



May 27, 2008

Dear 4Cs Family:

As those of you who attended the worship service this past Sunday now know, we have some important news to share regarding 4C's relocation project. After more information became available to us in recent weeks, on Sunday we announced that the project to build a new church building at 100th & Wadsworth cannot go forward as it is currently envisaged. We shared during the past few weeks that we were being adversely impacted by the twin market forces of the lending crisis, lenders tightening their lending criteria, and rapidly escalating construction costs. Due to these market forces, we are unable to obtain financing for the project as it is currently structured and designed (a 39,000 square foot building at our 100th & Wadsworth site). Completing the current project is simply no longer an option.

Earlier this year, three lending institutions were vying for our building loan, one of which was the Covenant denomination's lending institution, National Covenant Properties (NCP). All three have given their approval of a prequalified amount, but the amounts have all fallen short of our total financial need for the project. One of the major reasons was the escalating building costs caused largely by the increase in building materials and labor costs. In the last few months, the cost of our new building has risen by an estimated \$400,000, raising the total construction cost with permits and fees to \$6.7 million. That increase alone has put us outside the maximum amount of money that any lender would loan us. Since we didn't expect to break ground until later in 2008 or early 2009, further construction cost escalation would continue to be detrimental to us. A second reason that we don't qualify for the higher amount is the downward attendance trend from 2005 to 2006 and the slow rebound through 2007 and 2008 year-to-date. All the lenders demonstrated significant concern for our current trend in attendance growth.

Limited space in this letter does not permit an extensive recap of the project from its original inception eight years ago. However, a brief timeline is attached. Know that through the life of this project, all involved have sought first God's will for us. Each step was made with prayerful consideration. In December 2006, we brought before the congregation a revised plan that included nine gates through which we must pass to move forward with the project (see <http://www.christcommunitycovenantchurch.org/newProperty.html>). We placed these before God and asked for His will to be done. We have simply been unable to pass through all of the gates with the project as currently planned. Together, we will have to discern whether it was God's providence for us or our lack of faith. However, in all things we continue to praise and worship God.

At this point, perhaps you have many questions. We will attempt to answer a few of them here. However, we encourage you to attend one of the question-and-answer sessions being held in room 4/5 immediately following each service on June 1st and 9th. As always, feel free to approach us or any member of the Council with your questions.

An important question to address is that of the "money." What has happened to the money that has been sacrificially given and from the sale of the current building and the half of our land at 100th & Wadsworth? There are two aspects to this answer: the costs of the project to date and the status of the current capital campaign.

First, the cost of the project. The short answer is that through God’s grace we are in quite a good position as we consider how to move forward. Roughly, here is how the project breaks down to date. (“Land” refers to our property at 100th & Wadsworth)

INCOME, GIVING, AND ASSETS (in millions)		COSTS (in millions)	
Cash on hand in Checking/Savings	\$0.19		
Net Proceeds on Sale of 82 nd & Simms	\$1.12	Land acquisition costs	\$0.92
“His Purpose, Through Us” Capital Stewardship Campaign	\$1.10	Land purchase	\$1.74
“Journey of Faith” Capital Stewardship Campaign	\$0.90 (to date)	Land loan interest (to date)	\$0.43
Sale of 6 acres of land	\$2.20	Site development	\$1.87
Remaining land value (estimated)	\$2.50	Building design	\$0.54
Total	\$8.01	Total	\$5.50
<i>Net Worth</i>	<i>\$2.51</i>		

As you can see, including the estimated equity of the land we still own (approximately 6.8 acres), we have a net worth position of approximately \$2.51 million. The land at 100th & Wadsworth has proven to be a very good investment.

The second issue is the current capital stewardship campaign, Journey of Faith. Many of us are contributing or have contributed to the capital campaign. We realize that these new developments may impact the seven months remaining in this campaign. The Finance Committee will meet on June 5th to discuss this. Additional updates and options concerning the remainder of the campaign will be sent out soon after that meeting to those who have a balance on their pledge. For now we ask that you be prayerful about your participation and commitments to Journey of Faith.

A second, but equally important question is where we go from here. First, the elders and staff will pray and listen for God’s direction regarding the kind of church he would have us be given our location in the suburbs of a large city. It does seem that at least two values are emerging: that we responsibly use and direct God’s money toward ministry, and that any new building must allow for flexibility. The culture around us is changing rapidly and we must be ready to respond in ministry as God directs us and molds us. Second, the Building Task Force will meet to begin exploring all of our options. This task force will look into and examine every possible scenario going forward that is now consistent with who we are as a church. Finally, we ask that you pray with us that God’s will be done for 4Cs. In the not-too-distant future, all these options will converge into a direction that will be brought before the congregation.

We would like to take the opportunity to acknowledge that many people have worked very hard on this project. We thank them for their very hard work. Yet, it is not over. God is already moving 4Cs; we are not the church we were just a few short years ago. As we have said, the church is not the building, it is us. And, God is at work in us. We do not consider the termination of this project as a failure. We are on a journey with God and this is part of the journey. A new location is not our goal; rather, as Oswald Chambers tells us, the journey itself is

the goal. We thank God that he is on the journey with us and is leading us. God is the head of 4Cs.

May the Lord be with you as He is with us.

Dave Scherrer
Senior Pastor

Creg Hughes
Council Chair

A Brief History of 4Cs and the Current Relocation Project

May 1988 – Christ Community Covenant Church, as a new church plant forms and begins fellowship meetings on Friday evenings.

August 1988 – Christ Community Covenant Church selected as name, first Sunday morning worship service held at Arvada West High School: 270 attendees.

November 6, 1988 – First worship service held at leased and remodeled grocery store at 64th & Simms: 557 attendees.

June 1989 – Accepted into membership of the Evangelical Covenant Church, Charter Membership: 204.

December 22, 1991 – First service at purchased and renovated home at 82nd & Simms.

Easter 1997 – Renovation of gymnasium (sanctionarium!) for main Worship Center completed.

1998 – Average weekly attendance surpasses 500.

Early 2000 – Offer received from North Jeffco Park & Recreation District to purchase 82nd and Simms facility providing for lease back option. Congregation votes to accept this offer.

2002 – Average weekly attendance surpasses 900.

Spring 2002 – “His Purpose, Through Us” Capital Stewardship Campaign conducted – proceeds used to search for, purchase and develop new property. \$1.2 million was pledged and \$1,010,000 in gifts received.

January 2003 – Congregation approves purchase of 13 acres of property at 100th & Wadsworth. Formal approval process with City of Westminster begins.

November 2004 – Closed on property at 100th & Wadsworth. Site development work begins.

October 2005 – “Journey of Faith” Capital Stewardship Campaign launched. \$1.25 million pledged.

Spring/Summer 2006 – Congregation receives word that financing for construction was not approved.

December 2006 – Congregation approves plan to sell approximately 6 acres of land at 100th & Wadsworth to help fund construction.

Spring 2007 – Six acres of land placed on market.

December 2007 – Potential buyer secured.

May 2008 – Rising construction estimates and lending crisis puts financing for construction of 39,000 square foot facility out of reach.

January 2009 – Anticipated close on the sale of 6 acres.