

What Will Happen to Dowling College Campuses After Bankruptcy?

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Since Dowling College has closed and filed for federal bankruptcy protection, questions remain about what will become of its two campuses in Oakdale and Shirley—but so far, there are few clues.



The deadline is March 27 to bid on the historic 25-acre main campus in Oakdale, the former William Kissam Vanderbilt estate overlooking the Connetquot River. An auction is scheduled for March 31. Last month the

Oakdale Historical Society submitted a petition with more than 2,000 signatures to the Town of Islip in the hopes of preserving the 110-room mansion known as Idle Hour when it was built in 1899 as a historic landmark. It's unclear whether the town will act on the request. Most recently, attorneys overseeing Dowling's assets during the bankruptcy proceedings filed paperwork in Central Islip federal court soliciting suggestions on what to do with the college's 105-acre campus in Shirley, including plans to subdivide the property for development.

"Now that it is no longer an educational institution, our main focus will be to market the significant real estate assets for maximum value and for the benefit of the many stakeholders of Dowling College," said Robert Rosenfeld, of Manhattan-based RSR Consulting, LLC, who was hired as chief restructuring officer of Dowling.

Other small private colleges nationwide have also shuttered recently for reasons similar to Dowling, which blamed its demise after 48 years on increasing debt, declining enrollment and high turnover in leadership. Briarcliffe College, which has campuses in Bethpage and Patchogue, announced last year that it's closing in 2018.

Dowling had announced plans to close in May, then reversed course when it appeared a buyer would bail it out. But it ultimately shut its doors in August after its oversight agency, the Middle States Commission on Higher Education, revoked the college's accreditation last summer. Actively enrolled students were forced to transfer and about 400 faculty members were laid off.

In some of the most recent court paperwork filed in the case, attorneys representing

Dowling got approval from Judge Robert Grossman to hire Ronkonkoma-based FPM Group, an engineering consultant, to study how best to use the Shirley campus land, which is not officially for sale yet. The company will prepare three alternates for using the land, including of a mixed-use development, conduct traffic and environmental studies, and meet with Town of Brookhaven officials to discuss the plans. The planning will be funded by two of Dowling's biggest creditors: Oppenheimer Funds and ACA Financial Guarantee Corp.

"Throughout the master planning phase... [the creditors] will be involved in the reviews and decisions regarding the ultimate planned development of the property," Kevin Phillips, CEO of FPM, said in court paperwork filed along with the motion.

Will such a plan come to fruition? The odds would be the same as predicting who will win the auction for the Oakdale campus.