

# Discussion Document with Vestry

January 18, 2011

## Facility Timeline and Plans

Episcopal Church of the Redeemer – Houston, Texas

4411 Dallas St – Houston, TX 77203-1817

### January 2011

- 5<sup>th</sup> Recommendation to Bishop Doyle
- 13<sup>th</sup> CD Team Meeting
- 14<sup>th</sup> Presentation by Bob Schorr to Church Corp (scheduled meeting)
- 18<sup>th</sup> Meeting with Congregation: Bishop Doyle, Bob Schorr, Mary MacGregor
- Options for Congregation
    - o Request status change to Mission
    - o Diaspora
    - o House Church
    - o Lease of Santa Cruz
  - Leadership
- 23<sup>rd</sup> Communication to congregation  
(Diocesan Representative present. Meeting with congregation following service?)
- 29<sup>th</sup> Congregational workshop on options for the community/congregation after the building closes. Mary MacGregor to facilitate.

### February

- 1<sup>st</sup> – 18<sup>th</sup> Coordination with Congregation: Schorr, Fisher, MacGregor, Biehl and others as necessary
- Option for Santa Cruz
  - Inventory of Records, Artifacts, Archives
  - Occupation of Rectory building through end of Semester?
- 27<sup>th</sup> Final Sunday Service, Celebration of Ministry and the life of Redeemer in this *place*, Service of Deconsecration
- Celebrant: The Rev. Canon Ann Normand
    - Others:
- 28<sup>th</sup> Secure the Facility



**Memorandum**  
Episcopal Diocese of Texas

**To:** The Rt. Rev. C. Andrew Doyle  
**From:** Bob Schorr, Congregational Development Office  
**Re:** Facility Assessment & Recommendation, Church of the Redeemer      **Date:** 01/12/2011

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**Background:**

Church of the Redeemer has a rich and storied history in the life of the Diocese and The Episcopal Church. The story of its zenith in the 1960s - 1970s is captured in Julia Duin's book, *Days of Fire and Glory*. Since the early 90s, attendance, as measured by ASA, has been in steady decline, falling from a high of 383 in 1993 to 91 in 2009, the most recent year available (see attachment).

The congregation initiated studies and assessments to address both facility needs and overall congregational vitality.

Harper & Associates Architects submitted a Master Development Plan in October 1998, addressing structural and infrastructure needs, as well as aesthetic and functional improvements. The estimated cost in this report was \$1.75 million, but stipulated that the estimate did not include additional work for code compliance, which was to be determined in the design phase. Few, if any, of the items in this report were addressed.

In 2004, the Diocese provided \$37,500 to Redeemer for the purpose of replacing a cooling tower and emergency lighting system. In 2008, the Diocese provided \$20,219 to assist with "emergency repairs" to an HVAC system. At this time, the problem was due, in large part, to the failure to treat the water in the cooling tower. Outages in the various HVAC systems have prevented the congregation from worshipping in the Nave for extended periods over the past three years.

In June and July 2005, Mike Bonem conducted a Congregational Assessment Report. Three significant areas of need identified in this report include: Numerical Decline, Lack of Vision, and Outreach (Evangelism) Challenge. This quote from the Outreach Challenge section of the report is particularly informative, "*Redeemer's location, the age of its membership, its dissimilarity with the surrounding community, and even its heritage work against it in this respect. Simply stated, Redeemer faces a sizable challenge in attempting to draw new members into its fellowship. The lack of clarity in the church's vision is a reflection of this challenge, and is also exacerbating the problem.*" Said another way, the current culture of the congregation is still so enmeshed in Redeemer's history – specifically it's "heyday" – it makes it difficult to attract and keep new members who don't share that history or aspire to it. While the report is now 5 ½ years old, I have been told it still accurately describes the state of the parish.

### ***Current Assessment Project:***

In conversations with Canon Ann Normand last September following the retirement of Rector Nan Doerr, the congregation asked about an expenditure of approximately \$15,000 to restore heating and cooling to some areas of the facility. With the experience of 2004 and 2008, I was asked to coordinate an overall assessment of the facility to inform this matter.

With the generous assistance of Howard Tellepsen and Steve Peterson of Tellepsen Builders, Tom Tellepsen, Studio Red Architects, and the additional firms on the attached roster, we met at Redeemer on Monday November 8. This initial meeting included a thorough tour of the campus including all buildings, mechanical and electrical distribution equipment, roofs, and an exterior inspection. Following this meeting, the electrical, mechanical, plumbing, and structural sub-contractors sent field personnel to the church to conduct more detailed inspections.

The team met again on November 16 to review the preliminary findings of the sub-contractors and the work of the Architects to catalog the available drawings and their assessment of the facility vis-à-vis current code compliance including the areas of fire alarm systems, fire sprinkler systems, and ADA accessibility. At this meeting, it became clear that the mechanical and electrical systems were in particularly bad shape. We were advised that the cost to gut and replace would be less than the cost to fix, repair, and upgrade to code. Plumbing was not much better. The difficulty of trying to address issues in stages was discussed. This arises from the magnitude of the work, all of which requires building permits and inspections, which would then trigger requirements to bring the building up to code. In short, a domino effect could likely result in the scope of work expanding to a complete refurbishing of the building.

Furthermore, the deteriorating condition of the exterior of the building complicates decisions to refurbish.

On November 23, I met with Steve Peterson, COO of Tellepsen and Pete Ed Garrett, Founding Partner of Studio Red. We determined that further assessment work should cease for two reasons: 1) We had sufficient information to determine that bringing the building up to code was not economically justifiable; and, 2) The assessment was being provided at no cost and we felt it unfair to ask these firms to conduct further work and cost estimates for a project we would not be pursuing.

We also determined that having the knowledge of the condition of the exterior, we had an obligation to erect safety barriers at entrances and other areas where injury could occur from falling concrete.

### ***Assessment Findings and Determination:***

Based on cost data supplied by Tellepsen and its subcontractors, Studio Red estimated that the work on the plumbing, electrical, and mechanical systems alone would be in the range of \$2.5 - \$3.5 million. Addressing all facility issues is estimated at \$5 – 7 million, not including environmental issues. This information is detailed in the attached letter from Studio Red.

Due to the existing condition of the electrical, mechanical, and plumbing systems, the spalling of the exterior surface of the buildings (chunks of concrete separating and falling), the lack of fire alarm system, and inadequacy of emergency exit signs and lights, the building is not safe to occupy. In the opinion of the architect and contractor, a random inspection by a fire marshal would likely result in a revocation of the Certificate of Occupancy.

No inspection to determine the presence of lead-based paint, asbestos, or mold has been made. However, the age of the buildings suggests the presence of lead-based paint and asbestos is likely. A full environmental assessment would be required before any work (renovation or demolition) begins and, once discovered, would have to be remediated prior to any work. Two estimates for the assessment were solicited. They are in the neighborhood of \$18,000.

***Communication with Congregation:***

In response to questions about the status of the project from the leadership – having heard the discussions at the two assessment meetings at the church – I advised them of my view and what I felt would be in this recommendation. My comments were not a surprise, but the impact was clearly profound. I noted that we are facing this situation due to the congregation’s failure to properly maintain the property. This was a conscious decision on the party of Redeemer leadership. I was told that the congregation made a conscious decision in the early 1990s that ministry was more important than maintenance of the facility.

Against my advice, but fully within their rights and authority, the Vestry chose to advise the congregation in mid-December of the situation and that this would likely be their last Christmas in the building. Thus, the topic and likely outcome are fully known to the congregation.

***Recommendation:***

The magnitude of the cost to bring this facility up to code is beyond the capacity of the congregation and, in my opinion, cannot be justified by the Diocese. An expenditure of this size in another place could build a new church with 12 – 16 acres of land, a substantial initial facility, adequate parking, and the potential to become a resource size parish within 8 – 10 years.

An appropriate timeline for conversation with the congregation, concluding worship in this facility, and discussing the future of the building and the congregation needs to proceed apace. As outlined above, the facility should not continue to be occupied past the time needed for an appropriate conclusion and celebration of the life and ministry of Redeemer in this facility.

**Attachments:**

ASA Chart  
LoBSTER Reports 2009 (2)  
List of Sub-contractors  
Studio Red Letter

**Church of the Redeemer, Houston**

<b>YEAR</b>	<b>ASA</b>
1992	300
1993	383
1994	325
1995	330
1996	315
1997	308
1998	202
1999	259
2000	194
2001	154
2002	140
2003	136
2004	136
2005	110
2006	92
2007	92
2008	94
2009	91

Membership and Financial Report - 1999, 2005 - 2009

**Redeemer, Houston**

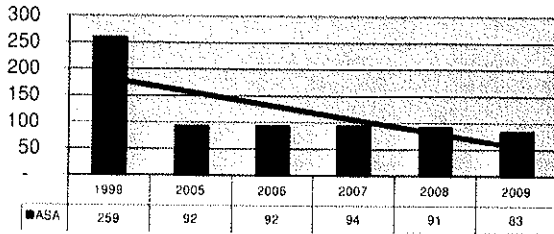
<b><u>Membership:</u></b>	<b><u>1999</u></b>	<b><u>2005</u></b>	<b><u>2006</u></b>	<b><u>2007</u></b>	<b><u>2008</u></b>	<b><u>2009</u></b>
<i>Membership at year end:</i>	390	146	155	160	166	172
<i>Communicants in Good Standing:</i>	245	119	128	134	126	132
<i>Average Sunday Attendance (ASA):</i>	259	92	92	94	91	83
<i>Marriages:</i>	6	1	1	2	-	2
<i>Burials:</i>	-	3	1	2	4	2
<i>Baptisms over 16:</i>	-	-	-	-	-	-
<i>Baptisms: Infants through 16:</i>	12	2	-	3	-	-
<i>Confirmations 16 and over:</i>	21	-	-	1	2	3
<i>Confirmations under 16:</i>	1	-	-	-	2	-
<i>Receptions:</i>	6	-	-	-	2	2
<i>Sunday School Enrollment:</i>	105	38	36	28	8	6
<i>Enrollment as % of membership:</i>	26.92%	26.03%	23.23%	17.50%	4.82%	3.49%
<i>Confirmations, Receptions, Adult Baptisms (CRAB):</i>	28	-	-	1	6	5
<i>CRAB as % of ASA:</i>	10.81%	0.00%	0.00%	1.06%	6.59%	6.02%
<b><u>Revenues:</u></b>						
<i>Total Pledge Amount:</i>	\$ -	\$ 204,512	\$ 198,998	\$ 223,972	\$ 233,012	\$ 206,167
<i>Pledging Units:</i>	-	50	51	49	50	49
<i>Average Pledge Amount:</i>	\$ -	\$ 4,090	\$ 3,902	\$ 4,571	\$ 4,660	\$ 4,207
<i>Average Current Diocesan Pledge Amount:</i>	\$ 2,095	\$ 2,778	\$ 2,979	\$ 3,253	\$ 3,531	\$ 3,091
<i>Highest Average Congregation:</i>	\$ 4,257	\$ 7,000	\$ 52,432	\$ 8,921	\$ 7,322	\$ 7,829
<i>Number of Pledges:</i>	68	15	2	37	138	143
<i>Lowest Average Congregation:</i>	\$ 365	\$ 385	\$ 440	\$ 29	\$ 545	\$ 510
<i>Number of Pledges:</i>	230	13	107	54	112	129
<i>Plate and Pledge:</i>	\$ 364,692	\$ 230,166	\$ 241,903	\$ 323,622	\$ 273,509	\$ 219,666
<i>Total Operating Revenue:</i>	\$ 382,319	\$ 233,185	\$ 244,652	\$ 334,952	\$ 301,189	\$ 263,335
<i>Plate and Pledge as % of Operating Revenue:</i>	95.39%	98.71%	98.88%	96.62%	90.81%	83.42%
<b><u>Expenses:</u></b>						
<i>Outreach from Operating Revenue:</i>	\$ 261,420	\$ 290,365	\$ 278,456	\$ 313,064	\$ 301,189	\$ 314,718
<i>Outreach as % of Operating Revenue:</i>	\$ 78,190	\$ 664	\$ 2,865	\$ 210	\$ 3,920	\$ 3,885
	20.45%	0.28%	1.17%	0.06%	1.30%	1.48%
<b><u>Diocesan Assessment:</u></b>						
<i>As % of Operating Revenue:</i>	\$ 62,200	\$ 28,512	\$ 28,816	\$ 33,493	\$ 29,732	\$ 32,083
	16.27%	12.23%	11.78%	10.00%	9.87%	12.18%
<i>As % of Plate and Pledge:</i>	17.06%	12.39%	11.91%	10.35%	10.87%	14.61%
<b><u>Missionary Asking (\$)</u></b>						
<i>Asking Response (\$):</i>	\$ 38,227	\$ 27,724	\$ 25,235	\$ 23,727	\$ 25,971	\$ 26,915
<i>Asking Response (%):</i>	\$ 30,000	\$ 12,500	\$ 12,500	\$ 4,000	\$ -	\$ 3,000
	78.48%	45.09%	49.53%	16.86%	0.00%	11.15%
<i>Asking Paid (\$)</i>	\$ 30,000	\$ 8,333	\$ -	\$ 4,000	\$ -	\$ -
<i>As % of Asking:</i>	78.48%	30.06%	0.00%	16.86%	0.00%	0.00%
<i>As % Response:</i>	100.00%	66.67%	0.00%	100.00%	0.00%	0.00%
<b><u>Outreach and Missionary Asking</u></b>						
<i>Paid as % of Operating Revenue:</i>	28.30%	3.86%	1.17%	1.26%	1.30%	1.48%

Source: Annual Parochial Report and Mission Funding Office

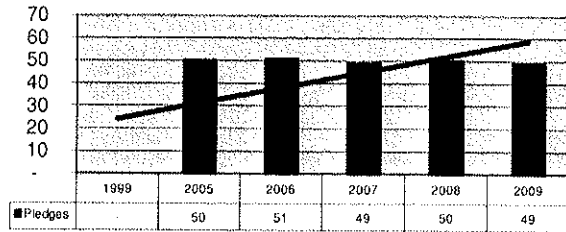
Prepared by Episcopal Diocese of Texas

## Redeemer, Houston - 1999, 2005-2009 Charts

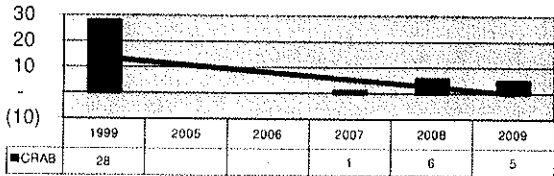
### Average Sunday Attendance (ASA)



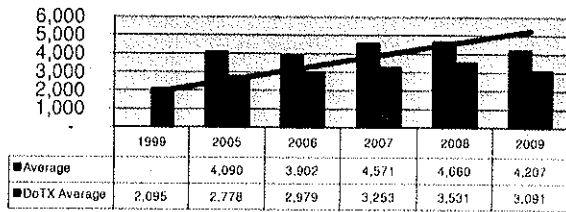
### Number of Pledges



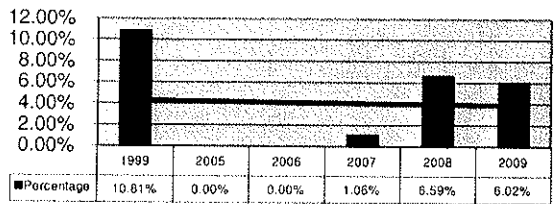
### Confirmations, Receptions, Adult Baptisms (CRAB)



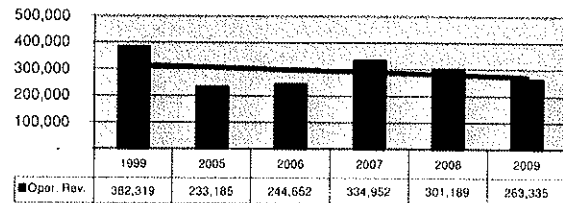
### Average Pledge (\$)



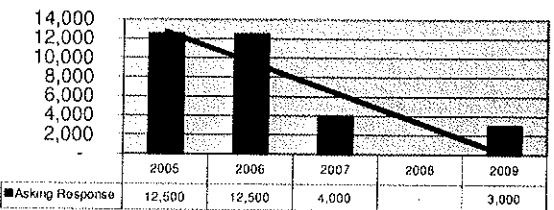
### CRAB as Percentage of ASA



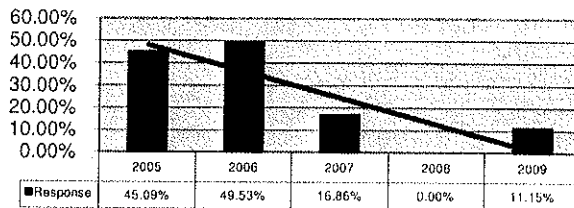
### Operating Revenue (\$)



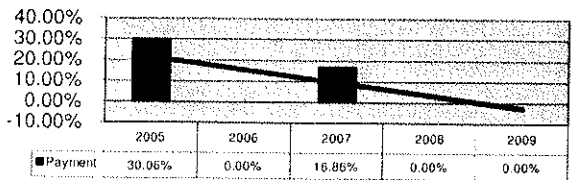
### Missionary Asking Response (\$)



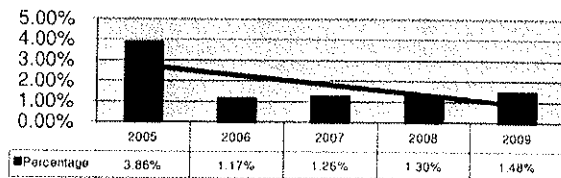
### Missionary Asking Response (%)



### Missionary Asking Response Paid (%)



### Outreach and Missionary Asking as Percent of Operating Revenue



December 15, 2010

Bob Schorr  
Coordinator for Congregational Development  
The Episcopal Diocese of Texas  
1225 Texas Ave.  
Houston, Texas 77002-3504  
bschorr@epicenter.org

**RE: Church of the Redeemer  
Houston, Texas**

Dear Bob:

Studio RED Architects is glad to be a part of the assessment team evaluating the renovation/code upgrades of the buildings that compose Church of the Redeemer campus.

After our two walk-through meetings at the existing buildings, I would like to share with you our first thoughts on immediate code required upgrades and renovations. The cost budgets below are to be considered budget guesses. I have received costs on two new construction projects, and I am using those new construction cost values in this assessment of renovation and remodeling project. The budgets identified do not include the rectory.

These buildings will be reviewed under Appendix "L" of the City of Houston Building Codes. This part of the code is most favorable for older buildings as the City would also like to maintain older and historic buildings, but renovate for life safety issues.

The listed budgets below are due to renovation need, the City of Houston Building and Life Safety Codes and ADA issues. There is no identification of budgets below for architectural aesthetic issues.

Please note these budgets are rough estimates with as much as a ten percent variance. The three buildings, not including the rectory totals 38,000 gsf.

**BUDGET**

1. Sprinkler requirements	26,088 sf. @	\$ 3.10 psf.	\$ 81,000
2. New Mechanical Service	38,000 sf. @	\$24.00 psf.	912,000
3. New Electrical	38,000 sf. @	\$25.00 psf.	950,000
4. New Plumbing Service	38,000 sf. @	\$16.50 psf.	627,000



1320 McGowen

Houston, Texas 77004

phone 713.622.5333

fax 713.622.5346

[www.studio-red-architects.com](http://www.studio-red-architects.com)



Please note that the above estimate numbers used are present costs from subcontractors for new construction. I propose there should be a percentage add-on factor for renovation work in existing buildings. It is our experience that the percentage factor could be in the 40% to 50% range. Therefore, to acknowledge renovation work in the 60 year old and 80 year old buildings, I have prepared a 40% add-on factor:

5. Renovation Factor on New Costs Construction (40%)  
 (Items 1-4 Total) \$2,570,000 X 40%= \$ 1,028,000

Other costing considerations that are not identified:

- 6. Exterior wall repair from concrete spalling \$ \_\_\_\_\_
- 7. ADA issues/improvements of the three buildings.  
 (over 100 items will be identified) \$ \_\_\_\_\_
- 8. Structural deficiencies to be corrected \$ \_\_\_\_\_
- 9. Roofing deficiencies to be corrected (1998 Report) \$ 80,000
- 10. Civil deficiencies to be upgraded \$ \_\_\_\_\_
- 11. Parking requirements (although no land availability)  
 123 spaces/40,000 sf. \$ 260,000
- 12. Window Replacement throughout three buildings \$ \_\_\_\_\_
- 13. Rectory Renovation 3,320 sf. @ \$150 \$ 500,000

Although, not required by Appendix "L" of the City of Houston Building Code, an elevator may be required by ADA and also desired by the Parish. There is a need for an elevator to service the floors of the education wing and basement floor under the Parish Hall. A second elevator may be desired and/or required for balcony access in the Sanctuary.

- 14. Educational Wing Elevator (4 stops) \$ 750,000
  - 15. Sanctuary Balcony Elevator \$ 300,000
- (Items 1-15 Total) **TOTAL = \$ 5,488,000**

Again, these costs are an estimate of base labor and materials. Please add an additional 21% factor for conversion to a General Construction Company Contract, and for your project costs as the owners, please add an additional 20% factor to create the budget which includes the "Hard and Soft" costs or total project costs. Therefore, with only the basic items identified and with many unknowns at this point, I think your project costs are:

$(\$5,488,000 \times 1.21) \times 1.20 = \$ 7,968,576$

A cost budget for hazardous materials abatement is not included in the above numbers. It is my understanding that you have contracted an Environmental Assessment Consultant to identify interior and exterior asbestos, lead-based paint and mold. Cost budgets for this remediation/abatement can be identified at the conclusion of the survey and report.

Please consider this budget as a guess draft, but I hope this will give you an idea of a "minimum range" cost that will only increase as other items are identified and priced. I share this with you to forecast if there is the need for a more detailed investigation by the architects and engineers.

If you have any questions, feel free to contact me.

Sincerely,

A handwritten signature in black ink that reads "Pete Ed Garrett". The signature is stylized and written in a cursive-like font.

*Pete Ed Garrett, AIA  
Partner  
Studio Red Architects*