



DISCERNMENT REPORT

Inconsistencies and Conflicts Subcommittee

July 15, 2008

Subcommittee Members: Jeffrey Franke, Dennis Hobbs, Paul Isakson, Matt Jarvis, Kristin Jones, Dave Vanneman, and Amy Whitford.

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Date of Last Meeting: July 14, 2008

Date, Time, and Location of Next Meeting: Monday, July 21, 7:00-8:30, St. Thomas' Upper Room

Agenda for Next Meeting: Continuing the conversation on proposing a modest budget and renovation based on parish-based assets and giving, or proposing an attempt to dream big, with a much larger budget and the goal of having a visible face in the community. We will further investigate planning for a Capital Campaign.

Feedback Needed from Parishioners: Everyone is welcome to come and join in our ongoing discussion of this important phase in the discernment process. Please come and be heard!!!

Topics Addressed at Last Meeting: The meeting was attended by Jeff Franke, Kristin J., Matt J., and Dave V. This was a joint meeting with the Discernment Finance sub-committee. In attendance were Drew Boatner; Greg DuRoss, Kurt Jacobs and Finance co-chair Jaye Lopez. The group discussed the challenge of carrying forward a vision to the Vestry, particularly the issue of "how big to dream."

Dave V. described some of the potential for a capital campaign that came out of last week's meeting. Jeff F. cautioned that we need to provide potential donors with the specifics of our vision or go to them and ask what they are willing to support. And, we need to be prepared for people to give over time. Greg pointed out that a successful capital campaign takes time to plan and to execute properly.

Matt J. shared a Programming spreadsheet that will be part of, and included in, the Architect's Pre-Design report to the Vestry at the end of August. The spreadsheet was shared so the Finance and Inconsistencies Committees would have a resource from which to base their discussions concerning cost. It is an enumeration of the exact square footages of all the Parish's existing spaces, and calculates how much more square footage the Parish would have if it increased each existing space by 25%, by 50%, by 75%, by 100%, and by 200%. This defined a "cost-spectrum." On the lowest end of the spectrum is a figure that describes renovating all of our existing space, adding none, and not building on any of the Park. On the highest end of the spectrum is a figure that describes a renovation that quadruples our existing space, and a new building over the entire Park.

Jaye pointed out that conducting a Capital Campaign includes expenses. In other words, we need to spend money in order to raise money. She said costs typically run from 5%-15% of the total amount raised. She strongly advised that we work with a professional consultant for prospect identification, research, and other steps in the campaign. In fact, given that we have a number of important selling points that will likely appeal to different audiences, we may well need to hire more than one consulting company to effectively address potential donors. Jaye is a fundraiser and she has conducted Capital Campaigns, including one for a Gay/Lesbian community center. She commented that raising at least \$5-10 million from outside sources is not beyond our ability, and pointed out

that there are always risks to a parish in making such an undertaking. Kristin commented that this parish has been in risky financial positions before (e.g. when Jonathan Bruel, parish treasurer, suggested we close our doors and give our property back to the diocese at the end of Henry Bruel's tenure as Rector, because we were then consistently outspending our budget.

Members of the group said we will also have to garner substantial support from within. This is often required as a show of good faith to potential outside donors. The scope of outside funding can be national or DC metro area. The group discussed advice we have received from Eleanor Weis, who represents Holloman, our current building campaign consultant. It was pointed out that this firm specializes in raising funds directly from parish memberships rather than being experienced in outside fundraising. After the meeting, Jaye shared an article about a firm that specializes in outside fundraising for historical church properties. It is called Partners for Sacred Places:

www.sacredplaces.org, and its primary mission is to finance the preservation of older religious properties by teaching congregations of all denominations how to put their buildings into more active community use and how to find support beyond those who belong to the church or temple.

The group discussed possible funding based on sustainable design. Jaye said there is lots of money available from foundations for this. She said \$770 million in grants were awarded (last year?), including funds given to lots of churches. Different funding groups may be willing to fund different types of projects or groups. Matt mentioned as example, the Quaker Legislative Building and their geothermal system, which will pay for itself in five years and then produce energy at a small fraction of the cost of other systems. This is life-cycle costing.

Greg pointed out that we are currently keeping our entire sanctuary heated/cooled to a temperature sufficient to keep the organ in tune, an expense we would seek to avoid in a newly created space.

A discussion followed on the costs of a Capital Campaign, and how that is covered. We can try to structure the payments over time. A suggestion was made to take out a loan for the Capital

Campaign investment, but Drew pointed out that banks do not take as many risks with funding churches, because they don't want to be in a position where they have to foreclose on a house of prayer. The group discussed matching grants or challenge grants to assess our potential for funding the Campaign.

Turning to the alternative of keeping the proposed work much more modest, Kurt suggested that we could raise \$1.8 to \$2 million by [selectively] selling assets, then do a very limited project to enlarge the sanctuary and see what happens with our growth (do we really need such a large space). Greg advocated a phased (multi-stage) approach to expansion, addressing immediate needs with a modest renovation while working to implement our big vision in stages over time. Kristin pointed out that over the past 23 years, we have doubled in the size of attendance at the 11:00 service, and we are planning for growth over multiple generations in planning for our grandchildren's children. Matt reiterated that, at minimum, if we do any renovation work we need to fix the water problems, and that given this, there will never be a more opportune moment to conduct a renovation than when the walls are exposed.

Greg pointed to the Cathedral of Hope in Dallas as an example of a new Capital Campaign, which they are conducting to build a Peace Center. He provided links to the Cathedral of Hope:

www.cathedralofhope.com, and the Metropolitan Community Church of DC: www.mccdc.com.

We concluded the meeting with Matt J. presenting drawings and a model for a total renovation of our existing spaces and an addition of a new sanctuary, which his firm Auraform Inc designed and presented to the Vestry in January. Matt J. gave the disclaimer that the design was simply a response for "a vision" the Vestry called for so that they could imagine the possibilities, dream, and become excited about the process. He continued that it must be understood that any future design by any future Architect will evolve naturally from the conclusions the Discernment Committee and Vestry identify.

All agreed that while it is much too soon to "fall in love with" or endorse any particular design, looking at the vision helped us to begin to move from talking to imagining together, and that it garnered a shared sense of enthusiasm and excitement, and provided ideas we may wish to use.