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Goodbye, Lon

Beloved broadcaster Simmons dies at 91

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Muni overhaul

Several lines revised for quicker service

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Still rockin'

Stone Temple Pilots hit Fillmore this week

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Saved from the edge

New city fund aids nonprofits on verge of displacement **PAGE 4**

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Nonprofits saved

These are the 16 nonprofits that recently avoided displacement thanks to a new city fund:

- AIDS Legal Referral Panel
- BreastCancer Action
- Catholic Charities
- Hyde Street Community Services
- LarkinStreet Youth Services
- Legal Assistance to the Elderly
- Lutheran Social Services of Northern California
- Metropolitan Fresh Start House
- National Council on Alcoholism
- San Francisco Study Center
- Youth With a Mission
- Boxcar Theatre
- CounterPulse
- Gray Area Foundation for the Arts Inc.
- Root Division
- Women's Audio Mission

MIKE KOZMIN/THE S.F. EXAMINER

Executive Director Terri Winston sets up the Women's Audio Mission's new location in on Natoma Street.

New fund rescues nonprofits

16 avoid being displaced thanks to \$1 million from S.F. program

By Joshua Sabatini
S.F. Examiner Staff Writer

The first nonprofits to benefit from a new San Francisco government lifeline have been spared from displacement.

A music recording studio operated by women, legal services for people living with HIV/AIDS and a performing arts theater were among the nonprofits threatened with closure amid a climate of soaring commercial real estate rents. The funding contributes to expected long-term solutions for the organizations.

Like countless renters and small businesses, nonprofits are struggling to afford to stay in San Francisco. While the future is uncertain for many, at least 16 are able to share tech boom survival stories with happy endings. These are the ones that received nearly \$1 million combined from The City's nonprofit displacement program, a three-year program that costs \$4.5 million.

The first of the fund's allocations, announced this month, ranged from a low of \$8,500 to a high of \$100,000. Other organizations — which have yet

to receive financial assistance after 42 applied last year — are using the program's services, including legal expertise and technical assistance. Another opportunity for nonprofits to apply for financial assistance will occur this summer.

"This \$25,000 from The City will help me out a lot," said Bill Hirsh, executive director of the AIDS Legal Referral Panel, which provides legal services for those living with HIV/AIDS.

The group's rent increased from \$13 a square foot to about \$29 a square foot. Hirsh said he looked for other locations but couldn't find any.

At first the program wasn't going to allow use for rent costs, but after pushback the rules were changed to allow for a six-month rent stipend equal to the difference between one's old rent and new rent if a five-year lease was signed.

Other ways the funds can be used include moving and remodeling costs.

Joanna Lee of the Northern California Community Loan Fund, which is administering the money for San Francisco, said other Bay Area cities are watching the progress of the program.

"The City has really taken leadership in trying to figure out how to stabilize the nonprofits here," she said.

Rent costs are the biggest obstacle for most struggling nonprofits. And the problem is even more glaring considering San Francisco's 7.4 percent



MIKE KOZMIN/THE S.F. EXAMINER

The Women's Audio Mission, a 12-year-old nonprofit music studio operated by females, faced a rent hike of four times its previous rent, but found a new home in SoMa.

commercial vacancy rate is its lowest since 2000 when, according to real estate firm Cushman & Wakefield, it reached 3.6 percent.

The cost for Class A commercial space per square foot reached \$64.33 at the end of last year, which was the highest since hitting \$69.72 in the first quarter of 2001. For all commercial real estate combined, the cost per square foot rose by 14.3 percent in 2014 to \$61.71.

Cushman & Wakefield anticipates continued growth in the current year as well.

An effective way around high rents is to purchase a property. Some nonprofits have been able to do just that.

The Women's Audio Mission, a 12-year-old all-female-operated recording studio working to close the gender gap in the recording industry, was facing displacement due to a quadruple rent hike last year. But with The City's funding and other efforts, "we were able to move quickly and purchase a historic recording studio which would have been turned into offices and this funding helps us pay for the acquisition of our new home,"

said Women's Audio Mission Director Terri Winston. The studio is located at 542-544 Natoma St.

The performing arts theater CounterPulse was also facing displacement, but \$100,000 from the fund will help ensure San Francisco will not lose the more than 20-year-old nonprofit. The group plans to move from 1310 Mission St. to 80 Turk St., an old adult entertainment theater purchased in partnership with the Community Arts Stabilization Trust.

Tomas Riley, executive director of CounterPulse, said arts groups like his are vital to San Francisco.

"We are committed to being at the edge of contemporary art-making," Riley said. "That is a significant role to play in a city that values cultural innovation the way we have for the last 100 years or so."

The struggle of nonprofits to contend with high rents is factoring into a larger conversation at City Hall about changing the way The City contracts with these organizations. During a recent debate over whether to allocate millions of dollars midyear to nonprofits under government contract, a majority of the Board of Supervisors who had rejected the increase said they were interested in exploring automatic annual cost of living increases, which is what elected officials, labor contracted workers and private contractors receive.

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