



## Holy Rosary Assessments

Earlier this year, an archdiocesan team, in partnership with Holy Rosary Parish's leadership councils and the Pierce Deanery, spent more than 800 hours and contracted with various consultants on a series of due diligence assessments. As part of this six-month process, the team assessed the building, operations, real estate, fundraising potential, pastoral planning and school. Based on feedback from the parish, we've pulled together the key findings from the building, operations and fundraising assessments for your review. (Key findings from the other assessments are outlined in the archbishop's decree.)

### **Building Assessment**

Four separate third-party consultants assessed the building to determine its needed repairs. Their collective assessment included review of the interior repair, tower structural repair, reroofing, stained glass preservation, mechanical and electrical system repairs, and required seismic upgrades, among other smaller repairs including stormwater collection and painting.

Through that process, it became clear that the renovation cost to re-occupy the building and complete the necessary building envelope repairs would be approximately \$7 million. To make all required structural repairs to ensure the long-term structural safety of the building, the total cost would be nearly \$18 million. These assessments did not determine the additional capital funding required for ongoing maintenance of a building of this size and nature. Nor did they include repair or maintenance costs for the Holy Rosary school, rectory and convent buildings on the same property.

### **Breakdown of Costs**

Church Interior Repair	\$ 562,203
Exterior Scaffolding	1,969,050
Exterior Repairs	2,125,962
Tower Structural Repair and Seismic Upgrades	3,945,389
Church Seismic Upgrades	5,141,861
Reroofing, Flashing, Gutters and Asbestos Abatement	1,292,387
Stained Glass Window Preservation and Caulking/Painting	642,733
Aging Mechanical and Electrical System Work	1,186,583
Stormwater Collection Repairs	98,882
Bridal Room and Basement Repairs	<u>642,733</u>
 TOTAL	 \$17,607,782

## **Operating Assessment**

Holy Rosary households and Mass attendance continue to decline, dropping from 500 households to fewer than 300 registered parish households in the past three years. This decline is also reflected in the celebration of the sacraments. For example, baptisms dropped from 30-plus in 2013 to just five in 2018.

Additionally, parish ordinary income does not cover parish operating expenses. The parish has been running a net operating loss between \$47,000 and \$104,000 for the past five years:

### **Holy Rosary Parish Finances**

	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
Ordinary Income	\$246,000	283,000	276,000	278,000	238,000
Expenses	\$313,000	386,000	323,000	353,000	321,000

## **Fundraising and Grant Potential**

In this assessment, the research team determined that a large capital campaign was not possible since capital campaigns typically raise between 2 and 2.5 times ordinary income. Even with a significantly higher multiple due to the regional significance of the building, the team determined money raised would not reach \$18 million.

The research team also explored potential grant options to support the church. Unfortunately, due to its religious status, very few grants exist to support Holy Rosary Church, and those that do are relatively small. They concluded outside grants would likely bring in less than \$100,000.

## **Conclusion**

After reading the archbishop's decree, which outlined the conclusive findings of the separate assessments, some Holy Rosary parishioners requested additional supporting data. The data outlined here is intended to help parishioners better understand the specific research and work involved in the building, operations and financial assessments. Ultimately, the declining parish community and parish finances, coupled with a significant capital expense and minimal fundraising options, led the archbishop to his difficult decision to permanently close the church building.