



## Project Steps:

To occupy the retail space, there are several steps...

1. Have an architect do drawings of how we want to use our space, including walls, electrical, plumbing, HVAC, etc.
2. Submit these drawings to the City of Austin so we can acquire a building permit
3. Present this project to our congregation for a vote “for” or “against” moving forward with this project
4. Raise funds to be able to complete the build-out
5. Sign a five-year lease with the landlord
6. Demolition of the walls and flooring currently in the building
7. Build-out of the space based on church needs – worship center, offices, classrooms, bathrooms, etc.
8. Acquire Certificate of Occupancy from the City of Austin
9. Start holding services in new space as early as Jan. 1, 2021

## Projected cost of project

Total cost of build-out (paid to contractor)	\$209,909
Misc. expenses - signs, chairs, tables, etc.	\$10,000
Lease security deposit (required by landlord)	<u>\$20,000</u>
<b>Total cost of project:</b>	<b>\$239,909</b>

Our church will be saving \$7K by doing some of the demo work required to prep building for renovations.

Landlord improvements (paint, flooring, demo)	\$33,636 (paid by landlord)
Servicing of three existing AC units	<u>\$10,380</u> (paid by landlord)
<b>Total less landlord improvements:</b>	<b>\$195,893</b>

Amount in our building fund	\$110,000 (still leaves \$87K in our reserve fund)
Additional cash available due to savings on expenses, and giving over budget	<u>\$20,000</u>
<b>Additional cash to raise for project:</b>	<b>\$65,893</b>

## How the higher lease would impact our church budget

### 2019-2020 budget:

Total Staffing	\$215,640
Total Operational Cost:	\$99,262
Total Mission (Outward) Cost:	\$22,188
Total Mission (Inward) Cost:	<u>\$14,288</u>
	\$351,378

### Possible 2020-2021 budget:

Total Staffing	\$204,390
Total Operational Cost:	\$174,048
Total Mission (Outward) Cost:	\$13,200
Total Mission (Inward) Cost:	<u>\$2,696</u>
	\$394,334

Current monthly church budget                      \$29,000 (includes Pillow and church office rentals)

Proposed new base church budget                      \$21,275 (includes no rentals and various budget expense reductions)

Monthly lease on new space                              \$11,586  
Total monthly budget:                                      \$32,862

Difference between \$29K and \$32,862 = \$3862 increase in monthly budget for 2021

This means we would need to assimilate 10 more giving units (single, couple or family) to meet budget.

The landlord has also agreed to give our church the first two months free rent. That is a savings of \$23,172, which could be used to reduce the budget, requiring even less giving units to meet the new budget.

Rent will go up on lease \$1.50 per square foot each year for years two through five. This is an increase of \$560 per month each year.