

Building Hope

For Families, God's Family



BLESSED HOPE
COMMUNITY + CHURCH



Webster NY, a suburb of Rochester, is experiencing a significant decrease in church attendance while simultaneously suffering the ill effects of families in crisis. These crises have very real consequences in the lives of people, prompting tragic situations such as the recent increase in the teen suicide rate and an almost pandemic-like increase in drug use – these represent false solutions to real pain and brokenness. Blessed Hope Community Church (BHCC) has been committed to the surrounding community for 19 years with the mission of “Loving people towards Jesus” – our priority has always been reaching families and showing them how God’s love can bring them healing and peace. Because of this priority, we’ve chosen to be a mobile church, meeting in community spaces such as schools and movie theatres. This strategy has reached a practical limit, especially in areas such as children and youth ministry and non-Sunday community outreach such as counseling and food ministry.

In this proposal, we will outline where we’ve been, how we’ve grown, the challenges currently faced by our community, and the trajectory God has placed before us. With the support of the community as well as our leadership and congregation, we’ve laid out a plan that includes facility upgrades, family outreach, supportive leadership/staffing, and marketing. This plan is slated to take 15 years and includes 4 milestones, clearly measurable goals, and a budget designed to support these milestones and goals.



Though Webster is the fastest-growing community in the Rochester metropolitan area¹, self-assigning the tagline “where life is worth living,” it is also home to what may be one of the least church-going populations in the country. In a 2017 study, the Barna Group ranked Rochester, NY 13th in the country in the severity of their shift from Christianity to atheism² – the 2010 census reveals that this group, the “no religion” demographic, grew by 62% between 2000 and 2010, 5% per year and a rate that represents a shift from 54% to an estimated 73%³.

We have suspected that church attendance in Webster is far lower than the rest of the larger metropolitan area. We recently conducted a survey of Webster residents which found that only 10% of the population attends a church of any religion outside of Christmas and Easter and only 5% of Webster attended a Christian church which emphasizes a personal relationship with Jesus Christ (appendix A) even before the pandemic. Now this percentage is even less.

Unless something changes, the church in Webster will greatly diminish in the next 2 decades.

We believe the fact that significant, alarming societal trends are occurring at the same time as the shrinking of our area’s faith community is no coincidence:

- The numbers of crimes such as sexual abuse⁴, opioid abuse, and drug overdoses⁵ have been increasing at alarming rates. This is no longer seen as just a problem for the inner city – the crisis is felt by the suburban population as well

Only 5% of Webster
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- With the increasing number of divorces, more families are being split up and with the added stress of managing blended families, parents and kids are having a hard time coping with the many stress factors.
- Teen suicide, depression, and anxiety are on the rise⁶. Within the last two years, for example, suicides by US boys has increased by 29% - experts are struggling to find causes, some have even pointed at individual TV shows as the trigger⁷.

There are 40,000
un-churched people
living in Webster

The result is that many families are in crisis today and in desperate need of help and hope! There are countless studies revealing the relationship between religion and teens' habits⁸. In short, teens that are raised in a religious home are more likely to stay away from debilitating habits, such as alcohol and drug use and develop healthier ones such as abstinence and commitment to studies.

God has given us a vision of how to do that. BHCC's Building Hope campaign is our vision from God and our church's strategic course of action to help restore faith and hope to the 45,000 un-churched people in our area. The pages that follow include a detailed description of how God has grown each area of our church (ministry, leadership, etc.) as well as the vision for future trajectory in those areas.



BHCC was started by a family who has lived in the Webster area for 4 generations. Linda Wurzbacher felt God's calling to ministry, responding first as an elder and children's and youth leader, then as an ordained pastor, then as a church-planter, establishing BHCC in 2002. As a contemporary, non-denominational Christian church, we have baptized over 125 people and experienced steady growth. In 2014, we started a second worship service, and in 2015 we started producing full services for the online community as well.

We began in a small live hall called the "Harmony House" which we outgrew after 3 years. We then met in a local school for nearly 2 years. For the past 12 years, BHCC has been meeting in a movie theater which is the best venue in Webster for a mobile church. The theater offers ample parking, great acoustics, comfortable seating, handicap accessibility, and use of the big screen.

There are currently over 200 people that call BHCC their church home and the church has continued to grow our even throughout the pandemic. Our online services reach over 100 people per week. Most of the people we are reaching are very un-churched people (not regularly attending a church for five or more years), or people who have never belonged to a church. This level of sustained growth is challenging the space available for both the worship services and vital ministries such as children's Sunday School, which currently meets in the hallway outside the theater.

Leadership and Staffing

BHCC is unique in that it was started by a female church planter (one of the few in the whole country), Pastor Lin Wurzbacher. Her husband, John K. Wurzbacher is a church elder (along with three other elders) and their son, John R. Wurzbacher. Since Pastor Lin retired in 2020, John R. Wurzbacher has transitioned from executive pastor to lead pastor.

Pastor Lin Wurzbacher (Founding Pastor)

Pastor Lin was ordained at her previous church where she was on staff and has been involved in ministry for more than 30 years. In addition to being a pastor, she has authored several family books and published hundreds of articles in leading Christian magazines such as “Christianity Today,” “Leadership Journal,” and “Rick Warren’s Toolbox.”

Coming from an un-churched background herself, Pastor Lin has a heart for reaching the lost. Her teachings are practical, biblical and encouraging.

Pastor Lin is one of the few, non-denominational church planting female pastors in the country. She has also worked to encourage and raise up other female church planting pastors throughout the country.

Pastor John Wurzbacher (Lead Pastor)

Pastor John has been involved in ministry for 25 years. When John was 18, he started a skating ministry which used extreme sports competitions, live music, and gospel presentations to reach the lost and the annual summer event became recognized as one of the largest in-line skate competitions in the country.

John also has a business developing apps, websites and helping businesses with their marketing. He has worked with organizations ranging from startups, to Fortune 500 businesses and even other churches.

John has been happily married since 2008 and has 3 children. His wife Jen sings with our worship team.

Staffing

BHCC currently has no full time staff members. Our lead pastor only takes a part-time salary so funds can be saved for the Building Hope campaign, detailed later in this document.

We currently have 1 part-time administrative assistant. Teams are led by volunteers, and pastoral decision-making is aided by a 5-member lead team.

BHCC has a leadership development group for existing and upcoming leaders called “Emerge” which meets 6 times per year. During these sessions, we provide training on how to be a better leader in ministry, celebrate successes in the church, support each other through any leadership challenges we may be dealing with, and discuss vision and strategy for the future.

Discipleship

BHCC embraces the apprentice model where every leader is encouraged to be apprenticing someone as well as having someone apprentice them. Our 4-step apprentice model is:

- I do, you watch, we talk
- I do, you help, we talk
- You do, I watch, we talk
- You do, someone else watches

BHCC currently offers 4 C.L.A.S.S. (Christian Life and Service Seminars) to help people grow in their faith.

- Class 101: Discovering Church Membership
- Class 201: Introduction to Spiritual Maturity
- Class 301: Discovering my S.H.A.P.E. for Ministry
- Class 401: Discovering My Life’s Mission

These 2 hours seminars are held several times per year. They help people get connected with others in our church, learn more about BHCC, and grow deeper in their faith.

Outreach & Community Impact

BHCC has had a significant impact on our community in reaching the poor and disabled. Our use of technology has made it easier to people with disabilities and special need to attend our church. Our imag video system ensures that people can see what's going on from anywhere in the auditorium, even if they are in a wheelchair.

We typically have 10-15 people attend our services each week who are in wheelchairs or have special needs. Heritage Christian Services and Epilepsy-Prelid Inc. are two different homes that we partner with. The residents not only attend our services but are engaged as well getting involved in serving opportunities. We currently host a hope group at one of the Heritage Christian Services homes so they can get connected and go deeper during the week.

BHCC also partners with Foodlink to distribute food to Phillips Village, a subsidized housing complex in Webster. During food distributions, our volunteers organize and unpack pallets of food to give-away at the Phillips Village community center. We typically feed 140 families at our annual food give-away. We also bring the residents hams and sing Christmas carols during the Christmas season.

We have another partnership with Hope House, an organization in Webster that helps provide needy families with food, clothing and financial assistance. We collect food during our services on a weekly basis to stock a food cupboard at our office and supply food to Hope House to give away. We have annual coat drive in December where we collect and distribute gently used coats, hats, scarves and gloves to families who need them as part of a House House community outreach event.

Current Ministries

BHCC has many ministries to help us best serve our local community and beyond:

- Outreach Team: Reaching our community's physical needs and sharing God's love in practical ways
- Mission Team: Supports missions groups all around the world including orphanages and missionaries
- Men's Ministry: Bible studies and special events for men
- Women's Ministry: Bible studies and special events for women
- Praise and Worship Team: Leading the congregation in music and praise on Sunday mornings and during special events
- Media Team: Designs graphics to be used for services, advertising and social media
- Connect Team: Guest services team to help new visitors get integrated
- Sound Team: Runs our Sunday morning audio production
- Video Team: Runs Sunday morning video production and online service production
- Prayer Team: Meets regularly to pray for the needs of our church as well as emergency prayer requests
- Hospitality Team: Provides food and drink for services as well as special giveaways
- Lead Team: BHCC's leadership team (elders and deacons)



In a 15 year period, BHCC plans to reach 4% of Webster and in a 20 year period, we plan to reach 6% of Webster which would bring the percent of the church-going population up to 16% and would equate to over 3,000 baptisms.

Why This is Challenging

In the last 22 years, 14 church plants have started in Webster. Of the 14 that have started, 10 have closed their doors and no longer exist. Three of the church plants have moved out of the Webster area. Only one church plant is alive and thriving today which is our church, BHCC. While religion has been declining all around us, BHCC has been growing at a healthy rate of 6% per year since the church began in 2002.

What happened to the other churches? Did their leaders lack training? Did they lack adequate funding? Some of the churches left the area for lack of adequate and affordable facilities. Real estate in Webster is very expensive. Some of the pastors were well trained, well funded and had large launch teams but weren't prepared for how hard the ground is in Webster. A large majority of the people who don't attend church in Webster have family roots in the Catholic Church and have been turned off by recent sexual scandals and cover-ups involving local Priests.

Established churches in Webster are also struggling to survive. Two mainline denominations have closed churches in Webster in the last five years. Two more churches are sharing a pastor because their attendance has declined so much, they aren't able to pay a pastor full time. One multi-site church in the Rochester area started a campus in Webster 4 years ago but has not been able to increase the church-going rate by even half a percent.

12 Webster churches
have closed their
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BHCC plans to
baptize 3,000 people
in 15 years

In 2013, AMC Theaters renovated the facilities. While the improvements helped to bring a wave of new visitors to our church, seating capacity was greatly reduced when seats were replaced with recliners. Our theater went from over 300 seats to 82 seats. We have temporarily overcome this by adding folding chairs in the back of the room. We have also added a second worship service but we are still on the verge of running out of seating on peak Sundays. Our children's ministry has also been growing rapidly and we have seen spikes in attendance so high, we have not had the room to accommodate all the

kids. After re-opening from the pandemic, BHCC temporarily moved to a single service but attendance is rebounding quickly and we plan to move back to 2 services in the next year. BHCC needs a dedicated facility which will allow us to add additional weekend worship services to accommodate our growth and make room for our goal.



Facilities

BHCC is currently limited in what it can do with it's facilities. While we have an amazing group of volunteers that helps set up and break down every Sunday at the theater, we're limited by what we have time to set up each week. This has kept us from doing more in with our lighting, video, sound, children's ministry, hospitality and connect teams.

Strategic facilities plan moving forward - basic timeline of both past actions and future plans included below:

2002 (Launch)	2005 - 2006	Present	Milestone 1	Milestone 2-4
Harmony House <ul style="list-style-type: none"> • Live hall • Used for Sunday services • Space for single combined children's class • Used for mid-week Bible studies • Established first office in space above a pizza parlor 	Spry Middle School <ul style="list-style-type: none"> • Used trailer to transport Sunday equipment to second floor auditorium • Launched second age-appropriate children's class 	AMC Theaters <ul style="list-style-type: none"> • Launched 2nd movie theater for kids programs • Launched video team and began putting full services online • New office location in village of Webster for bible studies and special events 	Permanent Facility with Classrooms <ul style="list-style-type: none"> • Enhanced security for children's space • Room for fellowship events • Enhanced lighting and production 	Additional campuses <ul style="list-style-type: none"> • Launch second camps • Expand sanctuary, lobby and children's space in first facility

BHCC currently offers has a children's theater but lack of permanent facilities make it difficult to provide a clean and safe environment for kids

Children’s Ministry

In 2017, we made a significant investment into this ministry, purchasing new tables & chairs, dividers, media, lesson materials, and an electronic sign-in system. This investment has proven valuable, as participation rates have increased by 300% - at times children have represented more than 1/3 of total attendance at a given service.

Unfortunately we’ve reached the practical limit of what our present facilities can accommodate.

Children’s ministry has always been of core importance to BHCC and we consider it a vital part of our strategic plan moving forward. A basic timeline of both past actions and future plans is included below:

2002 (Launch)	2003 - Present	Present	Milestone 1	Milestone 2-4
Laity Ministry • Worship Services • Weekly Bible Study • Worship Services • Weekly Bible Study	Woman’s, Men’s, and Small Group Ministry • Office and home-located small groups • Special events	Children’s Ministry Expansion • 2002 - 1 Class • 2008 - 2 Classes • 2017 – Renovated portable classrooms • 2021 – Launched children’s theater	Dedicated children’s ministry space • Hire part-time • Children’s ministry leader	Expand ministry to additional campuses • Hire additional part time or full-time pastors & counselors

Family-Focused Outreach

Perhaps the greatest sign of hopelessness in our area is the number of suicidal teens and preteens in Webster. In our church, we’ve seen examples of this increase dramatically in the last year - some teens have been struggling with suicidal thoughts and others have attempted suicide multiple times.

There are so many factors that deal directly into the heart of this matter. The divorce rate is nearly 50% and largely contributes to feelings of anger and hopelessness among teens. Bullying in our schools has become commonplace, and social media has enabled it to spill beyond the schoolyard. Counseling can also be very expensive and typically is not covered by insurance. Modern society has introduced many confounding aspects into our lives: How do I look online? Are the crises in the news real and do they affect me? What gender am I?

Our children's
ministry grew by
300% between 2017
and 2019

BHCC’s passion is to be a light in the community for families in crisis; our strategic plan highlights the creation of a Family Center, which would include the following:

- Youth Ministry: Regular youth gatherings
- Free Christian Counseling Services: Counseling would focus on significant areas of need such as strengthening marriages, teen depression, and suicide prevention.
- Practical Services: Food pantry, clothing

- Marriage-Strengthening Events: In addition to marriage counseling (above), regular, marriage-focused events are planned. An example is date nights which include childcare, meals, and entertainment such as movie screenings, guest speakers, or arts and crafts
- Whole-Family Special Events: Though many events will focus on individual groups (women’s ministry, youth ministry, etc.), we feel it’s important to host events which bring the whole family together and build the bonds between them

A basic timeline of both past actions and future plans is included below:

2002 (Launch)	2003 - Present	Present	Milestone 1	Milestone 2-4
Pastoral Shepherding • 1-on-1 pastoral counseling	Preteen Ministry & Marriage Counseling • Pre-teen small groups • Marriage seminars	Local Outreach • Community food & clothing distribution • Ministry to subsidized housing residents	Dedicated family center • Hire part-time counselor • Family events • Marriage building events	Expand ministry to additional campuses • Hire additional part time or full-time ministry leaders

Future Leadership and Staffing

A description of BHCC’s current levels of staffing is included earlier in the document. As the church grows, it will become more essential to bring on full time staff members to support the church’s growth.

Staffing for Milestone 1

- Full Time Assistant Pastor
- Part Time Children’s Ministry Leader
- Part Time Youth Pastor
- Part Time Counselor
- Part Time Assistant Worship Leader

Staffing for Milestones 2-4

- Full Time Pastor for each new campus
- Part Time Hope Groups pastor/facilitator
- Additional pastors for broadcast campus

This is very much a family-centered church and we continue to expand God’s family-feel atmosphere!

Marketing

We have found that the type of marketing that works best in Webster is postcard invitations. We have an open house every fall where we send out invitations to advertise an upcoming series. We typically send out 15,000 – 20,000 postcards to the Webster area.

Our new facility will start with a soft launch and will allow us to work out any issues and make any adjustments needed before our grand opening which will begin a month later. To advertise the launch of our new facility, we would like to send out 20,000 invitations in the first year. We will also spend

additional funds advertising the grand opening on social media. We project that our church will double in size within the first two months of the grand opening and triple in size within the first year.

A basic timeline of both past actions and future plans is included below:

2002 (Launch)	2003 - Present	Present	Milestone 1-4
Signage, Website & Mailers <ul style="list-style-type: none"> • Personal invitations • Direct mail postcards • Portable signage 	Social Media and Open Houses <ul style="list-style-type: none"> • Facebook advertising • 4-6 week open houses • Larger direct-mail marketing campaigns 	Video <ul style="list-style-type: none"> • Full services (community previews) available on website • Individual worship videos posted to social media • 80 weekly reach online 	Mass Community Advertising Campaigns <ul style="list-style-type: none"> • Community preview services • 24/7 signage • 20,000 direct mail invitations

We have found direct mail to be one of the most cost-effect forms of advertising. The response rate we typically see is .0025% A 20,000 piece mailer will reach 50 people initially and many more will continue to come to our services all year round.



Current weekly reach between services and online: 140 weekly reach

Milestones

Milestone 1 - Year 1

Launch New Webster Broadcast Campus - 350 weekly reach (200 in service + 150 online)

- Launch services at new facility with 200 seat auditorium
- Re-launch 2nd worship service (combined during pandemic)
- Hire children’s ministry leader
- Hire assistant worship leader

Milestone 2 - Year 6

Expand broadcast campus – 1,000 weekly reach (650 in service + 350 online)

- Add 3rd worship service
- New 350 seat auditorium addition

Milestone 3 - Year 10

Launch Second East-side Campus– 2,000 weekly reach (1,200 in service + 800 online)

- 5,000 sq. foot new campus
- Hire campus pastor for second campus
- Hire part time Hope Groups pastor

Milestone 4 - Year 15

Launch Third East-side Campus – 3,000 weekly reach (2,000 in service + 1,000 online)

- 5,000 sq. foot new campus
- Hire campus pastor for third campus
- Hire part time worship leader for third campus

Needs

Below are three possible financial goals. With each goal, we will be able to impact our community more significantly in reaching more people with God's love.

Momentum

Goal: \$100,000

- Allows us to put 25% down and finance 75% toward the property

Magnitude

Goal: \$150,000

- Allows the church to pay down debt with 30% down payment

Movement

Goal: \$200,000

- Allows us upgrade the building and/or parking lot with additional square footage or features

Building Hope Budget

\$245,000 – Purchase of 1280 Creek St. land

\$700,000 – Site work, parking lot, and 4,000 square foot building

\$50,000 – Chairs, equipment, building materials, signage and closing costs

*All funds given to the Building Hope campaign will be used for BHCC's facility, technology, signage and advertising only. This includes the acquisition of land, construction, or renovation of an existing facility, utilities and maintenance, and technical equipment (sound mixer, lighting, video, cables, etc).



Blessed Hope Community Church is a church family seeking to reach and strengthen families in our community with the love of Jesus Christ. Though our job may be difficult because of the hard ground in Webster, through the prayers and financial support of our congregation and outside supporters, we will continue to pursue our mission in reaching the un-churched and de-churched.

We hope that you will partner with us in this mission to put down permanent roots in our community with the establishment of a 24/7 facility so that we can reach Webster families in a greater way than ever before.



1. Pray – We believe that prayer changes lives and moves mountains through the power of the Holy Spirit. Please join us in praying for the Webster/Penfield area, and that we'd continue loving people towards Jesus.

2. Pledge – Pledges can be made with pledge cards (in person) or online through our website.

Online: You can give online by visiting:

www.BlessedHope.org/Building-Hope

Check: Checks can be mailed to our office:

Blessed Hope Community Church
44 E. Main St.
Suite 5
Webster, NY 14580

Wire transfers, asset transfers:

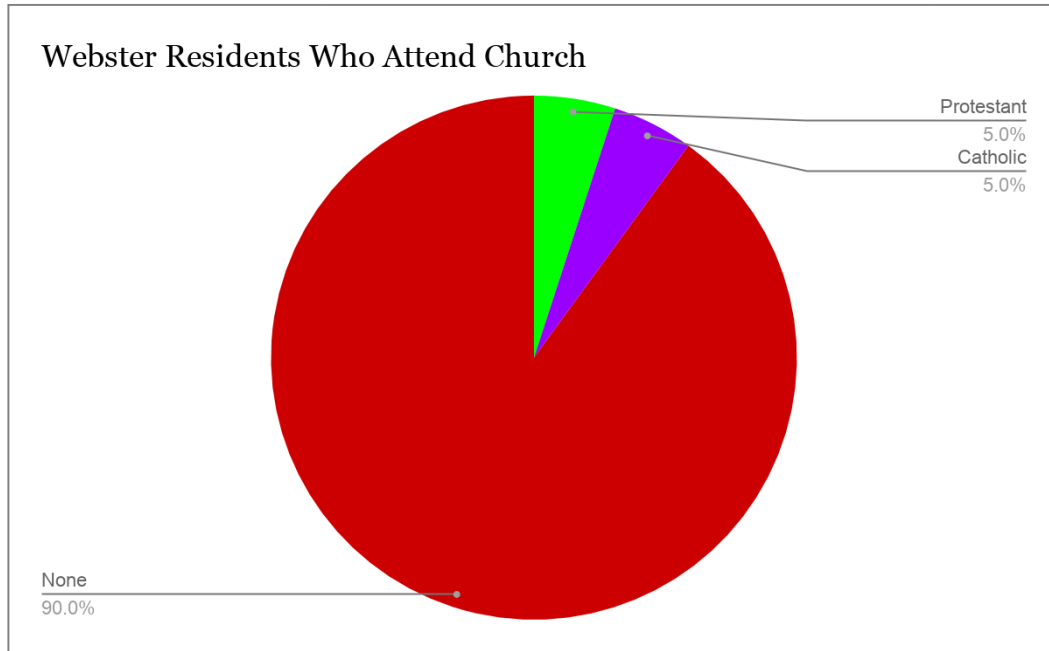
Contact: John@BlessedHope.org
Phone: 585-662-5759

Blessed Hope Community Church Inc. is a 501(c)(3) organization and all donations are tax-deductible.

3. Fundraise – Turn a hobby into a fundraiser. Organize a walk or run. Sell something of value. Get creative use your time, talents and abilities to contribute.



Study of 40 adult Webster residents. The criteria used to indicate as to whether they attend church is whether they attended a church anytime in the last year outside of Christmas and Easter (the same as Barna uses in it's studies).



The study found that 36 residents did not attend a church of any religion outside of Christmas and Easter. 2 residents regularly attend catholic churches and 2 residents regularly attend evangelical protestant churches.



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3. Democrat and Chronicle. 2015 Population Estimates, 2015, rochester.nydatabases.com. Accessed 5 May 2019.
4. NBC Connecticut. FBI Report Shows Almost 20 Percent Increase in Reported Rapes. <https://www.nbcconnecticut.com/news/national-international/FBI-Report-Shows-Almost-20-Percent-Increase-in-Rape-Reports-495065881.html> Accessed 23 May 2019.
5. National Institute on Drug Abuse. Opioid Overdose Crisis. <https://www.drugabuse.gov/drugs-abuse/opioids/opioid-overdose-crisis> Accessed 23 May 2019.
6. <https://www.cbsnews.com/news/big-spike-us-children-teens-attempting-suicide/>
7. <https://www.cnn.com/2019/04/30/health/13-reasons-why-suicide-rates-study/index.html>
8. Stanford Research Stories. Religiously engaged adolescents demonstrate habits that help them get better grades. <https://ed.stanford.edu/news/religiously-engaged-adolescents-demonstrate-habits-help-them-get-better-grades-stanford-scholar>

BUILDING HOPE GIFT ACCEPTANCE POLICIES

Blessed Hope Community Church, a nonprofit organization headquartered in Webster, NY, encourages the solicitation and acceptance of gifts to BHCC (hereinafter referred to as BHCC) for purposes that will help BHCC further and fulfill its mission. The following policies and guidelines govern acceptance of gifts made to BHCC or for the benefit of its Building Hope campaign.

I. Purpose of Policies and Procedures

The purpose of this document is to set forth the criteria that BHCC and its lead team for use to determine that a proposed gift is acceptable and to inform prospective donors and their advisors of the types of gifts BHCC accepts. While these guidelines establish best practices, they are designed to provide flexibility as directed by the lead team.

II. Use of Legal Counsel

BHCC seeks the advice of outside legal counsel as appropriate on matters relating to acceptance of gifts. Review by legal counsel is usually sought in connection with:

- a. Closely held stock transfers that are subject to restrictions or buy-sell agreements
- b. Documents naming BHCC as Trustee
- c. Gifts involving contracts, such as bargain sales or other documents requiring BHCC to assume a legal obligation
- d. Gifts of patents and intellectual property
- e. Transactions with potential conflict of interest that may invoke IRS sanctions
- f. Other instances in which use of counsel is deemed appropriate by BHCC's Board of Directors or Gift Exceptions Committee.

III. Communications with Donors

BHCC holds all communications with donors and information concerning donors and prospective donors in strict confidence, subject to legally authorized and enforceable requests for information by government agencies and courts. All other requests for or releases of information concerning a donor or a prospective donor will be granted only if permission is first obtained from the donor.

IV. Conflict of Interest

BHCC does not provide personal legal, financial or other professional advice to donors or prospective donors. Donors and prospective donors are strongly urged to seek the assistance of their own professional advisors in matters relating to their gifts and the resulting tax and estate planning consequences. BHCC endorses the Model Standards of Practice of the Charitable Gift Planner promulgated by the National Committee on Planned Giving and the Donor Bill of Rights promulgated by the Association of Fundraising Professionals.

V. Restrictions on Gifts

Unrestricted gifts and gifts for specific programs and purposes may be accepted, provided they are consistent with BHCC's mission, purposes and priorities. BHCC will not accept gifts that are inconsistent with its mission, purposes or priorities or are judged too difficult to administer.

VI. Types of Gifts

A. The following gifts may be considered for acceptance by BHCC:

1. Cash
2. Tangible personal property, including in-kind gifts
3. Securities
4. Real estate
5. Remainder interests in property
6. Oil, gas, and mineral interests
7. Bargain sales

8. Life insurance
9. Charitable gift annuities
10. Charitable remainder trusts
11. Revocable trust agreements
12. Charitable lead trusts
13. Retirement plan beneficiary designations
14. Bequests
15. Life insurance beneficiary designations
16. Intellectual property rights

B. The following criteria apply to the acceptance of gifts in these categories.

1. Cash: Cash may be accepted in any negotiable form. Checks must be made payable to BHCC and should be given to BHCC during worship services or delivered to BHCC's administrative offices.

2. Tangible Personal Property: BHCC will accept tangible personal property gifts valued at \$300 or greater if the gift will generate adequate revenue for the organization, and meet the purposes for which the gift is intended. In assessing the appropriateness of the gift, BHCC should address the following questions:

- Is the property marketable? What is the market for and costs of transportation to market and sale?
- Are there any undue restrictions on the use, display, or sale of the property?
- Are there any carrying costs (insurance, storage, ongoing maintenance) for the property?
- Will the property be difficult to transport relative to its value

3. Securities: BHCC can accept both publicly traded securities and closely held securities.

Publicly Traded Securities: Marketable securities will be transferred to an account maintained at one or more brokerage firms or delivered physically with the transferor's signature or stock power attached. As a general rule, all marketable securities will be sold upon receipt unless otherwise directed by the BHCC lead team and finance team. In some cases marketable securities may be restricted by applicable securities laws; in such instance the final determination on the acceptance of the restricted securities may be made by the lead team.

Options and Other Rights in Securities: The following questions apply to acceptance of warrants, stock options and stock appreciation rights:

- Is BHCC required to advance funds upon exercise of the gift? If so, does BHCC have the required funds?
- Is BHCC at risk of loss of funds in accepting the gift?
- Are the rights restricted? And if so, does the restriction affect the ability of BHCC to dispose of the asset? Does the restriction materially impact the value of the gift to BHCC?
- Will acceptance of the gift and/or exercise of the option trigger any tax consequences to BHCC?

Closely Held Securities: Proposed gifts of closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in LLPs and LLCs or other ownership forms, will be reviewed by addressing the following questions:

- What type of entity is represented by the gift? (For example, C Corporation, S Corporation, LLC, LLP.)
- Will the security generate unrelated business taxable income to BHCC? If so, does BHCC have the funds to pay this tax?
- Will the gift trigger any negative tax consequences to the donor? If the donor is unsure, please advise him to talk with his accountant.
- Are there restrictions on the security that would prevent BHCC from ultimately converting those assets to cash?
- How does the company operate? Does its operation of the gift interest create liability for BHCC?
- Is the security marketable? If so, what is the market for sale, and estimated time required for sale?

If potential problems arise on initial review of the security, further review and recommendations may be sought from an outside professional before making a decision whether to accept the gift. Every effort will be made to sell non-marketable securities as quickly as possible.

4. Real Estate: BHCC will consider real property gifts with a market value of \$5,000 or greater. Gifts of real estate may include developed property, undeveloped property, or gifts subject to a prior life interest. Prior to acceptance of real estate, BHCC requires an initial environmental review of the property to ensure that the property is free of environmental damage. In the event that the initial inspection reveals a potential problem, BHCC may retain a qualified inspection firm to conduct an environmental audit. The prospective donor must bear the cost of the initial environmental review and any subsequent environmental audit. When appropriate, a title binder shall be obtained by BHCC prior to the acceptance of the real property gift. The cost of the title binder will be borne by the donor.

The following criteria applies to gifts of real estate:

- Is the property useful for the purposes of BHCC?
- Is the property marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the property?
- Are there carrying costs, which may include insurance, property taxes, mortgages, or notes, etc., associated with the property?
- Does the audit reflect that the property is free of environmental damage?

5. Remainder Interests In Property: BHCC may accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions of paragraph (4). At the death of the life tenants, BHCC may use the property or reduce it to cash. Where BHCC receives a gift of a remainder interest, expenses for maintenance, real estate taxes, and any property indebtedness will be paid by the donor and/or primary beneficiary.

7. Oil, Gas, and Mineral Interests: BHCC may accept oil, gas, or mineral interests, when appropriate. In accepting oil, gas or mineral interests, BHCC will determine whether the following criteria have been met:

- Gifts of surface rights should have a value of \$20,000 or greater.
- Gifts of oil, gas, and mineral interests should generate at least \$3,000 per year in royalties or other income (as determined by the average of the three years prior to the gift).
- The property should not have extended liabilities or other considerations that make receipt of the gift inappropriate.
- A working interest is rarely accepted. A working interest may only be accepted when there is a plan to minimize potential liability and tax consequences.
- The property must undergo an environmental review to ensure that BHCC has no current or potential exposure to environmental liability. The cost of the environmental review must be borne by the donor.

8. Bargain Sales: BHCC may enter into a bargain sale arrangement in instances where the bargain sale furthers the mission and purposes of BHCC. All bargain sales must be reviewed and recommended by the Gift Exceptions Committee of BHCC. In determining the appropriateness of the transaction, BHCC will consider whether:

- The value of the property has been substantiated by an independent appraisal.
- Any debt ration assumed with the property is less than 50% of the appraised market value.
- BHCC will use the property, or there is a market for sale of the property allowing sale within 12 months of receipt.
- The costs to safeguard, insure, and expense the property (including property tax, if applicable) during the holding period have been determined

9. Life Insurance: BHCC must be named as both beneficiary and irrevocable owner of an insurance policy before a life insurance policy can be recorded as a gift. If the donor contributes future premium payments, BHCC will include the entire amount of the additional premium payment as a gift in the year that it is made.

If the donor does not elect to continue to make gifts to cover premium payments on the life insurance policy, BHCC may:

- Continue to pay the premiums
- Convert the policy to paid up insurance
- Surrender the policy for its current cash value

Once the policy is accepted, life insurance holdings will be reviewed annually to determine whether it is best to continue to pay the premiums, convert the policy to paid up insurance, surrender the policy for its current cash value, or change the underlying investment structure.

10. Charitable Remainder Trusts: BHCC encourages its donors to name the organization as a remainder beneficiary of a charitable remainder trust and will work with its donors to structure such agreements. However, BHCC will not serve as trustee of a charitable remainder trust and will instead encourage the donor to use a professional fiduciary.

11. Revocable Trust Agreements: BHCC encourages its donors to name the organization as a beneficiary of all or a portion of a revocable trust agreement. However, BHCC will not serve as trustee of a revocable trust agreement and will instead encourage the donor to use a professional fiduciary.

12. Charitable Lead Trusts: BHCC may accept a designation as income beneficiary of a charitable lead trust. BHCC will not accept an appointment as Trustee of a charitable lead trust.

13. Retirement Plan Beneficiary Designations: Donors and supporters of BHCC will be encouraged to name BHCC as beneficiary of their retirement plans. Such designations will not be recorded as gifts to BHCC until such time as the gift is irrevocable.

14. Bequests: Donors and supporters of BHCC will be encouraged to make bequests to BHCC under their wills and trusts. Such bequests will not be recorded as gifts to BHCC until such time as the gift is irrevocable.

15. Life Insurance Beneficiary Designations: Donors and supporters of BHCC will be encouraged to name BHCC as beneficiary or contingent beneficiary of their life insurance policies. Such designations shall not be recorded as gifts to BHCC until such time as the gift is irrevocable.

16. Intellectual Property Rights: Intellectual property rights, which include royalties, patents, copyrights, contract rights or other similar interests, will be examined in light of the following criteria:

- Is the intellectual property right related to the mission of BHCC?
- Can the ownership of the intellectual property right be clearly transferred or assigned to BHCC?
- Is the intellectual property right a full or fractional interest? If fractional, who are the other owners of the property and percentage interests? Is the gift deductible to the donor under the IRS partial interest gift rules? Does the right in the intellectual property generate, or have the potential to generate, at least \$5,000 or more each year?
 - Is there a market for the sale or licensing of the intellectual property right?
 - Are there any costs associated with acceptance of the intellectual property right? (i.e., is the gift a patent application that will require further action to secure, are there any claims, liens or other contests associated with the property, or are there likely to be costs associated with defending the intellectual property right?)
 - Are there any restrictions on the retention or use of the property?
 - What agreements or other legal documents would BHCC be required to execute in order to obtain patents, market the property and grant licenses in the name of BHCC?

VII. Miscellaneous

A. *Securing appraisals and legal fees for gifts to BHCC*: It will be the responsibility of the donor to secure an appraisal (where required) and the advice of independent legal, financial or other professional advisers as needed for all gifts made to BHCC.

B. Valuation of gifts for development purposes: BHCC will record a gift received by BHCC at its valuation for gift purposes on the date of gift.

C. Responsibility for IRS Filings upon sale of gift items: The Treasurer's office is responsible for filing IRS Form 8282 upon the sale or disposition of any non-marketable asset sold within three years of receipt by BHCC when the charitable deduction value of the item is more than \$5,000. BHCC must file this form within 125 days of the date of sale or disposition of the asset. Form 8282 with Filing Instructions is attached as an appendix to these policies.

D. Acknowledgement of all gifts made to BHCC and compliance with the current IRS requirements in acknowledgement of such gifts is the responsibility of the Secretary/General Counsel of BHCC or his/her designee. IRS Publication 561 Determining the Value of Donated Property and IRS Publication 526 Charitable Contributions provide excellent guidance and can be downloaded from www.irs.gov.

E. Disclosure provided for pooled funds. BHCC will provide all appropriate disclosures as required by the Philanthropy Protection Act of 1995 for gifts contributed to pooled funds.

Adopted by: Blessed Hope Community Church Inc. on 4/12/22.