



OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

Legacy Business Registry Staff Report

HEARING DATE MARCH 11, 2019

BI-RITE MARKET

Application No.: LBR-2018-19-009
Business Name: Bi-Rite Market

Business Address: 3639 18th Street and 550 Divisadero Street

District: District 8 (and District 5)
Applicant: Sam Mogannam, Founder

Nomination Date: September 7, 2018

Nominated By: Supervisor Rafael Mandelman

Staff Contact: Richard Kurylo

legacybusiness@sfgov.org

BUSINESS DESCRIPTION

Bi-Rite is a full-service grocery store founded in 1940 at 3639 18th Street in the Mission District between Dolores and Guerrero streets. The market was originally built and operated by brothers Bill and Joe Cordano, and it has been in the Mogannam family since 1964 when immigrant brothers Jack and Ned Mogannam bought the business and the building.

Bi-Rite Market is now owned by Sam Mogannam, the second generation of Mogannams to operate the market. The store was a pioneer in the farm-to-grocery store movement. Sam re-envisioned the market's experience. He installed a kitchen in the center of the store, creating a new type of grocery store that had never been seen in San Francisco before. It offered fresh, farm-direct foods, freshly-cooked, and served with the hospitality of a restaurateur. The re-envisioned market was an instant success, eventually growing from its original staff of six to 90 people today. Under Sam's direction for the past 20 years, Bi-Rite has become a family of businesses, creating hundreds of jobs, providing small food producers an opportunity to grow their businesses and being committed to a mission of Creating Community through Food, by teaching, feeding and giving back to the community.

In 2013, Sam, along with business partner, Calvin Tsay, opened a second Bi-Rite Market at 550 Divisadero Street in the historic Alamo Square district of the Western Addition. At 3,000 square feet, this market was slightly bigger than the original, but still contained within an art deco building that was an original Safeway in the 1930s. Later in 2013, the company expanded into the Bayview District, adjacent to the SF Wholesale Produce Market, by opening a commissary and catering kitchen. The most recent addition to the Bi-Rite Family of Businesses is the Bi-Rite Cafe at Civic Center Plaza which opened in October 2018. Today, the company employs 350 staff members. Because each of the Bi-Rite businesses have different Employer Identification Numbers (EINs) as they all have different ownership structures, it is only the markets at 3639 18th Street and 550 Divisadero Street that would be listed on the Legacy Business Registry.

CRITERION 1: Has the applicant operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years?





CITY AND COUNTY OF SAN FRANCISCO LONDON N. BREED, MAYOR

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

Yes, the applicant has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years:

3639 18th Street from 1940 to Present (79 years) 550 Divisadero Street from 2013 to Present (6 years)

CRITERION 2: Has the applicant contributed to the neighborhood's history and/or the identity of a particular neighborhood or community?

Yes, the applicant has contributed to the Mission and Alamo Square neighborhoods' history and identity.

The Historic Preservation Commission recommended the applicant as qualifying, noting the following ways the applicant contributed to the neighborhood's history and/or the identity of a particular neighborhood or community:

- Bi-Rite Market is associated with the farm-to-grocery tradition.
- Bi-Rite Market has contributed to the history and identity of San Francisco.
- The 18th Street property has a Planning Department Historic Resource status of "A" (Known Historic Resource) due to the conclusion that the building is individually architecturally significant. The building was found to be individually significant under California Register of Historical Resources Criterion 3 (Architecture/Design) during the Inner Mission North Historic Resource Survey. It exhibits physical designs, features, materials, and/or craftsmanship that embody the distinctive characteristics and high artistic expression of "Moderne" commercial architecture from the mid-20th century period. Notably, the storefront was included in Michael Crowe's book Deco by the Bay, published in 1995 (Viking Studio).
- The Divisadero Street property has a Planning Department Historic Resource statues of "B" (Properties Requiring Further Consultation and Review). The building, constructed in 1931, was surveyed in the Planning Department's Neighborhood Commercial Buildings Survey and found not to be architecturally significant. However, the building is a notable structure in the Art Deco style, and Sam Mogannam restored the façade, opening the transom windows and restoring the glazed tile.
- Bi-Rite has been featured extensively in news articles, in videos and on the radio. A complete list titled "Bi-Rite in the News" is included in their Legacy application. The Bi-Rite Family of Businesses has been a Certified B Corp since 2015 and was recognized as a B Corp Best of the World 2018 Honorees for Community, which means the company scored in the top 10 percent of all B Corps on the Community portion of the B Impact Assessment. The assessment includes criteria in supplier relations, diversity and involvement in the local community. In addition, Bi-Rite has been a SF Certified Green Business since 2012.
- Recent awards for Bi-Rite Market include the following:
 - Food Business of the Year, Community Alliance with Family Farmers, 2018
 - Hall of Fame Inductee, San Mogannam, Specialty Food Association, 2018
 - Best Flower Shop, SF Weekly, 2018
 - Leadership Award for Community Citizenship, Specialty Food Association, 2018
 - ➤ Healthy Mothers Workplace Award for Excellence, San Francisco, 2014, 2017, 2018 (and possibly 2015 and 2016)
 - > Forbes Small Giants, 25 Best Small Companies, 2016





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- Livability Innovator in Sustainable Business, Livable City, 2015
- Community Champion, SF Chamber of Commerce, 2014
- Citizenship Award, Specialty Food Association, 2014

CRITERION 3: Is the applicant committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms?

Yes, Bi-Rite Market is committed to maintaining the physical features and traditions that define the organization.

HISTORIC PRESERVATION COMMISSION RECOMMENDATION

The Historic Preservation Commission recommends that Bi-Rite Market qualifies for the Legacy Business Registry under Administrative Code Section 2A.242(b)(2) and recommends safeguarding of the below listed physical features and traditions.

Physical Features or Traditions that Define the Business:

- 18th Street and Divisadero Street storefronts, including tile bulkheads.
- 18th Street interior light features.
- 18th Street neon sign.
- Farm-to-table produce and direct sourcing.
- · Celebration of craft and heritage.
- · Passionate and well-trained staff.
- Mission to "create community through food."

CORE PHYSICAL FEATURE OR TRADITION THAT DEFINES THE BUSINESS

Following is the core physical feature or tradition that defines the business that would be required for maintenance of the business on the Legacy Business Registry.

· Grocery store.

STAFF RECOMMENDATION

Staff recommends that the San Francisco Small Business Commission include Bi-Rite Market currently located at 3639 18th Street and 550 Divisadero Street in the Legacy Business Registry as a Legacy Business under Administrative Code Section 2A.242.

Richard Kurylo, Program Manager Legacy Business Program







OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

Small Business Commission Draft Resolution

HEARING DATE MARCH 11, 2019

BI-RITE MARKET

LEGACY BUSINESS REGISTRY RESOLUTION NO.

Application No.: LBR-2018-19-009
Business Name: Bi-Rite Market

Business Address: 3639 18th Street and 550 Divisadero Street

District: District 8 (and District 5)
Applicant: Sam Mogannam, Founder

Nomination Date: September 7, 2018

Nominated By: Supervisor Rafael Mandelman

Staff Contact: Richard Kurylo

legacybusiness@sfgov.org

ADOPTING FINDINGS APPROVING THE LEGACY BUSINESS REGISTRY APPLICATION FOR BI-RITE MARKET, CURRENTLY LOCATED AT 3639 18TH STREET AND 550 DIVISADERO STREET.

WHEREAS, in accordance with Administrative Code Section 2A.242, the Office of Small Business maintains a registry of Legacy Businesses in San Francisco (the "Registry") to recognize that longstanding, community-serving businesses can be valuable cultural assets of the City and to be a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success; and

WHEREAS, the subject business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years; or

WHEREAS, the subject business has operated in San Francisco for more than 20 years but less than 30 years, has had no break in San Francisco operations exceeding two years, has significantly contributed to the history or identity of a particular neighborhood or community and, if not included in the Registry, faces a significant risk of displacement; and

WHEREAS, the subject business has contributed to the neighborhood's history and identity; and

WHEREAS, the subject business is committed to maintaining the physical features and traditions that define the business; and

WHEREAS, at a duly noticed public hearing held on March 11, 2019, the San Francisco Small Business Commission reviewed documents and correspondence, and heard oral testimony on the Legacy Business Registry application; therefore





CITY AND COUNTY OF SAN FRANCISCO LONDON N. BREED, MAYOR

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

BE IT RESOLVED that the Small Business Commission hereby includes Bi-Rite Market in the Legacy Business Registry as a Legacy Business under Administrative Code Section 2A.242.

BE IT FURTHER RESOLVED that the Small Business Commission recommends safeguarding the below listed physical features and traditions at Bi-Rite Market:

Physical Features or Traditions that Define the Business:

- 18th Street and Divisadero Street storefronts, including tile bulkheads.
- 18th Street interior light features.
- 18th Street neon sign.

Absent -

- Farm-to-table produce and direct sourcing.
- Celebration of craft and heritage.
- Passionate and well-trained staff.
- Mission to "create community through food."

BE IT FURTHER RESOLVED that the Small Business Commission requires maintenance of the below listed core physical feature or tradition to maintain Bi-Rite Market on the Legacy Business Registry:

• Grocery store.

I hereby certify that the foregoing Resolution was March 11, 2019.	as ADOPTED by the Small Business Commission on
	Regina Dick-Endrizzi Director
RESOLUTION NO.	
Ayes – Nays – Abstained –	







OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

Legacy Business

Application No :

Application Review Business Registry Sheet

Business Name:	Bi-Rite Market					
Business Address:		ເ eet (and 550 D	Nivisadoro	Stroot)		
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District:	District 8 (and	,				
Applicant:	Sam Moganna	•				
Nomination Date:	September 7,	2018				
Nominated By:	Supervisor Ra	afael Mandelma	an			
CRITERION 1: Has the break in San Francisco						vith no No
3639 18th Street from 1	940 to Present (79)	(Aars)				
550 Divisadero Street fr	` ,	,				
CRITERION 2: Has the particular neighborhood				history a	ind/or the ide	entity of a
CRITERION 3: Is the ap define the business, inc	-	•				ons that No
NOTES: N/A						
DELIVERY DATE TO H	IPC: January 23, 20	19				

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Richard Kurylo Program Manager, Legacy Business Program





RAFAEL MANDELMAN

September 7, 2018

Re: Nomination of Bi-Rite Market to the Legacy Business Registry

Dear Director Regina Dick-Endrizzi:

I'm writing to nominate Bi-Rite for the Legacy Business Registry. Located on 18th Street, just a block from Dolores Park, the market has been in continuous operation since 1940 and has been run by the Mogannam family since 1964.

When Sam Mogannam took over in 1997, he created a new type of grocery store that had not been seen before in San Francisco, installing a kitchen in the center of the store and offering fresh, farm-direct foods. Residents were delighted to have a nearby market stocked with healthy, convenient foods and a friendly, neighborhood atmosphere. Every weekend, neighbors and visitors flock to Bi-Rite to purchase delicious foods for a Dolores Park picnic.

The Bi-Rite company significantly contributes to San Francisco's economy with its multiple grocery locations, Creamery and successful catering business. The company now employs a total of 340 staff members, creating good jobs and providing a suite of benefits including medical, retirement and profit sharing.

In the last two decades, Bi-Rite has supported hundreds of local, San Francisco organizations including the Women's Building, Mission High School and the Harvey Milk Civil Rights Academy. Sam and the Bi-Rite team also co-founded 18 Reasons, a nonprofit community cooking school also located on 18th Street which teaches more than 6,000 Bay Area residents every year how to shop, cook and enjoy good food.

Given its enduring presence in the Mission District, its commitment to providing healthy food to the community and its record of giving back to neighborhood non-profits, I strongly believe that this business would benefit greatly from being a part of San Francisco's Legacy Business Registry. I thank you for your consideration.

RYM

Rafael Mandelman Member, San Francisco Board of Supervisors

Legacy Business Registry

Application

Section One:

Business / Applicant Information. Provide the following information:

- The name, mailing address, and other contact information of the business;
- The name of the person who owns the business. For businesses with multiple owners, identify the person(s) with the highest ownership stake in the business;
- The name, title, and contact information of the applicant;
- The business's San Francisco Business Account Number and entity number with the Secretary of State, if applicable.

NAME OF BUSINESS:						
Bi-Rite Market	,		•			
BUSINESS OWNER(S) (identify the per-	son(s) with the highes	t ownership sta	ke in	the business)		
Sam Mogannam						
CURRENT BUSINESS ADDRESS:		TE	LEPH	ONE:		
3639 18th St		((4	15))2	241-9760		
San Francisco, CA 94110		EM	EMAIL:			
WEBSITE:	FACEBOOK PAGE:		(1000 (1000)	YELP PAGE		
www.biritemarket.com	facebook.com/biritemarket		ket	https://www.yelp.com	n/biz/bl-rite-market-san-francisco	
APPLICANT'S NAME						
Sam Mogannam				✓	Same as Business	
APPLICANTS TITLE				Ölder gerise verteins		
Founder						
APPLICANT'S ADDRESS:			TELEPHONE:			
				,		
		1	EMAII	L;		
SAN FRANCISCO BUSINESS ACCOUN	T NUMBER:	SECRETARY	OF ST	TATE ENTITY N	UMBER (if applicable):	
401119 C27259		C2725944	944			
		•				
OFFICIAL USE: Completed by OSB Size	ff	ontro and continue to the	ATE C	E NOMINATION	1	
NAME OF NOMINATOR:		E)	ى كىلىم	JE INCHMINATION		

Section Two:

Business Location(s).

List the business address of the original San Francisco location, the start date of business, and the dates of operation at the original location. Check the box indicating whether the original location of the business in San Francisco is the founding location of the business. If the business moved from its original location and has had additional addresses in San Francisco, identify all other addresses and the dates of operation at each address. For businesses with more than one location, list the additional locations in section three of the narrative.

ZIP CODE:	START DATE OF BUSINESS		
94110	1940		
DATES OF OPE	DATES OF OPERATION AT THIS LOCATON		
1940 to curr	1940 to current		
ZIP CODE:	DATES OF OPERATION		
04447	Start: March 2013		
94117	^{End:} current		
ZIP CODE:	DATES OF OPERATION		
	Start:		
	End:		
ZIP CODE:	DATES OF OPERATION		
	Start:		
	End:		
ZIP CODE:	DATES OF OPERATION		
	Start:		
	End:		
ZIP CODE:	DATES OF OPERATION		
	Start:		
	End:		
ZIP CODE:	DATES OF OPERATION		
	Start:		
	End:		
	94110 DATES OF OPE 1940 to curr ZIP CODE: ZIP CODE: ZIP CODE: ZIP CODE: ZIP CODE:		

Section Three:

Disclosure Statement.

San Francisco Taxes, Business Registration, Licenses, Labor Laws and Public Information Release.

This section is verification that all San Francisco taxes, business registration, and licenses are current and complete, and there are no current violations of San Francisco labor laws. This information will be verified and a business deemed not current in with all San Francisco taxes, business registration, and licenses, or has current violations of San Francisco labor laws, will not be eligible to apply for the Business Assistance Grant.

In addition, we are required to inform you that all information provided in the application will become subject to disclosure under the California Public Records Act.

Please read the following statements and check each to indicate that you agree with the statement. Then sign below in the space provided.

I am authorized to submit this application on behalf of the business.

I attest that the business is current on all of its San Francisco tax obligations.

I attest that the business's business registration and any applicable regulatory license(s) are current.

I attest that the Office of Labor Standards and Enforcement (OLSE) has not determined that the business is currently in violation of any of the City's labor laws, and that the business does not owe any outstanding penalties or payments ordered by the OLSE.

I understand that documents submitted with this application may be made available to the public for inspection and copying pursuant to the California Public Records Act and San Francisco Sunshine Ordinance.

l hereby acknowledge and authorize that all photographs and images submitted as part of the application may be used by the City without compensation.

I understand that the Small Business Commission may revoke the placement of the business on the Registry if it finds that the business no longer qualifies, and that placement on the Registry does not entitle the business to a grant of City funds.

Sam Mogannam	1/21	/19
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Name (Print):

Date:

Signature

BI-RITE MARKET Section 4: Written Historical Narrative

CRITERION 1

a. Provide a short history of the business from the date the business opened in San Francisco to the present day, including the ownership history. For businesses with multiple locations, include the history of the original location in San Francisco (including whether it was the business's founding and or headquartered location) and the opening dates and locations of all other locations.

Built in 1940, Bi-Rite has been a fixture at 3639 18th Street in the Mission District for nearly 80 years. Originally built and operated by brothers Bill and Joe Cordano, the market has been in the Mogannam family since 1964 when immigrant brothers Jack and Ned Mogannam bought the business and the building. Bi-Rite Market has been in continuous operation since it opened, serving the neighboring community with fresh food, staples, and warm, knowledgeable service.

The building's classic art deco façade features the original glazed tiles and the original back-lit recessed neon light that has become the signature logo for the entire Bi-Rite Family of Businesses. The façade has been photographed numerous times and featured in many national and international publications. Most notably, the storefront was included in Michael Crowe's book *Deco by the Bay*, published in 1995 (Viking Studio).

Bi-Rite Market is now owned by Sam Mogannam, the second generation of Mogannams to operate the market. Sam started working in the market as a child. Like many children of immigrants, he grew up learning how to be a successful entrepreneur. After graduating from high school, Sam attended Hotel and Restaurant Management School at SF City College, eventually becoming a chef and owning his own restaurant in San Francisco's financial district from 1991-1998. Meanwhile, during that time, the Bi-Rite Market business was sold out of the Mogannam family's hands as the elder brothers wanted to retire and had no apparent successor. Sam eventually came back to the family business in the fall of 1997 when the interim owner fell ill and needed to sell the business. Fortunately, the Mogannam family had retained the real estate, which made it easier for the family to acquire the business.

Once Sam took over, he re-envisioned the market's experience. He installed a kitchen in the center of the store, creating a new type of grocery store that had never been seen in San Francisco before. It offered fresh, farm-direct foods, freshly-cooked, and served with the hospitality of a restaurateur. The market was an instant success, eventually growing from its original staff of six to 90 people today. Under Sam's direction for the past 20 years, Bi-Rite has become a family of businesses, creating hundreds of jobs, providing small food producers an opportunity to grow their businesses, and being committed to a mission of *Creating Community through Food*, by teaching, feeding, and giving back to the community.

It was the original market on 18th Street that created the platform for Sam to spawn off several new businesses and ventures. Bi-Rite Creamery, located across the street, opened in 2006 and was San Francisco's first ice cream shop to use local, organic dairy from the Straus Family, which is just 45 miles away. The Creamery inspired a new generation of ice cream makers around the city with its commitment to organic ingredients and creative, signature flavors like salted caramel and balsamic strawberry. With lines wrapped around the block, the Creamery is a model business creating a space for all generations and cultural backgrounds, and for people from all over the world, to come together and share delicious ice cream.

In 2008, Sam Mogannam co-founded 18 Reasons, a nonprofit community cooking school that teaches over 3,000 students per year in its classroom on 18th Street, just next door to Bi-Rite Creamery. The mission of 18 Reasons is to empower the community with confidence and creativity needed to buy, cook, and eat good food every day. In addition, 18 Reasons partners with organizations in underserved communities throughout the Bay Area to teach another 3,000 students annually about nutrition and basic cooking through a free program called Cooking Matters. The classes are taught to children, adults and seniors, both in English and in Spanish.

Bi-Rite Farms was also started in 2008 on a small parcel in Sonoma. The farm now encompasses three acres of row crops and has been an important education tool for the staff at Bi-Rite, as they learn firsthand the challenges and rewards of growing food beyond organic standards. This firsthand education has enabled the Bi-Rite team to cultivate even deeper relationships with its farmers.

Then in 2011, Sam published *Bi-Rite Market's Eat Good Food, A Grocer's Guide to Shopping, Cooking and Creating Community through Food* (Ten Speed Press). Now on its fourth printing, *Eat Good Food* was written to provide a tool for the consumer to be better shoppers, to eat healthier, and to understand the impact that their decisions have on their health and the health of their community.

In 2013, Sam, along with business partner, Calvin Tsay, opened a second Bi-Rite Market at 550 Divisadero Street in the historic Alamo Square district of the Western Addition. At 3,000 square feet, this market was slightly bigger than the original, but still contained within an art deco building that was an original Safeway in the 1930s.

Later in 2013, the company expanded into the Bayview District, adjacent to the SF Wholesale Produce Market, by opening a commissary and catering kitchen.

The most recent addition to the Bi-Rite Family of Businesses is the Bi-Rite Cafe at Civic Center Plaza which opened in October 2018. The café is a fun, lively outdoor gathering space where anyone can relax, with historic and picturesque City Hall as a backdrop, and enjoy a quick meal, coffee, or ice cream.

Today, the company employs 350 staff members. Because all of the Bi-Rite businesses have different Employer Identification Numbers (EINs) as they all have different ownership structures, it is only the markets at 3639 18th Street and 550 Divisadero Street that would be listed on the Legacy Business Registry. Note that Bi-Rite does have a management company EIN that houses all of the staff, so all the employees in the company are housed in one entity.

b. Describe any circumstances that required the business to cease operations in San Francisco for more than six months?

The business has always been branded Bi-Rite Market and open 7 days a week since it first opened in 1940. There was a short closure from September 1997 to June 8, 1998 while the 18th Street market was undergoing its transformation into an innovative, kitchen-led market.

The Bi-Rite Market at 550 Divisadero Street has not ceased operations since it opened in 2013.

c. Is the business a family-owned business? If so, give the generational history of the business.

Bi-Rite Market is not technically a family-owned business, defined here as any business in which two or more family members are involved and the majority of ownership or control lies within a family. However, the business was family-owned for much of its history. It was originally owned by brothers Bill and Joe Cordano, then sold to brothers Jack and Ned Mogannam. The current owner, Sam Mogannam, is the son of Ned. Along with his brother, Raphael (Raph), Sam took over ownership of Bi-Rite Market in 1997. The second-generation Mogannam brothers owned the market together until 2004, when Raph divested his shares in the market and took a leave. Raph returned to Bi-Rite a few years later as a staff member, and has been the organization's head grocery buyer ever since.

d. Describe the ownership history when the business ownership is not the original owner or a family-owned business.

The ownership history of Bi-Rite Market is as follows:

1940 to 1959: Bill and Joe Cordano

1959 to 1964: Unknown

1964 to 1989: Jack and Ned Mogannam

1989 to 1997: Shahin Sarsur and Osama Khayal 1997 to 2004: Sam and Raphael Mogannam

2004 to Present: Sam Mogannam

e. When the current ownership is not the original owner and has owned the business for less than 30 years, the applicant will need to provide documentation of the existence of the business prior to current ownership to verify it has been in operation for 30+ years. Please use the list of supplemental documents and/or materials as a guide to help demonstrate the existence of the business prior to current ownership.

Documentation is provided in this Legacy Business Registry application that demonstrates that Bi-Rite Market has existed as a grocery store for 30+ years.

f. Note any other special features of the business location, such as, if the property associated with the business is listed on a local, state, or federal historic resources registry.

The historic resource status of the building at 3639 18th Street is classified by the Planning Department as Category A, "Historic Resource Present," with regard to the California Environmental Quality Act. The architectural style is Art Moderne, and the building retains all or most aspects of historic design, materials, and workmanship. It appears eligible for listing in the California Register of Historical Resources because it exhibits physical designs, features, materials, and/or craftsmanship that embody the distinctive characteristics and high artistic expression of "Moderne" commercial architecture from the mid-20th century period.

The historic resource status of the building at 550 Divisadero Street is classified by the Planning Department as Category B, "Unknown / Age Eligible," with regard to the California Environmental Quality Act. Despite the Planning Department's classification, the building, constructed in 1931, is an architecturally significant structure in the Art Deco style. In 2013, Sam Mogannam restored the façade, opening the transom windows and restoring the gorgeous glazed tile.

CRITERION 2

a. Describe the business's contribution to the history and/or identity of the neighborhood, community or San Francisco.

Bi-Rite Market is a full-service grocery store featuring groceries, farm-direct produce, small-batch ice cream, hand-baked pastries and confections, cheeses produced in small batches, sustainable meats and seafood, prepared foods made in the kitchen right in the middle of the store, fresh deli sandwiches, beer, spirits, sustainable wines, and responsibly-grown seasonal flowers and foliage. The store contributes significantly to the history and identity of the Mission, the Divisadero corridor, and San Francisco as an early practitioner and exceptional example of the farm-to-grocery store movement.

b. Is the business (or has been) associated with significant events in the neighborhood, the city, or the business industry?

When Sam Mogannam took over ownership of Bi-Rite Market in 1997, he began to sell prepared foods using locally grown produce, for which he advocates. The store was a pioneer in the farm-to-grocery store movement and has published a book, *Eat Good Food* (Ten Speed Press). Sam spoke at TEDx Presidio 2012 on reinventing capitalism. Fast Company profiled him as one of the 100 most creative people in business for 2012. The Bi-Rite family also includes a nonprofit community food education project, 18 Reasons. Whole Foods Market has sent staff

to Bi-Rite Market to adopt practices from there. Additionally, Sam is a founding member of the Good Food Collaborative, a tight-knit group of the country's leading independently-owned markets, committed to supporting American craft food producers, and the creators of the coveted Good Food Awards.

c. Has the business ever been referenced in an historical context? Such as in a business trade publication, media, or historical documents?

Bi-Rite has been featured extensively in news articles, in videos, and on the radio. A complete list titled "Bi-Rite in the News" is included in this Legacy Business Registry application and an abbreviated list is available on the company's website at https://biritemarket.com/about-us/press and recognition/.

The Bi-Rite Family of Businesses has been a Certified B Corp since 2015, and was recognized as a B Corp Best of the World 2018 Honorees for Community, which means the company scored in the top 10 percent of all B Corps on the Community portion of the B Impact Assessment. The assessment includes criteria in supplier relations, diversity, and involvement in the local community. In addition, Bi-Rite has been a SF Certified Green Business since 2012.

Recent awards for Bi-Rite Market include the following:

- Food Business of the Year, Community Alliance with Family Farmers, 2018
- Hall of Fame Inductee, San Mogannam, Specialty Food Association, 2018
- Best Flower Shop, SF Weekly, 2018
- Leadership Award for Community Citizenship, Specialty Food Association, 2018
- Healthy Mothers Workplace Award for Excellence, San Francisco, 2014, 2017, 2018 (and possibly 2015 and 2016)
- Forbes Small Giants, 25 Best Small Companies, 2016
- Livability Innovator in Sustainable Business, Livable City, 2015
- Community Champion, SF Chamber of Commerce, 2014
- Citizenship Award, Specialty Food Association, 2014

d. Is the business associated with a significant or historical person?

As a builder of local community, Bi-Rite likes to believe that everyone who owned or worked at Bi-Rite since 1940 has had historical significance on the business and in San Francisco. But sadly, to our knowledge none of them have been written about in history books.

e. How does the business demonstrate its commitment to the community?

As stewards of an iconic retail location that was originally opened in 1940, the Bi-Rite team understands that a thriving business and a thriving neighborhood go hand in hand, which is why the Bi-Rite Family of Businesses is committed to making a positive impact on its community.

¹ https://en.wikipedia.org/wiki/Bi-Rite_Market

Since Sam Mogannam took over Bi-Rite in 1997, they have supported hundreds of local, San Francisco organizations annually, committing their time, food, and financial resources to ultimately uplift the work of their community partners. Examples of organizations they support include the Women's Building, Mission High School, Harvey Milk Civil Rights Academy, Episcopal Community Services, Livable City, and SPUR. Sam and the Bi-Rite team also co-founded 18 Reasons in 2008. 18 Reasons, located on 18th Street next to the Bi-Rite Creamery and across from the 18th Street market, is a nonprofit community cooking school which teaches more than 6,000 Bay Area residents every year how to shop, cook, and enjoy good food.

In addition to its philanthropic giving, Bi-Rite has a record of building community and creating jobs in the neighborhoods in which it operates. Back in 1997, when Sam first took over Bi-Rite Market, there were fewer than 40 jobs on the street. Then as Bi-Rite grew and other organizations such as Tartine and Delfina Restaurant Group moved in, the neighborhood became a social destination. Today there are more than 300 jobs along the corridor.

f. Provide a description of the community the business serves.

Bi-Rite has become a San Francisco destination for locals and tourists alike. The majority of the businesses's guests are San Francisco residents who walk or bike to the markets, or are in the neighborhood while visiting other businesses or attractions nearby. When visiting a Bi-Rite Market at any given time, you'll see a very diverse representation of people who appreciate good food. From the guests who have been visiting the market since it was first in the Mogannam family, to the young families grabbing groceries for the evening's dinner, to the city's young residents who are grabbing some good food while on their way to the park, to the tourists who love to taste the unique, local California produce.

g. Is the business associated with a culturally significant building/structure/site/object/interior?

Both Bi-Rite Market buildings are architecturally significant. The original Bi-Rite Market at 3639 18th Street is an Art Moderne gem that retains most aspects of historic design, materials, and workmanship. The 18th Street building still has the original tile storefront and the original neon sign which was restored when Sam took over the business in 1997. On the interior, the 18th Street market also retains the original Deco light fixtures, which were also restored and now run more energy efficient LED lights.

The second Bi-Rite Market at 550 Divisadero Street is a classic Art Deco-style structure that retains all the original tile detail which was uncovered and restored when Sam took over the building in 2013.

h. How would the community be diminished if the business were to be sold, relocated, shut down, etc.?

If Bi-Rite Market were to close, it would be a tremendous loss for San Francisco. Independently owned, neighborhood markets are critical for community building. They are a hub for connecting neighbors to each other, connecting them to staff, and to a large community of farmers, ranchers and other food producers who contribute so much to our livability. Sadly, if these businesses were lost, they would be replaced with businesses that would employ a fraction of the people. Bi-Rite employs 350 people, creating good jobs, providing a suite of benefits that include paying 100% of its staff's group health insurance premiums (for employees working 20 hours or more), offering a 401(k) retirement plan with company match, profit sharing, paid time off, a generous staff discount, and free meals throughout the day. The company prioritizes these benefits because they want their staff to be able to afford life in San Francisco and to build a career as a part of the Bi-Rite family.

CRITERION 3

a. Describe the business and the essential features that define its character.

Bi-Rite Market cultivates genuine, dynamic relationships with the numerous and varied individuals responsible for our food. In the ever-evolving food landscape, they make educated decisions and push the boundaries of responsible sourcing. They inform guests about the true cost of food and advocate a positive impact on our food system. By celebrating craft and heritage, they preserve diversity, traditions, and taste. As a result, their food is honest, memorable, and full of flavor.

Bi-Rite is open to purchasing from a countless number of producers, artisans, and farmers. While it can be logistically easier to work with distributors, they embrace the relationships with direct suppliers; because they feel that the closer they are to the person who made or harvested the product (through face-to-face meetings and conversations), the more accurately they can tell that product's story to their guests.

Bi-Rite believes tasting is the best way to learn about food, which is why they taste every single product on their shelves. Their selection reflects a mix of old favorites and exciting newcomers to the world of Good Food. Across the board, their grocery products are the best tasting in their class, whether they are a basic pantry staple or a high-end luxury item.

b. How does the business demonstrate a commitment to maintaining the historical traditions that define the business, and which of these traditions should not be changed in order to retain the businesses historical character? (e.g., business model, goods and services, craft, culinary, or art forms)

Bi-Rite Market is committed to remaining a full-service grocery store. They honor the traditions of butchery, cheesemongering, scratch cooking, and local food sourcing. The company strongly believes in hiring passionate staff and educating them in the art of giving great service. Bi-Rite is on a lifelong pursuit of *Creating Community Through Food*. This mission is their north star and propels them every day. It guides their decisions, and the relationships they develop with our

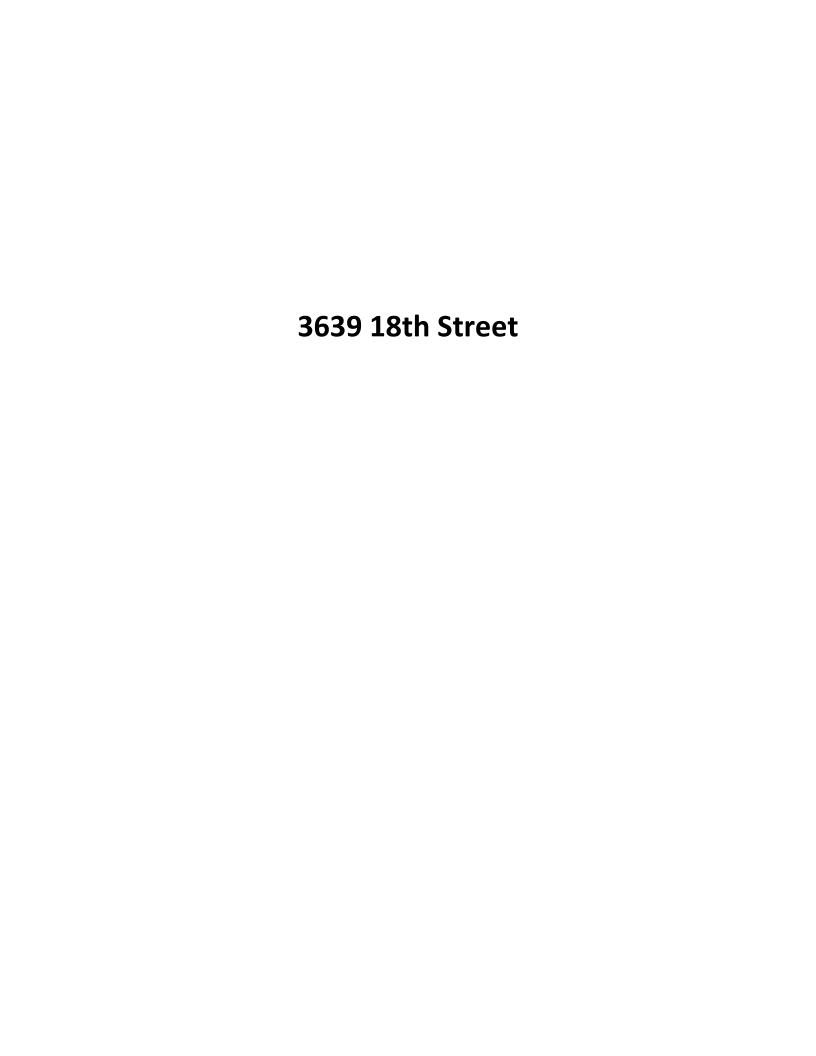
diverse and dynamic community of staff, guests, producers, neighbors, and the environment. To truly create our community, they believe they have a responsibility to do right by everyone. And they will continue to put community above profit.

c. How has the business demonstrated a commitment to maintaining the special physical features that define the business? Describe any special exterior and interior physical characteristics of the space occupied by the business (e.g. signage, murals, architectural details, neon signs, etc.).

Bi-Rite Market is committed to maintaining the historic storefront and details that amplify the historic character of the building. The neon sign receives routine maintenance annually to preserve its iconic illumination.

d. When the current ownership is not the original owner and has owned the business for less than 30 years; the applicant will need to provide documentation that demonstrates the current owner has maintained the physical features or traditions that define the business, including craft, culinary, or art forms. Please use the list of supplemental documents and/or materials as a guide to help demonstrate the existence of the business prior to current ownership.

Bi-Rite Market has been a neighborhood grocery store since it first opened in 1940.











San Francisco Planning Department Historic Resource Survey (Mission District) Property Summary Report

 Street Address:
 3639 18TH ST

 Assessor Block/Lot:
 3587/073

Resource Attribute (Primary): HP6. 1-3 story commercial building

Resource Attribute (Secondary):

Year Built: 1940

Source(s) for Year Built: San Francisco Assessor

Architectural Style/Type: Art Moderne

Photographic Image:



California Historical Resource Status Code: 3CS

Resource Type: <u>Individual historic resource</u>

Resource Eligibility: Appears eligible for listing in the California Register of Historical Resources

Historic District: Not located within an identified historic district

Integrity Analysis:

Retains all or most aspects of historic design, materials, and workmanship.

Statement of Significance:

This commercial building is individually significant under California Register of Historical Resources Criterion 3 (Architecture/Design), because it exhibits physical designs, features, materials, and/or craftsmanship that embody the distinctive characteristics and high artistic expression of "Moderne" commercial architecture from the mid-20th century period.

Notes:



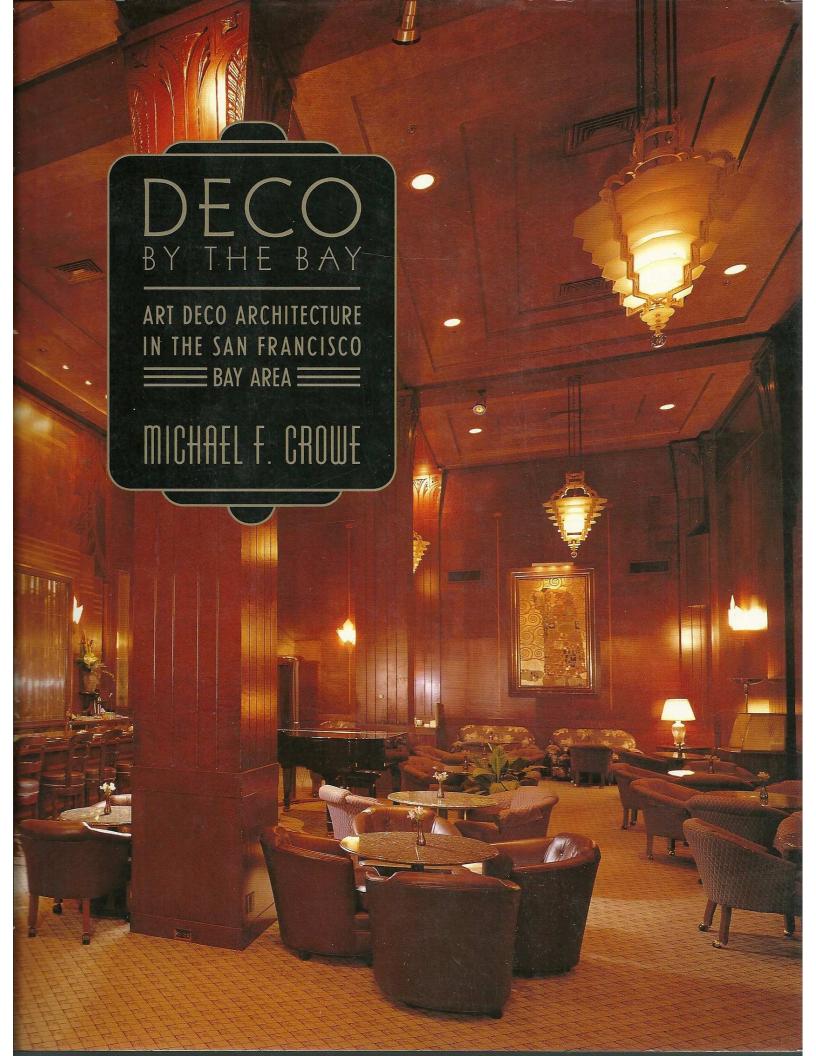










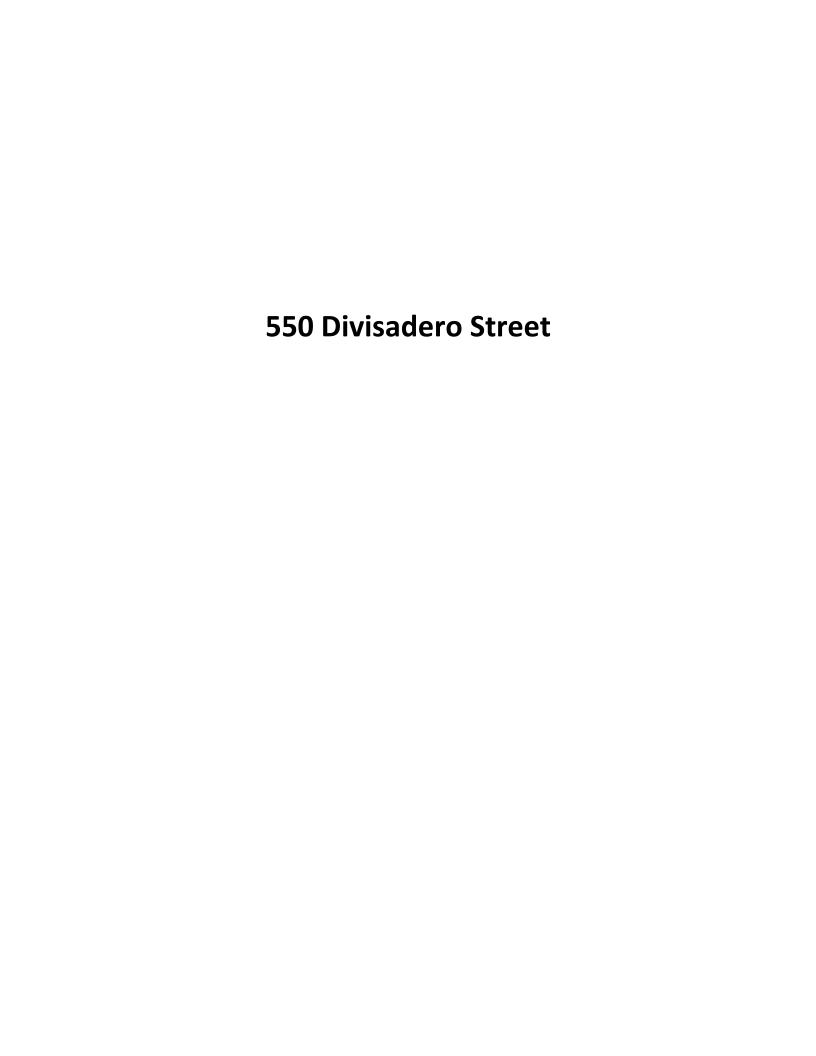




92. 18th Street, Bi Rite Liquors; neon sign with backlit letters.

93. 630 Jackson, Great Star Theater, neon sign addded about 1928; one of numerous signs and tubing added to buildings in Chinatown throughout the twenties and thirties.





























Press & Recognition

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Forbes, September 2018

San Francisco City Guide

Bon Appetit, August 2018

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Best Ice Cream Shops in the Bay Area

San Francisco Chronicle, July 2018

Build a Better Hummus

San Jose Mercury News, June 2018

The Best Desserts in the Mission District

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Why and How Retailers are Taking on the Role of Incubator

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Goop, Jun 2018

A Day Out in Divisadero: San Francisco's Epicenter of Cool

New York Magazine, April 2018

The Grocer-Chef of San Francisco

In Store, March 2018

The Secret of Bi-Rite Market's Thriving Business

Conscious Company, July 2017

The Shopkeep Gift Guide

Haute Living, December 2017

OUR FAVORITE OLDIES, BUT GOODIES

Bi-Rite Market: A Sustainability Success Story

Huffington Post, August 2016

How Small Grocers are Banding Together to Change Food Retail for the Good

Civil Eats, May 2016

Creating a Healthy Path to Disruption

Fast Company, February 2013

Shopping for Food is a Community Building Act

Sam Mogannam at TedX, September 2012

Re-inventing Capitalism

Sam Mogannam at TedX, August 2012

Local Grocer Cultivates a Following

Wall Street Journal, June 2012

The 100 Most Creative People in Business

Fast Company, May 2012

A Farm fresh Thanksgiving

Food & Wine, November 2010

Faces & Visions of the Food Movement

Civil Eats, May 2010

The Bi-Rite Stuff

EdibleSF, November 2008

Bi-Rite Keeps a Taste of the Old-Style San Francisco Chronicle, June 1999

AWARDS, RECOGNITION, AND AFFILIATIONS

It's an honor for Bi-Rite to have been recognized by and participate in the following organizations in the past few years. We're grateful to each of them, and our amazing partners, advisors, and collaborators, for supporting our efforts to create a more sustainable food system and a vibrant community.

- B Corp Best for the World Honorees for Community, 2018
- Food Business of the Year, Community Alliance with Family Farmers, 2018
- Hall of Fame Inductee, Sam Mogannam, Specialty Food Association, 2018
- Best Flower Shop, SF Weekly, 2018
- <u>Leadership Award for Community Citizenship, awarded to Sam Mogannam, Specialty Food</u> Association, 2018
- Healthy Mothers Workplace Award, San Francisco's Healthy Mothers Workplace Coalition, 2017 & 2018
- Forbes Small Giants, 25 Best Small Companies, 2016
- Livability Innovator in Sustainable Business, Livable City, 2015
- San Francisco Green Business Four-Year Certification, 2014
- Community Champion, San Francisco Chamber of Commerce, 2014
- Fast Company's 100 Most Creative People in Business, Sam Mogannam, 2012



How Small Grocers are Banding Together to Change Food Retail For the Good

Cultivating an independent grocery space can be challenging, but a group of retailers are building a collaborative to change the conversation.

BY DAWN REISS

Posted on: May 26, 2016

At a time when the food retail business is controlled by a handful a large chains, independent grocers are few and far between. But that's only part of what makes Sam Mogannam, founder of San Francisco's Bi-Rite, a unicorn.

The restaurateur-turned-grocer sources local products grown and made by small producers and does about \$44 million in revenue out of two retail locations, catering operations, and a creamery (run with his wife Anne Walker) that serves ice cream and baked goods. Despite having more than 300 employees, Mogannam said he pays 100 percent of his staffers' medical benefits—including part-timers who work 20 or more hours a week. He also offers a 401(k) program that he matches at 4 percent and profit-sharing that ranges from 2 to 6 percent, as well as a host of other benefits including feeding his staff every day and giving them 25 percent off all in-store purchases. Additionally, he hosts training workshops and community cooking classes at a nonprofit called 18 Reasons.

Still, he said the number one complaint Bi-Rite receives is about how expensive it is to shop there. "There's always someone out there whose willing to sell it for less, and often times it makes us look like assholes," Mogannam said. "It's really hard."

That's the type of uphill climb many independent grocers face these days as they try to provide a livable wage and adequate benefits to employees while selling food made by small-scale farms and artisans. According to the U.S. Department of Agriculture, Americans now spend less of their budget, only 9.9 percent in 2013 compared to 17.5 percent in 1960, on food. As food has gotten cheaper, many independent grocers have found it difficult to compete.

That's part of the reason Mogannam opted to make Bi-Rite a co-sponsor of The Good Food Awards, an annual event that champions producers who are creating and growing responsibly and sustainably made, artisan food and drinks, since its inception in 2010.

For several years, the company shared the sponsorship stage with Whole Foods and Williams-Sonoma. But, Mogannam said, "At one point I was getting sick of seeing these two corporate behemoths being the champion of the food movement."

So he told Sarah Weiner, who co-founded and runs the awards via the Seedling Projects, that he thought stores like his and other independents needed to pool together as the presenting sponsor of the Good Food Awards. "Through the process of talking through it and testing the idea out with a few people, the idea of the collaborative was born," Mogannam said.

The initial idea was two-fold. They would create a network of independent retailers who could sponsor the Good Food Awards collectively as an entity. They would also help to grow the sale of organic and sustainable products by championing the producers and pushing sales in their stores.

That was September 2014, and Mogannam and Weiner rounded up 11 retailers to start the collaborative with a three-year vision to grow it to 25. "It was



all on paper. It was nothing," Mogannam recalled. "The founding members of the collaborative took this huge leap of faith. That put a lot of pressure on me to come up with something that was going to actually work and deliver on that promise."

Later that year, Whole Foods coincidentally backed out of their sponsorship. "If we hadn't pulled together the group, the funding for the Good Food Awards might not have happened," said Mogannam, adding that the awards were being operated on a "shoestring budget" of \$30,000 at that time. "Instead we were able to step in and bring in more money and more legitimacy because all of a sudden there was a natural presence of independents, a retail version of these producers."

In January 2015, the retailers collaborative began and has continued financially backing the Good Food Awards, which had 1,927 entries from 48 states and the District of Columbia in 2016—its sixth year of honoring local and artisan producers.

The Good Food Retailers Collaborative now includes 17 retailers from across the nation. Besides Bi-Rite and Canyon Market in San Francisco, the list includes: The Brooklyn Kitchen, The Greene Grape, and Foragers Market in New York City, Glen's Garden Market in Washington, D.C., Pastoral Artisan Cheese Bread & Wine in Chicago, Zingerman's in Ann Arbor, Market Hall Foods in Oakland, and SHED in Healdsburg, California, among others.

The collaborative has the potential to highlight the many things that set this type of retailers apart. "I had no idea independent retailers worked differently with producers than bigger retailers," said Weiner.

For example, independent retailers are often willing to take smaller profit margins with products from small producers like organic jam and GMO-free pasta than most larger retailers are. The ordering and processing system is also typically more streamlined and easier with an independent retailer. "A lot of producers need that kind of step in order to scale up and make it," Weiner said. These things make independent grocers an ideal match for the kinds of foods that were being promoted by the awards.

Incubating a More Sustainable System

These days, there's a lot of talk about tech incubators, but Mogannam believes that every good retailer can be an incubator too. When a grocer gives prime shelf space to new products made by sustainable makers, it helps increase sales to a producer who is creating non-GMO mayonnaise, organic shallot oil, or a mustard made with sustainably-sourced jalapeños and honey. In turn those producers are often supporting small, independent farmers for another year. "We are trying to drive business to the small retailers so we can continue to support these producers, so there's more product and more land being

farmed well," Mogannam said.

That's exactly why lawyer-turned-grocer Danielle Vogel of Glen's Garden Market in Washington, D.C. says one of her company's core values is growing small businesses along with their own. In the three years since they've opened, Vogel says, they've helped launch 56 food businesses on their shelves. "In our store we give prime slotting to brands we are trying to incubate and accelerate," she said.



Employees are also encouraged to share the names of three businesses the market has launched during their daily pre-shift meetings that include a "daily recitation" of company values. "Much of our inventory walks through the doors in the arms of the person that made it," she said.

But sometimes the small food producers they work with grow too fast and can't keep up with the demand without an infusion of cash—a problem that is all too common for small businesses who struggle to get funding from banks. Instead Glen's Garden Market will barter with a small producer, like Milk Cult, which makes ice cream and ice cream sandwiches, by purchasing equipment so the company can scale up and repay the grocer with inventory of the same value.

"When you're making the cookie, making the ice cream, and cutting these things by hand, you can't make that many in an operation of two people," said Vogel. "So we were consuming their entire production inventory every single week. But that doesn't help them grow as a business."

After Milk Cult identified an ice cream sandwich cutter they'd like to have made for them, Vogel says her company wrote an \$8,000 check—the price of the machine—and Glen's received ice cream sandwiches in return. This allowed Milk Cult to take on Whole Foods accounts, she says, "and now they are growing their business throughout the city, and that's good for all of us."

Small Giants

The Good Food Retailers Collaborative came together earlier this month for the Good Food Mercantile—a retail event held in Chicago after this year's awards, featuring 80 food crafters and a number of the area's chefs and other food community members. The day after the event, 13 members of the collaborative and a few others huddled up in a four-story Airbnb rental in the city's West Loop and discussed how they could collectively grow their independent businesses.

Positioned on pillows on the floor and sofas, retailers spent the day talking about rising minimum wage trends, GMO labeling (a shift they all support), attracting and retaining talent, and best business practices. "We don't have the same problems," said Richard Tarlov of Canyon Market. But he added, "we certainly want to learn from each other and bounce ideas around. It's like a brotherhood of really serious merchants."

Danielle Vogel shared that Glen's Garden Market has an "extensive training process" and couples that with a "robust and quirky set of benefits that are specifically tailored to Millennials." The laundry list includes sponsoring a women's racing cycling team and offering a CSA through the company to hourly staff. For \$10 a week, staff can receive a two-person share of vegetables or add a pound of locally ranched meat for another \$10. "For \$20 a week, they are eating like kings, and they are really participating in the best of what we offer, which also makes them brand advocates," she said.

The astronomical housing costs in markets like San Francisco and New York coupled with the business impact of raising the minimum wage have impacted many of the retailers' ability to retain talent. Greg O'Neill, co-owner and COO of Chicago's Pastoral Enterprises, says being a specialty store requires extra training, which translates into higher labor costs that can't usually be passed on to consumers.

"It's one of the biggest struggles; you have to make the numbers work," said O'Neill, who suggests that stores his size give performance-based feedback more frequently and tie an increase in wages to training and knowledge milestones with a "passport approach" and various hurdles to jump along the way.

That's why Hunter Hopcroft of JM Stock Provisions in Richmond, Virginia, said Mogannam sets "the gold standard" by including five extra paid vacation days, career development classes, bonuses for referring new hires, and even personalized birthday cards to every employee.

In all these efforts, the collaborative of retailers is trying to compete against convention grocers, and it's an uphill battle to remain profitable. But Mogannam thinks that small can be mighty, especially when small grocers band together.

"Is this about creating small giants," Mogannam said. "Everybody who is in the collaborative is a small giant. We take care of our people, we take care of [those] we do business with, we take care of our community, and, in the process, take care of our resources."

Photo credits, from top: Gamma 9, Samantha Putman, Kassie Borreson.

VIEW COMMENTS

https://consciouscompanymedia.com/the-new-economy/food-agriculture/secrets-bi-rite-markets-thriving-business-community/

CONSCIOUS COMPANY MEDIA



The Secrets of Bi-Rite Market's Thriving Business and Community

RACHEL ZURER
JULY 6, 2017

When Sam Mogannam graduated from high school, he literally vowed to never be a grocer. Eleven years working in his family's community market, Bi-Rite, had given him his fill of that. Instead he trained as a chef, traveled the world, and eventually opened his own restaurant in his hometown. The family sold the San Francisco market in 1989, and that was the end of the Mogannam grocery dynasty. Or so it seemed.

Then in 1997, Bi-Rite's new owner was looking for an out, and Mogannam and his brother Raphael decided to purchase it back. Thus was born — or rather, reincarnated — one of the most iconic community businesses in a town obsessed with the importance of "local," a mission-driven gathering spot that has become an anchor of its neighborhood and the broader community.

"When we reopened the store," Mogannam explains, "we brought a chef's perspective to the grocery world. We built a kitchen into the middle of the store so that we could prepare foods — as a continued expression of my creativity, but also a way to connect with our consumers."

These days, after close to 20 years under Mogannam's leadership, the Bi-Rite family of businesses includes two grocery stores, San Francisco's first organic ice cream shop, a catering company, a three-acre farm in Sonoma, and an affiliated nonprofit community cooking school, 18 Reasons.

We spoke with Mogannam to hear his best lessons on creating a thriving business that's also a community hub.

Bi-Rite Market at a glance

Location: San Francisco, CA

Founded: 1940; in the Mogannam family since 1964

Number of Employees: 320

Recognition: Forbes' Best Small Companies in America, 2016

Structure: Privately owned, for-profit

Certifications/Memberships: B Corp, San Francisco Certified Green Business, Good Food

Retailers Collaborative, Social Venture Network

2016 Revenue: \$45 million

Mission statement: "Creating community through food."

The Interview

How did you end up doing what you're doing today? Why is this what's worth your time?

Sam Mogannam: I fell in love with food and cooking fairly early. Initially, I thought I wanted to be a hotel manager. I couldn't get a job in a hotel but knew I needed to start getting experience in hospitality, so I started applying in restaurants and a young chef took a chance on me.

It was those first few months in a commercial kitchen that really sparked something in me. I loved the transformative power of taking raw ingredients and turning them into something that somebody else is putting in their body, and seeing the transformation that continued to happen once that food was eaten and experienced.

Ultimately the reason I do what I do every day is that I love food and I love people, and grocery stores are a great way of bringing both together. They're a great way of anchoring a community and creating a space where a local economy can thrive. What we've done on 18th Street is a prime example of what a local food block can do to create an identity for a neighborhood.

For folks who haven't been to San Francisco, explain "what we've done on 18th Street."

SM: When I first took over the market in 1997, all the storefronts on the block had metal grates on the windows. There were fewer than 40 people working on the block. Through the late '80s and '90s, the neighborhood had gone through a down period where there was a lot of crime. Dolores Park — which now has become an important community gathering place — was unsafe. There was a lot of drug dealing. There were a bunch of storefronts, but none of them were thriving or doing anything that was deeply meaningful for the community.

Soon after we took over, a restaurant company got started a couple of doors down — the Delfina Restaurant Group. They opened up in a tiny little space. They now have six or seven different businesses, and they've twice expanded into adjacent storefronts. Then Tartine came, and Tartine has become recognized as potentially the best bakery in the world. We've got an extraordinary Japanese restaurant on the opposite corner, and a Korean restaurant on the other corner. Both of them maintain the same philosophy [as the rest of us] around sourcing great ingredients.

What's interesting is that the spot that the Japanese restaurant is in currently was considered a cursed corner. But all of the businesses that opened up in that corner prior to Yuzuki Japanese Eatery didn't use the great ingredients that Bi-Rite, Tartine, and Delfina were using. They failed. It shows how we shape the community's desire and demand for high-quality, high-responsibility ingredients. Once Yuko [Hayashi] opened her restaurant, she did well because she brought that same philosophy that was already existent on our block.

As a consequence, we've got a "model food block." All of the businesses are complementary. We all work together and continue to push the food movement forward and create a community that everybody who works and lives in can be proud of.

There are over 300 people working on the block now too, which is amazing — nine times the number of jobs that previously existed, on one single block.

Bi-Rite's mission is to "create community through food." Tell me more about what the word "community" means to you today and how that has evolved over time.

SM: We've clearly defined what "community" means for us as a company. There are three primary stakeholders, but really, truly, four stakeholders, for how we define community.

One is our guests, obviously. That's the people who shop with us. The second is the producers: the people who grow, make, raise, and craft all the amazing food we sell. The third is our staff. We can't operate a business without a team of people who are equally passionate and caring about connecting this amazing food to these people who are going to buy it and consume it. And then the fourth is our overall greater community and our planet.

We know that we have a responsibility beyond our four walls, beyond the people we actually do commerce with. There are people who live on our block, in our neighborhood, who don't shop with Bi-Rite, but we have a responsibility to them. There are organizations that do great work in the communities in which we operate that we don't engage in actual transactional business with, but who are doing work to sustain and to create a much more livable community for us, and so we support them.

We also have a responsibility to our overall planet. So, we want to do everything we can to support producers who are in line with our values. We want to operate a business that's sustainability-minded and considering of the environment at every step of the way as well.

Do you have any concrete lessons you've learned about what works and what doesn't in creating that sense of community? How do you actually do it in practice?

SM: That's great. I love it. I feel like 18 Reasons is a perfect example of going deeper in creating community. And 18 Reasons — the nonprofit that we started in 2008 — was a total experiment.

There was a tiny little office space around the corner, 250 square feet, that friends of ours, guests of ours, were renting to use as their real estate office. They had let us borrow the space a couple of times to do lectures. We brought in a winemaker and a rancher to talk about the work they were doing, to teach our guests — the community of people who were supporting them — more about why their work was so important. Not just about the production and value of the commodity, but also about the impact they were having on the environment. We've always taken this approach, that education is an important part of empowerment. We consider ourselves sellers, feeders, but more importantly, teachers as well.

So we experimented with [using the space], and when our friends made the decision to move up to Portland, they asked us if we wanted to take over the lease, so we did. We didn't really know what to do with it, but we decided that we would create a space that would give artists walls to hang work up. There is a tremendous need for local artists to have space to show their work.



Bi-Rite's nonprofit partner, 18 Reasons, hosts community dinners with local food producers.

We also knew we wanted to take some of these conversations we were having with our guests on the grocery store floor that were two, three, maybe seven minutes long, and take them longer and take them deeper and give the people who were buying cheese or meat or tomatoes the chance to actually meet the humans behind the work. Often when you pick up a product in a grocery store, you forget that there's a person behind it. And for us, it's all about the people.

We started to do more tastings and more lectures and dinners, and have now grown the program. We've moved into a 500-square-foot space that's across the street from the market, and now our programming reaches about 3,500 students a year here on 18th Street. We have all sorts of classes, which can range from the cuisine of Azerbaijan to really simple community dinners where we open our doors and, for 12 bucks, people can come and sit down and break bread and meet their neighbors and connect. We've had some community dinners where people have literally sat across from each other only to realize that they lived in the same building.

In this world where we're so hyper-connected through our thumbs, we need more opportunities to connect on a human level, on a face-to-face level, where we can touch each other and break bread with each other. So many of the world's problems could be solved if we just spent more time around the table.

We've done this here on this block, but 18 Reasons' programming also now includes a whole other set of classes that we do in the five Bay Area counties, in underserved communities. Over the course of six weeks, two hours a week, with students who range from kids to teens to adults to seniors, we spend an hour teaching them nutrition with a certified nutritionist. We're often tailoring their diet around any particular food-related diseases they may have so they can better manage their health.

Then the second hour is taught by a chef. Oftentimes it's a professional, sometimes it's an amateur. The students all work together to prepare a meal and then sit down together and share in a hot meal. For many of the students, it's the one time a week that they actually get to eat a hot meal that's nutritious, that's cooked with others.

We have an extraordinary 86 percent success rate in graduating these students, which means that they have attended five of the six sessions. As we've done our longitudinal studies, it's not a dramatic impact, but we've seen a 10 to 12 percent improvement in how our students are changing their habits and improving their diets and the amount of time they're spending cooking and feeding their families better food.

We know that if people are healthier, then they're feeling better about themselves and they're going to make others feel better, and then our community is going to be tighter and stronger and more vibrant.

That's one example of what we've done. That's within a nine-year horizon, and I'm excited about that work continuing for the next umpteen years.

How is the nonprofit funded? Is it all from Bi-Rite?

SM: It's funded through private donations, of which Bi-Rite is one donor. But also through grants and through basic fundraising activity that we do throughout the year.

What do you say to the people who question the value of this from a traditional business bottom-line point of view?

SM: I've never been driven by how normal businesses run. We know that as a business, we have to operate in a fiscally responsible way. Unless we're profitable, we can't do anything. We can't achieve our mission, we can't hire good people, we can't treat them well, we can't support a good food system, and ultimately, we won't be able to bring people around the table and see the social change we're after. I understand being fiscally responsible is important, but I've never been driven by the status quo business mindset — or I guess what we used to consider the status quo.

Businesses have a responsibility to the community they operate in. I grew up where community service was driven into me, and have been doing community service since I was a kid.

To me, community service really shouldn't be, like, this side project. It should be integrated into everything that we do. And when we can integrate it into how we make a living and into our work, then we're actually doing much more meaningful, important work.

Nobody's ever really questioned it. I think people see and recognize it and say, "Wow, it's fucking cool. It's amazing that you'd do that and still have a business that runs and still treat your staff well and still support a good farming and agricultural system and have fun doing it." It's in line with our values. We're set to hold true to what we believe in. That's why having a mission is so important.

I think what ends up happening is that those who haven't bought in are like, "Well, it's just too fucking expensive," and don't understand that by shopping with us, they're contributing to so much more than just the food that they're going to put in their bellies. It is a challenge — one that's definitely difficult for us to manage on a business level, especially as larger companies, now, are adopting our buying practices, and are developing their own community programs, and then it all ends up being under the guise of a larger marketing scheme as opposed to being true values-driven care, mission-driven care.

We know we're not going to be the market for everyone, but we also know that we need to hold true to our values. Otherwise, the minute that we begin to compromise on those values, we'll be compromising the impact we can have. And it's not a compromise we're willing to make. At least not at this point, and I hope never.



18 Reasons' Cooking Matters program teaches nutrition and meal prep in local schools.

How did you make the decision to split 18 Reasons into its own nonprofit? And why is that the right choice, instead of having it be part of the for-profit family of businesses?

SM: For us, it was very practical. About five years in, our executive director at the time was moving back east, so we started a search for a new executive director. We found [Sarah Nelson], somebody I had done some work with who had started her own nonprofit in San Francisco. She was great, and when I suggested her coming on board as our new executive director, she said, "Well, why don't we just merge the two organizations together?" And I was like, "That's great, an even better idea."

We both went back and presented the idea to our boards and came back with enthusiastic delight. It was really amazing. Both the boards were excited about the possibility. We had the boards meet and then started the process of merging.

It took about six months, but in the process, we assumed the 501(c)(3) of Sarah's organization, Three Squares, and 18 Reasons took on that 501(c)(3) status and became its own independent nonprofit.

In 2015, you started the Good Food Retailers Collaborative. You talk about how you see retailers as incubators for other food businesses. How do you think about collaboration versus competition in business?

SM: I believe in sharing. I'm a pretty open book and I'm pretty generous with sharing information. I've been given a lot from others in the past, and I've wanted to reciprocate and do the same, especially when it's with folks who share values, folks who are trying to do something important or meaningful or impactful in the communities where they work and live. So, for me there are very few walls. We've even had executives from Kroger and Pepsi and Kraft and Nestle who have come through or who I've gone and spoken to.

I get fired up about sharing what we do and sharing our story and sharing how we do it, because if more businesses did the right thing and operated from a place of care, from a sense of purpose, then the world would be a better place. That's what drives collaboration for me. I just know that when people work together, a lot more can get done. It might not get done as quickly, but a lot more can get done in a more sustainable way. And it's fun. It's fun seeing people grow. I love being a mentor. I love teaching people. It's important.

Are there best practices you've picked up over the years around how to look for the right type of collaboration partnerships?

SM: I try to understand their motivation for why they want to collaborate. Sometimes you get a total sense that somebody's into it for their own personal reasons or just financial bottom line as opposed to a triple bottom line. And we've made mistakes. I shouldn't call them mistakes, but we've collaborated with people we probably shouldn't have in the past. I never regret it. They're good opportunities to learn. I've found talking to folks, this constant process of asking the whys

— why are you interested? why do you want to do this? what are you after? — helps you get a sense of whether or not they're truly doing it for good reasons.

What kind of inner work on yourself as a leader does achieving your mission both require and perhaps facilitate? Do you think about that at all?

SM: I'm thinking about that a lot right now. My [business] partner [Calvin Tsay] and I are thinking about getting executive coaches, to help us grow as leaders. We're almost a \$50 million company and we've got about 320 people working for us. If we add a couple more businesses in the next couple of years, we could be a 500-person company. So we need to take that next step in our evolution as leaders.

We're currently going through a structure evaluation internally, just to make sure we've got everyone assigned in the right roles and responsibilities, that everyone's clear on what they're accountable to, and that Calvin and I are also clear on what we're accountable to, that we're helping people grow themselves as leaders, and continue to look forward and grow the Bi-Rite family in a responsible way. We're definitely in an important reflection point.

How do you keep from burning out? You've been at this almost 20 years. What kind of specific practices or mindsets do you have to avoid that?

SM: I love what I do. Even when the work is hard or emotionally draining, I still get a kick out of it. I get a kick out of getting my ass beaten on some days, because I can just look at it and go, "Fuck, that was a hard day." Then I just think about how great the next day or the next week's going to be after that lesson. It starts there. It starts with just enjoying it, whether it's good, it's fun, easy or challenging, and emotionally draining. I still love it both ways.

I take my two days off pretty religiously. I don't completely disconnect, but I take my time off and I spend my weekends with my family, my wife and my two daughters.

I'm now trying to consistently take about six weeks of vacation a year. We love to travel. For the last four years now, we've taken a three-week bit continuously and then I've taken single weeks and longer weekends throughout the year, just to make sure we're getting break times so we can connect as a family and recharge.

I also will go on trips to connect with other retailers, to go to seminars or trade shows. That time away from business and family also helps me recharge and continue to be inspired.

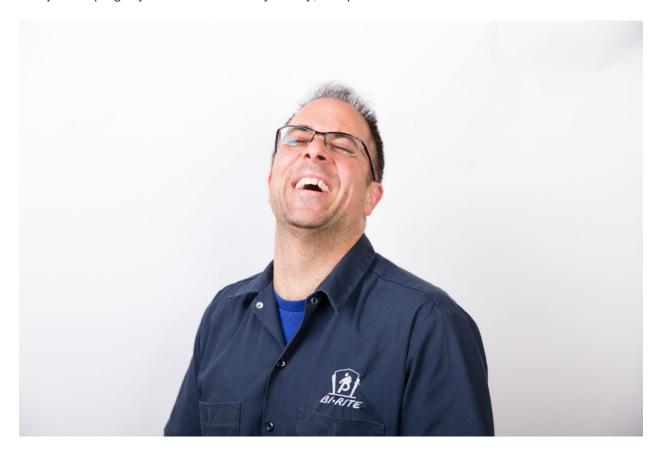
And I cook a lot. I try to spend time on our farm in Sonoma. Being in the dirt is probably one of the easiest ways to clear your mind and to get grounded.

Do you have any practices you do every day to clear your mind and stay grounded?

SM: I guess there's nothing in a meditative sense, but I have a routine that helps me tremendously. I'm an early riser, so I'm typically up around 4:00 in the morning. I spend the first 30 to 45 minutes in my day just reading and seeing what's going on in the world, and writing. Any time I need to do any sort of thoughtful writing, I do it in the morning. It's my quiet time.

I review what I'm trying to accomplish for the day and what I'm trying to accomplish for the week on those mornings, and then continue on with my day. But those mornings when I don't find that time, if I get up late or if I've got to get out of the house earlier than normal, I definitely feel the pinch.

Three mornings a week I go to the gym and I work out hard and try to work up a sweat and get my heart rate going and clear my mind that way. It's been an important part of my maintenance and just helping my endurance and my clarity, no question.



Bi-Rite Market owner Sam Mogannam

What's the best piece of leadership advice you've ever given or received?

SM: Whenever I'm talking to folks who are starting a business or have a business and are struggling, I always ask them if they have a mission and if the mission is well articulated and if everyone in the organization understands the mission and understands their role in accomplishing and achieving the mission. It's critical for any leader to bring their team along and to do it in a way where everyone's going to feel good no matter how hard the work is.

And then I ask if they have a vision that they've articulated and written down. Have they been clear about what they're trying to accomplish, where they want to be in the next one, two, three, five, ten years? And does the entire team know that? Does the entire team know their role in how they're going to accomplish that? Is there discipline around getting to that goal that is being practiced consistently?

But I think probably the most important thing is that I tell people to love what they do. And if they don't love what they're doing, then they're never going to be effective at leading the team. There needs to be the love of the purpose, but also just love in general, loving of everybody you engage with.

I feel like love is so absent in the business world, and it's the first and the most important — I shouldn't say the most important, but it's one of our three core values.

People are more skeptical of that than of this community work, but I feel that Bi-Rite has thrived because of the love it shares with its entire community.

Tell me about a low point and how you got through it. Some kind of failure or challenge or mistake.

SM: I'll tell you what's top-of-mind for me right now: I'm at a low point because I got into an argument with my daughter this morning. I did everything wrong. I got emotional and I got angry, and I let my frustrations come through, and I was calling her out for treating me the same way I was in turn treating her. I'm upset about it, to be honest with you. I'm lower right now than I've been in a while because of it. She's 14, and I'm just learning how to navigate being the dad of a teenager. It's crazy.

I love that answer. It highlights the fact that we are all full human beings, and that answer had nothing to do with your business. It's about another big piece of your life.

SM: It has everything to do with my business because my family, my business, everything, we're all one. There are lines, I guess, of separation, but we're all in it together and it's hard for one to be in a good place and everything else to be shitty. It all needs to work together.

It's similar to how we're describing how we define our community, when I was talking about our producers, our guests, and our staff. We draw it as an equilateral triangle, because there's no member of the community who's more important than the other, and each of those members are inextricably linked and each member of the community's success is driven by the success of the others.

It's the same with my family. I can't be successful at work without the support of my family, and my family's success is often driven by or dependent on the success of the business. It's difficult, at least for me, to keep the separations completely clean.

As you've been scaling, how do you make sure the rest of the company is living those values and understands it's all connected?

SM: Everybody in our organization knows the mission and their role in it. We teach it and we talk about it every day. If situations arise, we come back to the mission. And we have lots of missions (see below). We have our overall mission of "creating community through food," but we also have a product mission that guides us on what we want our product to look like. We have a service mission, which guides us on what we want our service to our guests to look like and the service to each other. We have a training mission, which guides what we want our training and development to look like. So we've got these aspirational pieces that keep us aligned and going in the right direction.

The other piece that keeps us working on a real fundamentally strong path going forward is the fact that we have a 10-year vision and we spent about 16 months — part of 2012 and all of 2013 — writing our 2024 vision. I included every single person in the organization in the process of writing the vision. We were about 250 people in the company at the time.

Initially, a small group of us came up with the outline and the areas we wanted to address. We got seven key buckets we wanted to make sure we covered. What we wanted our food to look like; what we wanted our service to look like; what we wanted life for our staff to look like; what we wanted our impact on the community, our impact on the environment to be; what we wanted our relationship with our vendors to look like; and what we wanted our financial scope and growth to look like.

We started to fill in this outline, and had an initial rough draft that I then shared with everybody in the company. We shared it in both English and Spanish. Then I went to department meetings and literally went line by line and deliberated word over word with everybody in the company. Everybody had a chance to give me feedback. I cherish the copy I used; it's so full of red marks with the input I got.

I realized at that point that everyone really cared and everyone wanted to do a good job, that everyone wanted to be part of having this impact. This vision then went through a couple more iterations — I also had staff come to me on their own, one on one, because they didn't feel comfortable talking in a group — and then we finalized it with everyone's blessing. That then became a shared vision, which gives us the alignment we need and the sense of purpose and understanding of what everyone's role is.

Now we use our mission and our vision to make sure that we're hiring appropriately. It's helped attract great talent to us. It's also helped us make sure that we didn't hire people who didn't fit in. Folks come along and want to be a part of a company that's going to grow nationally? Well, that's not what Bi-Rite's going to be. We're not going to get much farther than San Francisco. So, if you want to be this VP of Operations who's going to scale it and turn it into the next Whole Foods, it's not going to happen here. But if you want a company that's going to go deep and really make a difference in the community we operate in, then it could be a great place for you.

It starts at the interview process and then it continues with every single day of training, which never stops; we're all in training every single day while we're here. Understanding that, I think, helps us also work much better together.

What's giving you hope?

SM: Oh, God. So much. My daughter's generation gives me hope. I'm so excited about the next generation of our future leaders. I love interviewing staff members who are in their 20s and talking to them about what they're hopeful for and what they see. They're limitless in how they see possibilities. I'm excited about how much they care, how much difference they want to make. I'm excited that they're wanting to find that intersection in their work that has purpose. I get fired up about it. It makes me really happy to see that.

Learn More

Bi-Rite's Many Mission Statements

In addition to its overarching mission of "creating community through food," the Bi-Rite family of businesses has the following explicit missions for other aspects of its business.

1. SERVICE

"We welcome each and every member of our community as a guest in our home. We serve seamlessly, we inspire, we surprise, we feed and are fed."

2. PRODUCT

"We cultivate genuine, dynamic relationships with the numerous and varied individuals responsible for our food. In the ever-evolving food landscape, we make educated decisions and push the boundaries of responsible sourcing. We inform our guests about the true cost of food and advocate a positive impact on our food system. By celebrating craft and heritage, we preserve diversity, traditions, and taste. As a result, our food is honest, memorable, and full of flavor!"

3. PEOPLE

Mission statement coming in 2017.

4. TRAINING

"Bi-Rite training is a challenging and rewarding journey that cultivates the critical skills necessary for success in any workplace. Trainees and trainers are equally responsible for the results of training — a dynamic process and conversation which fosters growth, strengthens our culture, and reinforces sound operations."

5. COMMUNITY

"We are making a difference by empowering youth, strengthening community, and creating resilience."

Rachel Zurer





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Bi-Rite Market Is Reinventing Grocery Shopping

GUID

By S. Mathur

In choosing Bi-Rite Market for

the 2016 list of Forbes Best Small Companies, the most important criteria were not financial success, though that counts. The list identifies small companies that are transforming their industries in a positive way, providing services to customers and supporting their employees and the community. Located in San Francisco, Bi-Rite is transforming the world of grocery shopping by setting standards for local sourcing and working conditions.

"We are a values and purpose driven business," owner Sam Mogannam, said. "The Forbes list is all about companies that care about more than just profit, the companies selected care about their people, the impact on the planet and how their purpose makes life better for those in their community. We were selected because we have a great work environment for our staff, providing great benefits and opportunities; because of our environmental mission and sourcing standards; and because of our community impact work."

Bi-Rite has been a family business since 1964. Mogannam returned to it after spending years away, training as a chef in Switzerland and working in the restaurant industry.



"It was a key part of my childhood experience, having spent 11 years working in the market after school and on weekends," he said. "I left to pursue a career in the restaurant businesses and fell in love with cooking. After 12 years away, 7 of those owning my own restaurant, I returned to Bi-Rite with a chef's perspective and re-imagined it to what is today, a store for cooks, food lovers and those who care about where there food comes from, each of whom come to us because they want a delicious and authentic experience."

With its concerns for local and ethical sourcing of food, working conditions and environmental impact, Bi-Rite is widely recognized as an industry leader. Another reason to shop at Bi-Rite is simply that the food is delicious. Mogannam's favorite offering is the Olympia.



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"It's a riff on a sandwich that our friends at Olympia Provisions in Portland serve at their restaurant," he said. "Elias Cairo, the founder, makes extraordinary charcuterie. I love that it reminds me of the subs I grew up with: sliced meats on a roll with lettuce, Italian dressing and pepperoncini. Every city has a version of this."



Bi-Rite pioneers better working conditions for staff. All staff, including part-time workers, have health insurance, a 401(k) with a 4 percent match and profit-sharing. The company is also committed to educating consumers about the food they eat, where it comes from, who produces it, and its environmental impact. A related nonprofit is dedicated to offering free and subsidized healthy cooking and nutrition classes to the public.

The company continues to grow and the Bi-Rite Creamery & Bakeshop opened in 2006. There also a catering service, and the company runs its own farm in Sonoma county.

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Sam Mogannam Bi-Rite Family of Businesses

This fall, Sam Mogannam is opening Bi-Rite Cafe in downtown San Francisco, the latest of his Bi-Rite family of businesses.

"It's a pretty awesome collaboration with the city of San Francisco and adjacent to a new children's playground, part of a bigger project to create human engagement in the heart of the Civic Center," he says. The quick-service, all-day cafe will offer outdoor seating to unwind over breakfast pastries, egg dishes, signature salads, and sandwiches, soft serve ice cream, and popsicles. There will also be a full line of coffee and espresso drinks.

Human engagement has been his lifework. In addition to the beloved and long-running Bi-Rite Market in the Mission District, Mogannam oversees Bi-Rite Creamery & Bakeshop, Bi-Rite Catering, and Bi-Rite Farms, whose organic produce is stocked in the company's stores. Both the flagship market and the newer Bi-Rite Divisidero feature a host of specialty items as well as carefully sourced meat, poultry, and seafood, and seasonal, restaurant-quality prepared foods.

Mogannam is a second-generation owner, a trained chef, and the founder of 18 Reasons, another arm of the business now celebrating its 10th anniversary. The nonprofit is a subsidized cooking and nutrition school benefiting low-income communities throughout the Bay Area.

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engagement in the heart of the Civic Center.--Julie Besonen



VISION 2024

Who We Are

Feeding our community, with food that you can trust, is what we love to do!

At Bi-Rite, we believe cultivating relationships with producers, farmers, and our neighbors is critical to building and sustaining a vibrant community. By learning about where our food comes from and how it is produced, we're able to pioneer and inspire Good Food practices and teach our learnings to our guests so that we all are empowered to eat better.

We are passionate about the craft and heritage of Good Food. It's truly our pleasure to share with you the flavorful food we've made or hand-selected for each of our businesses. From our famous Salted Caramel ice cream to our bold Moroccan-inspired meals and fresh sushi rolls made with real Dungeness crab, our food tastes like it should. We want you to be delighted by each tasty bite.

We hope we will exceed your expectations. Whether you step inside our businesses or order online, you will be treated like an honored guest with personal and attentive service. And, if you have any questions about any of our products—including how to cook them—our knowledgeable staff is here and eager to help.

By engaging with our businesses, you are playing a key role in helping us get closer to achieving our mission of Creating Community Through Food.

Here's to stimulating your palette and discovering new possibilities!

Our Vision for the Future

In 2013 we decided to define the scope and nature of our work over a much longer time frame than ever before imagined at Bi-Rite. We know who we are, but we want to envision where we're going. Below is the BRFOB vision for the year 2024, broken down into the key components of our business: service, food, staff, vendors, guests, our community, the environment, and our financial and business scope.

The BRFOB Vision—What we see in 2024

Service

- Our service mission guides our every interaction, building long lasting, trusting relationships. Our regularly measured service is constantly improving. We are more regularly achieving our service mission in the following ways:
 - Staff have personal and consultative relationships with our guests, each other and our suppliers.
 - Our shopping experience is more convenient and comfortable without losing our personal touch.
 - New guests are made to feel as welcome as veteran guests.
 - Guests who visit or support our businesses have fun and feel good, even waiting in line. Their experience
 inspires all five senses and inspires an emotional connection to our community.
 - Guests are more regularly recommending us to their friends.
 - Our guests know how important and unique our vendor relationships are.
- We love and celebrate food not just because of its amazing flavor but also because of how vital it is to growing, sustaining and connecting a community. Because we so clearly adhere to our food values, our guests TRUST us.

- There is always a discovery to be made at Bi-Rite no matter how food experienced you are, driving our guests to return regularly.
- Each business feels like a Bi-Rite business: there is cohesion between the service experiences at all of our business locations.
- o Our physical locations are not impediments for our guests' ability to get our product when they want it.

Good Food

- A mission to have better food:
 - Our kitchens are core to who we are and are the beating heart of our operations, producing amazing food
 on a daily basis while playing an integral role in reducing our waste and ensuring our sustainability.
 - Our product mission guides and distinguishes us. It ensures that the food we sell is always the best tasting, traceable, seasonal, and the most sustainably and responsibly produced food.
 - Who produced it, how it was produced, where it was produced, when it was produced and how it tastes are the questions we ask when we are deciding if a product meets our specifications.
 - Our celebration and support of traditionally-made foods from around the world is preserving unique cultures and maintaining bio-diversity.
 - Our purchasing mission guides how much of our spending is done locally, not just on food, but also on supplies and services.
 - PUBLIC Label has continued to expand and is regarded as a model for a transparent and responsibly produced in-house label. The exceptional quality of Public Label is a draw for our guests to come shop with us.
- Great food is still core to who we are:
 - We are the champion of the GOOD food movement and are the first to sell many of the future stars.
 - We have continued to expand what we make in house and grow on our farms.
 - Our farms are not only a great source of ingredients, but also a source of education and inspiration.
- o Change is welcome and ever-present:
 - Our kitchens are nimble and are able to develop menus that change frequently and seamlessly with the offerings the season provides us.
 - We have seamless logistics for rolling out new products. The time saved is spent developing and sourcing new product.
 - We have created 2-3 more "salted caramel" equivalents between the three retail businesses, and have created a "salted caramel" exclusive for the Divis scoop shop, which has become its own destination.
- o Promotion & Education:
 - We are doing all we can to educate our community on healthful and sustainable food and its true value and cost. We are a leader in building a viable local food system that is efficient and varied enough to meet both the needs and desires of our community.

Our Staff

- Our work environment is amazing:
 - We are a great place to work and are widely recognized as such.
 - Staff members across departments and the businesses feel connected to each other as one family. They
 actually cross over and work in sister businesses so they have an understanding of how the other
 businesses run.
 - Staff shop at all the businesses.
 - Our work environment is supportive, challenging, inspiring, empowering, rewarding, fun, exciting, educational, and personal. Our staff members are proud and feel appreciated and well-rewarded.
 - All our staff is empowered to suggest and make change happen.
- Our staff is diverse and are inspired to greatness:

- We hire from within the communities we operate whenever we can.
- We have an awesome team who loves what they do and loves coming to work. They are engaged, inspired, passionate, and hard-working.
- We have a healthier staff than ever before.
- Everyone understands the organizational structure and the potential career opportunities within the BRFOB. There is a clear path of growth and development and the appropriate resources are available to achieve goals.
- Line staff members are often cross-trained to work in multiple depts.
- There is a successor identified with a development path for all positions from GM to Director to Supervisor to owner.

Our Vendors

- Whenever we can, we prioritize and support our commissary, our bakery, our farm, and any other businesses we
 establish
- o We continue to build deeper, closer relationships with the people who grow and make the food we sell.
- o We share our vendors' stories with our community so they understand how special the product is.
- Having a deeper, closer, symbiotic relationship with our vendors is vital to us. To that end:
 - We visit more of our vendors, and we have even made time to visit our international partners. Our staff is encouraged to participate in the vendor visits.
 - Many of our vendors have visited us. They spend time connecting with our staff at meetings and with our guests, doing demos or classes at 18 Reasons.

Our Community

- We are optimistic and intentional builders.
- Our work is rooted in meaningful, local relationships.
- We prioritize support for organizations and programs at the intersection of FOOD, YOUTH, and EDUCATION, with a lens towards historically-underserved populations.
- We provide our time, food, space, financial support, expertise and passion.
- o We actively listen to and collaborate with the community to adapt to their needs we step back to step up.
- We effectively measure our impact using tools such as: community-inclusive evaluation, dynamic data-tracking, and annual business goals.
- Our work creates a healthier, more equitable, and thriving future for our community.

Our Environment

- We respect our environment: our business practices improve livability in our neighborhoods and create a balanced coexistence with our soil, water and air.
- We are coming closer to realizing a closed loop resource system, a system with no waste, modeled after nature:
 - Food and supplies are resources. We respect and nurture these resources, are thrifty with them, fix them before we throw them away, and buy only what is necessary.
 - We measure our waste and have reduced it as a percentage of output. We prefer to reuse than recycle, because even recycling and composting is wasteful.
 - We measure our energy, fuel and water consumption and have taken measures to reduce our use.
- We teach what we have learned about environmental stewardship to our community.

Overall Financial Goals & Scope

- All of our businesses are financially healthy, and together, we all play a part in ensuring that each business succeeds. In partnership with each member of our community, we operate in a financially sustainable manner that enriches the lives of our staff, our guests, and our suppliers. Financial health in 2024 means:
 - We have an appropriate debt-to-equity ratio.
 - We have increased our inventory turns, which have helped increased margins, improved product freshness, and improved cash flow.
 - We are appropriately staffed and technologically equipped to meet our financial goals without compromising service to our guests.
- We know the score as we go: Our finance department efficiently and effectively keeps the score and delivers it to our team in a way that empowers them with the info they need to adjust and refine their operations without detracting from their ability to provide great service and curate great product.
- We have kept our openness to expanding our family at a rate that is sustainable, comfortable, and challenging. By the end of 2024 we likely have 1-3 new unique businesses that support and enrich the Bi-Rite Family and the neighborhoods they operate in.

BRFOB Core Values



LOVE: We value relationships-- with the people we work with, the people who raise our food, and the people that we feed. We're drawn to food because food brings people together. We exist to serve, and genuinely find pleasure in sharing food with our guests.

PASSION: Food is our life, and sharing it gives us energy. We recognize that knowledge is a two-way street, and that we can always be better. The more we learn, the more we want to know; we're in a constant state of improvement.

INTEGRITY: We act conscientiously, always thinking about the impact of our decisions. We value and emphasize transparency – not just with the products and services we provide, but as a business through our actions, procedures, and protocols.

The BRFOB Mission Statement

Creating community through food

The BRFOB Service Mission Statement

We welcome each and every member of our community as a guest in our home. We serve seamlessly, we inspire, we surprise, we feed and are fed.

The BRFOB People Mission—(Under Development)

The BRFOB Training Mission Statement

Bi-Rite training is a challenging and rewarding journey that cultivates the critical skills necessary for success in any workplace. Trainees and trainers are equally responsible for the results of training – a dynamic process and conversation which fosters growth, strengthens our culture, and reinforces sound operations.

The BRFOB Community Mission

We are making a difference by empowering youth, strengthening community, and creating resilience.

The BRFOB Product Mission

We cultivate genuine, dynamic relationships with the numerous and varied individuals responsible for our food. In the everevolving food landscape, we make educated decisions and push the boundaries of responsible sourcing. We inform our guests about the true cost of food and advocate a positive impact on our food system. By celebrating craft and heritage, we preserve diversity, traditions, and taste. As a result, our food is honest, memorable, and full of flavor!

Legacy Business Registry Case Report

HEARING DATE: FEBRUARY 20, 2019

* This report provides recommendations for five (5) Legacy Business applications. *

Filing Date: January 23, 2019
Case No.: 2019-001299LBR
Business Name: Bi-Rite Market

Business Address: 3639 18th Street (additional location at 550 Divisadero Street)

Zoning: NC-1 (Neighborhood Commercial, Cluster)

40-X Height and Bulk District

Block/Lot: 3587/073

Applicant: Sam Mogannam, Founder

3639 18th Street

San Francisco, CA 94110

Nominated By: Supervisor Rafael Mandelman, District 8 Staff Contact: Shelley Caltagirone - (415) 558-6625

shelley.caltagirone@sfgov.org

Reviewed By: Tim Frye – (415) 575-6822

tim.frye@sfgov.org

BUSINESS DESCRIPTION

Bi-Rite is a full-service grocery store founded in 1940 at 3639 18th Street in the Mission District. The market was originally built and operated by brothers Bill and Joe Cordano, and it has been in the Mogannam family since 1964 when immigrant brothers Jack and Ned Mogannam bought the business and the building. Bi-Rite Market is now owned by Sam Mogannam, the second generation of Mogannams to operate the market. The store was a pioneer in the farm-to-grocery store movement.

Sam re-envisioned the market's experience. He installed a kitchen in the center of the store, creating a new type of grocery store that had never been seen in San Francisco before. It offered fresh, farm-direct foods, freshly-cooked, and served with the hospitality of a restaurateur. The market was an instant success, eventually growing from its original staff of six to 90 people today. Under Sam's direction for the past 20 years, Bi-Rite has become a family of businesses, creating hundreds of jobs, providing small food producers an opportunity to grow their businesses, and being committed to a mission of Creating Community through Food, by teaching, feeding, and giving back to the community.

In 2013, Sam, along with business partner, Calvin Tsay, opened a second Bi-Rite Market at 550 Divisadero Street in the historic Alamo Square district of the Western Addition. At 3,000 square feet, this market was slightly bigger than the original, but still contained within an art deco building that was an original Safeway in the 1930s. Later in 2013, the company expanded into the Bayview District, adjacent to the SF Wholesale Produce Market, by opening a commissary and catering kitchen. The most recent addition to the Bi-Rite Family of Businesses is the Bi-Rite Cafe at Civic Center Plaza which opened in October 2018. Today, the

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company employs 350 staff members. Because each of the Bi-Rite businesses have different Employer Identification Numbers (EINs) as they all have different ownership structures, it is only the markets at 3639 18th Street and 550 Divisadero Street that would be listed on the Legacy Business Registry.

The primary business is located on the south side of 18th Street Dolores and Guerrero Streets in the Mission neighborhood. It is within a NC-1 (Neighborhood Commercial, Cluster) Zoning District and a 40-X Height and Bulk District.

STAFF ANALYSIS

Review Criteria

1. When was business founded?

The business was founded in 1940.

2. Does the business qualify for listing on the Legacy Business Registry? If so, how?

Yes. Bi-Rite Market qualifies for listing on the Legacy Business Registry because it meets all of the eligibility Criteria:

- i. Bi-Rite Market has operated continuously in San Francisco for 79 years.
- ii. Bi-Rite Market has contributed to the history and identity of San Francisco.
- iii. Bi-Rite Market is committed to maintaining the physical features and traditions that define the organization.
- 3. Is the business associated with a culturally significant art/craft/cuisine/tradition?

Yes. The business is associated with the farm-to-grocery tradition.

4. Is the business or its building associated with significant events, persons, and/or architecture?

Architecture

Yes. The commercial building at 18th Street was found to be individually significant under California Register of Historical Resources Criterion 3 (Architecture/Design) during the Inner Mission North Historic Resource Survey. It exhibits physical designs, features, materials, and/or craftsmanship that embody the distinctive characteristics and high artistic expression of "Moderne" commercial architecture from the mid-20th century period. Notably, the storefront was included in Michael Crowe's book Deco by the Bay, published in 1995 (Viking Studio).

The Divisadero Street building was surveyed in the Departments Neighborhood Commercial Buildings Survey and found not to be architecturally significant.

5. Is the property associated with the business listed on a local, state, or federal historic resource registry?

No. The 18th Street property has a Planning Department Historic Resource status of "A" (Known Historic Resource) due to the Inner Mission North Survey conclusion that the building is individually architecturally significant. The Divisadero Street property has a Planning Department Historic Resource statues of "B" (Properties Requiring Further Consultation and Review) as the building was constructed in 1931 and has not been formally evaluated.

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6. Is the business mentioned in a local historic context statement?

No.

7. Has the business been cited in published literature, newspapers, journals, etc.?

Yes. Bi-Rite has been featured extensively in news articles, in videos, and on the radio. A complete list titled "Bi-Rite in the News" is included in this application. The Bi-Rite Family of Businesses has been a Certified B Corp since 2015 and was recognized as a B Corp Best of the World 2018 Honorees for Community, which means the company scored in the top 10 percent of all B Corps on the Community portion of the B Impact Assessment. The assessment includes criteria in supplier relations, diversity, and involvement in the local community. In addition, Bi-Rite has been a SF Certified Green Business since 2012.

Recent awards for Bi-Rite Market include the following:

- Food Business of the Year, Community Alliance with Family Farmers, 2018
- Hall of Fame Inductee, San Mogannam, Specialty Food Association, 2018
- Best Flower Shop, SF Weekly, 2018
- Leadership Award for Community Citizenship, Specialty Food Association, 2018
- Healthy Mothers Workplace Award for Excellence, San Francisco, 2014, 2017, 2018 (and possibly 2015 and 2016)
- Forbes Small Giants, 25 Best Small Companies, 2016
- Livability Innovator in Sustainable Business, Livable City, 2015
- Community Champion, SF Chamber of Commerce, 2014
- Citizenship Award, Specialty Food Association, 2014

Physical Features or Traditions that Define the Business

Location(s) associated with the business:

- 3639 18th Street
- 550 Divisadero Street

Recommended by Applicant

- 18th Street and Divisadero Street storefronts, including tile bulkheads
- 18th Street interior light features
- 18th Street neon sign
- Farm-to-table produce and direct sourcing
- Celebration of craft and heritage
- Passionate and well-trained staff
- Mission to "create community through food"

Additional Recommended by Staff

None

Historic Preservation Commission Draft Resolution No.

HEARING DATE: FEBRUARY 20, 2019

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Case No.: 2019-001299LBR Business Name: Bi-Rite Market

Business Address: 3639 18th Street (additional location at 550 Divisadero Street)

Zoning: NC-1 (Neighborhood Commercial, Cluster)

40-X Height and Bulk District

Block/Lot: 3587/073

Applicant: Sam Mogannam, Founder

3639 18th Street

San Francisco, CA 94110

Nominated By: Supervisor Rafael Mandelman, District 8 Staff Contact: Shelley Caltagirone - (415) 558-6625

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ADOPTING FINDINGS RECOMMENDING TO THE SMALL BUSINESS COMMISSION APPROVAL OF THE LEGACY BUSINESS REGISTRY NOMINATION FOR BI-RITE MARKET CURRENTLY LOCATED AT 3639 18TH STREET, (BLOCK/LOT 3587/073), AND 550 DIVISADERO STREET, (BLOCK/LOT 1203/037).

WHEREAS, in accordance with Administrative Code Section 2A.242, the Office of Small Business maintains a registry of Legacy Businesses in San Francisco (the "Registry") to recognize that longstanding, community-serving businesses can be valuable cultural assets of the City and to be a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success; and

WHEREAS, the subject business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years; and

WHEREAS, the subject business has contributed to the City's history and identity; and

WHEREAS, the subject business is committed to maintaining the traditions that define the business; and

WHEREAS, at a duly noticed public hearing held on February 20, 2019, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Legacy Business Registry nomination.

THEREFORE BE IT RESOLVED that the **Historic Preservation Commission hereby recommends** that Bi-Rite Market qualifies for the Legacy Business Registry under Administrative Code Section 2A.242(b)(2) as it has operated for 30 or more years and has continued to contribute to the community.

BE IT FURTHER RESOLVED that the **Historic Preservation Commission hereby** recommends safeguarding of the below listed physical features and traditions for Bi-Rite Market.

Location(s):

- 3639 18th Street
- 550 Divisadero Street

Physical Features or Traditions that Define the Business:

- 18th Street and Divisadero Street storefronts, including tile bulkheads
- 18th Street interior light features
- 18th Street neon sign
- Farm-to-table produce and direct sourcing
- Celebration of craft and heritage
- Passionate and well-trained staff
- Mission to "create community through food"

BE IT FURTHER RESOLVED that the **Historic Preservation Commission's findings and recommendations** are made solely for the purpose of evaluating the subject business's eligibility for the Legacy Business Registry, and the Historic Preservation Commission makes no finding that the subject property or any of its features constitutes a historical resource pursuant to CEQA Guidelines Section 15064.5(a).

BE IT FURTHER RESOLVED that the **Historic Preservation Commission hereby directs** its Commission Secretary to transmit this Resolution and other pertinent materials in the case file 2019-001299LBR to the Office of Small Business. February 20, 2019.

Jonas P. Ionin

Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED:

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