Resolution urging the continuation of Anchor Brewing Company's legacy, supporting Anchor workers, and preserving Production, Distribution, and Repair zoning and spaces at 1705 Mariposa Street and 495 De Haro Street.

WHEREAS, Anchor Brewing Company is a 127-year-old San Francisco institution, located at Potrero Hill in District 10, at 1705 Mariposa Street and 495 De Haro Street, since 1979; and

WHEREAS, Anchor Brewing Company was established in 1896 in San Francisco by German brewer Ernst F. Baruth and his son-in-law, Otto Schinkel, Jr., who bought the old brewery on Pacific Street near Russian Hill and named it Anchor; no one knows why Baruth and Schinkel chose the name Anchor, except, perhaps, its indirect but powerful allusion to the booming Port of San Francisco; and

WHEREAS, In an uncanny year of misfortune, co-owner Ernst Baruth died suddenly in February 1906, and two months later, the devastating fire following San Francisco's great earthquake consumed Anchor Brewery; in January 1907, just as Anchor Brewery was opening at its new location south of Market Street, Otto Schinkel, Jr., was run over by a streetcar; fortunately, German brewers Joseph Kraus and August Meyer, along with liquor store owner Henry Tietjen, were able to keep Anchor Brewery going; and

WHEREAS, Prohibition effectively shut Anchor Brewery down in 1920, although there may have been a few "activities" during Prohibition and the era of bootlegging, but there is no record of Anchor Brewery doing anything—legal or illegal—during this time; and

WHEREAS, After Prohibition ended in April 1933, owner Joe Kraus began brewing Anchor Steam Beer after a 13-year hiatus and as luck would have it, the brewery went up in
smoke the following February; Kraus re-opened Anchor Brewery in an old brick building with a new partner, Joe Allen, just a few blocks from where the historic brewery is today; and

WHEREAS, Kraus and Allen valiantly and lovingly kept Anchor afloat until Kraus’s death in 1952; by 1959, American tastes had changed, with mass-produced, lighter beers driving consumer demand; this took a toll on Anchor’s sales; in July of 1959, at the age of 71, Joe Allen shut down Anchor for what would, thankfully, be a brief period; and

WHEREAS, Lawrence Steese bought and re-opened Anchor in 1960 at yet another nearby location, retaining Joe Allen to carry Anchor’s craft brewing tradition forward; but one of Anchor’s oldest accounts, the Crystal Palace Market had already closed its doors; and Steese had an increasingly difficult time convincing loyal Bay Area establishments to continue serving Anchor Steam; by 1965, Steese—like Allen six years before—was ready to shut Anchor down; and

WHEREAS, During a meal at the Old Spaghetti Factory, a young Stanford grad named Fritz Maytag learned that the makers of his favorite beer Anchor Steam Beer were soon to close their doors forever; despite the primitive equipment and financial condition, Fritz rushed to buy 51% of the historic San Francisco craft brewery—rescuing Anchor from imminent bankruptcy; and

WHEREAS, In 1971, one-hundred years after Gottlieb Brekle founded the brewery that became Anchor, Fritz began bottling Anchor Steam Beer—the first bottled Anchor Steam in modern times; and

WHEREAS, By 1975, Anchor had produced four other distinctive beers, Anchor Porter, Liberty Ale, Old Foghorn Barleywine Ale, and the first annual Christmas Ale; though the terms “microbrewing” and “craft brewing” had yet to be coined, it was clear that Anchor was leading a brewing revolution in San Francisco; and
WHEREAS, By 1977, Anchor had five products, a dozen employees and had nearly
outgrown its most recent brewery on 8th Street; after a long search, owner Fritz Maytag
purchased a wonderful old coffee roastery, built in 1937, on nearby Potrero Hill; on August 13,
1979, Anchor brewed its first Steam Beer at its new Mariposa Street home, which remains
their home today; and

WHEREAS, In 1993, Anchor Brewing became the first brewery in the world with its own
in-house distillery, Anchor Distilling, doing for micro-distilling what Anchor Brewing had done
for microbrewing; and

WHEREAS, After 45 years, Fritz Maytag, announced his retirement with the sale of
Anchor Brewing to Keith Greggor and Tony Foglio; Anchor's new owners made plans to
preserve and expand the iconic brand's operations and cement its position as a leader in craft
brewing; and

WHEREAS, In 2017, Anchor Brewing opens Anchor Public Taps, an innovation
brewery and public taproom located in Potrero Hill; Public Taps serves as the epicenter of all
new beer development at Anchor Brewing; and

WHEREAS, In 2017, Historic Japanese brewery Sapporo purchases Anchor Brewing
Company, vowing to keep Anchor in San Francisco to preserve its rich legacy and tradition,
and invest in it's bright future; and

WHEREAS, In 2019, Anchor employees voted to Unionize through the International
Longshore and Warehouse Union (ILWU), Local 6, and the pioneer of the craft beer
movement became the pioneer of the craft beer union movement; and

WHEREAS, In 2021, Anchor celebrated its 125-year anniversary with a fresh new look,
and a revelation of its golden future, rooted in Anchor's unique history; and

WHEREAS, On July 12, 2023, Sapporo abruptly announced the termination and cease
operations at Anchor Brewing and is in the process of negotiating an arrangement with an
Assignee to retain as part of a California Assignment for the Benefit of Creditors (ABC), an alternative to filing for bankruptcy; and

WHEREAS, Since the announcement that the brewery will cease operations, approximately two dozen investors, individuals and companies have expressed interest in some or parts of Anchor Brewing; and

WHEREAS, On July 19, 2023, workers at Anchor Brewing and ILWU Local 6 announced an effort to pursue worker ownership of the company in order to keep the historic facility in operation; and

WHEREAS, When workers organized to unionize in 2019, they organized because their wages, benefits, and working conditions at Anchor Brewing went from generous to skimpy with paid sick leave, 45 minute paid lunches, and 3% matching retirement taken away; and

WHEREAS, Instead of remaining neutral, Sapporo hired union busters to try to dissuade union organizing but the workers persevered and voted to unionize through ILWU Local 6; and

WHEREAS, If there is no new ownership or transition, the workers at Anchor Brewing will lose their employment by the end of this month; and

WHEREAS, The location of Anchor Brewing and Anchor Public Taps at 1705 Mariposa Street and 495 De Haro Street have been zoned for Production, Distribution, and Repair (PDR) through Planning; and

WHEREAS, PDR spaces are limited in San Francisco and are concentrated in District 10; and

WHEREAS, Under the Planning Code, preservation of PDR spaces is also an important City policy and is intended to encourage the introduction, intensification and protection of a wide range of light and contemporary industrial activities, therefore new
housing, large office developments, large-scale retail, and the heaviest of industrial uses, such as incinerators are prohibited; now, therefore, be it

RESOLVED, That the San Francisco Board of Supervisors encourages Sapporo and the California Assignment for the Benefit of Creditors to work with the approximately two dozen investors, individuals and companies who have expressed interest in some or all parts of Anchor Brewing to reach a deal so that the legacy of Anchor Brewing may continue in San Francisco for many generations to come; and, be it

FURTHER RESOLVED, That the San Francisco Board of Supervisors urges Sapporo USA to work cooperatively and transparently with their employees through the process of co-op conversion, including allowing them enough time to create the legal framework for their cooperative, and raise sufficient funds for purchase, and to not sell off the business’s assets before these workers have had sufficient chance to place a fair bid on such assets; and, be it

FURTHER RESOLVED, That the San Francisco Board of Supervisors encourages whomever the new owners of Anchor Brewing to retain or rehire the existing staff as well as respect future contract negotiations with ILWU Local 6, who represent the workers, to ensure that workers continue to have employment and living wages and good benefits; and, be it

FURTHER RESOLVED, That the San Francisco Board of Supervisors urges the City and County of San Francisco to preserve the PDR zoning at 1705 Mariposa Street and 495 De Haro Street as aligned with City policy intended to encourage the introduction, intensification, and protection of a wide range of light and contemporary industrial activities.
Resolution urging the continuation of Anchor Brewing Company’s legacy, supporting Anchor workers, and preserving Production, Distribution, and Repair zoning and spaces at 1705 Mariposa Street and 495 De Haro Street.

July 25, 2023 Board of Supervisors - AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

July 25, 2023 Board of Supervisors - ADOPTED AS AMENDED
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

I hereby certify that the foregoing Resolution was ADOPTED AS AMENDED on 7/25/2023 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board