

Friends Seminary School Committee
Report and Proposal to New York Quarterly Meeting
April 2015

Introduction

Last week we read minutes from a meeting of the Property Committee of the New York Monthly Meeting held 1st Month 1 1861, wherein William Macy, secretary, recorded in beautifully flowing cursive the acquisition of a plot of land on Rutherford Place between 15th and 16th Streets. He detailed the dimensions of three new buildings to be constructed – the Meetinghouse, the central building for Men’s Yearly Meeting and Schools for Boys and Girls, and an “addition three stories high...intended for a Primary School...” Just twelve short months later, on 12th Month 25 1861, Macy afforded modest praise at the project’s completion: “We think the location and the buildings have given very general Satisfaction.”

Early Friends of this Meeting wanted both a Meeting *and* a School, and from the beginning worked diligently to make it so. Based on our faith in and reliance upon NYQM’s demonstrated historic and current commitment to the advancement of education, Friends Seminary School Committee has stewarded the School for the benefit of a Quaker education. We believe in the necessity of the Redevelopment Project, the completion of which will add 48,541 square feet (22,541 new square feet and 25,999 reprogrammed square feet) of educational space to the School’s campus in four buildings solely occupied and maintained by the School. The first Project, which we ask you to consider today, is the addition of two floors to the 1964 Building/Hunter Hall at 222 East 16th Street. Construction will cost approximately \$27.8 million and will last approximately 14 months. The second Project, set to begin in June 2016, at which point we hope the School will be incorporated, will cost \$39.2 million and involves reconstructing the three Townhouses at 212, 214, and 216 East 16th Street and connecting them to Hunter Hall. The two Projects are severable and accomplishing one does not commit us to the second.

Eventually, the two Projects will meet programmatic needs of the School in many ways, including converting three currently inaccessible Townhouses into ADA-compliant space; creating classrooms flexible in design in order to promote collaboration and interdisciplinary study; enhancing commitment to the arts and environmental sciences; providing an identity on campus for the Upper School by adding defined spaces, including lunch space; creating a Center for Peace, Justice and Equity to continue students’ social justice engagement; relieving demand on Meetinghouse space with the addition of a new Great Room.

What Friends Seminary Asks of Quarterly Meeting

The School has spent countless hours preparing for this project, from the early days of the Master Plan up through this year, when it has been the primary occupation of the School Committee, its Buildings and Grounds Committee, and Administration. To date, the School has invested approximately \$2.2 million in preparing for the Project. Starting this summer ensures that the most dangerous work is done when the 1964 Building/Hunter Hall is unoccupied. To delay would cost money, the possible loss of valuable team members, imperil fundraising, and deny our students a year of essential program-related facilities. Delay would damage the gathering morale and enthusiasm of all constituencies.

To this end, we ask the Quarter for:

-Agreement to combine lots of the two most recently purchased Townhouses into one development lot so that the School may use a portion of existing development (air) rights for the 1964 Building/Hunter Hall Project this summer and eventually the Townhouse Project. Date by which needed: 4/24. (See Fact Sheet)

-The right to use no more than 20,000 square feet of existing development (air) rights, leaving approximately 27,587 square feet in the possession of the NYQM. Date by which needed: 4/24. (See Fact Sheet)

Engagement with Trustees, 15th Street Monthly Meeting, Quarter, Parents and the Community

The School began communication with Trustees in September 2014 and this mutual exchange proceeded throughout the fall and early winter and again beginning in mid-February. Friends received reports of the Redevelopment Project in the October 2014 annual School’s report and at the January 2015 meeting. The School requested an opportunity to speak on the agenda of 15th Street Meeting’s Meeting for Business and described the Project during Social Hour on March 8th. All members of the Quarter were invited to two informational “town halls” on November 19th and March 11th. Friends were made aware of the email address, projects@friendsseminary.org, to use to solicit questions and comments.

1,576 Friends Seminary parents are engaged with the Project through informational discussions, vodcasts and fund-raising events. The same holds true for School alumni who, along with parents and former School Committee members, participate generously in the School’s current capital campaign, which has raised half of its \$40 million goal to date.

Friends Seminary hosted an informational meeting with neighbors and the surrounding community on April 2nd. On April 7th, the Parks, Landmarks and Cultural Affairs Committee, a subcommittee of the Community Board, voted unanimously to support the Project and passed their recommendation on to Community Board Six. On April 8th, more than twenty-five members of our community spoke movingly in front of the full Community Board, which approved the Redevelopment Project with no votes against it. Meetings with our community continue.

Separate Incorporation

The Project was planned in the context of the Quarter's and the School's long pursuit of separate incorporation. We welcome the recent reinstatement of separate incorporation among Trustees' priorities¹. Upon their request, we offered Trustees a *Draft Memorandum of Understanding*² and, with respective counsel, are engaged in consideration of detailed terms to propose to the Quarter in the very near future.

Separate incorporation as a new pre-condition on the Project, however, places an unwarranted penalty on the School Committee and the educational experience of parents for their children; the pre-condition stops the Project from moving forward. The Project is deemed essential for the provision of excellent educational opportunities in pursuit of the School's Quaker educational mission.

We have no issue with Trustees' stated and valid concern about financial liability; it is the appropriate and responsible concern for the Trustees on behalf of the Quarter. That liability, however, and other matters are resolvable, or have been resolved. Friends Seminary has undertaken costly construction projects in the past, at no cost or realized risk to the Quarter. Financial stewardship of the School has proven to be strong, as when we navigated the economic downturn of 2008 and thrived, actually increasing our enrollment and strengthening our financial position while also specially funding seventeen families who would have otherwise had to leave the School for financial reasons beyond our financial aid budget.

Regarding Trustees' Concerns of Fiduciary Responsibility, Liability and Indebtedness

As a result of our shared concern with Trustees for liability, Friends Seminary is prepared to indemnify, defend, and hold harmless the New York Quarterly Meeting ("NYQM"), its related entities and activities, and all of their trustees, officers, directors, employees, agents, and representatives from and against any and all claims or damages which may at any time be asserted against or incurred by them arising from, related to, or concerning the Redevelopment Project including, but not limited to, reasonable attorneys' fees, costs and expenses. For the sake of clarity, this means that Friends Seminary will, among other things, take full responsibility for retaining counsel and defending the NYQM from any claims should they arise, paying for the costs and expense of its defense, and paying for any liability or damages that may be assessed against the NYQM in any way related to the Redevelopment Project. Officers of the School Committee will sign all documents related to construction, providing another layer of legal protection.

Friends Seminary takes full responsibility for our financial stewardship of the School by the School Committee and sub-Committees including Finance, Investment and Audit. Each subcommittee is populated by both Friends and lay members of the School Committee in addition to experts in the various fields. The 1964 Building/Hunter Hall Project will be accomplished by utilizing School funds, accumulated just for this purpose and funds raised in the campaign. The cost will be bridged with cyclical cash that will not place the School, or the Quarter, in jeopardy.

This demonstration of responsibility, along with a clear explanation for how the Project will be funded, should relieve the concerns of Friends as to any dependence on the NY Quarterly Meeting. (See Fact Sheet)

Conclusion

The original New York Monthly Meeting saw fit to establish what is now Friends Seminary 229 years ago, and committed funds to buy and maintain properties for a Quaker school. The history is integrally entwined with Friends testimonies, commitments, and sacrifices. The New York Quarterly Meeting holds in trust this rich legacy, and the successful execution of this legacy is stewarded by the Friends Seminary School Committee. The Quarter appoints nine members of the eighteen individuals who oversee the operations of a nationally renowned institution. It is a major step to negate the value of thought and labor of this Committee. The School Committee has invested heavily in properties it does not technically own to fulfill the Quaker educational mission. We are prepared to invest in the continued relationship with the Quarter, however fractured it can be at times. We undertake the Project with the understanding of the Quarter's reliance on the School Committee, and to a fair and future resolution of terms of separation that bring vitality and nourishment to the ongoing relationship.

We thank Trustees for their support of the School's efforts to meet the many needs of its immediate community with this Project, as expressed in the March 2015 Minute and in the Epistle of April 9, 2015. As William Macy wrote in 1861, we too hope that this modern Redevelopment Project will give very general Satisfaction to our community.

Respectfully,

Friends Seminary School Committee

Matthew Annenberg, co-clerk
Elizabeth Enloe, co-clerk
Scott Carlson
Margery Cornwell
Kennedy Cogan
Liz Di Giorgio
Mark Doty

Gideon Gil
Christel Johnson
David Moody
Parag Pande
Peter Rahbar
Helge Skibeli
Benjamin Smith

Ann Sullivan
Carol Warner
Hassan Wilson

¹ March 12th, 2015 Trustee Minute

² Draft Memorandum of Understanding, School Committee, April 3, 2015