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## How the Internet ruined San Francisco

The dot-com invasion -- call them twerps with 'tude -- is destroying everything that made San Francisco weird and wonderful.

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BY PAULINA BORSOOK

I had the misfortune to live in Manhattan during the '80s, when all conversations turned ineluctably to real estate and the shops and people that made New York interesting were being wiped out by a boom economy. Then, you'd see a slightly faded kosher butcher shop replaced by an Italian fusion restaurant, what was the rehearsal space for a dance troupe become a lawyer loft.

Now in late-'90s San Francisco, you can have all the Manhattan greed-is-good bull-economy moments you like. Freed, Teller and Freed, the oldest coffee and tea seller in the city (established 1899, its handcrank cash register in use until the end) survived all -- earthquakes, the Depression, Starbucks -- but it couldn't survive the Internetting of San Francisco: It closed Oct. 15, its building to become condos. You can stand on Sixth Street smack in the middle of SOMA (where Wired got its start) and the flow of traffic now evokes Sixth Avenue in Manhattan. Parking is bad all over the city, the gratuitous kindness from strangers and service personnel I always so pleasantly contrasted with New York is fading fast, and it's beginning to be all too clear that people have no slack in their lives.

Commercial real-estate prices have gone up 42 percent since 1997 in San Francisco's Mission District, a formerly working-class, affordable, largely Latino neighborhood where in the old days auslanders only ventured to get burritos at Taqueria La Cumbre and sex toys at Good Vibrations. Now it's the scene of some of the most bitter class struggles in the city, the Yuppie Eradication Project (let's key those SUVs!) vs. sleek dot-com people, who look like nothing so much as the slickers I covered from in the '80s, who lived on Manhattan's Upper East Side and commuted to Wall Street. On happening Valencia Street, where druggies

and minimum-wage immigrants walk past their economic superiors, a fenced-in parking lot has appeared, where a white-coated valet protects a phalanx of Mercedes and Lexus SUVs from the neighborhood. By 1998 two-thirds of the people living in the Mission were new arrivals -- mostly from Wharton or MIT, not Honduras, you may be sure.

The median price of a San Francisco condo was \$410,000 in August 1999, more than a 40-percent increase from August 1998. The median rental price for a two-bedroom apartment was \$2,000. Avalon Towers, the first high-rise apartment to go up in San Francisco in more than a decade, has had no trouble attracting tenants who pay rents ranging from \$2,400 to \$4,000 a month. Eighty-five percent of them earn more than \$100,000 per year, 60 percent are under 40, and two-thirds are new to the city. Good bet these aren't the bad poets, malcontents, and fruits and nuts looking for a new start that the city has always attracted.

Evictions, legal or illegal, are at an all-time high -- and 70 percent of those evicted leave the city. Ted Gullickson, office manager for the San Francisco Tenants Union, says his nonprofit's business, that of protecting renters' rights, more than doubled in 1995-96, and has increased by 25 percent every year since. He has watched the Internet-induced housing crisis (astronomic prices, abysmal vacancy rates, economic exclusion) move north up the Peninsula through Santa Clara and San Mateo counties into San Francisco as the Way New Economy has overtaken the Bay Area. Silicon Valley creates nine new jobs for every new housing unit: What does it mean for San Francisco to become a suburb of Palo Alto?

In San Francisco, he says it's now the case of "the richer gentrifying the rich," meaning renters in the most whitebread and affluent neighborhoods in the city -- the Marina and Pacific Heights -- are also being evicted or forced out.

According to state income-tax returns, the gap between rich and poor in San Francisco increased 40 percent between 1994 and 1996 -- just about the time the new parking enclosures started happening and the Net started making investors very, very happy.

So what's the big deal? Isn't the dot-com invasion just the latest example of gentrification -- a phenomenon that started in the go-go '80s? In a sense, yes -- but the speed, libertarian ethos, irritating hipster pose and

chilling finality of this invasion put it in a different league from earlier ones. Sure, San Francisco in the Reagan years also had its share of Jay McInerney types in suits hitting the clubs. But in those days the city had temporarily ceded its status as financial center of the West to L.A., so some of those corporate sharpies had to have been here for at least some reasons beyond revenue and career-enhancement. Now San Francisco has become a city of 22-year-old Barbie-bunny marketing girls who don't realize the Web is not the Internet, and guys who have come to San Francisco because the dot-com version of Dutch tulip-mania offers better odds of instant wealth than making partner at Merrill Lynch. The result is a city whose unique history and sensibility is being swamped by twerps with 'tude.

### **Remembrance of things past: Part 1**

When I lived in Potrero Hill in the 1980s, my landlord was my next-door neighbor, the kind of kindly, eccentric bohemian this historically most-lefty-in-the-city nabe had always attracted. The Slovenian union hall is situated here. Traditionally, journalists and low-rent architects and artists were drawn here, in part because of the cheap rents and good light. Joe's grandparents had owned a cattle ranch on what is now part of the greenbelt surrounding Stanford University; Joe got a degree in theater arts from San Francisco State, had lived in Paris and North Beach in the '50s, in a loft in the Haight in the '60s, and for years made his living making architectural models. He also owns a 1949 Ford truck, which he always kept parked near the intersection we lived on -- not an issue in a neighborhood where there is lots of on-street parking.

Joe isn't running a meth lab, nor routinely scheduling raves, nor kenneling yappy dogs, nor, unlike my next-door neighbors in Santa Cruz, running an illegal car repair and refinishing business out of his house. He rides his bike far more than he drives. He's lived in that sun-drenched flat for close to 20 years, and been a good neighbor to all. Yet someone, starting about three years ago, began phoning into the Department of Parking and Traffic, complaining about his abandoned eyesore truck -- and they succeeded in getting it towed if he didn't move it often. Why live in Potrero Hill -- a neighborhood that abuts a light-industrial area, where Anchor Steam beer is still made and until only a few years ago you could smell the Hills Brothers' coffee roasting that always made the entrance to the Bay Bridge smell like toast -- unless you can appreciate the beauty of a museum-quality mid-century truck? We both suspect that

if it were an SUV parked in front of his house, and not his trusty steed of 40-plus years, the anonymous informer would never have acted. Joe, whose duplex with smashing views is long paid off, tells me he feels like he's being forced out by the dot-com people.

Artists and arts organizations have been and continue to be economically harassed out of the city -- a trend exacerbated by the new gold rush. With no rent control on commercial property (modest 1,200-square-foot spaces now routinely rent for \$3,000 a month), all kinds of rehearsal spaces and performance spaces and exhibition spaces and *true* live/work spaces (not the slapdash gimcrack monstrosities being thrown up by powerful contractor Joe O'Donoghue's Residential Builders Association, where chief technology officers live for their work) are in jeopardy. To take just one example: Artists' Television Access, a Mission District exhibition space where the best and worst of non-commercial films have been shown for years, is in jeopardy.

As Carren Shagley, a San Francisco realtor, asks, "What artist can pay \$650,000 for a live-work space?" Still, these tenements of tomorrow would make a techno-libertarian proud: They don't pay into the city's public-school taxes, and their developers are not required, as they would be with other kinds of developments, to make *any* of them affordable housing. Ah, the beauties of the free market and the freedom from despised regulation.

Creating work that you hope might have value beyond a Webweek, or not intended to be monetized on the Web, requires time and space enough to be able to live at least at subsistence level while you rehearse or paint or go against City Hall as a skateboard activist.

But the Internet culture that celebrates all work all the time doesn't accord value to anything that isn't easily monetized -- or corporatized. The importance of leisure time, of being able to support yourself with a day job to pursue other ends, to rehearse and canvass and organize and noodle and reflect, is totally at odds with the all-connected-all-the-time upside-potential lifestyle of the dot-com people.

Gabriel Metcalf, deputy director of San Francisco Planning and Urban Research Association (SPUR), says that the newcomers to the city are "much less politically active; don't join neighborhood associations."

Well, sure. Unlike traditional émigrés to San Francisco, who came for the landscape or to live in a human-scale, cosmopolitan, liberal city or to explore whatever personal desires, strange art forms and political activism they couldn't in their own hometown, the dot-com people are coming mostly for the money -- whatever San Francisco has been historically or culturally is beside the point. San Francisco is a collection of distinctive villages with their own microclimates and strong community feeling, from North Beach to Noe Valley to the Haight to Bernal Heights, but that's not why it's become the top destination for graduating MBAs. Dot-com people just need a place to crash after they work 15 hours a day -- sleep is for the weak and sickly. They haven't lived here long enough to know or care about civic issues, for the most part --- and for those who subscribe to the prevailing high-tech orthodoxy of libertarianism, there's not much reason for them to care.

Larry Rothstein, a San Francisco plaintiff's attorney for 20 years, talks about the "I've got mine so screw you" attitude of the dot-com folks he has been running into "in the last couple of years" on San Francisco juries. "They're just here to make a buck and quickly leapfrog up the corporate ladder," he says. "They grew up under Reagan-Bush and parrot the line about how frivolous lawsuits are bad for business and how nothing must interfere with profit flow of a company. They're under- and un-educated -- they've only ever worked in high tech, can't imagine what it's like to not have insurance, not be able to afford a car, not be able to get a job. They have sick pay, they have a safety net, they have money, and can't understand that there are people who don't. They have a total lack of spirituality or soul. They're a new generation of Republicans."

This in San Francisco, the city that all the world likes to deride for the silliness of its political correctness? Truly, these are end times.

A friend who's an exec at a high-tech P.R. firm commented to me on what he called "the voracious sense of entitlement" he runs into in the dot-com kids he employs, fickle creatures with no loyalty. Yet we both know that while he and I came of age during the era of guys with Ph.D.s in economics driving cabs and stagflation, the dot-coms have never known anything but a bull market.

I don't want to demonize the entire dot-com world. Long before the Net boom, many liberal-arts flakes ended up working in computing because in the Bay Area, that's where the jobs were. And it's a good thing that

former English majors from Cal can go on to become productive members of society working as sys-admins. There are carpetbaggers, yes, but there are also plenty of newcomers who both live and work in the city, and proudly so. Take bike riding, an important measure of good urban citizenship: The Net start-ups are much more bike-friendly (and thus, sensitive to the stressed city infrastructure they are located in) than more established companies. CNet, for example, has space for about one-third of its employees to commute by bike.

But the good dot-com citizens, at least at this point, seem to be in the minority. Take politics. The in-flow of new people into the political process is what a city relies on to keep it vital. But San Francisco's newest arrivals seem utterly disengaged. Admittedly, the city's current mayoral race, an embarrassing three-way battle between a corrupt, out of touch, master-of-machine-politics mayor, a scary, slimy political consultant and a well-meaning anti-charismatic former mayor/cop, doesn't inspire much passion -- nor does the who's-a-bigger-victim identity politics that have dominated much of San Francisco civic discussion for the past decades. But there's a lot more to politics here than that. Besides, what has San Francisco always been but the place where, if you didn't like the politics, you could go out and make some of your own? The late Harvey Milk may have been the first out gay supervisor, but he was a supe for all the city. Jello Biafra was a mayoral candidate.

## **Remembrance of things past: Part 2**

Back in 1981, I attended something called the "Bad Attitude in the Woods Picnic," a get-together in a state-owned redwood grove just north of San Francisco for folks interested in Processed World, a goofball anarcho-situationist publication that was the mother of all zines, focussed on though not limited to critiques of information technology, and whose commentaries on computers, sex, work and play still ring true today. There I met Chris Carlsson, PW's chief instigator, a sly wit of pastiche and a subversive of the best kind. Chris has gone on to be a ringleader for Critical Mass and of "[Shaping San Francisco](#)," a sort of collaborative people's multimedia history of San Francisco, and was co-editor for the City Lights anthology "Reclaiming San Francisco," which contains essays on everything from the lost natural history of the city to the origins of its foodie culture. In other words, Chris is just the sort of

home-grown home-brew rebel-creator who embodies the good wackitude of the city.

Anyway, Chris has just gone through the breakup of his long-term relationship (a child and a mortgage are involved) -- and not only has he had a hard time finding a place to rent, he has no idea where he might be able to buy. He told me he's on a list of potential candidates to get in on a true (as opposed to a product marketing manager's garage with a view) live-work space at Project Artaud, a long-established alternative arts enclave. Only he told me the list of candidates for this affordable space is about 70 people long --- and he was worried that his needed credentials for artist-hood weren't pure enough, never mind how influential his way-early mocking, appropriating, pomo, visual P.W. satires were. Chris made it sound like getting in was about as difficult as getting into one of those co-ops on the Upper East Side of Manhattan (no Jews, entertainers or new money, please). He's a local hero, and he no longer belongs here.

San Francisco was where California cuisine, which kicked off the entire U.S. craze for the fresh, the regional, the free-range, the organic and the eclectic, got started. But the people who can afford to support this are driving it into the ground. Patricia Unterman, longtime food critic and owner of the long-lived and much-loved Hayes Street Grill, wrote in the Examiner that "cooks who have spent \$30,000 and three years on a culinary education can't afford to make \$10 to \$15 hour on a cooking line, which is all most restaurants can pay ... The pool of labor for traditional restaurant jobs gets smaller and smaller as rents escalate. Newcomers to San Francisco are lucky to find a room, even if they are willing to rough it. But what if a cook, a good cook, has been working 10 years in a good restaurant, and he or she wants to start a family?" The result, Unterman writes, is that "cooks rightfully begin to question their future in the profession. They leave cooking because it doesn't pay enough, or they move way out of town or they take another job to supplement their income. Pretty soon, the other job ... designing Web pages, becomes the main job." Demoralized by making less money than almost all of the people they serve, Unterman writes, skilled cooks quit and are replaced by beginners -- and your food isn't as good.

### **Remembrance of things past: Part 3**

My best friend who died of AIDS moved to San Francisco in 1976. It was through his then-girlfriend that I met him back in Wisconsin, for he

was still living as straight. He moved to San Francisco in part because I was around --- and in part, I now realize, because he needed to come out, and San Francisco was where he knew he'd be able to do it. I remember the day we were trying to decide which apartment on Russian Hill he should pick -- the studio or the one-bedroom with the views of Treasure Island and the Bay Bridge and the kitchen with the black-and-white tiles, for the slightly more expensive price of \$300 per month. We had time to decide; I urged him to go for the beauty one. And until he moved back to Madison to die there he remained, in the place where he could sit in his director's chair and brood out the window for hours, drink bad white wine and, when the spirit moved him, paint good pictures and make room-enhancing sculptures. All supported through groveling at tables less than 30 hours a week, which gave him the free time to explore San Francisco --- which in his case meant both its art worlds (he took me to the first performance piece where I saw people wearing black) and its gay worlds (it was at a diner in the Haight where over dinner he finally came out to me because he had finally toppled for someone).

But the dot-com revolution has threatened to destroy the gay community. As Brian Bouldrey wrote in the Bay Guardian, a local alternative paper, "Young people can no longer move to San Francisco to be queer anymore, not unless they have a college education and know how to design a Web site ... The fantasy of San Francisco as a gay paradise is over ... How much does the Web affect the vitality of the gay and lesbian community? ... Face it, gays and lesbians are abandoning 'the community.'"

It's true. A friend who belongs to an organization of gay journalists tells me it can't seem to engage the interest of the younger writers who have jobs with online publications -- they have no political or cultural gay identity and are only interested in their stock options and job-hopping.

It's worth quoting Bouldrey again, because his observations about the corrosive effect of the dot-com lifestyle apply not just to the gay community but to San Francisco as a whole. "Take a head count of all your queer friends who were struggling artists in the late '80s and early '90s. How many of them have adopted the Silicon Valley lifestyle? And have you noticed that the nature of the Silicon Valley lifestyle is perfectly suburban: decentralized, commutable, compartmentalized. Disintermediation ... Getting rid of the go-between describes the success of the Internet. It brings the book to your door so you don't have to walk



all the way down the street to search the shelves ... and to talk to a real person.

"A guy walks into A Different Light bookstore [a famous gay bookstore] with a big list of high-end books ... and asked our clerks to help find them. We were happy to oblige, and when he was finished looking at a dozen or so books, he put them away and the clerk asked, 'So can I help you with a purchase?' The guy said no, he just wanted to look at the books before he bought them from Amazon. We've got news for you, buster: Keep doing that and you aren't going to have any bookstores where you can paw the books."

So what can San Francisco mean, if it's not a place where you can be arty or subversive or living in genteel socialist poverty? Yes, there have always been rich people in San Francisco -- hell, robber barons made San Francisco -- but the point is, there was always room for the rest of us. You could have the backyard, suburban pleasures that are possible in a city that's not built to bulk, a city where well-to-do people lived right next door to people of modest means. Gross class stratifications weren't there. But not anymore. The San Francisco of Sierra Club founder John Muir and Ambrose Bierce; of Kenneth Rexroth, impresario of the alternative without whom there would have been no Beat scene in San Francisco; of the Tubes and the Jefferson Airplane; of R. Crumb and Bruce Connor; the place where Sam Shepard and Allen Ginsberg arguably created their best work; the [great beautiful last-chance saloon](#), the last best hope for those who can't fit in anywhere else -- gone.

Gentrification is a story that's been told many times in many locales -- but the difference is, it happened so *fast* in San Francisco. Yes, boomtown Silicon Valley means money is pouring into the city -- but the city that remains is not San Francisco.

So that's what the Internet has done to San Francisco: given it the devil-or-the-deep-blue-sea choice of becoming either Carmel (its architectural heritage and physical beauty preserved like a dollhouse for the exclusive use of the touristic or the rich) or Hong Kong (economic development above all) or most likely, some hellish convergence of the twain. Or maybe, more accurately, it's becoming the place that seems to be the techno-libertarian idea of the good polis: Singapore with better movies. Business couldn't be better. And real soon now, there will be nothing

troubling on the streets, nothing at all.

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**About the writer**

Paulina Borsook is the author of the forthcoming "Cyberselfish: A critical romp through the terribly libertarian culture of high-tech" (Spring 2000/Public Affairs).

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