



FIRST BAPTIST HALIFAX

Preparing for our 3rd century



Lenten Season, 2020

Table of Contents

Pages 4	Introduction
Page 5	Mission, Ministry, & Community
Page 6	Mandate of Property Redevelopment Committee (PRC)
Pages 7-8	Time-line of PRC Process To Date
Page 9	Financial Case for Redevelopment
Page 10	Redevelopment Possibilities Explored
Pages 11-13	The Case for Further Exploration of Land Lease
Pages 14	Imagine a Renewed FBCH Footprint
Page 15	Risk Mitigation
Page 16	Continuing the Process
Pages 17-18	Lenten Small Groups
Page 19	Other Interesting Information

Introduction

In 2020 we are approaching an historic and pivotal time in the life of FBCH. A study of the nearly 200-year-old history of the church is instructive. Since its inception as a congregation in 1827, the congregation has had to make big decisions concerning the physical location of the church every 50 to 70 years! The most recent decision was taken 70 years ago after a devastating fire at the Spring Garden Road location and resulted in the sanctuary building that we love. The Christian Education building was erected several years later as a result of unprecedented congregational growth in a post-second world war society where much of life was focused around family and church.

The times have changed. The spiritual life of a society is no longer focused exclusively in churches. Families are smaller. Congregations are aging. Populations are transient. Donation revenues are dropping. These facts are with us to stay. We must look within ourselves to ask hard questions about what we want our future as a church to look like. These facts are the reality of almost all churches today and every church will find a solution that reflects the unique identity of that congregation.

First Baptist Church Halifax is a dynamic, energized community of faith living out our commitment to follow in the Way of Jesus in our community and outside of our walls. We seek to sustain the best of what we have been and what we are. We also recognize that we must address the pressing financial issues facing us in a way that lays a solid and sustainable foundation that will allow us to carry on our mission and ministries in a world that needs them.

In April 2019 the congregation voted to accept five Guiding Statements including a commitment to examining the range of issues pertaining to our financial sustainability and to carrying out that process in the fine Baptist tradition of openness and consultation. Much financial information was shared at the Budget Meeting in January. The Property Redevelopment Committee is now inviting you to participate in the next phase of congregational discussion. How can we maintain what we love about our Church? What will we need to let go of? How can we best use our assets (physical and spiritual) to grow into our future? It seems we ask these questions every 50 to 70 years. We are committed to finding answers that will let the people of First Baptist 70 years from now ask and answer their own questions about the future.

Welcome to the conversation!

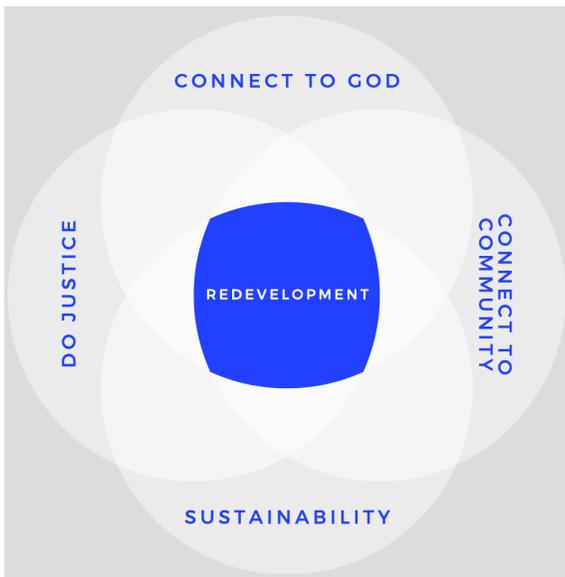
Your Property Redevelopment Committee,
David Clarke, David Dexter (Co-Chair), Rusty Edwards,
Clyde Evans, Dianne Kokesh, Ken Margeson, David Morse,
Neil Ritchie, Kathy Schwartzentruber, Jim Stanley (Co-Chair)

Mission, Ministry, & Community (Is there a good beyond money?)

Place-Making

“Space is the square footage. Place is space which has meaning, in which important words have been spoken which have established identity, defined vocation, envisioned destiny, etc. Place-Making is the intentional act of transforming space into place by promoting and nurturing connections.”

-Walter Brueggemann (Old Testament Theologian)



The first three Guiding Statements shape the way into the future for FBCH. Our ministry and mission priorities call us to connect people to God, connect ourselves and our neighbours within community, and prioritize our work to do justice in the Way of Jesus. Part of our challenge is to do this work, while at the same time planning for congregational sustainability.

At its best, a redevelopment project will bring together all of these aspects of our congregation's life. This process begins by considering how we right-size and renew the space FBCH uses to meet the ministry and missions of the congregation and extends to the hopes we have for a development on our

property. A key question that guides the entire project—how does a development support FBCH values and empower our mission and ministry?

Redevelopment of FBCH Properties Should

- Prioritize space for worship and other gatherings for small group discussions, prayer, and reflection that encourage people to connect to God. The overall development should respect and enhance this priority.
- Ensure that our spaces are designed to support community—from the moment you walk in the door to time gathered in the kitchen and around tables. The overall development should give attention to the nurture of a diverse community.
- Seek ways to connect our space and a potential development to needs within our neighbourhood and the congregation's social justice efforts.
- Minimize the number of volunteer hours required to maintain and manage space, freeing the congregation to focus on direct engagement with ministry and mission.
- Create a more environmentally sustainable facility that expresses our care for creation and bears witness to our core values as followers of Jesus. This environmental commitment should extend to any potential development.

Mandate of Property Redevelopment Committee (PRC)

At the 7 April 2019 Congregational Meeting, the congregation voted to affirm the Five Guiding Statements. The Guiding Statements were developed out of the work that the congregation began in May 2018 to imagine our future, including four work groups that actively met from October-December 2018 and reported to the congregation in January 2019.

Guiding Statement Four

The financial stability of FBCH depends on the active contributions of its participants AND on developing other revenue streams that are in line with our core values.

B. Begin a study of the highest and best uses of all parts of church property. (Study to begin May 2019, Goal to report to congregation by 2020 Annual Meeting - Trustees & Finance)

What Constitutes Church Property?

The church owns two lots that sit adjacent to each other. What we commonly refer to as the Parsonage lot actually incorporates all of our present parking as well as a small section of our CE Building.

In total, we have 42,500 square feet of land.

There are three buildings that sit upon our land.

- The Parsonage is the oldest building on our lot. Originally, it sat close to where the Sanctuary is located today. When the church bought and developed the land the house was moved to its present location and an addition was added to it.
- The Sanctuary Building was completed in 1950. At 18,900 square feet, it includes three floors of space. The street level includes the Sanctuary, Music Director Office, and Minister of Faith Development Office. The floor below that includes the Church Hall, Stage, Classrooms, Administrative Offices, and Washrooms. The ground floor includes the Book Room, Vault, and Mechanical Spaces.
- The Christian Education building was completed in 1958. At 12,600 square feet, it also includes three floors of space. The Street level includes the Parlour, Board Room, Senior Minister's Office, Kitchenette, and Music Room. The floor below that includes the Assembly Room, Kitchen, and Crèche. The Ground floor consists of the Rumpus Room, Godly Play Room, and the Custodian's Workshop.

Time-Line of PRC Process To Date

May 2019

- The Property Redevelopment Committee (PRC) met for the first time. Co-Chaired by Chairs of Finance and Trustees.
- The PRC had its first meeting with leadership from a church in Halifax that had recently been through a redevelopment process. PRC members recognized the need to meet with additional churches to gain insight.
- PRC began regular review and discussion of Risk Mitigation.

June 2019

- PRC members met with additional churches to discuss redevelopment processes they had completed.
- PRC members met with Common Good Solutions to begin learning more about social enterprise and potential connection to a redevelopment project.

July 2019

- PRC members, knowing they have little expertise in commercial real estate, met for the first time with Coldwell Banker Richard Ellis (CBRE), a commercial real estate advisor firm, to discuss a potential advisory role.

August 2019

- PRC members met with Waye Mason, City Councillor representing District Seven (Halifax South Downtown) and Eric Lucic, Manager of Regional Planning for HRM. The new Centre Plan was discussed as well as insight they could offer from assisting other churches in redevelopment projects.

September 2019

- PRC members continued consultations with local churches.
- CBRE toured the property. Initial report provided to the PRC outlining possibilities for the redevelopment of church lands.
- PRC co-chairs provided an update to the congregation at a meeting following worship on FBCH Anniversary Sunday.

October 2019

- PRC met with CBRE to discuss initial report.
- PRC members began a series of “neighbourly conversations” with institutional neighbours to inform them of our early redevelopment discussions.
- Waye Mason, City Councillor, and Aaron Murnaghan, Heritage Officer with HRM Planning Department, toured church property.

November 2019

- At the recommendation of CBRE, ZZap Architecture and Planning toured property and prepared a massing study to accurately project the amount of buildable square footage on FBCH property.

December 2019

- Two open invitation sessions were held to update the congregation on the work of the PRC.
- PRC reexamined financial case of potential redevelopment opportunities.

January 2020

- PRC members meet with Richard Niedermayer, attorney with Stewart McKelvey, to discuss legal issues including the status of FBCH as a “body corporate” and potential implications should the congregation choose to engage a redevelopment project.
- Financial case for considering a redevelopment project presented at Congregational Budget Meeting.
- PRC members met with ZZap to discuss potential for updating current spaces to meet congregational needs within a reduced footprint.

February 2020

- PRC provides presentation of work and principal preliminary redevelopment opportunity being further investigated.
- PRC launches a series of small group gatherings to take place during Lent. The goal is to share background information in more detail, record questions and concerns from the congregation, and determine what further work the PRC needs to accomplish on behalf of the congregation.

Financial Case for Redevelopment

The PRC outlined the financial case for considering redevelopment opportunities at the recent January 26 annual budget meeting. This present document builds upon that information.

The annual income for FBCH is primarily derived from donations, endowments, and rental of our space. The most significant base of this income is from the annual donations (offerings) given by individuals and families. These are the funds that have experienced a significant downward trend in recent years.

FBCH Donation Trend	
2015	\$360,000
2016	\$362,000
2017	\$338,000
2018	\$315,000
2019	\$309,000
2020	\$290,000 (estimated)

An analysis of our ministries and our current donations leads to the conclusion that over the years to come, donations will continue to decline while other sources of income will not grow to fill the gap. This gap is growing and it is expected that within ten years it will exceed \$150,000 annually. Redevelopment of our property appears to offer revenue opportunities to bridge that gap, offering the church a means of sustaining our ministry and mission.

A Firm Foundation

Financial sustainability requires
additional long-term annual income
in the order of \$150,000-\$200,000

Redevelopment Possibilities Explored

Multiple potential redevelopment options have been presented to the PRC by advisors from CBRE. The committee mandate to study potential redevelopment meant that all options had to be considered in the process. At this time, the PRC is proposing the congregation continue investigation of one of these options. That does not mean other options may not be reconsidered as the process continues and as the congregation provides insight into the process.

Below are options that have been studied by the PRC and reasons why the first three options are not the principal idea currently being put forward for discussion and potential further investigation.

- **Sale of entire property and relocate church**

Reasons why this is not the principal option the PRC is exploring at this time:

- Implies moving away from our traditional south-end Halifax community and all those historic connections
- Potential revenue from the sale could easily be absorbed in a new building thus negating the revenue needed to sustain ministries
- We would have difficulty replicating the sacred architecture of the sanctuary and it would be challenging to move the organ which was designed for our present space

- **Sale or lease Parsonage property only**

Reasons why this is not the principal option the PRC is exploring at this time:

- Does not yield sufficient revenue to adequately address financial gap
- Church would be crowded on south side with complete loss of side access and parking
- Provides less control over the development

- **Land lease Parsonage and lease space in Christian Education Building**

Reasons why this is not the principal option the PRC is exploring at this time:

- Does not yield sufficient revenue to adequately address financial gap
- Would require substantial renovation of CE Building for new tenants and for any of our own uses moved in to the Sanctuary Building, further reducing the financial advantage
- Does not address substantial deferred maintenance in the CE building or relieve us of the administrative challenges of managing the space

- **Land lease Parsonage land and Christian Education Building land**

Reasons why this is the principal option the PRC is exploring at this time:

- Offers the strongest financial case by increasing revenue opportunities to bridge the gap and to sustain our Ministry and Mission
- Opportunity to reduce congregation's footprint and modernize space to meet the ministry and mission needs of the congregation
- Offers opportunity for a more sustainable use of volunteers and space

The Case for Further Exploration of Land Lease of Parsonage and Christian Education Building Lands

What is a Land Lease?

A land lease is a lease agreement that permits a developer to use a piece of land in exchange for rent payments. The value of a land lease is determined by the potential square footage that can be built on the land. Most land leases are signed for 75-99 years and indexed to rise as the value of land increases.

Land leases can be structured to give the land owner rights including sign-off on design and right to limit the types of businesses that could go into commercial spaces.

Several organizations in Halifax have recently signed land lease agreements including the Presbyterian Church of St. David, All Saints Cathedral, and the Atlantic School of Theology.

- **More efficient use of space**
 - Large parts of the Church building sit unused for most of the week and remain unused on Sundays
 - Offices and staff are inefficiently grouped, resulting in lost opportunity for collaboration as well as security challenges
 - Renting unused space demands many hours of staff and volunteer work
- **More efficient use of resources**
 - A smaller and modernized footprint would allow us to lower our ecological impact.
 - Current operating expenses are in excess of our beneficial use
 - Heating system is inefficient—lack of zones, many parts are original and ready for replacement
 - Large deferred maintenance costs in CE Building, including replacement of single pane windows
- **Interesting possibilities for cooperation with a developer**
 - Alternative energy on new structure could benefit church
 - Potential for shared mechanical services—generator, fire suppression, heating
 - Developer could assume exterior maintenance and parking

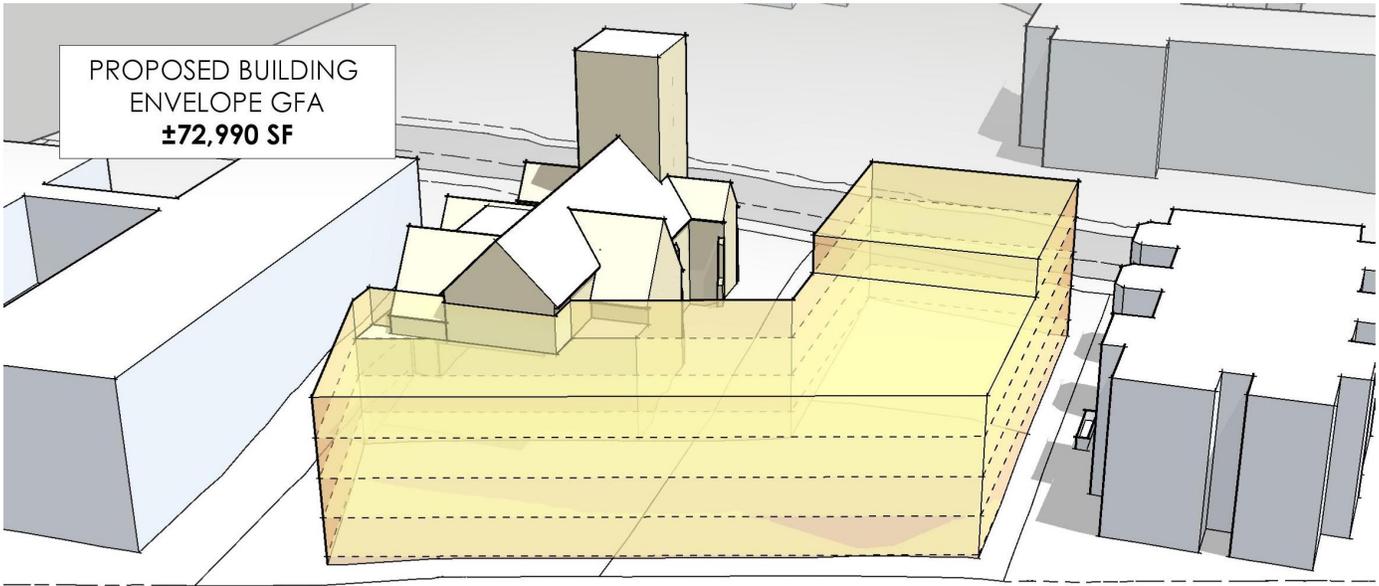
Imaging a Redevelopment

On the following pages are the results of a massing study for a potential development on a land lease that incorporates the Parsonage and CE Building lands. This study, coordinated with advisors from CBRE, provides a crucial component of the early financial forecasting of redevelopment potential.

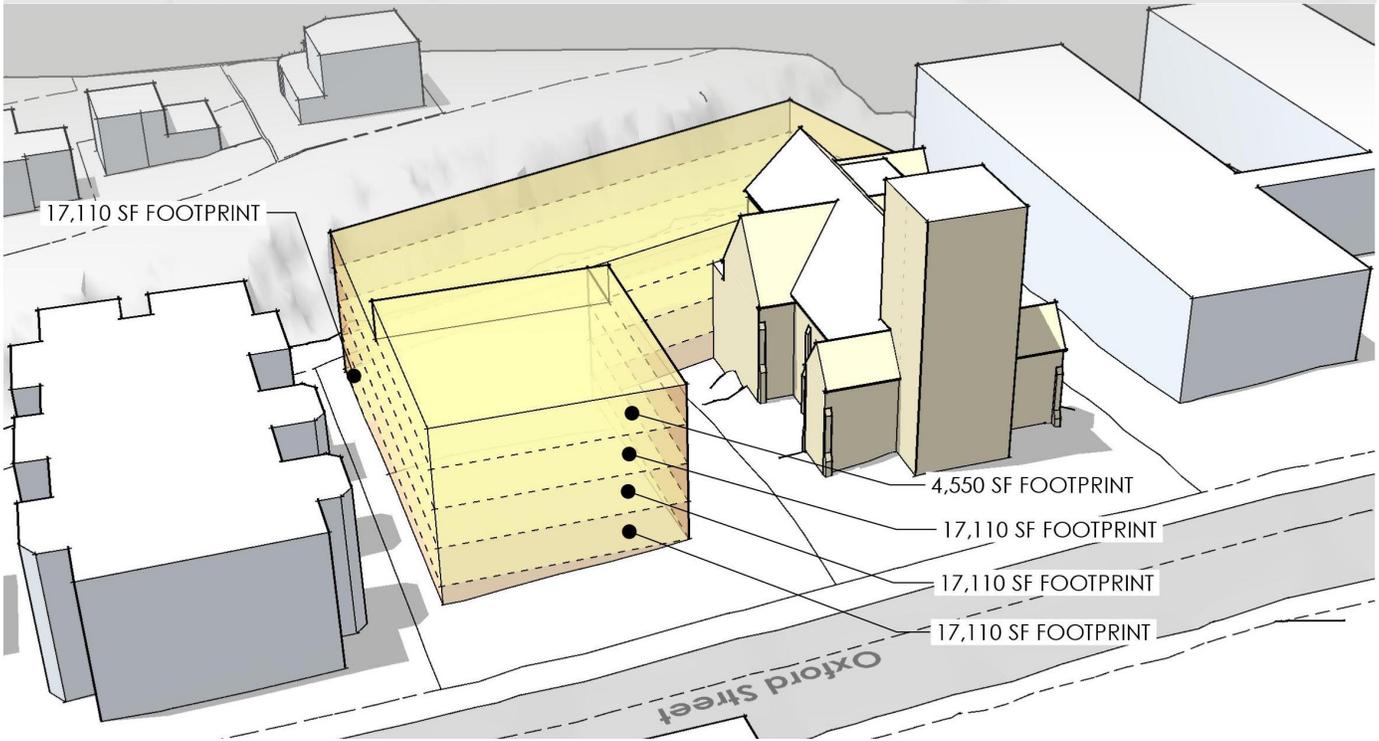
What is a Massing Study?

Massing study is the study of the general shape and size of a project that fits within the parameters of the zoning code, such as set backs, allowable height, etc. The purpose of a massing study at this stage of investigation is to determine potential buildable square footage. The estimated value of a land lease directly corresponds to the potential buildable square footage. It is important to note a massing study is not an architectural rendering of a potential project. Its sole purpose is to indicate the approximate maximum size of a project based on zoning (FBCH is in the recently approved Halifax Centre Plan, Higher-Order Residential Zone 1).





Perspective View (western)



Imagine a Renewed FBCH Footprint

Forward Looking Footprint

FBCH has a history of redeveloping its own space to meet changing ministry needs every 50-70 years. In the past, this meant relocation (our last relocation resulted from a fire). Our current footprint represents the needs of a post World-War II congregation and reflects ministry trends in many North American churches in that era. It has been sixty-two years since FBCH made significant structural changes to our space. Redevelopment of our property gives us an opportunity to not only support the financial sustainability of the church, but also to help our space better reflect ministry needs in our time. If we approach this with thoughtfulness, we can hope to create a space that will function for another 50-70 years.

As detailed on page 5, redevelopment of FBCH space should align with our Guiding Statements so that our space supports our mission and ministry and reflects our core values. We have a uniquely beautiful Sanctuary Building that can support our hopes to connect people to God, connect people to community, and provide space out of which we are called to do justice.

A Renovated Sanctuary Building Could Offer

- An enhanced presence on Oxford Street that reflects our inclusive and welcoming spirit even in exterior public spaces
- The establishment of a weekday entrance at the front of the building
- A more welcoming narthex space that encourages conversation and community formation
- Sanctuary in its present form with the ability to enhance the use of the transepts by offering flexible seating for small groups, quiet prayer and reflection, etc.
- Ability to improve the flexibility of the Sanctuary for concerts
- Zoned access so that some spaces could be opened to the public more regularly while other spaces, particularly offices, are quiet and protected
- Modern and well grouped spaces for staff
- Rooms for faith formation and for meetings
- Accessibility issues addressed on all floors
- Space for Congregational meals (135+) and a second social space for Coffee & Conversation with a modern collocated kitchen
- Modernized washrooms
- Modernized operating and physical facilities which reduce our environmental impact and contribute to a healthier work environment
- Opportunities during renovation to explore synergies with the developer for energy and operating efficiency as well as for improved accessibility

Risk Mitigation

From the first meeting of the PRC, a risk register has been a constant subject of discussion. The goal is to transfer as many of the risks to a developer as possible and to plan to mitigate risks that will remain with the congregation.

KEY: None of the proposals under consideration involve the congregation taking on the role of developer. FBCH would lease the land to a developer and the developer would take all financial risks in the construction of a development. Further, FBCH would not own or manage the development.

Every project of this scope has challenges. These are some of the major risks the PRC is monitoring:

- Mission and Ministry—is there a plan to maintain ministries during a redevelopment process/construction
- Market conditions—is the time ripe to introduce this project to the development market
- Choice of developer—is there a developer sympathetic to our goals and wishes
- Finances—can FBCH negotiate a contract which meets our long-term financial needs and provides resources for adapting our own spaces
- Legal—issues include our “corporate” structure and ability to contract; rezoning; severance of the properties; impacts on charitable status
- Practical issues—unexpected issues with the condition of the church during renovation; parking; outside maintenance; utilities relocation and more
- Environmental and archaeological issues
- Communications—staying in touch with ourselves, the Municipality, and the community throughout the process
- Managing the whole project—a team that can guide the process from beginning to end, continuity is essential

Continuing the Process

What happens next?

Guiding Statement Five

Honouring the freedoms at the centre of our Baptist heritage, FBCH practices broad-based, informed decision-making that actively seeks input from all participants.

Update from PRC (February 23)

The PRC provided a presentation at the February 23 Annual General Meeting. The contents of the presentation are detailed in this document.

Lenten Small Groups (March 10 - April 1)

Small Groups are planned to meet throughout the Lenten Season (see next page). The primary purpose of the small groups is for the PRC to receive feedback from the congregation on the potential for redevelopment. The PRC needs to hear the congregation's concerns and hopes in order to determine what questions and ideas need to be explored and reported on at this stage in the process.

Summary Report (April)

A summary report of the information gathered in the small group meetings will be available as a written report. Throughout the Easter Season, the PRC will form its work in response to the information recorded in the small group summary report.

PRC Responds to Information Gathered from Small Groups (May)

Beginning with a May 3 Congregational Meeting, the PRC will continue leading congregational conversations based on the concerns and hopes surfaced in the Lenten small group meetings. A full strategy for these conversations will be formed once the scope of work emanating from the small group meetings is known.

PRC Engages Congregation in Further Dialogue about Potential Next Steps (May - June)

After working through the feedback from the congregation and communicating that work in dialogue with the congregation, the PRC will develop a recommendation to present to the congregation about a next step in the process of investigating potential redevelopment.

Lenten Small Groups

Lent is a season of discernment for individuals and congregations. The PRC invites the entire congregation to join in discussion and prayerful discernment about next steps in the redevelopment process and what this work might mean for the future of our congregational life and mission.

It is important that every voice is heard—both worries and hopes related to the redevelopment process. Small groups will include a PRC member, but will be facilitated by someone who is not a member of the PRC. Scribes will take notes and our collective discussions will be collated into a written report that will be made available to the congregation and will guide the PRC in its work. As a community that values its Baptist form of congregational governance, it is paramount that the entire congregation actively participates in the discernment process.

Sixteen small group gatherings of 6-8 participants have been planned. Groups will meet between March 10 and April 1 at a variety of times—mornings (10:00-11:30), afternoons (1:30-3:00), and evenings (7:00-8:30). In addition, weekend meetings have been scheduled, including Sunday meetings for our youth and for parents with young children who need childcare.

Sign-Up for a Small Group

- A link to an online sign-up platform, *Sign-Up Genius*, will be emailed to the congregation and available on our website (look for Lenten Small Groups on the Events page under the “happening” menu at top of our website).
- Call the Church office during regular office hours: 902-422-5203
 - Office hours: Monday, Tuesday, Thursday: 9:30-2:00; Wednesday: 9:30-12:00

***Remember there are a limited number of slots for each small group.
Once filled, a group will be closed.***

Morning Groups (10:00-11:30)

March 11 (Wednesday)

Host: Dianne Kokesh (near Spring Garden Road)

March 13 (Friday)

Host: Kathy Schwartzenruber (off Purcells Cove Road, close to Rotary)

March 18 (Wednesday)

Host: Gisela O'Brien (near corner of Jubilee Road and Northwest Arm)

March 20 (Friday)

Host: Dianne Kokesh (near Spring Garden Road)

Afternoon Groups (1:30-3:00)

March 10 (Tuesday)

Host: Dianne Kokesh (near Spring Garden Road)

March 15 (Sunday)

Host: Kathy Schwartzentruber (off Purcells Cove Road, close to Rotary)

March 17 (Tuesday)

Host: Kathy Schwartzentruber (off Purcells Cove Road, close to Rotary)

March 27 (Friday)

Host: David Morse (Tantallon)

Evening Groups (7:00-8:30)

March 24 (Tuesday)

Host: Ken Margeson (Hammonds Plains)

March 25 (Wednesday)

Host: Ken Margeson (Hammonds Plains)

March 31 (Tuesday)

Host: Jim Stanley (Hatchet Lake)

April 1 (Wednesday)

Host: Linda MacIntosh (near corner of Jubilee Road and Bloomingdale Terrace)

Saturday Group (3:00-4:30)

March 21

Host: TBD

Sunday Youth Group (Sunday School Hour)

March 22

Host: FBCH

Sunday Groups at Church with Childcare (12:00-1:30)

March 22

Host: FBCH

March 29

Host: FBCH

Other Interesting Information

- 1300 Oxford Street is the congregation's third location. Our original building served us from 1827-1887 and was located on Granville St. (in fact, we were first known as the Granville Street Church). We outgrew our first building, so in 1886 we moved to our second location on the corner of Queen St. and Spring Garden Rd. (across from the new Library). After a fire in 1942 destroyed the building on Spring Garden Rd., we temporarily met in the Church Hall of St. Andrew's United Church. Construction on our present building began in 1948 and on Easter of 1950 we worshipped in our sanctuary for the first time.
- FBCH's legal existence started in 1886 as a Statute of the NS Legislature—the act has been amended several times. On one occasion the act was amended to reflect our move from Spring Garden Rd. and another time “restraining the Trustees from action in respect of the property of the Church without first obtaining the Church's consent.” This is a reminder that any decisions about FBCH property must be made by the congregation.
- The CE Building sits across the dividing line of the two church lots (the south part of the building is on the parsonage lot).
- All of our current parking is located on the parsonage lot.
- The construction of the Sanctuary Building in 1948 was managed without mortgage once the insurance claims from the 1942 fire were settled.
- There is potential to designate the Sanctuary Building as Heritage Property. The designation could have financial advantage to the overall project, but would also come with restraints. A case study will have to be done should the congregation choose to further investigate redevelopment potentials.



FBCH Spring Garden Rd. - Fire of 1942
from the NS Archives



FIRST BAPTIST CHURCH

HALIFAX

