

Positively 6th St.

New
businesses,
loans
bringing
optimism
to central
city armpit

by Tom Carter



For three months after opening last August, Dahi Donnelly and his partner, Brian Sheehy, went through the grim and depressing business of throwing people out of their sleek new bar at 43 Sixth St.

The ambitious Irish lads, who had learned bartending in the U.K., had slaved for months renovating the rundown gay bar that 50 years before had been an Irish bar called the Clover. In a major coup, they won a 5-0 decision from the Board of Permit Appeals and got the bar rezoned for entertainment. It meant they could offer a different DJ every night, their specialty business previously being providing DJ entertainment to the bay's luxury cruising boats.

No way would they let their "Anu" bar, "a nocturnal refuge" named after an Irish goddess, drown from a deluge of druggies.

The partners are part of a handful of determined new businesses that have seeped into the rough fabric of Sixth Street between Market and Howard in the last six to 12 months. With a few other established businesses that have re-positioned themselves, and still others that are resurrecting themselves such as the old burned-out Delta Hotel—opening this month as the splendid Bayanihan House at Mission—they portend a smoother future.

Moreover, many believe a true transformation is eventually coming in this, the city's armpit, academically known as "a center of urban squalor." Some are getting improvement loans earmarked to revitalize those two blocks. The Anu bar has an application pending for its facade.

“When we first came here, it (the neighborhood) scared the life out of us,” Donnelly says from his dank office underneath the bar. “But we saw the potential. This was for sale for very little and the rent was low. It took the life savings.” He pauses. “Then nobody came but crackheads.”



What turned things around was hiring a stout doorman on weekends, regular visits from the cops, the word getting out on the street about the place, and good publicity. In January, 7 x 7 magazine gave it a Best New Bar rating and the Guardian said Alison Bird behind the bar was the Sexiest Bartender in the Bay Area.

“So that was it,” Donnelly says. “Apart from the screaming up and down the sidewalks, the urinating in the middle of the road, and occasional fights and scary people, it was fine.”

The problems were worse two years ago and quite obvious. “Illegal drugs were sold and used openly,” to quote from Six on Sixth, an imaginative plan that suggested how to turn the two blocks around in a year for \$1 million in loans. “Public drinking is widespread, stolen goods are bought and sold, sanitation is nearly nonexistent and public indecency is commonplace.” The area is so depressed, the document said, “that only undercapitalized and predatory businesses are willing to locate here.”

When a man was murdered at Minna and 6th, Mayor Willie Brown came down and held a news conference. It was clear the city needed to do something about the street. It was too late to include funds in the 2001 city budget, but 2002 was feasible.

Roger Gordon, executive director of the nonprofit South of Market Foundation, now called Urban Solutions, and former candidate for District 6 supervisor, talked with the mayor at a cabinet meeting involving various agencies and departments about the need to stabilize and revitalize the neighborhood without displacing people. “The mayor was very understanding,” Gordon says.



CITY GETS INVOLVED

The city subsequently commissioned the Six on Sixth plan. The loan program it embodied was funded for \$750,000, not \$1 million. Red tape held up implementation until late 2002, according to Gordon, who now heads Urban Solutions, which guides the plan.

Some \$670,000 has been approved for loans and already 15 property and business owner applications have come in. These are needed because rents are too low to finance the expensive improvements required to lease long-vacant storefronts, such as those on the east side between Natoma and Howard. Gordon expects that more than \$1 million in private funds will go into the area within the year as the loans' leverage stimulates investments.

"It has exceeded our expectations," he says. "Right now we have 12 applications for facade improvement from awnings and painting to tiles and windows. There will be a lot of activity in the next three months. But nobody who is freaked out by the neighborhood is going to put money in."

6TH AND MINNA SUCCESS STORY

One entrepreneur who came in on his own is Kaushik Dattani, a Lombard Street accountant. He bought a building at Sixth and Minna, a former pawnshop, and turned it into the clean, 14-room Haveli Hotel above. In January, he opened in the storefront a brightly tiled vegetarian restaurant with Indian shawls and pictures on the walls, with the hotel as its namesake.



During construction, Dattani, who lives in Marin County, took his oldest son, Tej, around to meet some of the shopkeepers. The 18-year-old who studies at UC San Diego and wants to be a heart surgeon reeled at what he saw around him.

"It was depressing," he says. "I was shocked."

He asked his father why he chose to start a business here. "He said in the long run this will pay off," the son said. "And that you've got to think ahead. I trusted him. I still trust him. He has a dream that this area could become a Little India. He has talked to a lot of his friends about investing here. He was excited about seeing other businesses coming here, too."



Just after Haveli's opened, The Teriyaki House restaurant debuted across the street next to the venerable Tu Lan, arguably the city's first and best-known Vietnamese restaurant. And last year, Donut World replaced the Wendy's that had anchored the Sixth and Market storefront for many years.

The son recently left school temporarily to mind the restaurant while his father recovers from

brain surgery. Dattani wants to show Indian movies on Saturday nights when he comes back. “Business,” the son says, “is all right. Steady. We get a lot of people in their 20s new to the workforce who work nearby. My 13-year-old sister hates this place. But my 16-year-old brother loves it. He wants to go into the business.”

Down the street at the Liberal Loans pawnshop, 77 Sixth St., pawnbroker Mike (“I don’t give my last name to the press”) reminisces about the changing neighborhood. He has been on the street 45 years, he says, and has owned the shop since 1970, as the second owner since 1938.

HIGH-CLASS PAST

“It used to be a high-class neighborhood,” he says, standing behind the counter in the back with two of his friends. “Women used to come down here in hats and gloves. There were nightclubs and bars and restaurants. The Greeks owned a lot. The Coffee Cup was my uncle’s old nightclub. There was a dance hall across the street. And this was the only pawnshop.”

“And you know all the streets were named after prostitutes,” one friend pipes up. Mike thinks the problems of the street are the drugs, an almost impossible task to handle in his view, and merchants not fixing up their storefronts. He is still bristling over “the elements” burning up his 2-month-old awning and swinging on it “like apes.” When the store alarm goes off at night and pulls him back, he gets out of the car with his gun raised, he says, not loaded though, and the crowd parts. Don’t come down here at night, he’ll warn you, it’s not safe.

“But the street is good,” he says. “The cops are starting to put pressure on the elements. The D.A. can only do so much, I know. But the street will pick up. It’s Redevelopment. They’re going to redo the sidewalks next year.”

The replacement and sidewalk widening project actually starts this year, and people look forward to it as much as the opening of Bayanihan House. In April, when the finishing touches were being applied to the handsome, five-story, 1912 brick structure, it caught everyone’s eye and became a symbol of resurrection. The former haggard SRO Delta Hotel caught fire Aug. 11, 1997, and 180 SRO rooms were lost as firefighters tore out the roof and the water poured in. It was abandoned for four years.

Then TODCO, a South of Market tenants and business owners nonprofit, put \$22 million into it.

“It’s a derelict building we can now all be proud of,” said Lem Construction Co.’s project engineer Hunter Browne of the job that took more than a year. “The major part was seismic upgrade. There’s a lot of steel in that building now. We made something good out of something old, and that’s a main reason I wanted to be part of it.”

The building is an eye-ful for passing Sixth Street traffic. The 152 rooms vary from 10-by-12-feet to 25-by-15. All have kitchenettes. Bathrooms are down the hall. Rents will be

\$485 but may dip to \$430 with additional subsidies, according to Diego Sanchez, a TODCO project engineer. The ground floor will have a restaurant, the Veterans Equity Center and the Bayanihan Filipino-American Community Center. The basement will be a common use television room, kitchen and laundry.

Bayanihan is Tagalog for community spirit and mutual help.

CHICO'S ADDS SPICE TO STREET

Sharing the optimism of the street are the brothers Moe and Hani Hakim. They own Chico's Pizza next to The Rose, the spiffy, low-income hotel sponsored by the Sisters of Mercy and a development of Mercy Housing California.

For 10 years, the brothers ran Chico's on Mission around the corner, until they lost their lease.

"We didn't want to lose our customers, so we came here," says Moe. "And it's totally different."

Which is to say business has never been better. Foot traffic is heavier and by staying open until 2 a.m. on Fridays and Saturdays, Chico's catches crowds from Anu bar. "Hey, he has a different DJ every time," Moe says. "That's cool."

"And Sixth Street is good for business. We need more of it and not so many (boarded-up) places to hang out. We have big hopes for the street. We tell our friends and try to get them interested in investing. It's improving, you know? The more businesses we have the more people won't be hanging out. But not liquor stores—open them and it will stay the same."

Another "phoenix from the ashes," as Gordon refers to it, is the Dudley Hotel at Natoma and Sixth. The \$1.4 million rehabilitation by Mercy Housing California began in February and is to be finished in August. A fire in 1996 closed the 1913 structure that might well have been a part of the neighborhood's happy nightlife scene.

"We're really happy that these 75 rooms will now be restored," says Jeff White, Redevelopment Agency housing specialist. "Things are changing."



The Dudley will have 25 studios, 25 one-bedrooms, and 25 SROs, with 25% (18 rooms) designated Section 8, with renters paying 30% of their income. Eight units are set aside for those who are HIV positive. The two commercial spaces at the ground floor, one on Natoma and one on Sixth, Smith says, do not yet have tenants, although Gordon says that a grocery will go in there.

Still, despite the street cleanings, the promise of handsome sidewalks and store face-lifts, blight persists. "I want to go down Sixth Street in a cherry picker and take out every decrepit hotel sign," Gordon says. "We need to start to manage the visual environment."

PALM TREES WILL LINE SIXTH

By 2004, the sidewalks are scheduled to be done and the fill-in work underneath them complete. Palms and other trees are planned to line Sixth along with new street lights. Gordon says he doesn't want to master plan the neighborhood, but he'd love to see the mix of ethnic restaurants expand, the appearance of a homeopathy shop, and an herbal pharmacy.

"That resonates well—people trying to get better," he says. "And an alternative healing center would be great."

For the short term, Sixth Street is a happening place. The 35-piece wall sculpture, Defenestration, is still the street's jocular eye candy, with furniture and appliances looming over the Howard intersection. Many have forgotten that it was the boarded-up Hugo Hotel in 1987 that allowed artist Brian Goggin to get his friends and street pals together 10 years later to anchor this community art project. Goggin will change the color of the lights this summer for night viewing.

In May, Anu bar features the art work of Michael Roman, who does album covers for Santana. On Saturday, June 21, the Sixth Street Fair will run from 11 a.m. to 3 p.m. The street will have a float in the Gay Pride Parade on June 29. Call 553-4433 ext. 10 to get involved. Meanwhile, Gordon is holding his first annual idea contest. To enter, a resident writes up or says what he or she would like to see on the street. Call the number above. "The winner," he says, "gets to present it to the mayor."

For the long term, Anu bar has a 10-year lease and Chico's Pizza lease will run 15 years. And redevelopment marches on in a place that, at the very least, will not stay the same.