May 3, 2013

Dear Board Members, District Leaders and Unit Scouters,

After nearly 10 years of legal disputes, the Cradle of Liberty Council and the City of Philadelphia have reached a settlement regarding the Boy Scout office at 22nd & Winter Streets in Philadelphia.

The settlement involves the Council's professional staff vacating the property by June 30th, and the Scout Shop vacating by October 31st. In turn, the City will pay the Council \$825,000 for capital improvements we have made to the building over the years.

Vacating the office was not an easy decision to make. Our Board has discussed this issue in-depth for many years and has decided that this settlement is in the best interests of Scouting and our youth. Although we won a favorable decision in a lower court in 2010, litigation has continued ever since with an appeal filed by the City, diverting our ability to serve Scouts in the City of Philadelphia as well as throughout the Council. In addition, the trial court judge informed us that, even though we may win future cases, the City could still find ways to evict the Scouts legally from the building. With the recently announced decision by the National BSA to change its membership policy only with respect to youth members, our Council faced the real prospect that we would ultimately need to leave the building under much less favorable terms.

Our goal has been and always will be to do what is best to serve the youth in the City of Philadelphia and throughout our Council. After much deliberation, the Council's Board entered into settlement discussions with the City and reached this agreement that we believe will strengthen our ability to serve youth. We intend to use the funds in this settlement to support our city-based programs, and intend to purchase or lease a new administrative center to serve our Philadelphia Scouts and leaders. We will communicate our progress in securing a new office location through our on-line newsletter, the *BSA Today*, as these plans are finalized.

Attached you will find some further background information about this settlement, as well as some background information that you may find helpful. We realize you may have additional questions related to this decision. Please feel free to call or email your questions to Michael Oehmke, Director of Support Services at 484/654-9226 or michael.oehmke@scouting.org.

In conclusion, we want you to know that your Council leadership has fought long and hard to preserve the Marks Building for use as the Council's headquarters. We realize the historic value in the building and how many of us have strong sentimental attachments to the building.

But we also realize that Scouting does not happen in an office – it happens in church basements, school lunchrooms, and parents' homes. The more time and money we spent fighting the City for a building, the less time and money we were spending on supporting our Scouts. In the end, we have decided that it is the best interest of Scouting to end this litigation and focus on serving the Scouts and families of our council.

We hope you understand why we have made this decision, and we look forward to the continued growth of Scouting in the future.

Yours in Scouting.

Rod Henkels Board Chairman Chuck Bolger Council Commissioner

Tom Harrington /

Scout Executive & CEO