

4.7.4 CHURCH BUILDING PROJECTS OR EXTENSIONS

POLICY: Churches considering either the erection of new buildings or the major alteration of existing facilities must secure the prior written approval of the president and the National Board. If land is to be purchased for the capital project please refer to Section 4.7.1 Church Property Purchase (Buildings/Land).

PROCEDURE: If the church desires to erect or alter a building, the procedure is as follows:

1. Prior to beginning a building project the pastor (with the approval of the Church Council) shall consult with the Unit Supervisor about intent to start a building project or extension.
2. Conduct Capital Project Evaluation with the assistance of the National Office to determine the church's ability to complete and sustain the proposed project. If a positive evaluation is made then proceed to next step.
3. The Lead Pastor shall gain council approval to move forward based on the evaluation. Submit written request to obtain consent of the president to begin prior to investing in project development (ie. architect, site surveys etc).
4. A Phase I Project Development Budget to be established and approved by Church Council. The Development Budget will include the following considerations:
 - Land Development Costs
 - City Zoning & Variances
 - Architect
 - Legal
 - Estimated Total Project Budget
 - Fundraising Plan
 - Church financial statements for 3 years
 - Cash Flow Analysis
 - Application to Obtain Loan
5. Secure a two-thirds majority vote of the active church membership present at a properly called meeting to approve the Project Development Budget & estimated Capital Project Budget.
6. Submit a request to the National Board to gain approval of the Phase I Project Development Budget which will include any financing required to cover Phase I costs.
7. Once Phase I has been approved by the National Board, church may proceed to establish project parameters to include Phase 2 Capital Project Budget.

8. If Phase 2 Budget is more than the amount pre-approved by the membership, secure a two-thirds majority vote of the active church membership present at a properly called meeting to approve the revised Phase 2 Capital Project Budget.
9. Submit Application for Approval of Capital Project Budget to National Board for approval with the following documents (The completed application will also be sent to the bank for approval of financing).
 - Application for Permission to Build or Extend
 - Application for Permission to Obtain Loan
 - Project Plans & Drawings
 - Capital Project Budget & Cashflow Analysis
 - City Rezoning & Variances
 - Fundraising Plan & Progress
 - Church Financial Statements for 3 years
10. Obtain sufficient insurance coverage during construction to cover any kind of loss or peril. Obtain written confirmation that all contractors have adequate coverage and worker safety insurance.