



SAN FRANCISCO ZEN CENTER

Widening the Circle

a vision of interconnectedness and possibility

The Campaign for San Francisco Zen Center

Update 1: October 21, 2009

The Initial Phase of the Campaign

A Short History

After seven years of planning, which included a visioning and strategic planning process as well as a feasibility study, the Zen Center Board of Directors in September 2007 approved a \$16.9 million dollar capital campaign. Because we had never embarked on a campaign of this magnitude, this decision was not an easy one to make. However, as we studied the results of financial projections based on inevitable cost of living increases, along with the long overdue maintenance of facilities at our three treasured practice centers, we agreed that a bold step was necessary.

At the same time that we were clarifying our financial needs, we were also aware of the growing request for the benefits that come from Zen practice. In response, we developed several initiatives to guide us in going forward:

- Extend Suzuki Roshi's vision of Zen practice and expand access to our programs
- Enhance our teaching capacity and deepen the training of the next generation of Zen teachers
- Sustain and improve our facilities, while reducing environmental impact
- Increase endowment to sustain the community and ensure long-term financial stability

These initiatives are intended to increase overall participation in Zen Center programs and activities; enhance our teaching capacity to meet increased demand; strengthen our core membership; and by increasing both earned and contributed income, enable us to better care for our teachers and our facilities over the long term.

Grants for Campaign Support and Planning

The clarity of our needs was quickly met by the equal clarity and generosity of a longtime benefactor who stepped forward with a \$400,000 challenge grant to enable us to begin laying the groundwork for the launch of a successful campaign. The Zen Center Board of Directors, joined by selected friends, met that challenge in the spring of 2008, resulting in a total of \$800,000 in campaign support. Those initial funds, coupled with a second grant from the same benefactor supported the hiring of new development staff as well as a process of drafting a long-term vision and restoration plan for the first of the three practice centers, Green Gulch Farm.

Campaign Challenge Grant

In the summer of 2009, years of discussion with this same supportive donor came to fruition when we received a letter outlining the terms of an extraordinary gift: a minimum of \$5 million dollars for the capital campaign to provide an endowment fund for ongoing operations. This gift, also established as a challenge grant, is set forth in three phases, each with milestones attached. The \$5 million has been set aside as of April 1, 2009, with the potential to generate earnings which will be added to the amount of the grant as each of the milestones are reached.

Once each milestone is reached, a portion of the overall commitment will vest and be distributed with earnings at the conclusion of the grant.

- Phase 1: “1 for 1” \$2.0 million dollar challenge, in which Zen Center must raise \$2.0 million by the end of 2010 (completed)
- Phase II: “2 for 1” \$2.0 million dollar challenge, in which Zen Center must raise \$4.0 million by the end of 2012
- Phase III: “3 for 1” \$1.0 million challenge, in which Zen Center must raise \$3.0 million by the end of 2014

In addition to this matching challenge, and in order to better encourage us, the donor in January 2009 presented us with a bonus challenge. If we were to raise an additional \$500,000 before the end of 2010, this generous benefactor would add \$500,000 to their grant. In July, we were honored to receive a \$2 million grant from a private foundation. With that grant, added to the donations we had received from

individuals and two other foundations, we were able to meet the requirements of the bonus challenge.

Since the beginning of the campaign, we have raised a total of \$6,475,887 in donations, grants, and pledges. \$2,500,000 of this is designated for endowment, and we have a commitment of an additional \$3 million should we meet the above-mentioned milestones before the close of the campaign in 2014.

We are reaching out to those closest to us and are encouraged by the interest and response so far. We are very excited about the possibilities before us and are moving on to our immediate goal of raising an additional \$2 million within the next 16 months.

At that time, we will have raised enough money to announce the campaign in a more public fashion, widening even further the circle of people who will be encouraged to support us.

The projects that fall under each of the four initiatives mentioned earlier have been prioritized and approved by the Zen Center Board of Directors. A description of the activities and projects to be initiated now can be found below.

Facility Improvements at Green Gulch Farm

Long-Term Vision and Restoration Planning

Today, the Zen Center community's three practice centers (Tassajara, Green Gulch Farm and City Center) face both challenges and opportunities with regard to the long-term sustainability of their facilities and infrastructure. Without a vision that includes a clear understanding of where the community has been, where it is now and where it hopes to be in the future, Zen Center risks making decisions that may, over time, threaten its ability to be a source of inspiration and fulfill its promise as a quiet yet powerful force for a better world.

For that reason, in 2006 Green Gulch Farm was designated by the San Francisco Zen Center as the site of the organization's first-ever effort to create a long-term vision and facilities plan. We have been privileged to work with Mithun, a national leader in sustainable design, as we have engaged residents, friends, board members, ecologists, engineers, architects and others to integrate the topography of the land at Green Gulch Farm with structures that reflect our spiritual intention and aesthetic values. Architectural drawings are available and a long-term vision and restoration plan is complete. If you are interested in receiving a copy, please contact Kate Frankfurt, Capital Campaign Manager, at kate.frankfurt@sfzc.org or by phone at 415-354-0435.

Green Gulch Farm Student Housing

THE NEED

Since identifying the necessity for more and better student housing nearly a decade ago, Zen Center has considered various approaches to meeting the needs of Zen students who have chosen to devote their time and energy to residential practice at Green Gulch Farm. Money was raised in previous fundraising drives, and new housing was built, as well as older housing improved and added to. We then selected a location for a next phase of housing, for which we raised approximately \$750,000. Since that time, we have held the money in a restricted fund, using a small portion of the funds to create more rooms in existing buildings, retaining the bulk of the funds while aspects of the proposed plan were re-considered. We also engaged with the county on some changes in their statutes regarding where on the property it was permissible to build. This made it impossible to build on the site near the entrance to the garden which was originally selected. With the completion of our recent Green Gulch long-term planning process, it became clear that it would be most beneficial to build the housing on the hill above the parking lot.

The focus of this student housing is to meet the needs of mid-level staff (e.g., students in the position of Tenzo – head of the kitchen, Shika – Guest Manager, etc.), allowing them to move out of their current housing and make room for junior staff and new students. The architectural firm of JSW/D has been enlisted to design the structures, with Helen Degenhardt, architect of the Green Gulch Farm zendo re-model as well as the new bath house and dining room at Tassajara, taking the lead.

From the beginning of the long-term vision and restoration plan for Green Gulch, the Green Gulch Farm community has been fully engaged in discussions regarding the design process of the student housing, and their requests and needs have been folded into the current drawings. The structure, which will house eight people, is designed flexibly to accommodate couples or singles. The new housing project will replace trailers on the hill that, over many years, have devolved into a state of disrepair.

A FIRST IN CALIFORNIA

Once completed, the Green Gulch Farm student housing will be the first multi-person dwelling to be certified as a passive house in the state of California. Passive housing design results in an energy consumption decrease of 90% over normal to-code buildings. The decision by Zen Center to build in this fashion serves to underscore our long-standing commitment to be good stewards of the environment as well as to continue our efforts to decrease energy consumption at all three of our practice centers.

Plans are now in place for the completed project to be assessed by an organization called Build-it-Green, who will give Zen Center a green score based on items such as gray water runoff and the use of recycled materials. This score will serve to set a standard for all future Zen Center building projects, allowing us to measure the success of our intentions and commitment to sustainable practices.

Plans for the housing structure were submitted to Marin County for design review on October 13, 2009. Building permits will be approved after the review process is complete, allowing us enough time to start the digging by our timetable date of June 2010.

Preliminary Work on Other Green Gulch Projects

While we move through the review and permitting process for the student housing project, work is starting on Phase II of the Green Gulch plan. Schematic designs for a welcome center are in process, as are designs for a new kitchen and dining room building. We look forward to sharing these visuals as they are completed, and hope that they will stimulate interest from the community both inside and outside of Zen Center.

Facility Improvements at Tassajara

Long-Term Vision and Restoration Planning

Tassajara is now in the beginning stages of the development of a long-term vision and restoration plan of its own. In a process that mirrors that done at Green Gulch, the Mithun design team has been engaged and, along with ecologists, environmentalists, architects, Abbots and the residents and staff of Tassajara, has held the first in a series of four meetings to discuss how proposed ideas for built forms best support practice at this remote monastic practice center.

The process began with a two-day design charette during which Mithun led residents, staff, current and former Abbots, Zen Center president Robert Thomas, Leslie James, Keith Meyerhoff and Zen Center Board chair Ed Sattizahn in a detailed discussion process. Needs and values were identified, and issues of the environment and the ecology of this practice environment were held up against the needs of students coming for the winter practice periods and those who come as both guests and students to Tassajara during the summer guest season. Over the course of the next three months, Mithun's input will be completed and Project Manager Simon Moyes will gather the information and publish a long-term vision and restoration document similar to that published for Green Gulch Farm.

Tassajara Retreat Center

THE NEED

Twenty-five years ago, beloved teacher Charlotte Selver donated a yurt to serve as a structure for retreats and yoga practice at Tassajara. After many years of wonderful use, the yurt, originally intended as a temporary structure, is now outdated and inadequate to serve the existing and future requirements of Zen Center's popular workshop and retreat programs.

The Retreat Center project will create a spacious new facility – with two connected multi-purpose rooms. This long-awaited and much needed project unites the opportunity to create a beautiful and serene place of refuge to better serve the hundreds of people participating in the 50+ retreats and workshops held each summer at Tassajara with our commitment to environmental sustainability and stewardship.

THE PLAN

Using green materials and thermodynamics, this new energy-efficient facility will have a long-term impact on our ability to provide high-quality Zen-related and Zen-inspired programs and workshops, and give our teachers an effective, supportive environment in which to offer the classes that continue to draw practitioners from across the country each year.

A design group, consisting of co-Abbots Paul Haller and Steve Stucky, Robert Thomas, Leslie James, the outgoing and new directors of Tassajara, Simon Moyes and the Mithun team is currently working on the Tassajara long-term vision and restoration project. An important early part of this process is the location and design of the new retreat center within the overall scheme of Tassajara planning. A review is underway by Mithun and the design group to decide if the present design of the retreat center by JSW/D architect Helen Degenhardt can be incorporated into the overall plan, which looks again at issues of safety with regard to flooding and debris/rockfall, or if a relocation and redesign of this building would be prudent.

At the end of October, three designs will be submitted by Mithun for the overall planning of Tassajara, which will include options for the retreat center location. The design group will review these options and will choose one to pursue. A second meeting of this group with Mithun at the end of November will allow for further revisions to be suggested, with a final presentation inclusive of all proposed revisions submitted by Mithun in December of this year.

Facility Improvement at City Center

City Center is at the beginning stages of its own long-term vision and restoration plan. The Julia Morgan-designed building is in need of repair, and major infrastructure issues have been identified as priorities. Preliminary discussions are underway in an effort to identify where the infrastructure is headed and how it supports the overall vision of this urban practice center.

More on the progress of the long-term vision and master plan for this center should be available by the time of the next update in mid-January 2010.

The Fourth Practice Center

Plans to augment Zen Center's three California-based practice centers, by creating a compelling and powerful internet-based Zen practice environment, is in an active development stage. A group, comprised of members of the general Zen Center community as well as community members with professional web experience, is currently looking with a wide view at the proposed plan, originally drafted two years ago. Zen Center President Robert Thomas and Corporate Secretary and Communications Manager Dana Velden are synthesizing the recent findings of this group and will make suggestions for an update of the original plan.

In the meantime, some immediately doable elements of the original plan have been enacted:

- The Suzuki Roshi Archives, a one-of-a-kind collection of photographs and written and recorded talks by Suzuki Roshi, is now available as an ongoing blog moderated by Zen Center Board member and scholar Charlie Pokorny.
- Dharma talks given at both Green Gulch Farm and City Center as well as during the summer guest season at Tassajara are being posted as podcasts and are available for download.

Senior Living Facility

THE NEED

Zen Center's Elder Monk Policy makes a commitment to residents, past and present, who have given at least 20 years of service on staff and have reached the age of 70, to provide room and board for the rest of their lives. Because Zen Center does not have enough rooms available to provide for the number of potential retired monks (which

at this moment consists of 30 people who have given at least 20 years, four of whom have reach the age of 70), nor are there any facilities set up to care for monks as their physical needs change, we began exploring options for meeting this need.

In August 2006, a survey of 1,000 residents and members was conducted to measure the interest of people associated with Zen Center in a senior living community designed and operated in line with Buddhist themes and principles. Responses to the survey were very favorable with close to 50 percent saying that they would consider moving into such a place. In 2007 the Zen Center Board assigned Vice President Susan O'Connell the responsibility for developing the Senior Living Facility project with a committee of board members and interested supporters. A vision for this project was expressed in a position paper dated November 2007.

Simultaneously, Zen Center commissioned Mithun to create a study of the buildings that Zen Center owns on Page Street, as Phase 1 of the City Center's long-term vision plan, in order to investigate any possible way these buildings could be purposed for the care of our senior monks. This plan was studied by the Board, and while there may be some short-term adjustments that could be made for a few elder monks, it was determined that this option was not viable for the larger number of potential elders.

The Board then approved going forward with the next steps to develop a plan for a larger senior living facility. Due to the scale, complexity and technical skills associated with this venture, the plan calls for Zen Center to partner with experienced entities and individuals to achieve the vision. Similar to Greens and the Zen Hospice, the entity that actually builds and operates the senior living facility would be financially and legally separate from Zen Center as an organization.

In June 2008, after searching for a partner for several months, we entered into a property development services agreement with NCP Senior Ventures (NCPSV), a wholly-owned subsidiary of Northern California Presbyterian Homes and Services.

Because NCPSV believed that the concept put forward by Zen Center has considerable potential, and that we bring with us a powerful name, reputation and expertise to the table, they agreed to pay the cost of the studies and analyses necessary to move ahead as well as allocate a significant portion of its staff time to the effort.

Details of the agreement include the following key milestones:

- Completion of a consumer survey and analysis of the feasibility of the project
- Description of the senior community (e.g., unit mix, amenities, payment model)

- Identification of a suitable site for the project and negotiation of a purchase and sale agreement

STATUS OF THE PROJECT

The consumer study is now complete and a description of the community is emerging. Several financial scenarios have been run and work continues to fine-tune the model. Six sites have been considered for the project, with one site located in the North Bay emerging as a serious candidate. Negotiation of a purchase and sale agreement has not started. An update on the specifics of the survey, its analysis and other progress will be mailed out to survey participants in January and reported in Sangha-e.

We are off to a tremendous start, but much remains to be done. Naturally, it will require significant investments of time, energy and funds to implement our vision of an ever-widening, more inclusive and accessible Zen Center. Having clarified an inspiring vision of the positive impact Zen Center can have in today's world, we have begun, with full confidence and enthusiasm, this multi-year capital campaign.

We welcome your questions, encourage your interest, and thank you for your time!

ADDENDA

Organization of the Development Office

The past year has seen a conscious reorganization of the Development Office in an effort to best support Zen Centers fundraising needs. A list of development staff is below:

- **Robert Thomas** — President of Zen Center
robert.thomas@sfzc.org; 415-354-0351
- **Susan O'Connell** — Vice President for Development: Oversees all of development with specific attention to the capital campaign.
susan.oconnell@sfzc.org; 415-354-0352
- **Linda Ruth Cutts** — Senior Dharma Teacher, Philanthropic Advisor
lrc23@earthlink.net; 415-389-9946
- **Scott McDougall** — Director of Development: Oversees day-to-day development functions with specific attention to Annual Giving and Major Gifts
scott.mcdougall@sfzc.org; 415-354-0354
- **Kate Frankfurt** — Capital Campaign Manager
kate.frankfurt@sfzc.org; 415-354-0435
- **Konin Melissa Cardenas** — Alumni and Membership Coordinator
konin.cardenas@sfzc.org; 415-354-0355
- **Michael Braithwaite** — Events Coordinator
- **Barbara Machtinger** — Campaign Assistant
- **Genine Lentine** — Artist in Residence
- **Sandra Peterson** — Data Management
- **Camilla Dickinson** — Gift Processing
- **Nadine Lau** — Office Support

Widening the Circle Campaign — Detail A: Temple Projects

Green Gulch Farm	<i>Estimated Cost</i>
Facility Infrastructure (includes road, paths, bridges, creek restoration, plus water and electrical systems improvements)	\$ 1,000,000
Site Planning and Environmental Impact Work	475,000
Welcome Center and Dharma Education Center	1,400,000
Kitchen and Dining Room	1,600,000
Resident Housing	500,000
<i>Sub-Total GGF Projects</i>	<i>\$ 4,975,000</i>
Tassajara	<i>Estimated Cost</i>
Site Planning at Tassajara	\$ 200,000
Retreat Center	950,000
Main Temple Gate and Entry Landscaping	150,000
Facility Infrastructure (water, plumbing, septic and energy systems, path and disability access improvements)	500,000
<i>Sub-Total Tassajara Projects</i>	<i>\$ 1,800,000</i>
City Center	<i>Estimated Cost</i>
Site Planning at City Center Campus	\$ 150,000
Bathroom Facility with Disability Access Improvements	720,000
City Center Re-Configuration w/Disability Access Improvements	450,000
“Fourth Practice Center” – Enhanced website platform that makes Zen teaching and teachers available to a worldwide audience via the internet.	350,000
“Community Outreach Programs” – Enhancing SFZC’s capacity to develop programs that provide support for	350,000

populations in need.	
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Widening the Circle Campaign – Detail A: Temple Projects (continued)

“SFZC Elder Care” – Developing new model of a Zen-inspired care for elders.	\$ 360,000
<i>Sub-Total City Center Projects</i>	\$ 2,380,000

Widening the Circle Campaign — Detail B: Endowment and Campaign Support

Program-Related Endowment	<i>Estimated Cost</i>
Endowment to establish five teacher “seats” in support of Dharma education that enhance and expand SFZC’s capacity to offer Zen practice and programs at our three practice centers.	\$ 3,000,000
Endowment to establish two teaching “fellowships” for developing Zen teachers, and to provide practice, teaching and administrative resources to the network of affiliated centers.	1,000,000
<i>Sub-Total Program-Related Endowment</i>	\$ 4,000,000
Facility Maintenance Endowment	<i>Estimated Cost</i>
Endowment to support ongoing facility maintenance at all three SFZC practice centers.	\$ 1,569,000
<i>Sub-Total Facility Maintenance Endowment</i>	\$ 1,569,000
Capital Campaign Support Costs	<i>Estimated Cost</i>
<i>Sub-Total Capital Campaign Support Costs</i>	\$ 2,269,000
<i>Total Widening the Circle Funding Goal</i>	\$16,993,000

Proposed Application of Funds and Prioritization

Specific Capital Campaign projects were identified as near-term priorities because they will enable Zen Center to begin to offer programs that will help us to accomplish our mission, connect with and support the practice of more people, and simultaneously generate additional revenue.

For the initial spending phase of the *Widening the Circle* Campaign, Zen Center has established three areas of priority for the application of funds. They are: **Planning and Infrastructure Projects, Facility Building Projects, and Outreach Projects.**

The identified priority planning and infrastructure projects will set the stage for subsequent facility improvement projects. The identified priority facility buildings and the outreach projects will allow Zen Center to expand its programming and support the practice of more practitioners within Zen Center, the Bay Area, and beyond. Below are tables which show the three prioritized areas and the projects within each category, along with the respective project costs and start/end dates.

1. Planning and Infrastructure Projects

	Project Cost	Project Start	Project End Date
Green Gulch Facility Infrastructure, Phase 1	\$250,000	April 1, 2010	Nov 1, 2010
Green Gulch Creek Restoration	\$140,000	Oct 1, 2009	May 1, 2010
Site Planning at City Center	\$150,000	May 1, 2010	Dec 1, 2010
Site Planning at Tassajara, Phases 2 and 3	\$200,000	August 1,	May 1, 2010
Total funding required:	\$600,000		

2. Facility Building Projects

	Project Cost	Project Start	Project End Date
Green Gulch Resident Housing, Hill Phase 1	\$500,000*	June 1, 2010	Dec 1, 2010
Tassajara Retreat Center	\$950,000	Sept 1, 2010	May 1, 2010
Total funding required:	\$1,450,000		

*the cost of the housing totals \$1.2M. for which we currently have \$700,000 in reserve from a previous fundraising campaign.

3. Outreach Projects

	Project Cost	Project Start	Project End Date
Fourth Practice Center	\$350,000	Sept 1, 2009	Nov 1, 2010
Zen Elder Care	\$260,000	Jan 1, 2009	Not known
Total funding required:	\$350,000		

The total dollars spent in all three areas during the initial spending phase of the *Widening the Circle* Campaign is projected to be \$2,800,000. The “total fundraising required” figures in the tables above reflect the fact that fundraising goals for the Green Gulch Creek Restoration and Zen Elder Care projects have been met. Current amount of total funds required for the projects in the initial spending phase of the *Widening the Circle* Campaign is \$2,400,000.

Projects Timeline

Projects	Timeline																	
	2009						2010											
GGF Infrastructure, Phase 1	J	J	Planning -----						M	J	J	A	S	O	N			
Green Gulch Creek Restoration	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N
Site Planning at City Center	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N
Site Planning at Tassajara	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N
Green Gulch Housing, Hill Phase	J	J	Planning -----						A	M	J	J	A	S	O	N		
Tassajara Retreat Center	J	J	A	S	O	N	D	J	F	Planning -----						S	O	N
Fourth Practice Center	J	J	A	Planning -----				J	F	M	A	M	J	J	A	S	O	N
Zen Elder Care	Planning -----																	