

Our Redeemer's Lutheran Church

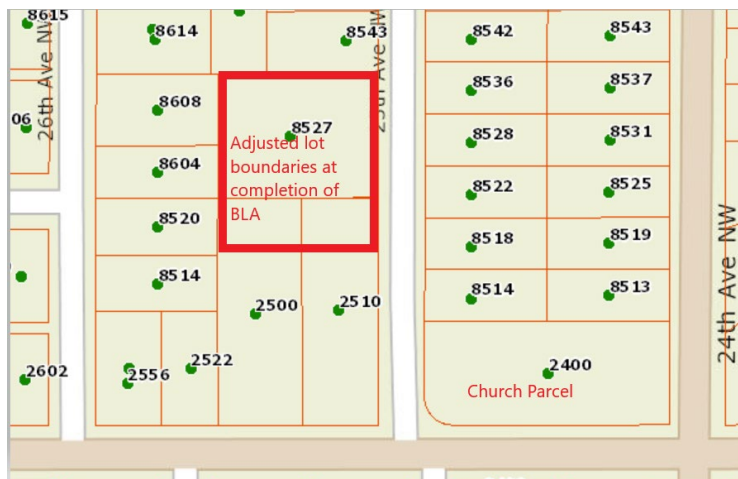
Monthly Update

December 2, 2019

Land Sale

The Purchase and Sale Agreement (PSA) was approved by Council and delivered to the P-Patch group on 11.22.19. This was an unsigned version of the PSA that left blank the purchase price. An in-person negotiation session is scheduled for 12.11.19 and the expectation/hope is that the parties will come to an agreement on the price, terms, and that both parties are able to sign the PSA shortly after the meeting.

The lots to be conveyed in the purchase require a Boundary Line Adjustment (BLA) to maximize their value. [Chadwick & Winters](#), a family owned, Ballard based surveying company was retained to do this work. They estimate the timeline is 6-8 months. The field work and drafting will be fairly quick, but the City of Seattle review and recording process takes a number of months. Field work is scheduled for early December. The PSA was modified to accommodate this with a closing date of 5.26.20 and 120-days of possible time extension by the Owner (at no cost) if needed to accommodate the BLA.



Budget & Cash Flow

Included with this update is a copy of the overall project budget and associated cash flow. Since work with the contractor cannot begin until the Church has confirmation of the sale and cash-in-hand, and the BLA must be recorded before the sale can close, the likely date for a construction start will be mid-July 2020. This assumes the sale closes by 5.26.19 (optimistic, but possible). The contract with LZL will likely be signed following the sale and LZL will need 4-6 weeks to get the project started on site.

The current project budget also notes a line item for additional funds needed. This can be addressed in at least three ways. A reduction in the scope of the project, additional fundraising, or financing. It is likely that the final solution will be a combination. Kathy is working on both the fundraising and financing options and the Architect and Contractor are working to identify specific scope items that



could be carried as alternates to allow the Church to pick the right path. These scope items will be a topic of conversation at our next VAB meeting. We will also plan to review the Budget and Cash Flow documents.

Building Design

SHKS continues to detail the drawings. An update will be provided at the 12.11.19 VAB meeting. This will include updates to the renderings as well as options for scope reduction / alternate pricing.

Schedule | Upcoming Meetings

12.11.17	11:00 AM	Negotiations w/ P-Patch
12.11.19	5:00 PM	VAB Meeting (materials, finishes, scope reduction alternates)
1.6.20		SKHS has documents to LZL for pricing (estimate) update
2.3.20		LZL pricing (estimate) update complete
2.5.20	5:00 PM	VAB Meeting (renderings, estimate update)
2.16.20	TBD	Presentation to the Congregation
2.28.20		P-Patch Inspection/Review Contingency Deadline
3.1.20	TBD	Renderings available for Congregation
3.2.20		Tentative – Permit ready at City of Seattle
5.26.20		Tentative – closing date for property sale
6.1.20		Tentative – Sign construction contract with LZL
7.15.20		Tentative – Construction start



Our Redeemer's Lutheran Church						
Construction Project Budget						
December 2, 2019						
ITEM	DESCRIPTION	October 11, 2019 Initial Budget	Per SF, %, Etc.	Current Working Budget	Per SF, %, Etc.	NOTES
CONSTRUCTION COSTS						
1)	LZL Current Estimate	\$2,264,960		\$2,264,960		Revised number includes 15% for design contingency
2)	Design Contingency					SHKS 10.16.19 shows \$2,180,941 w/ escalation to 4/20
3)	Hazardous Material Removal			\$56,441		PBS Estimate less \$10K allowance in LZL 10.11.19 10:33am estimate
4)	Total	\$2,264,960		\$2,321,401		
5)	Construction Contingency	\$226,496	10.00%	\$232,140	10.00%	
6)	TOTAL CONSTRUCTION BUDGET	\$2,491,456		\$2,553,542		
7)	Sales Tax	\$251,637	10.10%	\$257,908	10.10%	
8)	TOTAL	\$2,743,093		\$2,811,449		
PROJECT COSTS						
9)	CONSULTANT FEES					
	A/E Fees					
10)	Architect Design & Construction					
	Basic Services on first \$1.5M	\$226,496	10.00%	\$164,250		10.95% on first \$1.5M
11)	Basic Services on delta between \$1.5M and estimate	\$0		\$80,627		10.54% on added construction costs
12)	Landscape Architect	\$0		\$20,000		
13)	Interior Design	\$0		\$10,000		
14)	Reimbursable Expenses	\$0		\$2,000		
15)	Consultant Markup	\$0		\$3,000		
16)	Design Services Contingency	\$0		\$13,551		Acoustical Engineer ???
17)	Renderings	TBD		TBD		
18)	Other	TBD		TBD	\$293,428	
19)	Other Consultant Costs					
20)	Owner's Rep-Design Phase	\$30,000		\$21,600		
21)	Owner's Rep-Construction Phase	\$80,000		\$80,000		ESTIMATE ONLY
22)	Owner's Rep-Closeout	\$5,000		\$5,000	\$106,600	ESTIMATE ONLY
23)	Soils Engineer-Design	TBD		TBD		Per SHKS, no geotech done for work. Will see if City requests.
24)	Hazmat-Initial Survey Report	\$5,500		\$5,550		PBS Environmental
24)	Hazmat-Design	\$5,000		\$5,000		TBD
25)	Surveyor & Locating	\$1,500		\$1,500		
25)	Security Consultant (per SHKS)	\$0		\$5,000		
26)	other	\$0		\$0	\$17,050	
27)	Testing & Inspection Const					
28)	Soils Engineer--Construction	\$5,000		\$5,000		
29)	Special Inspector -- Construction	\$7,500		\$7,500		
30)	HazMat Oversite	\$0		\$10,000	\$22,500	
31)	SUB TOTAL	\$365,996	13.34%	\$439,578	15.64%	
32)	OTHER COSTS					
33)	Moving Costs	\$5,000		\$5,000		
34)	Performance & Payment Bond Cost	\$0		\$0		NA
34)	Builder's Risk Insurance	\$41,146	1.82%	\$0	0.00%	In LZL's 10.11.19 10:33am estimate
35)	Staff Costs	\$0		\$0		
36)	Legal Fees	\$2,500		\$2,500		
37)	Printing	\$1,000		\$1,000		
38)	Supplies	\$0		\$0		
39)	Legal Notice / Advertisements	\$0		\$0		
40)	Storage	\$0		\$0		
41)	Photography	\$2,000		\$2,000		
42)	Finance Costs	\$0		\$0		
43)	SUB TOTAL	\$51,646	1.88%	\$10,500	0.37%	
44)	OWNER'S OTHER CONTRACTS					
45)	Camera System	\$0		\$0		
45)	Security System	\$10,000		\$10,000		
46)	Access Control (keyless entry)	\$10,000		\$10,000		
47)	Telephone / Data System	\$0		\$0		
48)	A/V Systems	\$0		\$50,000		
49)	Organ Upgrades (Marceau)	\$0		\$90,000		
50)	SUB TOTAL	\$20,000		\$160,000		
51)	FURNITURE, FIXTURES, & EQUIPMENT (FF&E)					
52)	Furniture, Fixtures & Equipment (FF&E)	\$100,000				
52)	SHKS-Sanctuary (chairs, chair dollies, baptismal font, piano move)	\$0		\$61,900		
53)	SKHS-Office (chairs, workstation desks, whiteboards, break table/chair)	\$0		\$26,000		
54)	SHKS- Other Areas (Room 101 and 118 table/chairs)	\$0		\$9,600		
57)	Equipment (SHKS-monitors, projection screen, projector)	\$0		\$18,100		
55)	SHKS-Delivery & Install	\$0		\$20,000		
58)	FF&E DD Contingency & Escalation per SHKS	\$0		\$16,543		
56)	Other	\$0		\$0		
59)	SUB TOTAL	\$100,000		\$152,143		
60)	JURISDICTION FEES					
61)	Plan check fees, permits, etc.	\$67,949	3.00%	\$45,299	1.95%	SHKS budget notes 1%
61)	Notice Signs	\$500		\$750		
62)	Utility Connection Fees					
63)	Water	\$0		\$0		
64)	Sewer	\$0		\$0		
65)	Power	\$0		\$0		
66)	Gas	\$0		\$0		
67)	Storm Water	\$0		\$0		
68)	Mitigation Payments	\$0		\$0		
69)	Department of Ecology	\$0		\$0		
70)	Other					
71)	SUB TOTAL	\$68,449	2.50%	\$46,049	1.64%	
72)	ADDITIONAL COSTS					
73)	Temporary Facilities - Solution to be determined	\$100,000		\$100,000		
73)	Land Sale Expenses (to be paid before closing)					Costs accounted for in sales price
74)	P-Patch 2018 Appraisal	\$0		\$3,000		
75)	P-Patch 2019 Reappraisal	\$0		\$3,000		
76)	Real Estate Lawyer Fees	\$0		\$7,500		\$3,500 as of 11.18.19
77)	Boundary Line Adjustment	\$0		\$10,000	\$23,500	
78)	other	\$0		\$0		
79)	SUB TOTAL	\$100,000	3.65%	\$123,500	4.39%	
80)	SUBTOTAL OF PROJECT COSTS	\$706,091		\$931,770		
81)	PROJECT COST CONTINGENCY	\$141,218	20.00%	\$139,765	15.00%	
82)	TOTAL PROJECT COSTS	\$847,309		\$1,071,535		
83)	Construction Costs (Including Sales Tax)	\$2,743,093	76.40%	\$2,811,449	72.40%	
84)	Project Costs	\$847,309	23.60%	\$1,071,535	27.60%	
85)	Subtotal of all Project Costs	\$3,590,402		\$3,882,985		
86)	AVAILABLE PROJECT BUDGET					
87)	(OVER)/UNDER					

Our Redeemer's Lutheran Church

VAB - Project Cash Flow Projections - DRAFT

last update: 12.2.19 bf

Assumptions: 7.15.20 Construction Start

Note: Costs are shown in the month incurred. Payment due w/in 30 days

			2019 Spent through 10.31.19	Nov	Dec	2020			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2021			Jan	Feb	Mar	Apr	May	Jun	Jul	TOTAL	delta
	BUDGET			Permit Submittal					Permit Issuance			Construction Starts													Construction Ends							
EXPENDITURES																																
CONSTRUCTION COSTS	\$2,811,449	*	\$0									\$25,000	\$150,000	\$300,000	\$400,000	\$400,000	\$400,000	\$500,000	\$325,000	\$200,000	\$111,449								\$2,811,449	\$0		
CONSULTANT FEES																													\$0	\$0		
A/E Fees	\$293,428	**	\$96,011	\$56,917	\$15,000	\$15,000	\$15,000	\$10,000	\$10,000	\$10,000	\$5,000	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$5,800	\$2,500		\$293,428	\$0		
Owner's Rep	\$106,600		\$0	\$4,320	\$4,320	\$4,320	\$4,320	\$4,320	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$5,000	\$5,000	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$2,500		\$106,600	\$0		
Other Consultants	\$17,050		\$0	\$5,550		\$5,000	\$5,000	\$1,500																					\$17,050	\$0		
Testing & Inspection Const	\$22,500		\$0										\$3,000	\$3,000	\$3,000	\$3,000	\$3,000	\$2,000	\$2,000	\$1,500	\$1,500	\$500						\$22,500	\$0			
OTHER COSTS	\$10,500		\$0	\$1,000	\$750	\$750	\$1,000	\$2,500				\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$2,500								\$10,500	\$0			
OWNER'S OTHER CONTRACTS	\$160,000		\$0									\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$10,000	\$10,000								\$160,000	\$0			
FURNITURE, FIXTURES, & EQUIPMENT (FF&E)	\$152,143		\$0														\$40,000	\$40,000	\$40,000	\$32,143								\$152,143	\$0			
JURISDICTION FEES	\$46,049		\$0	\$20,000					\$20,000								\$6,049												\$46,049	\$0		
ADDITIONAL COSTS	\$123,500		\$9,500	\$7,500	\$2,500	\$2,500	\$1,500				\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000								\$123,500	\$0			
PROJECT COST CONTINGENCY	\$139,765		\$0		\$6,000	\$6,000	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,765		\$139,765	\$0		
MONTHLY EXPENDITURE <i>(check cell from budget)</i>	\$3,882,985		\$105,511	\$95,287	\$28,570	\$33,570	\$34,320	\$25,820	\$21,500	\$41,500	\$51,500	\$200,550	\$350,550	\$451,550	\$451,550	\$500,099	\$593,050	\$418,050	\$274,693	\$156,249	\$21,300	\$17,500	\$10,265	\$0	\$3,882,984	\$1						
Cumulative Total	\$3,882,985			\$200,798	\$229,368	\$262,938	\$297,258	\$323,078	\$344,578	\$386,078	\$437,578	\$638,128	\$988,678	\$1,440,228	\$1,891,778	\$2,391,877	\$2,984,927	\$3,402,977	\$3,677,670	\$3,833,919	\$3,855,219	\$3,872,719	\$3,882,984	\$3,882,984								
REVENUE																																
Vision Aligned Building Fund Balance	\$870,941	***	\$870,941																													
Capital Campaign Funds Pledged but not yet received	\$170,359																															
Additional Fundraising, Borrowing, Sec	\$941,685																															
Property Sale (after taxes and expenses)	\$1,900,000																															
Other																																
MONTHLY REVENUE	\$3,882,985		\$870,941	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0								\$0				
Cumulative Total				\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941	\$870,941								\$870,941				
CASH FLOW STATUS			\$765,430.00	\$670,143.00	\$641,573.00	\$608,003.00	\$573,683.00	\$547,863.00	\$526,363.00	\$484,863.00	\$433,363.00	\$232,813.00	(\$117,737.00)	(\$569,287.00)	(\$1,020,837.00)	(\$1,520,936.00)	(\$2,113,986.00)	(\$2,532,036.00)	(\$2,806,729.00)	(\$2,962,978.00)								(\$3,012,043.00)				
* To be verified with LZL																																
** To be verified with SHKS																																
*** Combined from Calvary Legacy Funds, fundraising, and dollars expended prior to 2019																																



Our Redeemer's Lutheran Church

Monthly VAB Update

January 13, 2019



Land Sale

After a few back-and-forth counter offers, GROW (representing the Ballard P.Patch) and Our Redeemers settled on a purchase price and non-refundable escrow deposit amount and timing for the P.Patch property: \$1,950,000 and \$50,000 due 6.1.20. Details of the PSA will be worked through between now and 1.26.20 when the Congregation is scheduled to vote on the sale.

Notice to the Congregation of the vote is required two weeks prior to the vote. The first notice was given on 1.12.20 at Sunday services. The second notice will be on 1.19.20 with a vote planned on 1.26.20. A pamphlet regarding the sale has been prepared and will be mailed to all members the week of 1.13.20.

The lots to be conveyed in the purchase require a Boundary Line Adjustment (BLA) to maximize their value. [Chadwick & Winters](#), a Ballard based surveying company has completed their field work and the City has made their site visit and issued a PAR (preliminary assessment report). Chadwick & Winters will now draft the plans and schedule an intake with the City. We are still planning on obtaining the BLA in time for the 7.15.20 closing called out in the PSA. However, we have also included a 120-day, no-cost extension to closing if this BLA is still in process.



Budget

The project budget has had one small addition. The Hazardous Material consultant increased their estimated cost for removal by about \$3,000. This added approximately \$4,000 to the budget. The total cost for the project is estimated at \$3,886,806.



Based on the current budget, funding for the project is as follows:

Vision Aligned Building Fund Balance: \$ 870,941
Funds Pledged but not yet received: \$ 170,359
Additional Fundraising, Borrowing
and/or scope reduction: \$ 995,506
Property Sale (after taxes & expenses): \$1,850,000

A copy of the current Budget and Cash Cashflow are available through Karie.

Building Design

SHKS continues to detail the drawings. No review comments have yet been received from the City of Seattle. A 50% drawing set was provided to the contractor for an estimate update which is expected on 2.3.20. The VAB meeting in early February will review this along with potential scope reductions to reduce cost.

Kathy and the VAB worked with SHKS over the past month to refine and detail the renderings for the project. These were included in the P.Patch Sale pamphlet and will be available in larger format for the 2.16.20 presentation to the Congregation.



Schedule | Upcoming Meetings

1.26.20	TBD	Congregation vote on sale of property to GROW (Ballard P.Patch)
1.27.20		Provide signed PSA to GROW
2.3.20		LZL pricing (estimate) update complete
2.5.20	5:00 PM	VAB Meeting (renderings, estimate update) (potentially on 2.3.20 or 2.4.20)
2.16.20	TBD	Presentation to the Congregation
3.2.20		Tentative – Permit ready at City of Seattle
6.20.20		Tentative – Sign construction contract with LZL
7.15.20		Tentative – closing date for property sale
Between 7.15.20 And 9.1.20		Tentative – Construction start



Our Redeemer's Lutheran Church

Monthly VAB Update

February 6, 2019



The VAB team has been busy preparing the renderings, VR tour, and support materials for the Congregation Engagement session scheduled for February 16th at 12:30. The Church's VAB members have met with the architects to refine the graphics, the presentation, and they are excited to share and get feedback on the design and vision.

Land Sale

On January 26th, the Congregation voted in favor of selling the property to GROW and pursuing a backup offer(s) in the event GROW and the PPatch are unable to raise the necessary funds. If that were the case, another vote by the Congregation, with a new buyer identified, would be necessary.

The Church has received the signed PSA from GROW and the PPatch. The next milestone is on June 1, 2020 when GROW will have the option of waiving the Review/Inspection period, depositing \$50,000 into Escrow, and preparing documents for closing. Each month GROW is required to provide the Church with a summary of the fundraising and grant application progress to date. The first of these reports was received in early February and is available for review through the office.

The Boundary Line Adjustment being done for the sale has been surveyed, drafted, and submitted to the City for review. Review comments are expected by the end of March.

Budget

The next estimate update from LZL, the General Contractor, is expected late February. Council is scheduled to establish the "Budget" for the project in mid-February, prior to the 16th.

Schedule

Assuming the sale with GROW and the PPatch closes per the terms of the PSA, construction is expected to start late summer of 2020 and finish early to mid-summer 2021.



Our Redeemer's Lutheran Church

Monthly Vision Aligned Building (VAB) Update

February 26, 2020



On February 16th, the VAB team presented the current design, budget, and schedule to the congregation. The day provided an opportunity for extensive one-on-one conversations between the congregation and various VAB members. As the design progresses, more information will follow on the “heart and soul” of the new spaces including flooring, pew-chairs, the bell’s new location, and the remembrance plaque installation.

The VAB project will soon have its own page on the Church website. The intent is to use this page to keep everyone up to date on the design progress, schedule, budget, opportunities for involvement, and construction. To start, it will include graphics shared at the February 16th meeting as well as a Frequently Asked Question section and a way to contact the VAB team.

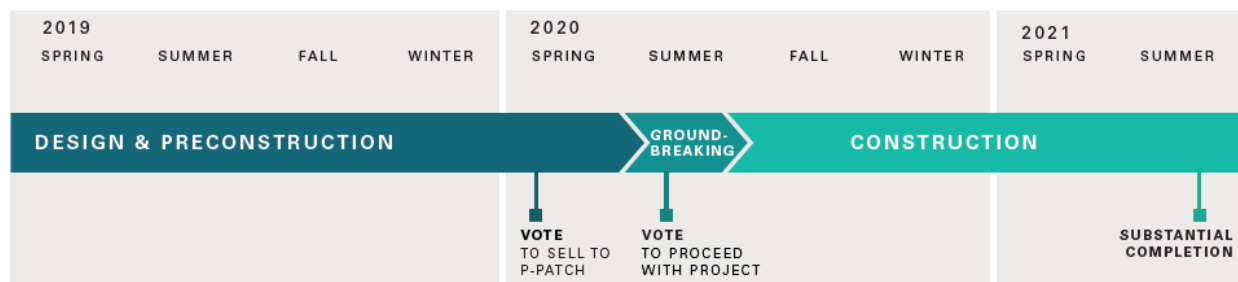
The sale of the PPatch land is progressing. GROW and the PPatchers are working diligently on fundraising and grant applications. GROW’s February update on their progress was received and they appear to be headed in a good direction. Our Redeemer’s Boundary Line Adjustment is in review with the City and awaiting comments/approval.

Budget

Council approved a budget for the overall project in February. LZL Construction also provided their updated construction cost estimate for the work and it was on target with the budget.

Schedule

Assuming the sale with GROW and the PPatch closes per the terms of the PSA, by 7.15.20, construction is expected to start late summer of 2020 and finish early to mid-summer 2021.



Our Redeemer's Lutheran Church

Monthly Vision Aligned Building (VAB) Update

April 15, 2020



The project continues to push forward through the COVID-19 restrictions. SHKS Architects has finalized the drawings and LZL Construction will be bidding the work in late April, early May. The City of Seattle is nearing completion on the building permit review and it is anticipated the permit will be issued in May. The sale of the P-Patch is progressing and although fundraising for them has become more challenging, they received a \$250,000 grant from "Washington State Local Projects" and submitted their application for the King County Conservation Futures Grant.

The VAB project has its own new page on the Church website: <https://ourredeemers.net/about/build-the-vision/>. The intent is to use this page to keep everyone up to date on the design progress, schedule, budget, opportunities for involvement, and construction.

Marceau Pipe Organ Builders has been working with the Church over the past month to refine their scope of work and design for the new design. The organ will be completely removed from the building and taken to their shop for refurbishment. The new organ will be installed with the console on the chancel and the pipes in the reduced balcony.

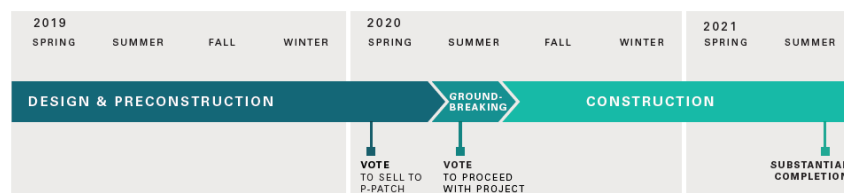
The team is also working on proposals for design and installation of the new Audio-Visual systems for the building. These will include projectors, screens, and a sound system in the sanctuary, as well as some A/V equipment in small meeting rooms and the fellowship hall.

Budget

The council approved the budget for the overall project in February 2020 and there have been no significant changes, only minor adjustments to date.

Schedule

Assuming some resolution on the COVID-19 issues and the sale of the PPatch per the terms of the PSA (close by 7.15.20), construction could start as early as July/August of 2020 and finish early to mid-summer 2021.



Our Redeemer's Lutheran Church

Vision Aligned Building (VAB) Update

June 23, 2020



The project continues to be on schedule and within the established budget. The building permit is issued; Grow and the P-Patch have signed off on their review contingency, the non-refundable deposit is with escrow, and closing is scheduled for mid-July. The general contractor has provided final pricing that is within budget, and the loan funding that will round out the financial package for the Church is approved.

The overall budget for the project includes a 10% construction contingency to be carried by the Church. This contingency is in addition to the smaller contingency carried by the general contractor in their bid. There is also another \$60K contingency for project-related costs. While this is a conservative approach, it intends to ensure the budget for the work manages the risks and is a maximum amount. If there are savings and some of these dollars are not needed, the loan portion of the funding package will be reduced accordingly. Since the loan funds will be the last dollars spent, this has the effect of potentially not advancing the full amount approved.

The next milestone is approval by the congregation at the vote scheduled for July 12. If approved, the Church will be signing a contract with LZL Construction, the general contractor, later in July and will begin the process of storage, salvage, and removal of the organ (which gets refurbished and reinstalled) to make way for the start of construction in mid-August.

Budget

The council approved the budget for the overall project in February 2020, and no significant changes have been needed.

Schedule

Phase 1.5 and 2.0 of the COVID-19 restrictions allow new construction projects to get underway. A safety plan for managing the work is required and submitted by LZL before work begins. The project remains on schedule, as presented to the congregation in February..

