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Building Religious Structures a Blessing for Firms

CONSTRUCTION: Steady Number of Church Projects Helps San Diego Contractors

■ By LOU HIRSH

While San Diego County commercial construction remains at a near standstill compared with pre-recession levels, local contractors are finding opportunities in project work for churches, synagogues and other religious institutions.

Even though that sector has seen construction startups decline since 2008, industry observers say religious facility construction and renovations, as they have in past downturns, are helping cushion the blow being dealt to firms that rely on commercial work.

That includes general contractors, consultants, ar-

chitects and others who have seen local commercial construction dwindle, especially in the office and retail arenas.

“There’s been a very steady number of church projects in San Diego County,” said Ben Briggs, senior project manager with Roel Construction Inc. in San Diego. “It’s not really big, but it’s a nice niche to have a part in.”

Briggs says project opportunities in that sector have held steady in the past several years, and there are up to 15 in the works within the county that local contractors are either involved in or bidding to work on.

Roel is a general contractor with projects throughout the western United States, and religious construction is just a small portion of the company’s overall work. Still, Roel has been the lead builder on



Ben Briggs

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several local religious projects, including a large, ongoing renovation at Village Community Presbyterian Church in Rancho Santa Fe.

The church, founded in 1956, completed construction of a two-story, 25,420-square-foot main sanctuary and administration building in April, and has additional renovations in the works for its classrooms and other facilities. The church did not disclose the cost of the project.



Lew Dominy

The sanctuary and other improvements were designed by San Diego-based Domusstudio Architecture. Principal and founder Lew Dominy says the firm has 27 active projects at religious institutions in the West, including 12 in San Diego County.

Long-Term Approach

While the economy in recent months has hampered the ability of synagogues and churches to raise money for projects, Dominy says many of those that have saved up the bulk of what they need to fund construction priorities are moving ahead now.

That's largely to take advantage of labor and material costs that have dropped significantly, as construction-related firms compete for a dwindling number of projects.

"Churches nearly always take a long-term view," Dominy said. "They know they'll never see prices this low again."

Dominy recently convinced another



Reed Kaestner

Religious institution projects have provided steady work in recent years to local construction-related firms. Roel Construction and Domusstudio Architecture are among firms that have done recent improvements at Village Community Presbyterian Church in Rancho Santa Fe.

religious institution client to re-bid a long-planned construction project that it had decided to place on hold — mainly because it didn't have its required half the amount already on hand to proceed with what was originally estimated to be a \$10 million project.

When a re-bid took place, he says, the church found that the estimated cost was now \$6 million, and it was ultimately able to proceed with the work at a cost closer to \$5 million.

Locally-based B&G Consultants has provided construction management services to several San Diego religious institutions in the past 20 years. Company President Michael Giffin says recent projects include Tifereth Israel Synagogue, which is building a structure to house a

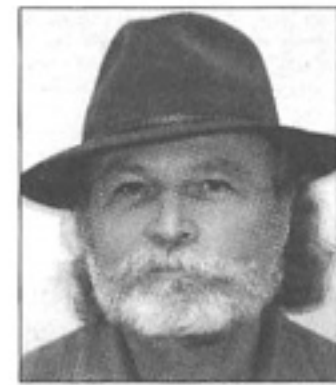
community mikvah, a ritual purification bath; and Temple Emanu-El, which has completed construction on a synagogue.

Giffin says those types of projects, along with work being done at local private schools — as well as government-funded stimulus projects including a community medical clinic in Vista — are providing at least partial relief to contractors and subcontractors during the current drought in commercial work.

Declining Numbers

While holding steady, religious-oriented new construction has not gone unscathed in the overall economic downturn. According to the Construction Industry Research Board, about \$1.3 million in building

permits were issued in San Diego County for religious building construction in the first half of 2010, though June data has not been finalized.



Bennett Lord

That figure was down from about \$3.3 million in the first half of 2009, and well below the \$4.3 million in the first six months of 2008.

Bennett Lord, vice president of Lord Architecture Inc. in San Diego, says his firm has been doing religious projects around the county, as well as the Inland Empire, for the past 17 years.

He notes that the finances of religious

institutions are often a reflection of their surrounding communities. In some areas hit hardest by the recession, churches and synagogues are sticking with smaller renovation and maintenance projects, while taking necessary steps to obtain city entitlements for larger projects that could go forward as the economy improves.

Lord says contractors who earn a good reputation in the religious sector often can set themselves up for repeat business, including renovations and remodelings. That can be important for smaller firms looking to ride out tough times.

"If you do a good job once for them, they'll bring you back," Lord said of religious institution clients.