

Questionnaire for Capital Projects

Name of Church: _____	Date: _____
Address: _____	
Titleholder: _____	
<i>(exact name of corporation)</i>	
Address: _____	
Project contact: _____	
Address: _____	
Phone: _____	Email: _____

Project: <input checked="" type="checkbox"/> X <input type="checkbox"/> Lease of property <input type="checkbox"/> Property improvement <input type="checkbox"/> Purchase of property <input type="checkbox"/> Sale of property <input type="checkbox"/> Acceptance of gift property <input type="checkbox"/> Capital Mission Development Fund -- <input type="checkbox"/> Loan <input type="checkbox"/> Loan application -- <input type="checkbox"/> Synod <input type="checkbox"/> Other: _____	Space involved: <input checked="" type="checkbox"/> X <input type="checkbox"/> Sanctuary <input type="checkbox"/> Education bldg. <input type="checkbox"/> Multipurpose <input type="checkbox"/> Manse <input type="checkbox"/> Other <input type="checkbox"/> Grant <input type="checkbox"/> Commercial
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(If purchase / sale)

Real Estate Agent: _____	Phone: _____
Address: _____	Email: _____
Street	City State Zip

(If purchase / lease)

Seller/ Leaser: _____	Phone: _____
Address: _____	Email: _____
Street	City State Zip

(If construction / demolition / renovation)

Contractor: _____	Phone: _____
Address: _____	Email: _____
Street	City State Zip

The requirement to obtain Presbytery approval is based on:

“A particular church shall not sell, mortgage or otherwise encumber any of its real property and it shall not acquire real property subject to an encumbrance or condition without permission of the presbytery transmitted through the session of the particular church.” *(Book of Order: G-8.0501)*

“A particular church shall not sell...any of its...real property without permission of the presbytery transmitted through the session of the particular church.” *(Book of Order: G-8/0501)*

“A particular church shall not lease its real property used for the purpose of worship, or lease for more than five years any of its other real property, without written permission of the presbytery...” *(Book of Order: G-8/0502)*

Presbytery of the Cascades • Standard Conditions for Encumbrances

1. Recognizing that capital projects are part of the larger ministry and mission of the Presbyterian Church (USA), the applicant congregation shall consider including in its capital project support for the wider mission of the Presbyterian Church (USA).
2. Building design shall take into consideration the needs of persons with handicapping conditions.
3. Building design shall incorporate measures to make the building energy efficient.
4. Applicants shall engage as required the services of companies, contractors and other professional who are registered equal employment opportunity employers.
5. Applicant shall have conducted a special building fund campaign and received pledges over and above the regular pledges to the program of the church from at least half of the families in the congregation, to be paid over at least a three (3) year period.
6. Building fund pledge receipts shall be held in a separate bank account with a separate ledger account, and shall be applied directly to actual project costs or to reduction of the project's mortgage.
7. Loan proceeds shall be used only for the purposes for which they were appropriated.
8. Applicant shall have raised, in unborrowed cash, at least 20% of the project cost before executing a construction contract.
9. Applicant shall require construction bid and performance bonds, builder's risk and vandalism insurance during the projects duration; and shall carry fire, extended coverage, and liability insurance on the full amount of the contract; and shall require documentary assurances at the conclusion of the project to indemnify the owner against mechanics' liens.
10. All contractors shall provide liability insurance to protect the owner against construction errors and omissions, including a guarantee period of one year from the date of acceptance by the owner. All contracts shall be bonded.
11. The applicant shall insure the premises with an all risk insurance policy in an amount no less than the amount of the loan.
12. The applicant shall borrow no more than \$10,000 from any one family or household. All loans must be evidenced by promissory notes and/or secured by mortgage or deed of trust.
13. The applicant shall incur no financial obligations which are not scheduled as part of the approved Financial Plan for this project.
14. The terms and outstanding balances of all loans shall be acknowledged by being printed in the minutes of each annual meeting of the congregation, until fully amortized.
15. It is required that a church's per capita payment be current beginning with 1995 in order for the Presbytery to process requests for encumbrance.
16. Prior to acquisition of real property, an environmental assessment of the property shall be undertaken.

Please Note:

If any of the above conditions cannot be met, please request a waiver of the condition and state reasons for such a request at the time of application in the Supplemental Questionnaire.

Revised: 4/2005

General Questions

Please answer the following questions. (Space allotted to each question will expand to fit your reply.)

1. Describe in general terms what this project entails.
2. What are the circumstances leading to this request?
3. What specific needs will be met if this request is approved?
📎 **Attach:** Supporting information such as needs survey, demographics, mission study, etc.
4. What alternatives to this project have been explored? Why was this alternative selected?
5. How will the completion of this project enhance, expand or make more effective the ministry and mission of your church / organization?
6. Give the legal description for the real property involved.
📎 **Attach:** Verification such as-- title, preliminary title report, title insurance policy or suitable substitute of property title.
7. What annual increase (or decrease) in expenses (taxes, maintenance, upkeep) is anticipated for this project?
8. Are any special encumbrances and conditions involved?
If **YES**—
 - A. What are the circumstances surrounding this special property situation?
 - B. What are the terms and conditions involved?
 - C. How do you propose to meet these terms and conditions?

Complete the sections applicable to your project:

I. IF SALE, PURCHASE, OR ACCEPTANCE OF GIFT PROPERTY:

ATTACH:

- Sale (or gift) agreement
- Current appraisal
- Evidence of hazardous waste inspection

- A. What is the appraised value of this real property? \$ _____
- B. What is the valuation for tax purpose? \$ _____
- C. What is the market value range for similar property? \$ _____
- D. What is the proposed purchase/ sale price? \$ _____
- E. How will the church use proceeds of sale?

II. IF LEASE:

ATTACH:

- Proposed lease

- A. What are the terms, conditions and length of lease and how do these compare with similar arrangements in your area?
- B. How will the receipts and / or proceeds from the lease be used?
- C. What arrangements are being made for property and liability insurance?

III. IF PROPERTY IMPROVEMENT (CONSTRUCTION/ DEMOLITION/ RENOVATION)

ATTACH:


- Project drawing
- Property map
- Contractor's contract
- Evidence of performance bond

IV. IF A LOAN

Note: If you have not yet determined whether to obtain a commercial or a Synod loan, please submit completed loan application forms for both a Synod and a commercial loan. If you are sending your application before your congregational meeting for approval, send a blank approval signature page and explanation; forward the original signatures once obtained.)

SYNOD LOAN

ATTACH:

 Complete Synod Loan Application

COMMERCIAL LOAN

ATTACH:

 Complete Presbytery Commercial Loan Application

V. IF CAPITAL MISSION DEVELOPMENT FUND GRANT OR LOAN:

ATTACH:

 Financial information form

 Current financial information

A. Amount?

Grant or Loan?

B. Suggested terms (for loan):

AGREEMENT

On _____ (date) the session of _____ Church of _____,, _____(City / State), on behalf of the congregation and subject to the approval of Presbytery; after having consulted with the Presbytery representatives, on _____ (date); voted to apply for permission to proceed with this request. The church corporation approved this action on _____ (date). The session believes the statement and information contained herein and in this application form and attachments to be accurate and agrees to abide by the *Standard Conditions for Encumbrances* as outlined on page 2.

Date

Clerk of Session