

# Legacy Business Registry Case Report

HEARING DATE: MAY 15, 2019

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax: **415.558.6409** 

Planning Information: **415.558.6377** 

# THIS REPORT PROVIDES RECOMMENDATIONS FOR THE FOLLOWING THREE (3) LEGACY BUSINESS REGISTRY APPLICATIONS.

- Case No. 2019-006245LBR: 1552 Haight Street, "Distractions"
- Case No. 2019-006247LB: 4200 18th Street, "Scarpelli & Associates Physical Therapy"
- Case No. 2019-006250LBR: 1100 Cesar Chavez Street, "Veritable Vegetable"

The associated Legacy Business Registry Applications are not printed for distribution due to their size, but are available online at: <u>https://sfplanning.org/hearings-hpc</u>

| Filing Date:      | April 17, 2019   |
|-------------------|--|
| Case No.:         | 2019-006245LBR   |
| Business Name:    | Distractions   |
| Business Address: | 1552 Haight Street   |
| Zoning:           | Haight Street NCD (Neighborhood Commercial District) Zoning District |
|                   | 40-X Height and Bulk District  |
| Block/Lot:        | 1231/014   |
| Applicant:        | James Siegel, Owner  |
|                   | 1552 Haight Street   |
|                   | San Francisco, CA 94117  |
| Nominated By:     | Then-Supervisor London Breed, District 5                             |
| Staff Contact:    | Shelley Caltagirone - (415) 558-6625                                 |
|                   | shelley.caltagirone@sfgov.org  |
| Reviewed By:      | Tim Frye – (415) 575-6822  |
|                   | tim.frye@sfgov.org   |
|                   |  |

# **BUSINESS DESCRIPTION**

Distractions is a retail store founded by James Siegel in June 1982 at 1692 Haight Street in a Victorian building owned by the Haight-Ashbury Free Clinic. The store was originally geared to the large gay market that was spilling over from the Castro at the time. The Haight was being renovated mainly by gay pioneers who were buying up the dilapidated Victorians and opening other gay shops and bars and night clubs such as the I Beam. Siegel decorated it in the "high tech" style of the day with blacks and gray. The store featured clothing and gifts and cards, with some smoking paraphernalia. Distractions also catered to local artists and was known for their monthly gallery openings focusing on young, local gay artists.

In 1989, a fire forced Siegel to move the shop to its current location at 1552 Haight Street. He used the opportunity to change the focus of the store a go back to his hippie roots to cater to the Grateful Dead crowd, selling tie dyes and Guatemalan imported clothing. In 1994, Siegel changed the store again to cater to youthful fans of Electronic Dance Music. He converted the back room into a record and CD store and started selling tickets to the various local raves. Around 2010, the store began to have more of a Victorian and Steampunk look that was popular at Burning Man and began offering locally crafted good that cater to the counter-culture and festival communities.

The business is located on the north side of Haight Street between Ashby and Clayton streets in the Haight-Ashbury neighborhood. It is within the Haight Street NCD (Neighborhood Commercial District) Zoning District and a 40-X Height and Bulk District.

# STAFF ANALYSIS

## Review Criteria

1. When was business founded?

The business was founded in 1982.

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

Yes. Distractions qualifies for listing on the Legacy Business Registry because it meets all of the eligibility Criteria:

- i. Distractions has operated continuously in San Francisco for 37 years.
- ii. Distractions has contributed to the history and identity of the Haight-Ashbury neighborhood and San Francisco.
- iii. Distractions 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 counter culture history and traditions of the Haight-Ashbury neighborhood. It is also associated with the Burning Man Festival.

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

Yes. The property is located within the California Register-eligible Haight-Ashbury Historic District.

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

No. However, the property has a Planning Department Historic Resource status of "A" (Historic Resource Present) because of its location within the eligible historic district.

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. For over three decades, Distractions has enjoyed much media attention as an icon of the counter-culture community. Distractions has also been written about in many news stories, some included in the Legacy Business Registry application. The store is listed in the Haight-Ashbury Map & Guide published by Rufus Guides. Over the years it has been mentioned in travel books and airline magazines about San Francisco.

Jim Siegel was recently interviewed by CNN International for a special on the Haight and his historic home on Alamo Square, the William Westerfeld House, which is listed on the National Register of Historic Places and is San Francisco Landmark Number 135. The CNN International show is called Quest for Adventure. In May 2016, then-Supervisor London Breed presented Jim Siegel with a Certificate of Honor to commemorate his 40th year in business as a continual Haight Street merchant.

## Physical Features or Traditions that Define the Business

#### Location(s) associated with the business:

1552 Haight Street

## **Recommended by Applicant**

- Rotating murals by local artists
- Edwardian-era exterior building features
- Original hardwood floors, original doors, moldings, and Lincrusta wall finishes
- An inventory of clothing and goods associated with the artistic counter-culture, including high-quality Neo-Victorian and Steampunk wear
- Smoke shop

## Additional Recommended by Staff

• None

| Filing Date:      | April 17, 2019   |
|-------------------|--|
| Case No.:         | 2019-006247LBR   |
| Business Name:    | Scarpelli and Associates Physical Therapy                            |
| Business Address: | 4200 18th Street   |
| Zoning:           | Castro Street NCD (Neighborhood Commercial District) Zoning District |
|                   | 40-X Height and Bulk District  |
| Block/Lot:        | 2648/052   |
| Applicant:        | Elizabeth Scarpelli, President and CEO                               |
|                   | 4200 18th Street, Suite 102  |
|                   | San Francisco, CA 94114  |
| 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**

Scarpelli and Associates Physical Therapy, Inc. ("Scarpelli and Associates" or "SAPT") is a niche Orthopedic Manual Therapy practice that has been in operation since 1985 at 4200 18<sup>th</sup> Street. The focus of the practice, since its inception, has been to provide outstanding physical therapy service and wellness support services to the community. The company has helped thousands of patients overcome pain and disability. The business was founded by Elizabeth Scarpelli (Liz) and Lisa Kakehashi as a partnership. In 2014, Lisa Kakehashi retired from the practice and with this change Elizabeth Scarpelli modified the business name but continued providing the same services to the community and in the same location.

Elizabeth Scarpelli, PT, OCS, FAAOMPT, has been a therapist for 42 years and brings a wealth of experience, expertise and energy to her practice. She has mentored over 14 graduate Physical Therapists (PTs) on the path to specialization in orthopedic manual physical therapy and has mentored over 30 students vying for spots in university graduate programs in physical therapy. She was a senior instructor for over 20 years in the Kaiser Hayward Physical Therapy Residency and Fellowship Program, the first program of its kind in the country. This program set the standard for advanced clinical residency education in the United States, and Liz implements the comprehensive assessment/reassessment model used in the program for patient treatment and continues to mentor therapists in her clinic. Through a structured mentoring program and constructive feedback, the therapists grow professionally. They dig deep to solve complex musculoskeletal problems in this collaborative setting, and patients benefit by getting back to a healthier and more active lifestyle.

The business is located on the northwest corner of 18<sup>th</sup> and Collingwood streets in the Castro neighborhood. It is within the Castro Street NCD (Neighborhood Commercial District) Zoning District and within a 40-X Height and Bulk District.

# **STAFF ANALYSIS**

#### Review Criteria

1. When was business founded?

The business was founded in 1985.

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

Yes. Scarpelli and Associates Physical Therapy qualifies for listing on the Legacy Business Registry because it meets all of the eligibility Criteria:

- i. Scarpelli and Associates Physical Therapy has operated continuously in San Francisco for 34 years.
- ii. Scarpelli and Associates Physical Therapy has contributed to the history and identity of San Francisco and the Castro neighborhood.
- iii. Scarpelli and Associates Physical Therapy is committed to maintaining the physical features, craft, art form and traditions that define the business.
- 3. Is the business associated with a culturally significant art/craft/cuisine/tradition?

Yes. The business is associated with the tradition of physical therapy.

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

Yes. The property is located within the proposed Castro LGBTQ Cultural District, which is an area associated with significant events and persons related to the formation of the LGBTQ community in San Francisco and to the historical and ongoing fight for LGBTQ civil rights.

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

No. The property has a Planning Department Historic Resource status of "B" (Property Requires Further Research) because of its age (1967).

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. Elizabeth Scarpelli has been published in the American Physical Therapy Journal, and on the Kaiser Permanente national website. She wrote "HIV and DVT, The Decision Not to Treat," published in Kaiser Permanente's internal educational publication in October 2007. She also published a blog for the movie Miss Representation regarding the sordid history of foot binding and other insults to women's feet.

Scarpelli and Associates Physical Therapy was the winner of the Patient's Choice Award from Expertise.com in 2014; winner of the Outstanding Clinic Award from the San Francisco Awards Program in 2014, 2016 and 2018; top 3 physical therapists in San Francisco by threebestrated.com in 2017 and 2018; and winner of Book Local Community Choice Award by yocale.com in 2018. It is consistently rated top five physical therapy clinics on yelp.com.

#### Physical Features or Traditions that Define the Business

#### Location(s) associated with the business:

• 4200 18<sup>th</sup> Street

#### **Recommended by Applicant**

- Dedication to providing outstanding health care to the community in manual orthopedic physical therapy and advocating for patient care and rights
- Business model of one-to-one, in-depth assessment of complex patients
- Specialization in the evaluation and treatment of musculoskeletal problems as a result of sports injuries, trauma, work habits or inherited or developed postures and poor movement habit patterns.
- Ergonomic assessments for workplace and pre-sports training
- Formal mentoring program
- Statue of Martin De Porres in lobby

#### Additional Recommended by Staff

• None

| Filing Date:         | April 17, 2019  |
|----------------------|---|
| Case No.:            | 2019-006250LBR  |
| Business Name:       | Veritable Vegetable   |
| Business Address:    | 1100 Cesar Chavez Street (Primary Address)                            |
| Zoning:              | PDR-1-G (Production, Distribution & Repair – General) Zoning District |
|                      | 80-X Height and Bulk District   |
| Block/Lot:           | 4316/002  |
| Applicant:           | Nicole Mason, Director of Community Engagement                        |
|                      | 4200 18th Street, Suite 102   |
|                      | San Francisco, CA 94124   |
| Nominated By:        | Mayor London Breed  |
| Supervisor District: | Located in District 10  |
| Staff Contact:       | Shelley Caltagirone - (415) 558-6625                                  |
|                      | shelley.caltagirone@sfgov.org   |
| Reviewed By:         | Tim Frye – (415) 575-6822   |
|                      | tim.frye@sfgov.org  |
|                      |   |

# **BUSINESS DESCRIPTION**

Veritable Vegetable, the oldest organic produce distribution company in the country, has been an industry leader in the organic trade for over 45 years. Veritable Vegetable formed in 1974 out of a movement that sought to bring low-cost, nutritious food to neighborhood co-ops and community storefronts. This group of collectives, called the People's Food System (PFS), extended throughout the greater San Francisco Bay Area and provided an alternative to the existing corporate food system. Their tagline at the time was, "Food for People, Not for Profit."

There were many collectives that represented different parts of the food system – dry goods, baked goods, dairy, etc. Many PFS support collectives were located in a warehouse located at 3030 20th Street in San Francisco. The founders of these collectives had a unified vision: to create a viable alternative food distribution system that would eventually replace the corporate food system. In December of 1974, four individuals began to focus on buying and selling produce, calling themselves the "Veritable Vegetable Collective." With a small staff, Veritable Vegetable was one of the first wholesale buyers to form direct relationships with local growers to bring organic produce to urban consumers in Northern California. Like most of the People's Food System supply collectives, Veritable Vegetable was a worker-run collective where all workers made business decisions jointly. There was no formal ownership structure at that time.

In 1977, the PFS fell apart, but Veritable Vegetable embarked on its own and moved to 233 Industrial Street. Over the next several years, Veritable Vegetable grew its operation to better meet farmers' needs and to serve the expanded demand for organic produce. Over the years, the company shifted ownership structure several times, but generally continued to operate with collective decision-making responsibilities. The company now operates out of four sites, several on Marin Street, but maintains its offices on Cesar Chavez.

The business is located on the north side of Cesar Chavez Street between Tennessee and Minnesota streets in the Potrero Hill neighborhood. It is within a PDR-1-G (Production, Distribution & Repair – General) Zoning District and within an 80-X Height and Bulk District.

# STAFF ANALYSIS

#### Review Criteria

1. When was business founded?

The business was founded in 1974.

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

Yes. Veritable Vegetable qualifies for listing on the Legacy Business Registry because it meets all of the eligibility Criteria:

- i. Veritable Vegetable has operated continuously in San Francisco for 45 years.
- ii. Veritable Vegetable has contributed to the history and identity of San Francisco and the Potrero Hill neighborhood.
- iii. Veritable Vegetable is committed to maintaining the physical features, craft, art form and traditions that define the business.
- 3. Is the business associated with a culturally significant art/craft/cuisine/tradition?

Yes. The business is associated with the tradition of fresh produce food systems and organic farming.

 Is the business or its building associated with significant events, persons, and/or architecture? No.

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

No. The property has a Planning Department Historic Resource status of "C" (No Historic Resource Present) as it was evaluated in 2015 and determined to be ineligible for listing as a historic resource.

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. Veritable Vegetable is referenced in many publications including, but not limited to: Arizona Daily Sun, B the Change, Bay City News, California Agriculture, Civil Eats, Contra Costa Times, Eater SF, Grist, MIT Press, New Hope Network, OPN Connect, PeakPlate, RSF Social Finance Fall Quarterly, San Francisco Chronicle, SF Gate, The Packer, The Produce News, TriplePundit, Trucker News and US Business Executive.

Veritable Vegetable has also been featured in Edible Magazine, FleetOwner Magazine, Heavy Duty Trucking Magazine, Ms. Magazine, WDI Magazine and Wholesale and Distribution International Magazine. Veritable Vegetable is mentioned in John Curl's book, "For all the People," Mark Kitchell's documentary movie, "Evolution of Organic," Shanta Nimbark Sacharoff's book, "Other Avenues are Possible," Joyce Goldstein's book, "Inside the California Food Revolution" and Desmond Jolly's book, "California's New Green Revolution." In addition, Veritable Vegetable has made appearances on CBS KPIX, NPR's Marketplace podcast and Facebook's She Means Business Livestream.

Veritable Vegetable has won numerous awards throughout the years, including:

- 1992 SUSTIE (Sustainable Agriculture Award) from the Ecological Farming Association
- 1997 City of San Francisco Environmental Achievement Award
- 2005 Small Business Award from the San Francisco Bay Guardian
- 2008 Spirit of Organic Award from the Organic Trade Association
- 2010 San Francisco Small Business of the Year Award, and then-Mayor Gavin Newsom declared May 18, 2010, to be Veritable Vegetable Day
- 2012 Green Fleet of the Year from FleetOwner Magazine
- 2015 Women in Business Award from the San Francisco Chamber of Commerce
- 2017 Business Environmental Award from Acterra
- 2018 Ebbie Sustainability Award from the SF Chamber of Commerce; Outstanding Company from the Climate Collaborative and National Co+Op Grocers Association
- 2019 Top Green Providers Award from Food Logistics

## Physical Features or Traditions that Define the Business

#### Location(s) associated with the business:

- 1100 Cesar Chavez Street (primary address)
- 1370 Marin Street
- 1380 Marin Street
- 1545 Minnesota Street

## **Recommended by Applicant**

- The main warehouse on Cesar Chavez Street with orange and green façade, curved roof and canopied solar array
- Fleet of near-zero emission trucks with custom design by local artist Laura Parker
- Tradition as a values-driven organic produce distribution company
- Commitment to supporting organic farmers, increasing access to fresh produce, impacting food policy, and strengthening diverse communities

## Additional Recommended by Staff

• None



# **Historic Preservation Commission** Draft Resolution No. ###

HEARING DATE: MAY 15. 2019

| Case No.:         | 2019-006245LBR   | 415.558.6    |
|-------------------|--|--------------|
| Business Name:    | Distractions   | Planning     |
| Business Address: | 1552 Haight Street   | Information: |
| Zoning:           | Haight Street NCD (Neighborhood Commercial District) Zoning District | 415.558.6    |
| -                 | 40-X Height and Bulk District  |              |
| Block/Lot:        | 1231/014   |              |
| Applicant:        | James Siegel, Owner  |              |
|                   | 1552 Haight Street   |              |
|                   | San Francisco, CA 94117  |              |
| Nominated By:     | Then-Supervisor London Breed, District 5                             |              |
| Staff Contact:    | Shelley Caltagirone - (415) 558-6625                                 |              |
|                   | shelley.caltagirone@sfgov.org  |              |
| Reviewed By:      | Tim Frye – (415) 575-6822  |              |
|                   | tim.frye@sfgov.org   |              |

# ADOPTING FINDINGS RECOMMENDING TO THE SMALL BUSINESS COMMISSION APPROVAL OF THE LEGACY BUSINESS REGISTRY NOMINATION FOR DISTRACTIONS CURRENTLY LOCATED AT 1552 HAIGHT STREET, (BLOCK/LOT 1231/014).

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 May 15, 2019, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Legacy Business Registry nomination.

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax. 6409

n: 6377 **THEREFORE BE IT RESOLVED** that the **Historic Preservation Commission hereby recommends** that Distractions 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 Distractions.

## Location(s):

• 1552 Haight Street

## Physical Features or Traditions that Define the Business:

- Rotating murals by local artists
- Edwardian-era exterior building features
- Original hardwood floors, original doors, moldings, and Lincrusta wall finishes
- An inventory of clothing and goods associated with the artistic counter-culture, including high-quality Neo-Victorian and Steampunk wear
- Smoke shop

**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 2019-006245LBR to the Office of Small Business May 15, 2019.

Jonas P. Ionin Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED:



# Historic Preservation Commission Draft Resolution No. ###

HEARING DATE: MAY 15, 2019

| Reception:<br>415.558.6378      |
|---------------------------------|
| San Francisco,<br>CA 94103-2479 |

Fax: 415.558.6409

1650 Mission St. Suite 400

Planning Information: **415.558.6377** 

| 2019-006247LBR   | 415.55   |
|--|--|
| Scarpelli and Associates Physical Therapy                            | Planning   |
| 4200 18th Street, Suite 102  | Informa  |
| Castro Street NCD (Neighborhood Commercial District) Zoning District | 415.55   |
| 40-X Height and Bulk District  |  |
| 2648/052   |  |
| Elizabeth Scarpelli, President and CEO                               |  |
| 4200 18th Street, Suite 102  |  |
| San Francisco, CA 94114  |  |
| Supervisor Rafael Mandelman, District 8                              |  |
| Shelley Caltagirone - (415) 558-6625                                 |  |
| shelley.caltagirone@sfgov.org  |  |
| Tim Frye – (415) 575-6822  |  |
| tim.frye@sfgov.org   |  |
|  | Scarpelli and Associates Physical Therapy<br>4200 18th Street, Suite 102<br>Castro Street NCD (Neighborhood Commercial District) Zoning District<br>40-X Height and Bulk District<br>2648/052<br>Elizabeth Scarpelli, President and CEO<br>4200 18th Street, Suite 102<br>San Francisco, CA 94114<br>Supervisor Rafael Mandelman, District 8<br>Shelley Caltagirone - (415) 558-6625<br>shelley.caltagirone@sfgov.org<br>Tim Frye – (415) 575-6822 |

ADOPTING FINDINGS RECOMMENDING TO THE SMALL BUSINESS COMMISSION APPROVAL OF THE LEGACY BUSINESS REGISTRY NOMINATION FOR SCARPELLI AND ASSOCIATES PHYSICAL THERAPY CURRENTLY LOCATED AT 4200 18<sup>TH</sup> STREET, (BLOCK/LOT 2648/102).

**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 May 15, 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 Scarpelli and Associates Physical Therapy 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 Scarpelli and Associates Physical Therapy.

## Location(s):

• 4200 18<sup>th</sup> Street

## Physical Features or Traditions that Define the Business:

- Dedication to providing outstanding health care to the community in manual orthopedic physical therapy and advocating for patient care and rights
- Business model of one-to-one, in-depth assessment of complex patients
- Specialization in the evaluation and treatment of musculoskeletal problems as a result of sports injuries, trauma, work habits or inherited or developed postures and poor movement habit patterns.
- Ergonomic assessments for workplace and pre-sports training
- Formal mentoring program
- Statue of Martin De Porres in lobby

**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 2019-006247LBR to the Office of Small Business May 15, 2019.

Jonas P. Ionin

**Commission Secretary** 

AYES:

NOES:

ABSENT:

ADOPTED:



# **Historic Preservation Commission** Draft Resolution No. ###

HEARING DATE: MAY 15. 2019

| 2019-006250LBR  | 415.558.64  |
|---|---|
| Veritable Vegetable   | Planning  |
| 1100 Cesar Chavez Street (Primary Address)                            | Information:  |
| PDR-1-G (Production, Distribution & Repair – General) Zoning District | 415.558.6   |
| 80-X Height and Bulk District   |   |
| 4316/002  |   |
| Nicole Mason, Director of Community Engagement                        |   |
| 4200 18th Street, Suite 102   |   |
| San Francisco, CA 94124   |   |
| Mayor London Breed  |   |
| Located in District 10  |   |
| Shelley Caltagirone - (415) 558-6625                                  |   |
| shelley.caltagirone@sfgov.org   |   |
| Tim Frye – (415) 575-6822   |   |
| tim.frye@sfgov.org  |   |
|   | Veritable Vegetable<br>1100 Cesar Chavez Street (Primary Address)<br>PDR-1-G (Production, Distribution & Repair – General) Zoning District<br>80-X Height and Bulk District<br>4316/002<br>Nicole Mason, Director of Community Engagement<br>4200 18th Street, Suite 102<br>San Francisco, CA 94124<br>Mayor London Breed<br>Located in District 10<br>Shelley Caltagirone - (415) 558-6625<br>shelley.caltagirone@sfgov.org<br>Tim Frye – (415) 575-6822 |

ADOPTING FINDINGS RECOMMENDING TO THE SMALL BUSINESS COMMISSION APPROVAL OF THE LEGACY BUSINESS REGISTRY NOMINATION FOR VERITABLE VEGETABLE CURRENTLY LOCATED AT 1100 CESAR CHAVEZ STREET, (BLOCK/LOT 1231/014) [PRIMARY ADDRESS]; 1370 MARIN STREET (BLOCK/LOT 4353/009); 1380 MARIN STREET (BLOCK/LOT 4353/010); AND, 1545 MINNESOTA STREET (BLOCK/LOT 4316/001).

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

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax. 6409

n: 6377 **WHEREAS**, at a duly noticed public hearing held on May 15, 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 Veritable Vegetable 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 Veritable Vegetable.

## Location(s):

- 1100 Cesar Chavez Street (primary address)
- 1370 Marin Street
- 1380 Marin Street
- 1545 Minnesota Street

## Physical Features or Traditions that Define the Business:

- The main warehouse on Cesar Chavez Street with orange and green façade, curved roof and canopied solar array
- Fleet of near-zero emission trucks with custom design by local artist Laura Parker
- Tradition as a values-driven organic produce distribution company
- Commitment to supporting organic farmers, increasing access to fresh produce, impacting food policy, and strengthening diverse communities

**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 2019-006250LBR to the Office of Small Business May 15, 2019.

Jonas P. Ionin Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED:



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

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR



# Application Review Sheet

Application No.: Business Name: Business Address: District: Applicant: Nomination Date: Nominated By: LBR-2016-17-005 Distractions 1552 Haight Street District 5 James Siegel, Owner August 9, 2016 Then-Supervisor London Breed

**CRITERION 1:** Has the applicant has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years? <u>X</u> Yes <u>No</u>

1692 Haight Street from 1982 to 1989 (7 years) 1552 Haight Street from 1989 to Present (30 years)

**CRITERION 2:** Has the applicant contributed to the neighborhood's history and/or the identity of a particular neighborhood or community? <u>X</u> Yes <u>No</u>

**CRITERION 3:** Is the applicant committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms? <u>X</u> Yes <u>No</u>

NOTES: N/A

DELIVERY DATE TO HPC: April 17, 2019

Richard Kurylo Program Manager, Legacy Business Program



President, Board of Supervisor District 5



City and County of San Francisco

# LONDON N. BREED

Tuesday, August 9th, 2016

Rick Kurylo Legacy Business Program Manager Office of Small Business I Dr. Carlton B. Goodlett Place, Suite 110 San Francisco, CA 94102

Dear Mr. Kurylo:

I am writing to proudly nominate Distractions at 1552 Haight Street for the Legacy Business Registry Program. Distractions has been a fixture of the Haight-Ashbury community since its founding in June 1982.

As the iconic shop on Haight Street with a display of vintage clothes and accessories, Distractions has kept the counter culture of the Haight-Ashbury alive and active by the products it sells and the events it sponsors and promotes. During the 1990s, the store stayed active in the rave dance community by producing and supporting local events. From 1999 to 2013, it served as the local ticket outlet for the Burning Man Festival. Moreover, the unique items sold from Distractions attract residents and visitors from around the world, which promotes local businesses and improves the vitality of the Haight-Ashbury neighborhood.

The founder, Mr. Jim Siegel, has been an institution in the Haight-Ashbury. As a businessman and a leader of the community for the past 40 years, he is known by many as the "Godfather of Haight Street." As a current member of the Haight Ashbury Merchant Association, his leadership ensures that the merchants in this neighborhood are getting the support they need to thrive in San Francisco.

Please contact Mr. Siegel at distractionsonhaight@gmail.com. Feel free to contact my office if you have any questions. Thank you for your consideration.

Sincerely,

President London Breed Board of Supervisors City & County of San Francisco

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.

| Distractions   |  |
|--|--|
| BUSINESS OWNER(S) (identify the person(s) with the highest owners) | hip stake in the business)                   |
| James Oliver Siegel  | 74   |
| ZIP CODE: DATES OF OPERATION                                       | OTHER ADDRESSES (if applicable):             |
| CURRENT BUSINESS ADDRESS:  | TELEPHONE:                                   |
| 1552 Haight STREET<br>San Francisco, CA 94117                      | (4157 252-8751<br>EMAIL:                     |
| San Francisco, CA 94117  | distractions_sf@yaha                         |
| WEBSITE: FACEBOOK PAGE:  | YELP PAGE                                    |
| distractionssf.com   |  |
| APPLICANT'S NAME   |  |
| James Siegel   | Same as Business                             |
| APPLICANT'S TITLE  |  |
| OTABADO WNer DOORS   | OTHER ADDRESSES (if applicable):             |
| APPLICANT'S ADDRESS:   | TELEPHONE:                                   |
|  |  |
|  | EMAIL:                                       |
| A1101  | distractions_sfe jako.                       |
| SAN FRANCISCO BUSINESS ACCOUNT NUMBER: SECRE                       | TARY OF STATE ENTITY NUMBER (if applicable): |
| 0136249  | OTHER ADDRESSIS (Constantio):                |
|  |  |
| OFFICIAL USE: Completed by OSB Staff                               |  |

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# Legacy Business Registry R Application

# Section One:

# Business / Applicant Information. Provide the following Information.

## **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.

| ORIGINAL SAN FRANCISCO ADDRESS:                          | ZIP CODE:     | START DATE OF BUSINESS  |
|--|---------------|-------------------------|
| 1692 Haight ST.  | 94117         | June 1982               |
| IS THIS LOCATION THE FOUNDING LOCATION OF THE BUSINESS?  | DATES OF OPE  | RATION AT THIS LOCATON  |
| No Yes   | June 1982     | - Sept 1989             |
| OTHER ADDRESSES (if applicable):                         | ZIP CODE:     | DATES OF OPERATION      |
| 1552 Haight ST.  | 94117         | Start N 1289            |
| San Francisco CA   | 17111         | still Here              |
| OTHER ADDRESSES (if applicable):                         | ZIP CODE:     | DATES OF OPERATION      |
| CIT I'MI) distractions_Sfeward                           | (1002-0015    | Start:                  |
| ACE BOOK PAGE. YELP PAGE                                 |               | End:                    |
|  | 100001720     | masmicus                |
| OTHER ADDRESSES (if applicable):                         | ZIP CODE:     | DATES OF OPERATION      |
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| Same as Bushos   | Srene         | End:                    |
| OTHER ADDRESSES (if applicable):                         | ZIP CODE:     | DATES OF OPERATION      |
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| 200 - 1445 216 23301 1                                   | il trans      | End:                    |
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| IMBER: SECRETARY OF STATE ENTITY NUMBER (If applicable): | ESS ACCOUNT N | End: ODEIDHART MAR      |
| OTHER ADDRESSES (if applicable):                         | ZIP CODE:     | DATES OF OPERATION      |
|  |               | Start:                  |
|  |               | End:                    |

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Legacy Business Registry

Application

# Section Three:

# Section Four:

**Disclosure Statement.** 

Altern Historical Namativ

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.
- I 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.

years, uno applicant wit head to provise coourientian of the existence of the business prior to current ownership to verify it has been in operation for 30+ years. Prease use the list of supplemental documents and/or materials as a guide to noto demonstrate the existence of the business prior to current ownership.

Date:

V.5-6/17/2016

# DISTRACTIONS 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.

Distractions, located at 1552 Haight Street in the Haight-Ashbury neighborhood, was founded by James ("Jim") Siegel in June 1982.

Jim first arrived in San Francisco in June 1972 and has been an active member of the Haight-Ashbury counter-culture community since his arrival. He was attracted to the Haight by the lore of the hippie movement that first began in the neighborhood in the mid-1960s. By the early 1970s, Haight-Ashbury was a rundown, derelict neighborhood with a 40 percent commercial vacancy rate. Crime was high, and Jim was robbed often. But he decided to stay and make the neighborhood great once again.

Jim joined the volunteer staff at the Haight-Ashbury Switchboard, which was a group dedicated to helping the community by offering crash housing, running a 24/7 drop in center at 1797 Haight Street and helping people with housing, health, jobs and ride referrals.

In May 1976 at the age of 20, Jim teamed up with two partners to open The White Rabbit at 1409 Haight Street. It was one of only a handful of retail stores open on Haight Street at that time because the street was still derelict. They catered to what was left of the original hippie crowd, selling plants, pet supplies and marijuana smoking paraphernalia. Partnership problems arose, so in May 1978 Jim opened his second Haight Street shop with two friends called Pipe Dreams.

Pipe Dreams was strictly a "head shop" selling smoking wares to the Haight's marijuana enthusiast crowd while being pioneers of marijuana legalization. Having further difficulties with business partners, Jim branched off solo in June 1982 to open Distractions as a sole proprietor. Distractions was to be a different type of store. While still carrying some marijuana accessory products, the store was more geared to the large gay market that was spilling over from the Castro at the time. The Haight was being renovated mainly by gay pioneers who were buying up the dilapidated Victorians and opening other gay shops and bars and night clubs such as the I-Beam.

The original Distractions was located in a Victorian building owned by the Haight-Ashbury Free Clinic located at 1692 Haight Street by the corner of Haight and Cole. Jim decorated it in the "high tech" style of the day with blacks and gray instead of the bright, psychedelic colors of his two previous stores. He was 26 years old at the time and identified with the gay hippie youth of

the neighborhood, so Distractions catered to them. The store featured clothing and gifts and cards, with some smoking paraphernalia. Distractions also catered to local artists and was known for their monthly gallery openings focusing on young, local gay artists. Distractions was located at 1692 Haight Street from 1982 until 1989.

In 1988, a developer named John Brennon tried to build a Thrifty Drug store on the site of the old Straight Theater at the corner of Haight and Cole streets directly across the street from Distractions. The neighborhood was upset and not having any part of this gentrification in the Haight. On the night of September 22, 1988, Jim was awoken from his home on Alamo Square by the sirens from a 5-alarm fire. He looked out his window to see flames hundreds of feet above the trees in the Panhandle Park. By the time he arrived at Haight and Cole, 10 buildings were completely engulfed in flames including Distractions. An arsonist had placed 10 gallons of gasoline in the Thrifty Drug building, and the resulting fire became a conflagration jumping three corners of the Haight and Cole intersection.

Distractions had to close for several months to deal with the insurance company, but Jim still had weekend fire sales in the doorway of 1692 Haight Street to keep his presence alive. Realizing that repairs would take a while, he bought the lease of an old Chinese run grocery store in 1989 called the Bargain Market located at 1552 Haight Street near Ashbury. Jim changed the focus of the new Distractions, going back to his hippie roots and catering to the Grateful Dead crowd. Distractions was back to selling tie dyes and Guatemalan imported clothing that was popular with Deadheads. Distractions was very loved by the Grateful Dead community, and it was a community with 10,000 people traveling to San Francisco for each Dead show. The store served the Deadheads until 1994 when Jim decided that Jerry Garcia's heroin addiction made him a poor role model for his fans who idolized him.

In 1994, Jim changed Distractions' persona once again. The counter-culture was evolving, so he decided to cater the store to youthful fans of the Electronic Dance Music community. While the clothing they sold stayed psychedelic, gone were the tie dyes and in were fractal and holographic inspired clothing. Jim also converted the back room into a record and CD store. He started selling tickets to the various local raves, and this drew a loyal following to Distractions.

Around 2010, Jim resigned Distractions to have more of a Victorian and Steampunk look. This style was popular at Burning Man and was what the original hippies and rock bands in the Haight-Ashbury circa 1965 wore. The style is popular with circus acts such as San Francisco's Vaudevire Society who put on the yearly Edwardian Ball. People who attend the Dickens Fair also find their authentic vintage Victorian and Edwardian clothing at Distractions.

The look of Distractions today reflects the Burning Man artist community. The store sells handcrafted Black Iris hair pieces, leather hats by Steampunk Hatter, leather goods from Subverse, Compass Rose jewelry, Tracy Holcomb leather and jewelry, James Freeborn custom designed suits and Korrupt Label clothing by Oakland artist Henry. All of these are local Bay Area artists that cater to the counter-culture and festival communities.

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

Distractions had to close for several months after the fire on the night of September 22, 1988.

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

With Jim Siegel as a sole proprietor, Distractions 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.

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

Not applicable. James Oliver Siegel III has been the sole owner of Distractions since the business was founded in June 1982.

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 of the existence of the business verifying it has been in operation for 30+ years is provided in this Legacy Business Registry application.

# 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.

Distractions is located at 1552 Haight Street in a three story Edwardian building built in 1904. The building is classified by the Planning Department as Category A, Historic Resource Present, with regard to the California Environmental Quality Act and is a contributor to the Haight-Ashbury Historic District. Originally, a flat occupied the ground floor space but was converted to a storefront in the first decade of 1900. There are two tenant occupied flats on the upper floors.

Haight-Ashbury is made up of late Victorian and Edwardian buildings. It was originally a streetcar suburb of downtown. Jim takes pride in the architectural history of the Haight and actively does all he can to preserve it. He has always been known as a preservationist and has restored many Victorians in the area including his personal home, the William Westerfeld House on Alamo Square, which is on the National Register and is a San Francisco landmark.

# **CRITERION 2**

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

Distractions has always been a proud part of the Haight-Ashbury community that the store serves. Distractions loves the diversity and free spirit of the Haight and the colorful tourists that the neighborhood attracts. Today the Haight is a liberal and progressive, left leaning neighborhood. Distractions embraces the wealthy Victorian property owners, the tenants in rent control apartments, as well as the hundreds of homeless the neighborhood attracts and everyone else in between. Distractions has several elderly homeless men that they help financially, spiritually and with friendly support and guidance. Haight-Ashbury still attracts thousands of tourists attracted to the hippie roots of the Haight, and Distractions still cherishes those values 52 years after the Summer of Love.

Distractions has always been associated with the values and morals of the original Haight-Ashbury hippie movement. The Haight's hippies did change the world for today through the ecology movement, women and gay movements, the peace movement and the quest for freedom of artistic expression that the original hippies championed. Jim chose the Haight as his personal home and home of his businesses for he holds the values of the original Haight-Ashbury hippies dear to his heart to this day.

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

Distractions and Jim Siegel have been involved with many significant events. From 1989 to 1994, Distractions was very loved by the Grateful Dead community, which consisted of roughly 10,000 people traveling to San Francisco for each Dead show.

By the mid-1990s, Jim Siegel was throwing rave parties that he promoted at the store. In 1995, a group including Jim called the Consortium of Collective Consciousness (CCC) threw the first Electronic Dance at the Burning Man Festival. This was the start of a long history with the Burning Man Organization that Distractions still enjoys today.

By 1999, Jim had formed a radio and production company called Thump Radio. He had a weekly radio show on KUSF that Distractions sponsored. They also threw monthly dance parties at 550 Barneveld and The DNA Lounge and sold the tickets exclusively at Distractions. This led to the building of the first Rave Village at Burning Man in 1999, and Burning Man made Distractions its first San Francisco ticket outlet. The store sold tickets from 1999 until 2012 when the event grew so big that the Burning Man organization decided to just sell tickets online. Distractions still enjoys a great relationship with the organization, and Distractions is the only San Francisco location to sell Burning Man's yearly poster and calendars. Distractions has a huge, loyal following among the Burning Man community, so much so that Distractions makes 25% of its yearly income during the three weeks before the festival in late August. Distractions makes

yearly contributions to Burning Man's Artumnal Gathering fundraiser for the arts, and the Distractions staff still regularly attends the festival.

Distractions has also been involved with the Haight Street Fair, 420 events in Golden Gate Park, the Dickens Fair and the Edwardian Ball. Jim has used the stores windows to promote his Victorian preservation efforts including leading the charge to save the Fallon Building at 1800 Market from demolition as well as collecting petitions in the store to save endangered Victorians and stop Urban Outfitters from opening a mega store on Haight. Jim worked with then-Supervisor Matt Gonzalez to help establish the Formula Retail Ordinance to protect small mom-and-pop stores from chain stores.

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

For over three decades, Distractions has enjoyed much media attention as an icon of the counter-culture community. Distractions has also been written about in many news stories, some included in the Legacy Business Registry application. The store is listed in the Haight-Ashbury Map & Guide published by Rufus Guides. Over the years it has been mentioned in travel books and airline magazines about San Francisco.

Jim Siegel was recently interviewed by CNN International for a special on the Haight and his historic home on Alamo Square, the William Westerfeld House, which is listed on the National Register of Historic Places and is San Francisco Landmark Number 135. The CNN International show is called Quest for Adventure. In May 2016, then-Supervisor London Breed presented Jim Siegel with a Certificate of Honor to commemorate his 40th year in business as a continual Haight Street merchant.

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

Distractions has been associated with many historical people including icons of the original hippie movement such as Timothy Leary, poster artist Stanley Mouse and visionary artist and author Alex Gray. Most of San Francisco's pioneer rock stars have shopped here: members of Jefferson Airplane, Big Brother and the Holding Company, Led Zeppelin and Carlos Santana. In 1989, when Distractions was focusing on Jim's hippie roots and catering to the Grateful Dead crowd, the store sold tie dyes created by local artist James Preston who had created an album cover for the Grateful Dead.

Distractions dresses many famous rock musicians such as Primus, Lukas Nelson, Parliament-Funkadelic and others that love the unique clothing that only Distractions offers. Current rock stars such as Lukas Nelson, Primus, Simone Posford of Sphongle and numerous electronic musicians such as Bass Nector also shop at Distractions.

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

Jim Siegel has been active in the revitalization of the Haight since the early 1970s. He did community volunteer work, bought several Haight Street Victorians and restored them and operated retail stores in the mid-1970s when the Haight was actually a dangerous place to be.

Distractions has continually demonstrated a commitment to preserving the values of the Haight-Ashbury neighborhood. The store is known for having signs in its windows opposing chain stores, gentrification and demolition of Victorian buildings. They actively collect petitions for causes they believe in. Jim started two of the merchant associations over the past decades and has been an active member of Haight-Ashbury Neighborhood Council for years.

Distractions donates to neighborhood schools, Larkin Street Youth Services and Taking It To The Streets.

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

Distractions serves customers from Haight-Ashbury, San Francisco and beyond including residents and tourists. The store is popular with the counter-culture, Burning Man and Steampunk communities, as well as artists and musicians.

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

Since Distractions has occupied 1552 Haight Street, Jim has always supported local artists by having murals painted in front of the shop. In 1989, a local artist named Eugene painted a Guatemalan tapestry on the front when the store cratered to the Grateful Dead crowd. In the early 1990s, Jason Norelli painted a bright colorful mural during the store's Rave period. The current mural that depicts Victorian San Francisco was painted by homeless artist Spencer Grey and added to by long Haight resident David Wills.

Although the building is covered in asbestos shingles, some Edwardian details remain. Jim has convinced his landlords to retain the one over one original windows, as well as the hardwood floors they wanted to cover with linoleum, and to retain the original doors, mouldings and Lincrusta they wanted to remove.

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

Distractions has played an important role in the Haight-Ashbury community. The store supports the arts and local artists and is active in neighborhood politics. Employees of Distractions are told on a daily basis that the store is the customers' favorite store on Haight Street.

Jim Siegel opened his first store, White Rabbit, to keep the spirit of the Haight alive in 1976 on the week the last hippie shop from the 1960s known as The Pheonix closed down. Bob Stubbs, the owner of the Phoenix, gave Jim his remaining fixtures and merchandise so that Jim could keep a hippie influenced shop open on Haight at a time the neighborhood was in shambles. As a pioneering counter-culture business, Jim feels that the Haight would be adversely affected should Distractions close. Distractions represents the values of the original hippies, marijuana enthusiast, festival goers, Burning Man attendees and the LGBT community, and after 37 years people expect Distractions to be here. Jim rarely advertises as Distractions is a fixture in the Haight community. Also, as one of the only stores in San Francisco selling Victorian, Edwardian and Steampunk clothing, attendees of Burning Man, the Edwardian Ball and the Dickens Fair would be at a loss to find appropriate attire should Distractions close.

Distractions helps to keep the artistic counter-culture alive through the goods they sell and as a community meeting spot. After 43 years of running shops in Haight-Ashbury, people just expect to see Jim Siegel on Haight Street. He is a fixture there and part of the lore. Jim believes that Distractions would be conspicuous in its absence should he ever choose to close the store.

# **CRITERION 3**

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

Distractions specializes in high-quality Neo-Victorian and Steampunk wear. You can find top hats, pocket watches, vests, corsets, festival wear needs and many other accoutrements. The store sells handcrafted Black Iris hair pieces, leather hats by Steampunk Hatter, leather goods from Subverse, Compass Rose jewelry, Tracy Holcomb leather and jewelry, James Freeborn custom designed suits and Korrupt Label clothing by Oakland artist Henry. All of these are local Bay Area artists that cater to the counter-culture and festival communities. Distractions is a second hand licensed shop with a smoke shop in the back.

# 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)

Distractions is committed to maintaining its historical tradition as clothes store and smoke shop featuring high-quality clothing, accoutrements, second-hand clothes and smoking paraphernalia.

# 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.).

Distractions is committed to maintaining the tradition of having murals painted in front of the shop as well as Edwardian details of the building, such as the original windows, the hardwood floors, the original doors, the mouldings and the Lincrusta.

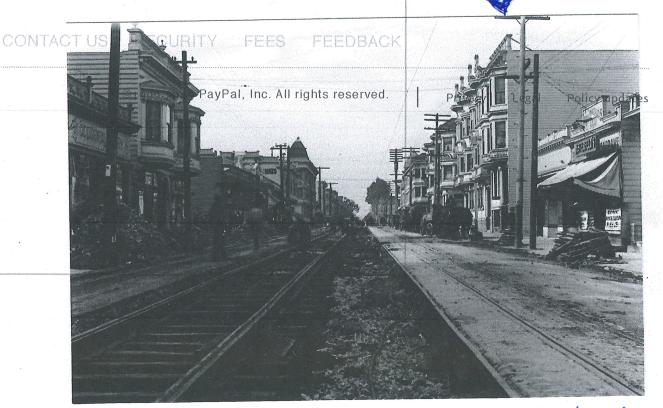
d. When the current ownership is not the original owner and has owned the business for less than 30years; the applicant will need to provide documentation that demonstrates the current owner has maintained the physical features or traditions that define the business, including craft, culinary, or art 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.

Not applicable.

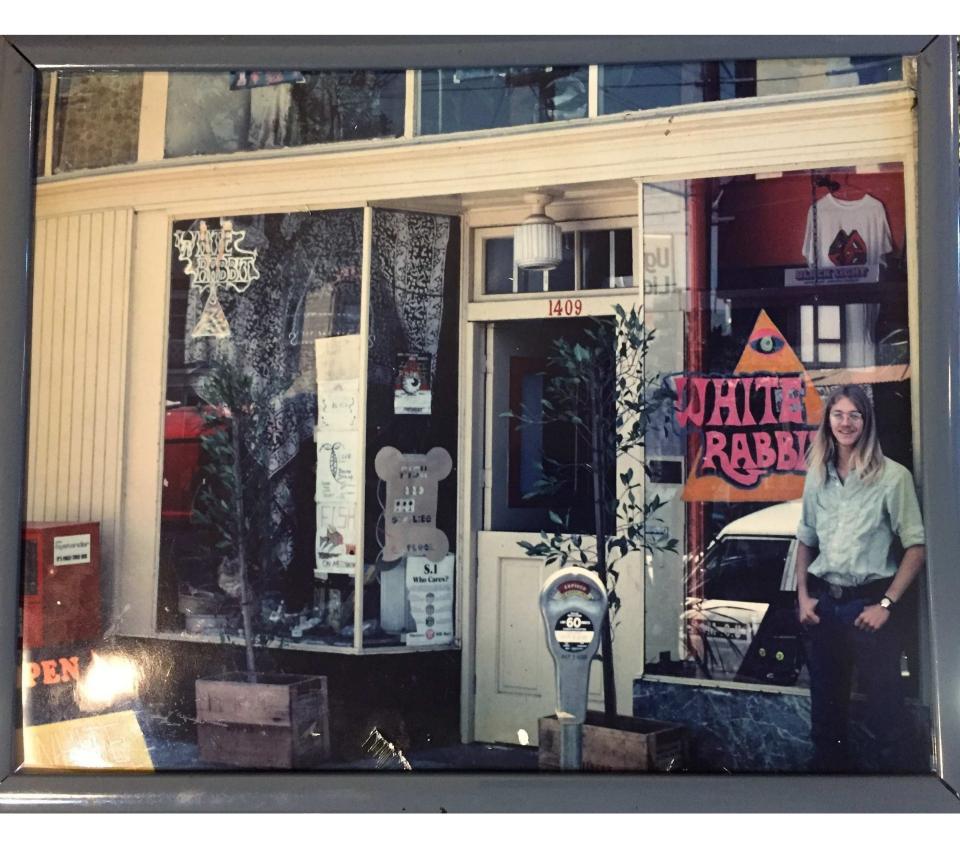
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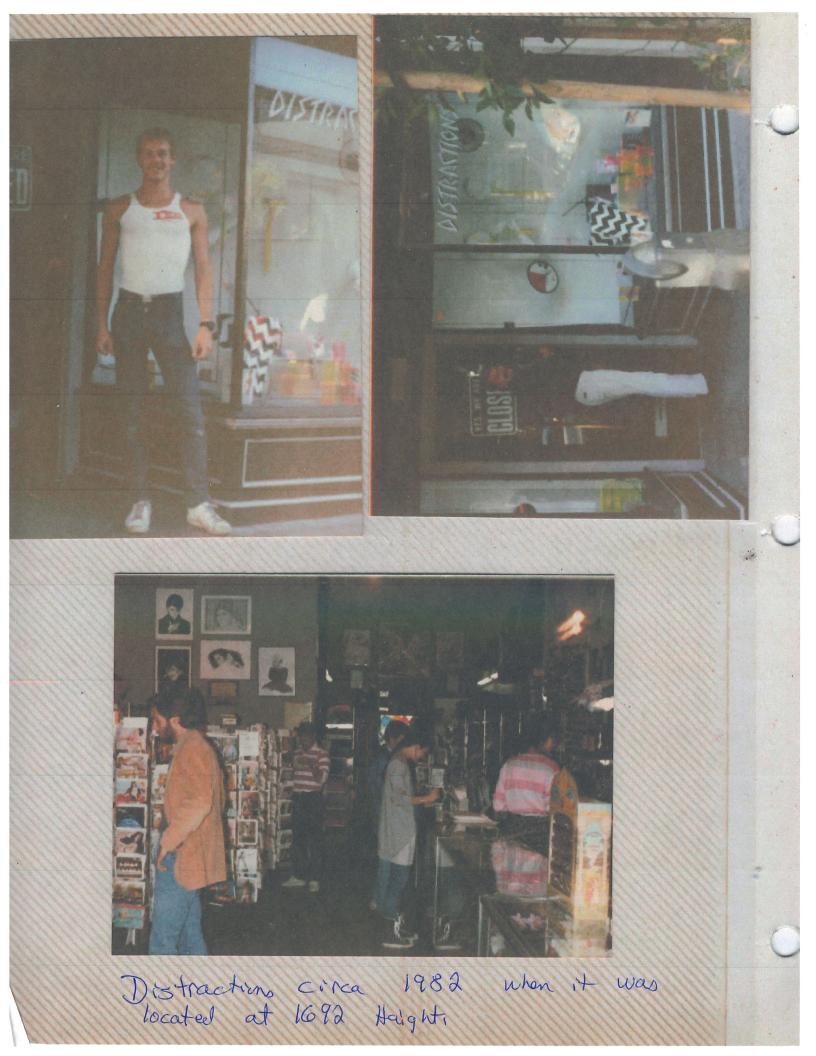


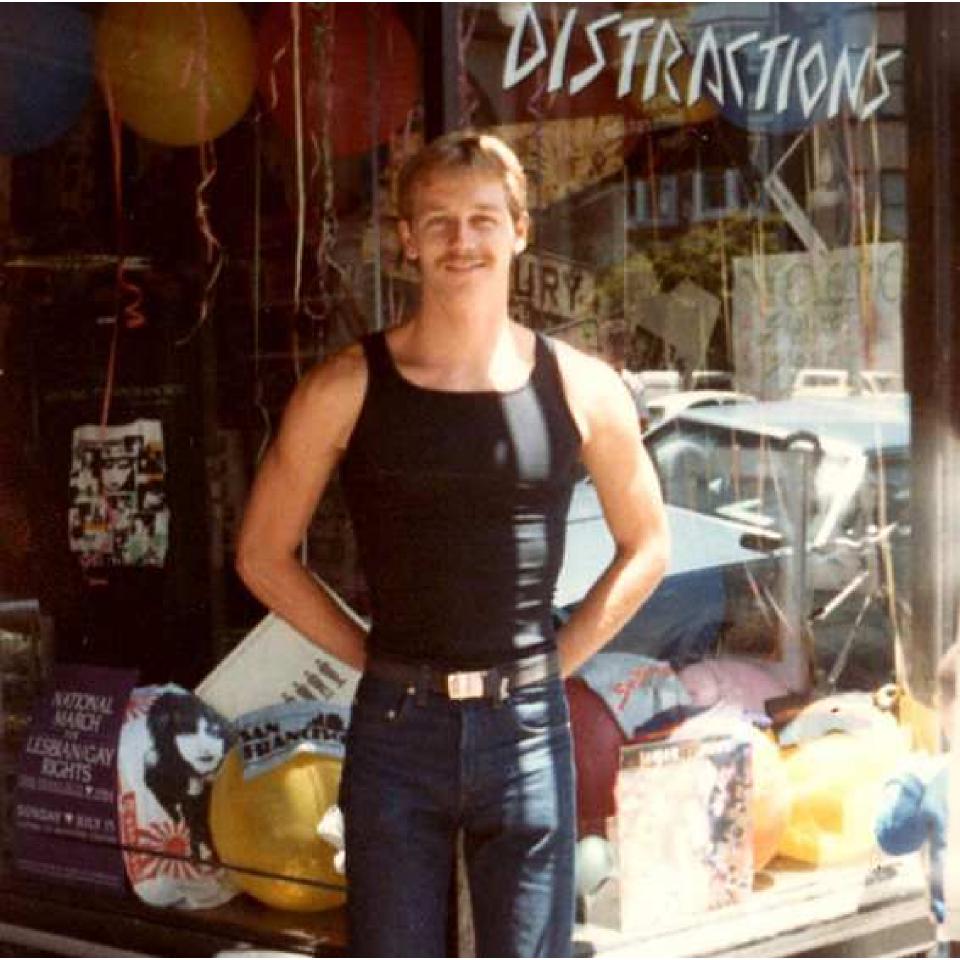


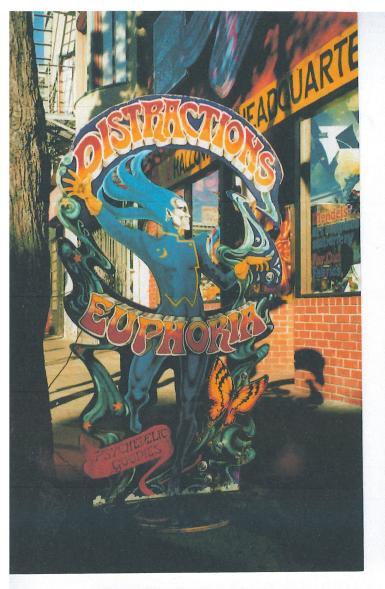
Original 1904 photo of the 1500 Block of Haight street. Distraction is located in the First three story building on the right. Originally Built as 3 Flats but converted prior to 1910 to & Flats over retail storefront.

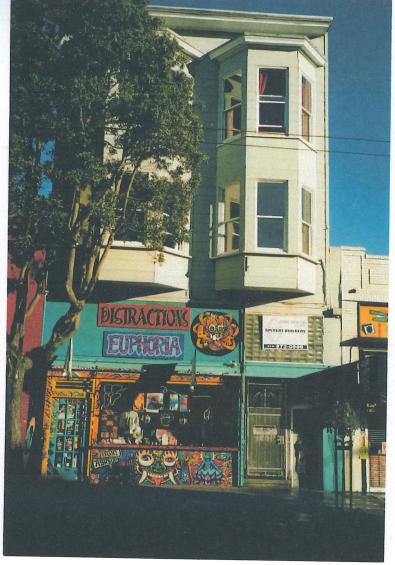


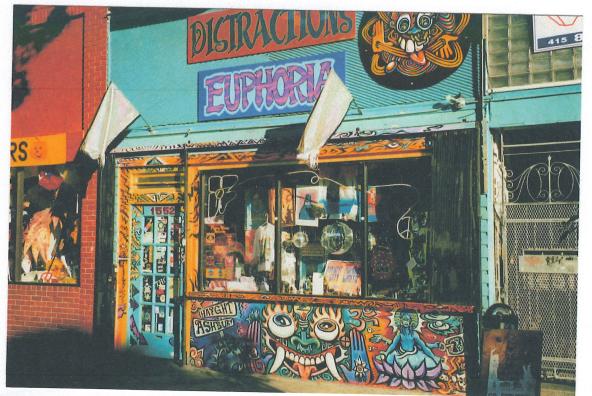






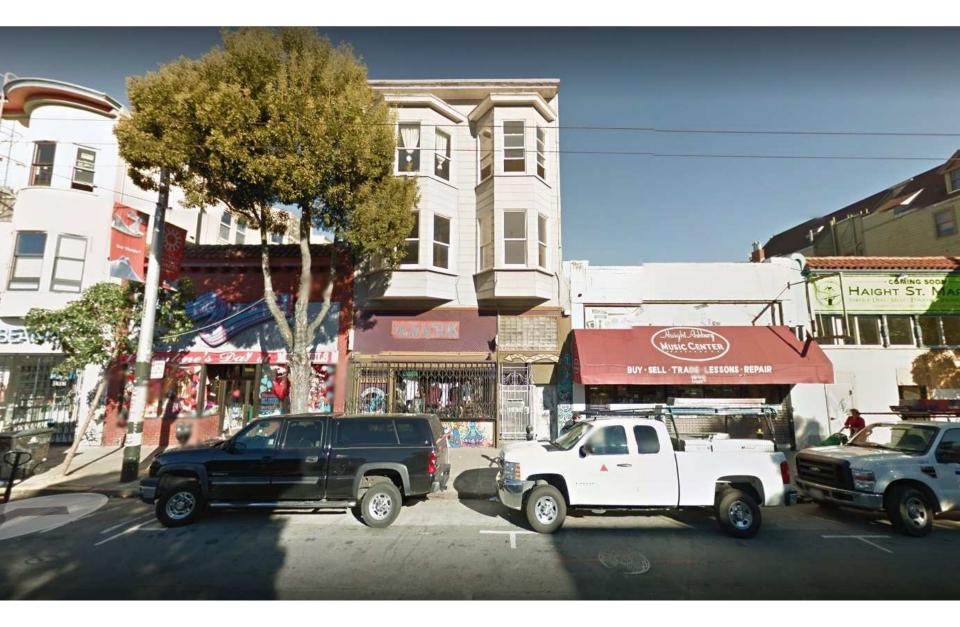






Historical Photos of Distractions Exterior and Signage Circa 1994 located at 1552 Haight ST





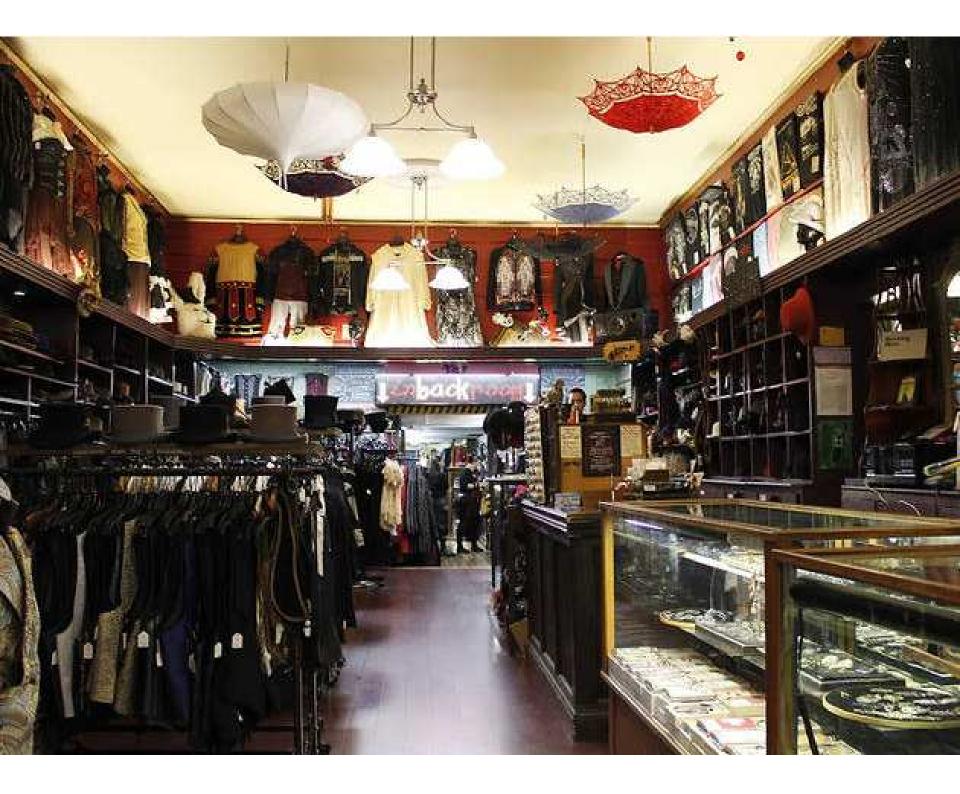


Corrent Signage at Distactions 1552 Haight ST

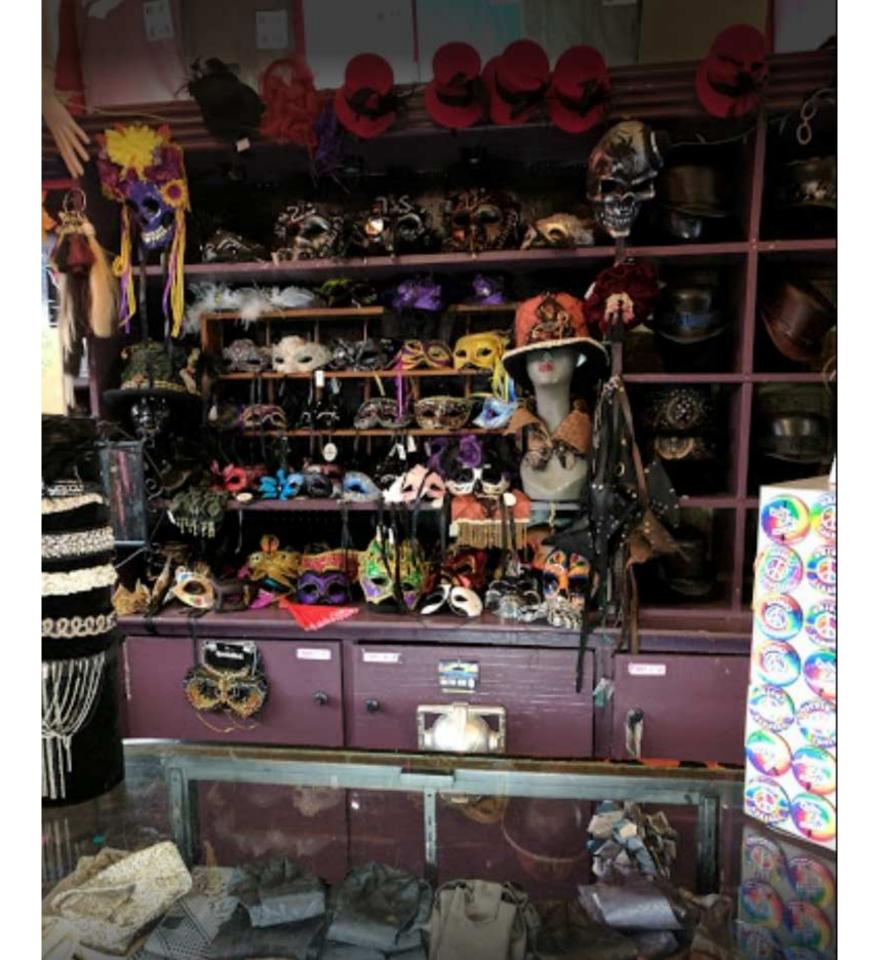








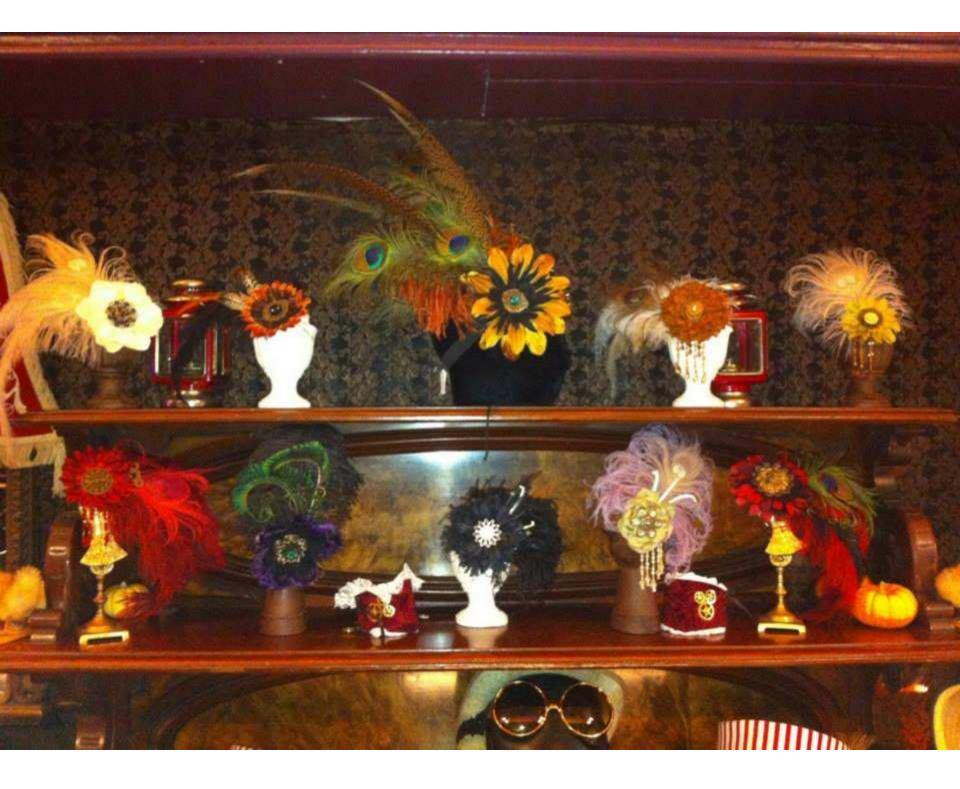






Custom jewelry on the dop shelf made by Manin county artist, compass Rose heather hip belts made by Santa Cruz artist Trevor Terin Available at Distractions







Corrent photo of clothing available in the back Room of Distractions



The Washington Post

### The Rebirth of Haight-Ashbury

By Larry Kramer January 13, 1979

The street sign on the corner of Haight and Ashbury streets here is perched atop its pole.

That may not seem like an important bit of news, but in the old days, that sign was stolen so often by souvenier-seekers that the city just stopped replacing it.

It has been good news, not bad news, that has helped Haight-Ashbury lose its standing as a tourist attraction. It is fast becoming just another (albeit fascinating) San Francisco neighborhood.

A renaissance of sorts has taken place in this former mecca of the dropped-out generation. People on the streets are no longer out-of-towners, but San Franciscans eating, drinking and shopping in what has become the newest chic neighborhood.

Gone are the droves of drug addicts, misfits and lost souls who wandered aimlessly along Haight Street, main street of a nieghborhood immortalized by the music of the the mid-1960's, including that of San Francisco's Jefferson Airplane and the Grateful Dead.

Instead, there are new groups of leather-jacketed, short-haired, bluejeaned men -- mostly gay -walking the streets and wandering in and out of new, trendy shops. Typical of the changes is one long-time local stationary store, which changed its name to Reflections and covered its walls and windows with metallic, art-deco signs and displays.

Gays are moving into the Haight in record numbers, according to city officials, and turning around entire blocks within a few short months. The pattern is the same: They will buy up a series of well-worn Victorian houses, renovate them and clean up the neighborhood. The result: real estate values begin to soar.

For some people -- notably blacks and other minorities who are residents of the neighborhoods being renovated -- the trouble has just begun. The rapid increases in real estate values have resulted in soaring rents and taxes, and many elderly and poor people are being forced to leave their long-time homes.

According to city officials, many do sell their homes to speculators for some profit, only to see the buyers turn around six months later and sell the houses for considerably more money. It has been a long, tough road for the Haight since the days of "flowers in your hair," and many of the locals are glad to see the iron gates come down from the fronts of grocery and liquor stores, even if it means higher rents.

Figures from the city planners' office reveal that the average sale price of a house in the Haight was \$46,207 in 1970, jumped to \$80,109 in 1975 (a 75 percent increase) and soared again to more than \$125,000 as of this week. It should be noted that single-family houses in San Francisco are the most expensive in the country.

There are other numbers from a recent professional marketing study that demonstrate the dramatic changes in the Haight. The percentage of people living in that neighborhood who earn more than \$15,000 went from 15 percent in 1970 to more than 25 percent last year.

Perhaps more important, though, has been the change of the age distribution of Haight residents. The percentage of people under 19 has dropped by 34 percent and 20-to-24-year-olds by 19 percent. At the same time, the population share of 25 -to-44-year-olds has increased by 46 percent.

And the commercial vacancy rate on Haight Street itself has dropped from 40 percent in 1970 to virtually nothing today. Of the merchants who moved their stores into the Haight during a recent five-year period, 47 percent said they did so because it was a "good area," "getting better," or "coming back," planners said.

Other statistics paint an even rosier picture for the future of the Haight. In 1970, only 14 percent of the homes there were occupied by their owners. Today, more than 55 percent are owner-occupied.

"I am pleased by the rejuvenation of Haight Street," says mayor Dianne Feinstein, "because it is enabling the Haight-Ashbury neighborhood to once again be a productive and livable community. The sight of new storefronts, increased pedestrian traffic and more attractive homes along Haight Street shows us that we can rescue neighborhoods from urban decay with intelligent planning and the committment of local residents."

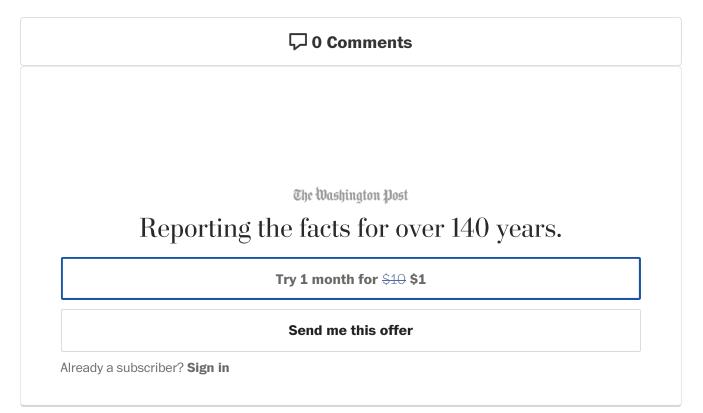
In fact, the rebirth of Haight has a great deal to do with progressive city planning. Audrey Owen of the city planning department has been that office's liason with the Haight-Ashbury community and is looking to buy a home in the area herself.

"There is a remarkable grass-roots cooperative effort going on here," Owen said. "For the first time in years the Haight-Ashbury Merchants Association and the traditionally more liberal Neighborhood Council are working together to plan for the future. They are working on a detailed Haight Street master plan that could be a landmark in neighborhood planning." Owen said that a city study revealed that in one recent one-year period, 62 new businesses opened on Haight Street and gross receipts for local merchants soared by \$3.8 million during the same period.

In an effort to control this rapid commercial growth, the community has asked the city planning department to prohibit any commercial activity above the ground floor on Haight Street, and to ban the opening of any new bars, Owen said.

A recent city survey revealed that there were nearly three bars on every block of Haight Street and the city Board of Permit Appeals recently upheld a planning board veto on the opening of a new bar, paving the way for a likely street-long moratorium on bars.

"People want to make sure that there are adequate local services before we begin attracting people from other areas of the city," Owen said.





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1528 15TH STREET, SAN FRANCISCO, CA 94103

TELEPHONE: 415/861-5019

# **Cops Order Shop To Remove Display**

Gay Men Touching Is 'Disgusting' Say Cops on Haight Street

by Ray O'Loughlin

On Friday, Mar. 8, San Francisco police officers from Park Station visited Jim Siegel at his shop, Distractions, on Haight Street. They demanded that he remove a window display they regarded as pornographic. That "pornography" consisted of pictures of men touching or embracing and an unclad male dummy partially concealed behind a television set.



Jim Siegel (Photo: Rink)

The display was to promote the Gay videos on sale in the store. Siegel promptly complied with a police officer's suggestion that certain items be removed.

"I think they were overstepping their bounds," said Siegel. "Cops must have better things to do than monitor window displays."

According to Jay Williams, who installed the display two days earlier, two squad cars and eight policeman had stopped at the store before Siegel had arrived. "They were heard to say things like how 'disgusting' and 'revolting' the display was," said Williams.

Later, one policeman returned to speak with Siegel. "He said they'd received a lot of complaints about the window," said Siegel. "The cop said he personally found some of it offensive and not proper for this neighborhood." Siegel said that the officer pointed out a few video display packages in the window that Siegel then removed. They depicted men in leather, Siegel said.

Siegel said there was no nudity or sex acts shown in the display. He said he was aware (Continued on page 2)



So What's the Fuss? Here are the video covers police said were "disgusting" at Distractions on Haight Street. (Photo: Rink)

**Cops Censor Gay Display** 

#### (Continued from page 1)

of city ordinances prohibiting such displays and sought not to offend anyone with his shop's windows. "I never allow any nudity or anything pornographic to go into the windows," he said. "It may be provocative but not pornographic."

According to Lt. Dennis Martell, of the San Francisco Police Vice Squad, city police code ordinances "prohibit the display of sexual anatomical areas and sex acts in shop windows to prevent school kids or people likely to be offended by it from seeing it."

He said that shop owners usually go along with requests from police who judge certain displays to be obscene. Refusal to do so could lead to issuance of a citation. Martell said that the vice squad was not involved in this incident although he recalled "an inquiry from Park Station for guidance in this area that day or the day before."

But at Park Station, no one could recall the incident nor did a quick search of records for that Thursday and Friday reveal any complaints or assignment of officers on the case.

Capt. John Damon of Park Station said he was not aware of the matter at all until questioned by the Bay Area Reporter. "I've heard nothing about it," he said, "I'm not aware of any complaints having been received."

Window Dresser Jay Williams, who contracts with stores to produce window displays, said that this wasn't the first run-in with SFPD at Distractions regarding one of his displays. He recalled a similar incident in January in which police objected to certain cards in the window.

At that time and last week, said Siegel, the police seemed to object mostly to the Gay theme of the display. "Anything where two men were touching seemed to be objectionable," said Siegel.

Siegel suspected that objections to his store, which sells punk-style clothing and jewelry as well as cards and some porn magazines, came from those trying to "gentrify" Haight Street. "Some people fear the store draws the wrong crowd," he said. He has operated Distractions for three years and has been in business on Haight Street for twelve years at other locations.

R. O'Loughlin

#### ALAMO SQUARE NEIGHBORS, JIM SIEGAL: by Winston Montgomery



Alamo Square Neighbors: Jim Siegel, the Wizard of the Westerfeld House

There are few houses in any San Francisco neighborhood that more splendidly celebrate Victorian architecture than Alamo Square's Westerfeld House at 1198 Fulton. Especially with its recent repainting, its design seems to embody the Victorian character, a bit stodgy, perhaps, a trifle reserved, but at its core as eccentric and whimsical as the ornamented tower that soars out of the structure towards the sky.

With its prominent corner location, the Westerfeld House helps anchor Alamo Square Park in its historical period, and like two old faithful companions, they sustain and complement each other. And as fortunate as the Alamo Square neighborhood is to have the Westerfeld House, we are also very fortunate in its owner, Jim Siegel, who is responsible for much of its renovation, and takes seriously his role as steward and champion of this San Francisco treasure.

Originally from Philadelphia, Jim Siegel left home at 16 bound for San Francisco seeking a freer, more creative and accepting environment, —the same dream that had brought so many young people to the Haight-Ashbury in the Sixties. But it was the Seventies, and a kind of nuclear winter had followed the Summer of Love. Many storefronts were boarded up, and there was an atmosphere of fear as street crime and harder drugs came to dominate the scene, prompting frequent police sweeps.

Young and on his own, Jim found things in San Francisco rough at first,

but luckily he soon came under the protective wing of the Haight-Asbury Switchboard, a volunteer service which acted as a community information and referral service, especially for the young people, many of them runaways, who had just arrived in town. The Switchboard maintained lists of housing, jobs and counseling services, and provided a place to leave and pick up messages.

In 1976, Jim Siegel and a partner took over the lease to a storefront that had previously housed one of the district's original psychedelic shops, The Phoenix. Trying to keep the tradition alive, Jim called his shop the White Rabbit. Today he is one of the longest term merchants on Haight Street, having had a retail business there for 24 years in 5 different locations.

Distractions, his present store, is located at 1552 Haight Street near Cole. It's the kind of establishment that in the past may have been termed a "head shop", but Jim prefers to call it an alternative youth store. It sells incense, tie dyed T-shirts, smoking utensils of all types as well as other accoutrements and memorabilia of alternative youth culture, past and present.

Most importantly, though, Distractions promotes and supports the latest, cutting edge "rave" electronic dance music, most of which is composed on or generated by computer. Also called techno or trance music, this is the rhythmic vehicle that drives the all night "rave" parties that currently dominate the underground scene in the Haight. Many of Jim's employees at Distractions are involved in the "rave" music scene as musicians and producers, and a favorite project of Jim's is the promotion of local "microbands" (so called because they are made up of one or a very small number of musicians) who record their music on their own computer. Jim prominently features their CDs for sale, as well as CDs from better known electronic musicians.

Jim Siegel has long been committed to Victorian architecture and historic preservation. He bought and renovated his first set of flats in lower Potrero hill in 1977, and over the years he has restored ten buildings, most of them long neglected Victorians.

He was also a leading voice in the successful attempt to save the Fallon Building. This uniquely shaped structure, located at 1800 Market near Octavia, was built by Carmel Fallon, granddaughter of General Joaquin Ysidro Castro, for whom Castro Street is named. It was originally planned that a restored Fallon Building would become part of the new Gay and Lesbian Community Center, but projected repair costs escalated out of sight, and it was slated for demolition. At one point Jim offered to buy the Fallon Building himself, and pay the costs of fixing it up, but after a huge public outcry over the proposed tear down, a way was found to preserve and incorporate the building.

In a harmonic convergence of his two strongest passions, this past New Year's Eve Jim hosted a rave party at the Westerfeld House to raise money to save the Fallon Building. As 1,500 revelers danced the night away in the venerable old mansion, over \$7,000 was contributed.

Jim Siegel purchased the Westerfeld House (San Francisco Landmark # 135) in 1986. It is often mistakenly called the old Russian Embassy or Consulate, probably because it was once owned by a Russian community group which for a time operated a restaurant in its basement ballroom. The house had been on the market for a year, and one day when the previous owners were having a garage sale, Jim stopped and asked if he could look through the partially restored house. He fell in love with it, had to have it, and sold almost everything he had to get it.

Although the Westerfeld House has been significantly restored, much remains to be done. The foundation needs major seismic upgrading, and Jim thinks that would be a good time to restore the ballroom which has been <sup>-</sup> converted to a rental apartment. The interior of the tower also needs work.

Jim Siegel loves Alamo Square and wouldn't live anywhere else. He is happy to see that over recent years the neighborhood seems to have changed for the better, and he is glad to see Divisadero Street finally coming alive. He thinks having a strong neighborhood association has been essential, and he is an active participant, making his house available for neighborhood fund-raisers and ASNA meetings.

So whether it be the Victorian age, or New Age, rave or restoration, Jim and his Westerfeld House are always open to new experiences, but they retain a deep and abiding respect for the achievements of the past.

INTERVIEW

## **Psychedelic trance state** How a gay kid made good, part two

#### by Mark Mardon

immy Siegel has been making the scene since the days of Flower Power on Haight Street. He and his head shop Distractions have gone through the Summer of Love's hangover period through the coke and punkrock eras to New Wave and beyond. Then along came rave culture.

What Siegel is real high on now is the psychedelic-trance dance scene. And as with most of his passions, he plans to capitalize on it — or lose his pants, but have fun in the process.

His obsession with the genre came about when "this cute little hippie boy comes into my store and goes, 'Jimmy, you gotta come to this rave party with me."

Though he had more or less stopped going to raves — this was '94 or '95 — he told the kid all right, and went on to discover a whole new rave world populated by the same "world-traveler hippie kids who had been coming in and selling me clothing and things they'd brought back from India."

At the parties, run by the CCC, an Oakland-based collective, the DJs and live electronic musicians played Goa trance, an Indian style originated by electronic musician Goa Gil, utilizing at least 144 beats per minute.

"At the time, I didn't quite understand the music," says Siegel. "It was very fast, and I kind of thought it was speed-freak music."

But it attracted cool kids, all dressed colorfully in fluorescent clothes and day-glo paint, who decorated the CCC warehouse space with spectacular psychedelic tapestries brought back from Bali or India, or made themselves.

"It was this total artists' collective of about 30 kids living there full-time, and about 100 travelers. That was the start in the Bay Area of the psychedelic-trance scene here."

Siegel soon jumped in as a rave promoter, joining first with the CCC and later with an English partner to throw psychedelictrance parties. The first big one, held at the Club Townsend space, lost \$5,000 "because our parties were so different than most raves back then. We'd start with a big meditation; everybody would be sitting around in a drumming circle, chanting, 'Ohm.' Most people thought we were a bunch of freaks, like a psychedelic hippie cult. Not many people showed up, and the ones that did wanted their money back because it was such a weird experience for them." Everybody worked for free, and any profits went to buying equipment or to benefiting charitable causes. Medical marijuana seemed an obvious cause for a party. Dennis Peron and Siegel's crew produced a huge New Year's party at Peron's Cannabis Buyers' Club, to which hundreds came to welcome 1998. The rave party took place on all five floors of the CBC's Market Street edifice, and was the talk of the underground town for months afterward.

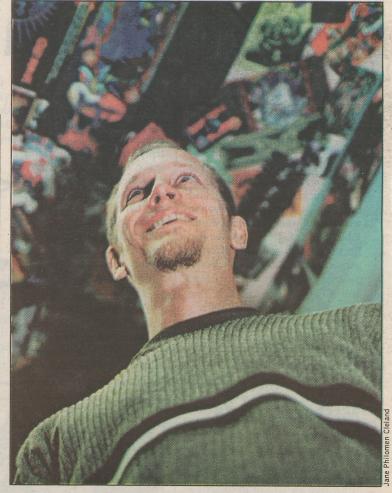
Eventually, Blue Room Americas came to town, affiliated with the London-based Blue Room psy-trance record label, and the parties became world-class events. A party held jointly in August 1998 by Blue Room Americas and the new San Francisco branch of the Japanese rave magazine Zavtone drew thousands of ravers to the gigantic dance floors of Custer Avenue Stages in the city's industrial area. The event saw state-ofthe-art sound systems and visual projections, world-renowned electronic bands and international DJs, an out-of-this-universe fashion/performance show, and a joyous crowd of fantastically garbed young ravers.

Psychedelic trance has since taken off, sweeping the Bay Area dance scene with a vengeance. Kids are creating at-home electronic music with computers and synthesizers. The list of weekly psy-trance parties keeps growing. When Siegel hosted his own New Year's party last year at Custer Avenue Stages, thousands came, and the \$7,000 made was turned over to help restore the Fallon Building for the planned Gay Community Center.

Now Siegel is venturing beyond producing parties: he wants to produce a radio station as well. He and a crew of young entrepreneurs have launched Thump Radio, with the goal of establishing the first all-electronic-music radio station in the Bay Area. Already the team produces a weekly 2 p.m. Sunday broadcast on college station KUSF (90.3 FM), and electronic artists jump at the chance to record shows, in large part because of where they get to produce their sounds.

To record broadcasts on Thump Radio, DJs ascend five stories to the top of Siegel's Victorian mansion. As they stand at the turntables, they command a sweeping view of San Francisco,

page 47



Jimmy Siegel is high on Thump Radio's groovy electronica.

the old Russian Embassy." Marconi, the inventor of the radio, did some of the first West Coast broadcasts from the mansion's as the Fallon Building does now. But I see that with a little bit of love, you can turn an old eyesore into a diamond."  $\blacksquare$ 

### **Jimmy Siegel**

#### previous page

from nearby Alamo Square to across the Bay. The house itself is beautiful, detailed with original Victorian furnishings and décor. There's a second-floor room with a 1960s-vintage collection of psychedelic posters and memorabilia — a true hippie pad. And the house boasts a rich history.

"It's a national trust property," explains Siegel, "a San Francisco landmark called the Westerfeld House, also erroneously known as the old Russian Embassy." Marconi, the inventor of the radio, did some of the first West Coast broadcasts from the mansion's tower. Besides being a Russian social club at the turn of the century, it was also the first big hippie commune. You may have read about it in *The Electric Kool-Aid Acid Test.* 

The mansion was inhabited at various times by jazz musicians, hippies, rock musicians, Manson Family members, Satanists — and now a rave king.

"I'm proud to be a part of it, restoring it," says Siegel. "That's why I'm so interested in restoring the Fallon Building. Both buildings were in a very bad state of disrepair. My house looked as bad as the Fallon Building does now. But I see that with a little bit of love, you can turn an old eyesore into a diamond." ▼ https://hoodline.com/2016/05/from-street-kid-to-stalwart-jim-siegel-celebrates-40-years-of-businesson-haight



### From Street Kid to Stalwart: Jim Siegel Celebrates 40 Years of Business on Haight

Wed. May 4, 2016, 9:43am by Camden Avery



Photos: Camden Avery/Hoodline

This Friday marks 40 years of business in the Upper Haight for Distractions owner Jim Siegel, and in that time, he's seen a lot. We sat down with him to talk about his unlikely transition from Haight street kid to veteran business owner, and how he's seen the neighborhood change over the decades.

Siegel says he's been in love with the Haight ever since he first saw it, as a teenager growing up in Daly City. In 1972, when he was 16 years old, he moved to the neighborhood.

"I was a street kid," he said. But unlike a lot of people arriving in the early 1970s, he said, "I was very blessed." He volunteered at the Switchboard, a volunteer information center with a 24/7 phone line. New arrivals could call to get information on apartment rentals and jobs, advice on where to obtain free healthcare, survival guides for living for free in San Francisco, and tips on organized crash pads.

"There were about 500 people in the Haight keeping the spirit of the 1960s alive" at that time, Siegel said, all of them working to preserve the free culture of the Diggers. The idea was to "drop out and live on welfare, but give back to the community by volunteering."



Siegel at White Rabbit in 1976.

Siegel had taken a lot of acid by then, he said, and managed to qualify for mental disability income from the government. So in 1976, he and two friends, also street kids who were also living on SSI (then called ATD), applied to the government for additional rehabilitation grants; they were awarded \$5,000 each. They used the money to go into business as White Rabbit at 1409 Haight St., the space now occupied by Black Scale.

White Rabbit had previously been Bob Stubbs's store, the Phoenix, which was founded in 1966. But by the time Siegel moved to the Haight, it was one of the last holdouts of hippie life from the 1960s. By 1976, most of Haight Street's commercial spaces were boarded up with plywood or operating as liquor stores, Siegel said, with the exceptions of Robert's Hardware, Mendel's, and a few others.

Stubbs, the Phoenix's owner, was retiring to Hawaii, so gave the store's merchandise to Siegel and his friends outright. The landlord was so happy to have the space occupied that he didn't charge the three friends any rent for the first year. (When they did start paying rent, it was \$250 per month.)

White Rabbit opened as a combined plant store, head shop, and pet supply store. "We didn't count on the money," Siedel said. "We did it to have fun." He said White Rabbit was largely a place to hang out; he and his friends invited people to come in and take LSD or smoke pot.



The head shop counter at today's Distractions.

The White Rabbit partnership dissolved in 1978, and Siegel moved over to 1372 Haight, where he founded Pipe Dreams (which still exists in a different incarnation) as a dedicated head shop. But that partnership had an even shorter life.

Soon after, Siegel sold out his share of Pipe Dreams, took a third of the merchandise up the street, and founded the first incarnation of Distractions, then at 1692 Haight St. (The space was most recently home to the Homeless Youth Alliance, until they lost their lease in late 2013.)

Over the years, Siegel has operated shops at five different locations in the Haight. One relocation was forced by a 1989 fire at Haight and Cole; another time, he was evicted by a landlord for displaying gay magazines for sale in the window. But he's been settled in at 1552 Haight St. since 1989.



The store's format changed as frequently as its location. "We went from a hippie store, to a head shop, to a new-wave clothing store for I-Beam customers, to a Grateful Dead-type store, to a raver shop," Siegel said. "I'm gay, and I like young guys on Haight Street, so whenever I get a new boyfriend, I change the vibe. It's worked out pretty well!"

He said the store became Dead-themed right before the Dead's popularity re-exploded in the late 1980s. But once Jerry Garcia started using heroin, Siegel wanted to transition away from that

image. In 1992, he began shifting to a shop primarily for ravers. By the late 1990s, Distractions was San Francisco's exclusive outlet for Burning Man tickets, and Siegel was on the committee that convinced Burning Man to include more than just one "rave night," which at the time was held in a segregated camp.

"That's really shaped the direction the store has gone for the last 20 years," he said. "We cater to the counterculture, as the counterculture changes."

Siegel is thrilled to have made it to the 40-year mark, especially as a marker of how far he's come since his days living on the streets. "It's definitely a rags-to-riches story," he said, although "my whole idea was never to make money, [but] to keep the spirit of the '60s alive, because I love the neighborhood."

"The whole store falling into my lap when I was 19 was such a blessing. That's why I still support the street kids; I feel bad for the homeless kids today, because they don't have the opportunities that I did then. I'm glad to have been part of that community."

Certificate of Honor

#### **BOARD OF SUPERVISORS** City and County of San Francisco

The Board of Supervisors of the City and County of San Francisco hereby issues, and authorizes the execution of, this Certificate of Honor in appreciative public recognition of distinction and merit for outstanding service to a significant portion of the people of the City and County of San Francisco by:

#### Distractions 40<sup>th</sup> Anniversary

On the occasion of its 40<sup>th</sup> Anniversary, the Board of Supervisors of the City and County of San Francisco extends its highest commendation and appreciation to Distractions. Your eclectic mix of vintage and steampunk clothing has made your store an iconic part of the Haight-Ashbury neighborhood. Congratulations on your 40<sup>th</sup> Anniversary, and we look forward to many more! On behalf of the Board of Supervisors, Distractions, I commend you.

> President London Breed San Francisco Board of Supervisors Friday, May 6<sup>th</sup>, 2016

> > 1111

TITT



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

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR



## Application Review Sheet

Application No.: Business Name: Business Address: District: Applicant: Nomination Date: Nominated By: LBR-2018-19-051 Scarpelli and Associates Physical Therapy 4200 18th Street, Suite 102 District 8 Elizabeth Scarpelli, President and CEO April 10, 2019 Supervisor Rafael Mandelman

**CRITERION 1:** Has the applicant has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years? <u>X</u> Yes <u>No</u>

4200 18th Street, Suite 102 from 1985 to Present (34 years)

**CRITERION 2:** Has the applicant contributed to the neighborhood's history and/or the identity of a particular neighborhood or community? <u>X</u> Yes <u>No</u>

**CRITERION 3:** Is the applicant committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms? <u>X</u> Yes <u>No</u>

NOTES: N/A

DELIVERY DATE TO HPC: April 17, 2019

Richard Kurylo Program Manager, Legacy Business Program



Member, Board of Supervisors District 8



City and County of San Francisco

#### **RAFAEL MANDELMAN**

April 10, 2019

Re: Nomination of Scarpelli and Associates Physical Therapy to the Legacy Business Registry

Dear Director Regina Dick-Endrizzi,

I am writing to nominate Scarpelli and Associates Physical Therapy to the Legacy Business Registry. Scarpelli and Associates Physical Therapy, Inc. ("Scarpelli and Associates" or "SAPT") is a niche Orthopedic Manual Therapy practice that has been in operation for 34 years at 4200 18th Street. The focus of the practice, since its inception, has been to provide outstanding physical therapy service and wellness support services to the community. The company is proud to have helped thousands of patients overcome pain and disability and reach their personal best.

The business began in September 1985 and has operated continuously without interruption to the present day. The business was founded by Elizabeth Scarpelli (Liz) and Lisa Kakehashi as a partnership, and called Scarpelli and Kakehashi Physical Therapy.

Liz Scarpelli, has been a therapist for 42 years and brings a wealth of experience, expertise and energy to her practice. She has mentored over 14 graduate Physical Therapists on the path to specialization in orthopedic manual physical therapy and has mentored over 30 students vying for spots in university graduate programs in physical therapy. She was a senior instructor for over 20 years in the Kaiser Hayward Physical Therapy Residency and Fellowship Program, the first program of its kind in the country.

In addition to providing excellent physical therapy treatment and care to their patients, Scarpelli and Associates makes additional culturally important contributions to the Castro by donating to the Castro Merchants' Holiday Tree fund and financially supporting the AIDS/LifeCycle.

Given Scarpelli and Associates Physical Therapy's enduring presence in the Castro and their commitment to providing excellent care and treatment to the community, I strongly believe that they would benefit from being a part of San Francisco's Legacy Business Registry, and I want to thank you for your consideration.

Sincerely,

 $(\mathcal{Y})$ 

Rafael Mandelman Member, San Francisco Board of Supervisors

### 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:   |                              |        |           |  |
|---|------------------------------|--------|-----------|--|
| Scarpelli & Associates Physical Therapy, Inc.   |                              |        |           |  |
| BUSINESS OWNER(S) (identify the person(s) with the highest ownership stake in the business) |                              |        |           |  |
| Elizabeth Scarpelli   |                              |        |           |  |
|   |                              |        |           |  |
|   |                              |        |           |  |
| CURRENT BUSINESS ADDRESS:   |                              | TELEPH | ONE:      |  |
| 4200 18th Street, Suite 102   |                              | (415)  | 626-1929  |  |
| San Francisco, CA 94114   |                              | EMAIL: |           |  |
|   |                              |        |           |  |
| WEBSITE:  | FACEBOOK PAGE:               |        | YELP PAGE |  |
| https://scarpellipt.com   | Scarpelli and Associates Phy |        |           |  |

| APPLICANT'S NAME     |            |   |                  |
|----------------------|------------|---|------------------|
| Elizabeth Scarpelli  |            | ~ | Same as Business |
| APPLICANT'S TITLE    |            |   |                  |
| President & CEO      |            |   |                  |
| APPLICANT'S ADDRESS: | TELEPHONE: |   |                  |
|                      |            |   |                  |
|                      | EMAIL:     |   |                  |
|                      |            |   |                  |
|                      |            |   |                  |

| SAN FRANCISCO BUSINESS ACCOUNT NUMBER: | SECRETARY OF STATE ENTITY NUMBER (if applicable): |
|--|---|
| 1007464                                | Sec of State #: C3728480                          |

| OFFICIAL USE: Completed by OSB Staff |                     |  |  |
|--------------------------------------|---------------------|--|--|
| NAME OF NOMINATOR:                   | DATE OF NOMINATION: |  |  |
|                                      |                     |  |  |
|                                      |                     |  |  |

### 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.

| ORIGINAL SAN FRANCISCO ADDRESS:                         | ZIP CODE:   | START DATE OF BUSINESS  |  |  |
|---|-------------|-------------------------|--|--|
| 4200 18th Street, San Francisco, CA                     | 94114       | September, 1985         |  |  |
| IS THIS LOCATION THE FOUNDING LOCATION OF THE BUSINESS? | DATES OF OP | ERATION AT THIS LOCATON |  |  |
| 🗌 No 🔳 Yes  | Sept. 1985  | Sept. 1985 to present   |  |  |
|   | 710 0005    |                         |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:   | DATES OF OPERATION      |  |  |
| None  |             | Start:                  |  |  |
|   |             | End:                    |  |  |
|   |             | •                       |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:   | DATES OF OPERATION      |  |  |
|   |             | Start:                  |  |  |
|   |             | End:                    |  |  |
|   |             |                         |  |  |
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Legacy Business Registry

Application

### 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.

I 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.

Elizabeth M. Scarpelli 2/11/2019 Unubeth Scurpelli Jame (Print): Date: Signature

Name (Print):

#### SCARPELLI AND ASSOCIATES PHYSICAL THERAPY, INC. 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.

Scarpelli and Associates Physical Therapy, Inc. ("Scarpelli and Associates" or "SAPT") is a niche Orthopedic Manual Therapy practice that has been in operation for 34 years at 4200 18th Street. The focus of the practice, since its inception, has been to provide outstanding physical therapy service and wellness support services to the community. The company is proud to have helped thousands of patients overcome pain and disability and reach their personal best.

The business began in September 1985 and has operated continuously without interruption to the present day. The business was founded by Elizabeth Scarpelli (Liz) and Lisa Kakehashi as a partnership, and called Scarpelli and Kakehashi Physical Therapy. At that time, Dr. Michael T. Michael owned the Martin de Porres Medical Building and was kind to give two young entrepreneurial women, who had never run a business, a chance. A statue of Martin de Porres remains located on the wall in the entrance way, though the name of the building was changed to Mak Medical about 10 years ago.

In 2014, Lisa Kakehashi retired from the practice and with this change Elizabeth Scarpelli modified the business name to Scarpelli & Associates Physical Therapy Inc. providing the same services to the community and in the same location.

Elizabeth Scarpelli, PT, OCS, FAAOMPT, has been a therapist for 42 years and brings a wealth of experience, expertise and energy to her practice. She has mentored over 14 graduate Physical Therapists (PTs) on the path to specialization in orthopedic manual physical therapy and has mentored over 30 students vying for spots in university graduate programs in physical therapy. She was a senior instructor for over 20 years in the Kaiser Hayward Physical Therapy Residency and Fellowship Program, the first program of its kind in the country. This program set the standard for advanced clinical residency education in the United States, and Liz implements the comprehensive assessment/reassessment model used in the program for patient treatment and continues to mentor therapists in her clinic. Through a structured mentoring program and constructive feedback, the therapists grow professionally. They dig deep to solve complex musculoskeletal problems in this collaborative setting, and patients benefit by getting back to a healthier and more active lifestyle.

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

The business has been in continuous operation since its founding in September 1985, beginning as Scarpelli and Kakehashi Physical Therapy. With Lisa Kakehashi's retirement in 2014, the business became an S Corp and the business name was modified to Scarpelli and Associates Physical Therapy, Inc. while continuing to provide the same services.

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

The business not 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.

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

Elizabeth Scarpelli is one of the original business owners since September 1985 and continues to operate the business as Scarpelli and Associates Physical Therapy, Inc. in its original location at 4200 18th Street, San Francisco. The business is an S Corp and solely owned by Liz who is the CEO and president.

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 of the existence of the business verifying it has been in operation for 30+ years is provided in this Legacy Business Registry application.

### 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 4200 18th Street is classified by the Planning Department as Category B, Unknown / Age Eligible, with regard to the California Environmental Quality Act.

#### **CRITERION 2**

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

The business began with two young physical therapists, Elizabeth Scarpelli and Lisa Kakehashi, who shared a strong interest in a new area of physical therapy in the Unites States: manual orthopedic physical therapy. In 1981, they attended the very first physical therapy clinical residency program in the country through Kaiser Permanente in Hayward, CA. This program set

the standard for advanced clinical residency education in orthopedic physical therapy. They graduated in September 1982. In1985, Liz and Lisa decided to begin a private practice together in the Castro district.

Their contribution to the community is above standard of care that they have been recognized for numerous times. They vowed then and continue to never become a "dog and pony" show. They strive for individualized plans of care that fit the personal needs and goals of each patient, from body builders and athletes to adolescents and little old ladies. They respect the person's privacy by maintaining individual treatment rooms for manual therapy care. They educate all patients on the value of exercise both physically and emotionally. They educate the aging and elderly patients about the ability to still have an active life by dispelling the myth that they have so often been told, "You're old, just live with it." They strive to get those patients back in the game by giving them the tools they need, whether it is balance, strength, endurance, etc., and in as pain free a way as possible. They strongly believe in educating their community of LGBTQ teen patients on the importance of safe sex and dispelling the myth that HIV is just like diabetes.

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

Scarpelli and Associates donates to the Castro Merchants' Holiday Tree fund and donates financial support for AIDS/LifeCycle riders.

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

Elizabeth Scarpelli has been published in the American Physical Therapy Journal, and on the Kaiser Permanente national website. She wrote "HIV and DVT, The Decision Not to Treat," published in Kaiser Permanente's internal educational publication in October 2007. She also published a blog for the movie Miss Representation regarding the sordid history of foot binding and other insults to women's feet.

Scarpelli and Associates Physical Therapy was the winner of the Patient's Choice Award from Expertise.com in 2014; winner of the Outstanding Clinic Award from the San Francisco Awards Program in 2014, 2016 and 2018; top 3 physical therapists in San Francisco by threebestrated.com in 2017 and 2018; and winner of Book Local Community Choice Award by yocale.com in 2018. It is consistently rated top five physical therapy clinics on yelp.com.

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

All patient relationships are highly confidential and therefore cannot be represented herein with the exception of the letters of recommendation.

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

Scarpelli and Associates is committed to those in San Francisco living with HIV. After evaluating a man seeking treatment for calf pain, Liz recognized something wasn't right. The patient was sent immediately to the emergency room, and a blood clot was diagnosed. Manual therapy could have killed him. That spurred Liz to do literature research, and what followed was an article titled, "HIV and DVT, The Decision Not to Treat," published in Kaiser Permanente's internal educational publication in October 2007. Since 2015, people in California can access a physical therapist directly without a physician's referral. This puts the onus on the physical therapist to do a thorough examination to be sure the patient's condition is within our purview to treat, and when it is not within our purview to refer the patient to the appropriate medical practitioner.

Scarpelli and Associates' has contributed funds to AIDS/LifeCycle.

At the request from the Post Master General's senior physician in Washington, Scarpelli and Associates was asked to report what was going on in the USPO Evans Street facility that was causing so many accidents. SAPT sent a report high lighting how to make the jobs of postal workers a lot safer by using correct ergonomics and replacing or repairing broken equipment.

Scarpelli and Associates has led exercise classes at Monsignor Lyne Community for the elderly confined to wheelchairs; volunteered at Rooftop Alternative Elementary School in the sensory motor classes to identify children who had difficulty with a wide range of coordination, balance and timing issues; advised 300 RING nurses (Rehabilitative Insurance Nurses Group) in the East Bay regarding what makes up a competent and comprehensive physical therapy evaluation for their worker's compensation injured patients; advised the staff and parents at St. Vincent de Paul about the importance of physical activity and adequate recess on developing minds and stress reduction in children when the school cut their recess to 15 minutes a day. Liz also wrote a highly regarded blog for the movie "Miss Representation."

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

Scarpelli and Associates serves people with musculoskeletal problems regardless of race, sexual orientation, religion or age, with the exception that they do not treat children under two years old because they feel the children are better served in a pediatric setting. Most clients come from the Castro and Noe Valley communities, but Scarpelli and Associates also serves the greater San Francisco community.

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

The building that SAPT has been a tenant in for 34 years was built by Dr. Michael T. Michael in the 1960s. Dr. Michael revered the Dominican monk, Martin De Porres, who was a mixed race healer who advocated for social justice for the poor. A statue of Martin De Porres stands in the wall in the lobby.

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

If the business were to close, thousands of patients would no longer have access to one of the top physical therapy practices and San Francisco, a number of employees would be displaced and Liz's long commitment to mentoring physical therapy students would be lost. Liz has mentored over 30 students seeking entrance into physical therapy graduate programs and continues to mentor countless young therapists after graduation, giving them much needed supervision and guidance as they enter their new career. Many of these young therapists have gone on to advanced residency programs as well.

### **CRITERION 3**

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

Scarpelli and Associates Physical Therapy's defining feature is its dedication to provide outstanding health care to the community in manual orthopedic physical therapy, and advocating for patient care and rights. SAPT is concerned that physical therapy "mills" churning out patients would change how patients receive care, how much progress they would make and their risk of recurrence. As many in the gay community age, they recognize that Scarpelli and Associates has kept them physically healthy and strong and pain free over decades, and they seek out the business.

# 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)

Scarpelli & Associates Physical Therapy's defining feature is its 34 years of continuous service and commitment to the community. The Castro remains a neighborhood in the city with artistic vibrancy and joy that is palpable on the street and it is where Scarpelli & Associates' employees want to work.

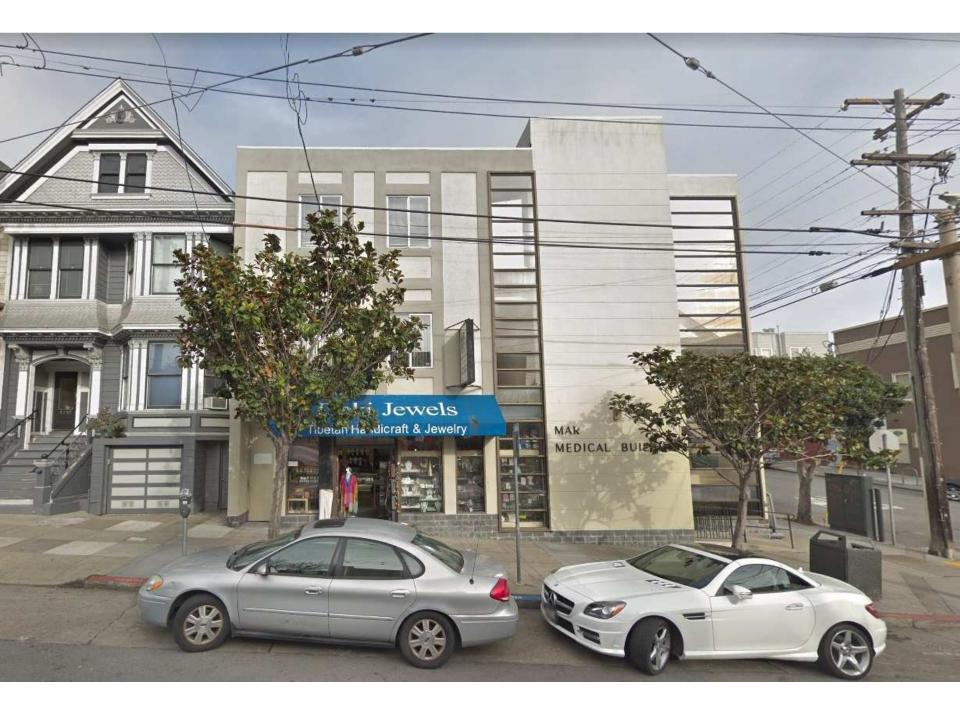
Scarpelli and Associates is known for their business model of one-to-one, in-depth assessment of complex patients. They specialize in the evaluation and treatment of musculoskeletal problems as a result of sports injuries, trauma, work habits or inherited or developed postures and poor movement habit patterns. They do ergonomic assessments for workplace and pre sports training to get people to their highest level of function and prevent injuries. They have a formal mentoring program for each new therapist, which lasts a minimum of one year. They treat the young to the very old – 103 years of age is their record! They also do expert witness testimony. As CEO and President, Liz demands the highest ethical standards from all her staff, keeping that standard herself as an example. The company abides by HIPAA regulations.

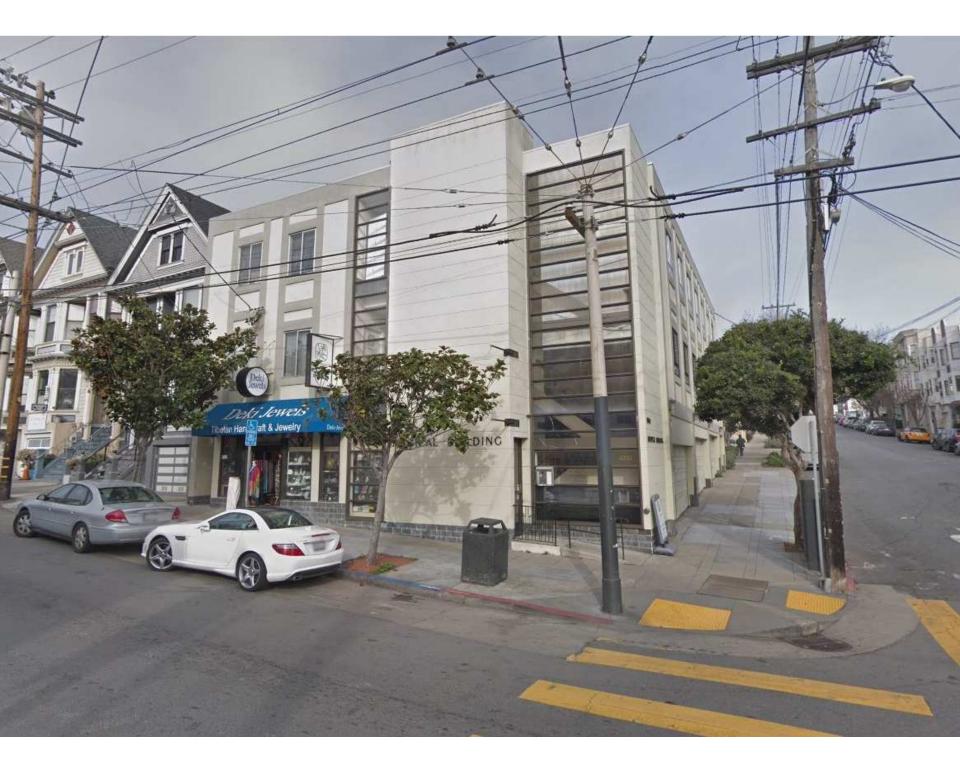
c. How has the business demonstrated a commitment to maintaining the special physical features that define the business? Describe any special exterior and interior physical characteristics of the space occupied by the business (e.g. signage, murals, architectural details, neon signs, etc.).

Aside from the statue of Martin De Porres, which stands in the wall in the lobby, there are no physical features, such as exterior or interior physical characteristics, that define the business.

d. When the current ownership is not the original owner and has owned the business for less than 30years; 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.

Elizabeth Scarpelli is one of the original owners. Documentation that demonstrates the business has been an Orthopedic Manual Physical Therapy business for 30+ years is included in this Legacy Business Registry application.







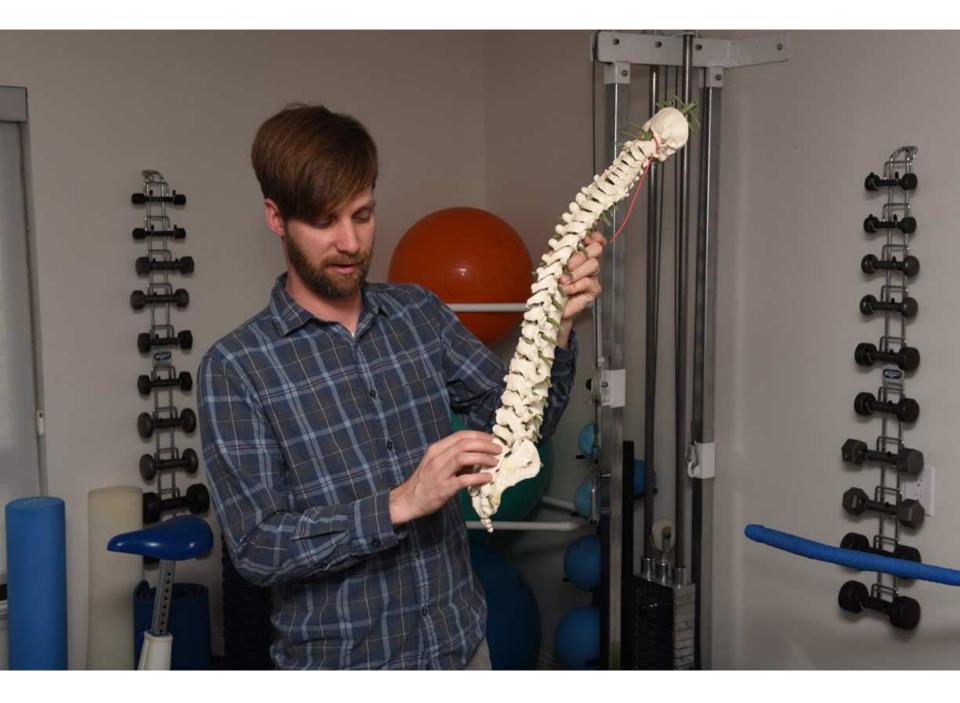


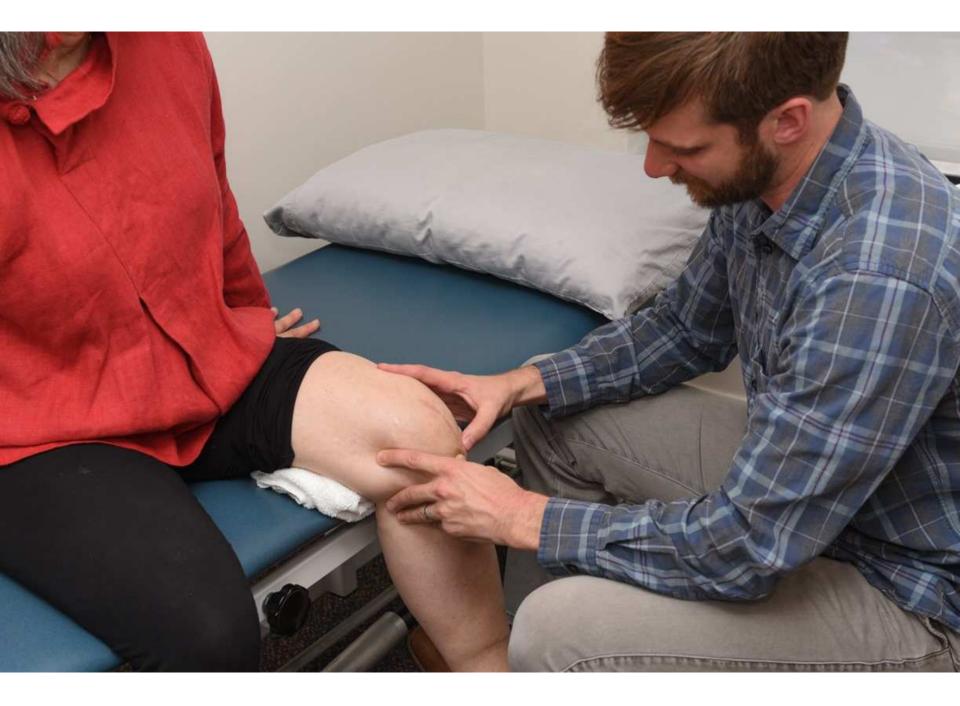


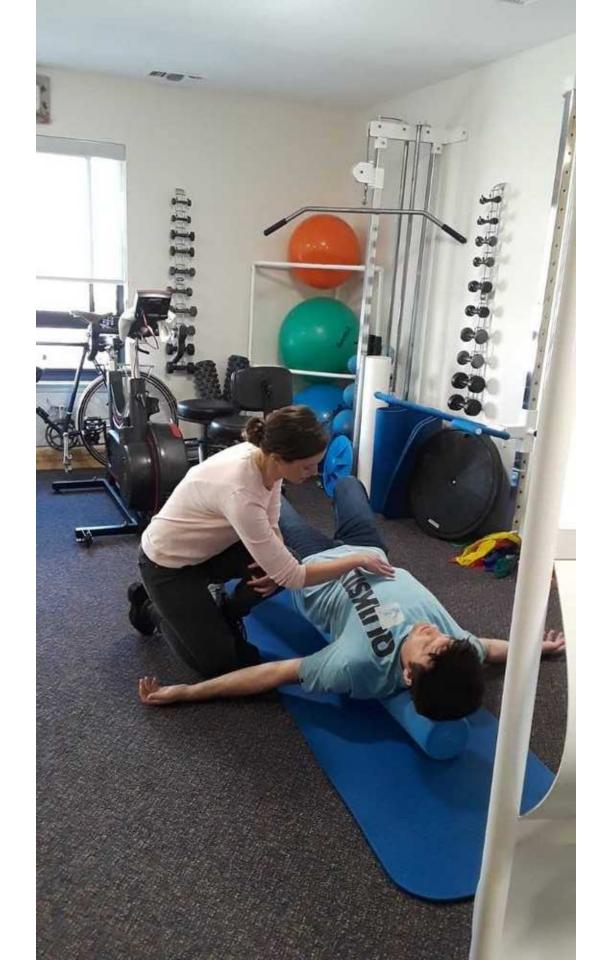




















HOME ABOUT US **STAFF** SERVICES CONTACT US PATIENT CENTER

LOCATION

#### Staff



#### Elizabeth Scarpelli

Physical Therapist, Orthopedic Clinical Specialist

Elizabeth Scarpelli, PT, OCS, FAAOMPT, has been a therapist for 35 years and brings a wealth of experience, expertise and energy to her practice. She has mentored over 30 graduate PTs on the path to specialization in orthopedic manual physical therapy. She was a senior instructor for over 20 years in the Kaiser Hayward PT Residency and Fellowship program, the first program of its kind in the country. This program set the standard for advanced clinical residency education in the US and Liz takes this philosophy to heart and continues to mentor therapists in her clinic. Her goal is to assist the PT to be the best they can be and pass it on. This provides huge benefits to our patients because that expertise in long term mentoring is carried forward to our patients treatments. That collaboration between therapists assists sorting out complex patient problems so that they can be addressed in the most efficient way.

Liz has been published in the American Physical Therapy Journal, and Kaiser Permanente National Website. She wrote a blog for the movie Miss Representation regarding the sordid history of foot binding and other insults to women's feet.

Liz is an avid cyclist and treats her son (when he's home) who rode on the Italian cycling team Aren Cucina last year.



#### **Christopher Clukies**

Physical Therapist, Doctor of Physical Therapy

Christopher Clukies PT, DPT is a therapist who brings a sharp mind, a kind heart and inquisitive mind to his practice and the perfect therapist to work along side Liz. Chris brings very good listening skills, a vital skill to patient's who feel professionals have not heard them. He wholeheartedly embraces the mentoring process and is fully engaged in providing excellent patient care. Chris is an avid cyclist. He is fluent in Spanish.



#### Katelynn Allen

Katelynn Allen graduated from Cal Poly, San Luis Obispo with a B.S. in Kinesiology and minor in Biology. She then went on to earn her Doctorate in Physical Therapy from the University of St. Augustine. As an avid soccer player, and wakeboarder, Kate has a special interest in sports performance and orthopedics. She promotes the use of manual therapy along with functional movements to allow patients to return to the activities and sports they love. Kate is a funloving person who enjoys living an active life full of pastimes including hiking, running, snowboarding, and exploring the great outdoors.

#### 🕇 Back To Top

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Scarpelli & Associates is ranked as a top Physical Therapy in San Francisco CA Verified by Yocale.com



Handpicked top 3 best physical therapists in San Francisco, California. Verified by threebestrated.com Scarpelli and Associates Physical Therapy, Inc. 4200 18th St San Francisco, CA 94114 (415) 626-1929

# Scarpelli & Kakehashi Physical Therapy

## **OUTSTANDING PHYSICAL THERAPY CLINIC**

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Francis

Award Program

# Scarpelli & Associates Physical Therapy

# **DRTHOPEDIC MANUAL PHYSICAL THERAPY**

Award

trancisco

NAMES OF

Jan Jeanerice Award Program

#### February 5, 2019

To whom it may concern,

I write this letter as the highest of recommendations and support for Scarpelli and Associates Physical Therapy's application to become a recognized Legacy Business in San Francisco. I first became a patient of Elizabeth Scarpelli's in 1997. Scarpelli was recommended to me by my chiropractor in order to have a severe case of repetitive stress treated. Over the last twentytwo years, I have returned to receive excellent, effective, comprehensive and reliable treatment. Scarpelli has stayed committed as a small business in the Castro, despite the many waves of change in the neighborhood and in the city. I know the neighborhood well, I grew up there, and am acutely aware of how few businesses from earlier decades have survived and chosen to remain.

In the summer of 2015, Scarpelli and Associates were treating my husband, Oscar Melara, for injuries sustained in a biking accident. Oscar awoke on the morning of his appointment at the Scarpelli offices with a strange swelling on his upper lip which he found frightening. Elizabeth Scarpelli recognized the need for treatment, called his primary care doctor and arranged for him to be seen immediately. His swelling was diagnosed as an unusual reaction to blood pressure medication that he'd taken for more than 15 years. I have referred many friends and associates to Scarpelli and Associates Physical Therapy. As a librarian at City College of San Francisco, I employed a student worker who had back pains that treatment hadn't resolved. She saw Elizabeth Scarpelli and through treatment and recommended exercises she improved to the point of being pain free. When I mention Scarpelli's name to doctors I've seen over the course of the last two decades, it's been clear that that she is known and well respected in the medical field in this city. I've also referred friends who are doctors to Scarpelli for treatment and one of them recently described Scarpelli as "an excellent diagnostician."

Something I like and respect about Scarpelli and Associates Physical Therapy is their demonstrated respect for patients and staff of all ages, cultural backgrounds, gender identities and abilities. This business is committed, is warm and welcoming, professional, generous and always goes the extra mile for the patient. I recommend them any chance I get. Scarpelli and Associates Physical Therapy is, in practice, a Legacy Business.

Please don't hesitate to contact me with any questions at 415-572-3942.

Sincerely,

Mull Kate Connell

**CCSF** Librarian Emeritus

#### February 4, 2019

Elizabeth Scarpelli Scarpelli & Associates Physical Therapy Inc. 4200 18th Street San Francisco, CA 94114

#### Dear Liz,

I'm writing this letter to support your efforts to be recognized as a San Francisco Legacy Business, a designation your firm truly deserves.

I have been your patient for about two decades. During that time I've also brought my children to you repeatedly for physical therapy following sports injuries, as well as recommended numerous friends and work colleagues to your practice because you provide excellent care—the best I and my family have experienced anywhere in the city.

You listen to patients carefully, provide highly accurate diagnoses, spend more time per visit actually delivering therapy compared to other providers, communicate proactively with patients' doctors outside of appointment times, carefully coach patients on exercise routines for ongoing self-rehab and then provide the emotional support and encouragement for patients to develop disciplined exercise habits to ensure the best possible recovery. I and my family members have been referred by orthopedists to a handful of other physical therapy providers in San Francisco over the years, none of whom have offered the outstanding level of care and positive outcomes that you have been able to provide. In recent years, I have made it a practice to consult with you first when I have orthopedic problems, prior to consulting my general practitioner or an orthopedist, because I trust that your diagnostic skills and therapy programs will result in better outcomes more quickly, if and when I ultimately see an orthopedist.

In my experience, your goal as a practitioner has always been to get your patients back to full health and an active lifestyle as quickly as possible, without unnecessary, costly office visits, even though that might not seem to be in the short term interest of your business. You do the right thing by your patients and in the long run, I believe it pays off for your business too. You've always been very honest and communicative, when you've determined that physical therapy cannot fully address my problems. You have encouraged me to consult with doctors about other remedies when appropriate, as was the case prior to my recent shoulder surgery. You've worked closely with me to determine the best time to "graduate" from in-office therapy to in-home, self-directed exercise. In a system dominated by fee-forservice care (which incentivizes medical professionals to over-treat), your integrity and concern for patients' economic as well as health concerns is uncommon and much needed.

I believe your practice is unique among physical therapy practices in San Francisco and more than deserves the support that a Legacy Business designation would provide. I'd be very happy to provide further information by phone or in person to anyone evaluating your application for this status, if that would be helpful.

My best,

Suon Green

Susan Green San Francisco, CA 94114 San Francisco, CA 94114

February 6, 2019

To Whom It May Concern:

I've been a Castro resident for over 15 years, and I've been a client of Scarpelli and Associates a few times. They have been a great asset to the Castro, and their loss to this neighborhood would cost us local residents a valuable local resource.

As a gay man -and now an "elder" - it's crucial to me that I feel confident I'm receiving the best care possible, regardless of my sexual orientation. Besides being given excellent care, I've felt completely at ease at Scarpelli and Associates. I've noticed other clients I've met in passing there reflect the wide diversity of my community.

First and foremost, for those of us with mobility-limiting injuries, proximity is critical. Several years ago I suffered catastrophic injuries to both knees requiring extensive tendon repairs and intensive physical rehab. During the time I was using a wheelchair, Paratransit stranded me several times far from my home. Once was after PT at Scarpelli and Associates' office, and that time I was able to call on friends to help me get home. This becomes more important when one is going to PT several times a week, as can be common.

Another important thing about Scarpelli and Associates is their willingness to work with patients with atypical therapy needs. Due to insurance restrictions and/or institutional incompetence, I was faced with the prospect of being sent to a board and care facility and having to pay for it and my physical therapy out of pocket while I was recovering from that knee injury. This would've bankrupted me while providing suboptimal care. When I was able to return home the corporate in-home PT service I was referred to would not commit to provide the frequency and consistency of physical therapy I needed. I reached out to Liz, and she and her team came to my rescue. They worked closely with my surgeon, providing me with the effective, intensive PT program and I attained a 95% recovery of my pre-injury mobility.

Equally as important as accessing care is the ability to pay for it. Even with an a muddled insurance situation, I was able to make an agreement with them so that I could get the care I needed when I needed it, and she was willing to trust that I would ultimately make them whole financially. Which I was able to do over time. Big corporate practices simply don't have the ability — or dedication — to be similarly flexible. Over the years, I have referred several friends in the LGBT community, and with atypical financial situations, to Scarpelli and Associates, And they've received outstanding here when none would've been available elsewhere.

It would be a shame if they were forced out of the neighborhood they've been a part of for so long because of this highly speculative, unsustainable commercial rental market. The more so considering that it's their "patients first we'll sort out the payment later" philosophy that may have contributed to their current bind.

I hope that the legacy Business program we'll see its way clear to help Liz and her extraordinary team stay in the neighborhood they've been a part of for 30 years.

Sincerely

# Liz Scarpelli

rob kish

Tue 1/29/2019 5:04 AM

To:Scarpelli & Associates physical therapy inc <info@scarpellipt.com>;

I don't expect you to remember me but about 30 years ago when I lived in San Francisco, I was sent to you by the surgeon at the Spine Center as my last option before having spinal surgery for herniated disks, L4/5 L5/S1. Your office was off Castro, I think in the same location. I was only 40, in great shape and the surgeon said he expected a excellent outcome but he did say that he had to tell me that I could end up worse than I was and in more pain). The pain was so bad as it was, I considered suicide. I remember you saying that you primarily dealt with post surgical patients but you were willing to try. I can remember sitting in your office for my first visit and thinking that everyone was so old and so overweight and I wasn't sure why I was there. I remember when you walked out to the waiting room, a short woman who was solid muscle.

I was in so much pain I was taking 1000 mg of Ibuprofen just to be able to stand up and probably 400 mg more every 4 hours to keep moving. I couldn't straighten my right leg. I had to sleep on all fours when I slept at all. I had to take so much Ibuprofen my skin was actually gray.

When you took me into your therapy rooms, you looked at me and said "Well, I guess I can't tell you to lose weight (since I was working out pretty hard back then) and that's the first thing I tell my patients." You strapped me into your traction machine and that gave me no relief and then you just put me on a flat workout bench with one leg bent at the knee and you just rocked me gently back and forth. I was so bad I think I was seeing you 3 times a week for double sessions. I was an attorney doing juvenile law and I've ever forgotten some of the things you personally told me.

I can remember the first time I was able to sleep. It was sitting up in a chair but I was able to sleep without pain and it was the first time in months. I felt so wonderful. I brought you flowers on my next visit and I thought I was done. The pain was almost gone, I was able to sleep but I wasn't able to straighten my leg yet. You looked at me and said, "No, my goal is to have you be able to lie down in your bed fully extended."

Then the work started. You worked my ass so hard and I remember you did everything you had me do right next to me and when you were done with me. There was even a competitive quality which I enjoyed. Because of you, I was in the best shape of my life and you could bounce a quarter off my ass! LOL You also taught me so much about how to lift, bend, posture and I have never forgotten those lessons.

Well I'll be 72 and still haven't had back surgery! I have some days when I'm stiff but not even enough to take an Advil.

Now if you're wondering what precipitated this email, I'm still an attorney but now I do mostly corporate and business tax returns. One of my clients has been a patient in your office and when I saw your name as a medical deduction, all of these memories came flooding back.

I'm glad you're still doing what you're superb at and I happy you're still helping people.

Best regards,

Rob Kish

February 2, 2019

Elizabeth Scarpelli Scarpelli Associates Physical Therapy 4200 18th Street San Francisco, CA 94114

Dear Liz,

I'm writing this letter on your behalf in support of your efforts to be recognized as a San Francisco Legacy Business.

I first came to see you in approximately 1997 or 1998 about 1.5 years after I herniated a disc in my lower back. I was initially referred to you by my orthopedist, Dr. Mark Sontag. I started seeing Dr. Sontag soon after my herniation. Because my office was located in Palo Alto, I saw several Physical Therapists who were near my office or Dr. Sontag's office in Woodside (later Redwood City). The short story was that I was getting virtually no benefit at all from my 2x or 3x per week sessions with the PTs I was seeing. My situation was getting increasingly worse and was negatively impacting both my personal and professional life.

During one of my consultations with Dr. Sontag, I explained to him in great detail what was taking place in my physical therapy sessions and how I felt that the entire process was extremely rote and lacked a clear understanding of my situation. He told me that one of the best physical therapists he knew was you and strongly recommended that I see you.

It makes me smile to think back on how fortunate I am that he made that recommendation and that I started seeing you!

Beginning with the very first consultation I had with you right up to more recent times, your evaluation skills are tremendous and unsurpassed by any other PT or orthopedist I've ever seen. You always take the time to figure out exactly what's going on and then you develop a very precise treatment plan. Whether the issues are related to my lower back, neck, or knee, you've been the one who's taken the time and had the insight to diagnose the condition better than anyone else – including my orthopedists – to get me on the right rehabilitation plan, and get me healthy again.

Over the years I've recommended you to my wife and children, as well as friends and their children. This is something I wouldn't do unless I was 100% confident that they'd receive the same amazing level of care that you've provided me. Every one of the people whom I've recommended you to has had the same experience I've had.

I tell people that you're empathetic, but at the same time demanding. You positively motivate your patients to establish better habits and to make the commitment that's essential to achieving a positive outcome. You've never wavered in this approach or commitment and a lot of people like me, my family, and friends are much better off for it. Unlike every other PT that I, my family or friends have been to, your goal is not to maximize the number of office visits. Your goal is to get us back to doing our chosen activities as quickly as possible, to be self-sufficient, and to not require any more office visits than are absolutely necessary to feeling well and getting back to an active life. I wish every healthcare professional in this country had this approach.

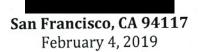
You have also always taken it upon yourself to proactively communicate with my other doctors to ensure that everyone is informed and on the same page with respect to my treatment plan and progress. I recognize you aren't compensated for the significant time you've taken to do this, yet you've always done it because that's how you operate and you know it'll lead to the best outcome.

It should be clear to the San Francisco Legacy Business decisionmakers that your practice is truly unique and deserves to be honored accordingly. I'd be more than happy to provide additional information regarding my experience as a patient in your practice.

Thank you,

and Thompson

David Thompson San Francisco, CA 94114



To whom it may concern:

I write in full support of Scarpelli & Associates' application for designation as a Legacy Business.

I have been going to Liz Scarpelli or one of her associates for physical therapy for more than 30 years. I started going there even before I moved to San Francisco from the Peninsula in 1988. Every member of my family who lives in San Francisco has followed me to her office and I have referred countless friends and business colleagues to her, many of whom in turn have become longtime patients like me and have referred still more people there over the years.

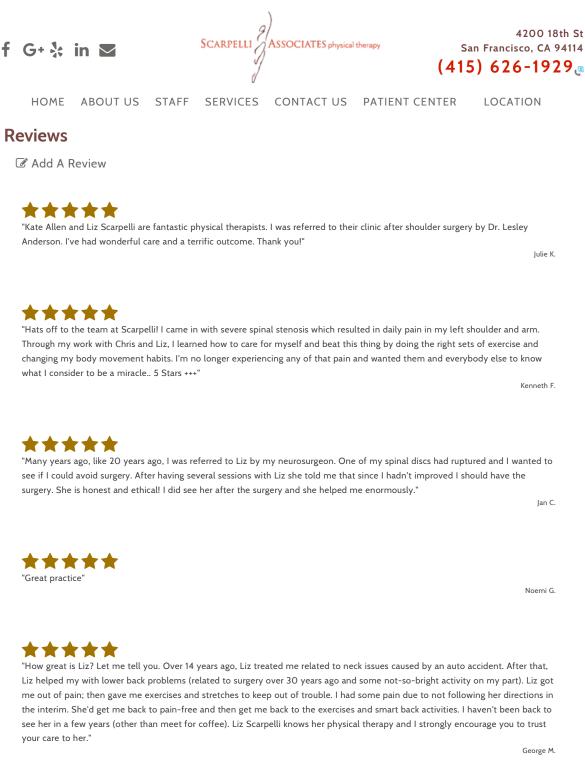
I have kept going to Liz as have these others because of the superb care she offers and the emotional support she provides as I strive to recover from whatever ailment has brought me to her yet again. She and her colleagues work magic with their hands on sore joints and muscles and have not only obviated the need for several surgeries that had been recommended for me but turned out not to be needed. Equally importantly they helped me get into the best possible shape for major surgery that was, in the end, absolutely necessary.

I think Scarpelli & Associates deserve recognition as a Legacy Business not only for the outstanding services they have provided me and countless others over the years but also for the incredible grit and determination that Liz has shown to grow and maintain her business. To say that it has not been easy is an understatement, as I have observed repeatedly over these years, but Liz has never given up on her commitment to provide her unique "brand" of physical therapy through her own business to residents of the Castro and the rest of the City. I have witnessed her deal with numerous obstacles, from escalating paperwork and other requirements from Social Security, to the reluctance of doctors to refer their patients to physical therapists not connected with their offices or PPO networks, to incredibly difficult landlords. But she has persevered to the benefit of countless San Franciscans. To me, she epitomizes the expertise, dedication and commitment of the best of the City's healers and the grit and tenacity of our most successful small business people.

I urge you to designate Scarpelli & Associates one of San Francisco's Legacy Businesses.

Thank you in advance for considering my views.

Johanna H. Wald



#### **Testimonials**

Prior to seeing Liz Scarpelli, I have seen two physical therapists and a chiropractor that didn't help me (in fact I think they may have made the problem worse). Liz is a top notch specialist with years of experience who will not only help you get better, but will also give you tools to manage the issues you may have in the future.

This level of service and commitment is very hard to find and I recognize it when I see it. Chris is super warm and personable and put me at ease from day one. I appreciate his organization and planning ahead of our appointments and he seems very committed to the emotional and physical well-being of his clients. He's also a very sweet person and fun to work with.

Liz Scarpelli is the most committed and talented physical therapist I have ever worked with. She literally gave me my life back. Dr. Robert Purchase, referred me to Liz Scarpelli. He called her "the Sherlock Holmes" of PT, and she was the specialist to whom he referred "his most difficult cases." Liz more than lived up to the hype. She gave me a thorough assessment and came up with the true root cause of my ongoing pain. She has a warm and confident bedside manner, and she helped me through dealing with the physical pain and emotional distress that comes with living with a persistent injury. In six weeks Liz had taken me farther than anyone had in the previous six months. After two months of regular visits with Liz I was back to jogging and surfing-something the folks at Healthwell told me to kiss goodbye. Thanks to Liz I am living a normal, pain-free life again.

I dislocated my shoulder while skiing this season (note to self – do not follow through on a ski jump if you feel off balance). Turns out in addition to dislocating my shoulder I fractured the shoulder, tore a tendon and tore my labrum. The orthopedist recommended I have physical therapy first before considering surgery. He recommended Liz Scarpelli as the person he would go to if he had a problem. She read through the MRI report and tested my arm with some exercises. After that she was able to tell me more about my injury and recovery process than my orthopedist. She's now been working with me for 4 weeks to help build up strength in my shoulder and arm, and stretching out the joint to increase the range of motion. Everytime I see her she retests my arm and gives me new exercises. I appreciate that she herself is very active and sporty - skiing, windsurfing, biking, etc - it makes feel like she understands my lifestyle and what I want to be able to do - skiing, swimming, biking. She's also very upfront about how long the recovery will be and what I can expect. I feel like I've made a lot of progress under her instruction.

I met with Liz Scarpelli for a very sore neck pain that would not go away. Liz has over 30 years of experience dealing with pain of all sorts. Liz did a through intake of me and helped my discover why the pain was there! Liz did a very gentle therapy which felt like a lengthening massage. She suggested I adjust the seat in my car and also gave me a few take home exercises. I woke up the next day PAIN FREE! I highly recommend Liz for anyone with pain or injury.

Liz Scarpelli is the best Physical Therapist I have seen and my absolute most preferred healthcare practitioner. I have seen many PTs and trainers over the years, but Liz distinguishes herself in her deep knowledge of the human body and her vast abilities to connect that to each patient's unique situation. She is insightful, straightforward and incredibly talented. I've seen Liz off and on over the last 18 years for lower back, neck, knee and shoulder issues. For every one of these injuries, she has figured out what's going on - often better than my prescribing physician - and worked out a very specific treatment plan that WORKS. My friends and family - many of whom also see her - know I recommend Liz to everyone who needs the benefits of an outstanding PT. Beyond her skills, Liz is super smart, funny, interesting and extremely ethical. She is focused on improving the health outcomes of her patients and not trying to get another office visit. If you need a great Physical Therapist, you will be very glad Liz is the one treating you.



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Scarpelli & Associates is ranked as a top Physical Therapy in San Francisco CA Verified by Yocale.com

Handpicked top 3 best physical therapists in San Francisco, California. Verified by threebestrated.com

Scarpelli and Associates Physical Therapy, Inc. 4200 18th St San Francisco, CA 94114





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

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR



# Application Review Sheet

Application No.: Business Name: Business Address: District: Applicant: Nomination Date: Nominated By: LBR-2018-19-041 Veritable Vegetable 1100 Cesar Chavez St. District 10 Nicole Mason, Director of Community Engagement February 7, 2019 Mayor London N. Breed

**CRITERION 1:** Has the applicant has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years? <u>X</u> Yes <u>No</u>

3030 20th Street from 1974 to 1977 (3 years)
233 Industrial Street from 1977 to 1985 (8 years)
1600 Tennessee Street from 1985 to 1995 (10 years)
1100 Cesar Chavez Street from 1995 to Present (24 years)
1380 Marin Street from 2007 to Present (12 years)
1545 Minnesota Street from 2011 to Present (8 years)
1370 Marin Street from 2015 to Present (4 years)

**CRITERION 2:** Has the applicant contributed to the neighborhood's history and/or the identity of a particular neighborhood or community? <u>X</u> Yes <u>No</u>

**CRITERION 3:** Is the applicant committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms? <u>X</u> Yes <u>No</u>

NOTES: N/A

DELIVERY DATE TO HPC: April 17, 2019

Richard Kurylo Program Manager, Legacy Business Program



#### Office of the Mayor San Francisco



LONDON N. BREED MAYOR

February 7, 2019

Director Regina Dick-Endrizzi San Francisco Office of Small Business City Hall, Room 110 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

Dear Director Regina Dick-Endrizzi,

I am writing to nominate Veritable Vegetable for inclusion on the Legacy Business Registry.

The purpose of the City's Legacy Business Registry is to recognize that longstanding, community-serving businesses can be valuable cultural assets of the city. Per ordinance, a business must be nominated by the Mayor or a member of the Board of Supervisors to be reviewed, processed and approved by the Small Business Commission as a Legacy Business at a public hearing if it meets the criteria set forth.

Originally founded in 1976, this iconic San Francisco institution has strengthened the community and contributed to the cultural fabric and vitality of San Francisco. Veritable Vegetable is a women-owned produce distributor providing fair wages and healthcare to their employees. They are also a San Francisco Green Business and are constantly looking for ways to support the community and environmental sustainability. Veritable Vegetable has been located in the Bayview for over 40 years. The business has contributed to the history and identity of the city and fostered civic engagement and pride.

It is an honor to recognize the legacy and contributions of Veritable Vegetable to our great city of San Francisco.

Sincerely,

hud London N. Breed

Mayor

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200 SAN FRANCISCO, CALIFORNIA 94102-4681 TELEPHONE: (415) 554-6141 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:   |   |                             |  |  |  |
|---|---|-----------------------------|--|--|--|
| Veritable Vegetable, LLC  |   |                             |  |  |  |
| BUSINESS OWNER(S) (identify the person(s) with the highest ownership stake in the business)                                   |   |                             |  |  |  |
| Mary Jane Evans, Co-Owner, CEO<br>Bu Nygrens, Co-Owner, Director of Purchasing<br>Karen Salinger, Co-Owner, Director of Sales |   |                             |  |  |  |
| CURRENT BUSINESS ADDRESS:   |   | TELEPHONE:                  |  |  |  |
| 1100 Cesar Chavez   |   | ((415))641-3500             |  |  |  |
| San Francisco, CA 94124   |   | EMAIL:                      |  |  |  |
|   |   | info@veritablevegetable.com |  |  |  |
| WEBSITE:  | FACEBOOK PAGE:                              |                             | YELP PAGE  |  |  |
| www.veritablevegetable.com  | https://www.facebook.com/veritablevegetable |                             | https://www.yelp.com/biz/veritable-vegetable-san-francisco |  |  |
|   |   |                             |  |  |  |
|   |   |                             |  |  |  |

| AFFLICANT 5 NAME                       |  |
|--|--|
| Nicole Mason                           | Same as Business                                 |
| APPLICANT'S TITLE                      |  |
| Director of Community Engagement       |  |
| APPLICANT'S ADDRESS:                   | TELEPHONE:                                       |
| 1100 Cesar Chavez                      |  |
| San Francisco, CA 94124                | EMAIL:   |
|  |  |
|  |  |
| SAN FRANCISCO BUSINESS ACCOUNT NUMBER: | SECRETARY OF STATE ENTITY NUMBER (if applicable) |

0102411

C0771794

| OFFICIAL USE: Completed by OSB Staff |                     |
|--------------------------------------|---------------------|
| NAME OF NOMINATOR:                   | DATE OF NOMINATION: |
|                                      |                     |
|                                      |                     |

Legacy Business Registry Application

# **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.

| ORIGINAL SAN FRANCISCO ADDRESS:                         | ZIP CODE:                          | START DATE OF BUSINESS         |  |  |
|---|------------------------------------|--------------------------------|--|--|
| 3030 20th Street  | 94110                              | 1974                           |  |  |
| IS THIS LOCATION THE FOUNDING LOCATION OF THE BUSINESS? | DATES OF OPERATION AT THIS LOCATON |                                |  |  |
| No Yes  | 1974-1977                          |                                |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:                          | DATES OF OPERATION             |  |  |
|   | ZIF CODE.                          | Start: 1977                    |  |  |
| 233 Industrial Street                                   |                                    | <sup>End:</sup> 1985           |  |  |
|   | •••=•                              | 1985                           |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:                          | DATES OF OPERATION             |  |  |
|   |                                    | <sup>Start:</sup> 1985         |  |  |
| 1600 Tennessee Street                                   | 94107                              | <sup>End:</sup> 1995           |  |  |
|   |                                    |                                |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:                          | DATES OF OPERATION             |  |  |
| 1100 Cesar Chavez Street                                | 94124                              | <sup>Start:</sup> 1995         |  |  |
| TTOU Cesar Chavez Street                                | 94124                              | <sup>End:</sup> Present        |  |  |
|   |                                    |                                |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:                          | DATES OF OPERATION Start: 2007 |  |  |
| 1380 Marin Street                                       | 94124                              | 2007<br>End:                   |  |  |
|   | 07127                              | <sup>End:</sup> Present        |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:                          | DATES OF OPERATION             |  |  |
|   |                                    | Start: 2011                    |  |  |
| 1545 Minnesota Street                                   | 94124                              | <sup>End:</sup> Present        |  |  |
|   |                                    |                                |  |  |
| OTHER ADDRESSES (if applicable):                        | ZIP CODE:                          | DATES OF OPERATION             |  |  |
| 1370 Marin Street                                       | 94124                              | <sup>Start:</sup> 2015         |  |  |
|   | 34124                              | <sup>End:</sup> Present        |  |  |

I

# 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.

■ I 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.

# Nicole Mason 2/20/19

Name (Print):

Date:

Signature:

### VERITABLE VEGETABLE 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.

Veritable Vegetable formed in 1974 out of a movement that sought to bring low-cost, nutritious food to neighborhood co-ops and community storefronts. This group of collectives, called the People's Food System (PFS), extended throughout the greater San Francisco Bay Area and provided an alternative to the existing corporate food system. Their tagline at the time was, "Food for People, Not for Profit."

There were many collectives that represented different parts of the food system – dry goods, baked goods, dairy, etc. Many PFS support collectives were located in a warehouse located at 3030 20th Street in San Francisco. The founders of these collectives had a unified vision: to create a viable alternative food distribution system that would eventually replace the corporate food system. In December of 1974, four individuals began to focus on buying and selling produce, calling themselves the "Veritable Vegetable Collective." With a small staff, Veritable Vegetable was one of the first wholesale buyers to form direct relationships with local growers to bring organic produce to urban consumers in Northern California. Like most of the People's Food System supply collectives, Veritable Vegetable was a worker-run collective where all workers made business decisions jointly. There was no formal ownership structure at that time.

In these years, an increasing number of farmers rediscovered organic farming and developed new organic production techniques. Many growers struggled to survive in the face of agribusiness and suburban development. Veritable Vegetable established relationships with many of these growers and began distributing produce beyond the original People's Food System, simultaneously seeking to promote sustainable agriculture and extend knowledge about organic food and agricultural issues.

In 1976, the now six collective members chose to incorporate as a means to have a formal legal structure. By 1977, most of the PFS, including Veritable Vegetable, had become extremely politicized and were using the workplace as a venue for social change, going beyond Veritable Vegetable's mission. With only four members of the Veritable Vegetable collective remaining, the Articles of Incorporation were amended naming Mary Jane Evans as President and David Lansky as Secretary. That year, the PFS fell apart. Veritable Vegetable embarked on its own and moved to 233 Industrial Street. Determined to keep their doors open, Veritable Vegetable approached the surviving collectives and asked for their continued business. They focused on developing relationships with growers and on gaining new retail customers such as the Real Food Company stores and the Berkeley Co-operative. In this way, Veritable Vegetable survived the collapse of the PFS and stayed in business.

Over the next several years, Veritable Vegetable grew its operation to better meet farmers' needs and to serve the expanded demand for organic produce. By 1981, the company was growing quickly, with about a dozen staff. It was then that Veritable Vegetable's current owners – Mary Jane Evans, Bu Nygrens and Karen Salinger – amended the Articles of Incorporation, naming themselves directors. In 1985, the business moved to 1600 Tennessee Street to house more staff, trucks and produce. As the operation grew increasingly more complex, Veritable Vegetable staff asked for a more clearly defined ownership structure. Though the company continued to operate with collective decision-making responsibilities, in 1988 Mary Jane Evans and Bu Nygrens became formal owners. In 1991, Karen Salinger joined them.

In 1995, Veritable Vegetable found itself needing even more space to accommodate its continued growth; the company moved to 1100 Cesar Chavez Street (then Army Street). In 2006, the three Veritable Vegetable owners created an independent LLC and purchased the 1100 Cesar Chavez warehouse, leasing it back to the company. In 2007, Veritable Vegetable leased an additional 10,000 square feet at 1380 Marin Street. Still needing more space, mainly for staff functions and non-produce equipment storage, Veritable Vegetable leased 6,000 square feet at 1545 Minnesota Street in 2011. This space houses the company's kitchen, nap rooms, bike storage, stretching area, locker room and truck tire rotation program.

In 2015, Veritable Vegetable leased an additional 20,000-square-foot space at 1370 Marin Street, adjacent to its existing warehouse at 1380 Marin Street. Veritable Vegetable undertook a large renovation project to make the combined space a state-of-the-art warehouse complete with varying cold storage coolers, a refrigerated dock and high-speed roll up doors. The company offices are still maintained at 1100 Cesar Chavez, but the bulk of operational functions are currently conducted at Marin Street.

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

Veritable Vegetable has proudly been in continuous operation in San Francisco since 1974.

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

The company is not a family-owned business.

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

The ownership/corporate directors history of Veritable Vegetable is as follows:

| 1974 to 1976:    | Supporting collective of the People's Food System          |
|------------------|--|
| 1976 to 1977:    | Richard Cemberg, Stuart Fishman, Shirley Freitas, Mary     |
|                  | Masterson, Margaret Jameson and James Ploss                |
| 1977 to 1981:    | Mary Jane Evans and David Lansky                           |
| 1981 to Present: | Karen Salinger, Mary Jane Evans and Bu Nygrens (Directors) |
| 1988:            | Mary Jane Evans, Bu Nygrens (Owners)                       |
| 1991:            | Mary Jane Evans, Bu Nygrens, Karen Salinger (Owners)       |

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 of the existence of the business verifying it has been in operation for 30+ years is provided in this Legacy Business Registry application.

# 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 1100 Cesar Chavez Street is classified by the Planning Department as Category C, No Historic Resource Present / Not Age Eligible, with regard to the California Environmental Quality Act.

### **CRITERION 2**

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

Since 1974, Veritable Vegetable has been providing fresh, organic produce to independent retailers and cooperative markets, restaurants, corporate kitchens, schools, hospitals and manufacturers throughout San Francisco. Their efforts have helped to build the City's famed food scene. Veritable Vegetable has also worked to increase food access within its own neighborhood, collaborating with organizations in the area to supply local residents with affordable, organic produce. With their demonstrated leadership, their thoughtful approach to business and their efforts to change policy and impact the organic trade, Veritable Vegetable remains an integral part of San Francisco's food system.

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

Veritable Vegetable, the oldest organic produce distribution company in the country, has been an industry leader in the organic trade for over 45 years. The company has helped affect organic policy change, create inroads and markets for small- and mid-sized organic growers and increase the amount of organic food available in San Francisco and throughout California, Nevada, Arizona, Colorado, New Mexico and Hawaii. The company's environmental efforts have been widely recognized and include diverting 99% of their waste from landfills, running a nearzero emission fleet of trucks and offsetting energy usage with a 560 panel solar-array.

The organic industry is the fastest growing part of the food system, with sales rising to \$5.6 billion in 2018. The United States remains the largest market in the world for organic products and is now home to over 26,000 certified operations across all 50 states. The increased premiums and profitability organic agriculture offers has improved the livelihoods of U.S. farmers and businesses alike and created more options for consumers.

Veritable Vegetable is committed to community outreach and has supported a multitude of events here in San Francisco through sponsorships, donations, in-kind services and logistics, including: Bike to Work Day, La Cocina Street Food Festival, Dykes on Bikes, the first Earth Day celebration on Crissy Field, LGBT Pride, Good Food Awards, Grazing the Kitchen Table, Healthy Corner Store Coalition, San Francisco Food and Beverage Industry Cluster Study, San Francisco Mime Troupe, Slow Food Nation, Southeast Food Access Working Group, the first Tasting of Summer Produce in Fort Mason, Tenderloin Healthy Corner Store Coalition, Trolley Dances with Epiphany Dance Theatre and many others. The company also hosted Mayor Ed Lee in support of his efforts to reform San Francisco's payroll tax.

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

Veritable Vegetable is referenced in many publications including, but not limited to: Arizona Daily Sun, B the Change, Bay City News, California Agriculture, Civil Eats, Contra Costa Times, Eater SF, Grist, MIT Press, New Hope Network, OPN Connect, PeakPlate, RSF Social Finance Fall Quarterly, San Francisco Chronicle, SF Gate, The Packer, The Produce News, TriplePundit, Trucker News and US Business Executive.

Veritable Vegetable has also been featured in Edible Magazine, FleetOwner Magazine, Heavy Duty Trucking Magazine, Ms. Magazine, WDI Magazine and Wholesale and Distribution International Magazine.

Veritable Vegetable is mentioned in John Curl's book, "For all the People," Mark Kitchell's documentary movie, "Evolution of Organic," Shanta Nimbark Sacharoff's book, "Other Avenues are Possible," Joyce Goldstein's book, "Inside the California Food Revolution" and Desmond Jolly's book, "California's New Green Revolution."

In addition, Veritable Vegetable has made appearances on CBS KPIX, NPR's Marketplace podcast and Facebook's She Means Business Livestream.

Veritable Vegetable has won numerous awards throughout the years, including:

- 1992 SUSTIE (Sustainable Agriculture Award) from the Ecological Farming Association
- 1997 City of San Francisco Environmental Achievement Award
- 2005 Small Business Award from the San Francisco Bay Guardian
- 2008 Spirit of Organic Award from the Organic Trade Association
- 2010 San Francisco Small Business of the Year Award, and then-Mayor Gavin Newsom declared May 18, 2010, to be Veritable Vegetable Day
- 2012 Green Fleet of the Year from FleetOwner Magazine
- 2015 Women in Business Award from the San Francisco Chamber of Commerce
- 2017 Business Environmental Award from Acterra
- 2018 Ebbie Sustainability Award from the SF Chamber of Commerce; Outstanding Company from the Climate Collaborative and National Co+Op Grocers Association
- 2019 Top Green Providers Award from Food Logistics

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

Through their integral participation in the food movement and advocacy, Veritable Vegetable has helped form the organic industry that exists today. Leaders in the industry have shown their support through their continued business with Veritable Vegetable such as Alice Waters (Chez Panisse/Edible School Yard), Judy Rodgers (deceased, Zuni Café), Charles Phan (Slanted Door) and famous institutions here in San Francisco like Rainbow Grocery and Other Avenues. Veritable Vegetable has collaborated with pioneers in the industry such as Michael Pollan, Michael Funk (founder of UNFI), Walter Robb (former co-president of Whole Foods) and Mark Lipson (formerly USDA). Former Mayor Ed Lee, Supervisor Maliah Cohen, Carol Moseley Braun (U.S. Ambassador and presidential candidate) and Kathleen Merrigan (Deputy Secretary of Agriculture under President Obama) have all visited Veritable Vegetable's offices and warehouses.

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

Veritable Vegetable has been a values-driven business since inception. They are committed to contributing to a sustainable food system that values the true costs associated with growing and moving food from farm to table, and they are committed to increasing food access to diverse communities.

They donate product and logistics to community organizations such as offering weekly produce donations to 10 schools within the San Francisco Unified School District Wellness Programs each year. Additionally, Veritable Vegetable partners with the San Francisco-Marin Food Bank and other local hunger relief organizations by donating food daily that is edible but not sellable. The company consistently supports the San Francisco Pride event and the Dykes on Bikes Women's Motorcycle Contingent with logistics support.

Veritable Vegetable regularly provides tours to local school children, businesses and advocacy groups to educate them about the importance of distribution in the organic trade. The company also promotes involvement in City initiatives by providing information to staff and by sponsoring staff attendance at City events, meetings and efforts such as the traffic calming and beautification project on Cesar Chavez Street, organized by CC Puede, a public private-partnership with the Planning Department; the Dogpatch Parking Management Plan, a project of SFMTA; and a host of others as referenced above. They also sponsor events, and partner with local organizations to empower local businesses and educate San Francisco's community members.

Finally, throughout its history, Veritable Vegetable has offered internships and mentoring programs to local residents.

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

Veritable Vegetable partners with over 220 organic growers, with an emphasis on supporting small- to mid-size farms that are under 50 acres. Currently, over 60% of the growers they work with are regional, located within 400 miles of the company's warehouse.

Veritable Vegetable's customer base is diverse and spans across many industries and regions. They have relationships with over 550 independent stores, co-ops, restaurants, manufacturers, box Community Supported Agriculture (CSA) and meal kit providers, corporate campuses, schools and wholesalers. Veritable Vegetable's customers are located throughout California and parts of Nevada, Arizona, New Mexico, Colorado, Hawaii and New York. Veritable Vegetable has been providing organic produce to businesses in neighborhoods all over San Francisco for decades, including: Bi-Rite Market, Rainbow Grocery, Falletti Foods, Other Avenues, Zuni Café, Canyon Market and many others.

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

Not applicable.

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

There is no doubt San Francisco would suffer if Veritable Vegetable were to shut down or relocate. Not only does Veritable Vegetable provide residents of the Bay Area with fresh, healthy organic produce, and increase food access, but they are the only organic distributor in San Francisco that sustainably runs its business on core values. The company is unique in that they are women-owned and led. Nearly 50% of staff are women and in roles traditionally held by men in the distribution industry, such as truck drivers, fork lift operators and executive positions.

As a San Francisco Green Business and a Certified B Corp, Veritable Vegetable demonstrates their unwavering commitment to the environment and social justice. This means that produce is transported in a near-zero emission green fleet of trucks, and produce is stored in warehouses offset by a solar array. Veritable Vegetable is one of the only businesses in the city that can boast a 99% waste diversion rate. Veritable Vegetable pays its entry level workers over 26% above the San Francisco minimum wage and offers excellent benefits to its staff.

If Veritable Vegetable were to close or relocate, its staff of 122 people would be without jobs. Local small- and mid-sized organic farmers would lose access to San Francisco's thriving food market, and several retailers and restaurants would lose access to this key part of the supply chain.

## **CRITERION 3**

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

Veritable Vegetable's main warehouse sits at the corner of Cesar Chavez and Tennessee streets, at the southern edge of the Dogpatch. The company operates 24-7, making the building a hive of activity. The warehouse stands apart from its neighbors because of its orange and green façade, curved roof and canopied solar array of 560 solar panels. Its unique presence along the

Cesar Chavez corridor reflects the company's longstanding commitment to environmental sustainability and regeneration.



Veritable Vegetable's fleet of near-zero emission trucks are custom designed by local artist Laura Parker and are a familiar site on the streets of San Francisco. Their recognizable tagline, "Delivering organic. Driving change" goes to the very heart of the company's mission.



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)

Veritable Vegetable is a social enterprise, demonstrating a radically different approach to distributing organic produce. They support organic farmers, increase access to fresh produce, impact food policy, strengthen diverse communities and create a healthier world through their work. Women-owned and values-driven, they create a fair and dynamic workplace. Their stated

values of integrity, sustainability, community, innovation and excellence are the basis for all decision making. They deeply value the people who make up their community of staff, growers, customers and community partners whose collective labor is fundamental to the organic trade.

Veritable Vegetable is committed to maintaining its historical tradition as a values-driven organic produce distribution company.

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.).

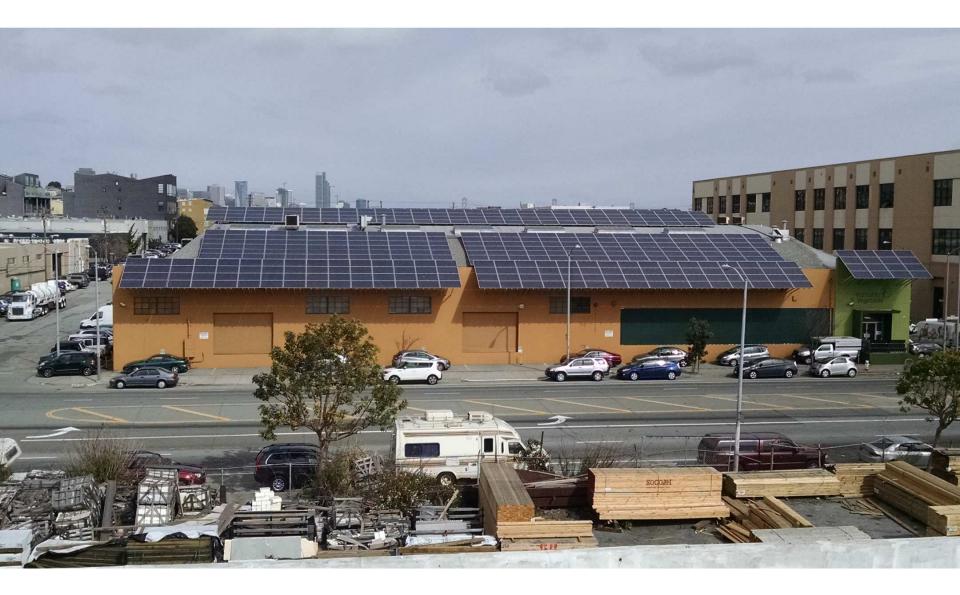
The original warehouse was designed by Alben Froberg and built in 1949. Prior to Veritable Vegetable's occupancy, the warehouse was used for storage and meat processing. Through the years, there were minor changes to the building, but mostly internal. The building is a 114' x 200' single story structure with partial mezzanine warehouse structure. The perimeter walls are of reinforced concrete and are approximately 21' tall. The roof is framed from built-up wood bowstring trusses, clear spanning the 114' width and occurring at 20' centers. Per the original permit drawings, the original building had 8 steel coiling doors, 10 clerestory industrial steel sash windows into the warehouse, 5 "banks" of wooden windows with wood louvers into the office spaces and a wood frame personnel entry door and sidelite.

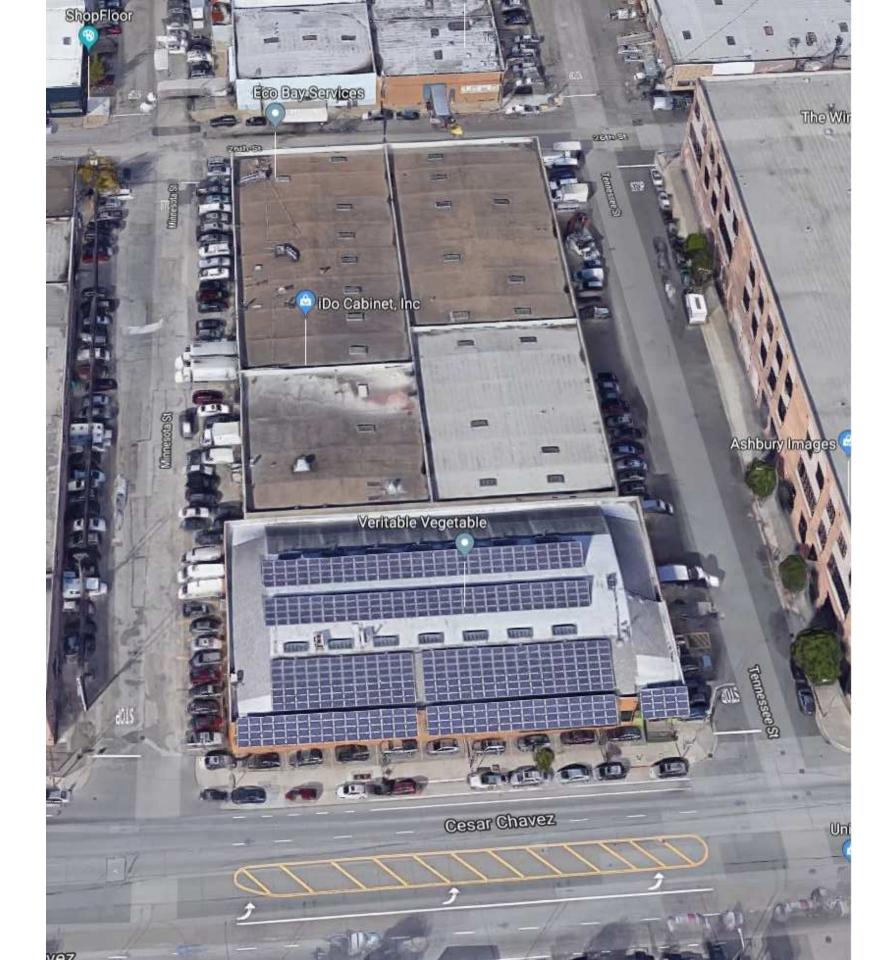
Since the original construction and prior to Veritable Vegetable, two steel coiling doors have been removed and infilled with concrete, a newer steel coiling door has been cut in a new location, two clerestory industrial steel sash windows have been removed and infilled with concrete, four of the original five "banks" of wood windows/louvers have been replaced with aluminum sash and the original wood frame personnel entry door has been replaced with aluminum storefront.

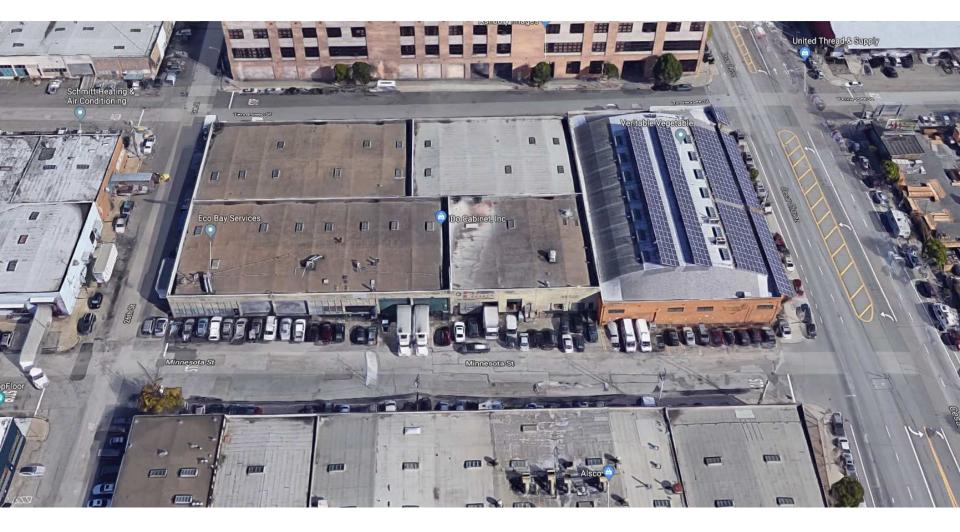
Since the building has been used and purchased by Veritable Vegetable, the only change to the building has been the addition of the solar array in 2008. A 1,700-square-foot solar awning has been installed along the length of the south elevation as well as approximately 6,500 square feet of solar panels on the south sloping roof. All ground level windows have been covered by semi-opaque nylon screening in aluminum frames.

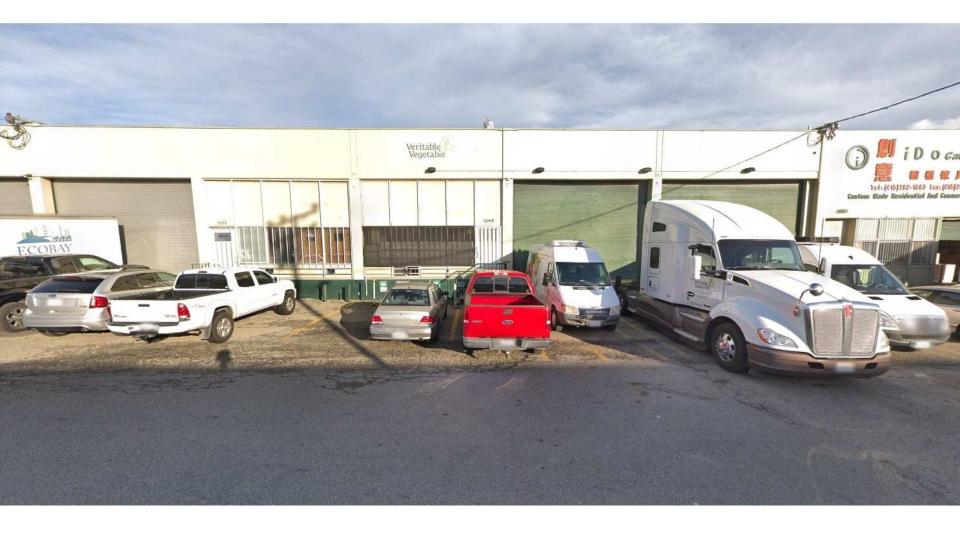
d. When the current ownership is not the original owner and has owned the business for less than 30 years; the applicant will need to provide documentation that demonstrates the current owner has maintained the physical features or traditions that define the business, including craft, culinary, or art 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.

Not applicable. The current ownership has been in place for over 30 years.





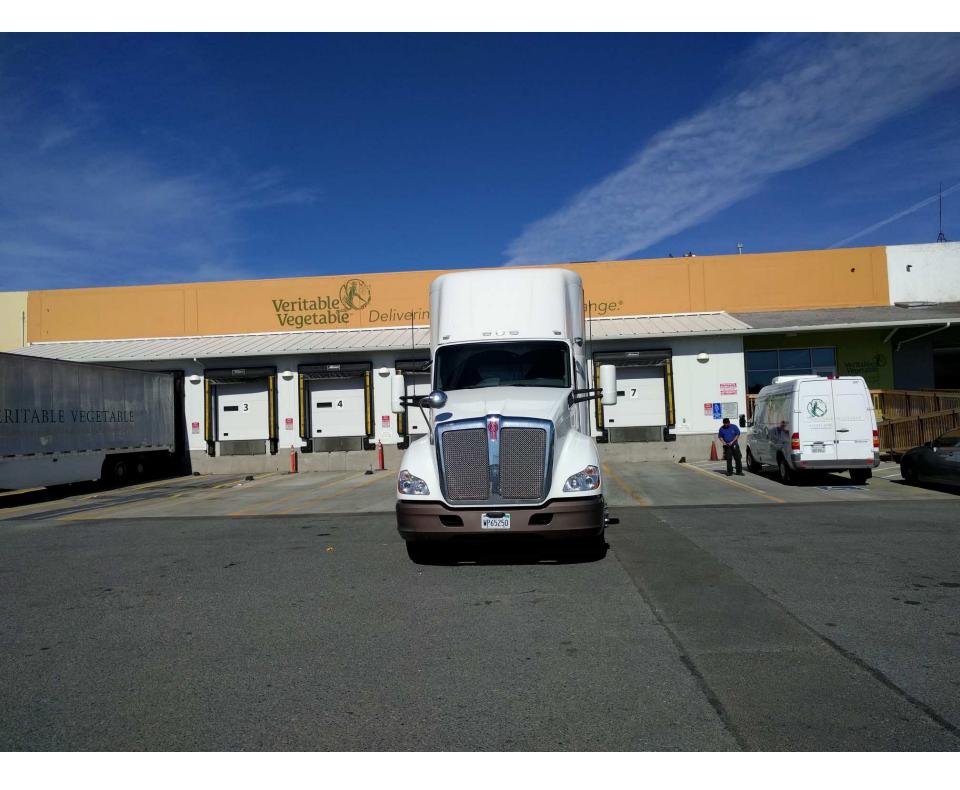




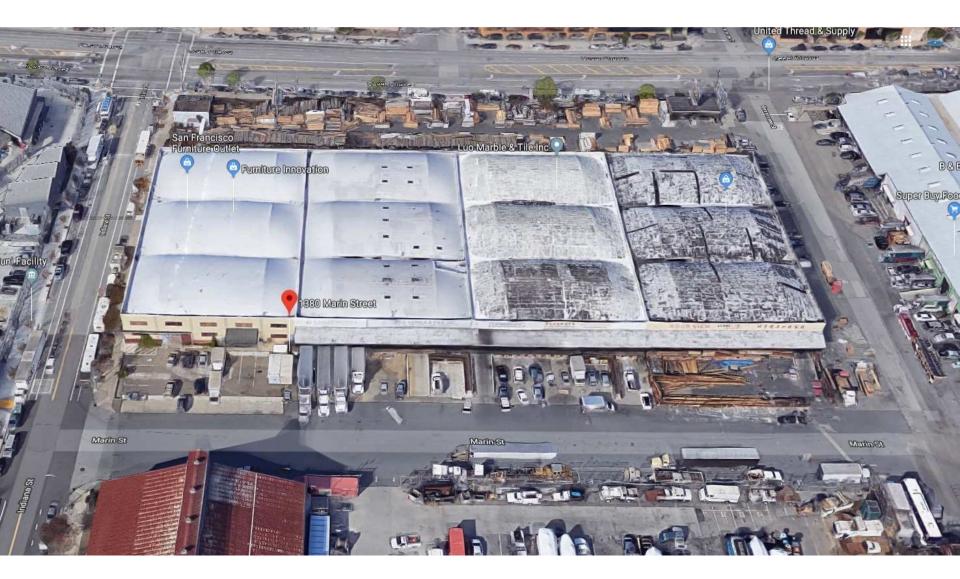


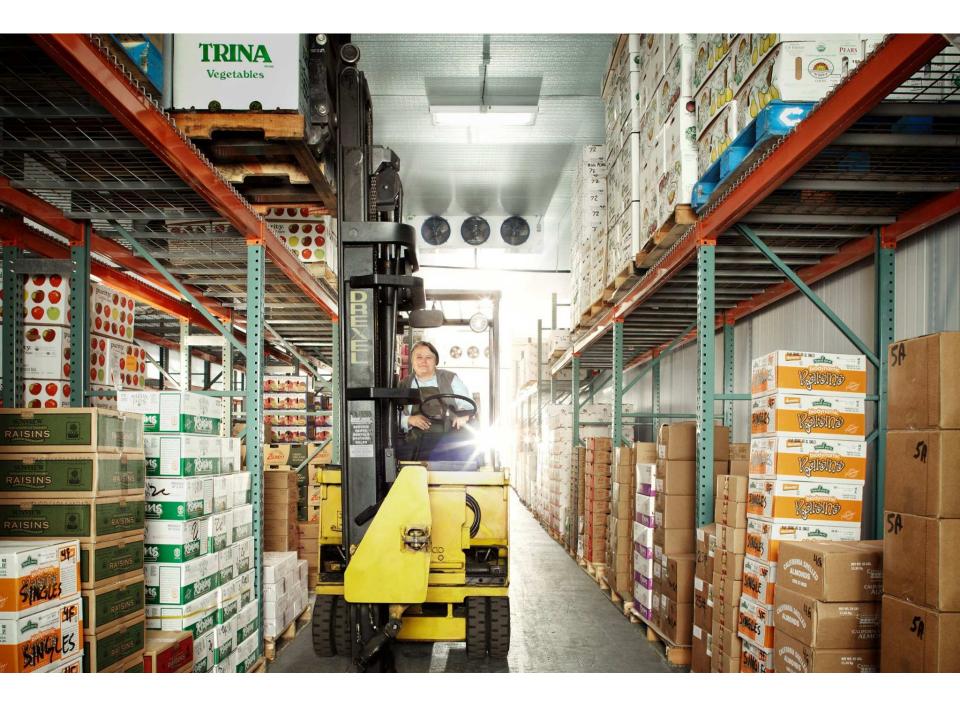












# Veritable Vegetable 6107

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## VIDEOS



Veritable Vegetable: Delivering Organic, Driving Change https://www.youtube.com/watch?v=rP9GVjyndMI

Published on Feb 10, 2017

Posted by Malia Jenkins

"Created 2016-17 by George Washington High School students who took a field trip to the Veritable Vegetable facilities in San Francisco, CA."



Hippy Gourmet visits Veritable Vegetable! https://www.youtube.com/watch?v=ydIdvrKnAGg

Published on Nov 1, 2007

Posted by hippygourmet

"Veritable Vegetable is a women owned and operated organic and bio-dynamic produce distribution company based in San Francisco. Veritable Vegetable supports small family farms across the west from Southern Colorado to California and everywhere in between. They provide restaurants, schools and catering companies with the finest organic and sustainable produce imaginable! The Hippy Gourmet is proud to feature Veritable Vegetable in an upcoming episode with Cafe Gratitude in San Francisco!"



Veritable Vegetable

https://www.youtube.com/watch?v=RyWAeUdIIH8 Published on Jun 4, 2017 Posted by BaciPix



Veritable Vegetable - Entrepreneur Showcase - Slow Money 2011 <u>https://www.youtube.com/watch?v=kQweiaOw6aA</u>

Published on Nov 15, 2011

Posted by Slow Money

"Entrepreneur Showcase - Veritable Vegetable presentation from the 2011 Slow Money National Gathering"



Veritable Vegetable Drives for Cleaner Air https://www.youtube.com/watch?v=IRQs8ij4t0I Published on Feb 6, 2014

Posted by California Air Resources Board

"Veritable Vegetable is a Bay Area local produce delivery company who believes in sustainable business practices (since 1974!). They were able to purchase a cleaner fleet of trucks with the help of AB-118 funding. Their investment in cleaner diesel technology saved fuel, money and the air we breathe."



Reusable Packaging Case Study: Tesla Motors & Veritable Vegetable https://www.youtube.com/watch?v=SwgAQ29jLWM

Published on Apr 26, 2013

Posted by usereusables

"Learn how Tesla Motors and Veritable Vegetable are utilizing Reusable Transport Packaging to realize environmental benefits, economic benefits for their organizations, and ergonomic benefits for their workers."



DRIVING CHANGE > SAN FRANCISCO GREEN BUSINESS

### San Francisco Green Business

#### What does it mean to be a certified San Francisco Green Business?

The San Francisco Green Business Program encourages San Francisco businesses to operate in an environmentally responsible manner and recognizes them for their efforts. In order to be recognized as a San Francisco Green Business, a business must meet environmental standards in four areas: waste reduction, water conservation, pollution prevention, and energy conservation. They must also be in compliance with all federal, state, and local regulations.

San Francisco Green Business program standards are developed by program staff with input from industry experts, utility companies, pollution prevention professionals, City inspectors and trade associations. Association of Bay Area Governments (ABAG) coordinates the standards development process for the Bay Area. In San Francisco, the standards are further revised to incorporate local ordinances and environmental services available to businesses in the City of San Francisco.

#### Why did we become a certified San Francisco Green Business?

Becoming a certified San Francisco Green Business demonstrates our unwavering commitment to conserving resources, building community, and maintaining the health and safety of our staff. This certification ensures our environmental practices align with our culture of and deep commitment to environmental sustainability. The certification process took an in-depth look at the practices and methods we employ to conserve energy, water and natural resources, reduce waste, and utilize low-toxic products in our workplace. Joining the San Francisco Green Business Program further connects us with the community of businesses that share our values.

#### CHECK OUT SOME ENVIRONMENTAL INITIATIVES HERE >>

#### Who is San Francisco Green Business?

The mission of San Francisco Green Business is to help San Francisco businesses adopt environmental practices that are sustainable as well as profitable. They set stringent criteria, provide technical assistance, and publicly recognize and promote Green Businesses with a seal that enables customers to support businesses that align with their values

The Program is made of up of three City agencies. SF Environment runs the program and is supported by the San Francisco Department of Public Health and San Francisco Public Utilities Commission. The San Francisco Green Business Program is a member of the Bay Area Green Business Program and the California Green Business Network.

#### CHECK OUT OUR PROFILE ON THE SEGREEN BUSINESS DIRECTORY >>

) DGIN TO ORDER | ADVANCED SEARCH | SELL PRODUCE TO VV | JOB OPENINGS | CONTACT US 👧 Customer Toolb



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WEB DEVELOPMENT BY VOCO SF



### WALKING THE TALK





of our waste is diverted from landfill

of our electricity is generated from our solar array

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# GREEN FLEEF

# OF THE YEAR

# Veritable Vegetable

Organic produce distributor shows how any size fleet can set a good example

By Brian Straight | managing editor

Back in the 1970s, long before organic living be-

came the preferred lifestyle for so many in this country, the San Francisco Bay Area was home to a vibrant, locally grown food network focused on procuring healthy food products. This system, called the People's Food System, created an alternative to the dominant food system in place at the time. Nearly 40 years later, San Francisco has moved this alternative system into the mainstream. Throughout this entire period, Veritable Vegetable (VV) has continued to move organic produce, becoming the nation's oldest organic produce company.

Veritable Vegetable provides full service distribution of organic fresh fruits and vegetables to retailers, restaurants, schools, corporate campuses and wholesalers. Located in San Francisco, VV's distribution area covers California and includes parts of Colorado, New Mexico, Arizona, and Nevada. In addition to providing leadership in establishing and expanding the organic agriculture industry, VV focuses on utilizing green technologies to reduce energy consumption and waste at every level of the company, including its truck





fleet, and for those efforts, the company has been named *Fleet Owner's* 2012 Green Fleet of the Year.

As distribution became a critical part of the People's Food System, Veritable Vegetable was founded to meet that need, distributing produce from farms to various buying clubs around the city. "The movement started with people participating in buying clubs in different neighborhoods," relates Mary Jane Evans, CEO & one of three co-owners of Veritable Vegetable. "As people's participation grew, the size of the buying clubs overwhelmed the garages the clubs were operating out of, and they had to become storefronts." The People's Food System eventually grew to 11 storefronts. Throughout its growth, though, a need developed—to bring produce from farm to fork, as they say.

"I began working with the company in the fall of '76 and we kind of re-founded the company," Evans remembers. "Veritable Vegetable started when distribution became a component of the People's Food System, hauling food from farms to warehouses and storefronts. We really started to understand organic agriculture and the need to get produce to market. The idea was to support organic farmers by moving their product to the stores."

## **COMMUNITY OUTREACH**

s part of this effort, Veritable Vegetable believed it was important to promote sustainable agriculture and to extend the community's understanding about organic food and agricultural issues. The company's founding principles, proudly proclaimed on its website, include collaboration, cooperation and interconnectedness, and it remains committed to the original unifying principle of the People's Food System, "food for people, not for profit."

Guided by Evans and fellow co-owners Bu Nygrens and Karen Salinger, VV takes pride in its values-based approach as a model for all business decisions. "We're fundamentally focused on how we interact with the environment," Evans says. This is apparent throughout the company. VV operates three warehouses in the San Francisco area, one of which is equipped with 570 solar panels on its roof that offset 70% of

## "When I train new produce clerks, I tell them [VV] is responsible for family organic agriculture in California."

the electricity used at the company. Veritable Vegetable also sends only 1% of its waste to landfills, recycling or reusing the remainder.

According to David Benson, produce manager at Briar Patch Community Market, a natural food market in Grass Valley, CA, what Evans describes is truly the way Veritable Vegetable operates. "It's about farmers, it's about customers," Benson says, adding that VV delivers four times a week to the market. "We support them with the lion's share of our business. When I train new produce clerks, I tell them [Veritable Vegetable] is responsible for family organic agriculture in California because they've been with the family farms since the beginning."

Benson, who worked as an order picker for Veritable Vegetable, says one of the keys to their success is with whom Veritable Vegetable chooses to do business. "One of the things I noticed when I was pulling [orders] for Briar Patch was Veritable always picked the best growers," Benson points out.

In addition, VV also genuinely cares about those growers, according to Kerri Williams, produce manager at Sacramento Natural Foods Co-op. "I really enjoy working with them rather than other companies because it's about the farms with them," Williams says. "They facilitate the farms to make sure we get the product we need."

The Sacramento Natural Foods Co-op, which first opened its doors in 1973, expanded through the years, including a major relocation and expansion effort in 1989 that placed a renewed focus on organic produce. In fact, Williams points out that the co-op has the largest organic produce department in the U.S., and almost all of that produce is delivered by Veritable Vegetable six times a week.

"They were very instrumental in the growth we've had



here at the co-op,"Williams says. "At the time we started, we weren't that into organic produce, but then we doubled our size [and they were right there to help us.] They have bent over backwards in every way to help us."

To help further its sustainable mantra, if you will, Veritable Vegetable looks for environmental opportunities where they best fit. And that even extends to the packaging it uses to secure product to pallets. The company is currently testing a reusable wrap from Pallet Wrapz, which would eliminate a large amount of plastic waste. "Basically, it wraps straps around the pallet and you Velcro it down," says Chris Adams, transportation manager. According to Pallet Wrapz, the product can be wrapped around a skid and tied down and then unwrapped in less than a minute, saving labor time. The company goes on to say that the product, which can be used up to 1,000 times before it needs to be replaced, can save a company up to \$300,000 a year in labor and materials if it wraps 500 six-foot pallets a day.

## **A BRAND EXTENSION**

he company's commitment to sustainable business practices is perhaps most notable in its decision to operate a modern and clean fleet of vehicles. "Ensuring our product stays fresh, and to avoid breakdowns, we need to have state-of-the art equipment," Evans says. "We are a part of our community and we want every part of our company to contribute positively—that is why we keep our trucks clean and invest in green technologies.

"We're not bottom-line driven," Evans points out. "We have a pay ratio of 4:1, top to bottom. What we're looking to do is consider what is most beneficial in the long term. We have found that responsibility does yield savings over time, but it's necessary to take a long view.

"Partially because of the pay scale, and partially due to the modern equipment, drivers tend to remain with Veritable Vegetable," Evans says.

## "We are part of our community and we want every part of our company to contribute positively."

On the fleet itself, which travels more than 1.75 million miles annually, Veritable Vegetable is proof positive that size does not matter. The company operates a mix of vehicles, from Sprinter vans to Freightliner M2s, Peterbilt 385, 386, and 378 models, Kenworth T660s, and six Kenworth hybrids.

Fleet transportation systems manager Tom Howard and Adams are focused on the long term, seeking to maximize every tenth of a mile per gallon. According to Howard, a Kenworth T370 hybrid truck is saving the company about 215 gals. per month. "I figure that one truck is saving us \$900 per month," Howard says, when compared to a non-hybrid unit. Kenworth T270 hybrid straight trucks reduce fuel consumption by about 58 gals. per 1,000 mi. run with the average VV straight truck covering 60,000 mi./year. The T370 tractors save about 36 gals. per 1,000 mi., although they offer a slightly longer payback period as they travel about half the annual miles of the straight trucks.

"The 24-ft. straight trucks are getting much better mileage than their predecessors," Howard notes, pointing out that the vehicles are achieving 9 mpg vs. just 7.2 mpg for their non-hybrid predecessors.

Howard says the average hybrid costs the fleet about \$37,000 more than a traditional diesel-only vehicle, but between grants and tax credits that Veritable Vegetable has been awarded and out-of-pocket fuel savings, a return on investment could be realized just two years after the purchase of each vehicle.

"It's gratifying to see such a well-run organization, dedi-





cated to distributing organically grown food, being recognized for its commitment to an environmentally sustainable operation," says Gary Moore, Kenworth general manager and Paccar vice president. "They practice what they preach and we're proud of the role that the company's Kenworth hybrids have played in their environmental stewardship."

## **GOING AUTOMATED**

nfortunately, hybrid vehicles do not suit every route that Veritable Vegetable services. To run the longer routes, the company utilizes Kenworth T660s with Eaton UltraShift Plus automated mechanical transmissions (AMT). One of these trucks, Howard says, is a 2012 model that is achieving around 7 mpg, which is up nearly a full mpg over a 13-spd. manual transmission truck it replaced. While Howard cautions that it's impossible to draw any conclusions since the trucks are different makes and models, and were not driven by the same driver under the same conditions, he is nonetheless pleased with the performance.

Adams adds that while the automated transmissions have been a benefit in many respects, the most positive aspect of them has been in driver comfort. "Mechanically they've been very reliable,"she says. "The drivers have had no trouble adapting to them. I have one driver who has a back injury and he's very comfortable because he doesn't have to shift. I have another who [has had rotator cuff problems] and he, too, is more comfortable because he's not always shifting."

On its long-haul tractors, VV employs battery-powered auxiliary power units (APUs), Webasto Product North America diesel heaters, and are equipped with idle shutdown technology to turn off the engines after 3 min. of idle time.

Green technologies don't just permeate the truck and tractor fleet, they are also a vital part of the trailer inventory. VV has 17 refrigerated trailers, nine of which are 48-ft. units. Mostly comprised of Utility Trailer VS2RA models, the fleet includes Carrier Transicold Vector 6500 hybrid refrigeration units installed on 10 of the trailers.

The Vector 6500 is a single-temperature all-electric unit that produces very little noise, according to Carrier Transicold. The company points out that the units, when operating in standby operation, eliminate engine emissions from the refrigeration unit, conserve fuel, and reduce operating costs by 40 to 70%. According to Howard, each unit runs about 2,800 hours per year, making the hybrid technology a perfect fit.

Going beyond hybrid refrigeration, Veritable Vegetable outfitted its entire 48-ft. trailer fleet with ATDynamics' trailer skirts. The skirts, which VV tested for a year, cost the company about \$1,700 apiece and provide a \$1,300 savings each per year, Howard says.

"[Installation] was done because we had a skirt on one trailer and we pulled it for about 90,000 mi. It was pulled by different tractors and different drivers, and we got a 3% improvement across the board," he points out. Fully installed, Veritable Vegetable is saving about 4,775 gals. of fuel per year just by using the skirts.

The trailers, like the entire fleet, run on Bridgestone lowprofile 22.5-in. tires with Bridgestone Bandag Tire Solutions FuelTech recaps. To keep those tires properly inflated, Veri-



About 65% of Veritable Vegetable's employee mix is female, led by co-owners Mary Jane Evans (left), Karen Salinger (rear), and Bu Nygrens (right).

table Vegetable employs the Meritor Tire Inflation System (MTIS) by PSI, maintaining 100 psi at all times. MTIS uses compressed air from the trailer's air system to inflate any tire that falls below a preset pressure whenever the vehicle is in operation.

To further cut down on wind resistance, the fleet installed the Deflecktor, a wheel insert that reduces wind resistance, on its trailer's wheels. To show how Howard and Adams leave no stone unturned in their quest for improvement, Howard relates he first learned of the Deflecktor when seeing it profiled in a magazine. After investigating, he quickly became a believer in the device.

## **DRIVING SMARTER**

hile Veritable Vegetable reviews all the latest on-vehicle technologies in its efforts to reduce fuel consumption, it does not stop there. Adams is constantly looking at the efficiency in routing as well.

"We always look for the shortest distance between two points," she says, adding that traffic conditions, particularly for drivers hauling into Los Angeles and Phoenix, are always a concern. "We have shifted lately to have the trucks leave earlier. In fact, we've shifted everything including the warehouse operations to get the trucks out earlier. ... That change has happened over the last couple of years."

Veritable Vegetable is also certified to backhaul. So while its trucks may head to a delivery point full of organic produce, they may return stacked with micro-brews. "We do a fair amount [of backhauls] and we're trying to build up that business," Adams says, "because [it makes no sense to] have a truck that's empty when you can have it full."

And because the trailers are kept at 38-40 deg. F, almost any commodity, including dry freight, can be mixed with produce. "It's really an ideal shipping temperature," Howard says.



Hauling all that produce, though, requires a large number of pallets. To reduce costs and improve the environment, Veritable Vegetable now utilizes mostly reusable plastic pallets. "They're recycled plastic," says Adams. "When we make a delivery, there is a charge on the invoice for pallet return." In most cases, Adams points out, the pallet exchange results in an even swap as drivers will pick up unused pallets in a 1 to 1 ratio with dropped pallets.

## **TRAINING DRIVERS**

s most fleets know, the biggest factor contributing to reduced fuel usage is drivers. At Veritable Vegetable, the quest for the ideal driver training system is still ongoing, but Adams says she's found the company's best system so far is a pair of driving veterans. "We're looking for the right program but haven't found a good fit yet," she says. "I have two drivers now that do the training, acting as mentors. What I've found is that if I have a new driver and they're trained by a good driver, then I have two good drivers."

Adams and Howard are also exploring potential driverincentive programs and systems that provide drivers instant feedback on their actions and driving behaviors. "We're try-

## "We are embracing the truck fleet and trying to educate people on how important it is in moving the food."

ing to figure out the best way to train people, and it's becoming an area that is [increasingly] difficult with CSA and other regulatory hurdles," Adams says.

Despite being a relatively small fleet as measured by some standards, there is nothing small about how Veritable Vegetable attacks the challenges facing its truck fleet. "We put our financial resources towards these kinds of things," Adams says. "We're not a public company, we don't have to answer to shareholders. We want to return the highest price we can to the grower" and the best way to do that is to operate efficiently.

And with all it has accomplished, Veritable Vegetable's fleet is a source of pride for the organization. "We are embracing the truck fleet and trying to educate people on how important it is in moving the food," Evans says.

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## Veritable Vegetable Setting Standards for Sustainable Food and Business Practices

### Produced by Sean Barr & Written by Camila Osorno

San Francisco's Veritable Vegetable (VVEG) was founded in 1974 and has since grown from a small people's food collective into a bastion of sustainability and ethical business practices. As the oldest organic produce distributor in the country, VVEG has unsurprisingly developed and maintained a business model that emphasizes strong relationships, internally as well as with growers and customers, at its heart. healthy, fresh foods at reasonable prices," asserts Mary Jane Evans, CEO of VVEG. "We consider the environment at the core of every decision we make."

Whether dealing with one of its major producers of year-round staples or a small seasonal grower of heirloom items, VVEG serves as a resource for farmers to help maximize annual yields

Through transparency, deep relationships, c o l l a b o r a t i o n , cooperation and clear c o m m u n i c a t i o n , VVEG has succeeded in creating a business worthy of emulation. As a mission-driven company, every decision is guided by its belief that food is for people, not profit, and it should be accessible to all.

VVEG typically distributes fresh fruits and vegetables, eggs, dairy, dried beans and grains to a network of

independent retailers, cooperative markets, restaurants and schools across California and into New Mexico, Arizona, Nevada and southwest Colorado. VVEG has even shipped products as far as Hawaii and New York. Throughout its business the company is dedicated to doing business without ever losing sight of the environmental impact it has on the communities it serves. experience, soil type, climate and current market trends. In addition, VVEG can help growers find more ways to reduce environmental impact, because the company believes that being environmentally responsible should be taken into consideration along every part of the value chain. The company is certified as an organic handler by California Certified Organic Farmers.

#### Supporting Farmers and Staying Green

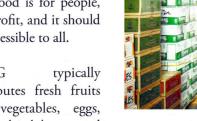
The company operates two warehouses at its San Francisco

for a particular product. "We have a highly involved purchasing department that focuses on working with competent and ethical producers," says Evans. "They form lasting relationships with growers and often work together to come up with the most advantageous production plan possible."

and find the best markets

Whether or not a grower sells exclusively to VVEG, purchasers will work with producers to establish exactly what kind of production scale is possible given a grower's

"Our founding idea was to give people an alternative to the large chain grocer model, to support farmers and to offer eaters







headquarters, with 35,000 square feet and 10 coolers to keep produce fresh. VVEG has begun work on a third warehouse just up the block to increase storage capacity; the space will provide ripening areas for some of its fruits and vegetables.

Behind the scenes, VVEG has taken both small and large steps toward becoming a zero-waste operation by adopting new policies and initiatives. Over 99 percent of VVEG's waste is diverted from landfills through recycling, composting and reuse. The company only uses nontoxic cleaning supplies, lowvolatile organic compound paints and furniture made from renewable, reclaimed or recycled materials.

In 2009 the company installed a 560-panel, 106-kW solar electric system to one of its warehouses in San Francisco. The new system saves VVEG an estimated \$60,000 annually and will supply the operation with free electricity for at least 25 years.

VVEG constantly searches for viable alternatives to petroleumbased fuels and investigates small ways the company can have a big impact on fuel usage and efficiency. "We have always been very conscious about the fact that oil is not a renewable resource, and that anything we can do to increase our efficiency is imperative to doing good business," says Evans.

Among its smaller initiatives, VVEG enacted a company policy, even prior to the state's law, prohibiting drivers from allowing trucks to idle. The company constantly upgrades its truck fleet with the newest environmental technologies. "We are so ahead of the curve we often have to wait for technology to catch up with us," jokes Evans.



More recently VVEG invested in six new hybrid trucks and a fleet of hybrid tractor trailers, resulting in big fuel savings. The new trucks are estimated to save 45 gallons of fuel for every 1,000 miles driven. In addition, the tractor-trailers have a 35-percent better fuel economy rate than standard models and zero emissions to boot. Considering that VVEG drivers drive over 1 million miles every year, the savings add up quickly.

According to Evans, the next major hurdle for the VVEG transportation department will be developing an integrated system to keep trucks fully loaded with cargo between stops. VVEG knows that if the trucks can stay full in every direction, the increased efficiency will translate into savings that ultimately trickle down to the consumer.

#### Going the Extra Million Miles for the Future of Food

In recent years VVEG has begun supplying local schools with fresh fruit and vegetables at or below cost to help support healthy eaters and education. "We are always excited and motivated to figure out how to enter these and other new communities and how to make this system viable," asserts Evans.

The VVEG team is constantly looking for ways to evolve itself as markets change and evolve. Within the company VVEG attempts to reduce the stress of physically demanding labor and staggers tasks to reduce injury and engage workers in different ways.

VVEG promotes a company culture dedicated to evening out the differences between entry- and executive-level compensation for the benefit of the entire company. One effort is keeping both executive and beginning salaries at a 5:1 ratio. VVEG also insists on paying above-market wages for all drivers and operational positions to attract the talent that keeps its food on the move. All staff members receive comprehensive training on sustainable agriculture and health and safety in the workplace to drive home the impact of VVEG's business model and the company's values.

"Our goal is to prepare this company to be successful in perpetuity and become a model of a business that operates with very small margins, but still manages to find enthusiastic, motivated and talented staff, and provides fair compensation," explains Evans.

As the company continues to evolve, VVEG sets the standards for ethical business practices across market sectors. The company will continue to adhere to its goal of providing food for people, not for profit, allowing Veritable Vegetable to bring fresh produce to the American table and serve as a model for socially and environmentally responsible businesses everywhere.



## grist

## LOCAL FOOD, FOR REAL Food hubs: Sustainable agriculture's missing link

https://grist.org/food/food-hubs-sustainable-agricultures-missing-link/

By Nathanael Johnson on Feb 6, 2014

This is part of a series in which we're asking what pragmatic steps we can take to make regional food systems more sustainable. Last time we spoke with organic farmer Tom Willey



David Mattheson Photography Bu Nygrens, director of purchasing for Veritable Vegetable.

A few years ago, I bought a little share in a dairy farm so I could receive my own portion of creamy Jersey milk. Each week I'd fish a heavy Mason jar out from under a blanket of tinkling ice cubes. It was delicious, and when it went off it only got better: mixed with scalloped potatoes, salt, and onions, the fermenting milk transformed in the oven into cheesy ambrosia.

But there was a big problem with this milk: It waited for me on the other side of town. It took me a little over an hour to fetch it by car. I know because I didn't have a car at the time, and so I'd rent a Zipcar and try to run the errand in under an hour. Then the farm

started asking for members to drive out regularly to do chores. That was too much for me. I bailed out and went back to buying milk at Safeway.

The experience taught me to appreciate the middleman — someone who, for a reasonable fee, handles the logistics and transportation. Middlemen get a lot of grief. There are thousands of ads that exhort you to "cut out the middleman!" From the outside, the middleman just looks like a barrier between the consumer and low wholesale prices. But for small food producers, having a middleman can dramatically expand the number of eaters who can buy their stuff.

Middlemen might also help farmers fill the missing middle of our food system. Right now we have big farms that move their food to market with industrial efficiency, and we have little farms that rely on dedicated eaters to drive out over the potholes, but we don't have much in between. In part, that's because those companies that efficiently move trainloads of grain to market think making a trip to pick up a dozen pounds of salad greens is, ahem, just radicchio.

For the past few years, people have been saying that there's a solution to this problem: food hubs. Food hubs are essentially big warehouses — with a fleet of trucks and a staff of marketing and logistics gurus, who can connect farmers to restaurants, stores, and school lunch programs.

The USDA has supported the idea, and now recognizes 227 food hubs operating around the country. Last fall, Rowan Jacobson checked the vital statistics on the food hub concept in a piece for *Orion Magazine*. He found that, while some were thriving, many food hubs couldn't make ends meet:

"Almost all food hubs that meet the dictionary definition are not profitable," says Amanda Oborne, who directs the conservation organization Ecotrust's FoodHub, an online dating service for wholesale food buyers and sellers. How could they be? They are competing in one of the world's most cutthroat businesses, which often operates on net margins of less than 1 percent, and they are trying to return more money to the farmers, operate on smaller scales, and provide additional social and environmental services.

When I started scanning the list of food hubs, one name jumped out at me: Veritable Vegetable. I'd seen this company's trucks long before I'd ever heard the term "food hub." This meant, presumably, that Veritable had figured out how to make a food hub work long before the hype and the funders started making it trendy.

When I visited one of the company's warehouses — in an industrial section of San Francisco — co-owner Bu Nygrens confirmed my assumption.

"It seemed like an artificial term, that both foundations and government were fueling, for something that we'd been doing for 40 years," Nygrens said.



David Mattheson Photography

Veritable Vegetable started in 1974. "It grew out of the leftist politics about economic equality, and the natural food industry's demand for brown rice and tofu and crunchy granola and all that stuff," Nygrens said.

Moving all that food required trucks, and refrigerators, and organizers. There's nothing bucolic about this sort of thing. When I visited Veritable, I found myself in a warehouse filled with forklifts, pallets, and boxes. Everything beautiful and pastoral was hidden away inside those boxes. Nicole Mason, the community involvement manager, showed me from one refrigerated room to another. To see what's remarkable about Veritable you have to look closely: You have to notice that, for many farms, the produce isn't coming by the truckload, or even the pallet, but just a few boxes at a time.

In the years since 1974, Veritable has proven that the business of picking up just a few boxes of produce from farmers can be profitable. Big distributors probably could have provided the same service, but they had no incentive to take on the challenge. There's a kind of inertia that develops with success. Why change things when you're already making money?

That inertia provided a niche for Veritable, but it's also been a frustration. For instance, the company couldn't convince any truck manufacturers that it would be worthwhile to build fuel-efficient hybrid semis.

"We wanted hybrid trucks 10 years ago and the tech wasn't there," Nygrens said. "It was only when Coca-Cola demanded a green fleet that [the truck company] Kenworth came up with the equipment, and then we could get the equipment."

Within four years, savings on fuel more than paid for the new trucks (it was more like two when you count the money from tax credits). But even though these changes made economic sense, not everyone is making them: Veritable stands out from the crowd. In 2012 a trucking trade magazine recognized the company for having the "green fleet of the year." There are lots of smart, obvious changes like this that big food companies could make, Nygrens said, but change is hard: "They are very slow to react. They are behemoths. It's hard to move them."

So what are the next steps to move forward with more sustainable food? Despite her initial reaction, Nygrens says that more food hubs, and more people thinking hard about how to connect farmers with eaters, can only help. In the end, she said, the buzz is good because it gives the middlemen a little of the glory. "There's not a lot of romance in moving boxes of food around," she said.

Mason nodded. "Distribution might be the least sexy part of the food system," she said. "One of the challenges is attracting and retaining the most talented people."

So the people at Veritable welcome the theoreticians preaching about food hubs, and the techies working on farm-to-table apps.

Another challenge, Nygrens said, is educating eaters. For instance, Veritable found that people just wouldn't buy dirty carrots — they looked bad, even if they were better quality. And farmers couldn't afford to buy carrot washers. In the end, Veritable decided it had to get the bulk of its carrots from the bigger farms, that could wash their carrots. If eaters are willing to budge on this sort of thing, and learn when great flavors are hidden behind aesthetic imperfections, it would be a huge boon to farmers, Nygrens said.

She'd recently heard an apple farmer from New Hampshire named Michael Simmons wax lyrical on weird-looking fruit: "He said, a blemish on an apple indicated that the tree was healthier because it was able to withstand the attack. So people should be educated that the fruit itself was heartier, healthier, with more nutritional density perhaps, and I was like, wow! I mean, I've been in ag for a long time and I never ... yeah!"

At the same time, there's an opportunity for farmers and their allies to invent cheap technical solutions to these problems. Perhaps there's an inexpensive way to wash carrots, or a way of cooperating to share equipment.

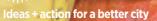
At the end of the interview, I told Nygrens and Mason about my misadventures with the milkshare. It was a hassle, I said, but sometimes the hassle was part of a richer experience. For instance, I organized with a couple people who lived nearby to take turns picking up the milk. It was a logistical tangle, but it also allowed for some human connection that wouldn't have happened otherwise. That led to the formation of friendship that I truly value.

In return Nygrens offered a similar story, about a community supported agriculture farm that worked with Veritable to deliver produce. It wasn't an efficient system: The farm packed up the food in bulk, and families came to the warehouse to pick it up. "The

kids would be running around the warehouse, it was just like a little mini festival, and I loved that they would take all the food even if it had a little bug damage or something. We need more of that."

On the one hand we want to make this as easy as possible, to allow people with less money and time to participate and get good food; but on the other hand, if you just reduce everything to time and cost, something is lost.

Food hubs promise to reduce transaction costs and bring good food to more people. But sometimes the costly transactions themselves are what make alternative food systems special, Nygrens said. The people behind Veritable Vegetable spend a lot of time thinking about how to strike that balance.



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# Food

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It's Not Just What's On Your Plate.

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## Stainable agriculture since 1974

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## Between the Farm and the Grocery Store

### Bolstering San Francisco's Food Industry Cluster

Like most major American cities, San Francisco is home to numerous food and beverage manufacturers and distributors that provide a link between agricultural producers and the public. During the past year and a half, many of the city's larger food industry businesses have made big moves. Whole Foods moved its Northern California distribution facility from San Francisco to Richmond. TCHO Chocolate announced it would be leaving Pier 17 for more space in Berkeley. And Del Monte Meats, which was founded in San Francisco in 1927, moved just south to Brisbane.

Yet, during the same period, other businesses decided to expand their footprint within the city. The San Francisco Wholesale Produce Market broke ground for a new building that will add 84,000 square feet of warehouse space. Marin Sun Farms moved into a larger meat processing facility in SoMa. United Cold Storage transferred its operations from South San Francisco into the Bayview district. And Magnolia Brewery began the build-out of its new brewery in Dogpatch. Why is there so much movement, and why does it matter?

The location decisions of these food manufacturers and distributors are notable not only for the industry, but also for the city as a whole. San Francisco has been a pioneer in promoting the practice of eating locally and organically and has earned a global reputation for it. Many of the city's restaurants attract tourists and business by highlighting their use of products sourced from the Bay Area. But few of the restaurants, caterers, and grocery stores selling local food buy it directly from the farmers who grow it. Instead, they rely on food distributors and manufacturers, many of them clustered in the southeastern section of the city, to manage the complicated logistics of coordinating with dozens of producers to deliver the right quantity of product at the right time. The past and future growth of the local food economy, and all the benefits it provides to the Bay Area, depend on these behindthe-scenes businesses.<sup>1</sup>

Summary: San Francisco's food

and beverage manufacturers and distributors provide a critical link between agricultural producers and consumers in the local food

economy and support economic and employment diversity within the city. Recognizing the food industry cluster's importance, city

agencies and industry leaders are developing recommendations for how local government can better help these businesses start, stav

and grow in the city.

By Eli Zigas

The business success of food manufacturers and distributors is important to maintaining a diversified economy in San Francisco. According to an analysis by BAE Urban Economics that will be published in a forthcoming study, these food and beverage businesses provide 5,000 jobs, which represent one guarter of all the manufacturing and distribution jobs in San Francisco. The number of jobs in the sector decreased steadily until 2006 and has leveled off since then (Figure 1). While this sector represents a small portion of the city's total employment, these jobs are especially noteworthy because many pay relatively well for positions that don't require college degrees. On average, workers in San Francisco's food manufacturing and distribution sectors earn between \$30,000 and \$56,000 annually, while the average

Eli Zigas is SPUR's Food Systems and Urban Agriculture Program Manager

<sup>1</sup> For more details about how a local food economy benefits the Bay Area, see our 2013 report "Locally Nourished," www.spur.org/locallynourished



# FIGURE 1: San Francisco Food and Beverage Production & Distribution Employment, 1990–2012

As shown above right, the number of jobs in the food and beverage manufacturing and distribution sectors declined steadily until 2006 and has leveled off since then. The 5,000 jobs provided by these food businesses represent one quarter of all the manufacturing and distribution jobs in San Francisco. annual salary in the city's beverage manufacturing and distribution sectors ranges between \$80,000 and \$100,000.<sup>2</sup>

The fact that employment remained steady, and even grew, despite the recent recession is a good example of the value the city gains by having a diversified economic portfolio. Or, put another way, food and beverage makers and movers help keep San Francisco from putting all its eggs in one basket — to the benefit of us all.

Recognizing the importance of the food and beverage manufacturing and distribution sectors to both the broader food industry and to the city as a whole, the San Francisco Planning Department, Office of Economic and Workforce Development (OEWD) and SPUR launched a food industry cluster study in August 2013. For the last 10 months, these three organizations along with a steering committee of local food business leaders and city agency staff have been working to identify the needs and challenges of existing food and beverage makers and movers and develop a strategy that could help them start, stay and grow in the city. (The city is planning to publish the full findings and strategic recommendations this summer.)

Through interviews, surveys and an industry convening that reached more than 70 business owners, the food industry cluster study found a set of key challenges facing the food and beverage sectors. Foremost among them is that businesses find it very difficult to find industrial space in San Francisco that meets their needs at a price they can afford. There is very little vacant space with the existing infrastructure for manufacturing or distribution (such as loading docks, floor drains and refrigerated space) and it's costly to add these features into existing buildings or to build from the ground up. Currently, according to the nonprofit SF Made, lease rates in San Francisco for manufacturing space range from \$0.65 to \$1.40 per square foot per month for large buildings greater than 10.000 square feet and \$1.65 - \$3.00 for smaller manufacturing spaces, depending on location, size,

and existing features. In contrast, many businesses reported finding significantly lower rates in parts of the East Bay.

In addition to space costs, businesses are finding it increasingly difficult to retain their workers as housing costs continue to rise. In numerous interviews, business owners noted that they have seen more of their employees moving farther from San Francisco to find affordable housing, which increases the workers' commutes and cost of living, and makes employee retention more difficult. This problem is exacerbated in many cases by workers having few transit options to get to work — especially in the early morning, late at night, or for jobs in the southeastern part of the city that are not easily accessible by transit.

The challenges of doing business day-to-day in the city were also cited by many business owners. This includes problems ranging from navigating regulatory issues to finding legal parking while trying to make deliveries to customers. While these issues are not unique to San Francisco, because they add expense they do influence where businesses want to locate their operations. Despite these difficulties, many companies still choose to stay in San Francisco. When asked why, in a survey conducted by SF Made as part of the city study, business owners' most common reasons were to be close to customers and to maintain brand value by associating their business with its San Francisco location.

The strategy that will be published this summer by the planning department and OEWD will include detailed recommendations for how city agencies can help businesses surmount the various challenges they face. One set of recommendations will seek to increase the supply of industrial space suited to food manufacturing and distribution. An option under consideration is leasing public land or existing public facilities to food businesses. This is a strategy that is already familiar to the city. For example, the Port of San Francisco leases space to more than a dozen seafood processors and wholesalers, many of them

THE URBANIST

<sup>2</sup> Quarterly Census of Employment and Wages

### FOOD CLUSTER





↑ San Francisco's food distributors, many of them clustered in the southeastern section of the city, manage the complicated logistics of coordinating with dozens of producers (listed on Veritable Vegetable's blackboard, above) to deliver the right quantity of product at the right time to local restaurants, caterers, and grocery stores.

located at Pier 45. Another model is the San Francisco Wholesale Produce Market. In 2012, the Board of Supervisors renewed its lease with the Market for a 60-year term and approved its plans to build a new facility and make significant capital improvements to its existing warehouses. Both Pier 45 and the Wholesale Produce Market provide models of how the city can directly provide space for food manufacturers and distributors.

Another recommendation under consideration would have the city create a liaison position to provide technical assistance and business support to the food industry sector. The liaison would track and help resolve regulatory issues, provide information on existing financing assistance, link the businesses with workforce training programs and generally help facilitate business-to-business matchmaking.

Two other areas of focus for the recommendations include transportation and workforce development. On the transportation side, the project team is researching ways that would make it easier for workers to get to and from their jobs using transit, as well as policies that would support smoother movement of goods and deliveries on city streets. On the workforce side, potential recommendations include developing training programs tailored to the needs of food industry employers and more actively linking businesses with existing workforce programs and tax credits.

Taken together, the strategy's recommendations all aim to make it easier for food manufacturers and distributors to get started and build their businesses within San Francisco. The big changes in the past couple of years show that the city faces challenges holding onto some of its businesses, but also continues to be an attractive place for others. Broad market trends, especially the affordability of industrial space suitable for food businesses and of housing, will likely play increasing roles in the decisions of where businesses choose to operate. Policymakers have the ability to influence or lessen the impact of some of those trends and the forthcoming strategy will provide a series of recommendations for how to do just that. In the end, the strategy recognizes that supporting food manufacturing and distribution businesses supports economic diversity, economic development and strengthening the regional food system. \*

The Food Systems and Urban Agriculture Program is generously supported by the Columbia Foundation, Clarence E. Heller Charitable Foundation, 11th Hour Project, TomKat Charitable Trust, Seed Fund and Clif Bar Family Foundation.







↑ The city's diverse food manufacturers including chocolatiers (such as Recchiuti Confections, above), bakeries (e.g. Panorama Baking Company, above),

breweries, and more — sell to both global and local markets while contributing to the city's economic diversity.

↓ In 2012, the Board of Supervisors renewed its lease with the San Francisco Wholesale Produce Market for a 60-year term and approved its plans to build a

new facility and make significant capital improvements to its existing buildings (pictured below). Architectural rendering by Jackson Liles Architecture.



**RETAIL/DISTRIBUTION** 

VERITABLE VEGETABLE

www.veritablevegetable.com / HQ: San Francisco / Employees: 135 / Specialty: Organic produce distributor / Mary Jane Evans, CEO: "Close working relationships is what we have practiced since day one."

# Industry Shapers

Veritable Vegetable prides itself on being a thought leader of the organic produce industry and demonstrating its values in every part of its business. BY JANICE HOPPE



eritable Vegetable has been a leader in the distribution of organic produce distribution for more than 40 years. What makes the company unique is that it continues to shape the industry while staying true to the core set of values it was founded upon. "We consider ourselves a social enterprise that uses the power of business to solve social and environmental problems," says Bu Nygrens, co-owner and director of purchasing.

The San Francisco-based company was founded as part of a movement in the

mid-1970s that sought to bring low-cost, nutritious food to neighborhood co-ops and community storefronts. The collectives, called The People's Food System, extended throughout the greater San Francisco Bay Area and provided a largescale alternative to the existing corporate food system.

At that time, more farmers rediscovered organic farming and developed new organic production techniques. Veritable Vegetable established relationships with many of these growers and began distributing produce beyond the original People's Food System. The company invested in promoting sustainable farming practices and policies, and extending knowledge about organic food and agricultural issues.

Today, 60 percent of Veritable Vegetable's business is in the retail sector and of that about 40 percent is with co-ops. The company also works with restaurants, corporate campuses, meal delivery programs and universities. Its distribution area spans California, Nevada, Arizona, New Mexico and southwestern Colorado, and it ships to Hawaii.

"Through the years, Veritable Vegetable has been an integral part of change in the sustainable food system movement by stimulating an increased demand for fresh, organic fruits and vegetables, developing certification standards, working to pass food and agriculture legislation, helping to unify the produce community, and supplying healthy, fresh foods to communities all over California and beyond," Nygrens says.

# **BUILDING RELATIONSHIPS**

The unifying principle of the People's Food System was "food for people, not for profit," and Veritable Vegetable embodies that by operating with the greater good in mind. It offers fair prices when buying, selling and hauling, and provides good wages, benefits and equipment to its staff. Veritable Vegetable was founded on the principles of collaboration, cooperation and interconnectedness that it maintains at its core today.



Sixty-five percent of Veritable Vegetable's 135 employees are women, who also hold a number of upper-management positions, which the company says is outside the wholesale industry norm. "We try to flip a lot of the norms on their heads," Community Involvement Manager Nicole Mason explains. "We believe in valuing the physical labor it takes to move food. To demonstrate this we pay our staff above the living wage in San Francisco." The company also offers extensive benefits.

Veritable Vegetable prides itself on a well-blended staff in terms of gender and ethnic backgrounds. "It's integrated and that just happened organically through our efforts to educate and bring people along from within the company," Nygrens says.

Although Veritable Vegetable's retention rate ebbs and flows because it attracts a younger workforce, the company does have a number of loyal employees who have been with the business for more than two decades. "I think we have a remarkable, stable staff," says Karen Salinger, co-owner and director of sales. "There are people who have been here for 25 years or more because we are a good company to work for, and we are happy about that."

The company's focus on quality relationships extends beyond its walls and has become part of its reputation in the organic trade. "We are known in the industry for paying farmers fairly for their products, paying staff fairly and charging a fair price," Nygrens adds. "We have a lot of integrity in our produce and invest in those relationships."

CEO Mary Jane Evans says the keys to long-term relationships with farmers and customers are transparency and taking a partnership approach. For instance, when working with growers, Veritable Vegetable focuses on production planning, understanding the constraints in a growing environment, discussing what works well and integrating that into the marketplace, keeping up with market changes and adapting as the weather impacts farmers' produce. "Close working relationships is what we have practiced since day one," she adds. "It's a huge part of our reputation and growers talk about how they wish every distributor was like Veritable Vegetable."

## SUSTAINABLE PRACTICES

To become more flexible when working with smaller farmers and customers, Veritable Vegetable purchased a fleet eight years ago that includes hybrid tractors and trailers and sprinter vans. "We are mitigating the impact of our trucks," Mason notes. "We have received a number of accolades and awards for the hybrid technology we employ."

As a Certified B Corporation, environmental sustainability is a major focus and Veritable Vegetable is proud to run the lowest emission equipment – producing near zero emissions – on the road while reducing fuel consumption and decreasing its carbon footprint. The company continues to research non-petroleum-based fuel options and other ways it can reduce its footprint. The purchase of the hybrid tractors and trailers increased fuel economy by 35 percent compared to non-hybrid semis.

At its warehouse, the company installed 560 solar roof panels that generate 34 percent of its electricity needs. Veritable Vegetable uses state-of-the-art temperature control technology and thick strip doors to ensure food stays fresh while reducing energy usage. Additionally, the warehouse has energy-efficient ballasts, fixtures and bulbs as well as motion and lumen sensors that detect movement and natural light to cut down on energy usage.

Veritable Vegetable has a robust food waste program where 99 percent of it is diverted from landfills.

"Any unsalable food goes to our employee food-buying club and to hunger relief organizations," Nygrens says. "We've had a composting program for more than 20 years so that non-edible food isn't wasted, either. We are very conscious of our waste management."



# BUILDING THE FUTURE

Because real estate is hard to come by in the Bay Area, Veritable Vegetable operates out of three warehouses within one block of one another. The company is in the process of adding 20,000 square feet to its 10,000-square-foot warehouse with the assistance of Hartland, Wis.-based ESI Group USA.

ESI Group is a nationwide single-source design-build expert that specializes in facility design, engineering and construction, as well as strategic logistics and material handling planning services for food facilities.

"I can't say enough about these guys," Evans says. "They spent time with us and gave us a tremendous amount of resources to understand what they do, learn about what we do and what our constraints are, and helped us build a firstclass facility in a very small footprint."

The state-of-the-art expansion is expected to be completed by the end of April. Veritable Vegetable's additional warehouse space will be environmentally friendly with efficient refrigeration. Eventually, the company plans to put another solar field on the roof. The expansion will also stop the break in the company's cold chain so it is continuously sealed off.

"It's got all the things a good produce warehouse would have," Evans adds. "We loved ESI's approach and they have been great. They made it affordable and are like us – offered a fair price, told us what was going to go on so there were no surprises and worked in partnership with us." Moving forward, Veritable Vegetable has its sights set on building a 100,000-square-foot space where like-minded food businesses can co-locate and share resources. "To find a building that size with truck and customer parking in a city that's cinched for space in every direction is challenging, but we're hopeful," Salinger says.

Veritable Vegetable plans to continue its model of business over the longterm and will develop a succession plan in years to come with the current staff. "We want to continue to be a regional distributor in our area and continue to provide good food and raise the bar as we go forward," Evans says. "We are hoping what we have achieved over the past 40 years will continue to evolve and be a model going forward."



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# The Women-Owned Produce Distributor Selling 'Food for People, Not for Profit'

San Francisco's Veritable Vegetable Baked Its Values Into Its DNA

"We're focused on changing the face of the industry by leading by example."



Veritable Vegetable CEO Mary Jane Evans driving a Drexel in the company's warehouse. Photo by David Matheson Photography.

Organic produce distributor <u>Veritable Vegetable</u> is built from radical roots. Formed in the Bay Area in 1974 during an era when food-buying clubs were first being established, Veritable Vegetable focused on getting good food from trusted sources, paying people fairly along the supply chain, and selling at affordable prices. "Veritable Vegetable stepped in as the distributor, the link between farmers and the buying clubs," says Nicole Mason, director of community engagement at the B Corp. "We have changed a lot in 43 years, but the commitment to support small and mid-sized farms has never wavered. We've always worked to create a democratic workplace with gender and pay equity. We're really being true to how we started."

The vast majority of the 300-plus farms Veritable Vegetable works with remain those small (fewer than 50 acres) to mid-sized (50 to 300 acres) farms. While Veritable Vegetable also works with larger farms including some of the biggest organic vegetable farms in the world the company has remained committed to performing the necessary logistical dance of picking up from multiple shipping points and delivering to multiple customers, many of whom are small retail locations.

Veritable Vegetable is unique in the organic trade in other ways: A little <u>more than half of the company's employees</u> are women, and 100 percent of its executive management and all of its owners are women. By comparison, in a <u>2013 look at the trucking industry</u>, 200,000 of the more than 3 million truck drivers were women, a figure that represented a 50 percent increase since 2005. And in 2017, when *Fortune Magazine* released its Fortune 500 list, <u>only 32 of the</u> companies, or 6.4 percent, were run by female CEOs.

Veritable Vegetable's values have not developed by chance. From owning their own fleet to remain nimble enough to meet the needs of multiple, smaller suppliers and their more than 500 customers to developing robust hiring and training programs to increase and maintain a diverse workforce, Veritable Vegetable has been thoughtful in how it built its business. By certifying as a B Corp and completing the legal steps to become a California benefit corporation, Veritable Vegetable's values are built into the company's operating procedures, employee handbooks and bylaws. Its mission is baked into the company's DNA.

• • •

Benefit corporations like Veritable Vegetable are redefining the corporation to legally balance purpose and profit. <u>Learn more</u>.

• • •

We spoke with Mason to learn more about how Veritable Vegetable is bringing its values forward after nearly half a century of operations and growth, and how the company is working to provide opportunities for women at all levels of the company's operations even as it grows its workforce.



Director of Community Engagement, Nicole Mason

# What practices have you implemented to encourage women to work with Veritable Vegetable, despite operating in a maledominated industry?

Veritable Vegetable honors and respects all staff and concentrates on providing access and training to women in many work applications, including hands-on highly physical work, like driving heavy equipment, managing operational and IT systems, and sitting in leadership positions. There is a real effort to bring, oftentimes, women into roles that are traditionally held by men. At a lot of companies, they want to hire drivers who already have experience with warehousing, for example. We don't necessarily require that. We have a robust training program and bring people into the fold that way. Today, Our IT manager is a woman, our trucking manager is a woman, our warehouse manager is a woman. Distribution is a very maledominated industry, as is truck driving. I don't think you can fall into what we've established—there must be some intention around it. If you're only going to hire people who have experience, then you're going to look like the rest of the industry.

# Why did you pursue B Corp certification?

We are thought leaders and industry leaders, and we have been out in front—from greening our truck fleet, to paying a livable wage with excellent health insurance, to installing solar panels on our warehouse. We don't wait for shifts in thinking or for regulation change to do something. When the <u>B Corp certification</u> got off the ground, it was a great way to demonstrate our values publicly. We also appreciate that the verification process is completed by a third party. The certification provides us with another way people can recognize our social and environmental values at a quick glance.

We are always looking for ways to communicate our commitment to sustainability and people. We put our B Corp logo all over our materials, on the sides of our trucks, and at the front desk—it is relatively new and we are surprised by how many people ask about it. It's a certification that ties all of what we do with the farmers, the environment, and workers into one logo and assessment. The B Impact Assessment process has been good for us, because it has helped us in writing procedures, finding ways to truly measure our impact, and in honing our reporting.

<u>Being a B Corp</u> also makes us part of a network of other businesses trying to demonstrate those commitments as well. We can find anything from office products to t-shirts for schwag through the network of other companies that we can work with because of being a B Corp. We have stringent procurement policies, and it helps us immensely to have more people who are in line with our values to work with. The other benefit is the intangible part of joining a network—the, what I call, "rah-rah" part, where we realize we aren't alone in how we operate. The B Corp community is especially refreshing because it's not specifically food focused—we aren't spinning around with the same farmers, distributors, co-ops, we are usually in conversation with. We are happy to be celebrating successes and being part of a broader movement that is really refreshing and invigorating.



A Veritable Vegetable employee in front of some of the company's truck, showing off strawberries ready for delivery.

# What was the process to become a benefit corp and why did you pursue this step?

Becoming a <u>benefit corp</u>oration was the obvious next step in terms of baking our commitments into the DNA of our business. Changing our bylaws, etc., so that no matter what happens with the future of the company, our commitments are unwavering. It's like succession planning in the bylaws.

We had to do no convincing within the company leadership to make this choice. In terms of extra work—it wasn't really that much. We had to bring in our lawyers and handle administrative details. We are putting together our second annual report, which is a good exercise in telling our story, finding areas to continue to improve and areas where we are succeeding.

In your work as a distributor, what advice do you have for burgeoning food hubs and independent distributors as they get started? We mentor food hubs and invite them to come to our facility for training and interaction with our different departments. We have been connected with the Wallace Center for Sustainable Agriculture, who are doing a lot of market-based change initiatives, specifically around food hubs. First, the thing we all know about food and agriculture, is it requires a local solution: What makes sense in Kansas isn't always what makes sense in Watsonville.

In working with others, we get quickly to the values piece: How are you going to set things up to pay farmers and staff fairly? How does that result on the other side—you won't necessarily be the cheapest wholesaler on the market because you will charge what's fair. We talk a lot about our environmental efforts and how to be mindful about how you move food from point A to point B, what kind of trucks and fuel you are using, what technologies you are using. We also have experience with bootstrapping and working without a lot of capital, so we help others ask: How are you going to use your equipment; what are inexpensive things you can do to run more efficiently?

We recommend looking to find ways to be recognized for your efforts in a more public arena, like how we are a B Corp and we also just became a San Francisco Green Business. These things help put you on the map so to speak and help potential suppliers and customers find you in new ways.

# What's next for Veritable Vegetable?

We have been at about the \$50 million mark in revenue for a handful of years now, and the last couple of years have been a wild ride. Brickand-mortar stores are starting online apps and increasing their online sales. Online sites, such as Amazon, are acquiring brick-and-mortar stores, like Whole Foods. We sell mainly to retail stores, so we're seeing a lot of change.



Though produce sales are increasing all over the U.S. and here in California, we're seeing a lot more competition, as huge retailers sell more organic produce. We're seeing massive consolidation on both the grower and retailer side, and as a result, the cost of goods for certain products is decreasing.

We remain agile and we've seen other times in our history where things have been turned on their heads, but we're adjusting to the changing landscape. We aren't fully sure yet where things are headed, but we know across the country, independent wholesalers are seeing these trends. Everyone is doubling down and trying to be efficient and agile, and we are all watching the industry right now.

For us, we're being clear about how we operate our business and we are figuring out new ways to communicate about our unique model. We are getting better about how we tell our story. There aren't many companies in our part of the industry that are as committed as Veritable is to these values. I personally feel very lucky to be part of a team with such integrity.

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B the Change gathers and shares the voices from within the movement of people using business as a force for good and the community of <u>Certified B</u> <u>Corporations</u>. The opinions expressed do not necessarily reflect those of the nonprofit B Lab.