

As new Y facility stalls, staff, services are slashed

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Gold left, announced in April she was leaving after 15 months on the job. Some of her responsibilities passed to three program directors who report to Rich.

Talk at the meeting turned to money. How much would it cost to build a new Y today, and where would the money come from? Rich said that if the facility included a pool — considered essential by many in the community — costs could soar to \$45 million, up from a \$33 million estimate three years ago.

“Where is the money from the sale of the old Y?” asked Susie Wong, S.F. Network Ministries’ director of operations and development, referring to the \$12.7 million that TNDC and A.F. Evans paid for 220 Golden Gate in 2007. The old building reopens in December as Kelly Cullen Community, a \$95 million makeover with 172 studios for the chronically homeless, a health clinic and fifth-floor gymnasium for residents.

“Some of the money from the sale was put into other Y facilities and some preserved for the Central project,” Rich said. He didn’t elaborate. The Extra asked him later what was left and he referred us to Collins.

“We love the Tenderloin community,” Collins said. “But it’s important to understand that commitment doesn’t equal capital.” Debt is an issue, and the association always has to “battle” its responsibility to all of its branches, he said. “We have to be urgently patient” about everything that needs to be done.



PHOTO BY MARK DONEZA

Maxine the hummingbird rests on a tree branch in the Central Y garden.

By 2010, the YMCA had spent more than \$65 million to renovate or rebuild four other branches; the largest single investment, \$23 million, went to the Chinatown Y — a project that started in 2005, near the time that Central’s plans were developing.

Collins said Chinatown moved up in the funding queue because it had “all elements ready to go,” and Central didn’t.

“Chinatown had a combination of community support, a sufficiently deep donor base and major parties at the table,” Collins said.

Rich mentioned New Markets Tax Credits as one way to help fund a new Central Y, a funding strategy used in the Chinatown and Bayview Y projects. The 12-year-old federal program encourag-

es investment in low-income communities by offering 39% in credits over seven years. A \$20 million project, for example, would generate \$7.8 million in federal income tax credits. The process from application to getting credits takes about a year and a half.

Rich also mentioned the two parking lots at the rear of the old Y, still for sale, as another source of capital for a new Central. Meantime, they generate rent that goes into Central’s current operations, Gold told The Extra. That rent, plus rent from cell towers atop 220 Golden Gate that weren’t part of the building sale, generate about \$150,000 annually.

There’s more: Asberry says that several benefactors pledged a combined \$9 million toward putting up a new Central Y, and she believes they would honor their pledges. Central also has a recent history of attracting large donations. In 2002, it was officially rededicated as Shih Yu-Lang Central Y to honor the \$5 million donation of a Taiwanese family.

A capital campaign would be essential to make the Y project fly, Rich said.

THE HASTINGS CONNECTION

Toward the end of the meeting, Rich said the Y’s relationship with Hastings “isn’t as strong as it used to be.”

Asked later if this was a fair assessment, Seward didn’t miss a beat. “We’ve been patient and supportive. We think they’re great tenants and there’s no chilling of the relationship that I know of.” In fact, he said, Frank Wu, Hastings chancellor and dean, had talked with Collins in July. “Frank reaffirmed our support.”

Still, Hastings’ role in helping to launch the Central Y has shifted since their collaboration began, Seward agreed. “Our appetite for risk or debt is definitely less than when we started this joint project.”

The project’s genesis was in 2001 at a meeting of the Tenderloin Futures Collaborative where Hastings sprang its idea for an eight-story, 885-car parking structure at Golden Gate and Larkin. A battle royal ensued with community activists and sympathetic politicians who didn’t want the garage in their back yard, leading to demonstrations and the arrest of then-District 6 Supervisor Chris Daly.

Years of negotiations included a blue ribbon committee’s recommendation that the Hastings board go for a smaller garage that would also house a 45,000-square-foot Central Y. The board’s concession turned community enmity to acceptance.

Plans were drawn up, but it soon became clear that a Y and garage were

physically incompatible in a single building. At a 2005 meeting of Seward, Gold and Hastings’ then-Chancellor Mary Kay Kane and attended by The Extra, Kane said, “Perhaps Hastings can help the Y with bridge financing.” The idea was that Hastings would extend a loan to the Y, which would use its assets as collateral to acquire new assets.

It took four more years for the garage to open as a scaled-back, seven-level, 400-car garage with ground-floor retail space — sans Y — with a paved, empty lot next door.

In summer 2009, when Extra reporter Tom Carter covered Central’s “Next 100 Years” closing party for members and supporters, Seward told him that if the Y had a \$5 million financing gap for its new facility, the school could step in with assistance and get free membership for its students and staff in exchange. “We could build the shell and leave the inside for them to develop,” Seward explained.

GOING GETS TOUGH FOR HASTINGS

An amiable but no-nonsense guy, Seward became the law school’s public face when it was struggling to balance community anger about the proposed garage with the school’s fiscal realities. Today, dealing with a 40% drop in public funds in the last decade and trying to recover from the ’08 recession, the school’s bottom line still is shaky, Seward says. All its efforts are focused on financial security.

“But once we’re stabilized in a few years, the emphasis is going to shift to looking at other assets — and that could include the lot,” he says.

“Compared to other law schools, we’re a small school without deep pockets, with a state affiliation but not part of the U.C. system. We still absolutely support the Y, and the community needs and deserves a full-service facility. But, at some point, we either fish or cut bait. Hastings will have to move forward.”

Seward lists why having a Y next to the garage is ideal for Hastings and its residential and business neighbors: It would make Hastings competitive with other law schools, many of which have elaborate on-site athletic facilities. It would give the neighborhood a daytime vitality and after-hours presence, putting people on the street when law classes end for the day and most businesses have closed.

Hastings also could fill more garage spaces, helping its bottom line. Full during the day September through May, the garage is barely used in the evening and lightly in the summer. And, once thousands of Central Y members are coming and going, Hastings might have more luck leasing its ground-floor retail space, still vacant except for the Central Y and a small Subway franchise.

No capital investment in Central is planned, Seward says, but Hastings is on the record guaranteeing about 1,000 paid memberships at a new Y for its students and staff. It charges the Y \$27 a square foot for the garage ground-floor space on a five-year lease, renewable for another five, with right of first-refusal if Hastings decides to sell the lot.

“There’s absolutely no pressure to sell now, but that’s not indefinite,” says Seward. “The lot is an asset that can’t be left for too long without some progress.”

ATTENDANCE DROPS

Friends of the Central Y met again in August, drawing 50 people, down 20 from July. Seward reiterated Hastings’ support, and Padilla, who once had an office in the old Central Y, rallied the troops.

“At the last meeting, the association got out the message that the neighborhood is watching — there’s no slipping out the back door,” Padilla said. “Our noisemaking is friendly but firm.”

Members weighed in about what it’s like having a temporary Y. “This in-between sucks,” said one, and, another

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