

**ITEM P.102
FOR ACTION**

Subject: Funding Presbyterian Center Building Renovations for the 225th General Assembly (2022)

Recommendation:

Approve the estimated project budget of \$2,400,000 for building renovations at the Presbyterian Center needed to host the 225th General Assembly (2022). Sources of funding are Per Capita, Capital Reserve, unrestricted reserves (pending Presbyterian Mission Agency Board approval), and other agency contributions.

Background:

In December 2020 the Committee on the Office of the General Assembly (COGA) decided to host the 225th General Assembly (2022) at the Presbyterian Center. Since that time a small team has met with a space designer to explore the renovations needed at the Presbyterian Center. The team has devised a plan that centers the renovations on the vacant west side of the first floor. The plan creates three large conference spaces, a Welcome Center, a production center, and renovates and expands restroom facilities, including the addition of gender-neutral and family restrooms on the first floor west.

The estimated project budget for the building renovations is \$2,400,000. The estimated budget is laid out in the attachment. The budget assumes funding from several sources.

Per Capita. The per capita budget in the Office of the General Assembly (OGA) will contribute around \$478,000. The per capita contribution will fund the production center equipment and the production studio itself. It will also fund the relocation of the Records Center.

Capital Reserve. The A Corporation's Capital Reserve will contribute \$325,000, funding security upgrades, technology upgrades, and the restroom expansion and renovation. Additional gender-neutral restrooms will be programmed in future capital reserve budgets.

Unrestricted Reserve. Due to several unexpected gifts and better than anticipated investment performance in 2020, the unrestricted reserves stand at \$19.3 million at the end of 2020. Technically the unrestricted reserves are under the purview of the Presbyterian Mission Agency Board (PMAB). A PMA policy requires a particular amount to be held as an emergency reserve for PMA operations. For this year the emergency reserve amount is \$12.5 million. Thus there is a surplus. The project funding plan asks PMAB to advance \$1,600,000 (estimated). The PMAB would approve this advance at their July meeting, allowing critical work to begin during the summer. The unrestricted reserve will be replenished later in 2021.

Contributions from Other Agencies. Having a Welcome Center area at the Presbyterian Center has been a request for many years. A Welcome Center will provide opportunities for all agencies and entities housed at the Presbyterian Center to provide information to visitors about their mission and work. It is likely that the Welcome Center will receive financial support from other agencies such as PMA and Investment Loan Investment Program (ILP) and thus possibly reduce the draw on the unrestricted reserves. The contribution amount has not yet been determined.

PRESBYTERIAN CHURCH (U.S.A.), A CORPORATION BOARD

May 19-20, 2021

ITEM P.102

This is an estimated project budget. During the coming months the budget will be refined as work is done with the architect, structural and mechanical engineers, and the general contractor. Supply chain issues are also a concern and are very unpredictable. If the final project budget exceeds this estimate, the additional source of funds will be unrestricted reserves.

The action requested is for the A Corporation board to approve the project and the proposed funding plan for the GA 225 Building Renovation project.