From the Ad Hoc Building Committee

Summary of October 29 Town Hall Meeting

The Committee held a second Town Hall meeting addressing the potential purchase of the Chancery building. While the overall response from the first Town Hall meeting was positive, the Committee wanted the Parish to have an additional opportunity to discuss the issue.

Earlier this spring, the Archdiocese decided to move from the current Chancery building to a new facility in west Omaha. The Archdiocese has given the Parish a right of first refusal to buy that expires November 30.

Although the building is not a “must have,” it clearly presents the Parish with a once in a lifetime opportunity.

The property is zoned differently than SMM’s campus. An application was filed with the City Planning Board to change the classification to match SMM’s. The Planning Board has agreed to the change and passed the application on to the City Council for its anticipated approval later in November. At a meeting prior to the Planning Commission decision, SMM’s neighbors reacted favorably to the potential purchase of the Chancery.

The Chancery building would contribute immediately to Parish ministerial activities by providing much needed office and meeting space. Its availability would help avoid large group scheduling conflicts and facilitate a more efficient use of the school and Raynor Center.

If the decision is to purchase, the Parish will initiate a study to identify the best long term use of what would then be an expanded campus. Although the study may well identify other uses, consideration will certainly be given to converting some part of the Chancery into a parish center and determining whether the availability of the Chancery might facilitate a pre-school somewhere on the expanded campus.

The asking price is $1.35 million cash. Our research indicates that on the open market, the property would most likely be worth more.
SMM would make a down payment of $250,000 and borrow the remaining $1.1 million. The loan would have a 20 year term and bear interest at 3.5% with no penalties/fees for origination or early retirement.

SMM currently has adequate cash reserves to make the down payment, and since we currently have no debt, a $1.1 million loan would not significantly affect our balance sheet. Parishioner commitment will be needed once the building is purchased. To cover the additional operating and debt service costs, Parishioner annual giving would, on average, have to increase by $185 per giving family over their 2018-19 giving level.

To reduce the debt service costs and shorten the overall term of the debt, the Parish would commence a three year Building Campaign. The goal would be to secure $1.1 million in campaign pledges – an average of $1,350 per giving family.

A successful $1.1 million campaign would allow the Parish to retire the purchase debt in approximately 32 months. Once the debt is retired, the cost of carrying the property would be cut in half and require a much more modest $95 average annual increase in Parishioner family giving.

While in no way diminishing the effort families would have to make to increase their giving by these amounts, as mean averages they appear reasonable and attainable.

The discussions at the two Town Hall meetings have been thoughtful and good. We welcome further questions and comments and ask that you direct them to smmpropertypurchase@smmomaha.org.

The Ad Hoc Committee will meet on November 18 to make a recommendation to Fr. O’Donnell. An announcement of the final decision will be made at the Masses on November 30 and December 1.