

Construction Costs Continue To Climb



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Churches across the nation continue to be confronted with the high cost of construction. Many church members are still recalling the "good old days" when a nice church building could be constructed for \$80 to \$125 a square foot. With the recent increases in both steel and concrete prices, coupled with the affect the hurricanes in the last couple of years have had on both material and labor costs, it does not look like those "good old days" will return anytime soon.

The churches being hit the hardest are those that started their building process 24 to 36 months ago. It is not at all uncommon for the total process of a church building project to take two to three years to complete. Many churches go through the architectural process, which can easily take eight to ten months, and then try to raise funds to construct the building for which they now have completed Working Drawings. The problem these churches have been hit with is that construction prices have skyrocketed while they have been raising money. Consequently, after raising funds for a couple of years, they are now finding that they can no longer afford the building for which they have already invested tens of thousands of dollars in drawing.

How much have prices increased? In a recent article for Church Business Magazine, Brian Cassidy of CCBG Architects states that, "the cost of constructing commercial building has risen about 30% in the past two years." Although we are beginning to see some signs of costs leveling off, we do not see any sign of prices coming back down anywhere in the near future. In fact, Cassidy states later in the same article, "Many non-profit organizations have difficulty raising a targeted, fixed sum of money, while projected costs continue to rise at a rate of 1 to 2 percent per month."

So what is a church to do if they find themselves in a situation like is stated above? First of all, don't give up. If God has blessed you with a vision and you have raised some money toward completing that vision, move forward. The church may have to sit down with the architect or the design builder and discuss ways to bring the costs into line. One way to do this is to "value engineer" the project. This is typically done through changing some of the interior and exterior finishes to less expensive items. While many churches do not want to give up beautiful aesthetic finishes, it is usually better to give up some carpet than it is to give up a whole classroom.

If more savings are needed than can be obtained through changing finishes, the church might get the architect and the builder together to investigate economies in the systems themselves. For instance, often times changing a standing seam metal roof to an asphalt shingle roof can save considerable money. While the architect may feel that this compromises the integrity of his design, it can make the difference between building the building or not. Most architects will be happy to assist you in this kind of value engineering. However, if the architect maintains that he wants to keep the standing seam roof for its aesthetic value, simply ask him to personally pay the difference between the two roofing systems. He will likely come to understand the importance of the needed savings.

If the building is very much out of budget, the church may have to phase the project. For instance, maybe the original plan was to build a Fellowship Hall, Sunday School classrooms and an administration area. To get the church back into an affordable budget, the church might have to cut the administration wing from the plans. A possible solution would be to move the offices into a couple of the classrooms and move the classrooms into the fellowship hall. Once again, it would be nice to build the entire project but it is better to build a portion of the project so your church can continue to grow and do ministry than it is to scrap the building project because the pastor doesn't get a new office.