

**Recommendations to the NUUC Board of Trustees
Presented at the Board Meeting on August 28, 2018**

The Steering Committee met on Friday, August 24, 2018 to discuss the recommendations from the financial feasibility study conducted by Barry Finkelstein on August 15-17, 2018. Members of the Steering Committee are Chris Jones-Leavy, Teri Cornell, Dick Leavy, John Rodeheffer, Lauren Richards, Rod Myers, and Allison Fagan. What follows below are our unanimous conclusions and recommendations.

First, we are very satisfied with the work of both Dave Kerr, our architect, and Lincoln Construction. They did what we asked them to do. Our decision to hire Dave was wise, as it was his recommendation that we get accurate estimates of the construction expenses at the beginning of this project. Waiting until the end of the project to get accurate construction estimates would have created tremendous disappointment.

From the Financial Feasibility Study, we learned some important things about ourselves:

- All people interviewed want to 'do something' and want to financially support that "something".
- Despite its selection at the Town Hall meeting via the straw poll, Option 1 is not enthusiastically supported.
- Most people felt that the Steering Committee did a good job in our work.

Our conclusions:

1. We cannot recommend that we proceed with Option 1.
 - A financial model does not support it being affordable.

Estimated revenue for Option 1 based on FFS	\$314-500K			
Mortgage	\$200K			
Proceeds from Nielsen sale	\$100K ??			
		Option 1 cost	Soft cost estimate	Shortfall
Total revenue	\$614-800K	\$900K	\$300K	\$400-586K

- It received lukewarm support in the financial feasibility study.
 - In his presentation, Barry Finkelstein recommended multiple steps prior to proceeding with Option 1. It is not realistic to accomplish these tasks prior to November 1st, which would be the start of a combined fall capital and operating campaign. Regardless, it is our opinion that accomplishing these tasks would not mitigate the issues of affordability and the lack of enthusiasm for the design.
2. Barry Finkelstein emphasized the need for a unifying project.
 - We do not know what that unifying project would be.

- What was originally described as desirable in the programming meetings with Dave Kerr was increased space for fellowship, worship and religious education. His original designs, presented to the Project Team in the spring of 2018, were rejected by the Project Team and the Steering Committee due to cost. Phase 1 designs were priced at \$1.3M to \$1.4M and did not include religious education/youth fellowship space. To include this space in the designs moves the cost to \$2M. Even with the potential matching gift of \$250,000-\$300,000 from a member of the congregation, we do not see a financial model that approaches this cost.
- An architectural design that incorporates an expanded sanctuary onto Option 1 would take time to design and then getting cost estimates and would cost more money in fees to the architect and the construction company. We have no idea if this would be considered “unifying” by the congregation, and we do not see a way that this could be vetted with the congregation in time for a fall capital campaign. Further, it would not surprise us for the cost estimate of this design to approach \$2M which raises the same issue of cost noted above.

We do not see a way forward to build on our property to get what we believe the congregation envisions and what the financial feasibility study tells us we can afford. We do not believe we can afford an inspiring or unifying design without a substantial mortgage, which is not advised by the Steering Committee.

Therefore, we recommend the Board consider the following next steps:

1. Set aside the idea of building on our property, which was the charge of the Steering Committee. We suggest that the Board configure a new committee to do a thorough property search of available options and consider moving. This search should include buildings that are not currently places of worship. Obviously, the issues associated with valuing our current holdings would need to be explored and any potential properties would need to be carefully vetted, including the cost of any needed renovations.
2. Convene focus groups to discern an understanding of what would be “unifying” or “inspiring”. Interviewing people who voted “none of the above” during the straw poll and people who told Barry Finkelstein that they wanted something more inspiring would be advised.
3. It is our understanding from Barry Finkelstein that a capital campaign is targeted to a specific project. Not having a specific project at this time, we cannot recommend that we proceed with stewardship recruitment and training or a combined capital and operating campaign for the fall of 2018.

It is with these recommendations that we see our work as a Steering Committee drawn to a close. It has been an honor and privilege to serve our congregation.

Respectfully submitted,

Allison Fagan, Chair