

## **A report of the “Listening and Learning” Forums, June 27<sup>th</sup> and July 23<sup>rd</sup>** Messiah Lutheran Church, Ministry Expansion Campaign

**Background:** Last year, Messiah Lutheran Pastors and Staff initiated a request for Lay leaders to develop a *Vision for New Ministries*, including expanded programs and a stronger Community Outreach. There was a near-term request to improve our current building, leading to more efficient use of our campus. New ministries and related building improvements are aligned with our Mission statement (“Look up, look around, look outward”) and our Vision statement (“To faithfully share the Good News, equip God’s people to grow in faith, and welcome all into a life-changing relationship with Jesus Christ!”). *Top priorities requested for building expansion include* a) space for a growing youth program, b) a reconfigured visitor-friendly building entry, c) additional Sunday school classrooms for children and adults (also used for week-day Messiah Academy), d) a nursery, e) preschool classroom expansion and indoor activity space, f) multi-purpose activity rooms (Braille, Quilting, BASIC, Choirs), and g) a large multi-purpose hall (gym) for fellowship and sport events, as well as an expanded kitchen.

The Funding team and Trustees have been in discussion with Lutheran Church Extension Fund (LCEF) for the past 13 months to learn best practice for partnering on this ministry expansion vision. The goal is to help the congregation see the need, the blessings, and the impact that a building expansion will be for Christ, for our members, and for our growing community!

The Campaign team is now meeting every other week with LCEF consultants to learn the campaign process in preparation for the August 20<sup>th</sup> launch Sunday. It was suggested by Lay leaders that we set up June and July “listening and learning” Forums so that questions and concerns of congregational members may be raised now. The following topics were discussed during both forums. For questions that received brief responses, we’re providing additional written detail. Note that related questions are grouped together in the sections that follow. We will continue to solicit questions during the Campaign. We are eager to hear your thoughts.

### **Questions related to the Campaign:**

1. (June 27<sup>th</sup>) What is the financial goal of the [Ministry Expansion] Campaign? What is the total amount we expect to reach including the LCEF loan?  
(July 23<sup>rd</sup>) How does LCEF favor us as a lender versus other banks and lending agencies?

**Answer:** LCEF has served as a trusted ministry partner to Messiah Lutheran for 35+ years, offering training and financing solutions with the lowest available interest rates for commercial (non-residential) construction. The reciprocal benefit of their business model encourages Lutheran families to invest savings and retirement accounts at competitive rates, knowing they are assisting congregations and called church workers with low-cost loans.

In January, we voted to engage them to lead a Ministry Expansion Campaign at a cost of \$47,995 to support us through five phases over a 3-year period for raising at least \$2 million. The balance of the total project cost (\$5.7million, based on proposals received) will be funded by a pre-approved \$4 million mortgage at a variable 4.5% rate (locked for 1 year), and repaid over 25-30 years. During the construction period the loan repayment terms are interest-only at 5.5% because they will service the contractor billing and payment process.

2. (June 27<sup>th</sup>) What happens between now and August 20, 2023? What is the timing of the October Commitment Sunday and the vote by the congregation to approve? How long is the Capital Campaign? What will the timing look like after October 15, 2023; will we start to go forward with the building plan and construction team? Is there a specific request regarding giving for the building campaign? Are we asking people to [double] tithe or is there some other way to let people know how to give to reach our goal? When will someone get a home visit?

**Answer:** The Campaign executive team has received strong volunteer response and is assembling various teams (Preparation phase) to lead the Inform, Inspire, Commit, and Fulfillment phases. The Communication team will publish a booklet for the August 20<sup>th</sup>

Campaign Launch (Inform) event which will fully explain the schedule, the leader roles, and how everyone can participate. The heart of the campaign is the Inspire phase where we lift up the ministry expansion into the larger vision of Christ's work among us. The congregation will meet together on Commitment Sunday, October 15<sup>th</sup> to declare with one voice how God has blessed our vision and to celebrate the future He has laid before us. The Fulfillment phase of the Campaign follows, covering a 3-year period.

3. (June 27<sup>th</sup>) What if we do not reach the amount of money needed by Commitment Sunday? Are there optional plans if we do not raise the amount of money needed to do the larger expansion?

(July 23<sup>rd</sup>) Can we choose another building plan if we do not get a consensus vote to go with the plan illustrated in the brochure?

**Answer:** The campaign plan is based on LCEF's experience with hundreds of churches like ours, which typically raise between 2 and 2.5 times their annual weekly giving. There are no formal contingency plans in place if we don't reach our campaign goal other than to continue working with our LCEF coordinator for guidance. Called staff, lay leaders, and the campaign team believe our plan is the best scenario for our ministry and it was agreed to in our March voters' meeting. The detached "Plan B" design, although less expensive, was rejected by voters in March as it's not fully aligned to the priorities listed above. The construction team discussed smaller and less expensive plans, but the plan that the congregation approved best met the needs of the church ministries. The idea of phasing delivery of the building (i.e. building it in stages) was discussed but was found to add significant cost.

4. (July 23<sup>rd</sup>) How will we pay the mortgage on the money we are borrowing, estimating that we will need around \$210,000 a year for 25 or more years?

5. (June 27<sup>th</sup>) There has been discussion regarding the staff looking at belt tightening strategies. Have they arrived at any solutions?

**Answer:** On Commitment Sunday, October 15<sup>th</sup>, we will see how the people of God at Messiah Lutheran, through the encouragement and guidance of God, have responded to the challenge set before us. If we reach the \$2M goal, our cash flow plan to support a debt service (estimated at \$210,000/yr.) will be explained and voted on during a subsequent congregational meeting. Additionally, if we reach our campaign stretch goal, the long-term debt burden will be reduced further. The forecast to support this higher mortgage payment was provided to LCEF in our loan application and was approved by them. During the March voters' meeting, a belt-tightening proposal was discussed which would provide temporary (2-3 year) cash flow savings in our ministry plan budget. Lay leaders and Called Staff have reviewed the proposal and will consider it for implementation, possibly starting in the fourth quarter of 2023. There will be ongoing discussions with our Vision and Planning Board on ways these reductions can be realized without compromising our current ministry or staff support.

6. (July 23<sup>rd</sup>) How many contributing families are in our congregation?

**Answer:** We have approximately 210 families who are giving to our ministry plan

7. (July 23<sup>rd</sup>) How much did we pay LCEF to work with us and what are we getting for that fee?

**Answer:** During our January voters' meeting, the congregation agreed to engage Lutheran Church Extension Fund to manage our campaign (see answer #1 above) to help us achieve our goal for expanding ministry. Their process with congregations is hands-on, using large volunteer teams and meeting every other week (alternate meetings via teleconference) to learn best practice for a successful campaign. Our LCEF coordinator and his in-house staff have deployed a web-based platform for our use and are keeping each of us on task, step by step, to reach our goal.

## Questions related to the building expansion and construction:

8. (June 27<sup>th</sup>) Have we engaged a contractor, and do we have a contract with them?

**Answer:** The Construction team has selected Hondros as the design/build contractor based on interviews, company culture, proactive communications, proposed building design, and previous work experience.

9. (June 27<sup>th</sup>) What is the projected time frame for the whole project?

**Answer:** Building completion will take approximately 21 months from now; here are key dates:

-Capital Campaign launch, August 20<sup>th</sup>

-Commitment Sunday, October 15<sup>th</sup>

- Voter's meeting (accept and sign Hondros' contract and consummate our pre-approved LCEF loan), *tentatively, end of October*

-Building design (Lay leaders, staff, and Hondros), *tentatively, November 2023*

-Permitting approvals by city and county, *tentatively, end of March 2024*

-Groundbreaking; begin construction, *tentatively, April 2024*

-Construction completed with certificate of occupancy, *tentatively, April 2025.*

10. (June 27<sup>th</sup>) What design plan will be included in the Campaign book?

**Answer:** The "option A" design which was approved at the March 26<sup>th</sup> voters' meeting is our current plan-of-record. It features a two-story structure and a multi-use high ceiling gymnasium, both integrated into our existing Sanctuary and Narthex for easy and visitor-friendly access to all functional areas. Although the functional areas (preschool, classrooms, administration, etc.) are defined, the exact room dimensions may change during the design phase.

11. (June 27<sup>th</sup>) When we start the expanded building project, what parts of the existing building will be demolished?

**Answer:** The Sanctuary and Narthex will remain; all other areas will be replaced by new construction.

12. (June 27<sup>th</sup>) Will the contractor use time management plans during the construction phase?

**Answer:** Hondros' initial project proposal included time management plans which satisfied our Construction team.

13. (June 27<sup>th</sup>) Have you considered a Project Manager from the Congregation to oversee the building phase?

**Answer:** The Construction team will provide careful oversight during the construction phase. (Our congregation is blessed with several experienced construction and engineering professionals.)

## Questions related to ongoing ministry during the construction phase:

14. (June 27<sup>th</sup>) How will we continue present ministries while the structures are down? When demolition starts what plans are being made to continue the Preschool, Sunday School, and other ministries? Will there be a temporary facility on or off site? Will the parking lot be available during the demolition and construction?

(July 23<sup>rd</sup>) How do we hope to support and carry out all the other areas of our ministry during that time (construction)?

**Answer:** The Property team is developing a master plan to accommodate existing ministries during the construction phase. They have received proposals to lease two, or possibly 3 modular buildings to be sited on the North side of our campus after the existing modular building is removed. These will house the Preschool and the Administration offices and some activities.

Preschool rooms will serve double duty during Sunday school and the adult Bible class will likely use the Sanctuary. Activities such as Braille, Quilting, and BASIC groups may also be able to use the existing Narthex, although there will be times during construction when that space is being integrated with the new building. Some parking spaces will be fenced off for material staging and equipment. The Team will prioritize safety and employ temporary signage throughout our campus to help avoid confusion. They will be asking for your patience and will do their best to facilitate a smooth transition from old to new. We've asked Hondros' president to speak briefly at the August 20<sup>th</sup> campaign launch event regarding the ministry and space challenges we'll encounter during construction as he has many years of experience with church projects.

15. (June 27<sup>th</sup>) What are the plans for the current modular unit on the property?

**Answer:** The original plan approved by the congregation last Fall was to have it demolished and hauled away at a cost not to exceed \$15,000. Recently, the Property team has identified a buyer who plans to purchase and move it. The buyer is in the process of procuring land and we can move forward as soon as the building title is secured.

#### **Questions related to communications and other topics:**

16. (June 27<sup>th</sup>) When and how will we get the report regarding this meeting? How are we disseminating the information?

**Answer:** The Communication team will compile the report and disseminate it to the congregation via email (Constant Contact), surface mail, and hand delivery depending on member preference. Copies of the report will also be available at the Welcome Center. An updated version will be distributed after the second (July 23<sup>rd</sup>) Forum.

17. (June 27<sup>th</sup>) Is Messiah doing Outreach? There is a concern about [low] attendance. How can we get more people to attend church? Why aren't attendance numbers published?

(July 23<sup>rd</sup>) How are we doing with attendance at church and meetings? [Is it wise to go forward] with plans that anticipate and envision large growth? Are we trying to build our way into growth with our physical building?

**Answer:** Worship service attendance during 2023 averages 230/week; additionally, there are 40-75 who worship on-line (based on unique device log-ins). Sunday school attendance during the summer weeks is at a record high.

A recently commissioned Outreach team contacted leaders of Intentionally Faithful (I.F.) initiatives and published a report in the August newsletter which describes how our I.F. culture, foundational to Outreach on a personal and congregational level, is alive and well and is bringing visitors (including the unchurched) into our fellowship! The Team is also working with Called Staff, Elders, and other Lay leaders to amplify our communications and social media presence, to provide new resources and training for members, and to implement assimilation tracking through our new church management software platform. As stated above (#1), LCEF approved our loan request and the ability to service a larger mortgage commitment by assessing our ministry commitment, financial giving, and worship attendance, especially during the Covid period.

18. Have we considered the additional costs of maintenance, cleaning, utilities, and insurance for the larger building?

**Answer:** We submitted expense estimates for these items in the cash flow worksheet on our loan application, knowing that a larger building would incur higher maintenance expenses.