

A Brief History of the Relationship Between Gordon Conwell Theological Seminary and the Town of Hamilton

In 1970, Gordon-Conwell purchased what was referred to as the Carmelite property. In 1975, a proposal was brought before the town to build married student housing on the Hamilton campus. Gordon-Conwell was given permission, including variances, special permits and the granting of an appeal, to build the married student housing. Certain agreements and conditions were part of this permitting and building process, including:

- A PILOT (or Payment In Lieu of Taxes) to the town as reimbursement for town services, such as fire, police, utilities, etc.;
- Non-resident tuition payment for each child attending the public schools;
- Reimbursement for any special education costs incurred on behalf of children from Gordon-Conwell attending the public schools;
- Married housing was restricted to Gordon Conwell students only;
- Reactivation of the Bridge Street well in order to provide adequate water to the increased demand created by the housing project and to not impact water delivery to existing residents.
- The seminary would cap its enrollment at 600.

State and Federal laws dictate that a town must educate every child that is a resident of that town. Federal law also dictates that educational and religious institutions do not have to pay taxes. We do not take issue with either of these laws. But most, if not all, such institutions make substantial PILOT payments to their resident city or town in order to help decrease or eliminate the financial burden of having such an institution in residency, as well as to be a contributing member of the community.

History has shown that, even despite some effort on these issues on behalf of the seminary, Gordon Conwell has, in the end, done neither.

Since 1975, none of the above conditions above has been completely met, if at all. PILOTs didn't begin to be paid until 2000, when the League of Women Voters conducted an expansive study on the issue. Tuition and special education costs have never been reimbursed. The Bridge Street well is still inoperable,

although a reasonable effort was made to reactive it. In regards to residents, both non-students and businesses reside in the on-campus housing and the current student population of the seminary is around 750.

Over the years, a number of efforts have been made to negotiate with the seminary to arrive at a reasonable PILOT (such as the Selectmen in mid 1990s, the League of Women Voters in 2000, and most recently a community committee in 2008). Little if any payments were ever made to the town until 2000, due to the LWV report. At that point, Gordon-Conwell offered a \$35,000 gift to the town. While appreciated, this amount does not begin to cover the costs incurred by the town on the college's behalf.

There have been many analyses run in order to determine what the "real" cost is to the town and/or the school system. Regarding students, estimates have ranged from as low as \$6,000 per child to as high as the Department of Education's per student amount of \$13,000+. Gordon-Conwell currently has 43 students in the school system for a range of \$258,000 to \$559,000. This of course, does not include special education costs which for moderate to more severely impaired children can run anywhere from \$20,000 to \$100,000 per child.

Unfortunately, the cost burden does not stop there. Unlike Gordon College, GCTS does not pay a "per run" fee for emergency services. Again, unlike most colleges, the seminary also does not require students to pay debts incurred while a student before graduating. For instance, there is currently \$40,000+ in outstanding excise taxes for Gordon Conwell students. In addition, because the seminary never completed the reactivation of the Bridge Street well, water for the single largest water consumer of Hamilton is estimated, not metered.

Gordon-Conwell's Response

The seminary's response to many of these assertions is that they have tried to remedy some of these situations. To their credit, they have tried to reactivate the well, instituted a more formal security force, and have entered into negotiations regarding school costs. They also allow passive recreational use of their property via trails and host the town's emergency antennae on one of its many income-producing cell phone towers.

But the bottom line is, no agreement has ever been reached, the well is not fixed, and Gordon-Conwell continues

to heavily use town resources with little or no restitution.

Even though the emergency antennae at Gordon Conwell saves the town approximately \$20,000 per year, again, even with a \$35,000 gift, this does not begin to cover the total educational, utility, student tax debt, and emergency expenses. In addition, GCTS directly benefits from the town having an emergency antenna.

There are other less tangible “contributions” to the town. Gordon-Conwell students certainly increase the ethnic diversity of Hamilton. Some parents and students certainly volunteer for activities and programs in town. But again, while appreciated, we assert that not only do GCTS students directly benefit from these activities, but that Hamilton, being a highly educated and community-centered town, would not have issue filling these volunteer opportunities if Gordon-Conwell were not present.

The seminary also contends that it does not have the money to make such large contributions to the town. While they are a nonprofit and the economy is affecting investments, GCTS has a \$40 million endowment, \$80 million in assets (see www.ecfa.org, member #5283) and the support of wealthy national religious organizations. In addition, per the original agreement, these costs should have been budgeted for since 1975 and haven’t. Gordon-Conwell also continues to be one of the most inexpensive advanced degree programs in the country with tuition of just over \$10,000.

Most recently, Gordon-Conwell made an \$80,000 payment to the town. At face value this seems much more generous than previous payments. Again, while appreciated, these funds were not intended for the town. It was intended to subsidize the tuition for private school placement of GCTS children -- the administration’s “solution” to alleviate their “burden” to the town. Unfortunately, the administration also reduced its annual \$35,000 gift to \$5,000. Thus, in effect, their annual gift was really only increased by \$50,000 -- still well below any actual costs and came with the stipulation that it was a one-time offer only.

While the seminary did go to considerable effort to develop this solution, for obvious legal reasons neither the town nor the school system could support a solution that required residents to educate their children elsewhere. It was not workable or enforceable and put the district, the town, selectmen, superintendent, and the school committee in an awkward legal position.

Enough is Enough proposes a more equitable annual PILOT be created that more accurately reflects these very real costs. This PILOT should be reviewed on a yearly basis to determine that it continues to be equitable to both the town and the seminary. This PILOT should reflect:

- The actual per student cost that Hamilton pays to the regional school district for each Gordon-Conwell child attending public school. This cost is determined based on a formula of the number of students from each town, minus any monies received from the state. This would reflect the accurate, identifiable cost to the town and is a reasonable amount at or near what the seminary originally promised.
- Specific special education costs as they pertain to any Gordon-College child who attends public school, receives services through the public school, or is placed in any out-of-district educational placement. Again, these costs can be very accurately calculated based on individual students.
- A per call charge for emergency calls.
- An accurate metered reading of water used by Gordon-Conwell and billed at the same rate as commercial properties in town. This would require the installation of water meters at the college.
- Instituting a graduation requirement that all local debt incurred by GCTS students is paid before receiving a diploma.
- Any tangible, accountable benefits received by the town from GCTS will be considered in this calculation, such as the emergency antennae.

We feel this is a much more equitable, controllable, objective and accountable solution that comes much closer to the amount originally promised by the seminary.

Should you have further questions regarding the information discussed here, please feel free to visit our website, www.enoughisenoughhw.org.

Thank you for taking the time to read our information.