



GREATER
TACOMA
COMMUNITY
FOUNDATION

Transform
**THE FUTURE OF
PIERCE COUNTY**

Discover the Power of Legacy Giving



What's Your Vision?



**IMAGINE WHAT PIERCE COUNTY
COULD LOOK LIKE IN 50 YEARS.**

WHAT WOULD YOU LIKE TO SEE?

Happy, healthy children?

Excellent educational opportunities for people of all ages?

A place for everyone to call home.

Financial stability and well-paying local work opportunities?

Abundant arts and diverse cultural opportunities?

Clean water and a healthy, sustainable environment for future generations?

Can you see your fingerprints on that future?

You have the power to help make your vision a reality.

Pierce County Household Net Worth

**\$269
billion**

Transfer of Wealth

OVER 10 YEARS

\$48.6 billion

OVER 50 YEARS

\$482 billion



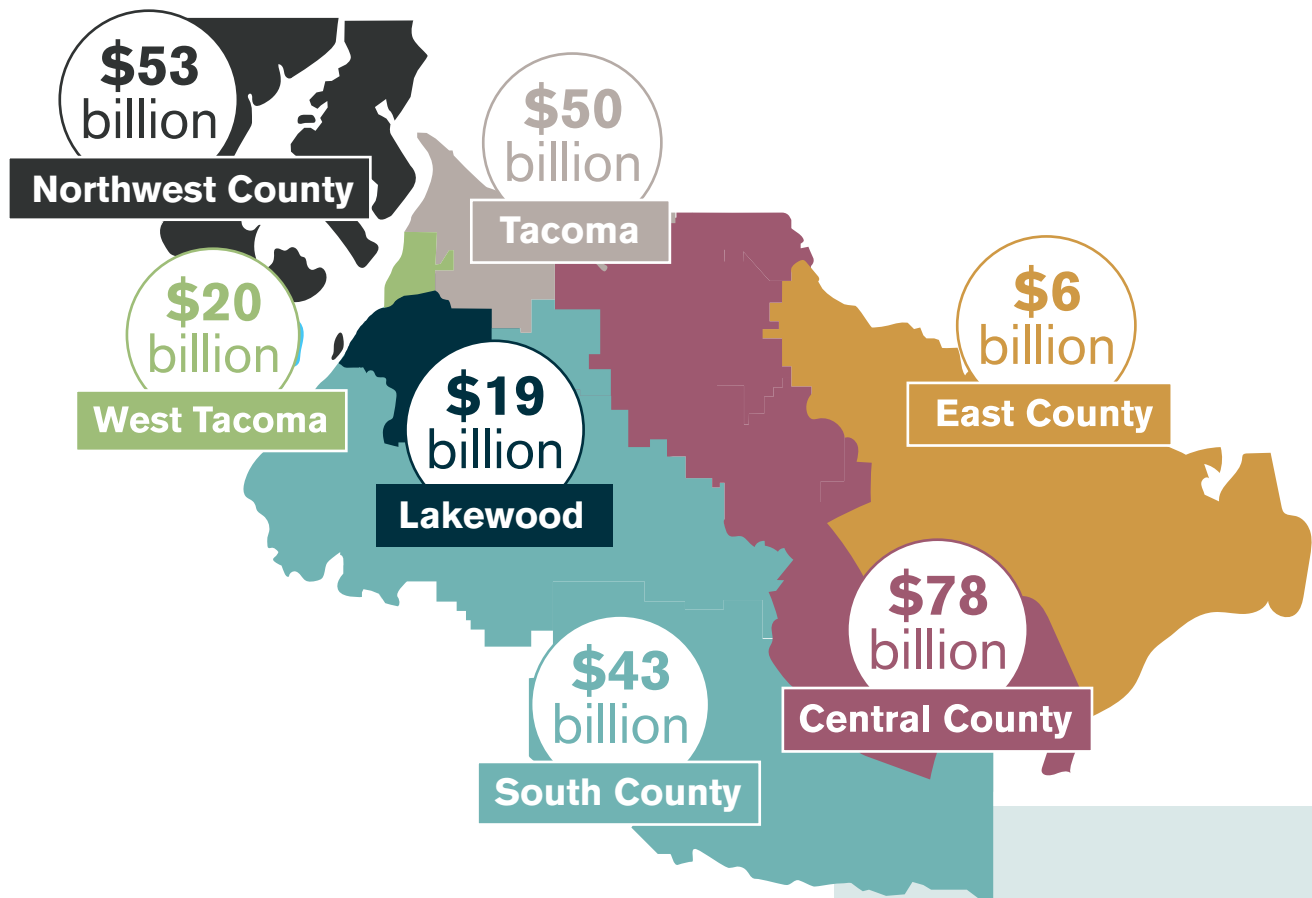
Pierce County is a place of abundance. According to the 2020 Pierce County Transfer of Wealth Study*, our current household net worth is \$269 billion. This is the total value of assets in our community –homes, businesses, investments.

Over the next 10 years, \$48.6 billion of those assets will be transferring from estates to the next generation. \$482 billion is expected to transfer over the next 50 years.

If concerned, caring community members like you designated 10% of your estate to charitable organizations and causes you cared about, we could transform our region for future generations.

A Wealth of Opportunity

Regional Breakdown – 2020 Net Worth



This map shows the 2020 estimated net worth for seven regions of Pierce County, covering 57 zip codes.

- Northwest County: Gig Harbor, Fox Island, Key Peninsula
- Lakewood, Steilacoom
- South County: DuPont, JBLM, Anderson Island, Spanaway, Graham, Eatonville
- West Tacoma: University Place, Fircrest, Chambers Bay
- Tacoma
- Central County: Puyallup, South Hill, Lake Tapps, Bonney Lake
- East County: Buckley, Sumner, Carbonado

The current net worth of Pierce County regions tells us that the transfer of wealth opportunity is distributed across our entire community. While no single person or family holds all the wealth, the cumulative impact of individuals making a commitment to a healthy, thriving community is profound.

Families of all incomes and all estate sizes have something to contribute. It is possible to pass on wealth to heirs and still make a positive impact on your community for generations to come.

Pierce County 10-Year & 50-Year Transfer of Wealth

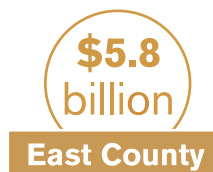
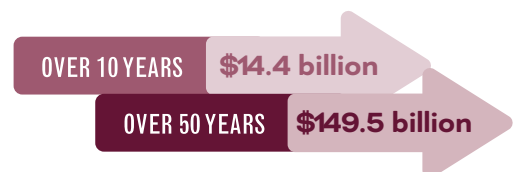
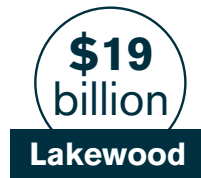
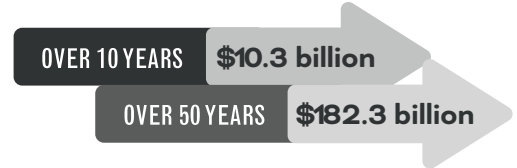
Looking across Pierce County, you can see some areas have greater wealth than others.

When wealth transfers from one generation to the next, there is an opportunity to address this growing wealth inequality.

Individual legacy giving, along with cross-community efforts by nonprofits, foundations, and others can provide catalytic philanthropic investment that fuel community transformation and help realize human potential.

Current
Household
Networth

Transfer of
Wealth
Opportunities



Why Giving Matters

Pierce County is a great place to live. More and more people are moving here to enjoy the quality of life, the natural beauty, and the diverse cultural and business opportunities.

What we are currently experiencing is a product of previous generations investing in the community. Investment in schools, housing, the environment, arts, museums, businesses, hospitals, and much more gave us the infrastructure and amenities we enjoy today.

When individuals and families of all means from across Pierce County invest in the future, our children, grand-children, and generations to come benefit from our long-range vision and generosity.

Pierce County legacy donor Wayne Williams' mother and grandmother were his guiding light. "They recognized something special in me but told me and demonstrated that the only thing that would make what I had meaningful was to give it away."

Wayne's experiences and knowledge led him into a career as a product innovator with the Xerox Corporation. As a teacher and administrator with Tacoma Community College and Metro Parks Tacoma, he turned his knowledge and experience into a twenty-one-year involvement with the Elizabeth Wesley Youth Merit Incentive Award Program through the Urban League, supporting the retention of African American public high school students.

"I realized in my retirement that I didn't work all these years to accumulate skills and knowledge to wake up one day and say, 'that was that'. I think that is one of the worst self-devaluating things you can do, and I

refuse to devalue myself."

"The way I see it, if I look at disease or social unrest or environmental threats, it occurs to me how pompous it is for us as human beings to overlook any mind that might find the cure or have the answer. It is ludicrous for us to put any mind at risk."

"The intent of the Wayne Williams – Lifting Lives Legacy is to help young people of color discover, like I did, the best parts of themselves and to share it with others."



DONOR ACTION



Talk to your professional advisor or a GTCF philanthropic advisor about including your community in your estate plans.

Consider leaving at least 10 percent of your estate to a charitable organization or cause you care about.

Consider donating to an endowment at your favorite nonprofit or creating a designated fund at GTCF that supports the causes you care about.

Establish a donor-advised fund as an alternative to a private foundation and incorporate the fund into your estate plans.

Jim and Enid Harris came to Tacoma as newlyweds, not knowing anyone, and immediately immersed themselves into the community and their church. They started their own architectural firm out of their house and working side-by-side they successfully grew their business. They became early pioneers of the Tacoma Art League, which became the Tacoma Art Museum. Over time, they got involved with many other nonprofits and community organizations.

For years, Jim and Enid Harris were active in The American Institute of Architects (AIA), working side-by-side as architects in their own business, making recommendations for the redevelopment of Tacoma. Throughout their lives, they have worked to impart one simple philosophy with their children, grandchildren, and great-grandchildren and that is: “what can



be accomplished is unlimited if you don’t care who takes the credit.”

As part of their estate plan, they put a plan in place to establish a family fund at GTCF to support the needs of the community in perpetuity.

DONOR ACTION



Make a gift to your favorite nonprofit by bequeathing a percentage or certain amount of your estate.

Transfer assets such as life insurance, retirement accounts, bank accounts, annuity contracts by changing your beneficiary designation to a nonprofit.*

Set up a Charitable Gift Annuity or Charitable Remainder Trust that has tax savings and provides financial benefits like income for your lifetime.

Deed your home to a nonprofit while living there for the rest of your life, or a relative's life.

**Washington state requires spousal approval on the beneficiary form if he/she is not the sole beneficiary. Always check with your tax professional in matters of taxable planning and deductions.*

Pierce County legacy donor Dr. Jerry Ramsey and his late wife, Elaine, were true lovers of Tacoma long before it became the hottest housing market in the nation. Through their work as educators and authors, they built connections to the region's history. As engaged community members, they also built lasting supports for generations to come.

“Elaine and I have never lived outside of the Tacoma area”, said Dr. Jerry. “This has been our home. We have invested all we have here – at Fort Nisqually, our educational institutions, our church First United Methodist, and many other organizations we’ve supported over the years like the Special Olympics”.

Dr. Jerry wouldn’t describe himself or Elaine as wealthy. They were educators, historians, authors, devoted members of



their church, parents, and friends to many in the community who had a desire to invest in our region. And yet, Dr. Jerry recalled, “Someone asked me once if I was rich and without hesitation I said ‘yes’. Oh, in hindsight I know they were talking about wealth and I am sure that I misled them. But honest to God, Elaine and I lived a rich life.

“God blessed my wife Elaine and I with plenty – more than we needed. We wanted to pass that abundance along to others who can do some good with it.”

A Unique Opportunity to Create a Sustainable Future

Transfer of Wealth

OVER 10 YEARS

\$48.6 billion

10% For Sustainable Funding

Capturing just 10% of the 10-year TOW potential could create \$4.9 billion in new endowments. Over 20 years, these endowments could support average annual payouts of nearly...

\$279

million per year

Community-led projects and programs benefit greatly from the long-range vision of legacy donors. Nonprofits and agencies have been able to bolster budgets through the generosity of individuals and families that recognize the power of community working together across generations to support arts, education, basic needs, and all the things that make Pierce County such a great place to live.

Talk to your family about your legacy and how you want to be remembered—today and in the future. Contact Greater Tacoma Community Foundation or your favorite non-profit to learn about leaving a legacy for your community's future.

When Today's Kids Are Grown Up

Elaine Stafford and Shelby Clayson share a deep value for giving back to the community.

Shelby volunteered with Habitat for Humanity, starting out by “pounding nails with a family that was going to get a house. And I knew that people lived in bad situations, but it wasn’t until I went into those homes to interview these families that it really hit me the kinds of bad situations people are living in with children.” When she saw those families have a decent place to live, “it really hit me that what you can give really does help people.”

It’s something Elaine has been doing since she was a child, “taking a dime tied up in a hanky to church for my offering”. In addition to supporting arts organizations, GTCF’s Fund for Women and Girls, and Type I diabetes research, among many other causes, they’ve been active at Christ Episcopal Church for twenty years, connecting with local people and issues.

For Elaine, supporting community starts with listening to people’s stories, “even if it is fragments of a story, you start to build a



larger story. It is the people connection that keeps me motivated to be a compassionate person. I have many people tell me their stories and I try to live from what I hear. That’s how we decided some of our legacy planning.” Through their legacy planning, Elaine and Shelby will continue to support the causes and organizations that have mattered to them for a long time.

Elaine is motivated by her connections and relationships to ensure that this community continues to be a place where, when today’s kids are grown up and they have kids, “this will still be a wonderful place, and there will still be fresh air and green trees and bike paths. And girls will be paid the same as men.”

The Gift That Keeps on Giving

Pierce County's generational legacy opportunity can make a difference forever through the power of an endowment. An endowment ensures your generosity and vision will have an impact that extends far beyond your lifetime. It creates a permanent legacy that will never stop giving.

An endowment operates much like any savings or investment portfolio. The principal gets invested and grows over time, and each year, a small portion is given out in charitable distributions to support causes and organizations you care about.

You can leave a specific cash amount, a percentage of your estate or assets, financial investments, something you own (such as art, jewelry, or real estate), or make a nonprofit the beneficiary of a life insurance policy or retirement plan. Many people are surprised at how easy it is to leave complex assets and what an incredible, lasting impact it has on their community.

Endowment Calculator for an initial gift amount of \$500,000 over 25 years with an expected return rate of 6%

| Years Invested | Annual Grant Dollars | Cumulative Grant Dollars | Administrative Fee | Net Value (After Annual Grants & Fees) |
|----------------|----------------------|--------------------------|--------------------|--|
| 1 | \$0.00 | \$0.00 | \$8,750 | \$521,250 |
| 5 | \$22,400 | \$89,600 | \$9,108 | \$520,198 |
| 10 | \$22,300 | \$201,300 | \$9,085 | \$518,293 |
| 15 | \$22,300 | \$312,800 | \$9,063 | \$517,586 |
| 20 | \$22,200 | \$423,900 | \$9,041 | \$516,365 |

Think beyond securing immediate gifts and consider a planned giving strategy

Build relationships with donors and share the importance of giving locally

Reach out to annual donors about leaving at least 10% of their residual estate to your organization

The Zoo Society, a 501c3 supporting the mission of Point Defiance Zoo & Aquarium in Tacoma, receives funds from four endowments through GTCF. “Those endowments benefit animal care and our mission of saving species at risk of becoming extinct,” said Ruthann Howell, executive director of The Zoo Society.

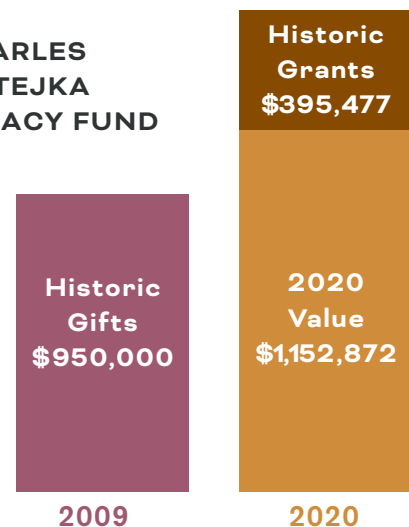


“Endowments are vital to nonprofits,” added Ruthann, “Of course, we love support now, but when people give knowing their support will continue past their lifetimes, it is an altruistic, selfless act of giving.”

One of the GTCF endowments that benefits the Point Defiance Zoo is the Charles Matejka Legacy Fund. A Navy veteran, Chip was a friendly produce staffer at a Lakewood grocery store. Helpful but reserved, Chip was also a shrewd investor. When he was diagnosed with late-stage melanoma, he had an estate worth more than \$2 million. Chip passed away in

2008, leaving a legacy fund at GTCF that provides annual gifts to many local nonprofits, including The Zoo Society.

CHARLES MATEJKA LEGACY FUND



Ways to Give

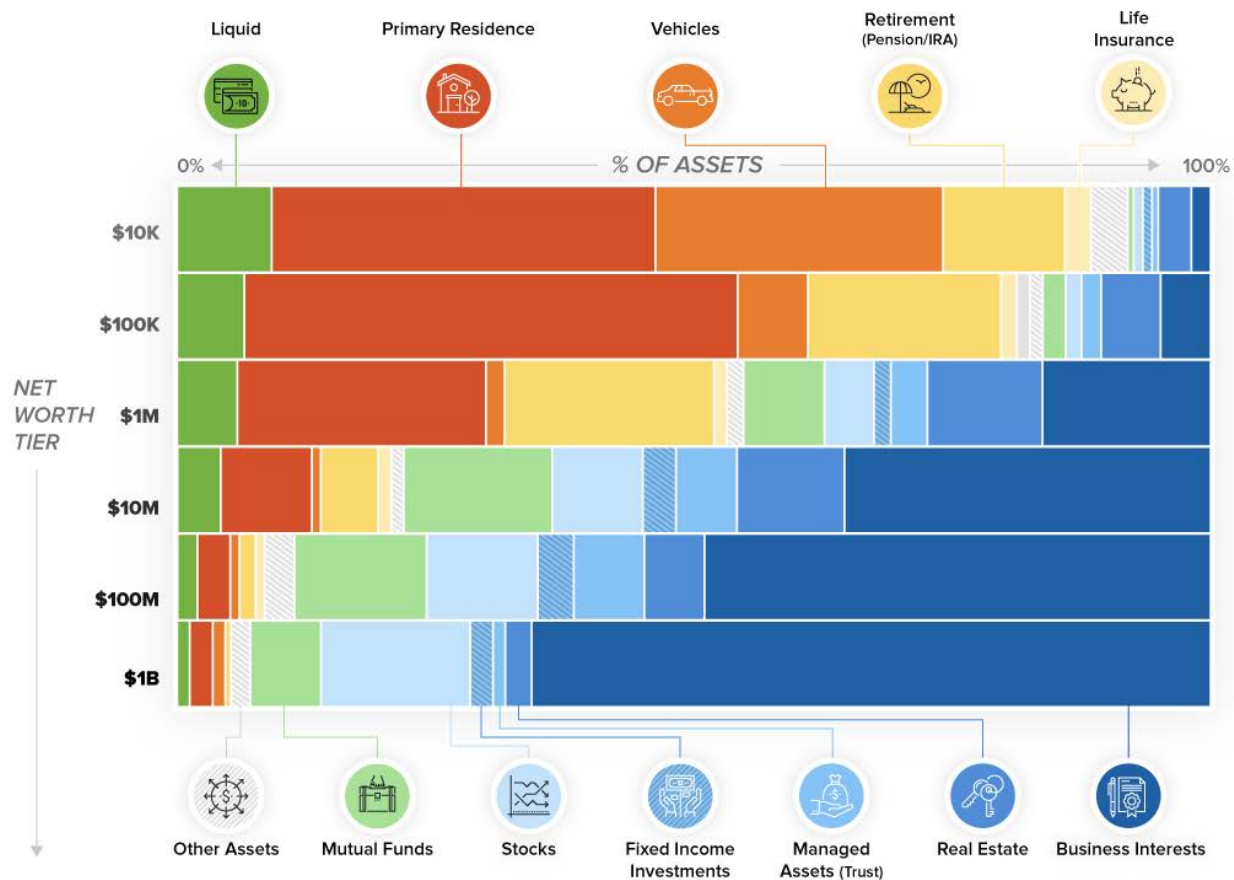
WHAT ASSETS MAKE UP WEALTH?

A look at asset distributions, based on net worth tiers

A person's net worth can be made up of many different things.



But how does that composition differ for the average person with \$100k in net worth, versus that of a billionaire?



Categories are grouped based on a log10 value of household net worth.

This means all 5-figure households would be grouped together (\$10k-\$99k), all 6-figure households get grouped together (\$100k-\$999k), and so on.



Primary Residence

The most important asset class for all net worth tiers up to \$1 million



Vehicles

For the \$10k net worth tier, the value of a vehicle is more than investments such as pensions, IRAs, mutual funds, stocks, etc.



Stocks

The proportion of directly-held stock increases up the tiers, and billionaires hold a significant portion of wealth in stocks



Business Interests

Most multi-millionaires or billionaires are not liquid, and have most of their wealth in business interests

<https://www.visualcapitalist.com/>



Build deeper relationships with clients by taking an active approach to philanthropy and offering charitable-giving advice.

Use opportunities like tax planning, retirement planning and more to help your clients understand how they can financially benefit by investing in their community.

Tap into the numerous resources and expertise offered by GTCF that can help you and your clients understand their philanthropic options and plan their legacy.

Cash is not the only option for charitable giving. Complex gifts can be a creative way to make large contributions with benefits for donors, nonprofits, and the community. Because non-cash or illiquid assets like closely-held stock, business partnerships, real estate, life insurance, art, intellectual property, or even cryptocurrency are involved, they take careful planning to execute.

Most people discover their opportunity to make a complex gift when they establish their estate plan, make a business transition, sell real estate, or encounter a significant tax event. Even though such complex non-liquid assets make up the bulk of most of people's wealth, they don't always pop into donors' minds when charitable goals are considered.

Complex gifts can reduce or eliminate estate taxes, and they can open some doors toward greater philanthropic impact.

What are Complex Gifts?



Closely Held C-Corp
or S-Corp Stock



Partnership or
LLC Interests



Life Insurance



Real Estate, including
Retained Life Estates



Art and Collectibles



Promissory Notes



Intellectual Property
and Royalties



Cryptocurrency

A Layered Giving Approach

Sometimes the most important stuff is not all about the money.” The late Marydale Brooks believed the “important stuff” happened “when everyone starts pitching in with their talents, resources, or pure grunt work to get the job done.” A longtime Buckley resident, she was unassuming in her demeanor, community-minded, and collaborative in her giving.

Marydale was a quiet philanthropist who worked closely with community members to support special opportunities in the White River community. She knew her community well and was purposeful about “layering” her giving. She started with cash available and eventually involved securities. As her estate planning evolved, she began to include gifts of real estate and other complex assets.

When Marydale passed away in 2018, her estate established the White River Hometowns Fund as an endowment that



will continue her work of supporting the local community for years to come. Already, Marydale’s endowment has funded transportation for seniors, food backpacks for children, and landscape improvements at a senior center.

Building A Thriving Future Together



WHEN YOU DISCOVER THE POWER OF LEGACY GIVING, YOU'RE NOT ALONE.



Leave 10 South Sound is a collaborative effort led by members of South Sound Planned Giving Council, Greater Tacoma Community Foundation, Community Foundation of South Puget Sound, nonprofit organizations and allied professionals from Pierce, Thurston, counties.

The mission of Leave 10 South Sound is to inspire, educate, and encourage individuals to aspire to leave at least 10% of their estate to charity.

Nonprofits, professional advisors, and community members are invited to embrace the value and vision of improving lives throughout our communities. Leaving just 10% of your estate to your favorite causes can help provide more affordable housing, equitable educational opportunities, robust social services, animal protection, accessible arts and culture, programs for the environment and protected areas and more. In doing so, we can create a stronger more vibrant community for generations to come.

Gift planning tools and resources are available through the Leave 10 South Sound website leave10.org/south-sound. Educational opportunities are presented throughout the year by members of the Leave 10 South Sound Initiative committee in collaboration with local estate and planned giving councils, and community foundations.

Join community members and leaders who are supporting the initiative and have shared their intent to leave 10 percent of their estates to charitable organizations. Visit the Leave 10 South Sound website [here](#) and become a Leave 10 Champion by signing the Leave 10 South Sound pledge.

2020 PIERCE COUNTY TRANSFER OF WEALTH TECHNICAL ADVISORY COMMITTEE

| | |
|------------------|--|
| Bruce Kendall | CEO, Economic Development Board for Tacoma-Pierce County |
| Ali Modares | Director of Urban Studies, UWT |
| Jeff Robinson | City of Tacoma Economic Development |
| Evelyn Ryberg | Sr. Director of Philanthropic Services, GTCF |
| Robin Callahan | VP of Philanthropic Services, GTCF |
| Kathi Littmann | President & CEO, GTCF |
| Kimberly Fisher | Managing Director, Wealth Advisor, Wells Fargo |
| Kathleen Simpson | Russell Family Foundation |
| Mark Pinto | South Sound Property Group, Windermere Real Estate |
| Eli Taylor | VP, Key Private Bank |
| Josh Dunn | CEO, Premier Media Group |
| Rick Oldenburg | ED, South Sound Planned Giving Council |



Methodology

Research about Pierce County's 50-year wealth protentional was conducted by the staff of the Locus Investing. Created in 2001, Locus Investing works with economic development practitioners and researchers and conducts practice-driven research and evaluation that serves as the basis for developing insights into model practices and other learning.

Taking stock of a region's wealth and modeling TOW scenarios starts with determining current net worth. Current net worth is the total value of all permanent resident household assets less all permanent resident household debts. This includes homes, family-held businesses, and retirement assets. It does not include the value of assets held by corporations, nonpermanent residents, and nonprofits.

The TOW scenarios shared in this report are created using a method the Locus Investing research team has developed and refined specifically for the purpose of producing scenarios based on projects of likely futures, not predictions or forecasts of actual future outcomes.

The TOW analysis uses a data series produced by the U.S. Federal Reserve, Survey of Consumer Finance Report, to match demographic characteristics for Pierce County with key national indicators. 2020 was selected as the base year of the study. The analysis is conducted in "inflation adjusted dollars."

View the full data by searching for "Transfer of Wealth Study" at gtcf.org.

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