

## Condos struck by Magic

Hoops legend, Brian Spiers won't play the rental game

BY J.K. DINEEN

San Francisco Business Times

Developer Brian Spiers is teaming up with basketball legend Magic Johnson's Canyon Johnson Urban Funds on a 115-unit housing project on Upper Market Street that will likely be under construction this spring.

The San Francisco project at 1998 Market St., the site of a defunct gas station, is being designed by Arquitectonica and is one of the few Bay Area developments being built as condominiums, rather than rental units. The hard construction costs will be \$35.5 million. Spiers bought the site in 2006 for about \$10 million. Canyon Johnson and Spiers are finalizing a construction loan with Wells Fargo.

"We have paid for and pulled our site permit, demolition permit, and filed our foundation plan," said Spiers. "We believe construction will start within 30 days."

The project is the first large housing development that was entitled as part of

the city's Market Octavia plan, a rezoning that allowed for higher housing density along Upper Market Street and along the Octavia Boulevard parcels that were freed up when the Central Freeway was torn down nearly a decade ago.

In addition to 1998 Market St., Spiers and Canyon Johnson are going forward with 1600 Market St., a 24-unit project, which will satisfy the affordable housing requirement for the 1998 Market project. Under the city's affordable housing ordinance, 15 percent of a project's units must be affordable to low-to moderate-income households, a requirement that rises to 20 percent if a developer chooses to build the affordable portion off-site. Both parcels of land were transferred into a joint venture with Spiers and Canyon Johnson. Cahill is the general contractor on both projects. Forum Design is the architect on the affordable development.

Marti Page, a vice president with Canyon Johnson, said they had been "scouring the San Francisco market for the right project in the right location with the right developer."

"We got comfortable with the project because there is no other product like it," said Page. "It is striking from an architectural standpoint and unique because it's for-sale condos on an exciting Market Street corridor."

Chris Foley of Polaris Group, who helped entitle the project, is doing marketing and sales on the development.

The units will include a mix of small one-bedrooms targeting first-time home buyers and larger penthouses. Pricing has not been set.

"We anticipate hitting the market at a time when there will be very limited new



**Moving ahead:**  
Developer  
Brian Spiers.

### SAN FRANCISCO PIPELINE

Housing under construction:

Address	Units
1401 Market St.	750 units
1169 Market St.	417 units
425 China Basin	329 units
333 Harrison St.	326 units
900 Folsom St.	269 units
2235 Third St.	196 units
1800 Mission St.	194 units
1285 Sutter St.	106 units
178 Townsend St.	94 units

product out there, especially in established neighborhoods such as we are in. Nobody has come out and said they are going condo — everybody else is going rental," said Spiers, who grew up in the Sunset District.

Spiers and Page said Arquitectonica's curtain-wall glass design would stand out in a neighborhood where most new construction has been boxy stucco architecture with bay windows.

"You see modern curtain-wall buildings like this downtown and in Mission Bay, but you don't see them in neighborhoods like ours on Market Street," said Spiers.

The project is across the street from Prado Group's 80-unit rental project, which will include a Whole Foods market on the ground floor and soon begin construction.

The building, which sits on a sloped site, will have 5,800 square feet of ground-floor retail and two public roof decks on the ninth floor. Construction will take 18 months and the sales office will open in 12 to 14 months.

"It's tremendously satisfying — I am happy we were able to keep the design intact," said Spiers. "San Francisco needs more distinctive architecture and design than we have seen, especially along important streets like Market Street."



**Fill 'er up:** Arquitectonica is designing the 115-unit project that will fill a former gas station site.

COURTESY SPIERS CONSTRUCTION