

Friends House 2011 Report to PYM

Friends House was envisioned by College Park Quarterly Meeting Friends during the late 1970s and early 1980s, and came into being during 1984. As a three-level Continuing Care Retirement Community, Friends House features 64 independent living apartments and 3 houses; assisted living for six persons; and skilled nursing care. As the only unprogrammed Quaker retirement facility on the west coast Friends House has always been unique. This uniqueness meant and means not only a Board and committees which reach unity rather than majority rule; a community comfortable with simplicity; and a pricing model committed to offering accommodations and services at the lowest feasible cost.

Friends House provides a ready-made intentional community for meeting Friends and like-minded non-Friends. Friends House has been in Santa Rosa for 27 years and we are proud of the community we've created. Our small size supports the intimacy we experience; but does not create economy of scale or allow operating cost to be spread among a large number of residents.

For two decades, Friends House's pricing model worked largely because of market rate pricing of skilled nursing beds and services. Now, for a myriad of reasons including the skilled nursing unit's age and three years of general economic retrenchment, like other retirement communities Friends House faces financial challenges.

Perhaps the biggest challenge Friends House faces is simply making right choices for the future. A Board decision to evolve the skilled nursing unit into a personal care center is in keeping with Friends House's original commitment to a social model rather than a medical model, but has been met with the realization that this option would mean significant monthly fee increases for residents and further seasoning of how to proceed.

Uncertainty surrounding Friends House's composition – whether to keep or close the skilled nursing unit – and pricing, is causing our residents much concern. Their concern is both justified because their future is tied to Friends House's future, and inflated as Friends House has underlying strength. Among these are Pacific Yearly Meeting Friends, who are Friends House natural constituency; Friends House's dedicated staff; a high equity to debt ratio of about 7 to 1; two yet to be developed parcels that will allow more independent apartments to be constructed when way opens; and low fees which, even with increases that may be necessary, will remain among the most affordable available in California.¹ In other words, Friends House looks forward to change and growth, and is carefully discerning the way forward.

While one of Friends House's operating assumptions is that its residents will be half Friends and half non-Friends, currently non-Friends predominate. Friends House needs your spiritual and financial support and, if you are thinking of where to live in retirement, your consideration.

Faithfully,

F.A.S.E. d/b/a Friends House

1. A major consultant in the retirement living field has indicated that Friends House is the lowest-priced multi-level retirement community in California based upon both entry and monthly fees.