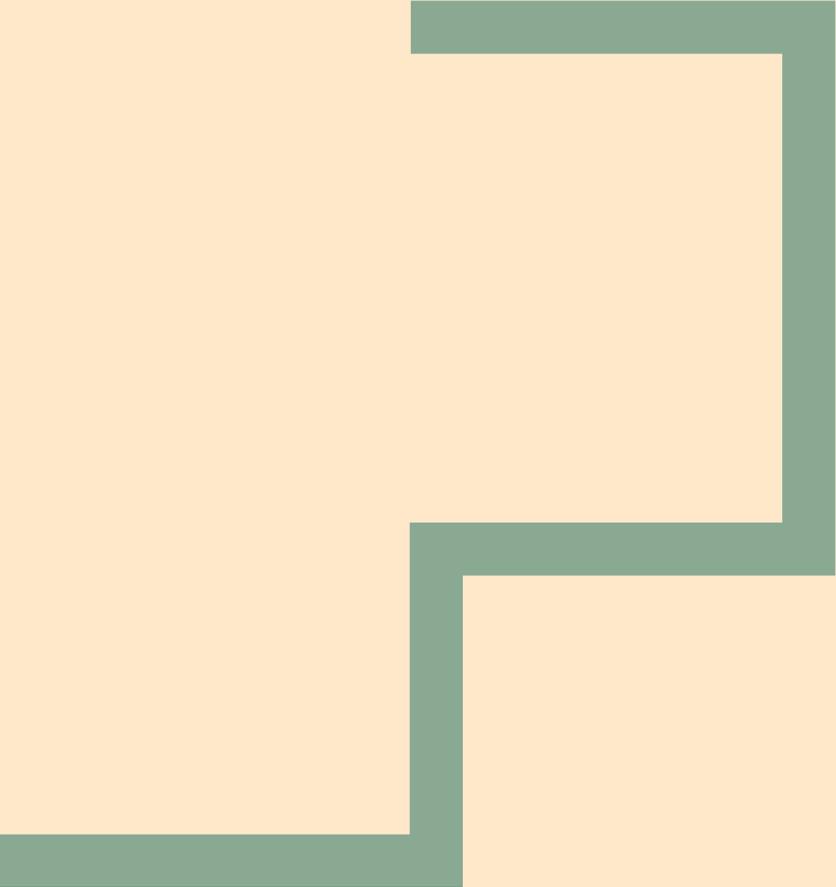


INCLUSIVE
ACTION

Annual Report 2022

ACCIÓN
INCLUSIVA



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Mission

Inclusive Action's mission is to serve underinvested communities and build thriving local economies by improving access to transformative capital, and advancing policy through collaborative research and community-driven advocacy.

Vision

We envision diverse communities that have equitable and sustained access to resources, and exercise agency over their futures.

Letter from the Executive Director

Many of us spent the year settling into the unknown. At the top of 2022 we were facing our third variant of COVID-19, but our world was opening back up again. Some were talking about “getting back to normal,” but many families were still far from recovery.



Inclusive Action waded into the waters of the unknown with a focus on building our team to weather the uncertainty and better serve the community. In the first five months of the year, we doubled our staff size to meet the demand for our micro-lending work, our advocacy initiatives, and more. We hired new team members to fill the backlog of business coaching and technical assistance requests we were receiving from our community. We invested in our coalition coordination and research abilities so we could develop new advocacy campaigns and continue to grow our impact.

As we were doing the important work of developing our team, we were emerging out of the pandemic with an eye towards systemic change and continued service provision. This year, we saw the maturation of some of our multi-year initiatives, and began to branch out to plant seeds for the future. This report summarizes our accomplishments over the past year – highlights you’ll read about include:

- We co-led the passage of Senate Bill 972 - a bill we co-sponsored with the CA Street Vendor Campaign to create legal pathways for street food vendors to get permits and more accessible infrastructure to build their business;
- We deployed over \$1,000,000 in micro-loans and grants;
- We provided hundreds of hours of business coaching and resources connecting for micro-entrepreneurs;
- We prototyped new microfinance initiatives to meet the needs of pandemic-impacted entrepreneurs; and
- We stepped in further to maintain our real estate assets that support local businesses

As the year progressed, we kept our sights on growing our impact, evaluating our progress, and improving the way we work together as a larger team. Team dialogues and one-on-one conversations provoked us to be better servant leaders for our community.

Thank you to all our supporters who have invested in us to date. I want you to know how passionate we are about this work and that we’re just getting started.

Sincerely,

Rudy Espinoza
Executive Director

Access to Capital



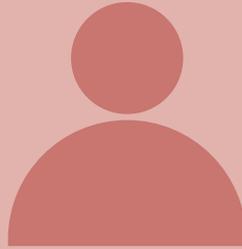
Mirna Cortez, Street Vendor
and owner of Mirna's
Comida Casera

It is our third year as a federally certified Community Development Financial Institution (CDFI) and this year, we deepened our impact by supporting financial wellbeing and beyond — our lending work grew to new heights, we launched ambitious programs focused on helping small businesses thrive, and we built internal processes to ensure efficient and effective service. At Inclusive Action, we see our clients as whole people with holistic needs so this year we facilitated access to rent relief funds and small business grants for our community, helped them prepare taxes, connected them with legal support, and even supported some to secure housing.

Lending

245

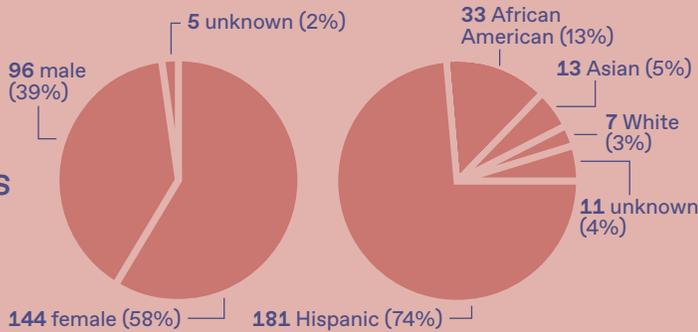
entrepreneurs served



Amount of capital lent:

\$904,650

63 new entrepreneurs receiving loans
157 active loan clients



Coaching



545

hours of post-loan technical assistance

14 workshops led by Inclusive Action and partners

\$355,000 in grants to 65 small businesses

\$149,840 in rental assistance deployed to 39 people

313 entrepreneurs received free tax preparation

45 client connections to business/vending opportunities

Supportive Services

Loans, Grants & Business Coaching

Tierra Loan & Grants

As part of the Asset Building for Communities of Color (ABC) Fund with LISC, we designed two new products - the Tierra Loan and Tierra Grant. Due to the pandemic, many families had to adapt and small businesses were forced to stretch their resources to stay open. The ABC Fund supported our response. The Tierra Loan is a low-interest, product that focuses on providing capital to entrepreneurs who need equipment, technology, or inventory vital for their success in a dynamic environment. **To date, we've deployed \$181,000 in loans to 13 businesses.**

The Tierra Grant is a program available to current loan clients to support business owners that faced pandemic-related hardship and worked with their business coaches to address related obstacles. **We've deployed \$355,000 to businesses who have used their \$5,000 grants** to purchase much needed equipment like an ice cream machine, secure a commercial kitchen location, or even to try something new like creating a boba station.

Raices: a loan product to curb predatory payday lending

Inclusive Action has long recognized that our communities lack non-predatory options for financing. Often, the negative experiences entrepreneurs in our community have with predatory loans become deterrents for accessing capital at all. At Inclusive Action, our small-dollar loans are paired with technical assistance and character-based underwriting to provide an affordable alternative.

Our client's businesses have been able to conquer some of this year's challenges with the support of a Raices loan. From rising gas prices at the start of the year felt by an ice cream truck owner in East LA to increased shipping costs felt by an artesanias vendor in San Pedro, our small dollar loans have been instrumental in providing a healthy option for credit building.

Business Coaching: providing culturally competent and customized assistance

This year, we provided hundreds of hours of tailored, individual business coaching, and we created a specialized curriculum for skill building in accounting, marketing and business planning. Our Technical Assistance team supported clients in culturally familiar ways, including by speaking in their native language. We believe that business coaching should go beyond skill building so we connect clients to vending opportunities to increase their sales and expose them to new markets and clients, share opportunities to voice their stories through media and events, and support their confidence in becoming community leaders. In 2022, we connected clients to over 50 opportunities that brought in additional revenue, expanded their client base, and promoted their services.

Apart from the loan we obtained from Inclusive Action, they have helped me connect with catering opportunities and events. These opportunities are a great help for me and my business. Inclusive Action is there to help small businesses like mine, I really appreciate all the help.

Miguel Angel, Mi Lindo Guanajuato



Cultivate

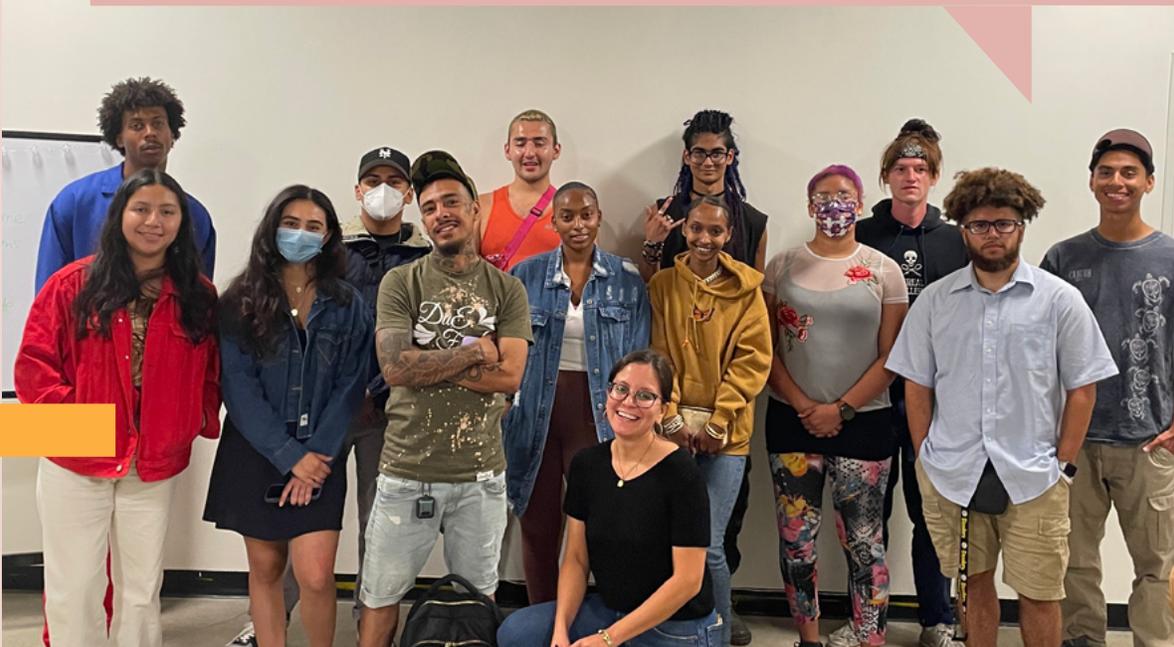
For years, we had dreamed of a program that would support entrepreneurial at-risk youth, including LGBTQI+, emancipated foster youth and formerly unhoused youth, as they exited governmental safety nets and leapt into the workforce. This year, with a gift from a family foundation, we created Cultivate - a first-of-its-kind program focused on supporting young entrepreneurs with access to capital, wraparound services like housing aid and legal support, and business coaching. **Through Cultivate, we are supporting 15 young**

entrepreneurs with new businesses.

These entrepreneurs are leading exciting ventures from dog grooming, to photography, to clothing design. With the help of our partners, we designed a program that supports these emerging leaders on their quest to create sustainable, scalable businesses while building financial skills and credit history. We created the program with the goal of building community, creating financial literacy, and fostering a network of young people with bright futures ahead of them.

Cultivate isn't just about helping a business but helping business owners. The support they give you beyond a professional services stipend is top notch. They listen to your needs and try their best to help you through life. Sharon is amazing and even that isn't enough to express my appreciation. I believe what makes Cultivate special is that it's people who can relate that are there to help guide you. Inclusive Action/ Cultivate wants those who walk through those doors to be successful and you feel it.

Khalil Oliver, Love.Always Khalil



Programs & Partnerships

This year, we sought to expand our impact by participating in regional and national networks. These initiatives enabled coalition building, learning communities, and integrated service delivery. Through partnerships with financial institutions and national intermediaries, we've been able to channel resources to support small businesses here in Los Angeles and share practices with peers in other parts of the country who are prioritizing racial equity and community reinvestment.

Open Air Economy Collaborative

In March, we launched the Open Air Economy Collaborative (OAEC), a partnership with California Reinvestment Coalition (CRC), Public Counsel and East LA Community Corporation (ELACC) to support Black and Latina women street vendors and other entrepreneurs who leverage public spaces to operate their businesses. This collaborative, funded initially by JP Morgan Chase, recognizes the value that “open-air” micro-entrepreneurs have in our economy and the lack of investment they've received. As laws are being passed that support business owners like street vendors, this collaborative seeks to create a pathway of assistance and access to capital that formalizes ‘open air’ businesses.



Executive Director Rudy Espinoza speaking at the Open Air Economy Collaborative Launch Event

Since its launch, our coalition has started the work of integrating distinct service offerings: microloans, business coaching, financial systems education and legal aid. **Together, we've served over 225 small businesses operating in the 'open air', and many have been served by multiple partners in the coalition through our referral system.**

Asset Building for Communities of Color Fund

In 2022, Inclusive Action joined the Asset Building for Communities of Color (ABC) Fund, an initiative created by Local Initiatives Support Corporation (LISC) Los Angeles and funded by Wells Fargo to support small businesses in Los Angeles County. As one of the initiative's primary partners, Inclusive Action is supporting the deployment of four major resources for small businesses:

- **Acquisition Capital** - Selected entrepreneurs are eligible for up to \$250,000 in acquisition capital to help them own their place of business. This capital offering is forgivable if the entrepreneur meets mutually agreed upon program guidelines.

- **Micro-Loans of up to \$30,000** - IAC leveraged its micro-lending capacity to offer micro-loans to businesses who apply through the ABC initiative, and supported 15 businesses with \$171,000 in capital with an annual interest rate of 3%.
- **Grants of up to \$5,000** - Inclusive Action administered a \$300,000 grant fund to support entrepreneurs seeking to keep their businesses afloat.
- **Growth Capital Fund for Small Businesses program** - This fund sought to support start-up small businesses based in the County of Los Angeles. The goal was to provide capital ranging from \$50,000-\$250,000 and support the acquisition of key assets including machinery, equipment, technology, and inventory.

Inclusive Action has supported my business in many amazing ways. With them, I took out a small business loan last year that helped me secure the inventory I needed and pay some past-due bills. In addition, they worked with me to set up a financial system for my business and referred my business as a vendor at different events. In addition to this, they helped me with my back rent. I love this organization and am glad to be a part of them.

Mya Baker, Shoot Films not People



Client Success Story

Lawrencia Blount | Lawrencia Bridal Couture

We work with incredible partners who help us in supporting our clients in the most innovative ways possible and this year was no exception. Through our partnership with Local Initiatives Support Corporation (LISC) and the ABC Growth Capital Fund for Small Businesses, we worked with an incredible entrepreneur.

Lawrencia Blount is the founder of Lawrencia Bridal Couture and has spent 15 years in the bridal fashion industry. During the early days of the pandemic, Lawrencia was unsure if she would have to reduce her staff size to make

ends meet, instead she turned to her wealth of knowledge and entrepreneurial spirit. She began designing and manufacturing stunning and unique wedding gowns that centered the bodies and styles of women of color. In the process, she started down her path of changing the bridal couture industry. **Her journey with Inclusive Action started in 2021 with a \$10,000 microloan, which gave Lawrencia the capital to open a showroom in a trendy part of downtown Los Angeles. This enabled her to expand her retail business and work directly with brides on design and fitting.**

Through our partnership with LISC, Lawrencia was able to secure another \$50,000 for her business and has continued to grow and reach incredible business milestones. We can't wait to see what she'll do next!

I'm so grateful for all of the technical assistance I have received from Inclusive Action. Since being a client, I have gained hands-on expertise to secure grant capital to grow my business. In my one-on-one coaching I was able to get advice on how to create an effective marketing strategy, increase brand awareness, reach my customers, and hire and retain employees.



Entrepreneurs of Color Fund

This year we became a member of a national network hosted by LISC called the Entrepreneurs of Color Fund (EOCF). This network creates a national, centralized pipeline of small businesses seeking low-interest capital with funding deployed through member organizations like Inclusive Action.

As part of this effort, we made a full menu of loan products available and joined a network of CDFIs and mission-driven investors who want to support entrepreneurs of color. **In addition to deploying \$544,750 as part of this Fund, we leveraged this initiative to learn ways about how to expand our product offerings here in Los Angeles.**



Bianey Valdovinos Rangel and his wife Juridia Leyva
owners of 562 Cherry Cafe located in Long Beach, CA

Small Business Administration - Community Navigator Program

In 2022, we participated in the Small Business Administration's (SBA) Community Navigator Program. This initiative leverages a "hub and spoke" model where a regional coordinator (LISC-LA) engages local organizations to administer on-the-ground support for small businesses. We worked with the program's partners to facilitate access-to-capital for entrepreneurs. This initiative was one of our first forays into engagements with the SBA, and we've begun to build our data capacity to align Federal reporting expectations.



Inclusive Action Technical Assistance
Coordinator Luis Moran visiting a
client owned Panaderia

SPARK!

The SPARK! Initiative is a statewide grant program administered by Immigrants Rising. As a partner, we focused on raising awareness of this initiative and building a pipeline of immigrant entrepreneurs who were eligible for this important resource. **Our team connected 13 entrepreneurs to this grant opportunity, with each receiving a \$5,000 grant.** Our clients are using these resources to meet business needs, including offsetting the cost of inventory due to high inflation, covering equipment repairs, and renewing business permits.

Breathe LA - Universal Basic Income

Inclusive Action worked with Strength Based Community Change (SBCC) to conduct outreach and support with filling applications for Breathe LA, a guaranteed income pilot project program. **Together, we completed over 100 applications for Boyle Heights' community members** who have limited digital literacy and access to technology.

The support that I received this year saved my life because a lot of times I didn't have the means to continue. Life as a street vendor was slow and I also got ill. The support that Inclusive Action gave me - the loan, the grant, and being an Altamed Community Ambassador, was tremendous. They listened to me, gave me advice, and were there for me. Inclusive Action is the one team that cares for every single client and makes us feel like family. I'm thankful that they're there for the vendor community.

Patty Archuleta, Street Vendor in South Los Angeles



Altamed Andale Que Esperas! Campaign

We partnered with Altamed this year to pilot a 'well-being' cohort for Spanish speaking street vendors. We believe that financial well-being is only one of the many social determinants of health, and recognize that street vendors were disproportionately impacted by the pandemic leaving them with limited resources to maintain their holistic well being. With Altamed, we

brought together a cohort of 35 street vendors that met monthly to cover a wide array of topics ranging from deescalation and prevention of violence, to managing stress and building agency, to becoming ambassadors for their communities. These vendors are leaders in their communities, sharing their knowledge, and helping to expand access to resources.

Free Tax Preparation with California State University Northridge

In response to client feedback regarding lack of reliable and affordable tax preparation services, we partnered with CSUN Volunteer Income Tax Assistance (VITA) to host them during tax season. We served over 313 individuals

in total, supported 309 clients without social security numbers, and helped them to receive over \$355,000 in federal tax refunds and an additional \$74,000 in California refunds.

Inclusive Action staff and partners at an Andale Que Esperas Event



Policy Advocacy & Research



Inclusive Action team at SB972 Celebration in Mariachi Plaza, Boyle Heights

We pair our lending work with advocacy and coalition engagement because we recognize that the systems that govern our communities are often designed to keep workers and families marginalized. While we need to provide immediate support to our community members through direct services, we also need to advocate for long-term system changes. This year, we expanded our work to advocate alongside our communities in a number of ways.

The Economic Justice Platform

Our team conducted research and talked with community partners to develop a guiding platform for the future of our advocacy work. The result was our organization’s “Economic Justice Platform”, a set of priority areas that direct how we work in coalition spaces and

influence policy. The platform lays out three areas that our programs and campaigns will focus on. If we’re successful in moving the needle in these areas, we believe we’ll make progress toward achieving economic justice:

1. Removing Barriers & Red Tape

If we remove the obstacles to creating just and equitable policies and public programs, the most marginalized community members will access the resources they deserve.

2. Budget Transparency

If we advocate for governments making public how they allocate resources, community members will be able to advocate more effectively for their needs.

3. Justice-Oriented Investment

If we advocate for public investments that center justice, community members can heal from historic harms and support future generations.

Coalition Based Advocacy

The California Street Vendor Campaign

This year, our decades long work to advocate for street vendors entered a new stage. With our partners - Community Power Collective, Coalition for Humane Immigrants Rights (CHIRLA), Public Counsel, and Western Center for Law & Poverty - we launched the California Street Vendor Campaign (CASVC), a statewide effort to address one of the most challenging obstacles street food vendors face when trying to formalize their business: navigating the process and obtaining the investment needed to receive a public health permit.

All street food vendors in California need a permit from their local public health authority to vend. Our work in previous years focused on the foundational infrastructure for legal street vending. In 2018, we worked to pass Senate Bill 946 which decriminalized street vending, and asked that cities who want to enforce street vending, create permit systems. But this important work did not address the separate system that street food vendors must navigate through public health permits.

CASVC sought to modernize the California Retail Food Code (CRFC) - the state's far-reaching policy that guides how food is prepared and sold in all food establishments. In February, we introduced Senate Bill 972, championed by Senator Lena Gonzalez with the support of Senator Maria Elena Durazo, Assemblymember Wendy Carrillo, Senator Susan Rubio, and California State Insurance Commissioner Ricardo Lara.



Inclusive Action staff, partners, and street vendors in Sacramento lobbying for SB 972.

After the bill's introduction, our coalition partners and us spent hundreds of hours educating elected officials, community partners, and other stakeholders across the State of California. Our policy team made several

trips to Sacramento with street vendors and partners to participate in hearings. The result of this advocacy work was a bi-partisan passage through the state legislature. On September 23, Governor Newsom signed SB 972 into law.

About SB 972

The new SB 972 law promises to do a number of things to support street food vendors including:



Decriminalize sidewalk food vending



Create a feasible process for obtaining a health permit



Simplify the process for obtaining permitted carts



Help build out commissary spaces for storing and preparing food

Los Angeles Street Vendor Campaign

While we were leading our statewide efforts to modernize the California Retail Food Code, our team and partners were continuing our work to monitor the implementation of the street vending program here in Los Angeles. Through inter-departmental meetings that included the Mayor’s Office, Streets LA, and the Public Works Commission, we worked to identify areas in which the City of Los Angeles can improve its education efforts and build relationships with County staff members to better support micro-entrepreneurs on the ground.



Karim Mejia, owner of Ras Karim Cuisine



Elizabeth Garcia, owner of Cocina Mexicana La Patrona

The LA Street Vendor Campaign (LASVC) also delivered a continued education program for StreetsLA investigators, including an overview on the complexity of sidewalk vending and the regulatory systems that govern it. The program consisted of the following three components: two full days of “On-The-Field Study” including direct ride-alongs with Streets LA investigators and key LA Street Vendor Campaign members; two training sessions on the “History of Street Vending” including the campaign to legalize it in Los Angeles, as well as the permitting process that vendors go through to be considered compliant by the City of LA; and training sessions on compliance practices. Through engagement efforts like these, we seek to build better communication with the Streets LA team, and in turn, better interactions between Streets LA investigators and street vendors in Los Angeles.

Immigrants Are LA

The Immigrants Are LA (IRLA) campaign is a growing coalition of over 100 organizations who seek to build a just and equitable future for immigrants in LA County. The pandemic had a disproportionate impact on immigrant communities and with many immigrants operating as essential workers existing structural inequalities were exacerbated. While Los Angeles County is taking steps to ensure the equitable distribution of the American Rescue Plan Act (ARPA) funds, we need to continue advocating for equitable and robust LA County budget investments for immigrant communities.

This year, with our IRLA partners, we were successful in advocating for the adoption of a motion that evaluates how ARPA funding was distributed to immigrant communities, and explores ways to improve budget allocation and program design to be more inclusive of all County residents, regardless of their immigration status. With this new data, we hope that Los Angeles will be able to assess the accessibility of its services.

Moving forward, we are working with campaign leadership to advocate for more robust investments in the immigrant community. With a County budget of \$44 million, we believe that the immigrant communities that make up 35% of LA should have access to a substantive portion of resources for their communities.



Inclusive Action team at a rally with Immigrants Are LA, April 2022

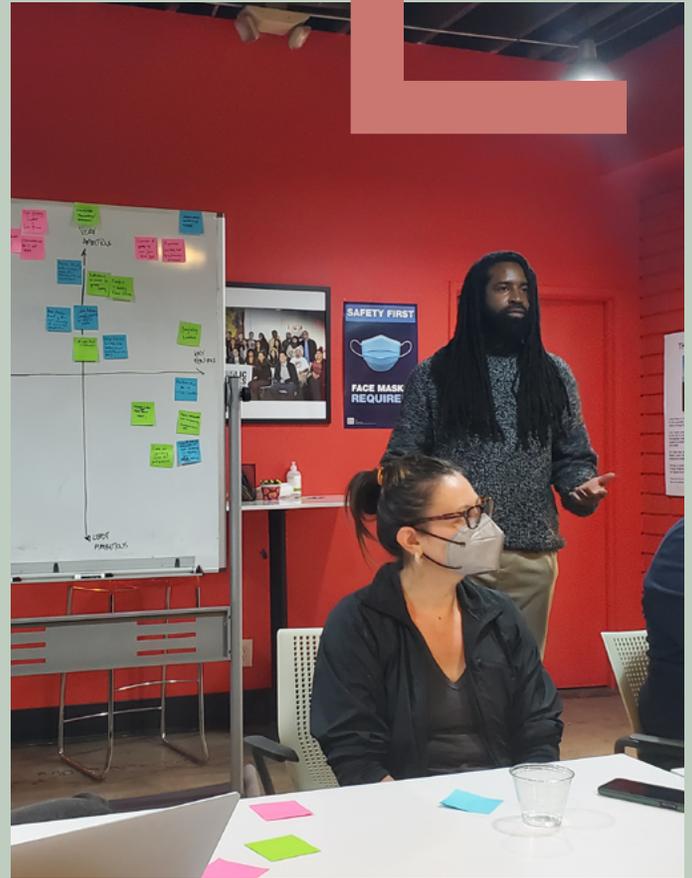
Inclusive Action, as part of Immigrants Are LA, championed a motion through Supervisors Mitchell and Solis titled “Ensuring an Equitable Post-Pandemic Recovery for Los Angeles County Immigrants”. It seeks to evaluate how ARPA funding was distributed to immigrant communities, and explore ways to improve budget allocation and program design to be more inclusive of all County residents, regardless of their immigration status. Over the past several months, the IRLA Campaign has been meeting with the Department of Consumer and Business Affairs, Office of Immigrant Affairs, and the Anti-Racism, Diversity and Inclusion Office to collaborate on three main components of the work:

1. Enhancing Coordination to better serve immigrant populations,
2. Developing recommendations on data gathering, standard metrics, reporting, policy, and program changes to enable the County to better serve immigrant communities, and
3. Expanding outreach and service delivery, in partnership with County departments and community organizations that serve immigrants.

A final progress report will be available at the end of the year.

Small Business Alliance for Equitable Communities

The Small Business Alliance for Equitable Communities (SBAEC) is a small business advocacy coalition founded in December 2020. SBAEC comprises LA-based community organizations consisting of public interest lawyers, CDFIs, small business technical assistance providers, and public policy analysts. What makes SBAEC unique is that all the organizations involved provide direct services to local small businesses throughout Los Angeles County. This year SBAEC identified its strategic priorities and policy interventions to support local businesses in our communities. Our priorities focus on commercial tenant needs, inclusive public processes, equitable allocation of public resources, and community-centered ownership models.



Prince Osemwengie, Senior Policy Associate at Inclusive Action, leading a discussion with partners of SBAEC

Strong, Prosperous, and Resilient Communities Challenge

Strong, Prosperous, and Resilient Communities Challenge (SPARCC) is a national network of community development organizations and organizers that convene in six regions to highlight and invest in promising community development projects that bring together community members, the public sector, private sector and philanthropy. The projects arising from these initiatives include advocacy campaigns to support affordable public transit, community land trusts, and more.

Inclusive Action served as the co-facilitator of the Los Angeles table of SPARCC. Through this network, we were able to elevate the important work of organizational partners like ACT-LA, Long Beach Forward, and the Social Justice Learning Institute, while **facilitating the deployment of \$1.3 million in capital to organizations across LA County** through SPARCC's funding infrastructure.

Research

Small Business Anti-Displacement Strategies & Tools: Supporting Local Small Businesses in Crenshaw

We collaborated with Destination Crenshaw on a report fiscally sponsored by LISC-LA, that found that commercial real estate market forces, especially in “transitioning” or gentrifying neighborhoods like Crenshaw, are compounding the displacement of local small businesses. Together, we identified and analyzed the barriers impacting local small businesses and nonprofits from acquiring commercial property, the challenges business owners face as commercial tenants, and the limitations of existing commercial real estate financial products. The report concludes with robust public policy and program recommendations that local governments can implement to curb displacement, expand access to community-controlled real estate, and strengthen small business commercial tenant protections.



Small Business Anti-Displacement Network: Case Study on Anti-Displacement Advocacy & Research

We were awarded a grant to conduct a year-long case study on an anti-displacement program to preserve small businesses in gentrifying neighborhoods. The case study is a part of an international initiative developed by The Small Business Anti-Displacement Network (SBAN), which is a research project of the University of Maryland's National Center for Smart Growth Education & Research. Our case study will highlight our Community Owned Real Estate (CORE) program's approach to mission-driven commercial real estate acquisition and holistic tenant support protocols. The final report will include key findings and recommendations that organizations and government entities can adopt to preserve small businesses in their communities.

Research partnerships with regional research institutions

We strive to be a reliable community partner for the world-class academic institutions in Los Angeles. This year, we took on strategic partnerships with students and professors from the University of Southern California (USC), and the University of California Los Angeles (UCLA):

- We worked with the **USC School of Public Policy** senior-level planning studio class and co-designed course curriculum. The class examined and compared existing community real estate ownership models to identify commercial corridors in LA County experiencing displacement threats as the result of gentrification. We also **led a mobile classroom where students toured our CORE properties and engaged in conversation with the nonprofit tenants.** Students identified corridors where community real estate models can help prevent the displacement of legacy community-oriented businesses.
- We serve on the **Advisory Committee for the UCLA Center for Neighborhood Knowledge's and the Los Angeles Department of Water and Power's (LADWP) equitable 100% renewable energy transition research project** along with organizations like the African American Chamber of Commerce, Asian Pacific Islander Small Business Program, and New Economics for Women. We distributed surveys to the small businesses we serve and will host a community workshop collaboratively with researchers and LADWP to introduce the energy transition plan and highlight business support programs from LADWP. The research will provide insight into structural barriers minority-owned businesses face, and the development of policies and programs to enable a just transition to a low-carbon economy.

Community Innovation



At Inclusive Action, we reflect on our approaches to challenges of economic injustice to strengthen and expand them. This year we went beyond our policy and lending efforts, to examine integrated capital programs, including land and real estate models that build community wealth, and investment vehicles like micro equity that elevate businesses.

Karina Guzman and Luis Moran, technical assistants of Inclusive Action, conducting outreach for the Semi'a Fund at El Gran Festival of East LA



Andy Magallon, Brigg Leather & Supply

Restore Fund

The Restore Fund seeks to reimagine community impact investment by providing access to transformative capital and social networks to help BIPOC and immigrant-owned small businesses thrive and build individual and community wealth.

This micro-equity fund supports local and growing small businesses with strong ties to bettering their community with financial investments, a network of advisors, mentors, and small business owners, and a research and development lab where they can innovate, collaborate, and co-work. This fund was created to address gaps in community impact investment like access to transformative capital and access to social networks. Many immigrant and/or minority owned small businesses lack personal assets

to start, grow, and sustain their businesses and are often not considered for investment opportunities because of being deemed too risky by traditional financial institutions. These small businesses are also less likely to hear and know about relevant networks that can support and promote their business.

This year we re-designed the program by collaborating with partners, user testing with potential small businesses to get their insights on the relevance, potential benefits, and concerns about the program design, and consulting with experts in our network. We are actively fundraising for this new program and are excited to test a cohort model in 2023.

Community Owned Real Estate

Capital assets, including land and real estate, are being concentrated in fewer and fewer hands, and our Community Owned Real Estate (CORE) program was designed to combat this issue. CORE is a collaboration between InclusiveAction, East LA Community Corporation and Little Tokyo Service Center and operates as a community control initiative that acquires, preserves and creates pathways for local business property ownership in the gentrifying neighborhoods of Los Angeles. In 2019, the collaborative successfully acquired five commercial buildings on the Eastside of Los Angeles.¹ Together, CORE obtained a New Markets Tax Credit allocation and raised \$1.3 million in philanthropic support to obtain site control.

This year, the buildings are home to 17 small businesses and nonprofits who serve the surrounding community, hire locally, and are interested in staying in their neighborhoods for the long-term. In addition, CORE maintains 59 jobs through its tenants. And due to the significant tenant improvements CORE has undertaken, it has created 11 construction jobs. In 4 years, Inclusive Action will have the ability to exit the New Markets Tax Credit process it used to acquire its existing portfolio, and will begin a process to transition ownership of these spaces to tenants.



¹ 4528 Whittier Blvd., East Los Angeles CA; 6116 Whittier Blvd., East Los Angeles CA; 5467-5469 N. Huntington Dr., Los Angeles CA; 2900 E. Cesar Chavez Ave., Los Angeles CA; 2208 E. Cesar Chavez Ave., Los Angeles CA

The team distributing tortilla presses generously donated by Masienda, to 100 street vendors and neighbors. The distribution was hosted by our client Juan Vazquez’s market in South Los Angeles.

Organizational Sustainability



The Inclusive Action Team, March 2022

At Inclusive Action, we believe that the internal infrastructure of our organization needs to be strong to create the impact we envision. In 2022, we developed tools and collaboration models that we need to serve our communities. This includes building a culture of well-being, connection, and belonging for our growing team, and creating robust processes to make our work visible and investment ready.

Storytelling

This year, we focused on telling the stories of our clients by connecting them to media, marketplace and advocacy opportunities, and ensuring that we are bringing in the income needed to make their work visible and businesses thrive.

We focused on creating a consistent and compelling social media presence and network outreach. **We hosted five events, including the ABC Fund marketplace, Open Air Economy Collaborative launch, a press event for SB972, and a SB972 Street Vendor Celebration.** We spoke to numerous journalists including from the LA Times, NextCity, KCRW, Wall Street Journal, LAist, LA Taco, ABC news, Refinery 29/ VICE. We were featured in print, television, radio, and podcast media.

Here are some highlights of IAC in the Press:



Stopping gentrification in Boyle Heights: Can retail co-op model help?

KCRW



Los Angeles Shopping Center Shows Strength of Bricks-and-Mortar Retail

Wall Street Journal



Bill To Make It Easier For Street Vendors To Get Permits Heads To Governor's Desk

LAist



'Pop-up' business and influencers: It's time to stand with low-income street vendors and support SB972

LA Taco

Strategic Plan

We spent this year creating our first-ever Strategic Plan. This is our compass for the next three years (2023-2025), and we will use it to guide where we are going and how we are getting there.

We're recommitting to a **vision** and **mission** that will move us closer to eliminating income inequality, reducing the racial wealth gap, and turning community agency into power.

We've identified key **systemic problems** that are stopping us from achieving the changes we seek, and we've determined which **interventions** we will pursue to tackle these problems.

Creating this strategic plan was a collaborative process including retreats, workshops, interviews and working sessions between our board, leadership, staff and our partners, Estolano Advisors. Thank you to all involved. **We are excited to share the full plan with you in January 2023.**

Inclusive Action envisions diverse communities that have equitable and sustained access to resources, and exercise agency over their futures. We serve underinvested communities and build thriving local economies by improving access to transformative capital and advancing policy through research-informed advocacy.

Problems



Entrepreneurs and their families are still struggling to access capital and income inequality is increasing.



Capital assets, including land and real estate, are being concentrated in fewer and fewer hands.



Community members feel powerless in the political systems that shape their lives.

Interventions

Expand our small business lending, stabilize it with supportive infrastructure, and optimize our technical assistance.

Prototype integrated capital approaches - financial, physical, social - that grow wealth and build power for low-income communities.

Deepen our commitment to policy advocacy to remove red tape, make budgets equitable, and create justice-centered investments.

Our Team

Communities across LA are working hard to rebuild in a post-pandemic economy and we are committed to supporting them. We added 11 staff members across our organization, bringing our team to 21 talented and passionate team members. This includes: six new economic development staff to help deploy more capital

and tailored business coaching; two new policy research and advocacy staff to lead critical advocacy efforts that support immigrants, street vendors, and other small business owners; and three operations, communications, and executive staff to keep our organizational ship forging full steam ahead.

Meet our team members!



Rudy Espinoza,
Executive Director



Nicole Anand,
Deputy Director



Maribel Garcia,
Lending Director



Julie Jung, Operations
& Finance Director



Lyric Kelkar,
Policy Director



Andrea Avila, Lending
Associate Director



Jenil Ahir, Underwriting
Coordinator



Selena Casas,
Operations Coordinator



Shannon Cassidy,
Communications and
Media Sr. Manager



Marco Covarrubias,
Development and
Content Manager



Josephine Gardner,
Technical Assistance
Associate



Jesus Gonzalez
Saucedo, Data and
Impact Coordinator



Karina Guzman,
Technical Assistance
Coordinator



Chih-Wei Hsu,
Research Associate



Alyssa Lopez,
Underwriting
Coordinator



Estefania Lopez Perez,
Sr. Policy Associate



Luis Moran, Technical
Assistance Coordinator



Prince Osemwengie,
Sr. Policy Associate



Norma Santa Cruz,
Technical Assistance
Associate



Sharon Senko,
Underwriting and Technical
Assistance Associate



Briana Tetsch,
Operations Coordinator

Thank You to our Partners

Inclusive Action's work is made possible with the help of a vast community of Board Members, supporters, individual and institutional donors, and partner organizations. Our efforts to achieve economic justice in Los Angeles and beyond are better because of your unwavering support. Thank you for supporting Inclusive Action's work and mission in 2022.

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