

2010 REPORT TO THE NEW YORK QUARTERLY MEETING FROM FRIENDS HOMES GROUP

2009-2010 Summary:

Our Executive Director, Annie Soriano continues to do an excellent job. She has overseen many projects, both large and small for us during the year. She, along with the help of a number of dedicated board members, through our first major (we are hoping it to be an annual affair) fund raiser. Many members of the Quarter were able to attend an evening cruise around the southern end of Manhattan. We had lovely weather and raised a very nice sum to support the work of Friends House. Annie also arranged for Friends House to be the first New York recipient of a Groupon fund raising event on line. Again, many members of the Quarter came through so that new linens could be purchased for people moving into the house or those already there who just need new linens.

We have been able to complete all the work involved with making Friends House more ecologically sound. We are in the process of getting money from the state to cover these expenses. We have also begun the process of replacing our current water cooling tower. We are getting money from the city to help with this and hope to have it completed by the end of the year. Our roof garden was destroyed by a fire this year. Luckily the damage was mostly contained to the garden itself, though there was some water and smoke damage in the rooms directly below the garden. We were able to get most of the money needed for the repairs from insurance and donations.

We had a number of residents die this year. While new drug regimens are being developed, there is still no cure for this disease. We continue to maintain almost 100% occupancy throughout the year. There are always many more applicants to Friends House than there are rooms. This is a testimony both to the continuing impact of HIV/AIDS on people in New York, and the high reputation Friends House has within the HIV/AIDS housing community.

We are planning another fundraising event this fall. You will be hearing more about it later in the year. While the cruise was a wonderful first event, this year we will be staying on shore and enjoying the panorama that is New York. We have a very active and talented board at present, with representatives from many areas of finance, law, and social activism. On the Quaker side of the board, we still have places open, so please see me or the other board members (John Loza, Martha Hyde) if you feel a leading to join our committee. And do not be surprised if we approach you to join, should we feel lead!

As we work together to provide our residents with programs and services that meet their needs and their aspirations, we are grateful for our staff, who so generously give of their energies and talents. We are always aware that it is the daily work of our

staff that makes our mission a reality in the lives of our residents. As one resident said, “I think supportive housing means supporting people to face the worst that may happen and to do the best that they can.” It is the people who work at Friends House who provide that support every hour of every day.

History and Legal and Financial Structure:

Friends House in Rosehill provides housing in small apartments and supportive social services to 50 men and women living with HIV/AIDS who were formerly homeless or marginally housed.

For those who are not yet familiar with our work or our reports to the Quarterly meeting, Friends Homes Group (FHG), technically named “the NYQM Committee to House Homeless People”, was started in the 1990's to pursue development of housing for homeless people living with AIDS. The committee, now a group of six appointed members and six non-Quaker members who share this concern, has met monthly ever since. The six Quaker members are appointed by the Quarterly Meeting Nominating Committee. Because our Board of Directors needs members with specific abilities who can also participate in trainings and retreats, and, in order to satisfy requirements of potential funders, must be a fully active and diverse group, our Board Development Committee works to find new members and submit their names to the Nominating Committee. Once these names have been submitted for consideration, of course they are subject to the Quarterly Meeting nominating and approval process.

The management of Friends House in Rosehill is the responsibility of Friends Quarters HDFC (“FQHDFC”), a Housing Development Fund Corporation whose board is made up of members of FHG, six of whom are appointed by the NYQM for terms of three years. FQHDFC has been legally separated from the NYQM in order to fully contain liability obligations.

As the Quarter is aware, our building is legally structured to include a non-profit sponsor, the FQHDFC, and a for-profit ownership entity, Rosehill Friends Limited Partnership. There are two entities in this Partnership:

1. a General Partner, Rosehill Friends Inc., a paper entity set up by the FQHDFC. The sole shareholder of Rosehill Friends, Inc. is the FQHDFC
2. a Limited Partner, the New York Equity Fund 1994 LP fund. —

The Limited Partner owns 99% and the General Partner owns 1% of Friends House in Rosehill.

This complex arrangement was necessary because equity in the building was provided through the Low Income Housing Tax Credit program. This program permits

partnerships throughout the country to receive tax credits in exchange for investing in affordable housing development projects.

The major revenue source for the FQHDFC is a ten-year operating contract we have with the New York City Human Resources Administration's HIV/AIDS Services Administration ("NYCHRA/HASA"). Other sources of revenue include foundation grants and individual donations.

The sole revenue source for the Rosehill Friends Limited Partnership ("LP") is a federal rental subsidy program known as Shelter Plus Care ("S+C"), a branch of the Section 8 housing program managed by the U.S. Dept. of Housing and Urban Development. Tenants pay 30% of their income towards rent and the balance comes from S+C, which is administered locally by the N.Y.C. Dept. of Housing Preservation and Development. Because the LP is a for-profit corporation, no money raised by the major non-profit part of our organization may subsidize the expenses of the LP. In practice, this can mean that Friends House could have a substantial cash reserve of unrestricted money, and not be able to use any of it to pay expenses related to the direct operations of the building.

Financial Development

FQHDFC approaches its work with a strong sense of purpose and a sharp awareness of its fiduciary responsibility. We know that we must maintain our clarity: the Friends House staff works under emotional demands that require our constant, loving support. We have recognized that fundraising is the essential task of all board members. If we are to treat our residents and our staff in the manner of Friends, we must be responsible for raising the money to do so.

Friends House will again be walking as a team in the annual GMHC AIDSWALK. All the money that the team raises will go to Friends House. Anyone interested in joining the team, please speak to one of the members of the Housing committee. At present we are Ed Elder (M), John Loza (B), Tom Glynn (B) and Sara Haga (B).

How Can Friends Help?

- We have two more positions on the board to fill and you might notice that we have a dearth of members from 15th Street, Manhattan, and Flushing Meetings. We are looking for more members for the housing committee

and the board. If you have interest and expertise in housing issues, AIDS issues, or the like, please speak to a member of the housing committee or nominating committee.

- And most important of all, we need donations of unrestricted funds for our work. That is why the board has made fundraising its primary commitment, and why help with fundraising is currently our primary volunteer need. It is only with these unrestricted funds that we as Friends, together with our staff, can plan for services that provide our residents with a good place to live, supported by services which respect that of God in each of them.

Respectfully submitted

Edward Elder, clerk