



Intermission at Fine Arts

It's hard to believe that the Fine Arts Cinema only has been in business about four years. For the significant impact it's made on the Bay Area specialized-film scene, the movie theater would seem to have been there forever. In the time since Keith Arnold, Emily Charles, and Josephine Scherer first opened the doors of their homey repertory art house on a drowsy block of downtown Berkeley in January of 1998, the Fine Arts has become a Berkeley institution, a beacon for the film-crazy, a scruffy monument to noncommercialism in an increasingly crass entertainment landscape, a place where bohemians and multiplex refugees could watch hand-painted shorts, rare silent pics, dance film fests, and the complete works of such auteurs as Hal Hartley and Jean-Luc Godard while sipping coffee beneath homemade posters.

BY
KELLY
VANCE

But all that is about to change. The Fine Arts will close Sunday night, June 30, after the last showing of Lotte Reiniger's hypnotic 1926 animated fantasy, *The Adventures of Prince Achmed* — the same film that opened the Fine Arts in 1998. The old structure (in earlier incarnations a porno house and Bombay cinema) will be torn down. And if all goes well, a brand-new Fine Arts will magically appear in more or less the same location, probably by June of 2004, with a full-sized state-of-the-art auditorium plus a gallery, a museum and performance space, a cafe, and a hundred-seat screening room.

The new, improved Fine Arts is part of a proposed five-story, hundred-living-unit, mixed-use project by Berkeley developer Patrick Kennedy and his company Panoramic Interests. For the Fine Arts, partnership with Kennedy means a ticket to the film buffs' promised land: a 7,000-square-foot space with 24-foot ceilings (compared to the current 20) in the auditorium and lobby, which will occupy the ground-floor center of the new Fine Arts Building; a versatile space for Arnold's Cinema Preservation Society and its screening room and museum; the Newsreel Cafe, a movie-themed snack shop operated by the folks from nearby La Note restaurant; and a twenty-year lease on the above. In other words, a true Cinema Paradiso.

One might assume that the sometimes-controversial Kennedy is benefiting from having an arts organization as the project's centerpiece in order to avoid certain zoning restrictions on the new project, as he did in



the case of the Gaia Building in Berkeley. But Kennedy says that's not the case. "It was already zoned for a 65-foot-tall building," he says of the property. "There are obvious public-relations benefits, but we didn't get any economic benefit at all." Rather, Kennedy says the Fine Arts complex is part of his oft-stated wish to make Berkeley "a West-Coast Greenwich Village."

Keith Arnold buys that proposition. "He believes arts animate a neighborhood. They enhance the value of his properties, and Kennedy has been on the forefront of getting the most out of his projects," he says. "He could have turned our proposal down, you know. He's certainly not following the money on this; it could just as easily have been a shoe store instead of us." Arnold wouldn't disclose how much rent he'll be paying ("We have a promise that we're going to be paying essentially the same rent we always have"), but he's clearly happy. "We've already got the theater designed, and it's the one we wanted. The city wants this to happen. The zoning board passed it unanimously with one condition: that the theater must be the same size. With our architect, Harvey Hacker, we've been able to design the theater from the ground up. It'll have elevation changes, including an eighty-seat loge area."

The ambitious scope of the new movie complex comes into focus more fully when discussing the Cinema Preservation Society, a separate nonprofit organization that will act as a curator, programmer, and presenter for the Fine Arts, as well as other theaters. In spinning off the Society from the Fine Arts, Arnold is following a trend among the

dwindling few remaining independent repertory exhibitors — going nonprofit as a shelter from the marketplace. Says Arnold of the gambit, which has been put forth as a panacea for ailing rep houses like SF's Roxie Cinema: "It sure can't hurt." Under Arnold's plan, the Fine Arts Cinema itself will remain for-profit, while the non-profit Cinema Preservation Society, a separate company which will in some cases rent the Fine Arts for its riskier, less commercially viable events, will take advantage of public funding and grants in its efforts to champion worthy noncommercial films.

Arnold sees the Society's role as threefold: presentation of worthwhile films; preservation, in the sense of programming rare films that have undergone technical preservation; and interpretation of noncommercial films through ancillary events such as live music and filmmaker appearances. "It legitimizes our information base and access to scarce film," says Arnold. The Cinema Preservation Society will have its own offices in the new building, alongside a small screening room and a gallery space for ambient projections and installations, including large-scale paintings of classic theater interiors by artist Yoshiro Yoda of New York. Arnold even envisioned a scenario in which the Society could rent a living unit in the new building for a filmmaker-in-residence.

When it opened in 1998, the Fine Arts' quirky bill of fare hit a bull's-eye in the movie-mad East Bay market, midway between the rambunctiousness of the now-defunct UC Theatre and the academic comprehensiveness of the Pacific Film Archive.

This booth is made for walkin': Josephine Scherer, Emily Charles, and Keith Arnold of the Fine Arts Cinema.

Arnold and his partners play down talk of competition ("Not one of us can do it all," says Arnold), but with the Fine Arts' new prominence, added to the established luster of the PFA, Berkeley will be able to lay claim to being the film fanatics' Mecca of Northern California.

In the meantime, there's the two-year hiatus, which will take the three Fine Arts principals down diverging paths. Veteran union projectionist Josephine Scherer, who is continuing as the Fine Arts' technical director, now concerns herself with matters such as the number of seats in the new house, fire laws, and building codes. "Up to 299 seats, it's one set of rules," reckons Scherer. "More than 299, it's another whole set of rules. One of the things we were obligated to provide in the new space is just as many seats as we had before, so we know we'll at least have that. I'd rather have fewer seats but better ones." Emily Charles is quitting the movie game, at least until she explores the feasibility of opening a New Orleans restaurant in Sendai, Japan, where she spent time before. Charles, who has always championed silent films and the work of women and minority directors, seems a bit discouraged by the weightlessness of showbiz in the age of *Harry Potter* and *Spider-Man*: "The audience is not quite as adventurous as I'd hoped. I feel better about leaving now. I talk to a lot of people all over the country and it's the same everywhere. I think we're living in a conservative time."

THE FOUNTAIN OF YOUTH
Directed by Orson Welles
MAGNOLIA
Directed by Paul Thomas Anderson
Thursday, June 20 through June 25
THE ADVENTURES OF PRINCE ACHMED
Directed by Lotte Reiniger
Wednesday, June 26 through June 30
THE SHORT AND SHORTER OF IT
Friday, June 28.

FOR THE FINE ARTS,
PARTNERSHIP WITH
PATRICK KENNEDY
MEANS A TICKET
TO THE FILM BUFFS'
PROMISED LAND.

2602
Howie Muir has appealed two and 3 other projects in Berkeley. I would be grateful for your support in putting an end to these frivolous efforts.
P. Kennedy 2885



BAY AREA

Home prices outstrip economy

The economy is flat on its back, and Bay Area real estate prices are reaching for the stars.

This should be an alarm signal to our local governments to approve as quickly as possible as much new housing as possible. If current behavior is a fair indicator, the signal is likely to go unheeded.

A bad economy is supposed to mean that people have less money. Less money is supposed to mean that fewer people can afford



MARK SIMON

to buy homes. Fewer people buying homes is supposed to mean a drop, or at least a leveling off, of

the price of a house.

And yet.

This week, DataQuick Information Systems in La Jolla (San Diego County) reported that the housing prices in the Bay Area rose 9 percent in May, compared with May 2001.

In the Bay Area, the median price of the American dream — a single-family, detached house we can call home — is \$439,000.

Meanwhile, the Bay Area un-

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employment rate was 5.6 percent in May, which is actually down from the 5.8 percent recorded in April. That's because 10,700 people simply left the workforce — they stopped looking for jobs in the Bay Area.

Throughout the region, unemployment has doubled — in some cases tripled — since 2000.

The odd juxtaposition of the two can mean only one thing — the housing shortage in the Bay Area is so severe that it is unaffected by a downturn in the economy.

While none of us should be surprised at the housing market's latest prices, they still are a shock.

The median price of a single-family home on the Peninsula is \$574,000.

For \$1,000 more, you can get a 56-year-old, 1,100-square-foot, 3-bedroom, 1-bath home in the Sunnybrae neighborhood of San Mateo, east of the railroad tracks, about six blocks from the freeway sound wall.

The house is described in the optimistic real estate flyer as a Tudor. It's not a Tudor, it's tiny. One of the bedrooms is so small that if you put in a bed and a dresser, you'd have trouble turning around.

Buy the home for \$575,000 and the first thing you'll want to do is add on.

It's a measure of how things are that this home — built for blue-collar workers after World War II — seems like a pretty good deal. Nice home. A little room to expand. Good neighborhood.

In reality, it should cost about \$150,000.

In San Carlos, on the hills above the city's downtown neighborhood, \$575,000 gets you a nice little box — a 49-year-old, 910-square-foot, 2-bedroom, 1-bath house.

The principal feature of the home is a redwood deck off the front room with a sweeping view of the Bay Area.

The real estate flyer says the lot is 6,400 square feet, but most of it is on a steep hill. A brick retaining wall in the patio shows the strains and buckling of being moved by the hill.

Jerry Terhorst, 40, bought the house three years ago for \$315,000. A chemist at biotech firm Gilead Science, he cashed in his stock options when they were still worth something.

He refinished the wood paneling and the hardwood floors, re-faced the cabinets, upgraded the kitchen, built on the deck and then bought a 2,200-square-foot home in Redding. He paid \$250,000. It has a three-car garage and a swimming pool.

The price of his San Carlos home "is gross," Terhorst admitted. "On the other hand, people will pay it, and they want to live here."

The problem with these houses, and with virtually any house you might buy in the Bay Area, is that they're not worth the value placed upon them.

That means the housing crisis could become a genuine economic crisis.

It's already a crisis of public policy.

Ask builders and they'll tell you the same thing — the problem lies with local governments that don't seem to comprehend how their communities are being damaged by the absence of housing stock.

Cities don't plan for housing, they block it. They are wedded to general community plans that are three decades and four economic booms out of date.

Builders are told by city officials that they want high-density housing. But every project goes through a bureaucratic meat-grinder and comes out smaller and often uglier. Smaller means more expensive, of course.

Here's what builders will tell you has to be done:

Cities have to decide where they want housing, not for next year, but the next 30 years. They have to be ready to put it in places they never thought of before.

Cities have to decide how high they want the housing and in what density.

Most importantly, they have to decide that this is good for their community, despite the protestations of a small, vocal group of residents who will always complain.

"It is obscene," said Terhorst, who even as he tries to sell his house is puzzled by what is happening to the housing market.

"It drives people away. It skews a community's demographics."

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