where we could continue our regular meetings without interruption. If we were to build on the back parking lot we would be required to either shut down or drastically change things like: Sunday School, AWANA, etc...
- Building a new, updated permanent building in the front of our campus is an updated and more inviting exterior for WBC in our community.
- It is also a better use of our land for future changes or growth.
- Constructing a permanent building on our campus would take between 8 and 12 months. We would
 not be able to only construct in our "slow time" (aka summer months) so as to not disturb our regular
 operations.

Would we consider moving to another location or opening another campus somewhere else?

- We did consider moving. Ultimately the congregation decided that our current location is best. Along
 with the fact that purchasing land or a built out property that would suit our needs would not be a cost
 savings.
- Our working "growth model" as a church is one of multiplication, not addition. What does that mean? That means our leadership has targeted an attendance of between 350 and 450 as our "ideal" size. With our leadership and ministry model it seems that that size congregation is appropriate. With that said, as we grow towards those numbers we intend on equipping and setting apart a leadership team that is willing and able to prepare to plant an ultimately autonomous local fellowship somewhere else in our general region. This "new" church would not be Waxhaw Bible Church of Lancaster or a "satellite" campus, but a full-functioning, New Testament model (plurality of elders) local gathering of followers of Christ. That growth model allows us to keep our gathering space limited to less than 500, maintain the necessary size of classrooms and office space on this campus. Our proposed building plan (both phases) kept this in mind and sufficiently accommodated for these needs.

Does WBC have an official stance on Corporate Debt?

- **No.** Currently the church has no large debt, e.g. land, building, vehicles, etc... The church does utilize a credit card for purchases on a regular basis but the balance is paid off each month. We do that to streamline purchasing and also to earn cash back on our purchases, which is later used for ministry goods and services.
- Building 100 was built (in the 1990's) with financial bonds. While it still exists, the use of bonds is an older model of financing. Over \$100k was secured through bonds, mostly purchased by church members at the time. The church was required to pay those bonds back in an allotted period of time but through the faithfulness of God and His people was able to pay it off prior to the bonds being due.
 - To give you an idea, Building 100 is about 7,500sf. To build another building that size today (which would require a variance because of the metal siding), at today's construction rates would cost about \$1.1mil (7,500sf * \$145) in construction costs alone (not including site).
- With an assumption of a \$1.2-1.5mil loan (if we were approved for that) we would have roughly \$8-\$8,500k per month in loan costs, or **about \$1,900 per week**.

Do we have an idea of how long construction will take?

Yes. Once construction begins, barring any unforeseen circumstances we would be looking at 8-12 months of construction. This is one reason that we are targeting the front parking lot; because we would be required to shut down or drastically modify our regular ministry if we were to remove the modulars for construction.

Once the modulars are removed how will we number or identify the remaining buildings?

• We have not decided this as of yet. We are happy to receive recommendations. What we do want to keep in mind is that numbering the buildings (if well signed) is helpful for safety, security and emergency situations. That doesn't preclude us from naming with words, but whatever we end up with we will sign them well to ensure people know where to go and in case of an emergency, first responders can get where they need to as quickly as possible.

Does the cost include the removal of the modulars?

• **No.** At the time of getting quotes we had actually been in conversations with a local missions organization that was wanting buildings 300 and 400. We will have to revisit those discussions with that or any organization when we have a more firm project timeline. We have had conversations with the local fire departments about burning building 200 as part of their training program.