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# The Executive Council

## PROLOGUE

At the conclusion of each General Convention, every resolution that has been passed by both Houses is referred to the cognate standing commission or interim body. Occasionally a referral is to a given unit of the Executive Council.

Five such resolutions from the 67th General Convention were referred to Administration and/or Finance. Each is now under study and planning, to wit:

Title I, Canon 6	Business methods in Church affairs.
D-81S	Committee on Location of the Church Center.
D-120A	Presiding Bishop's Task Force on Accessibility.
D-078	Affirmative Action policy of Personnel.
A-151	Long-range planning—presented and approved by Executive Council, February, 1985.

Following are special reports on the first three.

## AMENDMENT OF SECTION 1 OF CANON I.6

For at least the last ten years, treasurers and/or administrators of dioceses and treasurers of churches in the United States have written or telephoned the Treasurer of the Executive Council for clarification of Section 1 of Canon I.6. The original Canon was adopted by the 1916 General Convention at a time when the investment vehicles currently available to dioceses and parishes were unknown. This amendment attempts to clarify the instruments that may be used for "permanent funds." Individual operating funds can be handled more practically in the "Manual of Accounting Principles and Reporting Practices for Episcopal Dioceses" and the "Manual of Accounting Principles and Reporting Practices for Episcopal Parishes and Missions."

### Resolution #A—68

Of business methods in Church affairs

*Whereas*, the existing Section (1) of Canon 6 relates only to the custody and safekeeping of funds that are permanent in nature and securities of whatsoever kind, and it does not purport to direct how such funds shall be invested; and

*Whereas*, the proposed amendment also is concerned only with the custody and safekeeping of permanent funds, and is intended to eliminate any possible impediment to the use of investment vehicles that have become popular since the Canon was adopted; and

*Whereas*, the reference to "securities" represented by physical evidence of ownership or indebtedness reflects the fact that some securities are now issued in book entry form: examples include certain United States Treasury Securities, certain corporate stocks, shares of regulated investment companies (mutual funds, including money market funds) or securities held by a central depository, such as a clearing corporation defined in Article Eight of the Uniform Commercial Code—in such cases the investor

does not receive a certificate evidencing ownership of the security that can be deposited as required by the first paragraph of Section (1); and

*Whereas*, the purpose of the third paragraph of the proposed amendment is to make it clear that investment in such types of securities is not prohibited by the first paragraph, requiring that permanent funds be deposited with an approved agency; and

*Whereas*, the proposed amendment clarifies the definition of the funds to which it applies and also expands the class of eligible depository institutions; and

*Whereas*, this amendment is also intended to make it clear that the investment of permanent funds in certificates of deposit is not barred; and

*Whereas*, it is recommended that any amendment be as broad and flexible as possible—a narrowly restrictive provision may be expected to cause more problems than it will avoid; therefore be it

**Resolved**, the House of \_\_\_\_\_ concurring, That Subsection (1) of Canon I.6.1 be amended

**1. by deleting the present Paragraph one (1) of Subsection (1) and inserting a new Paragraph one (1) as follows:**

*(1) Funds held in trust, endowment and other permanent funds, and securities represented by physical evidence of ownership or indebtedness, shall be deposited with a Federal or State Bank, or a Diocesan Corporation, or with some other agency approved in writing by the Finance Committee or the Department of Finance of the Diocese, under a deed of trust, agency or other depository agreement providing for at least two signatures on any order of withdrawal of such funds or securities.*

**2. by adding a new Paragraph three (3) to Subsection (1) as follows:**

*This paragraph shall not be deemed to prohibit investments in securities issued in book entry form or other manner that dispenses with the delivery of a certificate evidencing the ownership of the securities or the indebtedness of the issuer.*

## **THE CHURCH CENTER: OPPORTUNITY AND CHALLENGE**

### **Historical Summary**

In 1889, the centennial General Convention, meeting in New York, authorized the managers of the Domestic and Foreign Missionary Society to build quarters for the international missionary work of the Board of Missions and its Woman's Auxiliary. Accordingly, in December 1893, a "Church Missions House" at 281 Park Avenue South, New York City, was completed, and a major portion was rented out. Then, in 1919, General Convention "nationalized" under one body (the National Council) great portions of the missionary, educational, and social work of the Church, with the result that by 1926 National Council was calling for more room. It was not until 1958, however, under Presiding Bishop Arthur Lichtenberger, that a committee began seriously to work on the problem. Their work culminated in 1963 with the opening of the present Church Center at 815 Second Avenue, New York City.

From that time on, and especially in recent years, offers to purchase the building have been received, in constantly increasing amounts. In order that Executive Council might be aware of these offers and do some preliminary planning, the Presiding Bishop appointed, in November 1981, a Location Committee of Council. The need for such a

committee was reaffirmed by Resolution D-81 (Substitute) of the General Convention of 1982, as follows:

*“Resolved, the House of Bishops concurring, That the 67th General Convention direct the Executive Council to continue to study the desirability and feasibility of the relocation of the Episcopal Church Center from New York City to a more central location; and be it further*

*Resolved, That the Executive Council report back its findings and recommendations to the 68th General Convention.”*

On March 14, 1984, Bishop Allin received a bid in which a non-specified client offered \$25.5 million in cash for the building, with the understanding that it would be vacated within approximately one year. The question of responsible stewardship inevitably arose: Should the Church take the money and relocate? Was it good stewardship to remain or to sell?

The Presiding Bishop then appointed four additional Council members to the Location Committee, to make it more representative of the Church at large. He and Dr. Charles Lawrence, President of the House of Deputies, served as *ex officio* members. The Treasurer, Matthew Costigan, and the Vice President of the Domestic and Foreign Missionary Society, the Rt. Rev. Alexander Stewart, served as staff liaison officers.

The first meeting of the new Committee, on April 10, 1984, considered the March bid and determined to test the market to find out whether the offer in question was the maximum amount that might be attained and also whether there might be offers giving the Church a longer time to move.

On the very morning of the next meeting of the Committee, May 29, a bid was received from a United Nations delegation in the amount of \$26.5 million. Other bids likewise indicated a possible sale price of 26 million.

The Committee decided to present the bid to the Executive Council at its regularly scheduled meeting one week later. Meanwhile, it set a firm requirement—that the Church would be allowed at least three, and up to four, years to vacate. During that time, three floors of space would be surrendered to the purchaser. The bid was still \$26.5 million. The Church, however, would pay rent during that three- to four-year period from the income of the monies received from the sale. The Executive Council (June 1984) agreed to proceed with negotiations.

On September 20, the Committee met again to consider varieties of options and bids received during the summer. Resistance to rapid action was becoming evident throughout the Church.

The final bid received from the potential buyer, as set forth in the signed contract, was for \$20.5 million in cash, with essentially free rental of space during the three- to four-year period the Church remained in the building. Meanwhile, interest would be accumulating on the capital amount of the sale, resulting in the receipt of approximately \$33,000,000 by the time of moving four years later.

By October 29, the day before the Council was to meet, it was evident that the Church at large was hesitant to see action taken prior to General Convention. Many interpreted the General Convention resolution as restricting an actual sale but asking that the committee report its findings and recommendations, including a possible recommendation to sell. Accordingly, when Council voted on October 30, the proposed sale to the United Nations delegation was defeated.

This action freed the Committee to put its energies into a careful study of criteria and models for a Church center.

Between the October 1984 and February 1985 Council meetings, the Committee, in order to expand its own understanding and to ascertain the mind of the Church leadership,

sent questionnaires to all active bishops, standing commissions, interim bodies, and provincial officers. Another questionnaire was developed for the in-house staff. The questionnaires asked about desirable locations and facilities, both in general and more specifically; about a preferred building style; and for some background information about the respondent. The responses (85% replied) were collated and analyzed; a summary analysis is attached. The complete data are available on request.

Meeting again just prior to the Executive Council meeting in February 1985, the Committee focused on the criteria for a Church center and on four possible models complying with those criteria. The criteria and models were presented to Council in April 1985.

### **An ideal Church center**

The Church now has the opportunity to dream about what an ideal Church center should be, since it has been established that the needed resources (from the sale of 815) can be made available. The challenge is to use those resources wisely and well.

An ideal center should be a unifying *symbol*, as well as a unifying *actuality*, for the more than 100 domestic and extra-territorial dioceses of the Episcopal Church. It should be a true *spiritual* and *prophetic* center, continually recalling the Church to its mission, as well as a *physical* center, providing a focus for:

- World and national mission activity
- Networks in evangelism, education, stewardship, ecumenism, communications
- Social concerns and public issues
- Minority and ethnic interests.

An ideal center should be evidence of good *stewardship* of Church resources, at the same time providing *efficiency* of operation and the best possible *service* to dioceses, agencies, and people.

Lengthy discussions on the purpose and functions of a Church center, combined with study of all available data, led the Committee to propose the following criteria which a Church center should meet in order to fulfil its mission:

- *Provision for a worship center*
- *Flexible space*, sufficient for:
  - Staff operations and morale.
  - Short-term conference facilities.
  - Interim-body meetings.
  - Eating facility.
  - Hospitality functions.
  - Guest accommodations.
- *Economic considerations*
  - Must be achievable with assets in hand.
  - Reasonable maintenance and operational costs.
  - Labor availability at reasonable cost.
  - Travel costs for visitors/staff.
- *Quality of life for staff*
  - Cost of living and housing options.
  - Educational, cultural and recreational opportunities.
  - Ease of transportation.

- *Accessibility*
  - To international banking facilities.
  - To telecommunication facilities.
  - Proximity to international airport.
  - Availability of public transportation and/or ease of driving and parking.
  - For people with physical limitations.
- *Nearby housing and eating establishments*
- *Community and diocesan acceptance of the center*

Other factors considered were the “image” of an Episcopal Church center and the meaning of “central.” What should the center, as a physical entity, say to its members and to the world about the Episcopal Church and its mission? Does “central” mean central for the Anglican international community, or the seat of the national government and the symbol of the National Cathedral, or a geographical midpoint in the United States, or the center of the demographic distribution of Episcopalians? Does the center need to be close to the national staffs of other major communions? (See list attached.) All these questions need to be considered in the final decision regarding location of the Church center.

### **Models of a Church center**

The Church center must meet certain basic requirements, in addition to the criteria listed above: It must provide approximately 100,000 square feet of usable office and conference space, and about 50,000 square feet if the chapel, hospitality, bookstore, storage and shipping areas are included.

Keeping the criteria in mind, four possible models have been developed:

#### *Campus-Style Model*

This model illustrates a Church center built on a plot of 160 to 200 acres around a lake and in a landscaped setting. The centerpiece is the chapel, built on a small island and visible from most parts of the center. Connected to the chapel by a covered bridge is a central atrium. Covered walkways lead to a conference hall, with meeting rooms of various sizes, a health center and a residence hall, with rooms and lounges to accommodate visitors. A training institute, with classrooms, offices and auditorium, provides facilities for training missionaries, volunteers, and staff. This model is open to ecumenical possibilities, providing space for other denominational office buildings and the sharing of the conference, health, residence, and training facilities. It provides pleasant surroundings, an efficient layout with space for expansion and the potential to develop community among visitors and staff.

#### *Center City Model*

This model is essentially an office building in any city, built or remodeled to comply with the established criteria. Ideally, it would be located near or adjacent to an already existing chapel or church of some historical or architectural interest, which would help to provide an Episcopal identity. The advantages are easy accessibility, good public transportation, and a wide choice in housing and eating establishments, plus other amenities available to city dwellers. It would also be symbolic of the Church’s interest in and concern for the problems of urban life.

*Freeway/Airport Model*

The freeway/airport model is a conventional, multi-floor office building, enclosing a chapel, near an international airport and/or busy highway. It would be close to or adjacent to commercial facilities which could provide adequate and convenient meeting space and housing for committees and visitors. The advantages would be accessibility and ease of transportation, both for outgoing staff and incoming visitors and Church officials, and the possibility of using conference and eating facilities as needed, without paying for and managing them on a full-time basis. It could be planned to provide the maximum and most efficient use of space in the accomplishment of the Church's mission.

*A Redesigned 815 Second Avenue, New York City*

The present building, can be refurbished over a period of time to comply more closely with the stated criteria, by providing: more flexible space, a more attractive and modernized eating facility, a hospitality area on the first floor, guest accommodations, better ventilated conference rooms, and much needed redecorating. Necessary funding for these purposes would be provided in future years' budgets.

The possibility also exists that the national Church might be provided use of an existing facility in New York City which would be ideal for entertaining visiting church officials and committees. A further possibility to be explored is the purchase of property adjacent to 815 and the selling of air rights, as a possible source of income.

In light of the foregoing historical summary, criteria and models, we recommend the following resolution:

**Resolution #A—69**

*Resolved*, The House of \_\_\_\_\_ concurring, That the 68th General Convention receive the Executive Council report in response to Resolution D-81 (Substitute) of the 67th General Convention on the location of the Church Center; adopt the criteria and models set forth therein and commend them to the Presiding Bishop and Executive Council for use in the decisions to be made by them regarding the future location of the Episcopal Church Center; and be it further

*Resolved*, That the Presiding Bishop and Executive Council be hereby authorized to take any action necessary to implement the criteria hereby adopted, including but not limited to the selection of a site for the Church Center, and to make any decisions necessary to effect the sale of the present facilities if such a sale be desirable or necessary.

APPENDIX TO CHURCH CENTER REPORT

Headquarters Locations of Major Religious Organizations:  
United States and Canada

<i>Organization or Denomination</i>	<i>All-inclusive Membership</i>	<i>Headquarters Location</i>
Southern Baptist Convention	13,991,709	Nashville, TN Richmond, VA Atlanta, GA Dallas, TX Fort Worth, TX Memphis, TN
United Methodist Church	9,457,012	New York, NY Evanston, IL Dayton, OH Washington, DC Nashville, TN
Jewish "Congregations"	5,725,000	New York, NY
National Baptist Convention, U.S.A.	5,500,000	*
Church of God in Christ	3,709,661	Brooklyn, NY
The Church of Jesus Christ Latter-Day Saints	3,521,000	Salt Lake City, UT
Presbyterian Church (U.S.A.)**	3,157,372	New York, NY Atlanta, GA
Episcopal Church	2,794,139	New York, NY
National Baptist Convention of America	2,668,799	*
Lutheran Church in America**	2,955,655	New York, NY Philadelphia, PA
Lutheran Church-Missouri Synod	2,630,823	St. Louis, MO
American Lutheran Church**	2,346,710	Minneapolis, MN
African Methodist Episcopal Church (United Church of Canada)	2,210,000 2,201,925	New York, NY Toronto, Ontario
Greek Orthodox Archdiocese of No. & So. Amer.	1,950,000	New York, NY
Assemblies of God	1,879,182	Springfield, MO
United Church of Christ	1,716,723	New York, NY
American Baptist Churches in the U.S.A.	1,621,795	Valley Forge, PA
Christian Church (Disciples of Christ)	1,156,458	Indianapolis, IN
African Methodist Episcopal Zion Church	1,134,179	* no specific
Christian Churches and Churches of Christ	1,063,254	* no specific
Orthodox Church in America	1,000,000	Syosset, NY
(Anglican Church of Canada)	914,000	Toronto, Ontario

\* No real headquarters location; boards have little or no staff.

\*\* Churches have or are about to be merged; will consider headquarters location.

Major Religious Groups Headquartered in New York City

American Bible Society	Interchurch Center
Catholic Relief Services	International Christian Youth Exchange
Church Center for the U.N.	National Conference of Christians and Jews
Church Women United	National Council of Churches
Church World Service	Religion in American Life, Inc.
	World Council of Churches, U.S.A. Office