



May 24, 2019

By Hand-Delivery

John Carroll
Office of the Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, California 94102

Re: Request for Resolution of Public Convenience or Necessity
Gus's Channel Market LLC, dba Gus's Community Market
1101 4th Street, San Francisco, California 94158

Dear Mr. Carroll,

Enclosed please find a request for a resolution of public convenience or necessity on behalf
Gus's Channel Market LLC ("Gus's Community Market").

If you have questions or need additional information, please don't hesitate to call or email
me.

Regards,

A handwritten signature in blue ink that reads "Beth Aboulafia".

Beth Aboulafia
Hinman & Carmichael LLP

Encl.

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2019 MAY 24 PM 3:22

Handwritten initials in blue ink, possibly "BA", written over a horizontal line.



May 24, 2019
Angela Calvillo
Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, California 94102

Re: Request for Resolution of Public Convenience or Necessity
Gus's Market Channel LLC, dba Gus's Community Market
1101 4th St., San Francisco 94158

Dear Ms. Calvillo,

Gus's Market Channel LLC ("Gus's Community Market") has applied to the Department of Alcoholic Beverage Control for a person-to-person, premises-to-premises transfer of a Type 21 Off-Sale General license for its new market in Mission Bay. We are requesting a determination by the Board of Supervisors that public convenience or necessity will be served by issuance of the Type 21 license.

Gus's Community Market is part of a local, family-owned business that operates three similar grocery stores in the Haight Ashbury, Outer Sunset and Mission neighborhoods. Haight Street Market, located at 1530 Haight Street was established in 1981, and Noriega Produce at 3821 Noriega Street was established in 1985. Gus's Community Market at 2111 Harrison Street opened in late 2015 and was named Gus's after our father who started the business. Sadly, he passed away in 2017. However, his spirit and vision are still very much a part of how we operate our business. We were privileged to have the San Francisco Chronicle publish a feature on our family and our neighborhood markets earlier this year, upon the opening of our new Mission Bay location.

Our newest Gus's Community Market, in the Mission Bay neighborhood, occupies approximately 10,000 sq. feet on the ground floor of a residential building at the corner of 4th Street and Channel Street. The space was previously occupied by a market operating with a Type 20 off-sale beer and wine license. We took over the location, along with the existing Type 20 license, in December 2018, and would now like to replace the Type 20 license with a Type 21 license that we will be transferring to the location.



2200 JERROLD AVENUE | UNIT A | SAN FRANCISCO, CA 94124

PH 415 655 9366 | FAX 415 796 0147 | EMAIL INFO@GUSSMARKET.COM

GUSSMARKET.COM



The new market, like our Harrison Street location, offers a full-service deli, butcher department, full line of produce and dry goods and a small café that provides seating for customers to consume food that is prepared and purchased on-site. As with our Harrison Street market, we would like to offer a complete selection of alcoholic beverages to compliment the full-service grocery.

Our new market provides a much-needed neighborhood-serving grocery store that is within walking distance of residences, live/work units and public transit. Our hours of operation are 7am to 10pm. We have 75 employees, most of whom live in the immediate neighborhood.

We have received nothing but positive feedback from the community since opening the market in December. As part of the outreach for the new license, we mailed notices of our license application to some 900 residents within 500 feet of the premises, including over 300 residents who live within 100 feet of the premises. No objections were received. We also reached out to Terezia Nemeth, Acting Chair of Mission Bay Citizens Advisory Committee, regarding our desire to offer a full-selection of alcoholic beverages, including spirits, to our customers. Ms. Nemeth was very complimentary of our market and did not see any impediments to our proceeding with the application.

We look forward to providing a much-needed neighborhood serving grocery store that contributes positively to the Mission Bay community for many years to come. For the reasons set forth above, we respectfully request that the Board of Supervisors make a finding that issuance of the Type 21 license to Gus's Community Market will serve public convenience or necessity.

Sincerely,

Dimitri Vardakastanis
Gus's Community Market
dimitri@gussmarket.com

Attachment: SF Chronicle Article on the opening of Gus's Community Market in Mission Bay, dated January 6, 2019



2200 JERROLD AVENUE

UNIT A

SAN FRANCISCO, CA 94124

PH 415 655 9366

FAX 415 796 0147

EMAIL INFO@GUSSMARKET.COM

GUSSMARKET.COM

MARKETS

Old values in a modern era

Gus's Community Market moves into Mission Bay neighborhood

By Sarah Fritsche

With the opening of the latest Gus's Community Market in San Francisco, brothers Dimitri and Bobby Vardakastanis have much to appreciate this year, such as a thriving company with four beloved grocery stores in the city.

Yet for the brothers, it is also a bittersweet affair — this is the first Gus's Community Market to open without Gus.

It's been only a little over a year since their father, Konstantinos "Gus" Vardakastanis, was killed by a hit-and-run driver while crossing the street during an early-morning trip to the San Francisco Produce Market in the Bayview.

Though the investigation into their father's death is ongoing, the brothers are forging ahead with the latest outpost of the family-run neighborhood grocery store that bears his name. Located in Mission Bay on Fourth Street, it opened during the last week of December.

"We both know he's physically not here, but he's on our side as (we) move forward on it, and I'm sure he's proud," says Dimitri Vardakastanis, 37.

Born and raised in San Francisco, the brothers started working in the family business when they were kids — "stocking shelves, cleaning shelves, standing on a milk crate behind the register," says Bobby Vardakastanis, 35.

Their late father, along with his wife, Georgia, opened the family's first market on Haight Street in 1981. That was followed by an outpost on Noriega in the Outer Sunset a few years later. In 2015, they opened their third store at the corner of Harrison and 17th streets in the Mission Creek neighborhood.

Now comes the latest project, in the shadow of the ballpark. At about 10,000 square feet, it has a similar footprint as the Harrison Street location, along with many of the same offerings.

Shoppers can expect high-quality meat and seafood departments, as well as hand-picked fresh produce — the cornerstone of the family's markets. There is also a wide range of prepared foods, a number of which are based on their mother's family recipes. (In addition to looking after her grandkids, Georgia Vardakastanis is also working on a cookbook for the market.)

As the market settles in to daily operations, the brothers expect to tweak things to better fit the demands and quirks of the neighborhood. One new addition to the Fourth Street market, for example, is a ramen bar, which will eventually be added to their other locations.

"That's the beauty of being small and nimble. We're at a stage where we have a mold but we can still flex to what the neighborhood needs," says Dimitri Vardakastanis.

Like the other expansions, the Mission Bay project is another way to give their employees new opportunities for growth within the company.

"To us, that's a dream come true when you see people growing with us and put their faith in us as a business," says Bobby Vardakastanis. "They're trusting their livelihood to us. We take a lot of pride in making sure we do our job correctly to protect everybody."



At top, brothers Bobby (left) and Dimitri Vardakastanis (right) at their new Gus's Community Market (middle and above), in front of an old photo of themselves with their late father, Gus.

The Fourth Street market isn't the full extent of the family's expansion plans, either.

In the past three years, they've tripled their warehouse storage space so they have enough room to hold the bulk of products they acquire as part of their ongoing efforts to keep costs as low as possible for customers.

Come 2020, their tiny Noriega market will move up the block to a new location at 44th Avenue, allowing it to expand from the current 2,500 square feet to roughly 11,000 square feet.

"It was something that — especially after expanding our Haight Street store — our customers in the Outer Sunset were asking for," says Dimitri Vardakastanis. "People love our Noriega store. We love our Noriega store. We just want more of it."

With the Amazon-ification of Whole Foods, not to mention the push for human interaction-free shopping experiences, the fact that a market like Gus's continues to grow is something to celebrate.

"Not to judge, but they're building platforms to disconnect that one-on-one interaction with customers. We're trying to keep that connection. That's why it's so important to us," says Dimitri Vardakastanis. "You can go online and order groceries with us as an option, but what we really hope and want is that (customers) come to the store. Come meet the fishmonger, come meet the person running the deli, or anybody in the store. Chances are, that person is part of your neighborhood, your community. Not only do you get to buy your fish, you also get to interact with somebody within your neighborhood and city."

"That is more important than just buying groceries, in our mind."

That said, without the competitive nudge from larger national retailers, Gus's might not be the market it is today.

"I feel like competition makes good business owners great. It forces you to get to that next level," says Bobby Vardakastanis.

"When Whole Foods moved into the Haight, (it was) our opportunity to show that we can also provide full service just like any other Whole Foods, Safeway or whatever larger chain stores can offer."

Sure, Gus's keeps up with its competition by catering to modern San Francisco shoppers, but the real draw remains that each location is a touchstone for the neighborhoods they serve.

That community investment was nowhere more evident than in the days following their father's death, when impromptu memorials blossomed in front of their stores.

"Having community in a name, it all kind of came full circle. We saw it not just on a consumer level in the store, but on a larger scale," says Dimitri Vardakastanis. "Nothing lives on (in) our dad's legacy more than expanding our business and keeping the kind of legacy alive. We're happy to be pushing forward and opening this new store — and having his name on it."

Sarah Fritsche is a San Francisco Chronicle staff writer. Email: sfritsche@sfchronicle.com. Twitter/Instagram: @foodcentric

Photos by Liz Hafalla / The Chronicle