



Understanding the Proposed Ministry Activities at Faith West

Brief History

Faith Church

Faith Church was started by Kossuth Street Baptist Church in 1964. The congregation of Kossuth Street saw the significant growth of what was then the burgeoning south side of Lafayette and believed our community would be well served by a new church in that part of town. The church outgrew its original site and relocated to our current property on SR 26E in 1986. Over the years God has continued to bless us and we are now a congregation of 2000 persons with a wide array of ministries including a community based biblical counseling center, a community center, a Christian school, a seminary, and a faith-based residential treatment center for at-risk girls called Vision of Hope.

Proactive Community Based Ministries

Ten years ago, our church family was faced with a crucial decision. We were offering three worship services and began contemplating building a new church auditorium. The initial bids for that facility came back at 9 million dollars. We decided to start thinking about what would happen if instead of using church money to build a church building to serve church people one morning a week, we instead invested that same amount of money in community ministry for our neighbors seven days a week.

We set out to determine the greatest needs around us and how we could attempt to meet those needs. We invited our neighbors to participate in a community needs survey. We received several hundred completed surveys and gained invaluable information.

The comprehensive neighborhood survey report literally filled several hundred pages with numerous comments and graphs. The summary from our neighbors was; "We are excited about the residential development, the commercial growth, and the new infrastructure in this part of town; but who is providing for the social needs of the people living here?" They said that we needed a hub of social need meeting, providing:

- infant care
- safe/affordable childcare
- pre-school education
- before and after school programs
- community meeting and educational spaces

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- programs and facilities for at-risk youth
- community fitness and indoor/outdoor recreation
- services for the poor and the physically and mentally handicapped
- community counseling and mentoring programs
- resources for families in crisis
- programs for persons who are elderly

In simplest terms, they were saying, “build a YMCA.” So that is what we did. We raised over 3 million dollars in a capital campaign and our county issued a \$6.4 M tax exempt bond for which our church family is responsible. We are now enjoying more direct community ministry than ever before in our church’s history.

Another way of thinking about this is that we believe our activities are consistent with the biblical definition of a church. Starting in Acts 2, the church which is now nearly 2000 years old, met together on a daily basis. They worshipped together, ate together, lived together, and served others together—seven days a week. Faith East is trying to be a biblical church by providing faith-based ministries 24/7.

At the same time we were building our community center, we also decided to start a church based seminary that would offer a three year ministry training program for free. Students come to Faith Bible Seminary for three years. They are given free housing, a free education, and a paid internship in one of our community and counseling ministries.

While we were launching those two new ministries, we were approached by a foundation encouraging us to build and operate a faith-based residential treatment program for at risk girls. Their vision was to serve girls ages 14-28 struggling with unplanned pregnancies, drug/alcohol abuse, eating disorders, and habits of self-harm. This foundation thought we were the ideal location to offer a residential program because:

- we already have a church which provides faith based housing for missionaries
- we have a Christian high school that provides faith based housing for international students from around the world,
- we have a seminary that provides housing for our graduate students to live on our campus
- we have a counseling ministry that provides counseling services to members of our community for free
- we have a community center that provides educational and meeting spaces, recreation, fitness, a pool, gymnasiums, a food pantry, a clothing closet, and a professional grade skate park

This foundation gave us \$2.5 M to build and launch Vision of Hope 4 years ago. VOH is a faith-based residential treatment center capable of serving 24 young ladies at a time along with 8 live-in staff members.

Legal Organization

Because of the amount of risk we were assuming in our various community based ministries, we went through a legal reorganization to separate our assets from our risks. (See diagram on next page)

We currently have 2 property holding companies and one foundation. These entities own our property, buildings, and endowments. The various ministry activities are conducted by Faith Church or one of the ministry divisions Faith owns.

When trying to understand the Faith West project, it is essential to recognize that the land



and buildings at Faith West will be held by our newly formed Faith West Properties but that the ministry activities will be performed by Faith Church. There are several important implications of this arrangement:

- The ministries contemplated for Faith West are a small part of the overall ministries of Faith Church.
- Faith West Properties is simply an auxiliary property holding company. The ministry activities are not being conducted by Faith West Properties – they are being conducted by Faith Church.
- Faith Church has been providing community ministries like recreation, fitness, and ministry housing for years. Almost everything contemplated at Faith West is already being successfully performed at our main campus.

A Recent Housing Addition

Subaru of Indiana Automotive, Inc. is a Japanese owned car plant in our community. They recently decided they wanted to build a Safe Haven Home for victims of fire, flood, and domestic violence. SIA approached our Mayor and he suggested that they partner with a local non-profit group where SIA would build the house and then turn it over to the non-profit for management and on-going maintenance. When asked about the possibility of SIA partnering with Faith Church, he responded very positively because he has observed our long track record of offering ministry housing to meet various needs in our community. SIA just finalized their decision to build their Safe Haven Home on our site directly adjacent to Vision of Hope at their expense, and then in their words, “give Faith Church the keys and walk away.”

Recent Audit

Approximately two years ago someone in our community raised questions about Faith Church to the individual who was the county assessor at the time. This person apparently believed that a church should not be involved in the kinds of community ministries we provide throughout the week and the ministry housing we provide as part of the accomplishment of our mission. The assessor and her assistant scheduled a time and came out and spent a day on our campus with our legal counsel. She walked through every building, evaluated every ministry, and reviewed our legal documents. She then walked away more convinced than ever that we are truly a faith-based non-profit organization and that Faith's ministries further Faith's religious, charitable, and educational mission.

The Process of Designing Faith West

One of our strategic ministry plans has been to locate a piece of property as near the Purdue University campus as possible to serve as a home base for Purdue Bible Fellowship (our officially recognized campus organization) and to provide a place to offer biblical counseling services to students, faculty, and staff at Purdue.

We signed a purchase agreement on two small lots on Northwestern Avenue directly across from Mackey Arena. Some of the neighbors and the city thought that site might be too small because things Faith does tend to expand.

We then moved up Northwestern Avenue and signed a purchase agreement on the former "Smitty's" grocery store site. This was a 2.2 acre site and was attractive because of the possibility of duplicating and expanding some of ministry housing ministries that we currently offer at Faith East.

The Smitty's site has experienced several ongoing environmental concerns, so the city officials encouraged us to consider 1920 Northwestern, a 6.4 acre tract that had been the location for two recent planned developments that each failed resulting in the property being sold at a Sheriff's Sale. Several city officials have used the word "blighted" to describe that location. We purchased 1920 Northwestern several months ago.

Our first act was to meet with the neighbors and see what they thought about us locating there, and what they believed the needs are in that part of town. They were very appreciative that we took the time to do that. Not surprisingly, they began speaking about the same kinds of needs our neighbors on the east side had previously communicated to us. They spoke of the need for childcare, meeting and education rooms, community recreation and fitness, counseling, etc. We see Faith West as a collaborative effort between the city of West Lafayette, the neighbors, Purdue, and Faith church attempting to address community needs with Faith-based resources just like we successfully do on the east side of town.

Project Description

Faith West will be situated on 6.4 acres of ground at 1920 Northwestern Avenue. The four story building, at the request of the neighbors, will be positioned on the front of the site with parking and community recreational amenities in the rear. The first floor of the facility is comprised of 48,000 sf. It contains:

- A pre-school
- A gymnasium for community leagues
- A large student lounge area
- Several meeting rooms of various sizes for community uses
- 7 counseling offices
- A fitness center

- A 3,000 square foot restaurant to meet the food service needs of the various ministries held at Faith West and our neighbors

The 48,000 square feet on floors 2-4 contain approximately 40 apartments with approximately 120 bedrooms to expand and support the existing ministry housing at our east side campus and the identified needs on the west side. These rooms will be made available to meet the following classifications of need:

- a. Seminary students and their families (ministry housing that will be provided free and paid for through donations to our seminary).
- b. Graduates of Vision of Hope, Faith Church's faith-based residential treatment ministry to at-risk girls (ministry housing that will be provided free or at a reduced rate and subsidized through donations to Vision of Hope).
- c. Missionaries home on furlough or in the process of raising support (ministry housing that will be provided free or a reduced rate and subsidized through donations to our missions program).
- d. Victims of fire, flood, or domestic violence (this is a new contemplated use because of a special gift that is being given to us by SIA, a Japanese car plant in our community). We believe that once we are viewed as a "go-to organization" for victims, there will be more ministry housing need than we can address at Faith East. Our Area Plan Commission Staff informed us on 2/17 that they would be happy for this use to be included in our list of possible residents in our Planned Development Narrative for Faith West because they see this as being totally consistent with the purposes of Faith West's Student Ministry Housing use. (This ministry housing will be provided free or at a reduced cost and will be subsidized through donations to our church's benevolence ministry).
- e. Persons receiving counseling services at Faith's Biblical Counseling Center (at either the SR 26 campus or Faith West) who will benefit from daily accountability and mentoring in a residential setting. (This ministry housing will be provided on an "ability to pay" basis and will be subsidized through donations to our counseling ministry).
- f. Graduates of our planned companion ministry to Vision of Hope for at-risk men. We are currently talking to various foundations about the possibility of establishing a ministry for men patterned after Vision of Hope. If this ministry comes to fruition, the graduates would be eligible to live at Faith West under the same arrangements described under letter "b" above.
- g. Graduates of Faith Christian High School from foreign countries who were already part of our Church's ministry housing program or other international students from around the world. We believe we have a biblical mandate to "welcome the stranger." That is why Faith Church has partnered with Purdue University's Office of International Students and Scholars to serve in their International Student Friendship Program. Our church is one of the largest participants in that program. For many years we sponsored the International Student Picnic each fall. It is consistent with our church's mission to offer ministry housing to international students at no or reduced cost because we believe training international students in Christian ministry is preparing that young person to go back to their host country and be a leader in the church. (This ministry housing will be provided on an "ability to pay" basis and will be subsidized through donations to our missions ministry).
- h. Vision of Hope interns learning how to establish a residential treatment center for at-risk girls in their communities.
- i. Students (or other individuals/families) seeking a faith-based covenant community with regular accountability, mentoring, and spiritual oversight. Part of our goal is to assist students, many of

whom will obviously live under the 80% area median income requirement, to go through college without amassing significant amounts of debt. Our hope is that many of them will graduate and choose to either enroll in our seminary or go into some kind of vocational Christian ministry. Helping them avoid heavy indebtedness will make it easier for them to follow that path.

Note - We anticipate that the ratio of these various classifications of people using Faith West will be in constant flux. However, we believe they are all ministry purposes that are consistent with what we already provide at Faith East and fit perfectly with the mission and charter of Faith Church.

Ministry Housing Details

1. Each person seeking residence at Faith West will be asked to join our Bible Fellowship and sign a code of Christian conduct. Various Christian ministry opportunities and resources will be made available to them to assist them to live out their faith each day. Because many of our residents are struggling with temptations and habits that are difficult to overcome, ministry housing is a subset of the overall mission we seek to accomplish in the life of each resident.
2. As described above, the cost per bed will vary greatly depending on the situation of each resident. This is faith based ministry housing, not market rate student housing.

Faith West Funding

The budget for Faith West is \$10.1 M. The members of Faith Church and other outside donors and foundations have committed themselves to a \$4.1M three-year capital campaign which began 1/1/12. We will be petitioning the City of West Lafayette to support the issuance of an approximately \$6 M tax exempt bond. If approved, this bond would not count against the city's credit rating and the members of Faith Church would be fully responsible for repayment. Faith Church and our various ministry divisions are serving as the guarantors for the bonds.

Answers to Frequently Asked Questions

1. Will Faith West be exempt from property taxes?

We are communicating with the County Assessor and the Property Tax Assessment Board of Appeals about the possibility of some of Faith West being designated exempt from property taxes. While we believe it would be disrespectful to our government officials to preempt their decision making process, we assume that we will be asked to pay property taxes on at least a small portion of the property.

2. What are Faith's plans for Lot #2?

At this time we do not have any firm plans for this lot other than what is described in our Planned Development Narrative document.

3. Is Faith West Properties, Inc. the entity that will oversee the activities at Faith West?

No. Faith West Properties is simply being established as an auxiliary corporation to hold the property and separate the asset of the building from the risk of the activity. The ministry activities of Faith West are part of the overall ministry activities of Faith Church.

4. Is there historical support for churches providing ministry housing?

Churches have been providing various forms of ministry housing for nearly 2000 years. One entire book of the Bible, 3 John, is devoted to this subject. Many churches around our country provide various forms of ministry housing as part of their God-given biblical mission.

5. Is ministry housing a new ministry activity for Faith Church?

No. Faith Church already provides many types of ministry housing. We have a multi-family residential treatment center that provides faith based housing for at-risk girls. We have multiple homes for seminary students. We provide housing for missionaries on furlough. Faith Christian School provides housing for dozens of international students whose parents want their children to receive a Christian education in America. We provide housing for interns seeking to learn how to establish a residential treatment center in their towns. There is nothing being proposed at Faith West that is not already occurring at Faith East except for the restaurant space within Faith West.

6. Will housing be a substantial ministry activity for Faith Church?

No. Housing is not now—nor will it be after the completion of Faith West—a substantial activity of Faith Church compared to the significant array of community ministries we offer. The anticipated rental income will represent less than 4% of Faith Church’s annual composite budget. This project and its proposed ministries are only possible financially because of the generous giving of the members of Faith Church.

7. Will Faith West constitute unfair competition for local business owners?

The members of Faith Church are very “pro-business.” We are not interested in going into the student housing business. Our church members would not invest \$4,000,000 and accept the responsibility to repay a \$6,000,000 tax exempt bond note for such an obvious secular activity. Faith West is simply an extension of the ministry housing we already provide at Faith East, tailored to meet the stated needs of that part of our community for the purpose of helping us accomplish our mission. The residents of Faith West will be expected to sign a comprehensive membership covenant that a very small percentage of college students would be willing to sign.

8. Is there really a need for additional student housing of any kind in West Lafayette?

In a feasibility study completed on January 18, 2012 by Cushman and Wakefield, they concluded “the market is currently undersupplied by 12.7 per cent. The demand for off-campus housing properties is strong” (page 55). This study did not take into account the unique faith-based aspect of Faith West. We believe the ministries we are offering will be attractive to a small but important subset of the potential residents of West Lafayette.

Project Summary

Faith Church seeks to provide five primary ministries with the construction of Faith West:

- 1. A new home base for Purdue Bible Fellowship to offer large/small group Bible studies, prayer meetings, and fellowship opportunities for Purdue students**
- 2. A new location for Faith Biblical Counseling Center to provide free biblical counseling services to students, staff, faculty, and neighbors**
- 3. A new location for worship services for Faith Church**
- 4. A new Community Center for neighbors patterned after our facility and programs at our east-side location**
- 5. An eclectic mixture of faith-based housing to help us accomplish our mission in the lives of people on a daily basis**