



Gays invest in SF's mid-Market area

by **Matthew S. Bajko**

m.bajko@ebar.com

Having lived in Noe Valley for the last 15 years, James Haywood and his partner, Tom Mason, began to feel that their neighborhood was a bit too suburban. They wanted to be closer to San Francisco's downtown shopping and theater districts.

So the couple of 18 years decided to sell their home and started scouting for a new residence to buy.

"The 24th Street shopping district was great but we were ready for a change. Everything we did was downtown and our friends all live over the hill," said Haywood, referring to Noe Valley's main street and location south of Liberty Hill.

They focused their search to two new residential projects that opened within the last 12 months along the mid-Market area on the city's main thoroughfare: The Hayes at 55 Page Street, along Rose Street just off Market Street, and the SOMA Grand, a luxury condo tower at 1160 Mission Street between 7th and 8th streets one block south of Market.

"I really like the idea of high-rise living. It was always something I wanted to do," said Haywood, a local real estate agent. "I had seen all the new construction and I liked the SOMA Grand from the minute I saw it. Tom took a little more convincing."

In August Haywood, 43, and Mason, 46, bought a 1,200 square foot two-bedroom unit at the SOMA Grand for \$925,000. After renovating the condo, the couple and their two French bulldogs moved into their new home in November.

"I have to tell you, we love it," said Haywood. "We have walked more and taken public transit more than we've probably taken in 15 years in Noe Valley. It is a great place to live. We really wanted to be in the city and take more advantage of what we have."

They are not alone. A growing number of LGBT people are investing in the heart of San Francisco's main street, an area once written off as a no-man's land wedged between the hustle and bustle of Union Square and the leafy streets and boutique shops of Hayes Valley.

Over the last five years the central portion of Market Street has been transformed into a new neighborhood with growing cachet. Starting at Octavia Boulevard, where the LGBT Community Center sits, and heading north along Market Street to Sixth Street, new residential projects, gay-owned businesses and upgrades to existing buildings have begun to reshape the area into a destination of its own.

The Hayes and SOMA Grand projects stand as bookends to the sweeping changes occurring along mid-Market.

"We saw this site and saw what was going on in the area and said this area is changing," said Adam Chall, a partner with TMG Partners, which began work on the SOMA Grand project in 2004. "The neighborhood changed faster than we could have predicted."

Next door sits the new, highly acclaimed Federal Building designed by architectural firm Morphosis. To its left is rising Angelo Sangiacomo's new Trinity Towers project designed by Miami-based Arquitectonica. Next week San Francisco chef Charles Phan will open a noodle bar and small-plate Chinese restaurant called Heaven's Dog at SOMA Grand. And across the street local club owner Jon Mayeda, owner of Circolo in Potrero Hill, is working on a new restaurant and possible rooftop lounge.

The projects are "completely changing this block," said Chall during a tour of the SOMA Grand building last month.

Helping coordinate the neighborhood's transformation is Fresno native Daniel Hurtado, the openly gay executive director of the Central Market Community Benefit District. Hurtado left Washington, D.C. for the Bay Area and was hired in August 2007 to help get the newly configured district off the ground. It covers Market and Mission streets between 5th and 9th streets.

"I guess a lot of people refer to the neighborhood as mid-Market but that tends to have people equate that with mid-Market office-type space. I think people are beginning to understand or refer to the neighborhood as Central Market," said Hurtado. "We are definitely working on promoting that area as Central Market."

Banners promoting the new name now adorn streetlights in the district. This year the CBD plans to provide 12 hours of street cleaning and maintenance seven days a week and two full-time people who will provide social service outreach for homeless individuals.

"They will be like a roaming concierge and help tourists with directions," said Hurtado. "We also try to promote and encourage arts and cultural institutions to move into the area and in the community."

Alan Mark, an openly gay man who is president of the Mark Company, a real estate research and marketing firm, said new investment in the area will eventually stretch all along the central Market Street corridor.

"I think Market Street will clean up the whole way," he said.

Mark's company worked with the developers of the Hayes to come up with the name for the 111-unit building and determine who would want to live there. With its location near the Castro, an obvious answer was LGBT people.

The developers ran ads on Energy 92.7 using the dance station's gay morning hosts Greg and Fernando as spokesmen and held a preview party at lesbian-owned wine bar Cav, which is located across Rose Street on Market. Both generated positive responses from LGBT buyers, said Mark.

"It is a short walk to the Castro and to the opera, ballet and Herbst Theatre," noted Mark.

And the transformation of Octavia from a highway overpass into a street-level, tree-lined boulevard helped reconnect Market Street's central section to its upper portion in the city's gay neighborhood.

"Ripping down the overpass, which really divided the Castro from the rest of Market Street, has helped. It was always a little sketchy to walk under that, I felt," said Mark.

The building's proximity to Hayes Street's locally owned stores and restaurants has also helped lure buyers to The Hayes. It is 80 percent sold, and according to the Mark Company's research, two-thirds of the people living there are single. Residents' ages range from a quarter who are under 30 to another quarter who range in age from 50 to 70, with the rest in the middle.

"People like living in condo buildings. They like the mix of people from all age groups, sexual orientations, ethnicities, etcetera," said Mark. "It really comes down to what neighborhood people want to be in. A lot of people have lived in older buildings and now want newer construction."

Gay hotelier transforms downtown core

Looking to differentiate itself from the other high-rise buildings sprouting up all over South of Market, the owners of SOMA Grand, which is 70 percent sold, decided to offer concierge services to its residents and partnered with gay-owned Joie de Vivre Hospitality, California's largest boutique hotel group.

Openly gay hotelier Chip Conley said when he heard the proposal, it made perfect business sense to him. He signed on to help with the design of the units, marketing of the building, and devised what amenities residents could take advantage of through the concierge.



Daniel Hurtado, executive director of the Central Market Community Benefit District, sits in Mint Plaza. Photo: Rick Gerharter

"The nice thing about SOMA Grand is the location. If you are someone who wants to take public transportation, it is about as good a location as you can have," said Conley. "From the gay perspective, SOMA is where it all started on a certain level. There is less of a gay influence in SOMA than used to be but there still are a number of bars, clubs and gay residents who live in the area."

Having signed on with the SOMA Grand, Conley quickly branched out and took over management of three nearby motels on 7th Street, the Americana, the Carriage Inn and the newly christened Good Hotel with its ground floor Good Pizza restaurant.

"It is like a Joie de Vivre theme park," said Conley.

Taking a chance on the mid-Market properties made financial sense, considering Conley expects the area will see more

improvements with time. Already, new stores are moving into 6th Street and a major retail project is planned for Market Street between 6th and 5th streets.

"The existing buildings there will be upgraded and made nicer with time," he predicted.

The old SF Mart building on Market between 9th and 10th is slated to be converted from a furniture showplace to a food hall. Nearby are two new affordable-housing projects now under construction. One, by Mercy Housing, is a 107-unit, 11-story building designated as senior housing, with 20 percent set aside for homeless seniors.

Some projects, however, have stalled due to the downturn in the economy. The recently completed Argenta, a 179-unit residential tower at 1 Polk Street off Market, sits empty as Australian firm Anka tries to sell the entire building.

Across the way a hole now sits at Market and 10th streets where a 720-unit apartment building had been approved. But Miami-based Crescent Heights condo company suspended construction after razing the old office building that had occupied the site.

Mark said the properties will likely not be left abandoned for long. And developers are already eyeing the prime corner lots at Van Ness and Market streets, just a block away, for other new residential development.

Tom La Belle, an out gay man, saw the area's potential when he opted to buy a unit in the SOMA Grand last February. The retired university executive – he was a vice president at San Francisco State and then oversaw the University of California at Berkeley's international programs – downgraded to a smaller condo in the building after selling his place on Divisadero and renting an apartment at Opera Plaza for a year.

"I was looking for an investment. That particular area of the city is very much a changing area," said the 60-year-old La Belle by phone from Waikiki, Hawaii, where he also owns a home.

After looking at other buildings, including the Hayes, La Belle bought a one-bedroom unit at the SOMA Grand for \$485,000. He liked being a block from the Civic Center BART and Muni station, as well as walking distance to the performing arts offerings along Van Ness.

"You can jump on Muni and be in the Castro in like five minutes," he said.

He said the area can be "a little scary at times" due to the homeless who congregate there, but he likes being close to the gay bars and clubs along Folsom Street and the twice weekly farmer's market at Civic Center Plaza.

"It is not the best place if you are looking for tidy streets and tidy people. But the Federal Building has changed that," said La Belle. "In the next three to five years it will be a real gem of an area and you can see it on Market Street as they redevelop that area."

Haywood said he and his partner were also concerned at first about the safety of the area, considering they have two dogs to walk. But their fears have turned out to be unfounded.

"I was a little weary of safety, but it is not as bad as I thought it would be," he said. "Even the homeless are pretty friendly, especially with the dogs. They all want to know their names. It is very disarming and not what I thought or expected to find moving down there."

He said so far he and his partner plan to remain put.

"It is that New York lifestyle here in the city, which I think is great," said Haywood.

From stage, theater owner witnesses change

From the vantage point of Dwayne Calizo, the openly gay executive director of Mama Calizo's Voice Factory, at 1519 Mission Street near 11th Street, there is no question that SOMA and the mid-Market area is seeing a gay resurgence.

Two years ago Calizo took over the space that formerly housed the Jon Sims Center for the Performing Arts, an incubator for queer artists, after the center closed due to financial problems. He had already been renting studio space from the Sims center and approached the building's landlords about taking it over full-time.

Having collaborated with the Sims Center over 14 years – Calizo chaired the experimental performance institute at the now-defunct New College – Calizo has seen the surrounding area morphed from being a commercial zone to a residential neighborhood. He abides by an 11 p.m. curfew so as not to disturb nearby residents, and helps to clean up Minna Street, which runs behind his studio space.

The Castro resident said as more straight people move into his neighborhood, more and more LGBT people are heading downtown. He is trying to position his Voice Factory as a central gathering place for the community.

"We are sort of migrating to SOMA. We need to find a hub," said Calizo. "I am setting up the Voice Factory as a hub for creative ideas and activism, social activism as well. We are focused on the 10 block radius around us and getting queers in that area

involved in where they live."

On Sunday afternoons he stages performances where admission costs \$3 as well as five bagged lunches. Following the show, he encourages the audience to head down to Sixth Street and pass out the lunches to people on the street. [The shows will pick up again in February.]

"I want people to see what is going on in their backyard. Why not say hi to people and recognize people who are really suffering?" asked Calizo, who himself spent two years being homeless. "We have no problem passing out 400 sandwich bags in probably no more than an hour."

As more new residential projects come on the market, and new businesses open up along central Market Street, Calizo hopes the developments will benefit not only homeowners but also the less fortunate who call the area home.

"I don't know if it is change for the better, but it is changing," he said.

01/01/2009