

Newcomers get a good taste of Tenderloin

Neighborhood program introduces tech workers to local restaurants

TOM CARTER

IT PROMISED to be a delightful outdoor luncheon adventure in late May as tech guests wound their way up through the renovated, airy interior of 255 Golden Gate Ave. to a spacious, second-story roof with wooden flooring, tables, sofas, chairs and potted trees too immature for shade on this shirt-sleeve, sun-splashed day.

The 1916 building is Dataway Inc.'s, a business that designs Web-based security infrastructures.

Dataway was site host, but the lunch sponsor picking up the tab was PeerSpace, a SoMa newbie that rents companies' off-hours space to clients.

The aim of the lunch was to have a good time, of course, and sample the Mexican fare of Tenderloin fixture El Castillito just across the street. It also was to be a memorable experience, for the digerati. It was the Tasting the Tenderloin "anti-poverty" program of the Tenderloin Economic Development Project (TEDP) that gets new techie neighbors in touch every other Thursday with Tenderloin restaurants, giving the eateries a boost for the day and maybe some return business.

El Castillito was the eighth stop in the series that began March 6 at the Mong Thu Cafe on Hyde Street. No. 6, though, was the most unusual, held outdoors in the hood's transformed alley-cubby, the rustic Tenderloin National Forest. The affair was catered by Morty's Deli on Golden Gate, a few doors west of El Castillito.

The first, who arrived before noon to help if needed, were youthful PeerSpace employees Kelly Morales and Nicole Locicero. They'd had a great time, they said, two weeks prior at Four Seasons, a Vietnamese restaurant on Larkin Street.

They liked the food, met a dozen people and promoted PeerSpace in a "working lunch." Yes, they would come

back into the Tenderloin. It didn't seem so bad, they said, "depends on the time of day, but together, not alone, and even for dinner."

They agreed that now they know the walkable streets, but might use Lyft or Uber or take a bus from their new digs in SoMa, a 15-minute walk from Market Street. Normally, though, they'd stay put and eat in South Park's pricier cafes.

'I'D GO AGAIN'

"I've been to Turtle Tower," Morales said of the Little Saigon restaurant on Larkin Street, which hasn't been in the series, "and I'd go again."

The Economic Development staff regularly canvasses 10 square blocks, checking out street activity, loitering, police presence, blight vacancies and lighting. It picks the restaurants from a list of about 100 businesses that look like they could use a lift (see sidebar).

"We do a visual inspection every day," Anh Nguyen, TEDP executive director, says. "Our organization focuses on art and culture, and we saw how small businesses really contribute — but also the needs they have. We'd like to see them join the 21st century technology. Some of these restaurants could be making \$700 to \$1,000 more a day. But they don't know what they don't know."

It is the tech dollar fluttering all around them that can make the difference. So many ethnic restaurants were started to feed just their own people, Nguyen says. And they've used Old World ways, maybe starting the business with "their own social network," rather than a bank loan, dealing only in cash and using family members as employees to keep costs down. But techies and most business-sector workers use credit cards for everything, making it easy to track business expenses, among other things.

Nguyen says she is talking with Square to determine the costs to mod-



PHOTOS BY PAUL DUNN

PeerSpace workers Nicole Locicero (left) and Kelly Morales enjoy Mexican fare catered by El Castillito on a Tenderloin rooftop. The hearty meal with rice, beans, salad and a choice of meat was prepared by the taqueria's chef, Leno Quintaner, top right, and carried across the street to be served picnic-style on the roof, below right, of the old KGO TV building now owned by the tech company Dataway. PeerSpace picked up the tab, and El Castillito may pick up some new customers.

ernize payment procedures for these restaurants. TEDP has signed "client engagement forms" with the restaurants and at some point, before "their leases are up," will sit down to discuss, for free, how to bring in more business. Nguyen says that in response to the questionnaire TEDP sent out to gather this information, most restaurants said their greatest need centered on safety issues. "They were worried about loitering outside," Nguyen says. The consultations haven't started yet.

SHARE THE WEALTH

TEDP is a 1999 "rebranding" of the nonprofit North of Market Neighborhood Improvement Corp. and is funded by the city. It helped start the North of Market Tenderloin Benefits District in 2005 and, more recently, the 950 Market St. Center for the Arts. It is starting a Tenderloin merchants association.

At 12:10 the deep aluminum tubs of pungent taqueria meat, rice and beans arrive with green salad: Moist shards of red and yellow bell peppers glisten in the ever-warming sun. Only 14 people are here so far from an invited list of nearly 30 PeerSpace employees, plus a few veterans of previous lunches from other tech companies.

"It's a big networking thing, a business card exchange," said Michelle Nguyen, TEDP's graphic artist and marketing and communication liaison playing host at the door. "More will be here."

Her boss, Anh Nguyen, makes a short, impassioned speech in the shade near the serving table to explain what TEDP does and the purpose of getting to know the neighborhood, then proposes a toast "to share the wealth." She adds a clever promotional touch, too. She asks everyone to grab their iPhones now and say something about the event on Facebook, insurance against

forgetting to do it later.

She had chosen the first sponsors to invite based on familiarity with the companies and her contacts. Twitter has not been a sponsor because, she said, it didn't have "a community person" until recently. Nguyen had a meeting with Twitter July 2. According to its information, most restaurants benefit agreement with the city, stemming from its payroll tax break, Twitter is committed to buying "at least \$500,000 worth of goods and services from small businesses, suppliers, caterers, and restaurants in the local San Francisco community in 2014."

Matt Bendett, PeerSpace president/CEO, and Simon Lewis, CEO of Dataway, are chatting near the serving table about how devoted Zensdesk is to giving in the community. It's evident the two are keen about being engaged with the neighborhood and keeping it healthy and distinctive.

Lewis, a longtime San Francisco resident, says the buildings in the area, many of them handsome structures built during the 1906 earthquake recovery era, were movie repositories with vaults of black and white silent films that were shuttled back and forth to a score of theaters on Market Street.

"This was the hub of film distribution," Simon said, working on his plate of rice, beans, meat and salad.

The Dataway building was a player then. It later morphed into KGO TV headquarters. Renovation was complete 18 months ago, and Dataway moved in from offices it had occupied for 13 years on Van Ness Avenue at Golden Gate.

'CLEARLY ON THE WAY BACK'

The essence of Tenderloin's problems, Lewis said of his new neighborhood, isn't homelessness, which doesn't bother him, but "public drug

enclaves since the 1990s for a base of Chinese, Vietnamese, Thai, Mexican or Indian customers. Some accept only cash. Business practices may seem 50 years behind, with owners oblivious to tech magic.

Still, owners like what has worked for them, regardless of their small profits. They keep appealing, for example, to their ethnic customers and shunning change. Some don't know how to negotiate a lease, Nguyen says, or about renters rights or going rates.

Meanwhile, it's possible that many family members are living in a cramped apartment space, not paying themselves salaries, yet thinking it's an acceptable if not a good life.

"They naively think landlords have their best interest in mind, a model from the old country," Nguyen says.

Through Tasting the Tenderloin, TEDP's business-retention efforts seek to assist switches to POS systems, cred-

it card readers, social media marketing, new business branding and improving facades.

"They need to adapt to new technology and get new customers," Nguyen says. "They need to get on social media and make a new look, a brand, establish themselves in the larger community and expand their base — become more English-friendly."

"It's not very practical to tell them what to do," she adds "We've had to show them where the money is to be made. They are very vulnerable, especially now in the Tenderloin."

"San Francisco is getting wealthier," she continues, "and these restaurants aren't growing at the same rate. We want them to step up and share in this. A small (downward) tick in their business could ruin them." ■

— Tom Carter



use" being staged on sidewalks. "There must be a solution to it," he said.

And there is, of course: gentrification. Lewis is hopeful about the future.

New developments are "bringing vitality back to the neighborhood," Simon said. "It's clearly on the way back. It's got great architecture, and I'm thankful we've been able to save something here. Hopefully, other people will want to save things, too. So, one saved," he said, finishing his plate, "and several hundred to go."

And the food from El Castillito? "Good, but heavy, not what I'm used to." He prefers salads.

Latecomers keep strolling in. By 12:40 more than two dozen were eating and talking.

"We like to vary the food, too," says Michelle Nguyen.

She doesn't have numbers, but says the feedback from the lunching techies and sponsors has been positive and growing in the last few weeks.

"People stop me and are asking about sponsorship now," she says. "I think the companies have heard about this and are talking to each other. It's word of mouth. We've only advertised on our website, nowhere else."

"Before, it was difficult to find

sponsors. Now people are confident because it's been successful."

Indeed, sponsors keep coming back, too. Zensdesk has paid for three and Spotify will sponsor its third July 10. The cost of a luncheon ranges from \$300 to \$1,200, depending on the number of people.

Anh Nguyen says she doesn't have much feedback from the restaurants because her three-person staff is so short-handed there's been little follow-up. The TEDP budget, funded through the city with federal block grants, was slashed 28% this year and she doesn't know why. But Mong Thu, Four Seasons and Lalita restaurants told her they'd had small upticks in business, and in some cases at the bar, but couldn't quantify it.

Carlo Mapa was sitting at the picnic table that had been full. But now, after 1 p.m., people were leaving. He's been at WeWork's San Francisco office at 25 Turk St. for a year. He said he's more "comfortable" in the neighborhood each day. TL police Capt. Jason Cherniss came to his company recently to give a 15-minute talk on neighborhood safety, another assist in acclimating him to his new surroundings.

'OUT OF COMFORT ZONE'

"I didn't know where to eat when I first came here," Mapa said. "So that's what I like about this — it gets you out, and out of your comfort zone." He was happy with the meal, an option to his usual visit to Tu Lan on Sixth Street or grabbing a bahn mi in the TL.

"Oh yes, I'm very happy," Mapa said, shoving off. "I'll go across the street and get a menu from Castillito's to take back to the office. My co-workers asked me to."

Across the street, Castillito's manager, Leno Quintaner, is busy, sweating in front of a grill. He turns and peers over the order counter, not sure why someone has questions for him at 1:20 p.m.

Soon he takes a break, wipes his hands on his apron and slides into a booth. His tables are still mostly filled. The place deals only in cash. He speaks English reluctantly, not well, but he's understood.

He's worked in Castillito restaurants (there are several in San Francisco) for five years. He gets 20-40 catering jobs a month like Dataway's. Is there going to be more business now?

He shrugs. "Have to wait and see," he says. ■

DIVERSE TASTES

Restaurants, addresses and sponsors for Tasting the Tenderloin, from the initial event March 6 through June 26.



Mong Thu,
248 Hyde St.
WeWork



Zen Yai Thai
771 Ellis St.
Zensdesk



Kusina Ni Tess
237 Ellis St.
One Kings Lane



Tikka Masala
425 Ellis St.
Arthur Evans



Four Seasons Restaurant
721 Larkin St.
Zensdesk



Morty's Delicatessen
280 Golden Gate Ave.
Spotify



Lalita Thai
96 McAllister St.
Zensdesk



El Castillito Taqueria
250 Golden Gate Ave.
PeerSpace



Un Cafecito
335 Jones St.
Spotify

Eating away at TL's huge wealth disparity

IMAGINE THAT you're eking out a living from your restaurant but can't tap into a river of business cash at your fingertips.

That's the dilemma of scores of ethnically diverse Tenderloin mom-and-pop stores and restaurants, as startups and tech companies with hundreds of young employees flood into the city's poorest neighborhood with wandering feet and willing wallets.

The main disconnect is the old way of doing business. That's why the Tenderloin Economic Development Project came in, first to get new customers

coming through restaurant doors with a new experiment, then to help upgrade business practices.

TEDP's imaginative angle is called Tasting the Tenderloin. It has had techies sampling a new TL restaurant for lunch every other Thursday since March, with corporate sponsors they lined up paying the tabs. The "anti-poverty strategy" has bookings through September.

"Our clients are predominantly ethnic small businesses," says Anh Nguyen, TEDP executive director.

Often restaurants the techies will visit under the program are family-run