

A year after huge Mission fire, small businesses fight to recover

By Jonathan Kauffman | January 28, 2016 | Updated: January 28, 2016 5:24pm

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Photo: Gabrielle Lurie, Special To The Chronicle

Araceli Espinoza, co-owner of Thalia's Jewelry looks down as she poses for a portrait at the entrance of her store, in San Francisco, California on Thursday, January 28, 2016. Espinoza said it was an emotional day for her, as January

28th marks the one-year anniversary of the fire that destroyed their previous jewelry store.

On Wednesday, a year after the fire that turned their lives upside down, Fernando Bueno and Araceli Espinoza of Thalia's Jewelry returned from an overnight trip to Los Angeles. Instead of gold bracelets and glittery earrings, their normal stock in trade, the jewelers' truck was filled with stuffed bears they hope to sell on Valentine's Day.

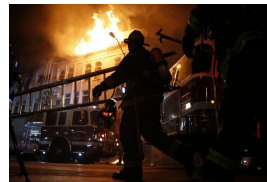
On Jan. 28, 2015, an inferno at 22nd and Mission streets destroyed the three-story building that housed Thalia's Jewelry. One person was killed, more than 50 residents were left homeless and 33 businesses were shuttered. The fire also scattered a bustling commercial hub, leaving business owners like Bueno and Espinoza scrambling for ways to keep their businesses afloat.

Almost half of the enterprises have reopened in new locations; others have found themselves priced out of the neighborhood. City representatives say, too, that the fire has changed the way it plans to respond to disasters in the future.

Bustling marketplace

When an electrical short started the fire, the building was densely occupied: residents and small offices on the top two floors, retail shops ringing the exterior, and an interior courtyard known as the Mission Mercado that housed food shops, restaurants and markets. Many had been in operation for a decade or more.

FIRE DANGERS IN THE MISSION



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Deadly Mission District fire determined likely accidental



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In those chaotic early days after the disaster, the San Francisco Fire Department allowed owners of businesses on the first and second floors to dart inside, protected with hard hats and face masks, for 15-minute salvaging trips.

Espinoza says that she was lucky her husband had closed up shop early, locking away the most valuable jewelry, which the couple recovered. Some business owners were able to rescue essential files or equipment. Others, like Kosa Bella owner Reyna Portillo, discovered that her entire stock of dresses and other women's clothes was too damaged by smoke and water to sell.

"We'd never dealt with something this extreme," said Joaquin Torres, deputy director of San Francisco's Office of Economic and Workforce Development. Yet the office immediately reached out to the victims.

Almost all the entrepreneurs The Chronicle spoke to commended the city on its rapid and sustained response. The OEWD started an e-mail chain linking the business owners and reached out to the businesses to help them secure federal Small Business Administration disaster loans, offer guidance on revising business plans and, when possible, ease relocation.

The fire made one thing clear to city officials: The city needs additional emergency resources for small enterprises. In the city's 2015-16 fiscal budget, Mayor Ed Lee allocated funds to create a Business Disaster Fund, and the OEWD is reviewing proposals from partner agencies to administer it.



Photo: Gabrielle Lurie, Special To The Chronicle

Sofia Keck wipes down the counter of her restaurant Los Shucos in San Francisco, California on Wednesday, January 27, 2016. Los Shucos, which will open on 22nd Street, is a block away from its original location which was destroyed in a four-alarm fire, along with 33 other small businesses.

A year after the fire, Torres said, 14 of the 33 businesses affected by the fire have reopened or are on the brink of reopening.

Others, especially independent contractors, have given up their enterprises or have found it impossible to return to one of San Francisco's most rapidly gentrifying neighborhoods. Aminta Calderon, owner of the restaurant Antojitos Salvadorenos Aminta, took over a Guatemalan restaurant in San Mateo. El Perol's Nancy Ortega, who had renovated her 20-year-old Peruvian stand in the Mission Market only a year before the fire, is looking at spaces in San Rafael. "San Francisco is too expensive," she said.

Reyna Portillo is trying to run Kosa Bella out of her house. “It’s not the same thing,” she said. “We lost our foot traffic. Ninety percent of our customers are gone.” She’s looked at dozens of spaces but couldn’t find a lease to sign; the current rent in the Mission would be two to three times what she paid at the old location.



Photo: Gabrielle Lurie, Special To The Chronicle

Araceli Espinoza and Fernando Bueno bring bags of stuffed teddy bears from their car, into their jewelry shop, Thalia's Jewelry in San Francisco, California on Thursday, January 28, 2016.

Just as important, said Portillo, is the camaraderie of her fellow entrepreneurs in the building. “We miss our community,” she said, “saying good morning to everybody and seeing everybody’s faces.”

Rye-bread starter saved

Evan Bloom, co-owner of Wise Sons Jewish Delicatessen, was able to recover the starter for the deli's famous rye bread from his destroyed commissary and scrambled to keep his two cafes supplied with food. Within days, Bi-Rite Market let Wise Sons rent out a portion of its commercial kitchen, and the deli was able to stay there for 10 months until Bloom and partner Leo Beckerman moved into a storefront in the Fillmore. The new space has half the square footage of the deli's former commissary, but is big enough to house the business's new bagel-baking operation.



Photo: Gabrielle Lurie, Special To The Chronicle

Sofia Keck in the doorway of her restaurant, Los Shucos, which found a way to recover.

Coping with logistics

Even though Bloom counts himself fortunate, he said, the fire changed everything. "I took

myself out of the day-to-day management of the business. It has been a full-time job dealing with the insurance company and the relocation.”

Because the Guatemalan hot dog stand Los Shucos was located next door to the 22nd and Mission building, it is the only business returning to its original location. During the 13 months that owner Sofia Keck spent repairing water damage from the fire hoses and negotiating with insurance companies, she was forced to turn to office catering. The work became profitable enough that when she reopens Feb. 13, she is reconfiguring the stand’s hours to accommodate it.

As the Thalia’s Jewelry owners have found, moving into a new location hasn’t solved all their problems. Bueno and Espinoza received assistance from the city, a Kiva Zip loan and a small portion of the \$12,800 that the Mission Economic Development Association raised for victims. They joined one of the four lawsuits against building owner Hawk Lou now making their way through the courts.

In July, the couple took over a new, slightly larger storefront two blocks down the street. But their rent doubled, and 90 percent of their clientele has not yet returned. Sometimes the business makes only \$3 a day. They talk about moving to Modesto.

Hence the teddy bears, a bit of a Hail Mary pass. “We have to just keep thinking positive and bring ourselves back like we were,” Espinoza said.

Jonathan Kauffman is a San Francisco Chronicle staff writer. E-mail:

jkauffman@sfgate.com



Jonathan Kauffman

Reporter

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