

Community Services Hub

FEASIBILITY STUDY REPORT

HEALTHY PRACTICES CONSULTING

A Report for Redcliffe
Uniting Church

Executive Summary

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Healthy Practices Consulting

Love God, Love neighbour, Love self. Matthew 22:36-40



Redcliffe Uniting
Heart of the Peninsula

EXECUTIVE SUMMARY

Background

Redcliffe Uniting Church (RUC), like other Christian churches, faces changing societal belief systems and a change in the place of the church in society. In order to build a sustainable and viable future, it must find a new way of being a church. This is reflected in its mission of being “the Heart of the Peninsula” and its vision of a Community Services Hub bringing together the Church and community. A Church, partnering with like minded service organisations, to bring whole of life transformation to the Peninsula.

“This is not a building project, it’s a Becoming process! It is us, creating opportunities, for people to experience God’s love: Welcome - Experience - Belong - Believe - Become!” (Paul Clark, July 2018)

All who are part of the new integrated Hub will be part of the community, not only those who attend Sunday worship. We are all on a faith journey, just at different stages.

This approach reflects Jesus’ instruction to Love God, Love Self and Love Neighbour (Matthew 22:26:30). It also builds upon the legacy of those who built the current facilities 30 years ago who had a vision for a 24 hours per day, 7 days a week church.

This Feasibility Study Report provides an analysis and evaluation of the feasibility of a Community Services Hub, located on RUC land adjacent to the existing Church and services building at 1 Richens Street, Redcliffe. The report explores the Hub’s alignment with RUC values, the project constraints, funding options and financial projections for its operation.

RUC established a Project Control Group (PCG) to oversee the project and determine its feasibility by the end of August 2018. The decision to undertake a feasibility study was effectively Gate 1 in the decision making process. Any decision to progress to detailed drawings and a Development Application (DA) and planning approval with Moreton Bay Regional Council (MBRC) will be decision making Gate 2, and a final decision to design and construct the project is Gate 3.

What is Driving the Project?

An analysis of the Project Drivers (compelling factors) was undertaken and includes: living to the Mission of God; meeting the needs of our community; a desire to be more connected to our community; the best utilisation of RUC’s assets; acknowledging changing religious beliefs; and the demographics of RUC.

Firstly, we need to be very clear that the Hub will be ‘owned’ by the Church. That all those who come to use the space will share the vision of being part of a community that is working together for life transformation. That while they bring their own values to the space, they need to be aware that for RUC this is a ‘sacred site’ and they will respect RUC’s spirituality and heritage as it respects theirs.

With the place of the church in our society changing, RUC must find new ways of being a church and engaging with its community. The future sustainability of RUC to withstand generational changes, demographic shifts and a declining national level of religious belief, necessitates a shift in vision, transforming the culture, and a recognition that the status quo is unlikely to future proof RUC from these forces of change. Is RUC currently confident or complacent in its use of its assets and in its assurance of a sustainable future?



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A cultural transformation is important for the growth and sustainability of RUC if it is to expand the congregation, diversify the demographic age profile and is vital if the “Church and Hub” concept is to become a reality. This is also a critical premise for the case against the “Do Nothing” option.

Are We Ready for This?

On average, approximately 3,200 people over a month and around 700 to 900 over a week utilise the existing facilities. This offers opportunities to make the Hub pivotal in the Redcliffe Peninsula community based on purpose, scale and significance. Whilst these numbers do not represent individual persons, they do show the flow of foot traffic and emphasise the importance of place-making to capitalise on RUC’s assets and its aspiration and potential to be at the heart of the community. Place-making creates a social space to promote health, well being, spirituality and happiness. The flow of people also provides much support for the viability of a cafe.

It is assumed the PCG will continue its oversight of the proposed Development Application and construction phases. However, we strongly advocate that a Hub Advisory Board be established. It would operate around a simple Terms of Reference to advise the Senior Minister on broader matters pertaining to market trends in professional office space, marketing and positioning of the Hub, partnership development, business advice and ensuring key performance indicators are met.

The Advisory Board’s composition should include at least two members with suitable skill sets external to RUC, alongside those from within who can link to RUC’s desired mission, vision and ministries. It should include people with business acumen and those with strong links to the broader community sector within which the Hub wants to entrench itself.

We recommend the development of a long term Marketing and Communication Plan by the Advisory Board to maximise sessional hires, sustain office rentals and enhance the unprompted public awareness of the Hub. Initially, a pre-opening marketing budget should promote the Hub’s attributes and introduce the local community to the existence of the complex.

Is There a Need?

Moreton Bay region statistics highlight significant pockets of disadvantage. Redcliffe Peninsula has a significantly higher cohort of those over 65 years of age, lower level of 0-15 years old and higher unemployment than Moreton Bay, Queensland and Australia. Moreton Bay’s relative social disadvantage ranking against other areas reveals that Redcliffe Peninsula is more disadvantaged than many other neighbouring northern Brisbane and Queensland locations. Societal trends of more single person households and an increasingly ageing population is creating more social isolation and the need for meaningful connection. As a Christian community we are compelled to love the ‘least of these’.

Do We Know What is Happening Elsewhere?

Field trips to other churches with similar activities or hubs, those operating cafes and the insights gleaned from these observations, were important in Masterplan design considerations but were profoundly helpful in reflecting on the Hub’s purpose as a part of RUC’s overall mission.

“The Church is not building a Hub, the Church is becoming a Hub. It’s not Church and Hub.” (Rev. Paul Clark on reflection after the Goodlife, Buderim visit)

The Feasibility Study has shown that a cafe is an essential amenity for a community-facing, friendly Community Services Hub. It is pivotal to the creation of a place for socialising, worker interaction, community connection and successful place-making.



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"We have the two parables, one of the gold coins and the other of the talents, with the same message, to use your resources to generate the maximum dividend of good stewardship, or they will be transferred to someone who can."
(Cafe Cruise Team participant)

The parables could be a reflection on how to handle all the gifts and assets RUC has. To be a true steward, they should be handled wisely, responsibly and productively. They should yield a profit or bear fruit. It does not matter how many gifts we have received; what matters is our generosity in putting them to good use. Is RUC ready for the responsibilities of stewardship in this context?

Food Bank and Op Shop

After assessment of the Food Bank's desire to be on site, preferably alongside an Op Shop, and on the assumption that RUC wants to support it as a ministry, it can be accommodated by thoughtful placement in the Masterplan and, where possible, functional separation from other activities. These two operations should be designated as discrete sub-projects, their capital expenditure requirements (as indicated in the Quantity Surveyor's Report) be integrated into their Business Plan and a broader range of funding options be considered. External funding may be more readily available for this aspect of the project, than others.

Is Our Vision Aligned with the Hub?

The Hub is a bringing together of the Church and Community through a refurbishment and new facilities that enables life transformation. Loving God. Loving Self. Loving Neighbour, in one place.

We need to create a Hub that inspires people to feel at the heart of our community, thereby strengthening the connection between people and the places they share. Investing in income producing assets, and more importantly in future ministry to achieve RUC's mission to serve the community, are combined, highly justifiable goals. Decisions should be considered in both these lights not just financial terms.

How Did We Consult?

The Feasibility Study has involved extensive consultation with some 400 people directly or indirectly (not including those covered by news media stories) across a diverse range of internal and external stakeholders including: potential and current partners and tenants; Synod and UCQ; Moreton Bay Regional Council; the general community; and congregation members.

What Did the Architectural Process Involve?

The architects and other professional services were appointed following a multi-staged selection process. Bickerton Masters (BM) architects were successful and held one on one and small group meetings with current and potential tenants and interested members of the congregation. A charette workshop was held to bring RUC's newly framed Church and Hub vision into alignment with the spatial needs and wants of users and members of the congregation. Broad design options were then viewed at a combined Church Council and PCG meeting before the Masterplan was completed.

Analysis of the Rental and Meetings Hire Market

After an analysis of the comparative rental and meetings room hire rates for the Redcliffe Peninsula, it was found that RUC is already placed in the middle to high end for meeting rooms. However, there are few high quality 40-50 person meeting and training spaces outside of the function and club/hotel providers. The community sector typically gravitates less to clubs and hotels. RUC's market advantage will sit within the



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community services sector and those acknowledging its capacity to affordably cater through either its hospitality function (more in-house) or the intended cafe.

RUC is already a reliable provider of office, sessional and meeting space for a very diverse range of activities. Once the Masterplan is approved, and if the project proceeds to a Development Application (Gate 2), there will be renewed interest from potential organisations and users wanting to rent or hire sessional space, based on the confidence that RUC is serious about this project's completion.

What do the Financial Projections Tell Us?

The financial projections are based on a capping of phase 1 of construction costs (indicated as 1A, 1B and Stage 2 Hall in the Masterplan) to \$4,000,000 maximum expenditure on the construction, site works, improvements (car parks, drainage, gardens), fit out and other project costs. It is considered that this limit is a financial constraint beyond which necessitates using a higher level of existing assets than may be acceptable, and the project's feasibility diminishes.

To achieve this financial cap RUC must consider several options to alter the current Masterplan. The financial projections have many assumptions and should be read as a best estimate based on: discussion with the PCG and its Chair; information presented in the 2018 current budget (used as the foundation for the financial analysis); known Synod requirements; the potential needs of tenants; and the Redcliffe Peninsula comparative rental and sessional/meeting space hire market assessments. These, along with the body of this report, have been collaboratively agreed and tabled to assist RUC to make a decision as to whether to progress to Gate 2.

A critical determinant is the Mission and Service Fund levy payable on all offerings, interest and rental income. If this remains payable the project is not feasible. If it can be reduced to nil for the hire of premises (rent and meeting space) the project becomes feasible, but only if an optimal mix of funding sources is used.

What is Our Legacy and Stewardship of our Assets?

RUC's current financial, building and investment assets are a legacy from the initial building of the Church almost 30 years ago. The new refurbishments and any new building form the platform and legacy this generation offers for the next 30 years. Legacy should equate to a mix of mission, ministry, sound finances and investment in assets. This project needs to be seen in the context of a Kingdom Investment. Investing in a property will have outcomes for mission, income and long term asset growth, regardless of the funding source mix. A balance of existing funds and loans will best achieve this.

The funding sources will ultimately be an optimal mix of those matters discussed in the body of the Feasibility Study Report's "Questions and Observations" section and from the broad, "Funding Sources" section. It will balance risk, loans, use of RUC existing funds and desired vision. The critical questions are:

1. What do we wish to leave for future generations?
2. How will we continue our Mission?
3. What is the optimal funding mix to achieve questions 1 and 2 above?

What are RUC's Decision Making Options?

The three options for decision making are shown in the table below.



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OPTIONS	COMMENT
1. DO NOTHING	<p>This is not recommended for these reasons:</p> <ul style="list-style-type: none"> • A cultural transformation is desired if a sustainable future is to be achieved. • A social/cafe space as an enhanced amenity is an important part of the vision. • Current rental income allows RUC to carry out its core activities. Without it RUC would not be able to employ all the staff it has, run all its ministries nor do even the modest renovations currently underway. If it cannot meet the needs of UCQ in the near future they will seek alternative accommodation. Hence, RUC not only loses the opportunity for the Hub, including potential additional income, it will lose current income and without increased giving will also have to scale back what it is currently staffing. • Potential tenants and the community will lose faith that RUC will ever do anything. • Some congregation members may leave. • New people may be harder to attract as RUC may be seen as a static congregation. • If the Hub is financially feasible but there is a 'no' decision, developing the land will be delayed a generation. • In the future, people may believe that all the analysis work informed RUC it was not a workable ministry investment (a wrong, but inevitable, conclusion). • In addition, current and future tenants would look for long term alternatives and may not take seriously any attempt to recommence the process.
2. PROCEED TO DEVELOPMENT APPLICATION (DA), DETAILED DRAWINGS AND FIRM COSTINGS - RECOMMENDED	<p>This is the best decision and is recommended because:</p> <ul style="list-style-type: none"> • The Project moves from decision making Gate 1 (the current professional process via a PCG and Project Manager to ascertain the Hub's feasibility) to Gate 2, the commitment of additional funds to prepare more detailed plans and get more in depth town planning and other advices and ultimately get MBRC DA approval. • After DA approval RUC reaches Gate 3 - the decision to build a Hub in stages and the commitment of funds. • The progression to DA stage will provide great relief to the anchor tenant as they will perceive a clear direction and it will bolster the chances of securing more tenants and users for the same reasons. • This is the approach recommended by Synod.
3. DO NOT PROCEED YET BUT GATHER MORE INFORMATION	<p>This option allows further investigation by RUC if it felt there is other information necessary to make an informed decision. The counter argument and why this is not recommended is that:</p> <ul style="list-style-type: none"> • The Feasibility Report is extensive and the underlying consultation and analysis process has been very thorough. • There is no further information to uncover or detail that will assist in making a well informed decision to progress to Gate 2. • It is unlikely that a pause or delay will secure more tenants as it will be seen by many as procrastination and will promote uncertainty. • The arguments against the Do Nothing decision all apply here. • It is likely that some members of the congregation, PCG and potential tenants will disengage if the process is extended.

What Happens Next?

The next steps for RUC involve, at the least:

1. A recommendation by the PCG to proceed with a "Go" decision moving the project to decision making Gate 2, the Development Application process and detailed drawings lodged with Moreton Bay Regional Council;
2. Endorsement and approval of the Church Council and approval by the congregation; and
3. Endorsement by Presbytery and Synod.

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