

# POLICY

## PARISH PROPERTY PROJECTS

---

It is the intent of this policy of the Diocese of Calgary to provide Parishes with guidance for the process to be followed when considering projects to develop, re-develop, enhance or otherwise modify their buildings and/or any surrounding area. The policy provides a way for Parishes to implement the requirements contained in the ordinance, constitution and canons under which they (and the Diocese) are organized as incorporated bodies in the Province of Alberta.

### Summary

The process to be followed for Parish property projects in the Diocese of Calgary consists of five steps. Each step consists essentially of Parish and Diocese approvals as noted:

- **Step 1 (Initial Concept):** Description of project; Justification of need; Project budget (including status of building fund); Site plan; Photographs of existing site and buildings (if applicable).
- **Step 2 (Preliminary Design):** Preliminary design (or concept) sketches/drawings/floor plans (including present floor plan, if applicable); Name of Project Architect; Project budget (including status of building fund).
- **Step 3 (Detailed Design):** Detailed design drawings; Copy of Development Permit issued by municipality; Project budget (including status of building fund showing at least 60% of the estimated project cost either received or pledged).
- **Step 4 (Working Drawings):** Working drawings for all disciplines (architectural, structural, mechanical, electrical, etc.) and complete specifications to be included in a tender solicitation package; Project budget (including status of building fund showing at least 80% of the estimated project cost available as cash, liquid investments, or lender-approved loans); a list of the contractors selected for the bidding process if not open bidding.
- **Step 5 (Construction Approval):** Copy of Building Permit issued by municipality; Project budget (including status of building fund showing at least 100% of estimated project cost available as cash, liquid investments, or lender-approved loans); Construction documents for all disciplines and complete specifications as per the tender package; Listing and analysis of responses to the tendering process and the recommendation of a contractor to be awarded the contract; Letter from the architect that the architect will provide normally accepted professional inspection of the project throughout construction, will certify the project complete, and will submit as-built drawings to the Diocesan Secretary for file.

A detailed description of the approval process for each step, the possibility of combining steps, and other modifications of the usual process is provided in the rest of this document.

### Process Steps

This policy divides Parish projects into 5 distinct “steps” or “stages”. These steps may be known by different names depending upon various factors. Step 1 is sometimes called an “initial proposal” or “preliminary concept”. Step 2 is “preliminary design” and Step 3 is “detailed design” or “final design”. Step 4 is “working drawings” or “construction documents” and Step 5 is “construction”. Depending on the complexity of the project and the length of time in which the project is to be completed, it may be desirable to combine certain steps or overlap them so that they are done concurrently. This is possible provided that permission is sought and obtained from both the Parish and the Diocese before such combining or overlapping is done. At the conclusion of each step in the Diocesan process, it is the responsibility of the Parish to submit the appropriate documents to the Diocese for its approval.

## Step 1 (Initial Concept):

- **Input:** Nothing needs to be completed prior to beginning Parish activity in Step 1 of a project.
- **Parish Activity:** Parish activity during this stage will consist of preparing the necessary document for presentation to the Parish for its approval and then to the Diocese for its approval. Although a consultant can be engaged to assist with this activity, no commitment can be made beyond the completion of the Step 1 activity. During this stage of the project, Parishes should also consult with the Diocese's Property Committee for assistance in planning how the project will be handled through the Diocesan approval process and any third party applications or approvals that may be necessary. In particular, if the Diocese is to be included in any of the contracts related to the project, then the Diocese must be included as a party to all contracts related to the project. In any case, no submission to any third party (e.g. municipality or other regulatory authority) can be made before the completion of Step 1 approval. In addition, no fundraising for this particular project can be solicited before the completion of Step 1 approval.
- **Documents:** The document that is prepared during step 1 will contain the following:
  - Description of the project
  - Justification of need
  - Project budget (including the status of the building fund, if any)
  - Site plan
  - Photographs of present site and buildings, if applicable
- **Approval:** The document will be approved by the Parish and then approved by the Diocese. Suggested motions: Parish – *"Moved that, subject to the approval of the Diocese, this Parish hereby approves the work done in Step 1 of the project to [describe project briefly] (including the project budget) as presented in the document(s) distributed."* Diocese – *"Moved that, subject to the approval of any regulatory bodies, this Diocesan Council hereby approves the work done in Step 1 of the project to [describe project briefly] as requested by the Parish of \_\_\_\_\_."* If the Parish would like to use a specified draftsman instead of an architect or engineer, then approval to do so must be requested at this time. Similarly, if the Parish would like to use the same consultant(s) (architect, engineer, draftsman, fundraising professional, etc) for the remaining steps of this project then the particular consultant(s) chosen must also be approved at this time.

## Step 2 (Preliminary Design):

- **Input:** Step 1 approvals shall be complete before beginning step 2.
- **Parish Activity:** Parish activity during this stage will include fundraising (soliciting donations and pledges for this particular project), engaging an architect or other consultant, and preparing the documents required.
- **Documents:**
  - Preliminary design (or concept) sketches/drawings/floor plans (including present floor plan, if applicable)
  - Name of architect or other applicable consultant
  - Project budget (including the status of the building fund)
- **Approval:** The documents will be approved by the Parish and then approved by the Diocese. Suggested motions: Parish – *"Moved that, subject to the approval of the Diocese, this Parish hereby approves the work done in Step 2 of the project to [describe project briefly] (including the project budget) as presented in the document(s) distributed."* Diocese – *"Moved that, subject to the approval of any regulatory bodies, this Diocesan Council hereby approves the work done in Step 2 of the project to [describe project briefly] as requested by the Parish of \_\_\_\_\_."* If not already approved then the name of the consultant that the Parish would like to use (architect, engineer, or other applicable consultant) must be approved at this time. If the Parish wishes to engage a contractor at this time, then that approval also needs to be requested and the appropriate adjustments made to the remaining steps in this process.

### Step 3 (Detailed Design):

- **Input:** Step 2 approvals shall be complete before beginning step 3.
- **Parish Activity:** Parish activity during this stage will include continued fundraising and working with the selected consultant to prepare the required documents. This is also the point at which the Parish (depending on the advice of their consultant) may apply for municipal regulatory approval in the form of a development permit.
- **Documents:**
  - Detailed design drawings
  - When regulatory approval has been obtained (i.e. a development permit), then a copy of the municipality's approval documents (including any conditions) must be submitted to the Diocese no later than part of the Step 3 approval.
  - Project budget (including the status of the building fund showing at least 60% of the estimated project cost either received or pledged)
- **Approval:** The documents will be approved by the Parish and then approved by the Diocese. Suggested motions: Parish – *"Moved that, subject to the approval of the Diocese, this Parish hereby approves the work done in Step 3 of the project to [describe project briefly] (including the project budget) as presented in the document(s) distributed."* Diocese – *"Moved that, subject to the approval of any regulatory bodies, this Diocesan Council hereby approves the work done in Step 3 of the project to [describe project briefly] as requested by the Parish of \_\_\_\_\_."*

### Step 4 (Working Drawings):

- **Input:** Step 3 approvals shall be complete before beginning step 4.
- **Parish Activity:** Parish activity during this stage will include continued fundraising and/or arranging financing and working with the consultant to prepare the required documents. Frequent communication with the Diocese's Property Committee will also be helpful in steps 4 and 5 so that any issues can be identified and resolved quickly.
- **Documents:**
  - Working drawings for all disciplines and complete specifications to be included in a tender solicitation package; including a building code review, as applicable
  - Where deemed applicable by the Property Committee, a code review by a qualified professional and an asbestos report with test results
  - Project budget (including the status of the building fund showing at least 80% of the estimated project cost available as cash, liquid investments, or lender-approved loans)
  - A list of the contractors selected for the bidding process if the project is not going to be placed on open tendering after Step 4 approval is given.
- **Approval:** The documents will be approved by the Parish and then approved by the Diocese. Suggested motions: Parish – *"Moved that, subject to the approval of the Diocese, this Parish hereby approves the work done in Step 4 of the project to [describe project briefly] (including the project budget) as presented in the document(s) distributed."* Diocese – *"Moved that, subject to the approval of any regulatory bodies, this Diocesan Council hereby approves the work done in Step 4 of the project to [describe project briefly] as requested by the Parish of \_\_\_\_\_ and authorizes the issuing of the tender documents for this project."*

### Step 5 (Construction Approval):

- **Input:** Step 4 approvals shall be complete before beginning step 5.
- **Parish Activity:** Parish activity during this stage will include continued fundraising and/or arranging financing; working with the consultant to submit the working drawings to the municipal or other regulatory authority for approval of a building permit; working with the consultant to submit the working drawings for tender; analyzing the results of the tendering process and selecting a

contractor to recommend. No acceptance of any response to the tendering process will be given before final Step 5 approval has been obtained from the Diocese.

- **Documents:**

- Project budget (including the status of the building fund showing at least 100% of the estimated project cost available as cash, liquid investments, or lender-approved loans)
  - When regulatory approval has been obtained (i.e. a building permit), then a copy of the municipality's approval documents (including any conditions) must be submitted to the Diocese no later than part of the Step 5 approval.
  - Construction documents for all disciplines and complete specifications as per the tender package
  - Listing and analysis of the responses to the tendering process and the recommendation of a contractor to be awarded the contract
  - Letter from the architect (or other consultant) that the architect will provide normally accepted professional inspection of the project throughout construction, will certify the project complete, and submit as-built drawings to the Diocesan Secretary for file.
- **Approval:** The documents will be approved by the Parish and then approved by the Diocese. Suggested motions: Parish – *“Moved that, subject to the approval of the Diocese, this Parish hereby approves the work done in Step 5 of the project to [describe project briefly] (including the project budget) as presented in the document(s) distributed.”* Diocese – *“Moved that, subject to the approval of any regulatory bodies, this Diocesan Council hereby approves the work done in Step 5 of the project to [describe project briefly] as requested by the Parish of \_\_\_\_\_ and authorizes the beginning of construction of this project.”*

## Construction

After step 5 approval is complete the Parish may formally accept the selected response to the tender and begin construction of the project in accordance with the project budget and approvals provided. In the event that construction is interrupted or unable to be completed for any reason, the Diocesan Council must be notified immediately. In such a situation, the steps to be taken shall be at the discretion of the Diocesan Council in consultation with the Property Committee.

## General Principles

The following general principles apply throughout the Parish property project process.

- **Parish Approval:** At various stages during the process, reference has been made to “approval by the Parish” or “Parish approval”. In all cases, this phrase is taken to mean a written motion presented, discussed, and passed at a duly constituted meeting of the parishioners of a Parish unless provision shall have been sought and obtained from such a meeting for some other Parish body (e.g. council or corporation) to provide such approval. In particular, if a certain project is limited in scope (especially if it involves non-worship areas of a building) or if it involves an expenditure of funds less than the amount of the Parish's annual operating budget, a meeting of parishioners may be asked at the beginning of a project to consider allowing the council or corporation to give approval at one or more future stages of that project.
- **Diocesan Approval:** At various stages during the process, reference has been made to “approval by the Diocese” or “Diocesan approval”. In all cases, this phrase will be taken to mean a written motion presented, discussed, and passed at a meeting of the appropriate body (e.g. Diocesan Council, Management Committee, or Property Committee) which by this Policy is charged with the granting of the particular approval. Regardless of the body that is charged with granting the particular approval, all applications for approval shall first be submitted to the Property Committee.

In particular:

- For all Parish property projects with a total cost of \$50,000 or less:
  - the issuance of the approval for Steps 1 and 5 shall lie with the Management Committee; and

- the issuance of the approval for Steps 2 through 4 shall lie with the Property Committee.
- For all Parish property projects with a total cost in excess of \$50,000:
  - the issuance of the approval for steps 1 and 5 shall lie with Diocesan Council; and
  - the issuance of the approval for Steps 2 through 4 shall lie with the Management Committee.
- Notwithstanding the above, for all Parish property projects that are matters of maintenance, repair or replacement with a total cost of \$50,000 or less, the issuance of all approvals shall lie with the Property Committee.

For any particular Parish property project, the appropriate body granting approval for Step 1 shall have the option of changing the approval process for the subsequent Steps of that Parish property project to something other than as stipulated in this Policy.

At each meeting of Diocesan Council, the Property Committee shall report on all ongoing Parish property projects for which the Step 1 and Step 5 approvals lie with Diocesan Council.

At each meeting of the Management Committee, the Property Committee shall report on all ongoing Parish property projects for which the Step 1 and Step 5 approvals lie with the Management Committee.

Notwithstanding the foregoing, the Management Committee or the Property Committee, in their discretion may refer to Diocesan Council the approval for any particular Step in any particular Parish property project.

In all cases, any Diocesan approval provided for a project by whatever means shall only be valid for a period of 12 months following the date that the approval is given. If further action on any particular project is not taken by the Parish within such 12 month period then the project shall be deemed to be abandoned and it may only be advanced as if it were a completely new project. In addition, substantial changes to the scope, timing, or budget of a particular project after any step of the project is approved by the Diocese may require that it be considered as if it were a completely new project. New projects that are initiated as a result of the lapse of time or as a result of substantial changes may be expedited using the ability of the Diocese to combine individual steps of the project approval process.

- **Third Parties:** From time to time it may be necessary for certain Parish projects to receive the approval of a third party (e.g. a municipal or other regulatory authority) before it can proceed. The decision as to when such approval will be sought is at the discretion of the Parish, subject to the requirements of the third party. However, in all cases, any application form or other document or description of the project shall only contain information about the project that has been reviewed by and received approval from both the Parish and the Diocese. Parishes (and their consultants) are responsible for ensuring that information required by any third party is included in the information presented to the Parish and the Diocese in the documents receiving approval at a prior step of the process. Similarly, any application to an outside funding agency (e.g. government, foundation, etc) for financial assistance must not contain any information about the project that has not already been approved. The result of any third party approval process (including any conditions) must be reported to the Diocese as soon as it is received by the Parish.
- **Meetings:** From time to time it will be necessary for Parish representatives to meet with the Property Committee to discuss the status of the project and the next steps to be taken. In each case, these meetings shall take place with at least two representatives of the Parish (including at least one member of the Corporation) and at least two members of the Diocese (including at least one of the Officers of Synod).
- **Project budget:** At each stage of the project one of the documents required is a "project budget". Such project budget will include the expected sources of funding as well as the expected expenditures in as much detail as is available at that stage of the project. At step 1 of the process the project budget will necessarily be less detailed and the amounts in it less accurate than the project budget at later steps in the process. However, even at step 1, it should be possible to identify the possible sources of funding and the magnitude of the financial cost of the project. This

information in the project budget will then be refined and expanded as the planning for the project proceeds. In addition, while it is possible to include “pledges” as a potential source of funding, any amount pledged but not received will have to be included as an amount to be financed in the project budgets presented in the later stages of the project process. The financing arrangements must be in place and included as part of the project budget prior to Parish or Diocesan approval of the final step in the process. Note that the project budget is a more complete document than the construction budget. Construction costs will form a part of the project budget but the project budget will also include soft costs (such as architect fees) and sources of revenue. A sample project budget is provided in Appendix 1.

- **Documents:** Each stage of this process will require that various documents be submitted to the Diocese for approval. These documents must be the same documents as were presented to the Parish for its approval. It is permissible to use documents prepared by a consultant (e.g. architect or other professional) provided that they are approved by the Parish (and thereby become “Parish documents”) prior to being submitted for Diocesan approval. When submitting documents to the Diocesan office, it is usually preferable to send them as a PDF (Portable Document Format) e-mail attachment.

It is important that copies of any documents prepared for or with third parties (e.g. permit applications, contracts, grant applications, etc) be provided to the Diocese before being finalized and distributed to the third party.

- **Consultant:** Parishes may require professional assistance with their property projects. Depending on the scope and cost of the project being considered, professional assistance of a technical nature may be provided by an architect, a consulting engineer or similar professional person or firm. In addition, fundraising assistance may be provided by a professional fundraising person or firm. The generic term “consultant” is used in this policy to refer to a person or firm providing professional assistance to the Parish. In all cases, a specific consultant that is chosen by the Parish leadership must be approved by the Parish and the Diocese. This also applies when the consultant ceases to act or a new consultant is engaged for any reason during the course of a project.

All consultants engaged by a Parish are expected to become familiar with the contents of this policy. Parishes are responsible for ensuring that their consultants receive a copy of the policy as soon as they are working on the project.

It is expected that all consultants will act with the highest integrity and in the best interests of both Parish and Diocese when providing their advice to the project. In particular, the codes of conduct and statutory obligations of certain consulting professions must be followed.

- **Contracts:** In order to complete most property projects it will be necessary for the Parish to enter into one or more contracts with various parties (consultants, contractor, service providers, etc). For small projects, it is permissible for the Parish to enter into these contracts on its own provided that copies of them are submitted to the Diocese before they are signed. For large projects, the Diocesan Council may require that the Diocese be included as a party to all contracts related to the project.
- **Anglican Foundation of Canada:** If any Parish wishes to make application to the Anglican Foundation of Canada for either a grant or a loan with respect to any Parish property project, then prior to making that application, the Parish is required to become a member of the Anglican Foundation of Canada.

## Background Information

The “Ordinance of Incorporation” (a statute of the Province of Alberta) provides authority for the Synod of the Diocese of Calgary to settle questions concerning the “temporalities” of Parishes in the Diocese by enacting canons (see paragraph 11, page iv). The Constitution of the Synod provides the means by which Parishes may elect delegates to the meetings of the Synod and there elect a Diocesan Council to carry out the decision of the Synod (including those decisions enacted in canon).

Canon 4 contains the following regarding the duties of the Diocesan Property Committee (paragraphs 6, 7, and 8; page 19):

6. *The Committee shall oversee the management of the properties of the Synod and shall exercise, in accordance with the policies established by Diocesan Council and for the Diocesan Council, the powers conveyed by the Act of Incorporation and the Canons in respect of acquiring, disposing of, exchanging, alienating, or otherwise encumbering real property and other capital assets by the Synod and by Parishes in the Diocese.*
7. *In particular, without restricting the generality of the foregoing, the Committee shall be responsible for suggesting policy for the approval of Diocesan Council in the areas of property and liability insurance, and property management. At the direction of Diocesan Council, the Committee will administer all Diocesan policies in these areas.*
8. *The Property Committee shall comment, review and recommend or act (with appropriate approval) in all situations involving the acquiring, disposing of, exchanging, alienating, or otherwise encumbering of real property, the architectural development or re-development of any site, or any modification of the use of any real property.*

Canon 13 states that one of the duties of the Churchwardens is to “keep the fabric of the Church, the Rectory and other Church properties in good repair ... at all times” (paragraph 26c(i), page 38).

Canon 17 (regarding “Property”) contains the following (paragraphs 1 and 6, page 52):

*No legal or beneficial interest in real property shall be acquired, disposed of, exchanged, alienated, or otherwise encumbered except with the consent of the Bishop and the Diocesan Council and the involvement of the Property Committee as provided for in Canon 4, “Standing Committees of Diocesan Council”. In addition, in any matter involving real property in which a Parish has an interest, the approval of a Meeting of Parishioners constituted under Canon 13, “Parish Governance”, shall be required.*

*No church, rectory, parish hall, or any other real property for Parish use or benefit and no alteration to the structure of any such building shall be acquired, erected, or undertaken without the approval in writing of the Bishop and the Diocesan Council. In addition, any change of use of any real property must first receive the approval in writing of the Bishop and the Diocesan Council.*

In 1997 the then Executive Committee meeting passed a motion to adopt as Diocesan policy a document entitled “Guidelines for Construction or Renovation of Church Property”, which contained five steps identified as follows:

- Approval for Planning and Fundraising
- Preliminary-Design Approval
- Design Approval
- Construction Document Approval
- Construction Approval

This policy document builds upon and clarifies all of the work in this area that is outlined above.

Approved: Diocesan Council  
November 25, 2014

## APPENDIX 1 – SAMPLE PROJECT BUDGET

The following sample project budget is available from the Diocesan Office as an Excel spreadsheet.

### Project Budget

Current Budget date: xx/xx/xx

Previous Budget Date: yy/yy/yy

Note: Presentations of project budget updates are required as per Diocesan Policy for

Parish Property Projects.

#### 1.0 Renovation/Addition Costs

##### 1.1 Construction

- 1.1.01 General Requirements
- 1.1.02 Demolition / Existing conditions
- 1.1.03 Concrete
- 1.1.04 Masonry
- 1.1.05 Metals
- 1.1.06 Woods & Plastics
- 1.1.07 Thermal & Moisture Protection
- 1.1.08 Doors & Windows
- 1.1.09 Finishes
- 1.1.10 Specialties
- 1.1.14 Conveying Systems
- 1.1.15 Mechanical (HVAC / Plumbing / Life Safety)
- 1.1.16 Electrical (Power / Distribution / Life Safety)
- 1.1.31 Sitework

##### Sub Total

##### 1.2 Special items & Allowances

- 1.2.01 Winter construction (allowance)
- 1.2.02 Building Security (allowance)
- 1.2.03 Materials Testing & Inspections (allowance)
- 1.2.04 Allowance (other)
- 1.2.05 Allowance (other)

Pct	Current Budget	Previous Budget	Variance
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
			-
	-	-	-
			-
			-
			-
			-
			-
			-



1.2.21	Special Item (other)				-
1.2.22	Special Item (other)				-
1.2.23	Insurance				-
1.2.24	Permits				-
1.2.25	Other fees				-
	<b>Sub Total</b>		-	-	-
<b>1.3</b>	<b>Other Construction Costs</b>				
	Sub-total for Contingency		-		-
1.3.01	Construction Contingency	10.0%	-		-
	Sub-total for GST		-		-
1.3.02	GST	5.0%	-		-
	<i>Construction Total excluding Construction Management</i>		-		-
1.3.03	Construction Management	6.0%	-		-
1.3.04	GST on Management Fee	5.0%	-		-
	<b>Construction Sub-Total</b>		-	-	-
<b>1.5</b>	<b>Soft Costs</b>				
1.5.01	Architect Fee				-
1.5.02	Engineering Fees				-
1.5.03	Disbursements (project & other misc costs)				-
1.5.04	Client Project Management				-
1.5.05	Owners Insurance				-
1.5.06	Legal Survey				-
1.5.07	Geotechnical				-
1.5.08	Acoustical Consultant				-
1.5.09	Client Consultant (other)				-
1.5.10	Permits				-
1.5.11	Other fees (Legal / appraisal / design / et al)				-

<b>Soft Costs Sub-total</b>				-	-	-
<b>TOTAL RENOVATION/ADDITION</b>				-	-	-
<b>2.0 Additional Facility Upgrades (Outside Scope)</b>						
2.1	Sound System (Conduit / Power in 1.1.16)					-
2.2	Multi Media (Conduit / Power in 1.1.16)					-
2.3	Furniture / Fittings / Equipment (FFE)					-
2.4	Organ (or other such equipment costs)					-
2.5	Upgrades (other)					-
<b>Additional Upgrades Sub-total</b>				-	-	-
<b>3.0 Other Costs</b>						
3.1	Interim Financing (Projected cost)					-
3.3	Project Contingency	3.0%	-			-
3.3	GST	5.0%	-			-
<b>Other Costs Sub-total</b>				-	-	-
<b>TOTAL CAPITAL COST</b>				-	-	-
<b>5.0 Revenue</b>						
5.1	Cash on Hand prior to fundraising					-
5.2	GST Rebate	2.5%	-			-
5.3	Interest (from funds invested) & Other Revenue					-
<b>5.4 Parish Funding</b>						
5.4.01	Received from parishioners					-
5.4.02	Remaining Pledged amount					-
5.4.03	Other Parish Funding					-
<b>5.5 Grants from external sources</b>						
5.5.01	Diocese Grant					-
5.5.02	Anglican Foundation Grant					-
5.5.03	Other Grant (Itemize)					-
5.5.04	Other Grant (Itemize)					-

5.6 Additional Funds Required

5.6.01 Other Loans (Itemize)

5.6.02 Parish fundraising (additional amount req'd)

5.6.03 Unidentified (but required to cover costs)

**TOTAL REVENUE**

		-
		-
-	-	-
-	-	-

**Note: Carry forward previous budget**