



WHAT A POTATO
BY THE SF MARKET.



We Make Things

Grow



THE SF MARKET™
SOURCE FOR FRESH PRODUCE

2018
Annual Report

Our Mission

The mission of the San Francisco Market Corporation is to link the produce and food communities of San Francisco and beyond, through the successful operation and development of the San Francisco Wholesale Produce Market (The SF Market).

Our Vision

The vision of the San Francisco Market Corporation is to make The SF Market a vibrant, thriving and sustainable food center.

We make things grow – for farmers, merchants, customers and the community.



THE SF MARKET™
SOURCE FOR FRESH PRODUCE

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A Note from our Board President



Dear Friends and Supporters,

Each day at The SF Market we make things grow. In 2018 we focused on growing good food jobs, growing business for our merchants and farmers, and growing connections with our Bayview and San Francisco neighbors.

Together with our merchants, The SF Market significantly grew our role as a platform to power Northern California's \$113B food economy. The Market is now home to over 1,000 employees and our platform supports a network for thousands more jobs in food-related businesses—restaurants, grocers, and commercial products—throughout the Bay Area. Hundreds of growers and farmers continue to sustain their businesses by tapping into the economy the Market's food infrastructure supports.

In 2018, we also hit a milestone of 1 million pounds of produce recovered and are well on our way to exceed 2 million pounds in 2019. Our Food Recovery Program keeps food out of the waste stream and has provided the local community with more than the equivalent of 1 million meals.

Efforts are well underway to continue our major Reinvestment Project. Initiated with the construction of 901 Rankin in 2015, this plan is being carefully designed to benefit our merchants, their customers, and the whole Bay Area food community. The new buildings will be flexible, future-forward, LEED-certified spaces that will incubate a variety of new businesses, while retaining current merchants, many of whom have been on the Market for decades.

The groundwork for this next phase of growth was laid in 2013. That year, together with my fellow board members, our merchants, and the Market staff, The SF Market collaborated with the City of San Francisco to get not just a new lease, but a longer, 60-year lease on the City property which the Market has operated on since 1963, securing a flourishing Market for future generations.

It has been an honor to serve the Market these past 10 years, especially these past six as your Board President. This July I will be leaving my post along with my fellow founding board officers, Helen Sause, Lori Campbell, and Stanley Corriea. Thank you to these three and our remaining board members. It has been a pleasure to volunteer with a group so dedicated to sustaining a thriving Market and Bay Area food system.

As you will see from our 2018 Annual Report, we have a lot to be proud of. Our merchants and their employees, Market customers, California farmers, the Market staff, and the network of Market allies, supporters, and funders make it all possible. Thanks to each of you for your constant support and I look forward to the continued thriving of The SF Market.

**Larry Brucia, The SF Market
Board President, 2013-2019**

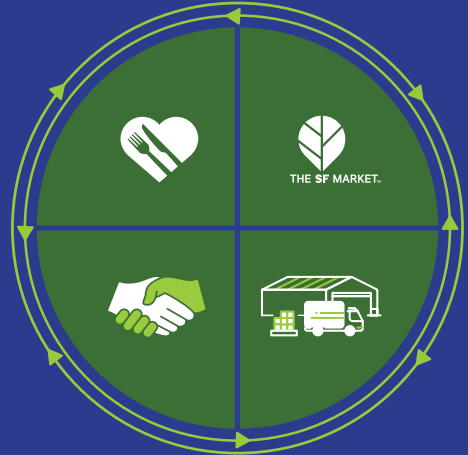


2018 Highlights



Supporting the Local Economy

The SF Market is home to over 1,000 jobs and added 250 employees in 2018. Our merchants generated over \$400M in annual sales, contributing stable revenue to our local economy.



Securing Our Future

We developed our 2019–2022 Strategic Plan to ensure that The SF Market serves as a growth engine for jobs and small businesses and continues its leadership role in providing healthy food to our community.



Community Engagement

We opened our doors to a record 200 visitors for early morning Market tours, sharing with community members and stakeholders about the unique role the Market plays in our local and regional economy, food system, and neighboring community.



San Francisco Legacy Business

We proudly received recognition on the coveted San Francisco Legacy Business Registry, honoring our longstanding presence and contribution to San Francisco's history as a cultural asset.



Powering Job Growth in San Francisco and Northern California

The infrastructure and people of the SF Market are key connectors of the \$113B Northern California food economy. With more than 1,000 employees who see the sun rise each day at the Market, we're a key contributor to the City's efforts to support jobs that promote economic mobility and inclusion. Our merchants employ individuals of all educational levels with varying skill sets, creating a diverse and stable workforce.



Faces of the Market

What a Tomato is a longtime business on the The SF Market offering stable jobs to employees, many of whom stay with the company for 10 years or more.

Rusty Tarpley is one of them. Rusty has worked on the Market for 37 years, 32 of them at **What A Tomato**. He's planning on another 10 more before retirement. He got his first job through his mom who worked at the Hoffbrau, a cafe serving workers on the Market. When 17-year-old Rusty heard that the work day started at three in the morning he

was a bit shocked, but he took the job and hasn't left since. What A Tomato keeps their business model straightforward: they rely on their reputation for consistency, variety, and their ideal physical location on the Market for the core of their business development. They have a base of loyal customers that shop for their grocery stores or restaurants every day year after year. Rusty has been selling potatoes, onions, and yes tomatoes to many of these customers for decades. Rusty and his wife, Antoinetta, grew up in the Excelsior and bought their first home in Clayton. Later they moved to Concord where they raised their two



boys. This summer they're becoming grandparents. In his free time Rusty collects cars and plays softball in the afternoon before work.



The SF Market Reinvestment Project: Let's keep growing

We are actively creating the next generation of The SF Market. We are leading the charge in building the food infrastructure that our region's food economy demands while honoring our history, sense of place, and relationships in the community. The SF Market of the future will spark new jobs, new opportunities and enriched vitality for the neighborhood. From long-established businesses that keep changing with the times to newer enterprises that are carefully nurtured and grown, The SF Market is—and will continue to be—the region's best place for the business of food.



SF Market Timeline

1870s



Origins

Produce merchants began operating near the Golden Gateway, creating the relationships that formed The SF Market.

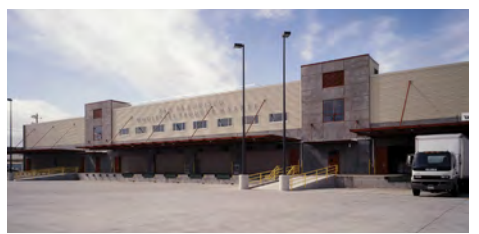
1963



Current Location

The SF Market moved from the Embarcadero to its current location, securing a 50-year lease with the City.

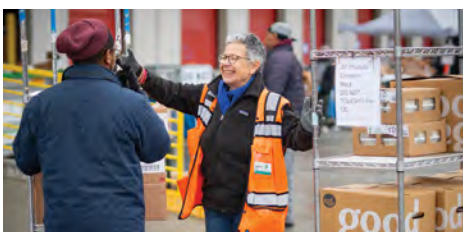
2000



Initial Expansion

The first expansion of The SF Market included a new 55,000-square-foot warehouse now home to Earl's Organic Produce and Vegiworks.

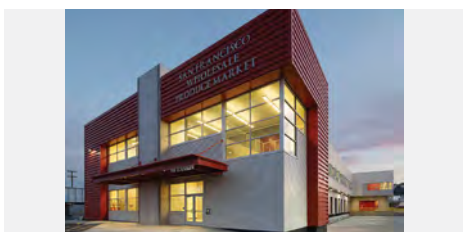
2013



Nonprofit Social Enterprise

The SF Market signed a 60-year ground lease with the City of San Francisco and became a 501(c)(3) organization, the only nonprofit market of our scale.

2015



Reinvestment in Action

The Reinvestment Plan was initiated and the first phase was the completion of 901 Rankin—a LEED Gold Building.

2018



Growing Our Vision

We grew our capacity and programs to continue to build a vibrant, thriving and sustainable Bay Area food system.

Vision

Breaking Ground

The next phases of the Reinvestment Plan include upgrading and replacing the original warehouses and rerouting the road network.





Scaling up on the Market

Earl Herrick started his organic produce business, aptly named Earl's Organic Produce, in 1988 with truly humble beginnings.

After spending a few years around the produce world, first cutting his teeth working on a fruit truck in Golden Gate Park, Earl decided he was a “produce guy” and was ready to start his own business. He started by subletting a desk in the back of stall on the Market.

The next year, the Market helped Earl jump on a chance to take over a whole stall at the end of one of the buildings. A year later, his neighbor, a dry goods merchant left and Earl transitioned into his space.

Over several years, Earl's kept growing from a back corner in someone else's stall to 8,000 square feet over several stalls. With each move he wondered, “How are we ever going to fill the space?” But each time he did.

In the early 2000s he made his biggest move yet, over to their current building at 2101 Jerrold, first taking over a 20,000 square foot space, and finally in 2013, taking on their current 33,000 square foot facility. Scalability has been absolutely crucial to the soundness of Earl's Organic Produce. The business has grown each of its 31 years, a progression made possible, in part, by the graduated growth that only physical market hubs like The SF Market can create.





Changing the Game for Growers

The SF Market creates opportunity and stability for local farmers. Every morning fresh fruits and vegetables from farms are delivered to merchants on the Market. Merchants then sell the produce to restaurants, grocers, and other food businesses throughout the Bay Area. In this way, small family farms can rely year after year on the network of thousands of customers they reach when they sell to merchants on the Market. And it is exactly this type of consistent, diversified, and relationship-driven economy that keeps small farms in business for years to come.



Cooks Company & Brokaw Avocados

Ric Tombari estimates that Cooks Company buys from 250 to 300 different family farms each year.

Specializing in seasonal ingredients that they source and deliver to restaurants across the Bay Area, Cooks asks growers not what can they grow, but what can they grow best. Pretty much anyone who cares about avocados knows about **Brokaw Ranch Company**. Will Brokaw, a second generation avocado grower, sells his family's Ventura County and Napa Valley grown avocados at several farmer's markets around the Bay Area. Ric approached

Will several years ago and asked if he could buy his avocados and then sell and deliver them to his restaurant customers. Will agreed to try it out and within just a couple years Cooks now sells hundreds of cases each week of Brokaw avocados. This streamlined sales and distribution for Brokaw Ranch Company and gets their delicious avocados to restaurants across the Bay Area.



Nearly 100 produce associates work at Cooks Company.



Rooted in the Community

The SF Market has been part of San Francisco for nearly 60 years, standing for growth, opportunity and community. As a longtime operation in the heart of the Bayview Hunter's Point community, we're known for getting involved. In 2018, we supported our neighbors by donating healthy fruits and vegetables to local community events and began a partnership with the Southeast Health Clinic's Food Pharmacy Program to provide high quality, nutritionally dense food for Bayview residents. Our unique food recovery program has continued to grow, and has now expanded beyond fruits and vegetables to include meat, dairy, prepared foods and bread products.



Bayshore Navigation Center employee receiving a delivery of yogurt and eggs from the Market.



Bayview Community Leader and Food Recovery Partner Pastor Joe picking up donations for the Bayview Senior Center.



Impact Point

Proud to partner with our local navigation center

We deliver fresh produce, meat, dairy and prepared foods to the Bayshore Navigation Center that serves individuals experiencing homelessness in our area. The SF Market has been a partner with this navigation center since they opened in October 2018 and we are proud to support our neighbors and make sure they're accessing truly substantive and nutritional food. In 2018 our donations exceeded 6,500 pounds of food.



Impact Point

1.5 Million Pounds of Produce and Counting

Since we began counting in August 2016, The SF Market Food Recovery Program has recovered 1.5 million pounds of food, and we're set to exceed 2 million in 2019. This recovered food is sorted and distributed to community-serving organizations in Bayview Hunter's Point and throughout our region. A triple bottom-line program, these donations also reduce our environmental impact by keeping food out of the waste stream and keep costs down for merchants by reducing their waste disposal fees.



Growing Business and Opportunity for Merchants

The story of The SF Market is the sum of the stories of our merchants. From businesses that started and have grown with the Market for decades to those that are just beginning to leverage us as a platform for growth, we work with each merchant to understand their goals and to provide the best infrastructure to meet their needs. Whether a merchant focuses on hard-to-source produce, packaged-to-size restaurant orders or technology intensive delivery services, we are here to help them succeed.



A New Generation of Families on the Market

The Orozco brothers, Manuel and Luis, have been working 18 hour days since 2010 to realize their dreams.

Arcadio's Produce started as a one-truck operation, with the brothers working out of the marshalling yard and making deliveries to local restaurants. As their business grew, the Market team helped the brothers secure a 400 square foot space with refrigeration, squeezed into the bustling docks. Today they run a thriving business and provide good stable jobs to 12 employees.

As Manuel and Luis look to the future, their priorities are providing the best customer service and highest quality produce for the best value. They are improving their systems to ensure food safety and worker safety, have invested in HR services, and have grown their fleet to 10 delivery vehicles. 90% of their customers are San Francisco restaurants, but they are also hoping to expand to the North Bay and the East Bay. They are optimistic about their future, excited to adapt to the changing produce industry, and be an important part of The SF Market's future growth.





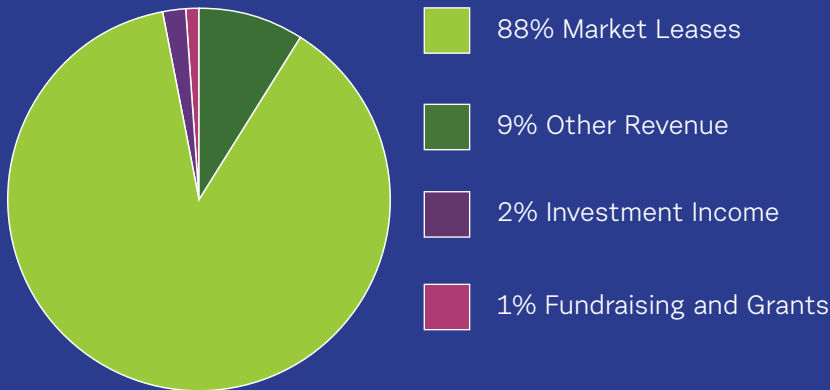
2018 Financial Snapshot



Thank You

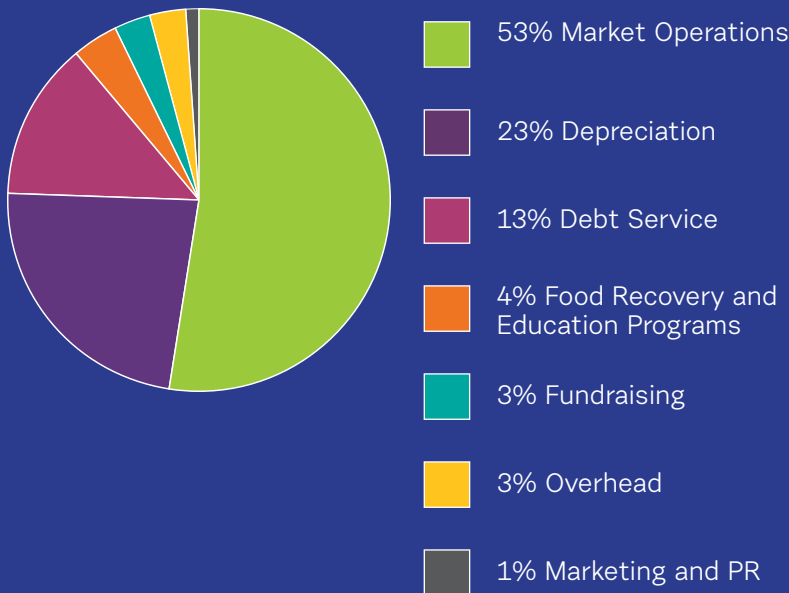
Revenue

Total Income: \$5.9 Million



Expenses

Total Expenses \$4.2 Million



Note: An additional \$1.7 Million was contractually committed for reserves, e.g. Reinvestment Plan

Funders

Bothin Foundation, Clif Bar Family Foundation, General Mills Foundation, San Francisco Department of the Environment Zero Waste Grant Program

Volunteers

San Francisco Market Corporation Board

Larry Brucia, President
 Stanley Corriea, Jr., Vice President
 Helen Sause, Secretary
 Lori Campbell, Treasurer
 Joshua Callahan
 Lori Campbell
 Ed Chin, Merchant Representative
 Kevin Cook, Merchant Representative
 Ashleigh Harris
 Virginia Hines
 Calvin Leong
 Ray Mah, Merchant Representative
 John Muller
 Fiona Ruddy
 Tim Thomson
 Stephany Thompson
 Ric Tombari, Merchant Representative
 Julie Yim
 Eli Zigas

San Francisco Produce Association Board

Stanley Corriea, Jr., President (Stanley Produce)
 Rusty Tarply, Vice President (What a Tomato)
 Ray Mah, Secretary (Berti Produce)
 Ric Tombari, Treasurer (Cooks Company)
 Larry Balestra (S&L Produce)
 Lisa Balestra (S&L Produce)
 Ed Chin (New City Produce)
 Kevin Cook (Earl's Organic Produce)
 Vera Garces (Pay Less Logistics)
 Tony Leutza (Washington Vegetable)

Board Committees

Arpan Amin, Risa Blumlein, Toni Cassar, Dan Dodt, Radoslava Dogandjjeva, Ted Fang, Tim Garlick, Kellie Grigg, Eric Haesloop, Becca Hart, Vincent Korta, Robert Lee, Joshua Lo, John Meyers, Lamar Mills, Brenna Moorhead, Jack Pizza, Natalie Quan, Ted Reeves, Lisa Revegno, Ann Marie Rosenthal, Bhavneet Sethi, Susan Simitz, Earl Shaddix, Andrew Wietstock

Food Recovery Volunteers

Adiva Hornesby, Marguerite Imbert, Julie Podair

Community Partners

Bayview Senior Services/Dr. George W. Davis Senior Center, Catholic Charities, City Impact, City of Dreams, Coalition of Concerned Medical Professionals, Episcopal Community Services, Food Runners, Food Shift Kitchen, Fratnrite Notre Dame, Free the Need, Hunters Point RCTA, Ida B. Wells High School – Heat of the Kitchen Program, Little Sisters of the Poor, Martin de Porres House of Hospitality, SF-Marin Food Bank, Thurgood Marshall High School - Culinary Arts Class, Turn On To America, United Council of Human Services/Mother Brown's Dining Room, University of San Francisco's Chapter of Food Recovery Network



Join us in making things grow! We welcome you as a customer, merchant, community partner, volunteer or funder. Please contact us:

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