

GROWING TOGETHER IN GRACE

RENEW » REFRESH » REJOICE



CAPITAL CAMPAIGN PROSPECTUS



Dear Grace Family,

This Fall we will embark on our next 3-year Capital Campaign under the theme **Growing Together in Grace | Renew. Refresh. Rejoice!** During this campaign we will celebrate the 75th anniversary of the founding of Grace Lutheran Church—and the mission we share—to our community and world. Also, this campaign, at its close, will bring us to thirteen years since we kicked off our first campaign for the narthex, mirroring the first thirteen years of Grace that built the entire campus, essentially as we see it today!

Those original members of Grace sacrificed so that Christ's grace might grow in our corner of the world and beyond. Many of us have spent many fruitful years here growing together on a campus largely provided for us by those who went before us. How might we continue to lean in and contribute? How will generations to come experience our investment of love and resources to continue to provide a home in Palo Alto where grace may be lived together?

This prospectus will give you a vision for how we, as a community, are imagining our next projects to renew the campus, with a focus on ways to refresh the interior courtyard spaces in addition to continued upkeep, gifting our partners in ministry, and supporting work that has already been done. Our goal is to Grow Together in Grace so that future generations may rejoice and experience ongoing renewal in God's grace.

Peace,

Matt Smuts, *Pastor*
Eric Mellum and Julia Simon, *Campaign Co-Chairs*

GROWING TOGETHER IN GRACE: LOOKING BACK

When the people of Grace come together, amazing things happen.

By the early 1950s, the post-war boom had come to the valley, with people streaming in to start a new life in Palo Alto. In response, the wider Lutheran Church planted a new mission congregation: Grace Lutheran Church.

In just thirteen years, Grace grew explosively. The congregation pulled together to construct the entire campus largely as we now know it. Just imagine the energy and commitment those early members experienced as they set a vision for ministry and brought it to reality.

Now, for the more than 60 years since these first efforts, this campus has witnessed the amazing ministry of Grace Lutheran Church.

- ▶ In this space, people experience God in worship, surrounded by amazing music
- ▶ In this space, God claims God's children in baptism
- ▶ In this space, Jesus comes through bread and wine
- ▶ In this space, people experience God's love through meals, laughter, tears, and support
- ▶ From this space, we say goodbye to God's beloved through the funeral liturgy
- ▶ From this space, the Holy Spirit builds community and relationships for the sake of this life and this world



GROWING TOGETHER IN GRACE: SUCCESSFUL CAMPAIGNS

Together, Grace Lutheran Church continues to build on that legacy.

For the past ten years, this congregation has pulled together to renovate the campus those early members left for us. The first of three capital campaigns began ten years ago, having a huge impact on our ministry.

- ▶ A new narthex provides space for us to gather, mingle, and build relationships
- ▶ A new parking lot welcomes people to our campus
- ▶ New roofs protect our buildings, sustaining them for years to come
- ▶ Significant updates to the interior of the Education Wing help focus on faith formation in Jesus
- ▶ Refreshed bathrooms have helped with our accessibility and hospitality
- ▶ Updates to our primary parsonage show our commitment to the leaders of this ministry

GROWING TOGETHER IN GRACE: RENEW. REFRESH. REJOICE!

\$1.1 MILLION GOAL, \$1.3 MILLION CHALLENGE GOAL

Now, as Grace Lutheran Church looks to the future, we continue to grow together, investing in our campus to expand our mission. Our fourth capital campaign will continue what we have started, refreshing, renewing, and rejoicing in this place.

NEW OPPORTUNITIES: THE COURTYARDS **\$400,000**

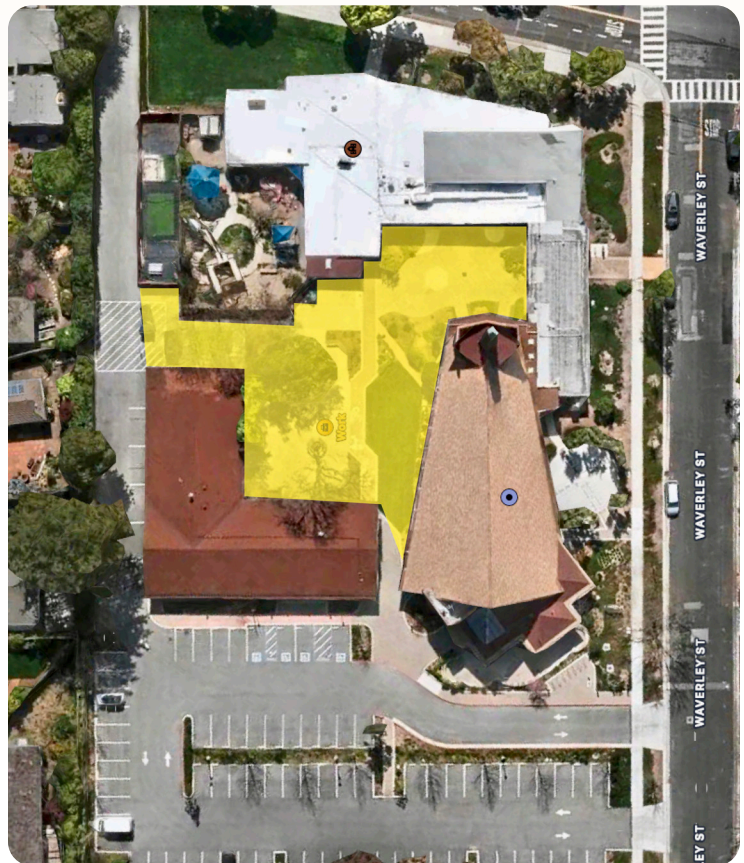
Grace Lutheran Church's campus has amazing curb appeal. From the road, our property beautifully conveys our love for God and this ministry.

At this time, our courtyards do not match that vision. Heaving sidewalks lead to safety issues. The landscaping no longer beautifies. A problematic sewer pipe leads to constant challenges. This all adds up to a space that is not used as much or as well as it could be, and provides only a sun-exposed path that leads to our offices and from one building to another.

A new vision emerges for this space. Not only can we make the space safe and beautiful, but the courtyards can extend our ministry outside our buildings.

Imagine the courtyard nearest Brown Hall with sail shades and an outdoor kitchen. Our ministry could flow out the doors of the fellowship hall, taking advantage of the beautiful weather God gives us in Silicon Valley. We could gather and mingle outdoors, coming together and deepening relationships.

Imagine the main courtyard upgraded to better facilitate outdoor worship, activities, and gatherings with new trees, landscaping, and hardscape.



CONTINUING INVESTMENTS: CONTINUING THE RENOVATIONS **\$185,000**

The last three capital campaigns have led to the replacement of many of the roofs that house our ministry. Three remain:

- ▶ Brown Hall, home of Life Together, the Advent Festival, outside groups, and so many community gatherings that bring us together as the Body of Christ.
- ▶ Education Wing, where people, from our youngest to our eldest, grow deep in faith.
- ▶ Office Space, where planning and preparation lead to vibrant ministry.

In addition, new paint in Brown Hall and new ceilings in the Education Wing will refresh the space.

CARING FOR OUR STAFF: OFFICE AND PARSONAGE \$100,000

Grace Lutheran Church has an amazing staff, helping us grow deep together in faith.

We will invest in their work in several ways:

- ▶ A new HVAC system in the office will finally provide air conditioning, allowing for cool and efficient work on hot summer days.
- ▶ Modest bathroom repairs and updates for the office space will feel more welcoming.
- ▶ Continued upgrades to the parsonages will provide better living conditions for those we entrust with our ministry, with updates to our new condo expanding our capacity to hire for youth ministry.



MISSION OUTSIDE OF GRACE LUTHERAN: THE TITHE \$130,000

Grace shares ten percent (in Biblical language, a tithe) of capital campaign giving to ministries outside of our campus. We will continue that faithful tradition in **Growing Together in Grace**, identifying capital projects from other ministries that we can impact in a significant way. Through past campaigns we have:

- ▶ Renovated retreat spaces at Mt. Cross Ministries. People have a space to renew, refresh, and rejoice!
- ▶ Provided new freezers and carts for the local food closet and purchased parts for a forklift for the Ecumenical Hunger Program. This leads directly to hungry people having food!
- ▶ Provided a significant investment in the Lutheran Mission and Medical Clinic in Juba, South Sudan. In a country lacking basic health care, women have a safe space to give birth!



INVESTING IN OUR CAMPUS: THE MORTGAGE \$360,000

Grace Lutheran Church came together to invest in a new narthex completed in early 2018. This continues to beautifully impact our ministry on a weekly basis.

For the purpose of completing that project and recognizing existing debt from previous parsonage purchases, Grace Lutheran took out a \$2.5 million mortgage. Through the **Growing Together in Grace** campaign, we will continue to pay down that debt. In coming years, the rental income from the second parsonage will largely cover monthly interest due, allowing the vast majority of the \$360,000 raised through this campaign to go directly to principal.

A small portion of funds raised will cover our investment in the capital campaign process.



GROWING TOGETHER IN GRACE: OUR COMMITMENT

Please prayerfully consider **your participation** in the **Growing Together in Grace** campaign. The following tables indicate the gifts we need to reach our base goal of \$1.1 million and our challenge goal of \$1.3 million. It is a goal that we can and will reach as we each do our part. Giving beyond our challenge goal will allow us to tackle more deferred maintenance on campus, giving us a leg up on future needs.

COMMITMENT INCREMENTS OVER TIME

AMOUNT PER WEEK	AMOUNT PER MONTH	AMOUNT PER YEAR	AMOUNT PER THREE YEARS
\$770	\$3,333	\$40,000	\$120,000
\$577	\$2,500	\$30,000	\$90,000
\$384	\$1,667	\$20,000	\$60,000
\$192	\$833	\$10,000	\$30,000
\$160	\$694	\$8,333	\$25,000
\$128	\$555	\$6,666	\$20,000
\$96	\$416	\$5,000	\$15,000
\$58	\$250	\$3,000	\$9,000
\$38	\$167	\$2,000	\$6,000
\$19	\$83	\$1,000	\$3,000
\$12	\$50	\$600	\$1,800
\$6.50	\$28	\$336	\$1,000
\$3.85	\$17	\$200	\$600

GIFTS NEEDED

GIFT AMOUNT	NUMBER OF GIFTS NEEDED	CUMULATIVE TOTAL
\$150,000	1	\$150,000
\$120,000	1	\$270,000
\$90,000	3	\$540,000
\$60,000	4	\$780,000
\$30,000	5	\$930,000
\$15,000	6	\$1,020,000
\$9,000	10	\$1,110,000
\$6,000	12	\$1,182,000
\$3,000	20	\$1,242,000
\$1,092	25	\$1,269,300
less than \$1/day	many	\$1,300,000

GRACE LUTHERAN CHURCH CAPITAL CAMPAIGN STEERING COMMITTEE

ERIC MELLUM
JULIA SIMON
CAMPAIGN CO-CHAIRS

MARILYN ADEN
INFORMATION TEAM CHAIR

RAYNOLD LEWKE
INVITATION TEAM CHAIR

KAY FERGUSON
INSPIRATION TEAM CHAIR

MARIA DERRICK
SPECIAL EVENTS TEAM CHAIR

COMMONLY ASKED QUESTIONS

Q: When do my gift payments for the campaign begin?

A: Unless you prefer a different timetable, the payment period begins December 2024. The Intent Form has a place for you to indicate how and when you will fulfill your commitment.

Q: How long does the Growing Together in Grace Campaign last?

A: The Growing Together in Grace Campaign will last for three years: December 2024 – November 2027. You may also make a one-time gift or make payments for less than three years. Those 73 years old or older often find that giving through an IRA Required Minimum Distribution allows them to make a significant tax deductible gift when that timing is best for them.

Q: Is it possible to just make gifts to the Campaign without making a specific commitment?

A: Yes, but written responses, while never legally binding, give us an indication of what we can expect and help us to better plan for our mutual ministries. Please fill out a Statement of Intent indicating how you will respond to the campaign, even if you do not make a commitment. The response from the congregation will be a compelling story to tell our new members and our community as we prepare for an even more impactful ministry.

Q: Do all gifts to the Growing Together in Grace Campaign have to be cash?

A: No. Gifts of appreciated stock, property, mutual funds, in-kind gifts needed in property improvements, cash value from insurance policies or policy loan proceeds, Certificates of Deposit (CD's), bonds and annuities are just some of the ways we can give. All of these gifts may be subject to restrictions and limitations, so it is wise to consult your financial adviser or accountant.

Note: For gifts other than cash, contact Gretchen Rauch at the church office (office@gracepa.org). There may be important tax implications. Unless you are trying to capture a capital loss, do not sell the property yourself as you may be subject to capital gains tax rules. Grace Lutheran or your financial professional can help structure transactions for mutual benefit.

Q: What is the advantage of giving appreciated stocks or property?

A: You can avoid capital gains taxes and receive a tax deduction for making a charitable gift.

Q: How do I make a gift of appreciated stock?

A: Your broker can transfer shares from your account to the church. For account information, contact Gretchen Rauch at the church office (office@gracepa.org).

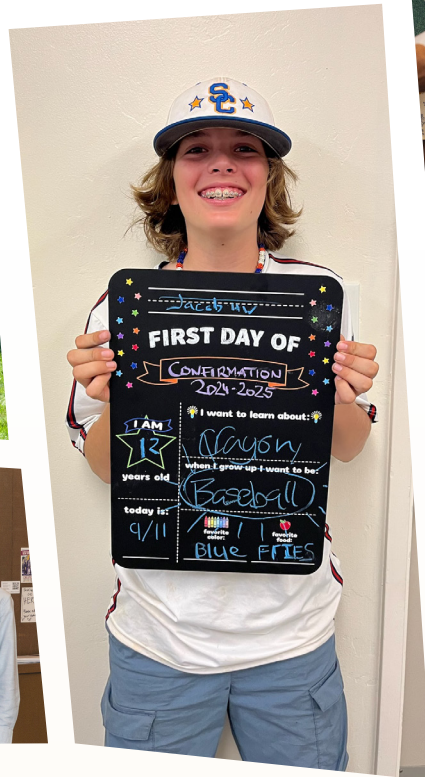
Important! Do not sell the stock yourself or you may be unable to avoid capital gains tax. The church's broker will sell the stock, and you will receive a deductible credit based on the average market value on the day the stock is transferred.

Q: Will I be asked to give a specific amount?

A: You will be asked to prayerfully consider an amount based on the Gifts Needed Chart above to reach our goal. If every gift is fulfilled, we can exceed our goal.

Q: Will we have a debt following this campaign?

A: A successful campaign will result in the ability to accomplish all of the projects listed without taking on additional debt.



Grace Lutheran Church

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