



Strategic Framework: Asset Management

Context

The Anglican Diocese of Islands and Inlets (the Diocese) has identified the need to evaluate the feasibility, applicability, and contributions of its property assets to the Anglican and larger community. The underlying values and principles that informed past asset management and procurement may no longer be relevant to the mission into the middle part of the 21st century and beyond.

This recognition, combined with aging populations and participants, changing dynamics through and beyond the Covid-19 pandemic, market conditions, and operational and capital cash flow, all contribute to the need to take a comprehensive and considerate approach to asset management going forward. Further, the existing assets age, operations, function and mandate provide both opportunities and challenges that need to be thoughtfully considered throughout this process. The following principles have been identified to reflect these considerations, to support the development of a strategic framework to guide asset decisions.

Guiding Principles for Asset Management

- 1. The great commandment is to love God and love our neighbor as ourselves.**
 - a. The buildings of the Anglican Diocese of Islands and Inlets are meant for us to live out this commandment. Our buildings are places of worship and places to love and serve our neighbors.
- 2. The church's greatest asset is its people.**
 - a. Our properties are places where the people of God can gather for worship, teaching and community building. They are also places where we can and should welcome the stranger and the outcast.
- 3. Our buildings should be accessible to all people of all ages and abilities.**
- 4. Our buildings should be flexible.**
 - a. The needs of today are not necessarily the needs of tomorrow and we have seen, over the centuries and decades how different generations have different priorities.
 - b. As much as possible we should not encumber our buildings with things that will not necessarily be useful, life-giving, or sustainable in the future.
- 5. The Diocese currently owns all the Diocesan properties. This may not always be the case.**



- a. The Diocese was gifted these properties by benefactors and donors. Many of them are historically significant properties.
 - b. Buildings have natural lifespans and, with time, will either need significant capital improvements or need to be demolished and replaced.
 - c. Diocesan properties are cared for by parishes who raise the funds and the volunteer capacity to care for and maintain our buildings.
 - d. The Diocese is not just a property manager, but aims to be a responsible owner, landlord, and partner.
6. **The assets of the Anglican Diocese of Islands and Inlets are the legacy of colonialism.**
- a. Each site is an opportunity to reflect on the cultural legacy of colonialism while also providing reconciliation opportunities at the community and Diocesan level.
7. **A sustainable parish would have enough donation income to cover clergy and staff costs as well as basic building upkeep and maintenance.**
- a. Parishes can and should make their buildings available for the life-giving needs of the community.
 - b. Revenue generated needs to reflect the ongoing maintenance and capital improvements required for the lifespan of the facility.

Strategic Direction

The Diocese has more land and buildings, many of which are in need of significant work, than we need to meet the current demand for Anglican worship in this part of the world. At the same time the Diocese lacks human resources, both as clergy and as volunteers to serve in our parishes. Salaries need to be more competitive to attract clergy to serve, and professional support will be required to manage buildings and spaces more effectively. Going forward it may be that some of the volunteer jobs in parishes need to be done or supplemented by paid staff, with efficiencies being found by taking a comprehensive management approach to the portfolio of physical buildings and sites. There is an understanding that no parish acts in isolation, that all exist to support each other and the larger whole; the development of an approach that recognizes this while standardizing evaluations of assets is valuable to supporting consistent, mission-led asset decisions.

Therefore, it is timely to consider conversion of capital assets into human resource assets, both for the immediate and long-term. The following two tools have been developed to ensure consistent, informed decision-making that can be applied to any site or building within the Diocese portfolio.

1. Feasibility Study



While feasibility studies can be completed to determine if a specific goal or need is realistic, the purpose of these initial site feasibility studies would be to explore the broader opportunities and constraints of an asset to support informed decision making. The outline below would be applied to each asset reviewed, while providing flexibility for the unique attributes of each site, community, existing information, and resources available.

I. Introduction

II. Site Analysis

- a. Community context: cultural, and heritage, socio-economic, environmental, market and non-market development
- b. Land information - surface and subsurface
- c. Current state of property
- d. Property information - title, encumbrances, etc.
- e. Due diligence
 - i. Reviewing existing, or acquiring new through procurement, site due diligence which has the largest potential impacts and therefore carry the greatest risks. This included but may not be limited to geotechnical reviews, civil engineering reviews, environmental reviews, and cultural/archaeological reviews.

III. Policy Analysis

- a. Local, municipal, regional: OCPs, zoning and bylaws, local area plans, strategic documents etc.
- b. Opportunities and constraints: approvals processes, risk analysis, temporal considerations.

IV. Financial Analysis

- a. Land: assessed and market value
- b. Operations: overview of historical and current operations, operational budgets, operational plans.
- c. Building: physical building information, capital reserve budgets or plans
- d. Development potential: as-is development potential and re-development informed by community context.

V. Conclusion

- a. Property Evaluation Matrix and recommendation
- b. Next steps



2. Property Evaluation Matrix

In the conclusion and recommendations of the feasibility study, the scale of which is dependent upon the site, a method for evaluating the information gathered is needed. The following evaluation matrix has been created to support the Diocese in making informed decisions about site options from a place of mission and underlying Principles, as identified above. The criteria in the matrix aim to cover these Principles but also the unique site and community attributes identified throughout the feasibility study work. The goal of this process is to ensure that

the Diocese is to have sustainable, flourishing congregations that contribute to the needs of the parish community, the larger community and the Diocese as a whole.

The following factors have been identified as key considerations and allocated in an evaluation structure to be applied to each of the sites. The overall scoring then allows each to be compared against the other to inform decision-making. Table 3 at the end of this document builds off these criteria by establishing goals to reach within the next 5 years to meet short term Diocesan needs.

Table 1: Property Evaluation Matrix

	Criteria	Weighting
I.	Community and Cultural Significance	
II.	Redevelopment Potential	
III.	Financial Position	
IV.	Community Planning Context	
V.	Timeliness	
VI.	Building and Site Context	
	Total	---

Definitions

- I. **Cultural and Community Significance:** historical and current significance of building(s) and site to parish, Diocese, and larger community; cultural, including archaeological, heritage, and environmental significance. Due to the colonial history of the Diocese, each property will be considered an opportunity to contribute to reconciliation.
- II. **Redevelopment Potential:** site encumbrances or limitations, both surface and subsurface; development community interest and opportunities; community and parish programming or space need considerations. The site has potential for redevelopment measured by the FSR/density under current policy or through a



- rezoning process. The site has favourable conditions according to the due diligence study by geotech, environmental, etc. The site can be easily serviced as indicated in the preliminary Civil servicing study.
- III. **Financial Position:** financial encumbrances or challenges; operational costs; capital and maintenance costs; appraisals on as-is and 'as if' value of land and buildings; market conditions and position in market. Consideration of opportunity for local financial contributions but also the Diocesan community.
 - IV. **Community Planning Context:** planning policy context from local and regional government, as appropriate; community context from residents and neighbourhood perspective; development context; capacity at local level for ongoing operations, maintenance, and capital project undertaking.
 - V. **Timeliness:** any timelines impacting decision-making (market conditions, planning policies, etc.); immediacy of building or site upgrades; immediacy of human resource needs, including community need and demand.
 - VI. **Building and Site Context:** quality of building; useful life remaining; health and safety of facility; site constraints or opportunities.



Process

Many parishes are identifying challenges and opportunities with their sites and buildings of through community conversations; some are being approached by non-profit and private development entities who are presenting opportunities. The Diocese wishes to support these groups in exploring solutions that align with the strategic direction through technical development and planning knowledge, while undertaking their own explorations to support the needs of the Diocese as a whole. Different sites will have different goals and outcomes, but it is important to take a consistent approach to the extent possible when evaluating these goals and outcomes.

Processes to explore assets will include:

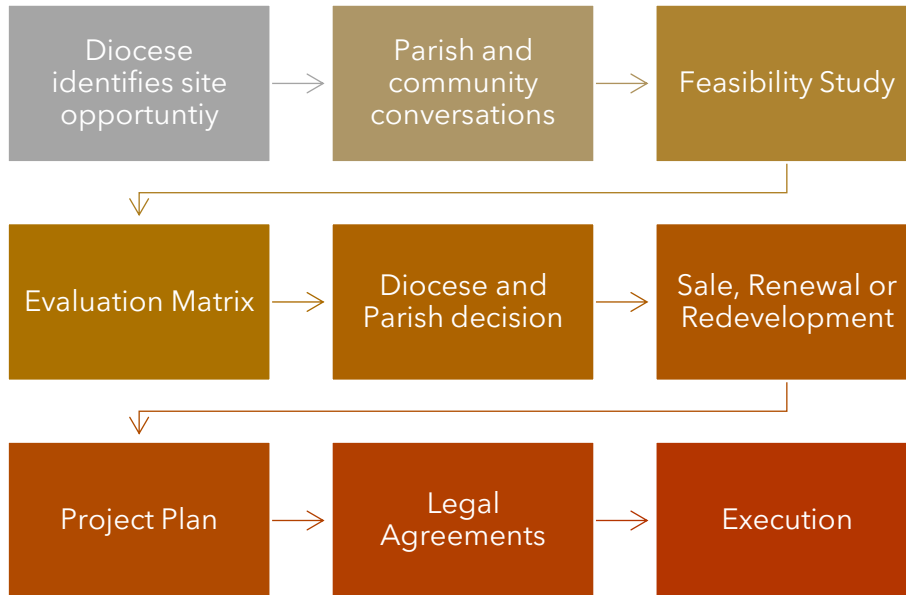
1. Diocese-led.

- a. Parishes that are not sustainable will be asked to engage in conversations with their neighbors (neighboring parishes, other organizations, and individuals in the wider community) in order to discern how to best serve the people of God in their particular place in their particular time.
 - i. Through these conversations, it may become clear that 'business as usual' is not sustainable for a variety of reasons.
- b. Redevelopment needs: If a parish discerns that the property is in need of redevelopment, then they work with the Diocese and with our consultant, *Wiser Projects*, to discern the best way to do this.
 - i. Any property development that is undertaken at a diocesan property will done by the Diocese in consultation with the parish.
 - ii. Ultimately, it is the Diocese that has the legal, financial and moral responsibility for the property and any projects it has started
 - iii. Redevelopment opportunities will be considered through the strategic framework and evaluation process. No redevelopment will take place if it is not seen to contribute to the good of the parish, the wider community, and the Diocese as a whole.
- c. Next steps
 - i. Should a redevelopment decision be made, the next steps are contingent upon the following project governance decisions:
 - a. Independent Diocese-led redevelopment/renewal
 - b. Partnership redevelopment between Diocese and public, private or non-profit partner
 - c. Partner led redevelopment with Diocese acting as landowner.

Figure 1 provides a roadmap of a Diocese-led asset evaluation.



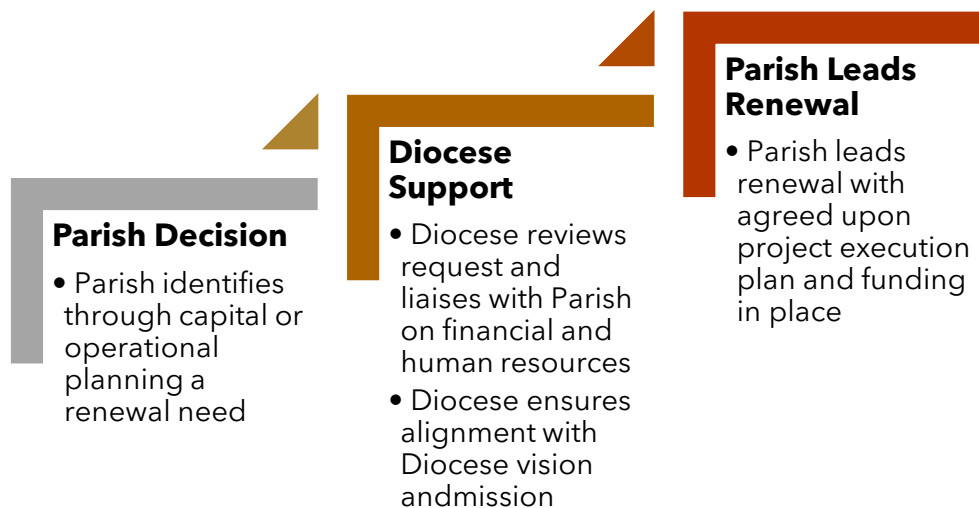
Figure 1: Diocese Led Asset Evaluation



2. Parish-led.

- a. *Maintenance needs:* Parishes that are financially sustainable and have capital and maintenance plans will continue to work with Bob Brandle to realize ways to fund required asset upgrades through parish, and occasionally, Diocese assistance.

Figure 2: Parish Led Asset Evaluation



Parish Decision

- Parish identifies through capital or operational planning a renewal need

Diocese Support

- Diocese reviews request and liaises with Parish on financial and human resources
- Diocese ensures alignment with Diocese vision and mission

Parish Leads Renewal

- Parish leads renewal with agreed upon project execution plan and funding in place



Table 2: Property Evaluation Priorities

	Criteria	Priorities	Valuation
I.	Community and Cultural Significance	<ul style="list-style-type: none"> • Social service provision that meets demonstrated community need and long-term security. • Partnerships that bring strong Indigenous and local community and cultural connections. 	
II.	Redevelopment Potential	<ul style="list-style-type: none"> • Provides a significant net gain of space, units, or density to the site. • Increases the land value significantly through land use change and buildings. • Minimizes or respectfully considers displacement of current users/community members. • Considers long-term potential of site, after the lifespan of the project. 	
III.	Financial Position	<ul style="list-style-type: none"> • Provides a new diversity of revenue sources, short and long-term. • Considers cash and asset contributions. • Maximizes public funding and financing and minimizes Diocesan contributions until project certainty is increased. • Effectively uses any Parish resources. 	
IV.	Community Planning Context	<ul style="list-style-type: none"> • Demonstrates direct alignment with local and regional community planning context to minimize approval challenges. • Builds planning and design capacity within Diocese, reflecting Planning and Design Principles. • Considers housing opportunities to Diocesan staff. 	
V.	Timeliness	<ul style="list-style-type: none"> • Delivers a mixture of revenue streams within 5 years to meet Diocesan financial needs. • Considers existing tenants/lease agreements and has a clear approach to exiting, if necessary. 	



VI.

**Building and Site
Context**

- Considerate re-use of existing buildings or site context wherever possible, including cultural heritage and environmental considerations.
- Partnerships and agreements reflect site context (such as long-term leases, stratification, etc.).

Total

Valuation

- **Low:**
- **Medium:**
- **High:**