

KNOLLWOOD BAPTIST CHURCH
WELLNESS AND COMMUNITY CENTER CURRENT WORKING PLAN
SUMMARY REPORT

(PRESENTED TO DIACONATE JULY 19, 2015 AND UPDATED August 3, 2015)

WCC WORK GROUP MEMBERS

John Boehme

Carol Danforth

John Danforth

Ben Floyd

Chip Mims

Sylvia Oberle

Len Preslar

Janet Ray

Bob Setzer

Rodney Stillwell

Pat Swann

Molly Brummett Wudel

Marlin Yoder

Sandra Boyette, Communications

Cliff Pennell, Facilitator

OVERVIEW

Following our successful *Exercising Faith* capital campaign, the congregation approved moving forward with programming and construction plans for the Wellness and Community Center (WCC).

The WCC Work Group, previously formed by the Deacon Executive Council (DEC) and including the Building Executive Committee, has coordinated development and planning for the WCC, based on significant input from the congregation and in-depth assessment of needs. The Building Executive Committee (BEC) has conducted initial work with the architect and contractor. In addition, the Finance Committee and the diaconate have reviewed and approved initial financing plans.

On July 19, the WCC presented to the deacons a motion for construction financing. The motion was unanimously approved and, following a congregational information session on August 9, the motion will be brought to the congregation for approval at the conclusion of the August 30 worship service.

The following sections explain more about the WCC.

- I. Community and Mission
- II. Wellness and Recreation
- III. Arts
- IV. Administrative Offices
- V. Staffing
- VI. Building and Construction
- VII. Financing
- VIII. Timeline
- IX. Motion to approve construction financing

I. Community and Missions Ministry

This ministry focuses on outreach, creating family educational/literacy missional opportunity integrated into the recreational activities of the WCC. Programming and space needs for this ministry have these objectives:

- To improve literacy and school success for families associated with Bolton Elementary School, especially those families living at The Ledges Housing Complex as we “Follow Bolton Home.”
- To develop weekly, family-based literacy programs provided by KBC with support from partnering churches and non-profits that will serve an important community need.

These components define programming for our objectives:

- Tutoring and homework help for school-age children
- ESL groups for adults
- Language enrichment classroom for preschool children
- Family meal with all program participants
- Recreation time
- Expansion of CSA Farm Fresh Feeding Program distribution in WCC

Sessions would run one to two evenings per week, with two to three hours of programming. Four to eight adult volunteers will be needed, with one part-time paid staff or ministry team member to coordinate volunteers, assign space, and manage food purchases.

The space needs and recommendations resulting from this programming plan are:

- One large multi-purpose space with the option to divide into two rooms with soundproof dividers. Uses for the two rooms include:
 - Computer use, adult class, school-age tutoring
 - Eating area to allow meal service to 40-50 people.
(Current kitchen in Building B will be the food hub for campus. Serving carts will provide food portability to all parts of campus.)
 - Inviting child-friendly and wheelchair accessible entrance.
 - Bathroom space appropriate for pre-school children and infants, including changing table.
 - Administrative space for coordinator’s work station, including lockable storage space.
(As program needs become clear, this space may be housed in gym office, storage space in multi-purpose areas, or in second floor office space.)
 - Wireless internet access.
 - Missional programs suggested here may also use the arts space, described later.

The WCC sub-group members who developed this plan are John Boehme; Beth Fields, Sylvia Oberle, chair; Janet Ray; Bambi Setzer; Rodney Stilwell, Rachel Stinehelfer, and Molly Brummett Wudel, ministerial liaison.

II. WELLNESS AND RECREATION MINISTRY

This ministry will facilitate safe play and fitness activities that will be uplifting to members, welcoming to prospective members, and the community. Its objectives are:

- To engage children and youth in sports and recreation
- To encourage wellness and fitness for people of all ages
- To welcome and engage those who visit our campus
- To organize multi-generational recreational events
- To support physical and mental well-being through restorative activities

Activities envisioned include basketball, volleyball, dodge ball, kid-fit classes, climbing wall, indoor walking track, Zumba, Fit & Over 50, adaptive exercise for seniors, Yoga, adult basketball, volleyball, and pickleball; Parenting Group with fitness activities for preschool parents, Bolton children and families, ; Scout troop activities, Young Life recreation, Special Olympics Prep; All-Play nights; family basketball; family dances; open gym on Sundays; Actively Grieving group; Walk and Talk Supporters.

Space requirements and recommendations resulting from this plan are:

- Full-length basketball court with clock and sound system, cross courts with side baskets and adjustable height goal for all baskets; multi-uses sports floor; easy transition to volleyball or pickleball court.
- Built-in curtain to accommodate two separate activities
- Adaptable gym space for kickball, dodge ball, indoor soccer, dance
- Limited seating for parents, spectators
- Room available with music capabilities for group activities (Zumba, Yoga)
- Measured walking track around gym perimeter on second floor, open to gym
- Elevator for easy access to walking track
- Storage for a range of recreational equipment
- Design for ease of access and security, especially after hours and on weekends
- Restroom with at least one shower for women, one shower for men
- Climbing wall for maximum attraction to youth and metaphor for faith journeys (TBD)
- Concession area with running water, microwave, ice, and small refrigerator
- Small exercise room with some cardio and weight machines (Equipment planned, location TBD)

Programming will require 1 part-time paid staff or ministry team to coordinate volunteers and schedule space; and 12-20 volunteers weekly to lead, mentor, and monitor. (Some classes such as Zumba or Yoga could charge participants a fee to compensate a trained instructor.)

The WCC sub-group members who developed this plan are John Danforth, chair; Carol Danforth, Jerry Francis, Rich Habegger, Peggy Haymes, Tommy Jackson, Amine Seifert, Bob Setzer, Linda Smith, and Molly Brummett Wudel.

III. Arts and Hearts Ministry

The overarching objective of this ministry is to encourage and educate the congregation and members of the community to connect with the Creator and one another through a range of artistic activities.

Designated space in the WCC can be used for classes, workshops and seminars, which will deepen a participant's spirituality by using individual gifts to create, in a variety of ways, including:

- Visual and fabric arts
- Crafts
- Ceramics

Space needs and requirements resulting from this plan include:

- Two rooms, each approximately 20x30 feet. (Current plans provide one dedicated space with potential use of shared space.)
- Storage space of 9x20 feet, with shelving on each side
- Countertop space of 15x2 feet with 3 sinks
- Walls with outside windows to provide natural light
- Ceiling lights that produce the effect of natural light
- Outdoor covered patio area accessible through arts space (not in current plans; discussions continuing)
- Wheel chair accessibility
- Electrical outlets in counter area and on walls; 220 volt outlet and voltage transformer/ventilator for kiln
- Area for showing slides or videos on walls
- Flooring of linoleum or tile that can be easily cleaned.

Program staffing will be provided by volunteers with scheduling of programming done by the church office or as determined by personnel committee

The WCC subgroup members who developed this plan are Pam Boehme, Annie Kendall, Judy Owen, Bambi Setzer, and Rodney Stilwell, chair.

IV. ADMINISTRATIVE OFFICES

This component of the WCC serves our ministers, members, staff, and visitors. All current functions of the building at 250 Buckingham Road will be moved to the new space, with these objectives:

- Provide a reception area for visitors to our ministers and staff members
- Provide comfortable, efficient, and private offices for the ministers
- Provide comfortable, efficient offices for staff members
- Provide enhanced work flow through planned traffic patterns and updated technology
- Provide an attractive meeting space (to replace the infamous D-100!) for committees, ministry teams, work groups, and staff meetings.

Space requirements and recommendations for this area include:

- Welcoming reception area that can also serve as the front door for the WCC.
- Front area of administrative space would serve publications, accounting support, and church administrator, including a work/supply area for copier, work tables, other office equipment, and other supplies.
- Ministers' offices would be located toward the back of the administrative space to provide a greater level of privacy and confidentiality for those meeting with ministers. Space should be conducive to study and contemplation. Transmission of sound should be a major consideration in this area.
- Conference room (replacing the infamous D-100!) with comfortable meeting table and chairs, equipped with projection capability, and including a small break room for ease of food service and staff lunch use. Break area should include sink, counter space, dishwasher, stove, refrigerator, microwave, and supply cabinet.
- Offices of the Minister of Music, Music Assistant, and the Through-The-Week-School Director—at their request--will remain in Building B to be close to their ministry areas.
- New office space will allow for future expansion.
- All areas will have appropriate technology to meet anticipated needs.

The WCC subgroup members who developed this plan are Colleen Booth, Lisa Ehlers, Len Preslar, chairman, Bob Setzer, and Marlin Yoder.

V. WELLNESS AND COMMUNITY CENTER STAFFING

Knollwood's Personnel Committee has been and will continue to be in conversation about the best ways to meet the missional, recreational, and arts needs of the new building. We expect to rely on both volunteers and existing and new staff to help us meet our ministry and outreach goals.

A fuller description of volunteer needs and duties, as well as part-time paid staffing, will develop over the course of the next year, as specific programs and ministries of the Wellness and Community Center emerge.

The WCC proposal does include an estimated outlay of \$30,000 annually for part-time positions to help with recreation or community ministry, though the exact nature of those positions has not be finalized

As our staffing plan is refined and set in motion the months ahead, the Diaconate will be kept fully informed. However, we expect to incur no more than an additional \$30,000 annually in personnel expense as we seek to maximize the outreach and mission opportunities of the Wellness and Community Center

Chip Mims

Chair, Personnel Committee

VI. BUILDING AND CONSTRUCTION

The Building Executive Committee (BEC) has made significant progress in initiating and planning construction for the Wellness and Community Center.

The BEC has selected the firm of Walter, Robbs as our architectural firm and engineer. The contractor selected is I.L. Long Construction.

To date, the BEC has achieved the following steps.

- Winston-Salem Planning Board has approved the scope of the plan
- Congregation and Working Group's input has been integrated into the current working plan
- Set costs and timeline
- Created a plan that puts the architectural firm and construction manager under a single contract that gives Knollwood a guaranteed maximum price.
- The plan gives Knollwood many advantages, including
 - Accelerated speed of the project and strengthened coordination between architect and construction manager
 - Construction manager is hired based on qualifications, ensuring a strong allegiance to Knollwood as client because his/her business relies on references and repeat work
 - Construction manager, architect/engineer, and Knollwood collaborate, creating synergies throughout the process.
 - Transparency is enhanced because all costs and fees are open to scrutiny, diminishing adversarial relationships and eliminating bid-shopping

Any construction project is subject to delays and downsides; however, the proposed plan minimizes "surprises" and enhances the best outcomes.

This committee comprises BEC members Pat Swann and Chip Mims, co-chairs; John Boehme, Carol Danforth, and Len Preslar.

Building Design

When initial conceptual renderings of the WCC building were provided, they were intended to demonstrate the essence of what the building might look like (inside and out) and show the intended consistency in look with the existing buildings. As with any new building and construction process there is learning along the way and adjustments that need to be made.

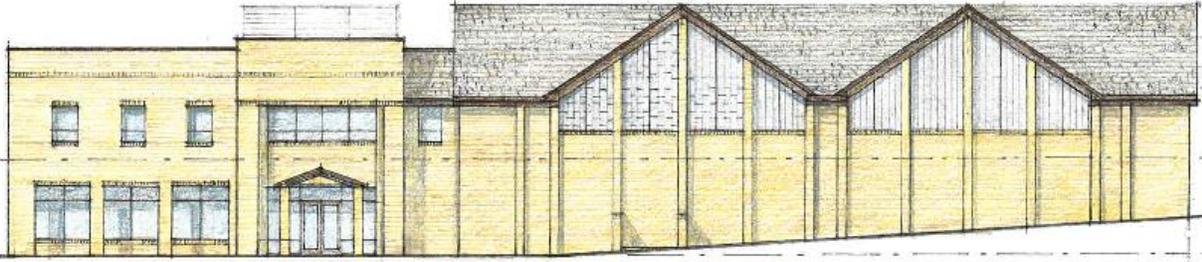
Once the funding available was known and internal use was more fully developed, the Building Executive Committee (BEC), architect and contractor were in a better position to determine the most effective and efficient building renderings. The following pages provide the most recent renderings of the new building. Some important observations regarding the current renderings include:

- Overall size of the building (footprint) remains unchanged.
- Internal space allocations remain unchanged
- Exterior
 - Remains consistent with look and feel of existing buildings
 - More cost efficient
 - Enables more “green space” (HVAC located on roof)

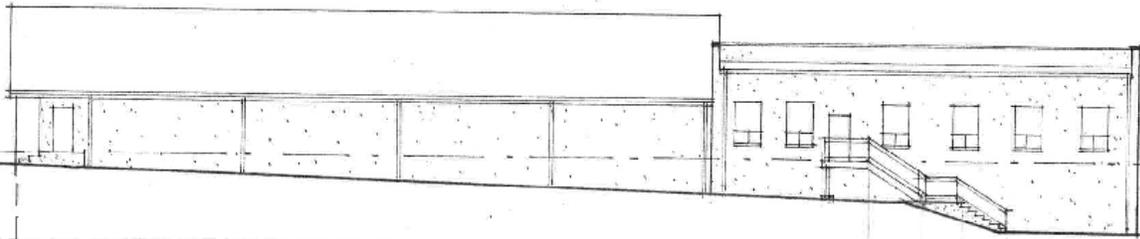
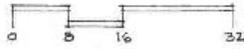
Note:

Renderings provided in this document represent the current plans of the collective efforts of the BEC, architect and contractor. They will continue to evolve as part of any normal building construction process.

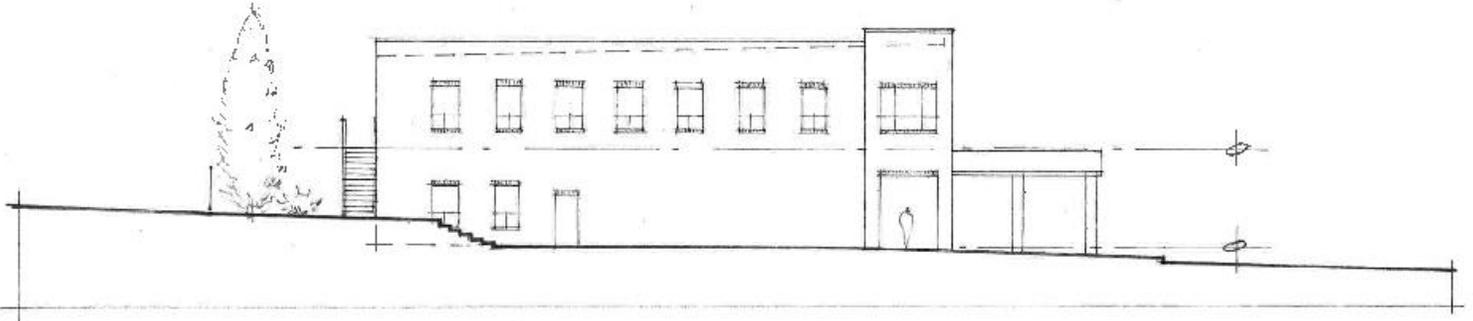
On July 19th, the exterior renderings provided in this document were reviewed with the diaconate. The interior plans have evolved slightly since the July 19th diaconate meeting based on more recent discussions between the BEC, architect and contractor.



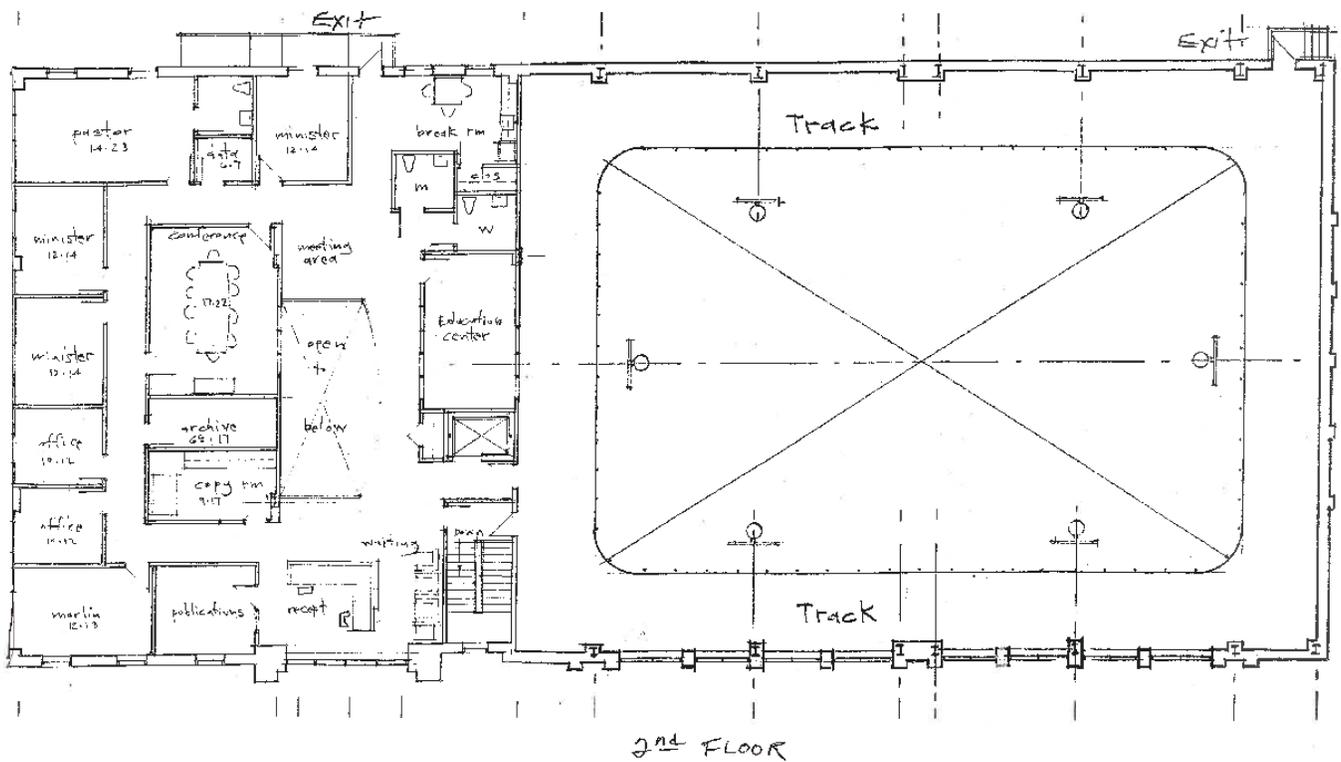
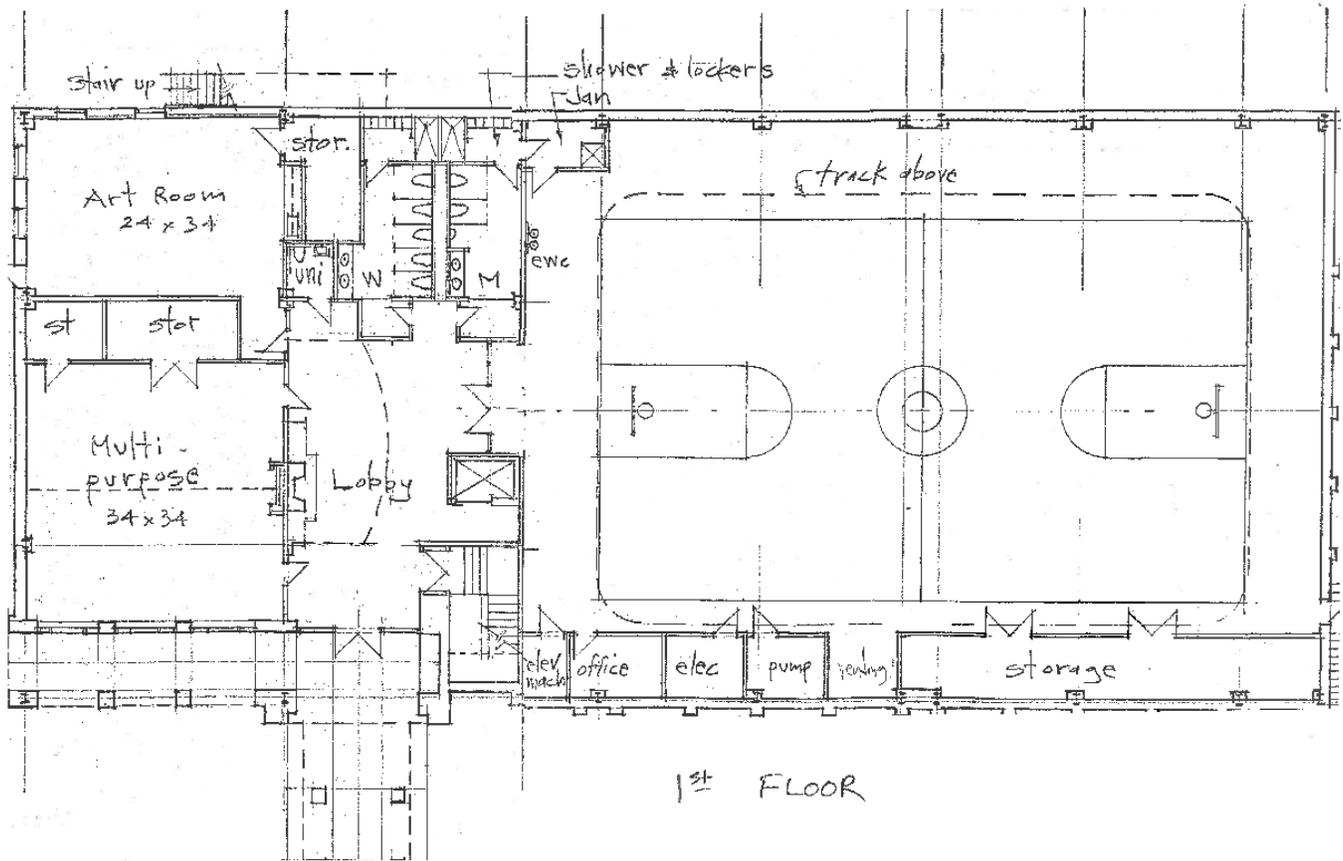
EAST ELEVATION



west



SOUTH ELEVATION



VII. Financing

This information reflects gifts and costs as of July 16th.

Exercising Faith campaign results:

\$1,371,000	From 207 households
<u>450,000</u>	From 2 designated bequests
\$1,821,000	Total gifts and bequests
<u>\$2,500,000</u>	Gift from principal donor family
\$4,321,000	Total commitments

Wellness and Community cost estimate:

\$4,039,500	Construction, soft costs, and landscaping
	Additional costs:
\$150,000	Furnishings, equipment, office relocation
\$500,000	Potential interest expense over 8 years

Variables:

- Cash flow: construction expenses matching pledge income
- Interest rate on financing (Preliminary conversations with bankers indicate that Knollwood is an excellent candidate for lowest rates)
- Surplus, if any, from construction contingency of \$200,000

Summary Assumptions for “Motion to Borrow Funds”

The motion has three points of approval:

- \$4,000,000 approximate cost (Construction and soft costs)
- \$2,500,000 maximum loan (cash on hand for the balance)
- \$ 500,000 maximum remaining debt at end of loan term*

Why could there be debt:

This debt is largely timing related waiting for pledges with longer lead-times to come in, and largely the result of accumulating interest expense. Fundraising consultant states that having debt at the conclusion of a building campaign is typical, especially for church of Knollwood’s gift history. This is an extremely conservative assumption.

Likely Outcome and Possible Solutions:

While there is no way of knowing at this point, it is likely that any remaining debt at the end of the loan term will be significantly less or eliminated given none of the factors below have been considered:

- Accelerated pledge payments (Pledges paid sooner than currently scheduled)
- More gifts and pledges (Likely to happen as seen in Phases I & II)
- Building contingency surplus (We do not need the full \$200,000 assumed)
- Interest is lower than assumed
- Follow-up campaign that might include additional projects

This is why the WCC Work Group and the Finance Committee unanimously approved proceeding with the requests as outlined in the “motion to borrow funds”.

VIII. Timeline

Congregational Information session	August 9th, 2015
Congregational Vote to Borrow Funds	August 30, 2015
Move Administrative Offices	September 2015
Ground Breaking Ceremony	October 2015
Construction	October 2015 – 2016
Dedication	November 2016

VI. MOTION REQUESTING APPROVAL FOR BORROWING FUNDS

(Approved by the Diaconate on July 19, 2015)

Whereas the “Exercising Faith” capital campaign has been successful in raising sufficient funds, combined with the generosity of a signature donor, it is desired to move forward with the Wellness and Community Center (WCC) based on the recommended construction and programming plans of the WCC Work Group and Building Executive Committee.

It is resolved that the church is authorized to borrow up to \$2,500,000 toward the Wellness and Community Center following the guidelines of the bank and finance committee, based on a total budget of \$4,000,000 and assuming a maximum of \$500,000 of debt remaining at the end of the loan term.

FREQUENTLY-ASKED QUESTIONS ABOUT KNOLLWOOD'S WELLNESS AND COMMUNITY CENTER

1. Do the current programming and building plans meet the missional objectives set out in the *Exercising Faith* campaign?

Yes. Each of the major programming and construction/finance planning areas of the building was planned by committees who were asked to put missional concerns first in their deliberations. They and the deacons are satisfied that the initial programming and that which will evolve will help us fulfill our mission and build God's kingdom.

2. What is the projected total cost of construction?

The projected total cost is \$4,000,000.

3. Does the cost include furnishings, equipment, and landscaping?

The cost does not include the \$150,000 estimate for furnishings, equipment, and temporary office relocation. It does include landscaping.

4. Is there a contingency fund for this project?

Yes, we have a \$200,000 contingency fund.

5. How were the architects and construction company selected? The architect was selected by the Building Executive Committee after meetings to discuss scope and design. The architect worked with the Building Executive Committee to select the contractor through a competitive bid process.

6. What are the anticipated staffing costs of the WCC?

The needs are still being evaluated by the Personnel Committee, but it is anticipated that the staffing cost of the WCC will not exceed an additional \$30,000 annually.

7. If the *Exercising Faith* campaign was successful, why do we have to borrow \$2,500,000?

Our *Exercising Faith* capital campaign offered donors a multi-year payout on pledges. The construction expenses for the Wellness and Community Center will be needed in 2015 and 2016. To bridge the gap between when funds are needed and when pledge payments are realized, we will need a construction loan.

8. Why do we need to plan for a \$500,000 debt at the end of construction?

Prudent financial planning means we should prepare a very fiscally conservative scenario. Whether we incur this amount of debt at the end of construction depends on many variables. For example, some donors will choose to pay their pledges early. Some expenses may be less than anticipated. Because the finance committee and deacons want to be transparent regarding finances, it is wiser to prepare for this debt level than to be surprised by it. It is likely this debt will be significantly less or eliminated.

9. Have the ministers and staff members participated in and approved these plans?

Yes, very much so.

10. When will Knollwood expect to occupy the WCC?

Pending congregational approval of the construction financing motion, the timeline is now set for dedication in November, 2016.

11. Who will supervise the architects and contractor?

The Building Executive Committee will supervise, in frequent consultation with Dr. Setzer, the WCC Work Group and DEC.

12. What safeguards are in place to ensure that Knollwood is not over-extended on this project?

The Building Executive Committee is following a model that requires the architect and construction manager to work together on the design. The construction manager then gives KBC a guaranteed maximum price and coordinates all subcontract work.