Changing course: Diocese works to trim price tag of renovating iconic Christ Cathedral

By **DEEPA BHARATH** | dbharath@scng.com | Orange County Register April 23, 2016 at 8:15 am

Faced with major cost overruns in renovating the Christ Cathedral sanctuary, the Roman Catholic Diocese of Orange has moved to rein in the project's construction expenses and streamline operations at the sprawling campus, church officials said this week.

The diocese bought the 34-acre campus for \$57 million in 2012 after its former owner, the Rev. Robert H. Schuller's Crystal Cathedral Ministries, filed for bankruptcy.

Since acquiring the property, however, the diocese has suffered growing pains – including spending millions of dollars to repair and renovate existing buildings on the property, managing increased operational costs and handling the task of renovating an iconic Orange County building that attracts visitors from all over the world.

Some have suggested that Bishop Kevin Vann borrow from local parish programs, schools and priests' retirement funds to get the cathedral built. But that proposed reallocation of money raised concern among Orange County Catholic families who collectively shelled out tens of millions of dollars in the massive fundraising campaign to benefit the diocese.

"Despite the desires of some to have a shiny, almost new cathedral ready for worship as soon as possible with a 'damn the cost' mentality, the same folk are now learning that most people (you and me out here in the trenches) are fine with less ... especially if it keeps everything within budget," said Father Fred Bailey, pastor of Santa Clara de Asis in Yorba Linda.

Diocese officials say they have altered course in recent months after initially underestimating the cost of renovating the cathedral by more than \$40 million and during the last few months, under Vann's leadership, have undergone cost-cutting measures to get into better financial shape.

The bishop also created a construction task force in July to get renovation costs under control and reduce project costs from \$108 million to \$72 million, diocese officials said.

"It's not common for cathedrals to be purchased out of bankruptcy," said diocese spokesman Ryan Lilyengren. "The unprecedented and providential opportunity required a funding effort be launched before the due diligence and planning with regard to the renovation and construction could be completed."

UNPRECEDENTED FUNDRAISING

To help pay for the sanctuary's renovation, in late 2012 the Orange Catholic Foundation launched an unprecedented fundraising effort, the "For Christ Forever Capital Campaign."

In a county of about 1.3 million Catholics, 24,000 families participated in the campaign, said Cindy Bobruk, the foundation's executive director. The smallest donation was \$100 and the largest, \$20 million, she said.

The county's Catholics have donated \$110 million, of which \$59 million will go toward the renovation, she said.

The remaining funds already have been pledged to a number of other projects such as various endowment funds, tuition assistance for students in the county's Catholic schools, funding for improving technology in schools, Catholic Charities, priest retirement benefits and various outreach ministries, Bobruk said.

"We have a legal obligation not to touch the funds allocated for other programs," she said.

In July, estimates to renovate the glass sanctuary came in at \$108 million – about \$50 million more than the funds raised by the Orange Catholic Foundation for the project.

This discrepancy occurred because diocesan officials did not perform construction studies to determine how much money they should raise, officials said. The Orange Catholic Foundation had based its fundraising effort on a 2012 study of how much money it could raise, as opposed to how much money the renovation required.

Vann took action in July, appointing a construction task force to significantly scale down the project and capping the final budget at \$72 million. He also appointed a separate task force to bring down operational costs to run the campus. The diocese still is about \$13 million short of the final budget for a project it hopes to complete by fall 2018.

"We expect to raise the money needed to complete this project," Bobruk said.

In March, Vann disbanded a board whose members he had appointed to oversee the renovation project and convened a new board made up of 10 members.

"The bishop was happy with the work done by the older board," said diocese spokesman Lilyengren. "The new board is just a reflection of where we are right now in the process. Its members have the specific skills and expertise to help see the project through to its completion."

REINING IN COSTS

The biggest challenge to the renovation project has been to "maintain the spirit" of the iconic structure while keeping costs under control, said Richard Heim, a special volunteer adviser who is overseeing the project.

The design change that has helped bring down the price is the decision to "keep the bones of the building intact," he said.

"This is a glass cathedral built in a seismic zone," Heim said. "It's certainly strong and well-constructed."

Also, instead of buying stone for the interior from a quarry in Italy, officials will opt for stone that costs 30 percent to 40 percent less but could still produce similar aesthetic effect and durability.

Instead of going for a solid, marble altar, they've settled for long-lasting marble veneer.

There are several big-ticket items that remain, Heim said. As part of the renovation, the 78,000-square-foot cathedral will be completely air-conditioned. Workers are reinstalling the 10,000 glass panes atop the sanctuary, which will cost a little more than \$4 million.

"This is extremely important because we need to secure all the glass before we put millions of dollars worth of work underneath it," said Heim, who heads the California division of Clark Construction.

Other major expenses include metal ceiling panels that will control the level of sunlight that enters the building, lighting fixtures and audio-visual equipment, he said.

Although not part of the construction costs, the Hazel Wright organ has been refurbished in Italy at a cost of \$2 million and is on a ship making its way to Orange County. The organ will be stored until the cathedral is renovated.

The complete renovation design is expected to be finalized by September.

Heim said he values the opportunity to be a part of this project.

"You rarely get a chance to build out a cathedral," he said. "Everyone is anxious to be a part of this journey and make their contribution."

RUNNING A LARGE CAMPUS

At 34 acres, the Christ Cathedral campus is much larger than the 15-acre Marywood campus in Orange where the diocese operated for decades.

"I feel that these substantive changes to the construction plan and operations of the campus were needed to ensure the many diverse and essential ministries of our diocese are maintained and well-funded, while we continue to transform our new cathedral," Vann said in an email.

When the diocese took over the campus, the buildings were lacking maintenance and needed repair, said Father Christopher Smith, rector and episcopal vicar.

The first step was to repair the Arboretum and get it ready for St. Callistus parishioners, who moved in to Christ Cathedral from their church in Garden Grove.

The Arboretum had to be retrofitted and air-conditioned, and even the walls and glass had to be replaced, costing the diocese about \$7 million, Smith said.

In addition, millions were spent to renovate the offices in the Tower of Hope building and the school, Christ Cathedral Academy, he said. Now, on any given Sunday, about 11,000 people worship at the Arboretum with services held in English, Spanish, Vietnamese and Chinese.

"The goal is to maintain a campus that welcomes all, as we build on Rev. Schuller's legacy," Smith said.

LOCAL PARISHES CONCERNED

The burgeoning cost of renovating the cathedral has spread concern around the diocese, which is home to about 62 individual parishes or neighborhood churches.

"The local parish is where Catholic life thrives," said Bailey, who is a member of the new board overseeing the renovation project. "This is where weddings, baptisms and funerals take place."

Bailey says he does not want to see renovation efforts take precedence over needs of local parishes and programs.

His congregation "reacted with shock and dismay" when they heard about the underestimation of funds needed, renovation getting out of hand and the bishop having to shoot down requests to borrow from individual parish coffers and from pension and retirement funds set aside for priests.

Many of his congregants and others have written to the bishop airing their concerns, Bailey said.

In an April 10 newsletter to his parish, Bailey expressed shock that the diocese had not based initial renovation costs on "serious study or professional recommendations, but on quick guesses ... which were grossly wrong."

"Like, millions and millions of dollars wrong," Bailey wrote.

Bailey added he is comforted by Vann's leadership and efforts to rein in costs.

"It is slowly coming under control," he said. "And that's the good news."

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Deepa Bharath covers religion for The Orange County Register and the Southern California Newspaper Group. Her work is focused on how religion, race and ethnicity shape our understanding of what it is to be American and how religion in particular helps influence public policies, laws and a region's culture. Deepa also writes about race, cultures and social justice issues. She has covered a number of other beats ranging from city government to breaking news for the Register since May 2006. She has received fellowships from the International Women's Media Foundation and the International Center for Journalists to report stories about reconciliation, counterextremism and peace-building efforts around the world. When she is not working, she loves listening to Indian classical musicated teaveling with her husband and son.