

The Washington Post

Style

How San Francisco broke America's heart

By [Karen Heller](#)

May 21

SAN FRANCISCO — A Tuesday afternoon in the Mission District of America's tech wonderland.

Michael Feno stands outside Lucca Ravioli, his beloved pasta emporium on Valencia, a vestige of old San Francisco, puffing on a cigar while posing for pictures, his customers in tears.

Living in this city's radically shifting landscape, veterinarian Gina Henriksen found comfort by telling herself, "Thank God, Lucca is still here. If Lucca goes, I'm going to have to leave San Francisco. What do we have left?"

Lucca is no longer here.

After 94 years, doors shuttered on the last day of April. The parking lot sold for \$3.5 million. A three-building parcel, including the store, listed for \$8.3 million and was purchased by — need you inquire? — a developer..

A few blocks away, in this neighborhood of shops hawking \$2,600 electric bikes and \$8 lemonade, Borderlands Cafe — a throwback with plants cascading from the ceiling — closed the same day after a decade in business.

Owner Alan Beatts couldn't retain staff, even with a \$15 minimum hourly wage. Who can live on \$15 an hour in this city transformed by innovation?

How can Alba Guerra, co-owner of nearby Sun Rise restaurant, continue to

charge \$10.95 for the housemade vegan chorizo platter after her rent spiked 62 percent last year to \$7,800 a month?

For decades, this coruscating city of hills, bordered by water on three sides, was a beloved haven for reinvention, a refuge for immigrants, bohemians, artists and outcasts. It was the great American romantic city, the Paris of the West.

No longer. In a time of scarce consensus, everyone agrees that something has rotted in San Francisco.

Conservatives have long loathed it as the axis of liberal politics and political correctness, but now progressives are carping, too. They mourn it for what has been lost, a city that long welcomed everyone and has been altered by an earthquake of wealth. It is a place that people disparage constantly, especially residents.

Real estate is the nation's costliest. Listings read like typos, a median \$1.6 million for a single-family home and \$3,700 monthly rent for a one-bedroom apartment.

"This is unregulated capitalism, unbridled capitalism, capitalism run amok. There are no guardrails," says Salesforce founder and chairman Marc Benioff, a fourth-generation San Franciscan who in a TV interview branded his city "a train wreck."

You no longer leave your heart in San Francisco. The city breaks it.

The city is filthy rich in what other regions crave: growth, start-ups, high-paying jobs, educated young people, soaring property values, commercial and residential construction, a vibrant street life, and so much disposable revenue. But San Francisco, a city of 883,305 residents, 100,000 more than

two decades ago, is the Patient Zero of issues affecting urban areas. The sole constant is its staggering beauty.

Downtown is a theme park of seismic start-ups — Uber, Airbnb, Slack and Lyft, with Twitter in the nearby Tenderloin, every app a skyscraper. The 58-story Millennium Tower is a sinking, tilting luxury condo folly that will take \$100 million to right — writer Rebecca Solnit dubbed it “the leaning tower of hubris.”

In the shadow of such wealth, San Francisco grapples with a very visible homeless crisis of 7,500 residents, some shooting up in the parks and defecating on the sidewalks, which a 2018 United Nations report deemed “a violation of multiple human rights.” Last year, new Mayor London Breed assigned a five-person crew, dubbed the “poop patrol,” to clean streets and alleys of human feces.

The small downtown's streets are choked with Google and Apple employee buses, and 45,000 daily Uber and Lyft drivers, some commuting from hours away and unfamiliar with the city. By comparison, there are 25,000 ride-sharing drivers in Philadelphia, a much larger and more populous city.

There's an ongoing battle between the NIMBYs and YIMBYs over development in one of the nation's densest cities. Tech companies here are the beneficiaries of gilded carrots, tax breaks. Longtime residents worry that tech workers are drawn here for the jobs, not the city, and may never become stakeholders in San Francisco's future.

“Our rich are richer. Our homeless are more desperate. Our hipsters are more pretentious,” says Solnit, who [once wrote](#) that “San Francisco is now a cruel place and a divided one.”

The Bay Area is home to more billionaires per capita than anywhere on Earth, [one out of every 11,600 residents](#), according to Vox. The entire region, [as far as two hours away](#), has been affected by spiraling real estate prices. Venture capitalist John Doerr has claimed that the area's economic growth is "the greatest legal accumulation of wealth in history."

And it's only likely to keep growing. Several San Francisco tech companies, such as Slack and Postmates, are scheduled to go public this year — Uber did on May 10. This [IPO fever](#) could mint thousands more messenger bag-toting millionaires and, denizens fear, more absurd prices.

"The city is losing the very things that people moved to the city for," Beatts says. "People think that the best thing to happen is to get a lot of people to move here. But what happens when you get everything you want?"

Tech isn't what everyone talks about in San Francisco. It's money.

Real estate, income inequality, \$20 salads, the homeless, adult children unable to move out, non-tech workers unable to move in.

San Francisco has experienced plenty of change through its rich history: the Gold Rush, corruption, earthquakes, fire, reconstruction, strikes, multiple waves of immigration, the rise of gay culture, the Summer of Love, the dot-com bubble and the dot-com bust.

What residents resent now is the shift to one industry, a monoculture.

"What I wanted was this flow of humanity and culture," says editor and former nonprofit executive Julie Levak-Madding, who manages the [VanishingSF](#) page on Facebook, documenting the "hyper-gentrification" of her city. "It's so devastating to a huge amount of the population."

To many inhabitants, San Francisco has become unrecognizable in a decade, as though it had gone on a cosmetic surgery bender.

“I can’t tell you the number of friends who tell me how much they hate San Francisco,” says former city supervisor Jane Kim. Which is something given that she ran for mayor in the 2018 special election. (Kim came in third.)

“They say it’s too homogenous.”

Too homogeneous. Too expensive. Too tech. Too millennial. Too white. Too elite. [Too bro.](#)

To take a midday tour downtown is to be enveloped by a jeaned and athleisured army of young workers, mostly white and Asian, and predominantly male. The presence of a boomer or toddler is akin to spotting an endangered species.

San Francisco has less of what makes a city dynamic. It has the lowest percentage of children, 13.4 percent, of any major American city, and is home to about as many dogs as humans under the age of 18.

The city was once a center of black culture, and Breed is its first black woman mayor. But the African American population has withered to 5.5 percent compared to 13.4 percent a half century ago. Director Joe Talbot’s [“The Last Black Man in San Francisco,”](#) a Sundance winner scheduled to open in June, is an elegy to earlier times and a tribute to his long friendship with the film’s star and co-writer, Jimmie Fails.

“You’re constantly trying to justify why you stay. There’s this blanket of anxiety and frustration that lives on top of everything,” says Talbot, a white fifth-generation San Franciscan. “You’re heartbroken because it’s changed so much and so quickly. This nostalgia is baked into everything, of missing

what was here.”

The city has become less eccentric, less of a home to artists and musicians, because they can't afford studios or practice spaces — if they can find them. How will the city create its next Grateful Dead or generation of beat writers?

“I don't know anyone in San Francisco who is making a full-time living as an artist,” says Victor Krummenacher of the band [Camper Van Beethoven](#), who left the city in April after 30 years, moving an hour east of Los Angeles. “Part of being an artist is being an observer of what is going on. In the Bay Area, you're so mired in the congestion and costs.”

San Francisco has also become less welcoming of altruistic professions, as teachers and social workers are priced out of housing.

The Sierra Club, founded in 1892, decamped to Oakland three years ago after its annual rent was projected to increase by almost \$1.5 million.

“Nonprofits are fleeing San Francisco. They can no longer afford it,” says Doug Styles of Huckleberry Youth Programs, founded during the Summer of Love to assist runaway teens. Retaining staff is a challenge. “We're missing that middle and lower economic group.”

Everyone has a story about what isn't here anymore. The inability to find a hardware store, a shoe repair, a lesbian bar, a drag-queen bar, an independent music club, the commercial casualties of vertiginous rents.

Retail operations have resorted to quasi-nonprofit practices to stay afloat. Beatts's [Borderlands Books](#), specializing in science fiction, mystery, fantasy and horror, remains afloat through \$100 annual sponsorships from more than 500 customers, akin to a public television station, and \$1.9 million in loans from 50 patrons to purchase a building in the Upper Haight.

Restaurant owner Guerra launched a [GoFundMe](#) campaign to help defray rental costs. She also had to raise prices, which many small businesses have been forced to do.

Residents worry that such businesses will soon disappear, replaced by twee boutiques of artisanal socks, rain-scented candles and so many succulents. “All businesses that are part of the memory and tradition and the lives of San Franciscans are going away so fast, replaced by little hipster groovy shops that also feel transient, preserving some fake memory of the city,” Solnit says.

The city feels less the epicenter of LGBT culture it long was. “I have seen my people transformed from a criminal subculture to being celebrated, legalized and politically potent,” says activist [Cleve Jones](#), who moved to the city in 1972 and worked as a student intern for Harvey Milk. “This came out of the gayborhoods, and now the gayborhoods are going away.” A resident of the Castro, the city’s famed gayborhood that’s been transformed by record prosperity, he bemoans the loss of cultural vitality and lack of caring for the less fortunate. “I don’t hear people talking about poetry. I still love my town. I still love my neighborhood, but it is changing very rapidly. It’s quite harsh and quite brutal and it frightens me.”

Hyper-gentrification is not specific to San Francisco. Shoe repairs, dry cleaners, gay bars and independent cafes are disappearing elsewhere. With all this wealth, even with the derided tech tax breaks, comes a gusher of revenue for the city and California, the world’s fifth-largest economy. While Benioff, among others, has derided fellow tech billionaires for lagging in philanthropy, there’s hope that more money will lead to an increase in giving. And the city remains a great generator of innovation that has changed our daily lives.

“Many things were broken. Taxi medallions were expensive, and you couldn’t find one. So Uber and Lyft were started because of the broken taxi situation. The hotels were broken. They were too expensive and not enough of them, so Airbnb was founded to fix the broken hotel situation,” says developer Eric Tao, who is building a hotel, among other projects.

“What I love is still here. That Gold Rush mentality that you can come here and do whatever you want,” says Tao, a resident of 30 years. “But this is what happens when unbridled capitalism collides with progressive ideals.”

Benioff, the city’s largest employer, says residents are at “the beginning of our journey in San Francisco of understanding who we’ve become and where we’re going,” he says. Yet, he acknowledges, “there are a lot of people who are not willing to do the work. They’re here to make money. They’re not here for the long haul.”

Another afternoon, another tour. Labor lawyer Beth Ross is a two-decade resident of Glen Park, once a middle-class enclave offering jaw-dropping views of the city. It is middle class no more. Ross lives in a condo in a mid-19th century Victorian, on a snug street she's dubbed "Apple Executive Way."

Construction projects abound and, in a city intoxicated by speed, last forever. That one down the block is on Year 4, and Contractor 3. Over here is a smaller job, \$350,000, for a garage.

For-sale signs bloom like jasmine, though neighbors suspect many sellers are waiting for more IPO windfalls to flood the market.

Ross, walking with her friend, VanishingSF’s Levak-Madding, points to the hillside spread of a tech executive. She gestures to a modest property a few

doors up from that one that sold for \$2.3 million, the estimated value increasing \$1.2 million in four years. The tech mogul owns that, too.

Though it's no longer a house. The executive is transforming it into a basketball court and gym, still under construction.

"This is a place none of us would have moved to. It's Monaco," Levak-Madding says. "It's urban blight by excess."

(Correction: This story originally attributed Julie Levak-Madding's quote in the last paragraph to Beth Ross.)

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