

LIVING HOPE LUTHERAN CHURCH

Midlothian, Virginia

Building Project
Management Executive Committee
(BPMEC)

Progress Report
September 2026

A recap of October 2023 to present

Mission Statement

As recipients of God's grace through the gospel of Jesus Christ, Living Hope exists to proclaim the gospel in Word and sacrament in our community and throughout the world in order to bring the lost to Christ and to nurture believers for lives of Christian service.

Committee Members

Rob Neeley (chair)

Hans Dumke

Scott Swoboda

President Morris Hayes (ex officio)

Harry Newton (ex officio, Finance)

Curt Roby (ex officio)

Pastor Lindemann (ex officio)

Pastor Seifert (ex officio)

Cassie Lacey (advisory)

Sarah Seifert (advisory)

The Church Council renewed the BPMEC charter in June 2026. The committee consists of a chair and two standing members serving one-year renewable terms, with the Congregational President and both pastors as ex officio members. Additional members have been seated as the work has grown.

Preface

In October 2023, the Building Project Management Executive Committee (BPMEC) published a booklet describing a \$4.5 million project and various paths forward. This comprehensive update compiles everything that happened after that event, including the parts of the project that did not go the way we hoped.

The short version: A \$4.5 million project was simply beyond our financial reach. By December 2024 this committee was formally on hold. We spent the better part of a year asking not what we wanted to build, but what we could actually build and pay for that was valuable to the ministry of this congregation and to the glory of our Lord. The answer turned out to be a great deal smaller than anything we had drawn before.

In the meantime we reached a major milestone. In October 2024 we paid off the mortgage five years early, and in November we burned it together. We are debt free.

Today we have a complete set of construction documents for an addition of roughly 2,455 square feet — three classrooms, two offices, a flex room, storage, and a lobby that connects it all to our existing building. We have two competitive bids in hand from general contractors, both of which we have interviewed. **Our building fund currently has a balance of \$592,830.** Our financial position is favorable for securing a loan for a portion of this project.

This booklet seeks to retrace the decisions entrusted to the committee and present the facts on the project, in anticipation of the September 27, 2026 Voters' Meeting.

“The current times of higher inflation and building construction cost have challenged many congregations and their architects. You are not alone! You are also courageous in facing these challenges. And I trust that you are hopeful about a vision forward. You are after all, Living Hope. God will provide.”

— Paul Barribeau, Groth Design Group, November 2023

Not to us, O Lord, not to us but to your name be the glory,
because of your love and faithfulness.

- Psalm 115:1

What Happened *Since October 2023*

Late 2023: *your feedback, and a contractor*

After the October 22 presentation, several members submitted written alternatives to the two-phase plan. The committee found all of them thoughtful and forwarded every one to our architect, Ionic Design, and to our liturgical consultant, Paul Barribeau. Barribeau said none of the ideas were impossible and commended the insight behind them, but cautioned that a significant departure from the master plan would make the second phase harder and more expensive later. Ionic was more pointed: stay with the two-phase plan, because the alternatives would require rebooting the civil engineering and construction documents, and that rework would eat most of the savings.

On November 15 we selected Taylor & Parrish as our general contractor. They submitted a preconstruction services proposal in December, and we signed it on March 18, 2024.

April 2024: *the number that changed our target*

On April 16, 2024, Taylor & Parrish delivered a conceptual budget for Phase 1 — the classrooms and lobby only, with no new sanctuary and no interior renovation of the existing building:

Phase 1 conceptual budget (April 2024)	Cost
Sitework	\$520,000
Education wing & lobby (4,275 SF)	\$1,980,000
Total	\$2,500,000
Stated range	\$2.4M – \$2.6M

And that figure still excluded the vestibule tower, the sidewalk along Old Hundred Road, the retention pond, new parking, the three-lane entrance, and any renovation of our current building. It also assumed we would carry our own contingency on top.

The financing was moving the other direction. Of the three lenders we approached, both Lutheran Association for Church Extension and Lutheran Church Extension Fund told us they had no funds available after a surge of loan commitments. Thrivent was comfortable with lending us \$1.0 million, possibly stretching to \$1.2 million, at roughly 6.5%. That loan plus about \$300,000 of our own funds gave us a construction budget between \$1.3 and \$1.5 million. The project in front of us cost \$2.5 million. That gap was not going to be closed by value engineering.

October 2024: we paid off the mortgage

In the middle of one of the most frustrating stretches this project has had, our Lord endowed us with a great blessing. On October 15, 2024, Living Hope made its final mortgage payment of \$5,780.69. On November 3 we gathered on Reformation Sunday to burn the mortgage together. The debt on the building we have has been gone for nearly two years.

It is worth remembering what that took. Beginning in 2021 we deliberately paid more than we owed: an extra \$2,000 a month in 2021, \$3,000 in 2022, \$4,000 in 2023. This was for two stated reasons: to clear the old debt before taking on new debt, and to train ourselves for the larger payment a bigger facility would bring. Our Lord provided great blessings through this congregation, especially during the two years the building project had little substantial to show.

Two things were true in the autumn of 2024

In October, we retired our mortgage. In November, we burned it.

In December, the building committee went on hold. We had finished paying for the building we have, and we still could not pay for the one we had planned.

In the same announcement to the congregation that informed our debt-free celebration told the congregation plainly that “due to some factors beyond our control, Living Hope has not yet secured a loan for the amount we need based on our current plans,” and asked for your prayers and your encouragement of those carrying the project.

The December 1, 2024 report read, in full: “BPMEC is on hold. Council continues exploring means of financing.”

April 2025: asking the contractor the blunt questions

In April 2025 we got Ionic and Taylor & Parrish on a call and asked what we could build for \$1.0 million, assuming a civil work estimate of \$500,000. We put four options to them for their honest reactions: wait and raise more money, build something smaller off the southeast corner, start over from scratch, or substitute cheaper framing. They gave them, and none of them was what we wanted to hear.

- **On waiting: don't.** Construction inflation ran 6–8% through the COVID years against a historical 3–5%, and was climbing again with tariffs. They told us to plan on 9–13%. Our \$2.5 million base was already about \$2.7 million and would be near \$3.0 million within a year.
- **On building smaller:** generally, **never build smaller.** You don't want regrets about what you should have done.
- **On starting over:** the property itself is an issue. A great deal of money must go into moving dirt for parking, drainage and retention. If we start over, look at existing buildings where the parking and drainage already exist.
- **On cheaper framing: advised against it.** The savings would not cover our gap and the design would end up compromised.

None of those answers pointed anywhere good. Every path we had drawn since 2021 assumed a building we could no longer afford, on a plot of land where sitework costs half a million dollars before a wall goes up.

Mid-2025: starting from what we could afford

So, if we were serious about building, we had to weigh what we wanted against what we had. We started with a realistic picture of our finances and the county's rules, then asked what could be built inside of them.

The Church Council renewed the BPMEC charter in June 2025 and seated a new committee. In October we sent Ionic a fresh set of requirements for a simple multipurpose building, based primarily on the feedback from the congregation two years earlier. Ionic returned two conceptual floor plans on October 14.

On December 4, 2025, Ionic proposed the design work for an addition of approximately 2,400 square feet, a cold-formed steel structure set against the south-east wall of our building. Their fixed fee was \$34,060 which included design development, construction documents, and structural and MEP (*Mechanical, Electrical, Plumbing*) engineering.

We presented this at the Information Meeting on December 7 and took the congregation's feedback. Two questions from those meetings drove real changes, and both are worth recording:

“We need classroom space. Doesn't a partition undercut that?”

It is a fair concern, and it is the reason only one of the two interior walls is a partition. The other is a framed and permanent wall.

The proposed partition is not a curtain or a folding screen. It is a 22-foot acoustic accordion system, specified for sound, so when it is closed those are two usable classrooms and not one room pretending to be two. What it adds is that the partition does not have to stay closed. When we need a single large space for a class that outgrows one room, a meal, or a meeting, it retracts.

We did consider making both interior walls into partitions so that all three rooms could open into one. But at roughly \$20,000 each, the added flexibility did not justify the cost, and we wanted at least one hard wall.

The one thing a partition costs us is wall outlets along its line, and that has been addressed. Conduit runs under the slab before it is poured and junction boxes are set at the same time, so the rooms on either side get floor outlets.

“Should we take the old house down? And when?”

Chesterfield County has confirmed that an addition under 2,500 square feet falls below the minimum land-disturbance threshold, which keeps us out of a far more expensive and slower level of county review. Adding the house demolition to the project has been a desire of the BPMEC. It would improve the overall visual impression of our property, as well as give us reason to sort through what has collected in the house, much of which ended up there out of habit rather than intent.

But adding to the scope of this project would risk pushing us over that land-disturbance threshold. So the house and other peripheral items will be taken up as separate projects, done either in-house or under contract.

The 2,500 square foot line

Almost everything about the current design traces back to this one number. Staying under 2,500 square feet of land disturbance keeps us out of full county site-plan review, which is what drove the \$520,000 sitework figure in the old plan. It is also why any plans for the parsonage demolition, drainage work, and new parking were all handled separately rather than folded in.

2026: *drawings, permit, and bids*

This year has been mostly technical, and mostly on schedule. The milestones:

Date	What happened
Jan 7–8	Chesterfield County wanted more clarification before answering whether we could enlarge the footprint. Ionic engaged a civil engineer to document it.
Jan 20	Congregational update covering the partition, outlets, and demolition decisions above.
Feb 17	A second exit door was added to the new space. Code requires two means of egress; using the church's front doors would have meant fire-rating that entire route, tearing out ceilings and rebuilding to rated assemblies. A second door in the addition was far cheaper.
Apr 2–13	Permit set issued. Completed construction documents received April 13 and sent to the committee the next day.
Apr 21–May 4	Committee review, questions to Ionic, and revised documents back.
May 11–12	Final sync meeting with Ionic. Council approved submitting the documents to Chesterfield County for permitting, and approved opening bid discussions with Leipertz Construction.
May 15–17	Introductory meeting with Barret Leipertz. Summary update sent to the congregation by email and bulletin insert.
Jun 1–14	Leipertz walked the site with subcontractors. Full update given at the June 14 Information and Voters' Meetings.
Jun 18	Leipertz bid received.
Jul 7–9	We requested a second bid from Fas Trac GC, who visited the site on July 9.
Aug 4–21	Fas Trac bid received August 4. Both contractors answered a detailed round of written follow-up questions; Fas Trac returned an updated bid August 12, Leipertz answered August 21.
Sep 10	Interviews with both contractors via Zoom, with the full committee present.
Sep 17	Committee and Ionic reviewed both bids line by line together via Zoom.

What We Are Building

The addition is roughly 2,455 square feet of new space, attached to our existing building by a connector, plus modest work in the areas it touches. The sanctuary is not part of this project.

Space	Area
Three classrooms, <i>appx. 380 SF each</i>	1,140 SF
Flex room	430 SF
Storage room	300 SF
Lobby / transitional space	285 SF
Two offices, 130 SF each	260 SF
Rooms as programmed	2,415 SF
Gross area as priced by both contractors	2,455 SF

The gross figure runs higher than the sum of the rooms because it includes wall thicknesses and circulation. Both contractors bid 2,455 square feet against the same drawing set, which is the number that matters for cost.

The structure is cold-formed steel framed. Two of the classrooms are separated by a Woodfold 22-foot acoustic accordion partition so the space can open up for larger gatherings.

The work also reaches the kitchen, the current classroom, and utility room where the new connector meets the existing building. The parsonage is planned to come down as its own project after construction of the new building.

Permit status

The construction documents are in at Chesterfield County, and the county has raised no concerns about the under-2,500-square-foot approach. Two items remain before the permit can be finalized: a utility report, which Ionic is preparing, and the Special Inspections paperwork.

Dominion Power will not begin the electrical service relocation until the building permit is actually issued. Their own process runs about six weeks once it starts.

Floor Plan

Permit set, April 2026. New construction is the wing at upper right: three classrooms (107, 108, 109), storage (110), two offices (111, 112), and the connector (106) tying into the existing welcome center. Red walls are one-hour fire-rated assemblies. The diagonal hatching at left is the sanctuary, which is not in the scope of this work.



Where the Money Stands

The bids are real and in writing. The owner costs around them are the committee’s current best estimates and will move minimally as we settle allowances, finishes, and financing.

What we start from

Our position	Amount
Existing debt	none <i>since October 2024</i>
Building Fund balance <i>as of August 31, 2026</i>	\$592,830
Expected BF growth <i>over next six months</i>	\$51,000
Projected funds available	\$643,830

The two bids

Both general contractors (GC) priced the identical drawing set: architectural dated April 24, structural April 2, mechanical April 21, electrical March 30. That gives us a clean comparison, which is why we asked for a second bid at the outset.

	Fas Trac GC	Leipertz GC
<i>Proposal date</i>	August 12, 2026	June 18, 2026
<i>Base proposal price</i>	\$849,252	\$1,012,595
<i>Cost per square foot</i>	\$346	\$412
<i>Owner contingency included</i>	None	None
<i>Stated schedule</i>	20 weeks	About 8 months
<i>Mobilization after go-ahead</i>	3 weeks	Under one month

The All-In Cost

A bid is not a project budget. Adding our own contingency and the costs no contractor is carrying gets us closer to the real number:

<u>All-in project estimate</u>	<u>Fas Trac</u>	<u>Leipertz bid</u>	<u>Leipertz, like for like</u>
Contractor bid	\$849,252	\$1,012,595	\$973,595
Owner's contingency (10%)	\$84,925	\$101,260	\$97,360
Owner allowances + incremental costs	\$59,770	\$83,398	\$83,398
Total build estimate	\$993,947	\$1,197,253	\$1,154,353
<i>Less projected building fund</i>	<i>-\$643,830</i>	<i>-\$643,830</i>	<i>-\$643,830</i>
Loan required	\$350,117	\$553,423	\$510,523

Why three columns? Leipertz's bid includes two items Fas Trac carried at zero: \$28,000 to replace an aging rooftop HVAC unit and \$11,000 for a fire alarm system. Strip those out and Leipertz's comparable price is \$973,595. The far right column is most accurate when judging the two bids against each other. The middle column is what Leipertz would actually invoice. Neither of those items is settled: Ionic needs to confirm whether code requires a fire alarm here at all, and the HVAC replacement is a decision that has not been made.

What is in the owner allowance line

Cost beyond the contractor's bid	Low	Mid	High
Parsonage demolition, asbestos abatement, well closure	\$19,770	\$29,770	\$40,770
Relocate water main line	—	\$10,000	\$10,000
Roof preparation and painting (Leipertz alternate)	—	\$23,628	\$23,628
Furnishings — classrooms, offices, flex room, fellowship	\$9,590	\$20,000	\$40,250

The mid column is what the All-in Project Estimate table uses above. Repainting the roof appears only on the Leipertz side, because Fas Trac declined to price it. Still not in any of these numbers: landscaping, a drainage allowance of our own, permitting fees, special inspections, the Dominion service relocation, new cabinets and countertops in the existing locations, and flooring in the current building.

The demolition figure is a real quote. SB Cox has priced taking down the house, deck, shed, slabs and foundations, removing the septic tank, rough grading, seeding and the demolition permit. We have figures for additional costs: asbestos siding and interior abatement, along with the testing and clearance, and the closure of the well. The High column budgets for the high side of these add-ons.

Financing

The BPMEC is currently pursuing pre-approval for a loan in the range of \$600,000 so that we have headroom, regardless of which bid we land on.

This is what the payments would look like, depending on the size of the loan:

Scenario	Loan	Terms	Monthly
If we build with Fas Trac	\$350,117	20 yr @ 7.5%	about \$2,900
If we build with Leipertz, <i>like for like</i>	\$510,523	20 yr @ 7.5%	about \$4,100
If we build with Leipertz <i>as bid</i>	\$553,423	20 yr @ 7.5%	about \$4,500
Pre-approval target	\$605,000	20 yr @ 6.75%	about \$4,600

Those rates are for comparison only. Nothing has been priced by a lender yet, and the actual rate will set the actual payment. We are seeking pre-approval at \$605,000, which is above every scenario on this table, so that the financing is not the thing that decides which contractor we hire.

Why we can carry this

Two facts make every scenario on that table manageable. For both, we give thanks to God, who has provided them through the gifts of this congregation.

The first is that we are debt free. Until October 2024 this congregation paid \$7,982 a month against the mortgage on our current building, and did it without intense strain. Every scenario above is smaller than what we have trained ourselves to expect. The largest one (\$4,600 a month) is about 58% of a payment we carried for years and, by God’s grace, no longer carry at all.

The second is that we are already setting aside roughly \$8,000 a month for the building fund. Even the \$4,600 figure sits inside what we are giving to this project every month right now.

Put those together and the picture is straightforward: we would be taking on a payment smaller than the one we just retired, funded out of money we are already giving. Compare that to October 2023, when a \$2 million mortgage at \$11,671 a month would have required a 25% increase in General Fund receipts just to service it. At that time, we knew plainly that \$2 million was the absolute ceiling of our borrowing capacity.

Compare where we were and where we are:

October 2023: a \$4.5 million project, a \$2 million loan at \$11,671 a month, \$93,663 still owed on the building we were standing in, and a 25% jump in offerings needed to carry any of it.

September 2026: a project between \$1.0 and \$1.2 million all-in, no existing debt, and a payment of \$2,900 to \$4,600 — less than the \$7,982 a month we were already paying three years ago.

Work We Could Do In-House

Both contractors are open to the congregation self-performing some of the finish work.

Scope	What it would cost	Credit from bid
Kitchen cabinets + countertops	\$15,830 – \$27,180	\$22,600 (<i>Leipertz</i>)
Kitchen island w/ granite	\$3,340 – \$7,155	<i>not broken out</i>
Flooring: <i>existing building</i>	\$5,825 – \$14,250	<i>not broken out</i>
Flooring: <i>new addition</i>	\$7,392 - \$18,116	\$8,600 – \$13,740
Interior painting	\$1,740 – \$4,130	\$11,000 – \$17,882

Leipertz named a \$22,600 credit for the kitchen if we handle the cabinets and counters ourselves. Fas Trac is open to it but has only named a credit for painting so far.

Ionic is checking with the county whether we can get a Certificate of Occupancy with bare concrete floors and unpainted walls. If we can, volunteers can work after the contractor is out of the building instead of slowing them down.

Decisions Still Open

We are not bringing these items to a vote on September 27. We are listing them so you know what the committee is still working through, and so you can provide your feedback before we form a recommendation.

- **The aging HVAC units.** Our two units are twenty-one years old. One exterior compressor has to be relocated regardless, because it sits inside the new footprint and raises the odds of failure. Ionic's advice is to keep any unit we are not required to touch out of the general contract, to avoid contractor markup, and replace it when it fails. The committee has not settled this.
- **Hardie plank siding.** Hardie is a fiber-cement product that is far more durable than vinyl. Cladding the entire facility in Hardi plank instead of vinyl would add approximately \$70,000 to the project.
- **The existing roof.** Our roof is about twenty years old and will not match the new addition's color without repainting. Leipertz described a fuller approach that included a Sherwin-Williams representative writing the specification, with a manufacturer's warranty behind it. Fas Trac declined to price painting at all, arguing that paint on a metal roof always fails within a few years, and recommends choosing the closest stock panel color instead. Ionic's read is that, since the existing roof is only oxidized rather than flaking, we can match the new roof to the existing roof with proper preparation.
- **A drainage allowance of our own.** The French drain around the building was deliberately left off the drawings to avoid triggering county review. Both contractors know about it and carried allowance numbers, but neither wrote it into the proposal.
- **Landscaping and tree removal.** Basic erosion control with seed and straw is required and included. Anything beyond that is ours, and we have not put a number on it.

What's Next

Given the planning and permitting schedule stays on track and with the congregation's approval, the path from here forecasts to be short, reasonably clear, and anticipated with excitement: Below is the most expedited path forward:

When	What
September 27, 2026	This update presented at the Voters' Meeting. Questions, discussion, and your input on the decisions listed above.
By October 7, 2026	The BPMEC brings a contractor recommendation to the Church Council.
Late October 2026	A Voters' Meeting to act on the Council's recommendation and authorize a contract.
By October 31, 2026	If a contractor is selected by then and the permit is issued, Ionic believes the schedule works. Contractors can begin submittals and ordering before the final permit is issued.
November 2026	Construction starts.
Spring/summer 2027	Substantial completion, depending on which contractor and which schedule.
After completion	Parsonage demolition as a separate contract, and whatever peripheral work the congregation decides to take on.

Before any contract is signed, the committee has deemed it wise that the final bid be reviewed by an attorney familiar with construction contracts. That need for legal review has been communicated to the Council.

A word about the last three years

Our Lord did not promise this congregation a building. He promised that his gospel would do its work through Word and sacrament, and that promise has been kept here every week for twenty-one years in a building we have outgrown in fellowship, classroom, and office space. The classrooms are for the children we are teaching. The offices are so our pastors can be found. The lobby is so people have somewhere to stand and talk to each other after the service and whenever God's church meets. It is all grace upon grace from our God.

We thank God for the patience of his people through a long and frustrating stretch of this project, and for bringing us to a point where this next step is one we can confidently take.

Not to us, O Lord, not to us but to your name be the glory,
because of your love and faithfulness.

- Psalm 115:1