

MEMORANDUM

Date: September 19, 2023
To: Shawn Purvis, Interim Town Manager
CC: N/A
From: Amanda Grogan, Budget & Performance Management Director
RE: Columbarium Cost Recovery



The purpose of this memo is to discuss the future of the Cemetery Parking and Columbarium project, particularly in regards to cost recovery and the needed price point for niches to recover project costs. The memo provides the options for cost recovery based on a variety of scenarios. A comparison of the columbarium niche prices charged by area churches and municipalities will also be provided.

Background

At present, the total cost of the project is \$1.435 million. As discussed in the attached memo from June 21, 2023, work has begun on the project after delays due to the pandemic and transition of Town staff. The remainder of the project cost is \$814,000. Neither the total cost or the remaining cost includes the installation of columbarium niches, which will be \$250 each. There will be 780 niches built, which will come out to \$195,000 in additional funding needed to build those columbarium niches.

Discussion

There are a few options to consider when looking at cost recovery for this project. The first is considering cost recovery for the entire \$1.435 million for the entire project with no consideration for escalators. Another option is to only consider cost recovery on the remaining \$814,000 with no consideration for escalators. The last option to consider is escalating costs on either entire project or the remaining \$814,000. This consideration will assume a 5% cost increase on the \$814,000 and a 10% cost increase for the niche costs. Below is a chart of what that recovery looks like:

Option	Construction	Niche Cost	Cost Recovery
Full project & niches at buildout	\$1,435,000	\$195,000	\$2,100
Remaining cost & niches at buildout	\$814,000	\$195,000	\$1,300
Full project & niches at buildout with escalation	\$ 1,475,700	\$214,500	\$2,200
Remaining cost & niches at buildout with escalation	\$854,700	\$214,500	\$1,400

** Escalation estimated at 5% for the project and 10% for the niches; cost recovery round to the nearest 100*

Price Comparisons

Looking at the price local churches charge for columbarium niches, comparisons were made with St. Mary Magdalene Catholic Church in Apex, St. Andrews Catholic Church in Apex, Apex United Methodist Church, and Our Lady of Lourdes in Raleigh. Most options were for a 2-urn niche, which ranged in price from \$2,500 to \$4,000 for parishioners. Our Lady of Lourdes also offers a 1-urn niche for \$2,200.

Wake Forest is the only other Wake County municipality that offers columbarium niches. Niches are also available from Durham and Burlington. Below is a table of the prices offered from these municipalities:

		Single Niche	Double Niche
City of Burlington	Resident	\$ 1,000	\$ 1,500
	Non-Resident	\$ 1,350	\$ 2,000
Town of Wake Forest	Resident	\$ 900	-
	Non-Resident	\$ 2,000	-
City of Durham	N/A	\$ 1,000	\$ 2,000

Looking at these price comparisons, all of these cost recovery options are close to other prices charged in the local market, especially when looking at the prices charged by area churches.