

# ST. ANDREW'S VISIONING

## WHAT MIGHT THE FUTURE BRING

### WHAT IS YOUR VISIONING?

Visioning is seen differently by everyone.

For some folks, visioning can be a **THOUGHT**, or a **GLIMPSE** into an idea or the future.

Visioning can also be a **DREAM** for many, which likely will result in having to develop a **PLAN** to make your **DREAM** a reality.

**DREAMS** and **PLANS** usually go together especially if they are of a financial nature will likely will come with some sort of risk, which is not uncommon in order to achieve positive end results.

Many of us in our lifetimes have likely had their own visioning, dreams or plans from perhaps buying a new vehicle, planning a vacation, renovating the kitchen & bath, adding an addition, education planning, or retirement are all examples of **DREAMS** or **PLANS** with financial risk.

Many organizations whether it be a corporate entity with a plan to expand, or a professional sports team with a **DREAM** to win a national championship, will all come with financial risk.

Take the **Toronto Raptors** and the **Toronto Blue Jays** for instance:

Both of these sports franchises were facing pressure for years to win and took tremendous social & financial risks at different times to achieve their own visioning **GOALS**. By investing and acquiring players they felt would change the losing culture and elevate their existing teams to another level, the end results turned into championships for both teams, **JAYS 1992/93** and **RAPTORS 2019**.

So, what might **Risk vs Benefits** look like from a St. Andrew's standpoint?

#### **RISK:**

We remain **STATUS QUO** and do nothing while watching our revenues dwindle down over the next few years to what will likely be an eventual closure of St. Andrew's.

#### **RISK:**

We continue to pour valuable operating & reserve fund dollars into an aging infrastructure that will continue to decline, and restrict us from attracting new business and much needed revenues.

#### **RISK:**

With Religiosity in Canada dropping ( **68% as of 2022** ) Christianity ( **32% as of 2022** ) and the UCC denomination in our country now at just ( **3.7% as of 2022** ) we're seeing rapidly declining numbers with churches of all denominations closing at an alarming rate either due to declining congregations, or by not making the necessary changes needed to adapt to the new challenges they are facing.

We've already heard from our own finance committee that our financial and attendance numbers are down over the past few years, resulting in having to look at new creative ways to try and generate new revenues by taking a hard look at our building and how it functions.

Our Sanctuary for instance is primarily used for Sunday Worship, music lessons, and the occasional rental that provides some financial relief, however we are missing out on a huge opportunity. If we were to update our Sanctuary making it more versatile, it would then allow us to create a better space that would benefit us by attracting new business and rental opportunities that we've not yet seen before.

Our **GOAL** with the Sanctuary is to bring us more options for events like COFFEE HOUSE, LIVE MUSIC, WEDDINGS, BANQUETS, MEETINGS etc to tap into new revenues to support new ventures and fill gaps in existing negative financial trends.

Our friends at St. James United Church in Waterdown have already taken that leap of faith by making some very much needed changes to their own aging Sanctuary ( **NEW SEATING, NEW FLOORING, SOUND & LIGHTING UDATES, EXPANDING THE CHANCEL/CHOIR AREA and more...**) giving them so many more options, not only for their own congregational uses, but also for the surrounding community and new potential rental opportunities.

They're also in a position where they are going to develop some of the surplus land that they have to create even further financial benefits and a stronger presence in their community.

Our churches are a lot alike in many ways, having declining numbers in both their congregation and revenues, so they did something about it with the full support of their congregation.

#### **WHAT ABOUT THE CE HALL?**

Well.....during our visioning journey, we've invited our congregation to share their ideas and concerns about our building and the challenges we're facing with it, and of the responses received, many responses have indicated the same problems and concerns.

We've seen most recently when we've tried to secure financially viable long term tenants for our **CE HALL**, that due to these same concerns, these rental opportunities have also opted to look elsewhere for space, making it difficult to attract long term rental.

The **CE HALL** has very much been an integral piece of the St. Andrew's family and landscape for many years, and has fulfilled the goals in which it was originally intended for, however age is not on its side and any building approaching 60 years or older, is likely turning into a financial burden from a maintenance standpoint.

During the St. Andrew's visioning presentations over the past few weeks, we've been very clear and transparent with the congregation on not only the financial crisis we're currently facing, but also the national decline of the United Church and Christianity in Canada in general.

#### **WHAT SHOULD WE DO YOU ASK?**

It's simple, if we don't do anything at all and stay the course, our journey into the future will likely be short, so let's take our own **DREAMS** and invest in a solid **PLAN** together that will not only benefit our congregation, but will also allow St. Andrew's to engage further in our own community, draw more attention from outside our community, and move us forward into the future for many more years to come.

## **BENEFITS OF MOVING FORWARD WITH A NEW HALL:**

Let's take a look for one moment on what we already have.

Well.....our property is approximately 75,000 square feet, or just under 2 acres according to the land survey.

We know that the most recent land evaluation done for St. Andrew's just this year in 2022 showed that the land without the building is worth roughly 3.5 million dollars.

Yes.....this number is no joke, when you take land evaluation in Hamilton for instance, we see square footage values ranging from \$40 - \$50 on average per sqft.

If we take the conservative approach of \$45 sqft x 75,000, we get an approximate land value of \$3,375,000

Our buildings, both the Sanctuary and CE Hall even with all of the challenges they come with would carry an approximate market value of between 2.5 and 3 million dollars without the land.

Collectively between land and structures, we are sitting on some pretty nice equity of around \$6 – \$7 million dollars. With this type of equity, it would almost be a shame not to move forward and do something special that will take us forward, and provide our surrounding community with some exiting new options.

Then there's the option where we **DO NOTHING**, remain **STATUS QUO**, sell to Mr. Developer who comes along and buys our land and buildings for around \$6 million, then builds townhomes on the land for a substantial profit.

## **LET'S TAKE A LOOK:**

Let's say a developer can build 25 townhomes on our land that are roughly 1600 sqft each.

He builds those townhomes at an approximate cost of around \$9 - \$10 million dollars.

Each one sells for approx \$800,000 x 25 townhomes, bringing in roughly \$20 million for the developer.

The end result might be a staggering profit of maybe \$7 - \$10 million that any developer would be ecstatic about.

## **SO, WHAT ARE THE PROS & CONS**

**PRO - We get started and we take St. Andrew's into the future by giving something amazing back to our congregation and our community.**

**CON – We stay the course and do nothing, limit our revenue potential, spend our valuable surplus dollars on keeping older infrastructure operational and painfully watch our church drift off and become another statistic.**