



Hostelling International USA
Golden Gate Council
Annual Report 2010



"It's an odd thing, but anyone who disappears is said to be seen in San Francisco. It must be a delightful city and possess all the attractions of the next world." — Oscar Wilde

Wilde spoke of something the Golden Gate Council of Hostelling International USA has long known: there is no place in the world like Northern California. From the eclectic city of hills to the beauty of the Headlands, the rugged coastline to the state capital.

We are proud not only to welcome guests and serve our mission to visitors around Northern California, but also to contribute to the promotion and development of our local communities. The very presence of each of our hostels is a testament to community partnerships — from our voice in the establishment of the National Parks in our region, to the direct work with local politicians and community members to find HI-Sacramento a home, we have developed through an integration with our surroundings.

Today we continue our focus and dedication to Northern California. We work with our communities to promote local businesses, ensuring our guests are aware of the unique offerings of our neighbors. Our guests rave about the low-cost high-quality cuisine of the Tenderloin; they explore educational experiences within the Marin Headlands; and they add their voices to the festivals and events of our state capital. They depart Northern California with a true taste of what makes this region so unique. We join our local communities and work to ensure programming is available for Boys and Girls Clubs and low-income housing projects focused on art and cultural expression. We expose local youth to the natural environments that are unique to the northern Pacific coast and inland terrains. We provide funding and scholarship opportunities locally to plant the seeds of world citizens and a pride and commitment in our area.

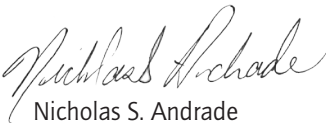
Within this annual report, you will read of the benefits of our partnerships this past year, as we started our ten-year concession contract with a second building renovated by the Golden Gate National Recreation Area for our use, and were included in the planning process which will see Point Reyes National Seashore building an additional family facility. You will share in the recognition of excellence heard worldwide as three of our hostels were voted among the top ten customer-rated HI hostels in the world. You will also feel our sadness in closing the doors of the Redwood Hostel, and ultimately share in our hope as we again recognize the importance of partnerships and our local community in reopening the doors of a hostel in this beautiful National Park.

Financially we navigated an uncertain year which saw a 4% decrease in overnight numbers. Despite this, we were able to continue our commitment to sustainability by adding to our financial reserves at the end of the year. Thanks to the generosity of our donors, we were able to carry program participant numbers into this year at an equal level from the last.

We are proud to work with skilled staff, dedicated board members, proactive volunteers, and generous donors as we celebrate our accomplishments and face our challenges together with the communities of Northern California. It is thanks to these relationships that we will continue to reflect and build on all that makes this part of the world so unique.



Danielle Brumfitt
Executive Director



Nicholas S. Andrade
President, Board of Directors

HOSTELLING INTERNATIONAL USA
GOLDEN GATE COUNCIL

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HostelAdventures.org

Founded in 1958, HI-USA Golden Gate Council is a private, nonprofit 501(c)(3) organization.

OUR MISSION

To help all, especially the young,
gain a greater understanding
of the world and its people
through hostelling.

OUR VISION

Hostel guests become caring
global citizens who are catalysts
for intercultural exchange and
understanding stewards of the earth.

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HOSTEL EXPANSION

HI-San Francisco Fisherman's Wharf

In February 2010, the San Francisco Fisherman's Wharf Hostel expanded with the opening of a new group retreat facility, located in a historic building adjacent to the current hostel, on San Francisco Bay in Fort Mason.

The newly renovated facility includes a dormitory sleeping up to 20 people, a private "chaperone" room, three bathrooms, a kitchenette, and meeting/dining space, making it an ideal space for groups. During peak occupancy, the building also serves as an overflow dorm for individual travelers.

The Golden Gate Council is proud to nickname this new facility "The Plant," and dedicate its operations to the memory of Gene Plant, who volunteered at HI-San Francisco Fisherman's Wharf for 25 years. If you ever visit The Plant, look for the photo of a smiling Gene astride his motorcycle, which hangs in a place of honor.



HOSTEL EXPANSION

HI-Point Reyes National Seashore

The Golden Gate Council is preparing to mark another milestone in our ongoing efforts to reduce our environmental impact, with the opening of a new LEED Silver-certified facility at the Point Reyes Hostel. The new addition will include four private family rooms, a full kitchen, common room, and sun-deck, as well as housing for three staff.

Designed to maximize natural light and heat efficiency, the new building features solar panels, water and energy-saving devices, and a host of sustainable materials. It is expected to be the first hostel building in the U.S. to earn LEED (Leadership in Energy and Environmental Design) certification.

The HI-Point Reyes expansion is paid for by federal economic stimulus funds granted to the National Park Service. In a separate project, park franchise fees are funding the installation of a new roof and solar panels on the hostel's existing ranch house. Construction began in July 2010, and is scheduled for completion by the end of the year.



PAST + FUTURE

HI-Redwood National Park

With the start of 2010, HI-Redwood National Park ended its 22 years of welcoming travelers from around the world. Having become a strong community fixture, the hostel invited past and present guests, staff, and volunteers as well as local community members to share in a day of reflection and celebration of the impact the hostel has had on so many, before closing the doors in January.

Since its opening in July 1987, HI-Redwood provided more than 115,000 overnights for travelers of all ages and origins in its 30-bed facility. The hostel's accomplishments include recognition by *Lonely Planet* naming it one of the top five hostels in the U.S. and Canada, and in 2007 tying for first place as the top-rated HI hostel in the world by travelers using HIHostels.com. Having been determined a "necessary and appropriate service" by the National Park Service, the Golden Gate Council was awarded a seven-year concession contract in 2008 to continue delivering excellence in park lodgings.

The closure of the hostel is the result of structural assessments of the building, which have determined the need for \$1.5 million in structural and seismic work. At present, the funding for such a project has not been established. The Golden Gate Council is now actively engaged with Redwood National and State Parks, the California Coastal Conservancy, and the California Coastal Commission to explore alternative locations for a hostel within the park, and ensure that this important, indeed necessary, facility may once again welcome hostellers from around the world.

The Golden Gate Council is grateful to our many guests, members, and donors who have expressed concern about the closure, and enthusiastic support for its reopening. We share in your commitment to seeing a Redwood Hostel once again established, and will keep you apprised of developments through our monthly e-newsletter. Please visit NorCalHostels.org or email enews@NorCalHostels.org to subscribe.



With a proud history of delivering quality programming through Cultural Kitchen and Outdoor Hostel Adventures, we continued our program development focusing on Community Walls this year. Partnering artists with urban youth, the Community Walls program empowers participants to explore and communicate their perspective on community through the creation of mural art. This art is then displayed at San Francisco hostels for thousands of travelers to view.

Our curriculum development was completed in partnership with the Boys and Girls Clubs and City of Dreams in the Haight, Mission, and Hunters Point neighborhoods of San Francisco. Our goal was to relate curriculum to the unique circumstances of the students who live in these neighborhoods. In doing so, we laid the foundation for long-lasting partnerships with organizations that share our vision of developing responsible and caring world citizens at a young age. In particular, our partnership with the Boys and Girls Club flourished, and we received their Community Partner Award in fall 2010.

Recognizing the financial limitations of these organizations, we focused on securing outside funding to ensure program delivery at no cost. We were able to do so through generous grants from the Levinson Foundation, a first-time donor, as well as HI-USA.

In addition to Community Walls fundraising, the Golden Gate Council's annual spring fundraising campaign for Hostel Adventures raised \$3,700 in scholarships, ensuring that deserving youth will continue to participate despite an economic downturn. Partnering with a local bar, Elixir, we held our first ever Hostel Adventure Happy Hour. Council staff acted as guest bartenders, earning tips that went directly towards the continuation of program delivery. It was a robust event that brought together hostel staff and friends of the Council, toasting to a successful year ahead.

Throughout our programming, we continue to focus on the unique needs of the communities in which we find ourselves. From the mural-rich streets of San Francisco's Mission district, to the natural beauty of the northern coastline, to the Girl Scouts headquarters in the East Bay, we are proud of the richness found in both our communities and in the programs with which we engage them.

2009 AWARDS + ACCOLADES

HI-Point Reyes National Seashore
#2 Highest Customer Ratings Worldwide on HIHostels.com

HI-Point Montara Lighthouse
#5 Highest Customer Ratings Worldwide on HIHostels.com

HI-Pigeon Point Lighthouse
#7 Highest Customer Ratings Worldwide on HIHostels.com

HI-San Francisco Downtown
#2 Most Reservations Worldwide on HIHostels.com

HI-San Francisco City Center
#1 Quality Standards Score of any high-volume HI-USA hostel

HI-Point Montara Lighthouse
#1 Total Satisfaction Rating of any mid-volume HI-USA hostel

HI-San Francisco Fisherman's Wharf
#1 Total Satisfaction Rating of any high-volume HI-USA hostel

Javier Bujanda
HI-USA Staff Recognition Award
For outstanding service by a staff member who has developed and implemented a program resulting in measurable outcomes that foster performance in others, while strengthening the organization's ability to serve the mission.

Kaci Elder
HI-USA Joan + Bob Beard Award
For excellence in hostel management by a new manager who has shown exemplary dedication to serving hostellers, and has managed a hostel with the highest levels of service and hospitality.



2009 marked the 100th anniversary of the worldwide hostelling movement, as well as the 75th anniversary of Hostelling International USA (formerly American Youth Hostels). Anniversary celebrations were held across the country and around the world, and the Golden Gate Council was no exception, hosting a nine-day series of free, community events.

The festivities kicked off on August 22 with a seaside party and lighthouse-themed art show at HI-Point Montara Lighthouse, followed on August 23 by a picnic with live music at HI-Point Reyes, and an open house at HI-Redwood where guests were invited to contribute personal stories to Hostelling International's anniversary video archive. On August 25, HI-Sacramento hosted an old-fashioned ice cream social with live jazz, and on August 28, HI-Marin Headlands held a family-friendly celebration that included a Fort Barry history walk and a night hike. On August 29, the three HI-San Francisco hostels collaborated on a day-long progressive event that started with a pancake brunch at the Downtown Hostel, continued with a wine and cheese reception at the City Center Hostel, and finished with a barbecue and outdoor concert at the Fisherman's Wharf Hostel. The series concluded on August 30 at HI-Pigeon Point Lighthouse, with a barbecue featuring live music, puppet shows, and historic tours.

Golden Gate Council of American Youth Hostels, Inc.
Statements of Activities ending March 31, 2010 and 2009

	2010	2009
Operating Revenue:		
Hostels and education	\$ 6,799,932	\$ 6,929,511
Membership	28,218	34,150
Contributions	48,437	53,171
Interest and dividend income	11,384	20,761
Sales and miscellaneous	295,027	360,070
Total Operating Revenues	7,182,998	7,397,663
Operating Expenses:		
Hostels and education*	6,390,964	6,372,914
General and administrative	\$ 711,610	\$ 783,807
Total Operating Expenses	7,102,574	7,156,721
Change in net assets before nonoperating activities	\$ 80,424	\$ 240,942
HI-USA equity share	<109,793>	<105,961>
Change in net assets	<29,369>	134,981
Net assets, beginning of the year	\$ 3,994,018	\$ 3,859,037
Net assets, end of the year	\$ 3,964,649	\$ 3,994,018

*Includes expenses for discontinued operations at HI-Redwood National Park.





Golden Gate Council of American Youth Hostels, Inc.
Statements of Financial Position as of March 31, 2010 and 2009

ASSETS		
	2010	2009
Current Assets:		
Cash and cash equivalents	\$ 1,370,910	\$ 1,285,349
Accounts receivable	15,590	10,314
Inventory	74,253	63,706
Prepaid expenses	167,243	102,935
Deposits	41,351	41,351
Restricted cash, current portion	96,154	0
Total Current Assets	<u>1,765,501</u>	<u>1,503,655</u>
Long-Term Assets:		
Restricted cash	57,439	57,234
Loan costs, net of accumulated amortization	30,936	58,416
Property and equipment, net of accumulated depreciation	9,176,985	9,523,761
Total Long-Term Assets	<u>9,265,360</u>	<u>9,639,411</u>
Total Assets	\$ <u>11,030,861</u>	\$ <u>11,143,066</u>
LIABILITIES AND NET ASSETS		
	2010	2009
Current Liabilities:		
Mortgage loan payable, current portion	\$ 330,413	\$ 309,396
Accounts payable and accrued expenses	528,048	531,293
Advance deposits	597,927	437,717
Minority interest equity share payable	66,055	40,197
Total Current Liabilities	<u>1,522,443</u>	<u>1,318,603</u>
Mortgage loan payable, net of current portion	<u>4,993,792</u>	<u>5,324,206</u>
Total Liabilities	<u>6,516,235</u>	<u>6,642,809</u>
HI-USA equity share payable	<u>549,977</u>	<u>506,239</u>
Commitments		
Net Assets:		
Permanently restricted	300	300
Temporarily restricted	16,065	10,310
Unrestricted	3,948,284	3,983,408
Total Net Assets	<u>3,964,649</u>	<u>3,994,018</u>
Total Liabilities and Net Assets	\$ <u>11,030,861</u>	\$ <u>11,143,066</u>

DONOR ACKNOWLEDGEMENTS

April 1, 2009 – September 30, 2010

Leadership Circle

\$5,000–9,999

Joanna Despres
Revocable Trust
Max + Anna Levinson
Foundation

\$1,000–2,499

Nicholas S. Andrade
Jan Elvee
Walter Knoepfel

\$500–999

Ed & Mary Hackie
Jewish Community
Endowment Fund
Kathleen McAdam
Gloria Newhouse
Richard Spear

\$250–499

Aris Clinical
Bank of America
Matching Gifts Fund
Kathleen Bernard

Robert Cole
Gary Emich
Dennis Isaac
John Kaeuper
Beryl Kay
Jonathan Kurshan
Yakov Linetsky
David Madson
Mariposa Hunters Point
Yacht Club
Bruce & Leslie Marsden
Emily Pimentel
Glenn Reed
Tobey H. Roland
Miriam Schaflier
Gretchen + Jeff Shopoff
Telephone Technologies,
Inc.
Barbara Wein
W.R. Wisecarver
Wraith, Scarlett +
Randolph

\$100–\$249
Olive Bavins
Nick Boodrookas
Bartley + Deidra Deamer
Gerald Dickinson
Christa Foerchtgott
Charles Glass
Ursula Gummert
Kathleen + Russ Hedge
Joyce Johnston
James Kaumeyer
Neal Kramer
J. Lawson
Barry + Carol Livingston
Elinor Mattern
Marshall McDonald
Bruce + Gala Mowat
Katherine Oppenheim
Charles Stadelman + Sarah Woo
Francesca + Herbert Tyrnauer
James Walsh
Dick Wilhelm
\$25–\$99
Bud + Karen Banker
David + Linda Batcheller
Sandra Berrigan
Paul Brody
Robert Brownbridge
Monica Conrady
Wayne Dawson
Ben + Mary Ann Fleming
Myra Forsythe
Muriel + Roger Fry

Fred Fukasawa
Jen + Larry Gossett
Hilda + Orville Gotcher
Elizabeth + Robert Hawthorne
Ann Horn
Foster Jones
Patricia Kaspar
Chris + Shelia Maher
Deena Maise
Elihu Massel
Dana Merryday
Gloria Miyashiro
James + Virginia Moose
Ruth + William Nelson
Theron Nelson
Brad Newsham
Dale Olsen
Lois Revak
Jack Safra
Lois Schwarze
Joseph Vondracek
In-Kind
\$250–499
Royal Blue Organics
\$100–249
Walter Knoepfel
Pyramid Brewery
\$25–99
Flax Art + Design

IN MEMORIAM

Bill + Ruth Nelson

The American hostel movement lost two of its champions in 2010, when Bill and Ruth Nelson passed away in Litchfield, Connecticut. Bill, 93, died May 6 of a stroke. Ruth, his wife of 65 years, died May 10 of heart failure at the age of 88.

The Nelsons spent their lives dedicated to travel and hostelling, and gave 74 years of service to American Youth Hostels, later renamed Hostelling International USA.

Bill Nelson was one of the founding members of AYH. In 1934, he participated in a tour of Europe designed to promote the formation of AYH and the opening of the first American hostel in Northfield, Massachusetts, later that year.

Bill and Ruth met at the Northfield hostel when she took a summer job there in 1940. They married in 1945, while Bill

was serving as a U.S. Army First Lieutenant and Ruth was training as a nurse.

Between then and the 1960s, the couple was instrumental in promoting and establishing youth hostels in this country — Ruth worked for the national organization in its formative years, managed several AYH hostels, and later gave leadership to the Alumni Committee. Bill directed training programs for hundreds of youth who went on to be AYH leaders, and became the AYH Travel Director in 1950, where he remained until his retirement.

In 1983, HI-USA named its Excellence in Hostel Management Award after Bill and Ruth Nelson. Both volunteered for and stayed closely connected to the organization until their deaths.

In a 1941 lecture, Bill Nelson told his students that through hostelling, "the

bonds of unity will be strengthened between people of all sections of the country. A love of country and pride in its vast resources and natural beauty will increase as girls and boys travel... with leisure to stop and talk to people along the way."

"The Nelson's were pioneers of the youth hostel movement and experiential education in the United States, and devoted their lives to bringing the hostel experience to Americans, young and old," said HI-USA Executive Director Russell Hedge. "As both staff and volunteers, they were part of virtually every significant milestone in the organization's history... Bill's wit, wisdom, and leadership and Ruth's unwavering support saw the organization through 72 of its first 75 years. We will miss them."

HI-Marin Headlands
Fort Barry Building 941
Sausalito, CA 94965
(415) 331-2777
marinhostel.org

HI-Pigeon Point Lighthouse
210 Pigeon Point Road
Pescadero, CA 94060
(650) 879-0633
pigeonpointhostel.org

HI-Point Montara Lighthouse
16th Street & Highway 1
Montara, CA 94037
(650) 728-7177
montarahostel.org

HI-Point Reyes
1390 Limantour Spit Road
Point Reyes, CA 94956
(415) 663-8811
pointreyeshostel.org

HI-Sacramento
925 H Street
Sacramento, CA 95814
(916) 443-1691
sacramentohostel.org

HI-San Francisco City Center
685 Ellis Street
San Francisco, CA 94109
(415) 474-5721
sfhostels.com

HI-San Francisco Downtown
312 Mason Street
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HI-San Francisco Fisherman's Wharf
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(415) 771-7277
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Management Staff + Board of Directors

HI-Marin Headlands
Jon Dockery, facilities manager
Molly Salyer, general manager

HI-Pigeon Point Lighthouse
Jeffrey Parry, general manager

HI-Point Montara Lighthouse
Christopher S. Bauman, general manager

HI-Point Reyes
Hanna Morris, general manager

HI-Sacramento
Steve Haynes, general manager

HI-San Francisco City Center
Michael Foyder, front desk manager
Ivonne Garcia, housekeeping manager
Sam Hussein, assistant general manager
Jose Lima, general manager

HI-San Francisco Downtown
Edgar Brocales, facilities manager
John Burnett, general manager
Danny Case, assistant general manager
Kathryn Hyatt, front desk manager

HI-San Francisco Fisherman's Wharf
Michael Byrnes, general manager
Jon Dockery, facilities manager
Mark Underwood, assistant general manager
Jessica Young, café manager

Central Services
Stuart Bousel, office manager
Danielle Brumfitt, executive director
Javier Bujanda, finance director
Nannette Mickle, group sales manager
Molly Mitoma, marketing + communications manager
Sofia Qureshi, interim educational programs manager

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