# **Bay Area**

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SAN FRANCISCO CHRONICLE AND SFCHRONICLE.COM | Sunday, July 9, 2017 | Section C

# Hotel drought ends in splash "The response has been



Nicole Boliaux / The Chronicle

#### By J.K. Dineen

Developer David O'Keefe expected a decent crowd last month when he held a soft opening reception for his new Hotel Via, across from AT&T Park. He just didn't anticipate people would start wandering in and booking rooms before the hotel's online reservation system had even gone live.

"The response has been over-

Mission Bay's Via leads S.F. wave of 5 new openings set by early 2018

whelming," he said. "We had 60 walk-ins that Saturday night.'

The 159-room Hotel Via, at 138 King St. in Mission Bay, is the first new full-service hotel to open in San Francisco since February 2008, when the 550-room Intercontinental opened next door to Moscone West. It's the first boutique hotel to premiere since Hotel Vitale across from the Ferry Building was completed in

Openings continues on C13

# U.S. agent whose gun fired lethal **bullet IDd**

Steinle's killing on S.F. pier with stolen pistol sparked national immigration furor

#### By Kevin Fagan

The federal officer whose stolen service pistol fired the bullet that killed Kate Steinle in 2015, touching off a national furor over immigration policies, has been identified in court papers as an award-winning Bureau of Land Management ranger based in Southern California.

John Woychowski, 37, has been subpoenaed by the defense to testify in the case against Juan Francisco Lopez-Sanchez, the often-deported Mexican immigrant who is headed for trial on charges of murdering Steinle.

Woychowski, who lives in the small town of Imperial, was traveling through San Francisco Shooting continues on C13



Comics enthusiasts peruse donations at the sale at the Friends of the S.F. Public Library.

### Comic book fans hit sale to benefit libraries in S.F.

#### By Sarah Ravani

Scattered around Ed Minasian's feet were copies of Bat Girl, Wonder Woman and Spider-Man - just a few of the comics he had snatched from boxes haphazardly spread throughout the San Francisco library donation center in Potrero Hill.

After examining each one, he'd glance at a printed spreadsheet to check and see which comics he already owned.

'I've been a collector since I was a little kid," the 50-year-old San Jose resident said. Minasian was one of the dozens of comic

Comics continues on C3

Lorenzo Maurer, general manager of San Francisco Proper, stands on the hotel's roof. It will open Aug. 14.

## Long drought of new hotels in S.F. ends with 5 units

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2005.

But it's not going to be the last new hotel to open in 2017, or even this summer. After a long drought, San Francisco is in the midst of a mini-wave of five hotel openings.

On Aug. 14, Proper Hotels will open the 131room San Francisco Proper at 45 McAllister St., the first in a chain that will include hotels in Los Angeles, Santa Monica and Austin, Texas. Toward the end of the year. two more hotels will open: the 196-room Virgin Hotel at 250 Fourth St. and the 203-room Yotel at 1095 Market St. In early 2018, Mission Bay will get a second new hotel, a Marriott across Mission Creek from China Basin that will have 250 rooms.

In contrast to the convention-oriented behemoths that opened in the 1980s and 1990s - the San Francisco Marriott Marquis, opened in 1989, has 1,362 rooms — the new hotels are smaller and focused on tapping into the neighborhood vibrancy that makes the city so popular with tech workers, rather than Moscone Convention Center busi-

"If you look at the brands coming in, they weren't around five years ago and they are locating in places where a lot of tech firms are located,' said John Reyes, chief sales officer for the San Francisco Travel Association. "These properties are all about the next generation of traveler and really support what defines San Francisco as a center of innovation and tech.

The San Francisco Proper, built in the historic flatiron shell of the old

Shaw Hotel, will probably have the biggest neighborhood impact. With four eating and drinking venues, including a roof top bar, the hotel could transform a stretch of Market Street that has long been a magnet for people selling drugs and stolen goods.

Hotel consultant Rick Swig predicted San Francisco Proper will be "the hippest and most happening place in town and the place where Millennials will want to stay." The energy around the hotel will stimulate "more positive street life" and help "legitimize" the Mid-Market neighborhood, where several restaurants have failed even as it became a tech hub when companies like Twitter and Dolby moved

The average room rate will be about \$400, with suites going for more than \$800 and small bunkrooms for closer to \$250. Proper Hotels partner Alex Samek said tech firms in the neighborhood are already inquiring about booking rooms and space for events, but that the Proper is not going after any particular demographic. "We are looking for

people who appreciate style, who appreciate culture, who appreciate design," Samek said, "the type of people who want to be culturally connected to the city and the neighborhood that they are visiting."

Seventh and Market will get a second hotel when Yotel opens toward the end of the year. Yotel is heavy on technology robotic concierges that will store luggage if a room isn't available vet and features pint-size rooms called "cabins."





Top: A worker outside the San Francisco Proper at 45 McAllister St. Above: Alex Samek, Proper Hotels partner, in a suite at the next hotel to open.

Restaurateur Daniel Patterson will open a spinoff of his Alta CA on the ground floor.

Swig said it's less clear how Yotel will do, although having the two hotels across the street from one another should help both properties.

"We don't know if it's going to be the budget traveler or the minimalist hipster," said Swig. "It's going to be one or the other. Not the traditional business traveler. Not the meeting or convention traveler.

The burst of proposed hotels is being motivated by a strong hospitality market combined with the political uncertainties of building housing and office structures. In 2016, the city posted an average hotel rate of more than \$276 per night, with occupancy at 87.6 percent, according to the San Francisco Center for Economic Development. The average rate has climbed steadily since 2010 when it was \$135 a night.

Meanwhile, the yearlong debate over affordable housing requirements has put a cloud over residential building, while the city's cap on the amount of commercial space that can be approved in a given year makes office buildings an iffy alternative.

The opening of two Mid-Market hotels come as the city's development pipeline is full of proposed hotel projects. In the past 18 months applications have been filed for 11 hotels totaling 1,808 rooms - that's on top of the 12 hotels with more than 4,000 rooms already working their way through the city's approval process. Most of these projects are South of Market — along Fifth, Harrison, Howard and Townsend streets.

While some of the proposals call for jumbo hotels - 480 rooms at 350 Second St., for example the ones most likely to actually get built are

smaller niche products like the ones set to open in Mission Bay and Mid-Market, Swig said.

"There still is no financing for major new construction for hotels, and the big ones still don't pencil out," said Swig. 'Hotels are still the riskiest thing going in real estate development."

But after a decade of nothing, those that can pull it off may be rewarded. San Francisco Proper General Manager Lorenz Maurer, a veteran of the boutique hotel pioneer Ioie de Vivre, said that the rooms at the Proper ar getting booked fast.

"All our clients have been waiting a long time for something new and exciting," said hotel manager Lorenz Maurer. "In New York there is a hotel opening every three months and here, nothing whatsoever."

Reyes at S.F. Travel said that Millennials will overtake Baby Boomers as the largest group of travelers.

"Everybody is trying to figure out what the new traveler is looking for," Reyes said. "What we are finding is people are looking for an urban experience. They want to be in places where you can step outside and feel like part of the neighborhood."

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