

A view of the Hurley hotel's fire escape.

Loans can be a sweet deal

▶ CONTINUED FROM PAGE 1

"Hopefully it'll be used as a model for the rest of the city."

Randy Shaw
TENDERLOIN
HOUSING CLINIC

Shaw, executive director of the Tenderloin Housing Clinic, the organization that worked since last September to round up community support for the loan program. "Hopefully, it'll be used as a model for the rest of the city."

Many tenants rallied behind the loan program because they saw it as an opportunity to upgrade the out-of-date electrical systems in the aging hotels. An electrical upgrade is considered a quality-of-life improvement, which also includes exterior power washing, security systems and better windows. Many of these hotels were built just after the 1906 earthquake and wired for basics of the time, which didn't include hotplates, message machines and computers running in multiple units at the same time. Incessant power failures are the bane of SRO tenants and can lead to fights, for example, when one tenant uses a hotplate, causing another tenant's room to go dark, said Antoinetta Stadlman, chair of the South of Market Project Area Committee.

HOW THE DEAL WORKS

To sweeten the deal, the quality-of-life loans become forgivable — meaning it's free money — if hotel owners meet the city's affordability requirements for keeping rents low. This is where the deal gets complicated. But, to put it as simply as possible:

For every \$691 loaned, the rent on a certain number of the rooms must remain affordable for 15 or 25 years, the owner's choice. The number of rooms is based on the "unit year value." The value is the loan amount divided by \$691. Thus, a \$25,000 loan includes 36 affordable unit years, which caps the rent on two units for 15 years or one unit for 25 years. The loan is interest-free unless the owner sells or reneges on the low-rent agreement; then there is a 6% prepayment penalty. To make sure the rents remain low, the Redevelopment Agency will make spot checks as well as require building owners to file reports proving compliance.

Loans for code compliance are interest-free but not forgivable and can only amount to 40% of the loan; at least 60% must be used for quality-of-life improvements. Hotel owners must match the code compliance portion of the loan dollar for dollar. At the end of the loan period, the owner will have to repay the Agency the amount used for code compliance.

Code compliance projects include installing fire sprinklers and elevator, electrical and garbage storage upgrades to correct code violations.

Funds will be awarded competitively with the priority going to properties on Sixth Street, buildings with the largest number of units, quality-of-life projects, and to projects that also include owner contributions, said White.

Unusual alliances made

▶ CONTINUED ON PAGE 5



The Winsor Hotel (right) and the Seneca Hotel at 34 Sixth St.



SRO Shutterbug

A PROFILE OF MARK ELLINGER

BY KAREN OBERDORFER

ELEGANT, white-haired Mark Ellinger walks taller than his 6-foot-4 frame, though he needs a cane, nursing a permanent injury earned during his years as a heroin addict living on skid row. Now free of the monkey, he rents a room in the Shree Ganeshai on Sixth Street between Stevenson and Jessie. Ellinger says that for the first time in his 53 years he likes who he sees in the mirror because now he has a mission.

"I have to live with myself; at some point you have to stand up for what you believe in," he says.

Before he called the gutter home he lived the swank life of a hip and successful independent music engineer, but he missed a sense of purpose — something he now feels every day. "I never imagined myself getting politically active, but I'm thrilled at the results," he says, giving as an example the new SRO hotel rehabilitation loan program he, the Tenderloin Housing Clinic and others in the community lobbied the Redevelopment Agency Commission to pass.

He gets by on SSI, which frees up his time to work on his pet project, as a guardian angel over his slice of skid row. Along with his daily routine of pilgrimages to City Hall offices, countless public hearings, and neighborhood meetings all focused on preserving the old buildings and human services that soften the edges of his chilly city, Ellinger walks around the hood taking pictures.

He aims to highlight an angle of San Francisco that most residents overlook, but, he claims, is the heart of the city.

A DREAM

Ellinger calls it the "Hotel Project," a series of digitally manipulated photos of SROs.

"I started this partly because for the last year or so I've been so deeply involved in my mind in activism around SROs and partly because I live in a neighborhood surrounded by them, and I'm keenly aware of the threat of losing them," he says.

He started taking photos a year ago, he says, when a fellow SRO tenant was about to toss an out-of-date Russian 1-mega-pixel digital camera. So Ellinger, the guy who says his friends teased him for his ability to cut off everyone's toes in photos, started taking pictures of the old SRO hotels north and south of Market Street.

Ellinger walks up to the Hurley Hotel at the corner of Leavenworth and Turk and looks skyward; a young man with a scraggly ponytail exits the building and curiously follows Ellinger's gaze. But the rest of the city bustles by.

"You have to get right up next to it to get the effect," he says as he describes the wacky perspectives of his hotel portraits that reveal details usually unnoticed by San Franciscans. For instance, he points out that you have to stop and look straight up to admire the hand-carved woodwork and classic "SRO windows," as Ellinger calls the narrow arched windows surrounded by brickwork, much of which is unreinforced masonry.

"I really love this city, even for all of the rotten things that you can say about Sixth Street, right here," Ellinger says, while pointing down the road that he notes is often called skid row. The crustiness, he says, is proof that "the history here has been allowed to unravel without hindrance and interruption from the type of urban renewal projects that rip things out." And he says of the central city area in general; "It has a lot of character; it comes not from the people lurking outside — although that's part of it — but the real charm of the neighborhood comes from the buildings."

The central city area houses edifices that you can "snuggle up to," says Ellinger, unlike the "hideous, horrible" Central Towers apartments near the Hurley, which were built in the '70s and characterize the "urban nightmare" that could take over San Francisco if the older structures were lost, he says.

WAKE-UP CALL

Before Ellinger's fall from grace in 1995, he and a partner ran a successful recording studio in the Mission. But a series of blows, including a string of close friends' deaths and strife in a key relationship, culminated at the end of 1994 and Ellinger suffered a nervous breakdown. That influenced him to try heroin to ease the pain, he says.

"Within three months I was in the streets and within six months I lost everything, and for nearly six years I battled with that," he recalls.

During that time he called the South of Market his home, but didn't have an address. One unlucky day he injected a batch of dirty heroin and a bacterial infection burrowed down the back of his thigh, he recalled. After three days of wandering the streets a friend dragged him to an emergency room.

"I woke up in a hospital bed," he recalls, "and the doctor said if I'd been brought in five minutes later I would have been 'dead on arrival.'" He spent more than two months in the hospital.

That was when he said he felt like his "internal circuitry got rewired," and he was able to finally kick his habit. "It's been a matter of healing from the inside out, I'm still doing that, as a matter of fact," he says, "and now I live according to my conscience; I have to like who I see when I look in the mirror."

Ellinger's photos alter reality. With a computer, he washes the hotel por-

traits with painterly brushstrokes or rough charcoal pencil edges. He first started to manipulate the photos of SROs out of necessity.

It wasn't until he'd spent several months taking pictures that he found access to a computer to download the images. Then, to his dismay, he saw in the 17-inch computer screen what he hadn't seen in the 2-inch LCD screen: the low-pixel camera gave very low resolution. "There were no more sharp lines," he said.

Although disappointed, he noticed that the compositions were intriguing and that unique architectural features stood out. And his shots captured a sort of "emotional tension" of the buildings, he said, enhanced by the dramatic angles.

So he took it a step further and started experimenting with Photoshop. The main filter effects he uses are watercolor, sandstone textures, sketch and rough pastel.

Sandstone, for instance, changes the degree of texture; with pastel and watercolor effects he can adjust the stroke length. "The amount of stroke detail makes a big difference, and it takes a lot of playing around — each photo is different," he says.

He also checks the gray scale, brightness contrast, as well as makes adjustments to color. He describes, for instance, how the interaction of the Mentone sign colors and the backdrop of the more neutral yellowed brick might need adjustments. "The maroon of the sign would be leaping out, and I'd try to even it out a bit; while it wouldn't seem to make a huge difference, it really would make an impact," he says.

In black and white, it is even more clear how Ellinger consciously shapes the direction and length of the brush strokes or lines.

Even though he started altering the photos out of necessity he now considers the manipulations an improvement. "They look softer, more accessible to the eye — they're not hard-edged photos anymore; the buildings are more personal," he says.

'I CAN'T EXPLAIN IT'

He says he's puzzled by his newfound skill. "Now it's weird, I can't explain it; it's like my fingers know when to push [the shutter]," he says, and while he takes some credit for having an eye, "there's something else going on that is not something I can will to happen."

A package came for him a few months ago that had no note, no return address. In it, he discovered a digital camera, and with more pixels and, therefore, sharper images.

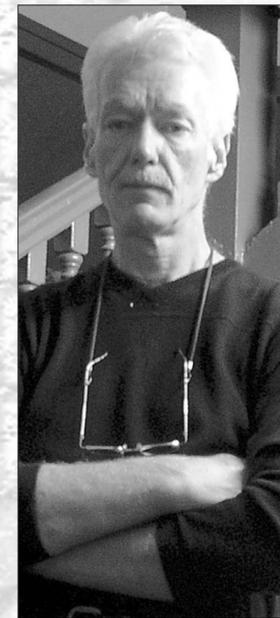
He has an idea who sent it but isn't sure, and no matter who it was, he says he's grateful. "I'm having a blast," he says, because he has even more creative choices.

He uses the software on the computer at the Tenderloin Housing Clinic's SRO Collaborative where he's an active volunteer and tenant representative and he stores his work digitally.

Now he needs a printer to take his work to the next level: make large-format prints and to show his work to the public.

"I would really love to have some sort of positive influence on people's awareness: to have them know an important part of this city," he says, "especially Sixth Street; it's one of the things I've been trying to do through the work of the [SRO] Collaborative: bring back the glory on that road that has so much history..."

P.S. BAD NEWS & GOOD Bad luck: The camera that mysteriously arrived in the mail has not so mysteriously disappeared, stolen out of Ellinger's room at the Shree Ganeshai by a homeless person he was trying to help. Although devastated, he won't give up, Ellinger said. He's working on the images he's stored already and occasionally borrows a camera. Good luck: April 30, Ellinger lunched at St. Anthony Dining Room, which he's been doing almost every day for years. But his beef bourguignonne turned out to be the eatery's 30 millionth meal since it opened in 1950. All the local rags and TV stations covered the event. "The bourguignonne was excellent," Ellinger told The Extra, "but that's nothing special — they serve that dish probably once a month, and most meals there are really good." ■



Mark Ellinger

PHOTO BY KAREN OBERDORFER

▶ CONTINUED FROM PAGE 4

this user-friendly loan offer happen. It revives an unused loan program that gave the Redevelopment Agency the right of first refusal (right to buy before a property goes on the open market), which since 1999 had been scaring off hotel owners.

"It was an exercise in neighborhood organizing in going to the decision makers and being heard. I congratulate you in that," William Carney, senior project manager, said at a South of Market Redevelopment Project Area Committee meeting in early March, when he announced that loan applications would be ready by early April.

"We worked with a lot of different groups and compromised on a lot of different things, and [the right of first refusal] was one of the final things we compromised on," said White. "But what we will have is affordability restrictions — recorded and on the title of the land."

COMMUNITY SINGING 'KUMBAYA'

The successful redesign of the loan program was the result of often-quarrelling groups becoming bedfellows: The Tenderloin Housing Clinic (a tenants' rights group), community members, hotel owners and South of Market Project Area Committee members. It's now called the Single Room Occupancy Hotel Rehabilitation Loan Program, and was agreed to Feb. 25 in Redevelopment Agency resolution 28-2003.

"It was a group effort; it was great," said Sam Patel, president of the Independent Hotel Operators and Owners Association. Much of the credit, he said, should go to the Tenderloin Housing Clinic and its Executive Director Randy Shaw, as well as the SOMPAC members, area stakeholders who act as advisors to the Redevelopment Agency. "People aren't used to seeing owners and tenants on the same side," Shaw said, "and that's what impressed the commission."

The Redevelopment Agency Commission is the seven-member body that made the final decision on the loan program particulars. It went against its own agency staff recommendations and removed the right-of-first-refusal provision.

"Many of the hotel owners in our community want to pass on their hotels to their family members," said Dr. Mahendra Dave, Seneca Hotel co-owner and member of SOMPAC. The right-of-first-refusal process, he said, could delay a sale up to 90 days while the Redevelopment Agency gets its own appraisals, so a seller could get hit with hefty capital gains taxes.

Another change was to include smaller loans to accommodate more owners and encourage renovations, including electrical upgrades. For instance, the Redevelopment Agency estimates it costs about \$1,000 per room to upgrade a hotel electrical system. Hotels along the Sixth Street corridor tend to be small for SROs. Two have fewer than 25 rooms and the hotels average 65 rooms, so small loans of from \$25,000 to \$100,000 may encourage electrical upgrades, according to White.

"We've gotten indications from owners that they're actually going to use this program and that's really the goal — get the improvements implemented," White said. ■

"It was an exercise in neighborhood organizing in going to the decision makers and being heard."

William Carney
PROJECT MANAGER

Warfield Hotel
at 118 Taylor St.



MARK ELLINGER'S DIGITALLY ENHANCED PHOTOS ILLUSTRATE THE STORIES ON THESE PAGES