

Shooting for the Stars

By: Alex Drecksel

WHAT EXACTLY IS THE SIGNIFICANCE OF A “MICHELIN STAR” DESIGNATION? AND WHAT IMPACT DOES THE EXPANSION OF THE MICHELIN GUIDE TO ENCOMPASS ALL OF CALIFORNIA IN 2019 HAVE ON THE CULINARY SCENE IN SAN DIEGO?



As a broker working heavily in the spectrum of the restaurant industry, when I heard the news of the Michelin guide expanding into California I could feel the energy that came with the announcement but never truly appreciated the “why?”... I'd heard the name and understood it had some level of significance, but really wanted to dive into the impact the expansion would have on the culinary scene here in California, and specifically, San Diego.

If the name sounds familiar, it is the very same Michelin brand that has become a household name in the tire industry. So what business does a tire company have in awarding hospitality's

most coveted award? The answer is more connected than you may think. In the year 1900, when the French tire company was all of 11 years old, founders and brothers Andre and Edouard Michelin created a small guide encouraging motorists to take more trips, thus increasing the demand for cars and, in turn, tire sales. When the guide was first published there were only a few thousand cars in the entire country of France, and it included information ranging from how to change a tire to recommendations on where one could eat and stay the night. By the 1920's & 1930's the guide grew and evolved to sort restaurants by specific category, and eventually led to the hierarchy of zero, one, two and three star rankings.

Fast forward to today, and the guide now rates over 30,000 establishments across three continents, earning its position as one of the most prestigious culinary awards across the globe. Moreover, it was just announced earlier this year that Michelin would be launching their inaugural statewide edition for California, the first regional guide in the entire United States. Michelin had already covered



the San Francisco Bay Area and surrounding wine country, but the new regional guide is set to cover greater Los Angeles, Monterey, Orange County, Sacramento, Santa Barbara, and San Diego. Big news!

Seeing that the Michelin guide is a confluence of opinions to form a subjective rating, there is no exact methodology for how one can garner a Michelin Star. Michelin inspectors dine out anonymously, their names are never published and their identities are never revealed in an effort to keep the integrity of the award intact. With that said, there are five assessment criteria that these Michelin Guide inspectors have adhered to for more than a century: 1) Using Quality Products 2) Mastery of flavor and cooking techniques 3) Personality of the chef portrayed through the cuisine 4) Value for money 5) Consistency in food. If a restaurant is awarded one star, they are considered "a very good restaurant in its category." Two stars equals "excellent cooking, worth a detour." Lastly, to earn the elusive three stars a restaurant must serve "exceptional cuisine, worth a special trip."

Now what does this mean for California and how is this significant to the San Diego culinary scene? First and foremost, having the attention and recognition to receive Michelin's first regional guide in the entire United States validates California as a global culinary powerhouse. To be a Michelin rated restaurant, you have to be located in a geographical area that Michelin currently covers, therefore it was impossible for any San Diego restaurants to be considered for

the award, until now. With the expansion encompassing San Diego, this will hopefully attract a new wave of culinary talent that can strive to achieve the industry's highest designation, while also living in one of the most desirable areas in the world.

The tourism industry should see a material boost as well. Visit California, a nonprofit organization that develops and maintains marketing programs for California tourism, was the group who actually spearheaded the movement to secure the unprecedented expansion of the guide. Visit California's president and CEO Caroline Beteta noted,

"Culinary travelers are among California's highest-spending visitors, staying on average 10% longer and spending 20% more on their trip than visitors to California overall... Visit California research show that 'foodies' are among the highest-spending travelers. Having a statewide Michelin Guide means more of these valuable travelers will be inspired to visit California."

California has more than 76,000 restaurants that generate roughly \$97 billion dollars in annual sales and employ more than 1.4M workers. To put it another way, the restaurant industry in California employs more people than the population of 10 different states here in the USA. As for the Michelin guide, a recent Ernst & Young end-of-year study on the impact of the guide revealed that more than 3,300 additional jobs were created and supported throughout the culinary supply chain by Michelin-starred restaurants in the San Francisco Bay area in 2018 alone. With all this in mind, it's easy to understand



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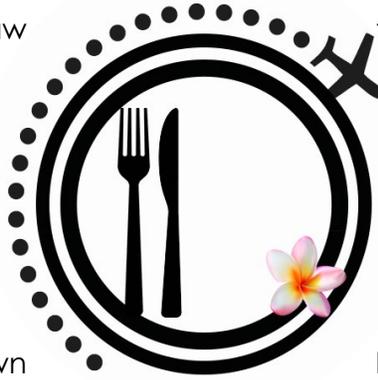
the local buzz and excitement that was generated by the news that the guide would expand down to San Diego. The inaugural 2019 Michelin Guide for California was released in June, a few months after the expansion was announced, and it included 90 starred restaurants in the Golden State.

San Diego's debut in the guide saw only one restaurant included in that list, William Bradley's Addison at the Fairmont Grand Del Mar. Not to worry, while some might find that disappointing, this guide brings a new level of analysis and sophistication to an area known more for board shorts than bowties.

Restaurants will begin to adapt and evolve, and hopefully notable chefs will be inspired to choose America's Finest City to launch their next venture and shoot for the stars.

We've already seen a wave of Michelin caliber chef's enter the San Diego market, and we've been fortunate enough as brokers here at the Urban Strategies Group to work with many of the restaurateurs that are facilitating these concepts. For instance, Il Dandy in Banker's Hill relocated two Michelin-starred chefs from Calabria Italy to helm their kitchen and just opened a few months ago in the midst of the Guide's expansion. RMD Group partnered with Akira Back, another acclaimed Michelin-starred chef, to run their rooftop sushi bar, Lumi, set to open later this year in the Gaslamp. Not to mention our good friends at Lola 55 & Kettner Exchange that earned Michelin's "Bib Gourmand" status, which is a separate designation for

hidden gem restaurants that serve high-quality meals at a great value. Other San Diego Bib Gourmand recipients included Campfire, Cucina Sorella, Cucina Urbana, El Jardin, Juniper & Ivy & Solare.



The honor of simply being included in the Michelin guide and the impact it could eventually have on San Diego should not be overlooked. It's an extremely difficult designation to achieve, and in our first year as a member of the guide we need to keep things in perspective. I'll leave you with this excerpt from a recent Eater SD interview with Jason McLeod, the executive chef and partner of local hospitality group CH projects, "By year three if we see a steady growth of Michelin-recognized restaurants here, we will start to see the impact... This is an incredible honor for chefs and not everyone will agree with the list but that is what makes it so important, at least the conversations will start and we will have bigger goals to reach here in San Diego."



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