

Vision 2025: Campus Development Plan for Channing Memorial Church

The Facility and Financial Planning Task Force Report and Recommendations to the Board and Membership

April - May 2019

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INTRODUCTION

A Dynamic Congregation, Blessed and Burdened with Historic Properties

Over the last decade we've seen the activities of our congregation multiply, growing more diverse in terms of purpose and interests served, and bringing church members and people from the Newport community to our campus for everything from Sunday services to week-night lectures to day-time affinity group meetings. This change is welcome and all to the good. At the same time, however, increased activity means that space in our facilities is at a premium, and often our facilities are not of the size or quality appropriate to our needs.

Channing members have looked at the space problem and tried to imagine how we might better use the facilities that we have. Should we sell Channing House and use the income to renovate the Parish Hall, or tear the Parish Hall down and build anew? [Not allowed according to the rules of the Historic District Commission!] Should we keep Channing House with all its maintenance costs and run a capital campaign for needed facilities improvements? Should we open up the Sanctuary for more of our events and meetings? Or is there something we could do with the basement of the Sanctuary building? In 2008, plans were drawn up to build out the 5,000 square foot basement, newly christened "The Undercroft." Could we put restrooms in there, or make space for other needs? Maybe children's classrooms so the children don't have to go outside to the Parish Hall? Architectural drawings were presented with fanfare but with no consensus among the membership as to the project's desirability, and with no prospect of funding or movement in that direction.

The church has remained unable to move forward with a solution to our space problem, or with plans for any capital improvements, primarily but not exclusively because of the overwhelming costs of maintaining our three historic buildings, which we are committed to maintain, and want to

maintain. While we manage to balance our budget each year, our income and expenses run hand to mouth. We look each year at our projected income, then pare back our expenses to match. When major repairs and needed renovations have strained our resources, foundation grants and donations from friends have seen us through.

A Look at Our Three Buildings

Our historic Gothic Revival Sanctuary, completed in 1881, is the heart of our community. It boasts exceptional stained glass windows, carved woodwork upon the chancel, and vaulted ceilings ornamented with plaster medallions. Also noteworthy is the building's total lack of plumbing, along with its continuous demand for restorations, which have been attended to through the generosity and hard work of our members and grant-making institutions. These include, for example, our crumbling steeple, which was rebuilt in 2008 at a cost of over \$1 million, refinishing the floors, and a stained glass window that will undergo restoration in the spring of 2019. The building is structurally sound, but it needs a new roof, which will likely cost upwards of \$300,000.

Channing House, a 19th century Victorian house currently divided into rental units and housing for our church offices. The rental units have been upgraded and now produce significant income for the church. Against this income are on-going operating expenses, and currently Channing House requires major repairs: the porch must be rebuilt, the basement needs repair, and the exterior siding of clapboard and shingle requires repairs and replacements, as well as painting. We are still repaying the loans for the last exterior painting of Channing House over a decade ago.

The Parish Hall sits immediately at the back of the Sanctuary, and houses a kitchen, two bathrooms, and meeting space for a maximum of 50 people, uncomfortably, in an area divided by a massive unused and unmovable chimney. A "Ladies Parlor" was added perhaps 110 years ago, without a foundation, and a wing was added somewhat later for classroom space, similarly poorly supported. One renovated rental unit on the second floor generates income. The building, originally a single family home located where the church now stands, was moved to its present location and plopped down on columns. As a whole, the building

has enormous problems with structural integrity, exterior materials, and building systems, and would require a very substantial investment to be renovated within historic district restrictions. And then, even if great sums were spent on renovation, the space provided would be inadequate for our fellowship and educational needs.

Why Our Facilities Matter: Our Vision and Ministry

Our ministries and programs are rooted in our vision and mission, which by a congregational vote we have articulated as a desire to use our diverse gifts in a shared ministry to be a catalyst for:

- Creating a wellspring of caring and compassion in a community of all ages
- Spiritual growth and intellectual exchange
- Peace, justice, and respect for all people and our planet
- Engendering positive changes within our community and the world
- Stewardship of our historic sacred spaces.

Based on this vision and mission we at Channing Memorial Church engage in a variety of ministries and programs:

- Worship and religious services that provide opportunities for people to use words, music, silence and ritual to contemplate and explore their ethical and moral values and spiritual connections to that which can be called the holy.
- Music, as an additive or alternative to spoken words to explore emotional and spiritual dimensions to living.
- Classes, retreats, seminars for faith development and intellectual growth.
- Fellowship opportunities for people to connect socially with each other.
- Social justice and community service activities to promote equity or mitigate society's negative economic, social and cultural aspects
- Work of Green Congregation to slow down and eliminate behaviors that are destroying our environment and planet.

More specifically, at Channing Memorial Church we provide Sunday and special services; a choir; children and youth religious classes and social programming; social and support groups for senior adults, parents, women, men, individuals desiring emotional support, LGBTQ individuals; we provide small group ministry; Sunday fellowship and special church events such as the Thanksgiving, Seder, and Round Robin dinners; adult education and personal development classes and seminars; we provide meals for economically

disadvantaged members of the community. We also provide space for community groups such as AA, Geezers, and PFLAG.

Our Facilities are the vessels that hold these religious, educational and social activities; our staff and committees organize and operate the ministries and programs that are provided.

Moving Beyond Mere Sustainability

Over the past decade, members from the Board, and the Finance and Property committees have engaged in long-term planning aimed at the sustainability of our existing buildings. We created a revenue stream by renovating rental apartments in Channing House and an apartment in the Parish Hall. In addition, the Board had many years ago commissioned a study by the firm On-Site Insight to assess our buildings and systems with a view toward identifying needed capital improvements, as well as costs over the next 20 years to maintain our buildings, systems and site. This capital needs assessment was updated in 2016, after we received a grant from The van Beuren Charitable Foundation for what we called a comprehensive facilities master plan feasibility study, which was really a study to determine the best use of our buildings for our needs. It included investigation of whether what we could do, including developing the undercroft, is legal according to building codes, and structurally feasible. Work on the master plan was carried out by Holly Grosvenor (architect), John Wathne (structural engineer), and Jan Greenwood (civil engineer) in collaboration with a team of Channing members including Chris Laudon, David Pedrick, Todd Thomas and Barbara Richter. In the past year, 2018, we received another grant from The van Beuren Charitable Foundation for engineering plans for our utility systems, including needed changes to the various systems for both undercroft development and upgrading (to code) systems for all 3 of the buildings.

Creating the Facility and Financial Planning Task Force

Our current budgetary system remains, as in the past, an annual projection of income versus expenses, strictly year-to-year, hand-to-mouth. Even with the capital needs assessment and the

master plan feasibility study in hand, it has not been possible to proceed with planning for future property improvements because our church has no system in place to do long-range planning. Members of the Board and Finance Committee have been aware that if we were ever to be able to plan for the church's future needs we would have to create a fiscal structure that could respond to those needs. Consequently, in December 2017, the Board approved the creation of an advisory ad hoc Facility and Financial Planning Task Force whose job it would be to look at property and money together, and figure out how to strengthen the way we budget our finances to both maintain and improve our facilities so that they better meet our needs. The work of the Task Force is to present options for what projects can be done, and in what order, and how monies will be set aside, augmented and categorized in the budget so that each step in the process can be paid for.

Specifically, the purposes of the Task Force are

- to understand and evaluate the 2016 feasibility study and the On-Site Insight needs assessment report within both facility and financial contexts
- to recommend a realistic plan for use of existing financial resources
- to identify and explore potential new sources of financial support
- to develop a strategy and potential timeline for using current and potential new resources to accomplish the highest priority facility and site projects in the near, intermediate and longer-term future

Vision 2025: The Campus Development Plan
Partnering our Resources with Our Vision and Mission

The Undercroft

The goal is to create 5,000 square feet of finished space in the undercroft of the Sanctuary, which will provide restrooms, a commercial grade kitchen, and classroom and meeting spaces, accessible by exterior lift and stairs as well as by a stairwell inside the Sanctuary.

Work required before building out the undercroft can begin:

Replace the roof of the Sanctuary-- to insure the building is water-tight and the art work, wall paintings, stained glass and woodwork are protected.

Upgrade utilities-- electric, water, sewage, cable lines-- which must be relocated underground in the corridor between the Sanctuary and Channing House, according to engineering plans already completed.

Landscaping

The corridor between the Sanctuary and Channing House is to be landscaped with plantings and a level walkway, which will be useable for events such as receptions. In addition, the corridor will provide convenient handicapped access and safe pedestrian passage in winter, while adding beauty to our property and visually connecting the church with Touro Park.

What Will Channing Church Gain?

Changing environment

Development of the undercroft involves an improvement to our environment that is both physical and social, bringing worship, family ministry and fellowship under one roof, and integrating the church with the neighboring environment. We will become more accessible to those with mobility challenges by adding an external lift and restrooms in the undercroft. An internal stairway leading from the Sanctuary to the undercroft will encourage use of the two spaces together, and the addition of outside stairs will create a direct connection to the sidewalk and Touro Park.

Aesthetically pleasing and safe outdoor spaces

The space between Channing House and the Sanctuary will be redesigned as an outdoor space with safe pathways, plantings, and multipurpose use areas.

New uses for our Sanctuary building

Use of our Sanctuary building will change, with more all-day and all-week use. Simply having an entrance that is welcoming and visible from the sidewalk means our TLC events and hosting of non-profit organizations changes the perception of church as a place for members only. It will be a space that can accommodate large groups for fellowship, meals, parties, films, discussion groups, lectures, and art events. The new space will also create options for rental use. Consider for example, rehearsal dinners, preparation space before weddings,

and yoga practice. A commercial kitchen could be rented to small businesses for occasional use, or income-generating tenants using the space on a regular basis. Use of the upstairs worship space would likely extend to other times in the week and become a more welcoming space for the larger community.

A less costly choice, and a green choice

The undercroft offers an opportunity to add functional space to our site in a way that uses existing structures --- roof, walls and floor----instead of building anew; it involves adding interior finishes and modern HVAC, electrical, and plumbing systems that will improve the efficiency of the entire building. As a Green Congregation, we value the reuse of material, and efficient energy systems, and there is no more efficient use of energy than to repurpose an existing space (the undercroft) in a way that also makes currently used space (the Sanctuary) more useful and energy efficient.

How Will We Pay For It?

Where We Get Money for Major Facility Improvements Now

Our sources of funding for major facility improvements come from individual gifts, including bequests and planned giving, income from our rental properties, and loans, in addition to our most substantial source, which has been foundation grants. The Champlin Foundation has given us \$123,000 to date, The van Beuren Charitable Foundation, Inc., \$308,300, the Alletta Morris McBean Charitable Trust, \$278,000, and Prince Charitable Trusts, \$198,638, for a total of \$907,938 in grant monies. For the future, establishing a facility capital fund will insure that some funds will already be set aside for the time when we need them.

A Capital Campaign for the Channing Campus Development Plan: A Necessity

To achieve major projects like constructing new buildings, renovating or enlarging existing facilities, or major capital renovations like a new roof, a congregation can undertake a capital campaign, as we did in 2009 with the Steeple & Bell Tower Campaign.

A capital campaign strives to raise a much larger goal than other types of fundraising (annual drives or special events). It takes longer than other types of fundraising, usually 2 or 3 years

and requires careful planning and preparation to develop designs, budgets, campaign materials and volunteer organization. Larger gifts are sought and can be pledged over 3 to 5 years. Many nonprofits (colleges, universities and hospitals) now conduct capital campaigns every 3 to 5 years and achieve their long-range facility plans in phases.

What's Needed to Prepare for a Capital Campaign

- Committed and involved congregation with a clear mission and vision
- A minister and leaders who are dedicated to achieving the mission and vision
- A solid financial foundation provided by a well-run, effective annual stewardship drive able to sustain our operations (achieve pledge goal of \$180,000 for 2019-2020)
- Planned giving program to build our reserves and endowment in order to sustain Channing and preserve our heritage for the long term
- Financial policies and procedures (including gift acceptance policies)
- Plans for facilities: What? How much? Can we do in phases?
- Patience and determination (not to mention faith and a little luck!)

We've done it before and we can do it again: Remember the Steeple and Bell Tower Capital Campaign of 2009-11?

Gifts from members & friends	\$329,710
Foundation Grants	\$250,000
Save America's Treasures	\$440,000
Gifts for Bells	<u>\$ 50,470</u>
	\$1,095,180

BankNewport Loan of \$278,000 (a temporary bridge loan which was paid off as pledges came in)

Our Covenant with Our Past, and Our Future

As members and friends of Channing Memorial Church, we are spiritual inheritors of the Unitarian community of Newport who pledged in 1879 to honor the father of American Unitarianism, William Ellery Channing, by building a church in his name. The money and means to construct our spectacular Sanctuary was raised and the project completed for inaugural ceremonies just two years later, in October 1881.

How did that magic happen? Donated talent and materials, wealthy parishioners, the generosity of at least one of Newport's summer cottagers, and the skillful offering of naming opportunities, such as the organ, baptismal font, windows and bells; there were fund-raising appeals to Unitarian congregations from New England to Great Britain, and the gracious acknowledgement of even the smallest donation.

But the most important element in the project's success was the unbounded enthusiasm within the congregation to build a monument to Dr. Channing's legacy. In February 1881, 8 months before the building was finished, a meeting of the Corporation and Society of the First Unitarian Congregational Church of Newport took place, to which subscribers to the building fund were invited. By unanimous vote, a resolution was passed to "sacredly set apart" "this edifice and the land upon which it is built" "to be held and guarded as a monument to Dr. William Ellery Channing forever."

As soon as the edifice would be completed, the signers agreed, "effort must be made to raise an endowment," the interest to be used to keep the church "in perpetual insurance and repair." Should the building be burned or damaged it must be repaired. And if for any reason it should cease to be used as a place of worship, the building, or the ground on which it stands, must be used to perpetuate a memorial to Dr. Channing.

Dr. Channing's ministry inspired such devotion because he articulated a theology that offered an antidote to the harsh Calvinism of New England Congregationalism. Arguing openly from the pulpit that there was nothing in the Gospels to justify a Trinitarian view of God, he proclaimed God's Oneness, and God's goodness. Humankind, he preached, as God's creations are inherently good and perfectible, and possess free will to make right choices according to conscience. And he offered these democratizing views at a time when New

England orthodoxy held that man is depraved by nature and his destiny predetermined, salvation being a prize solely for the Elect.

Twenty years after our church in Newport was dedicated, it was Dr. Channing's reverence for humanity that continued to inspire monuments to his memory: in 1903 an eight foot high bronze statue of the five foot tall Rev. Channing was dedicated in Boston's Public Garden, facing the site of his Arlington Street church, with these words inscribed, "He breathed into theology a humane spirit and proclaimed anew the divinity of man."

That same spirit resonates with us today, even though over the twentieth century, Unitarian theology moved away from the liberal Protestantism of Channing's 19th century followers, a theology that centered on worship of God, along with activism on behalf of one's fellow human beings. Today Unitarianism is a non-creedal faith that carries forward the "humane spirit" inspired by Channing. Today our faith emphasizes human values, community, and spirituality, along with an openness to people of diverse faith traditions, personal orientations, and spiritual paths.

If we look back in time at the people, trustees and donors, gathered at that 1881 meeting in Newport, we see that they were not just making a commitment to honor the father of their faith. They were covenanting to guard their property, charging themselves and "their successors forever" with the duty of preserving the Sanctuary and its adjacent building according to their sense of responsibility, and their needs in their own time. [Though unfortunately, that promised endowment never materialized.]

So when we, members and friends of Channing Memorial Church, commit to restore our Sanctuary and turn its undercroft into beautiful space for our ministries, we are not acting merely as spiritual inheritors of our founders. We are also the inheritors of property, and with that blessing come all the burdens of ownership. The monumental achievement of these early stewards of our church should serve as a humbling example to us of seeing our project through to completion. And their achievement should also serve as an inspiration to carry forward their legacy of honor and preservation in a way that will serve our needs into the future, the needs of a 21st century congregation and the community of which it is a part.

Where do we go from here?

Facility and Financial Planning Task Force Recommendations to the Board of Trustees [approved and accepted by a unanimous vote of the Board, 4/18/19]

- [1] The Board accepts *Vision 2025: the Campus Development Plan for Channing Memorial Church, The Facility and Financial Planning Task Force Report and Recommendations to the Board and Membership, April-May 2019*, and agrees to work toward realization of its goals, which include, specifically:
 - New Sanctuary roof
 - Utilities relocation and upgrade
 - Landscaping of campus corridor
 - Undercroft construction and handicapped access (in phases)
 - Deferral of a decision on the Parish Hall to a later date

- [2] In furtherance of Campus Development Plan goals, the Board will appoint a Vision 2025 Steering Committee to continue to plan the staging and financing of the Campus Development Plan, working with the Property, Finance, Endowment, Stewardship and other committees as appropriate.

- [3] The Board directs the Property, Finance, Endowment and Stewardship Committees, singly or jointly, and in collaboration with the Vision 2025 Steering Committee as appropriate, to recommend to the Board policies and procedures in the following areas:
 - Creation of a multi-year Facility Maintenance Fund and a long-term Facility Capital Fund, including sources of income and a budgeting process, that are not part of the annual operating budget (but are developed and managed in coordination with the operating budget), to facilitate implementation of "Vision 2025."
 - Development of a comprehensive Planned Giving Program, including the Channing Heritage Society (approved by Board on 11/15/18), restricted and unrestricted donations, and gift acceptance policies and procedures.
 - Development of policies, procedures and guidelines for the creation and management of endowments of various types.

Recommendation to the Membership [to be put to a vote at the Annual Meeting on May 22, 2019]

- The Membership of Channing Memorial Church directs the current and future Boards of Trustees to begin forthwith the work described in *Vision 2025: the Campus Development Plan for Channing Memorial Church, The Facility and Financial Planning Task Force Report and Recommendations to the Board and Membership, April-May 2019*.

VISION 2025 - FREQUENTLY ASKED QUESTIONS

1) What is Vision 2025?

A plan to repair our sanctuary building, upgrade our utilities, and build out the undercroft, and to enhance our fiscal management capabilities to accommodate long-range capital improvements.

2) Why is this important?

In accordance with our vision and ministry, in addition to Sunday morning services, Channing provides children and youth religious classes and social programming; social and support groups for senior adults, parents, women, men, individuals desiring emotional support, LGBTQ individuals; small group ministry; Sunday fellowship and special church events such as the Thanksgiving dinner and Passover Seder; adult education and personal development classes and seminars; meals for economically disadvantaged members of the community, and meeting space for community groups such as AA, the Geezers, and PFLAG.

All of these activities require space, of which we do not currently have enough. And what we do have is not always comfortable or conveniently accessible.

3) What is the significance of the year 2025?

The Facilities and Financial Planning Task Force sees six years as a reasonable time for us to raise money and meet our goals.

4) What is the Facilities and Financial Planning Task Force?

The F & FP TF is an advisory body of Channing members that has been meeting since January 2018, creating what has become Vision 2025, and working to establish fiscal systems that facilitate long-range planning. The F & FP TF was set up by the Board in December 2017 at the request of the Finance Committee, whose members felt that their month-to-month and year-to-year tasks made long-range planning difficult and that a different group dedicated to that task was desirable. The Task Force consists of 8 members who represent the Board, the Property, Finance and Endowment Committees, plus the Minister. Current members are Eleanor Doumato, Terry Gavin, Julie Herrick, Tom Howard, Chris Laudon, Candy Martin, Mary Alice Smith, and Rev. Bill Zelazny.

5) What projects are included in Vision 2025?

a) New roof on the Sanctuary: necessary maintenance.

b) Undercroft: This is the basement of the Sanctuary, consisting of 5000 square feet of space that has never been put to use. The plan is to make this into a finished livable space, with a kitchen, heated in the winter and cooled in the summer, which can be used in various flexible ways, including fellowship on Sundays, office functions and meetings, RE classes, Learning Center programs, and musical performances. We anticipate that some of this space will be rentable, and thus become a source of income for Channing.

c) Utilities consolidation and upgrade: Currently the Sanctuary, Channing House, and the Parish Hall are interconnected by an antiquated hodge-podge of water, sewer, electric, and gas lines. The plan is to consolidate these in a utilities trench that would run between the Sanctuary and Channing House and connect to city water and sewer systems and National Grid at Pelham Street.

6) How much will all of this cost?

The Task Force estimates \$300-500K for a new slate roof, \$300K for utilities work, and \$750K to \$1 million for the undercroft.

7) How will it be paid for?

Grants

Capital campaigns

Individual gifts and bequests

Loans, to be repaid partly by revenue from renting undercroft space to outside organizations

8) If all activities currently using the Parish Hall are moved to the undercroft, what will happen to the Parish Hall?

Parts of the Parish Hall – the Ladies Parlor and classroom space – lack proper foundations, are thus not up to code, and will probably be removed. Proposals for the core of the building include moving it farther east on Channing's lot, moving it off the lot altogether, and tearing it down. The question is complicated by the fact that the building has some degree of historic preservation status and contains an upstairs apartment that generates rental income (\$21K/year) for our budget. A decision about the future of the parish Hall is being deferred at this time.

9) Who will spearhead Vision 2025?

At the direction of the Channing Board, a Vision 2025 Steering Committee will take the place of the Task Force, and members of the Congregation with interest and/or specialized skills will be invited to join.