



## **Carrying On The Vision Ministry Building Q & A**

### ***Questions from January 28 Land Information Meeting***

#### **Timeframes**

##### **What is the timeline for raising the money?**

That is still something that is being debated with the council and finance team as we are waiting to see how the Vision Campaign pledges wrap up. Based on where we are today, we do not have enough in gifts, pledges, and the building fund to build a \$6M building, so we have to start seeing what we can do for additional funds.

##### **When do we hope to begin building?**

The timeframe to breaking ground for the building is 6-12 months. We would develop the plans, submit the plans to the city, get approval, and then they issue a permit. It would be about 6 months to get the plans ready to go to the city. And then another 3-6 months to get the plans approved and permitted. Construction would then be an additional 12 months.

##### **What is a general timeframe for this kind of land being ready to put on the market, being on the market, and closing with the money in hand by CrossPoint?**

A minimum of 3-6 months up to 12-18 months. There is no way to accurately guess how long it would take to find a buyer. Because this is potentially a very long process, it's important that we start the process to get the ministry building project moving.

##### **Will we pursue alternative options for funding while the land is on the market, and if one of those would work would we not sell the land?**

Yes. It's important to note that the timeframe for the land going on the market to its sale, for a price we would desire, may be a long one. This is why we are asking for a vote now rather than later. While the land is on the market, we would concurrently work on alternative ideas and keep the pledge campaign growing. If a better solution presents itself for funding, we would be able to retain the land and not sell it.

#### **Finances**

##### **Where does the land rental income currently go?**

Into the building fund.

##### **How was the \$750,000 from the Building Fund determined?**

The building fund has been holding funds collected from the rental property. It currently has a value of 1.5 million dollars and so 50% of the fund was applied to the ministry building fund. The fund is

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used primarily for campus costs; building maintenance, repaving the parking lot, etc. We need to keep some of the funds for ongoing maintenance and large expenses, which is why we only applied 50% of the fund.

## **Land and Land Sale**

### **If CrossPoint owns 2.9 acres, what role does the city have in the sale at this time?**

The city doesn't control if we sell the property or not. The land has value and the question is who wants to buy it. It might be harder to develop, but there are people or companies who are willing to put up residential property that could probably make money doing that. The city's role is more of a development agreement. The developer that would want to buy the land would normally come and they would option the land. In a letter of intent they would offer a certain price but add a contingency that the city approve their plans for development before finalizing the sale. As a church, we actually get to give an opinion and speak at public hearings on how that land gets developed. However, the land would likely be better for commercial use than residential use and it would have to be rezoned with the city for that.

### **If the proposed property for sale has economic incumbrances and constraints, how marketable is the property?**

See above question comments. For the right developer, it is marketable. Also, we have talked to a broker who is familiar with land in this area and we reasonably believe it has a value of 3M-5M dollars.

### **What is the land parcel zoned for and is the city changing the zoning?**

The land parcel is zoned R-14, multi-residential. No, the city is not changing the zoning.

### **Can it be rezoned?**

It's unknown whether the land can be rezoned until a plan for a specific use and proposed zone change is submitted to the city, which would take many months and cost significant dollars. The city would then evaluate the plan and respond.

### **Has there been any interest from buyers?**

Yes, a couple of letters of intent, however, the Consistory felt it would be best not to respond to them until the congregation approved listing the land for sale. Letters of intent are not binding and don't mean too much until a formal purchase and sale agreement are signed.

### **What would be the projected cost of the 3 acres of land in the next 5-10 years?**

That is very difficult to answer. Obviously we have seen real estate increases in the inland empire and it is certainly worth more than it was when we purchased it, but putting a value on it in the future is hard to say. Of course if we sell it to build the building, we cannot sell it in the future. If we held onto it, that would leave us trying to build a 6 million dollar building with just over 2 million (in pledges and building fund), but we would still need a 4M loan that would increase interest payments and affect our overall budget greatly.

## **Alternatives to Land Sale**

### **What would be some alternatives to the land sale for funding the ministry building?**

Our current budget does not really allow for us to incur too much additional debt and cover those payments plus interest in the general budget. We generally break even every year. Right now we have \$1m left on the mortgage for the purchase and costs of the buildings we have, which is at a very favorable rate of 2.9%. A refinance with a new construction loan would be at a much higher rate. The general budget could not absorb a new construction loan, plus we are losing the rental income from the 3 acres. We are also losing our favorable 2.9% interest rate on the \$1M remaining very soon.

The building we need today is expected to be built faster from the sale of the land plus the gifts/pledges collected combined with the allocations from the building fund.

This does not preclude us from looking closer at the other land we have. It may be possible to look at using that for something other than the current rate we are getting to rent it as farmland.

### **What is the long term vision for the other 5 acres?**

There are no concrete long term plans for the unimproved 5+ acres to the north. Before we build on that we would probably consider the half-acre improved property (graded, utilities, grass) to the west of the ministry building site as it would be less costly to build on and be closer to the center of campus.

The Land Development Committee has discussed many different possibilities for this land, including creating sports fields for a sports outreach ministry. A portion of the land may be needed for additional parking in the future.

### **How is the loss of rental income from the property going to be covered?**

We are currently in discussions with the City of Chino to extend the rental lease. If this is unsuccessful, we will need to pursue other options for rental income from our land, but there are very few options for the 3 acres given the zoning and where it is located.

### **If we do not sell, what are the options of using this land?**

At this time there are very few other options. Not only does the zoning of R-14 not align with our ministry objectives, but developing the land is well beyond our financial capability. The city has already told us that we can not lease to our existing tenant on an ongoing basis because of their use. We would have a piece of land that we would need to pay property taxes on and perhaps do some weed abatement and other upkeep, but it could not necessarily be used for anything else.

### **Can you do a long term lease for the land instead of selling it?**

This would not be a feasible option as we need the funds to build the Ministry building now, not years from now. Also, it's unlikely that we would attract a tenant that would line up with the uses within the current zoning. The existing tenant would not be a consideration because the use is prohibited in our current zoning.

## **Questions submitted before Initial Vote (Updated on October 20, 2023)**

### Land Questions

**If we don't sell the 2.9 acres, what are some possible outcomes if the city forces us to develop it?**

I know of no situation where the city would force us to develop the property.

**How much buildable land exists in the northern property, assuming we cannot build within the power line easements?**

A total of 7.89 acres is buildable in the northern property. If the 2.9 acres along Euclid is sold, then the buildable remainder would be 5.25 acres.

**What is the approximate value of the 2.9 acres?**

**How much would the sale of the property reduce the estimated total for the building project?**

The current approximate value is \$3M-\$5M. We would use 100% of whatever funds we net out of the sale of the land to reduce the total building cost.

**What is the zoning for the 2.9 acres?**

The zoning for the 2.9 acres is R-14 for multi-unit residential.

**What rent could we get compared to the price we could get today?**

Currently we are getting \$10,000 per month for the land. That lease expires at the end of this year and our agreement with the City of Chino also expires at the end of this year. We hope to get both renewed for one more year, but we know the city will not permit us to lease the property for trailer storage on a long term basis. It's hard to say how much we would get to lease the land to someone else as leasing land is very unpredictable. We believe the land is worth anywhere from \$3M-\$5M on a sale basis.

### Administrative Questions

**How was the average 760 number of Sunday attendance calculated for all three congregations? Was it bodies in a seat, which could include adults and children?**

The average was for all 3 congregations (men, women, and children) that are in the building (worship center, CPkids, and CPLittles) on a Sunday morning. It does not include online attenders.

**How many household/family units does CrossPoint have?**

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CrossPoint currently has approximately 335 household units that are considered to be members or regular attenders.

**What is an estimated number of households potentially contributing to this campaign?**

CrossPoint currently has 254 household units that give on a regular basis. We did not perform a feasibility study to ask how many households are planning to contribute. We will be sharing the vision campaign with all those who attend CrossPoint, past members, and the families whose children attend our Wednesday night ministries. We want to encourage everyone to help carry on the vision for our growing ministries.

Financial Questions

**Is the endowment fund being considered for this project?**

The endowment fund has not been considered for this project as there is a restriction for the amount of funds for withdrawal.

**If we end up selling the 2.9 acres, and the total funds received from that sale plus the funds raised from the congregation exceeds the total cost for the project, what will happen to the excess funds?**

In the unlikely event this would happen, the funds would remain in the building fund and be available for future building and maintenance needs.

**What is the CrossPoint policy on debt accrual?**

There is not a formal debt accrual policy, however, the leadership at CrossPoint has a history of being financially conservative regarding debt. We don't ever want to jeopardize God's work because of excessive debt.

**If this campaign is passed and the pledges are processed with the intent to use plan #1, but we cannot finance this campaign on pledges alone, will we have further conversations and voting on moving forward with plan #2 or #3?**

The vote on Voting Sunday, November 5th, is a vote to move forward with Plan #1 or Plan #2. If approved and the pledges do not cover the cost, the Finance Team and Consistory will decide how much debt is prudent for plan #2, if any, and how much would be excessive and a risk to our ministries and staff. If neither of those plans are viable, because of lack of the necessary funds required to build the building, then we will go back to the congregation to vote on Plan #3, the sale of the 2.9 acres.

**Has the building committee and finance team considered and researched the percentage of members or attenders who leave a church when a building campaign is introduced?**

No research has been done on that topic, however, we will not move forward with the building program unless we are convinced that the CrossPoint church body is behind the project.

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God has blessed us with the need for classroom space and we are responding to that need with prayer, research, and counsel as to the wisest way to move forward. We'll continue to move forward as God leads and provides for us, and let Him work in the hearts and lives of His people.

**How will the general budget be affected if we need to rely on it for plan #2?**

We will continue to monitor our budget and financial position as we move forward through the building process. The Finance Team and Consistory will decide how much debt is prudent, if any, and how much would be excessive and a risk to our ministries and staff.

**With the location and makeup of the church members and attenders now, have we considered the giving campaign and its effect on the budget of other current ministries within the church? Will we have to sacrifice some other ministry work to keep up with the general budget while collecting for the building project? For example: missions is a ministry that relies heavily on a donation base.**

We are blessed with many gracious and generous people who are members and attenders of CrossPoint Church. We understand that some will be able to give more than others based on their stage of life and how God has blessed them. We are asking that pledges for the Ministry Building be made over and above existing giving so that it doesn't affect current ministry programs including missions. We also realize this may be more difficult for some than for others. We ask that people give as God blesses and in accordance to how He leads them to give. We will do our part to plan, pray, budget and seek wise counsel, but ultimately, we're relying on God to fund this project.

**What consideration did the committee pay to the current economy? To the possibility of war in Israel?**

We are aware of the state of the current economy, the many economic forecasts, and the conflict in Israel. We're praying that the conflict would end soon and that God would be glorified in the process. At the same time, we have a God-given need to fill at CrossPoint in the form of classroom space that would allow us to educate and disciple more kids and adults for the Kingdom. So, we're moving forward as God leads until He points us in a new direction.

**Please define the phrase "necessary funds are available" in the motion.**

The necessary funds, as determined by the Finance Team and Consistory, are the funds that are needed to start and finish construction of the new building. We are currently working with estimates from the architect, but once we have completed plans and get bids from contractors those numbers will vary somewhat.

**Building Questions**

**How do kids/parents access the southern portions of the first floor classrooms if the partitions are extended?**

All access into classrooms will be from the main hallways. Partitions may be extended if classes need to be split into two groups and doorways into these split areas will be utilized for emergency

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egress (exit) only. Some of these types of access details will be worked out as design progresses with the architect.

**The stairways to the second floor seem like they are not located for efficient second floor access. Could one of the stairways be located near the elevator?**

This is a great suggestion and will be shared with the architect and refined as design progresses.

**Will the building require us to add more parking?**

No, it will not require it, even though we have more room for parking as we grow.

### Mission and Vision Questions

**With the statistic that was provided of the Chino Valley community growing by 40% in the next 20 years, and the completion of the building project, one could then assume CrossPoint will also continue to grow significantly. How are we addressing, with this growth, the need for more staff, ministry leaders, and centralized administrative offices which are not a part of this building plan and are currently also in need of addressing? Will we then need to campaign to build on more offices, etc. to meet the different growing ministries and needs of the congregation? How much will this cost?**

Forty percent growth over the next 20 years would put us at (approximately) 1060 people on a Sunday morning (based on the 760 average Sunday statistic now). We believe the proposed building in addition to the existing facilities would handle that kind of growth. What we don't know and can't anticipate is if we grow at a greater rate. If that occurs then we would add additional services as needed.

Yes, growth could also potentially mean more staff. If a new ministry building is completed it would open up some smaller classrooms off the fellowship hall that could potentially be converted to staff offices. It is our desire to keep the staff located in close proximity to one another to make sure our overall ministry is cohesive.

We have also discussed adding on to the East Portion of the Fellowship Hall (where the prayer garden is currently located) which would allow us to build additional staff offices and another large space which could be used for Sunday worship by the Korean congregation as well as other groups needing space during the week. The cost of the East Addition would be approximately \$1.5 to \$2 million.

We have a Personnel Team who is tasked with supporting our current staff as well as discerning staff needs for the future and the costs associated with those needs.

**What is the growth trajectory of the Chinese and Korean congregations, and how does that factor into the proposed building?**

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The Chinese congregation is growing rapidly as Pastor Charlie began five years ago with fifteen people. They are currently at 140 people (including children). The previous building plan included

dedicated Sunday worship space for the Chinese congregation, but those plans are approximately triple the cost of the current ministry proposal. In conversation with Pastor Charlie and his leadership team, they feel it is best to remain in the Student Center and add services as needed.

The Chinese congregation is looking to grow its congregation to two services as it continues to win people to Christ. The proposed building would enable them to host Sunday school classes, various small groups, and perhaps even a youth service for the Chinese-speaking concurrent with their main services.

Regarding the Korean congregation, their attendance is 60-70 each Sunday. They are not growing as rapidly because of their focus on college students who tend to leave the area once they graduate. With the addition of the new building they could continue to use the Fellowship Hall on Sundays (even if they wanted to worship at the same time as the other two congregations) and the new building could facilitate Sunday school for children from all three congregations. If we build the East Addition in the future, we would be able to utilize the Fellowship Hall for coffee and lunches after services when desired. In either scenario there is plenty of room for them to continue to grow.

**Has CrossPoint's leadership discussed what size of church we aspire to be? The Worship Center was built to seat 1,500, and the desire was to have multiple services. Lord-willing, how large of a congregation are we shooting for? 2,000? 5,000? 10,000? Would we consider planting a new church after reaching a certain size? Answers to these questions would directly impact the purpose and philosophy of our ministry, determine which ministries we offer, identify who we are targeting for those ministries, and clarify what the space needs are for those ministries, such as this proposed building project.**

The leadership of the church is not seeking any particular size of congregation. Rather, our focus is to be faithful to the Lord and He will provide the size He desires. However, given the size of our property and worship facility, it is our belief the Lord will continue to grow our three congregations and utilize the space that is available.

Our leaders are always open to planting churches as a way to grow the Kingdom of God! It is a great strategy for reaching more people in the community. This has not been an active topic of discussion given the continued worship space available. The plan for the current building project is to better match the size of our available classrooms to the size of our current worship space. This was and continues to be a need the leadership and congregation realized when we first moved to this facility. The buildings currently on our campus were always Phase One, with Phase Two the building of additional classrooms.

We continue to evaluate our current ministries and what new ministries we will need in the future on an ongoing basis.

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**Since about half of our GEMS, and over a third of our Cadets are from other churches, will we be asking those families to participate in the fundraising for this new building?**

If the motion is approved, we would invite all of our Children's Ministry families to engage in the fundraising efforts. Both Wednesday and Sunday families will benefit from this potential building and we'd love for them to partner with us in the vision.

This would happen within our regular monthly email communications, special communications for these families, and would include an update on the current state of ministries, explanation of fundraising efforts, and a link to the vision webpage for next steps.

**Much of the urgency of this project is due to space shortage for Wednesday night children's programming. We have capped GEMS attendance and have a handful of girls on a waitlist to join. Are the girls who are on the GEMS waitlist members of CrossPoint, another church, or no church? If they are from CrossPoint or no church, have we asked any of the GEMS families who belong to another church to let these girls take their spot?**

The number of girls on our current waitlist is 3. 2 out of those 3 girls/families call CrossPoint their home church, although they are not members. The other girl attends another local church. We have not asked GEMS families who belong to another church to let these girls take their spot, as we haven't had a history of prioritizing only CrossPoint families within our ministries.

## **Timeline Questions**

**If this campaign is passed, and we begin to collect funds, what is the timeline for the building project?**

The approximate timeline would be 18 months—6 months plans and approvals, 12 months construction

**How much of the 6.75 million needs to be in hand before we can start to build?**

As to how much of the \$6.75M needs to be in hand before we start construction, the answer is not so simple. In part, it depends how much of those funds are in the form of pledges and how much is in cash. And, are those 1, 2, or 3 year building pledge commitments? The Finance Team and Consistory will ultimately evaluate our financial condition and decide the prudent time to move forward with construction. In part, the criteria will be based on when they are convinced that we can pay for the entire building project without risk to our existing ministries and staff.