GRACE FELLOWSHIP CHURCH

Facility Renovation
Facility Renovation Plan

The time has come to invest in our church facility and we need your help. Our facility is badly in need of renovation that will address deferred maintenance issues, sanctuary seating capacity and space functionality. The purpose of this document is to summarize a $900,000 facility improvement plan and capital campaign that has been approved by the Grace Elder Board and to ask for your help in funding the plan.

Background

Our current property was built in 1975 for use by an engineering firm as their corporate offices. In 1993 a member of our congregation purchased the property and donated it to Grace Fellowship Church to be used as our primary worship facility. In 2000, Grace purchased the modular building that is being used by our High School and Jr. High ministries from existing cash reserves. In 2004, we increased our sanctuary space by expanding into former classroom space contiguous to our south atrium. Again, this expansion was paid for with cash on hand.

In 2008 the elder board held a series of focus group meetings with our congregation so that we might communicate the needs and challenges we were facing in regard to our facility. We also solicited feedback from our community about expansion and related financing considerations. Highlights of the feedback we received included a strong consensus that we hold to our value of not taking on any debt, that we take care of all deferred maintenance issues, and that we upgrade our space to maximize functionality where possible. Based on that input, the elders formed a facilities committee to study improvement and expansion options. Shortly after our due diligence was complete, we encountered the onset of the current economic recession and decided to put any fundraising efforts on hold.

About 12 months ago the elders reconvened an eight-member facility improvement committee to formulate a revised facilities improvement plan and fund raising strategy. The committee evaluated a number of options, including the options under consideration in 2008, and concluded that a “repair and improve” approach would be the most appropriate option at this time. In developing the facility improvement plan detailed below, the committee has been assisted by the selection of M.A. Nourse as general contractor, Ross Andrews as the architectural firm, and the Hogue Design Group for interior design assistance.

Grace values a warm and welcoming environment suitable for worship and fellowship where we can learn what it means to follow Jesus and engage in a transforming and obedient relationship with Him. Our church is a caring community where we want to share our walk with the Lord and develop relationships among us that foster trust and build one another up towards greater maturity in Christ. As we engage in the ministry God has given us we want our facilities to reflect our care and concern for our community and our values of good stewardship.
Proposed Improvements

In keeping with our value of wise stewardship of the resources with which God has blessed us, the elder board is proposing improvements to our facility to address critical needs as well as to enhance community in our church. The key benefits of the proposed plan include: (a) an increase in sanctuary seating capacity of up to 100 seats (a 33% increase); (b) improved functionality by redirecting the main sanctuary entrance to the patio, redesigning the coffee and kitchen areas, and improving the patio area with improved seating, landscaping and shade; and (c) addressing deferred maintenance items such as the roof, bathrooms, carpet, paint, and a refresh of the entire exterior of the facility including landscaping.

The critical items of deferred maintenance that the proposed plan will address include:

- **Roof**: Repair all roof damage as well as the structural and design flaws that are inherent in the current design, which has resulted in water damage.

- **Exterior Wood and Skin**: Repair and/or remove all rotted exterior wood and surfaces around the building.

- **Flooring**: Replace flooring throughout the facility that is tired, worn and stained.

- **Kitchen**: Redesign our kitchen facility for greater functionality to accommodate increasing demand.

- **Bathrooms**: Repair and replace fixtures that are unreliable and flooring that is worn.

- **Details of the plan to increase sanctuary capacity, and enhance our sense of community through improved functionality include:**

  - **Atrium**: Enclose south atrium for expanded sanctuary seating, adding approximately 70 seats. This space can also be used as a multipurpose room by closing a folding wall.

  - **New Entry**: Expand sanctuary into existing lobby adding approximately 30 seats. Create an improved south entrance (from the patio) to our facility that will serve as our primary entrance, which will take advantage of our patio space for an improved gathering space, better traffic flow and a safer entry/exit to the building for our younger children. Improvements would include adding a new entry hallway through a portion of our existing south atrium.

  - **Patio**: Transform our patio into a more inviting gathering place and primary entry area into the sanctuary. Improvements would include upgraded landscape design, patio furniture, a fire-pit for youth events as well as a barbeque/food service area for our monthly brunch and other events.
• **Coffee Bar**: Redesign our coffee bar area to open up the space between the atrium and the patio by relocating the coffee bar contiguous to our current kitchen space and allowing for indoor/outdoor (patio) service.

Our general contractor has developed a plan that we estimate will take less than nine months to complete, and will allow us to use our facility during the construction process.

**Costs and Funding**

The proposed budget of $900,000, which has been approved by the Grace Elder Board, includes all soft costs such as architecture and interior design fees, landscaping, and furniture. A breakdown of the budget in general categories is as follows:

- **Exterior Renovation**: $262,000
- **Interior Renovation**: $510,000
- **Other**: $128,000
  (Patio, Landscape, Equip., Misc.)
- **Total**: $900,000

Over the past couple of weeks, the Committee has been meeting with members of our congregation to present and confirm that we have the right renovation plan, and to obtain commitments that we hope will lead the way toward a total fundraising goal of approximately $900,000. At the time of this writing, we now have commitments and funded amounts that total $469,000, or 52% of our $900,000 goal.

- **Commitments**: $500,000
- **Unfunded**: $400,000
- **Goal**: $900,000

We are targeting to complete the fundraising campaign by year-end 2011, in order to begin select phases of construction as early as January. Because we will not be commencing construction until the necessary funds have been deposited in a bank account, we are asking for gifts to be paid as early as possible and that all pledges be paid by December 31, 2011.
The Grace of Giving

As you consider how you might give, we would encourage you to prayerfully consider these Biblical principles from 2 Corinthians 8-9:

- **Give freely.** We are not called to give out of guilt or compulsion, but rather out of a grateful response to what God has done in our lives. For "God loves a cheerful giver."

- **Give sacrificially.** We are invited into a life of sacrificial giving, following the example of Jesus who, "though He was rich, yet for our sakes He became poor, so that we through His poverty might become rich."

- **Give proportionately.** God cares less about the size of the gift and more about our hearts in giving the gift, and "if the willingness is there the gift is acceptable according to what one has, not according to what one does not have."

- **Give intentionally.** Rather than giving haphazardly or thoughtlessly, we should prayerfully consider what to give, and "each one should give what he has decided in his heart to give."

We are grateful for your financial support of the work of Grace Fellowship Church. Our ability as a church to make disciples who will not only believe in our Lord but also follow Him in daily life depends on your generosity. Thank you for prayerfully considering your part in this stewardship adventure.

The Grace Facility Improvement Committee,

Bob CtVRTlik
Nathan and Meredith McElmurry
Lucie Moore
Mark Page
Sean Sheward
Bob Searles
Greg Skjonsby
Mitch Vance
Frequently Asked Questions

Have you looked into the feasibility of moving to another building to accommodate our growth?

Yes. Over the past few years we have kept abreast of the real estate market in our area. The conclusion of the Elder Board and the facilities committee at this time is that the cost of selling our current facility, relocating and remodeling another facility suitable for our uses would not be financially prudent at this time.

What is the ‘scope of work’ of this renovation?

- Roof: Repair the structural and design flaws that have resulted in extensive leaking and replace roofing material where needed.
- Exterior Wood & Skin: Repair and/or replace all rotted wood and refinish all exterior surfaces.
- Fire Sprinklers: Install a fire safety sprinkler system throughout the main building per code requirements that will allow us to expand our seating capacity in the sanctuary.
- Expansion into Atrium: Enclose south atrium for expanded sanctuary seating, adding approximately 70 seats. This new space can also be used as a multipurpose room by closing a folding wall.
- Entry: Create an improved main entrance and entry hall into the sanctuary from the patio, by utilizing a portion of the newly enclosed south atrium.
- Sanctuary Reconfiguration: Relocate cry room and A/V control room into current lobby area for improved functionality and expand sanctuary into a portion of the lobby, adding an additional 38 seats to the sanctuary.
- Flooring: Replace throughout the facility.
- Kitchen: Redesign for greater functionality and to accommodate increased demand.
- Bathrooms: Repair and replace fixtures and flooring.
- Paint: Exterior and Interior where needed.
- Patio: Transform our patio into a more inviting gathering space serving as the primary sanctuary entrance. Improvements would include a shading solution, landscape redesign, patio furniture, fire-pit for youth events and a barbeque and food service area for our Sunday brunch and other events.
- Coffee Bar: Redesign and relocate coffee bar for better space functionality and offering indoor and outdoor (patio) service.

Will our Sunday service still be held at our current building during the construction, or will we have to relocate temporarily?

Our general contractor will phase the construction process to allow us to use the facility during the course of the project, albeit in a “don’t mind our mess” state.
How were the vendors chosen who are going to do the renovation work?

General Contractor: M.A. Nourse originally came highly recommended from trusted real estate professionals within our church family. Mike Nourse, the principle, is a committed Christian with a reputation for a high standard of ethics. M.A. Nourse Inc., is a well regarded commercial building general contractor in the Orange County area with extensive experience and a reputation for obtaining competitive pricing from sub contractors. Grace has had a relationship with M.A. Nourse for many years and used his services for our sanctuary expansion in 2004.

Architect: The architecture firm of Ross Andrews & Associates was recommended by M.A. Nourse as a firm well suited for designing a remodel that through thoughtful design, creates a big impact on a modest budget. Ross Andrews and M.A. Nourse have a long-standing relationship having worked together extensively on other projects. Ross Andrews is based in Costa Mesa and has an excellent relationship with the City of Costa Mesa’s planning department.

Hogue Interiors: Elizabeth Hogue, of Hogue Interiors was recommended by members of the facility improvement committee and she has extensive experience in commercial and residential interior design in the Orange County.

Will we gain any additional seating capacity with this remodel?

Yes. We will be increasing our seating capacity by approximately 100 seats (over 33%) by expanding into our south atrium and redesigning our sanctuary space.

Will the south atrium be a covered, code-approved seating area?

Yes. We will be installing fire safety sprinklers throughout the facility that will enable us to expand our capacity to allow for the approximately 100 additional seats that these improvements will provide.

Will the city allow us to convert the North atrium for additional sanctuary capacity if needed at some point in the future?

Yes, however, there are other facility configuration, cost and code considerations that persuaded us from making that modification at this point.

Will the conference room be permanently converted to office space? Is so, where will larger meetings take place?

The conference room will now serve as a multipurpose space providing both workstations as well as meeting space with a similar capacity as before. For
larger meetings, the covered atrium expansion will accommodate up to 70 people.

Do you have a plan for growth of the congregation?

Our proposed improvements will provide approximately 33% increased capacity. Once this capacity is met we will likely add an additional service on Sunday morning when we feel it necessary to do so.

Will we borrow to pay for the renovation?

No. We have had a long-standing value of not taking on any debt. The Elder Board has determined no debt will be used to finance this project.

When will construction commence?

The process of pulling permits and pre-construction planning and staging will take place concurrent with our fund raising efforts, however, construction will not begin until all the necessary funds are raised for this project.

How do I make a donation?

Donations can be made by check to Grace Fellowship Church or online on our website, gracefellowshipchurch.org. If paying by check be sure to designate the Building Renovation Fund in the memo line. For online gifts, select the Building Renovation Fund from the drop down menu. Online donations can be made from your checking or savings account. Visa, MasterCard (debit/credit), American Express are also accepted. Note: Checks are preferred to avoid 3% credit card fees.

How can I determine how much money is left to be raised in the campaign?

We will be giving periodic updates regarding the amount raised at church services and on our website, and we will make an announcement when we have reached our fundraising goal.

Who is the primary contact if I have further questions about this project and/or the fund raising campaign?

For general project questions, Mark Page will be available to answer your questions at mpage@gracefellowshipchurch.org. Communication to the committee or fund raising questions can be directed through Mitch Vance, our committee chairman, at mvance@tgvpartners.com
Will the project continue if the fundraising goal is not met? If so, how will it be decided which parts of the project will be completed or not?

Yes, however, the scope of our facility renovation will be determined by the amount of funds raised. If necessary, the facility improvement committee will prioritize and modify the scope of this project in accordance with the funds that are actually raised. The highest priority projects include deferred maintenance items such as the roof and the exterior.

How were the Grace Facility Improvement Committee members selected?

Over the past numbers of years, there have been a number of members of our church family who have volunteered their expertise in the area of real estate, construction, project management and finance in connection with this effort. These people were either asked to participate by the Board of Elders or made it known to the elders of their interest in volunteering. Our current committee chair, Mitch Vance, was asked by the elders to lead the current facilities improvement committee. Mitch worked with Mark Page and other elders to recruit the remaining members of the committee, who are Bob Ctvrtlik, Nathan and Meredith McElmurry, Lucie Moore, Sean Sheward, Bob Searles, and Greg Skjonsby. Several of the committee members have considerable fundraising experience, and several others have backgrounds in construction and real estate development. Bob Searles, who has extensive experience in commercial real estate development, will be leading the construction oversight portion of the plan.
Renovation Budget

Exterior Renovation for Main Building: $262,000

- Roof & Eaves: Repair/Replace
- Exterior Skin: Repair/Resurface (Smooth Stucco)
- Exterior Entry Doors & Hardware: Replace
- Reconfigure Parking Lot & Entrance Pathways

Interior Renovation for Main Building: $510,000

- Fire Sprinkler System
- New Entry Reconfiguration From Patio
- Kitchen/Coffee Bar Consolidation/Remodel
- Sanctuary Reconfiguration/Expansion
- Cry Room Expansion Relocation
- A/V Control Center Relocation
- South Atrium Sanctuary Expansion (Entry Hall/Multipurpose Room)
- Bathroom Remodel
- Flooring
- Paint
- Trim & Accent Surfaces
- Sanctuary Lighting
- Raise Drop Ceiling in Sanctuary

Patio/Landscaping/Misc. Costs: $128,000

- East/West Garden Walls/Trellis
- Fire pit
- Barbeque/Serving Counter
- Patio Cement Expansion/Stain
- Paver/Stone Accents
- Patio Furniture
- Landscape Demo/Replacement
- Patio Shade Solution
- Kitchen Appliances
- Sanctuary Chairs

Total: $900,000
Floor Plan/Renderings

The following illustrations represent approximate renderings of this project: