



Tadu Ethiopian Kitchen  
San Francisco, CA

# 2021 IMPACT REPORT

Decolonizing Capital For Racial & Economic Justice



*CDFIs Should Align Capital With Justice —*

## A NOTE FROM OUR CEO

*Pacific Community Ventures is embarking on a new strategy that grounds us in experimentation and research, and focuses us on decolonizing, democratizing, and restoring our communities.*

Childcare — from daycare owners struggling to stay open, to daycare workers striving to get the pay and benefits they deserve, to working parents scrambling to afford adequate care with no help from the Federal government — has in many ways come to define the last two years. **La Plazita preschool in Oakland** is a true Spanish Immersion preschool where kids learn or retain Spanish, while fully preparing for Kindergarten. In the years before COVID-19, La Plazita's first location quickly became successful, and when it came time to expand to a second location with a more direct community focus in Fruitvale, owner Krystell Guzman was eager for guidance. That is when Pacific Community Ventures came in. She received advice through our Pro Bono Business Advising program and eventually opened two more locations, employing 38 people and, in the spirit of our motto "Good Jobs, Good Business," Krystell offers healthcare and retirement benefits to all of her employees.

There are hundreds of stories like Krystell's, and while banks often say "no," at PCV, we always try to come from a place of "yes." In November 2021, we launched our Oakland Restorative Loan Fund — \$2.5 million in no fee, zero-interest loans for small businesses located in low to moderate income neighborhoods — the first effort under our new strategy to decolonize capital. Krystell applied for an Oakland Restorative Loan Fund loan and received it this January. During a very challenging year, in which many parents opted to keep their children home, La Plazita closed for 2 months, and upon returning, only 5% of their kids came back right away. Krystell told us she intended to use her loan to stabilize her business.



Now that they've built back, she's using the zero-interest loan "to continue growing the schools, maintaining the jobs that we have, and providing better wages to our employees." As a working mom and former small business entrepreneur myself, I stand with the parents and staff who needed Krystell to succeed in their community for their economic well-being, especially knowing that the lack of affordable childcare led to a great drop of women in the workplace during the pandemic.

We built this zero-interest fund because that's what small business owners in our community told us they needed over the past year. When we launched it, however, we heard some surprising pushback from other community investors: that this was distorting the market. To them, small business



owners like Krystell were “acceptable losses” in an economic downturn, where it is expected that many businesses will fail. We refused to accept this loss, and strive to help entrepreneurs like Krystell preserve as much as possible for the well-being of her business, her workers, and her community.

Our Oakland Restorative Loan Fund and centering Black, Indigenous, Latinx, and AAPI entrepreneurs are integral to PCV’s mission of creating a just economy and good jobs with dignity for all working people. People of color start more businesses each year than anyone else, and in 2021 **communities of color saw the largest surge in new businesses** in decades. Black and Latinx women, especially, have become the new face of entrepreneurship in the US. Women of color **account for 89%** of the new businesses opened every day, but almost 75% of women of color say their most common obstacle to growth is a lack of capital. In 2021 **only 13% of Black business owners and 20% of Latinx business owners** got the loans they applied for, and **only 1% of venture capital dollars** were invested in Black founders.

PCV was one of America’s first impact investors when we were founded — and CDFIs like us were created out of the Civil Rights Movement with the purpose of getting capital to low-income and communities of color. With so many Black, Indigenous and POC communities still struggling with injustices stemming from the past, our new strategy takes PCV’s foundational values into the future.



Two things make impact investing different from traditional investing:

1. Intent — Design your investment to impact the social or environmental problem you’re looking to solve; and
2. Measurement — Make certain your investment accomplishes that goal over time.

With our new strategy, PCV is embedding these even more deeply into the design and delivery of all our products and services. We are fully embracing our founding principles of impact-first investing to **DECOLONIZE, DEMOCRATIZE,** and **RESTORE** access to fair and affordable capital and mentorship for the communities we serve.

As we combat a constantly changing economy and system, it is crucial that our work be adaptable and rooted in learning, research, and experimentation. This is where our new Good Jobs Innovation Lab comes in. While our Small Business Lending and Advising programs will continue to connect entrepreneurs to accessible expertise and restorative capital, the Good Jobs Innovation Lab will establish a regular process of research and experimentation to ensure that our programs *grow with* and actively *impact* our communities’ changing needs, empowering workers alongside business owners and building wealth.

In 2022, as we launch our new strategy, PCV is going deeper into place-based community-led and designed ecosystem approaches across California, starting with our hometown in Oakland. We will also partner more deeply with community organizations and other CDFIs across the nation through our pro bono Business Advising program. Our advising will match the diversity and lived experience of the entrepreneurs and communities we serve, and support both business growth and worker empowerment, towards our goals of helping business owners like Krystell be agents of change in their communities and catalyze racial and community wealth.

Decolonizing capital works — and this is how we start. By dismantling the rules and constructs long inherited in the financial industry that keep too many out, and design them by, with, and for the communities we serve.

As PCV prepares to celebrate our 25<sup>th</sup> anniversary next year, we are both going back to our roots as one of the U.S.’s first impact investors, as well as the Civil Rights foundations of our CDFI industry, to decolonize, democratize, and be restorative with the people and places we serve. Join us!

In Solidarity,

**Bulbul Gupta**

**President & CEO,**

**Pacific Community Ventures**





PCV is Co-Creating an Inclusive Recovery:

# OUR IMPACT IN 2021

The past two years since the COVID-19 pandemic started have brought monumental shifts in the U.S. economy. The economic shocks in 2020 saw millions lose their jobs — with 2021 also seeing a record number of new business applications being filed. We know that when entrepreneurs can access the right capital, advising, and resources, they are set up for success — success that drives economic opportunity for themselves, their workers, and their community.

With our Lending across California, and our nationwide Business Advising program, PCV was able to reach 1,681 small business entrepreneurs with capital and/or advice — largely through those closest to their communities — our local community and CDFIs partners.



We've expanded our reach! PCV has supported small businesses in **37 CALIFORNIA COUNTIES** while continuing to add more every month.

## WHERE OUR CAPITAL IN 2021 WAS INVESTED:

- 90%** in entrepreneurs of color and women across California
- 86%** in economically distressed communities
- 78%** in people of color in California
- 46%** in women-identifying entrepreneurs

**WE FUNDED 133 SMALL BUSINESSES WITH RESTORATIVE CAPITAL LOANS TOTALING \$10 MILLION IN 2021 (UP FROM \$4.8 MILLION IN 2020), GROWING OUR PORTFOLIO TO 237 ACTIVE LOANS.**



# Investing in Good Jobs

Our restorative capital client companies are also growing and advancing the quality of the jobs they offer:

**60%** of our investees provide workers with schedules at least two weeks in advance

**54%** of our investees provide paid time-off

**52%** of investees report that their full-time workers are eligible for health benefits

**48%** of our investees said they were profitable in 2021 (up from 36% in 2020 — the first year of the pandemic)

**21%** of investees provide retirement benefits



Crave BBQ  
Oakland, CA



Our investees had an average job growth of **43%** with **1,068** jobs sustained (compared to an average job growth of 3.7% for the same size of small businesses nationally)<sup>1</sup>

<sup>1</sup>Based on our survey results, with a survey response rate of 55% of our lending clients.

At the same time, **19%** of our investees reported having to cut at least one job in 2021 as a result of COVID-19 (down from 37% in 2020)



IDF Studio  
San Francisco, CA

Average wages at PCV investees were **\$26/hr** (full-time) and **\$23/hr** (part-time) (compared to average wages of \$24.60 for full-time wages in similarly sized small businesses nationally)



Our investees had an average of **7** employees in 2021



(up from an average of 4.6 in 2020, down from an average of 7.1 in 2019)



# Business Advising



Kasa Indian Eatery  
San Francisco, CA

Across the country, we reached 1,500 small business entrepreneurs through our Business Advising platform, in partnership with an additional 22 CDFIs and community partners in our Small Business Support Circle:

**88%** of the small business owners we worked with were women or people of color

**67%** are people of color

**63%** identify as women

**14%** of our companies are owned by immigrant or refugee entrepreneurs

**9%** of our companies are owned by veteran entrepreneurs

**1.4%** of our companies are owned by justice-impacted entrepreneurs

## AMONG THE PEOPLE OF COLOR WE SERVE\*:

**33%** are Black

**18%** are AAPI (6% East Asian, 5% Southeast Asian, 4% South Asian, 3% Native Hawaiian)

**8%** are Latinx

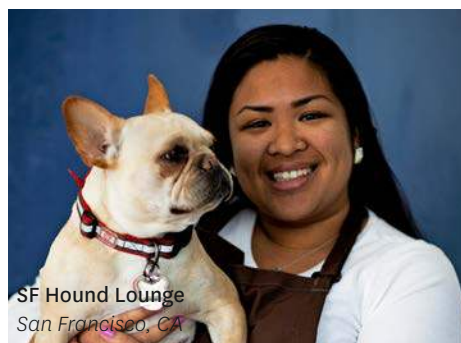
**4%** identify as Other

**3%** are Arab or Middle Eastern

**3%** Multiracial

**3%** are Native American

\*PCV strives to be inclusive and antiracist in our approach to data collection so in 2021 changed our survey methodology for our Annual Impact Report. We added a multi-select option for respondents to choose multiple ethnicities and allowed a write-in free-response option to capture categories not listed. Data from prior year's Annual Impact Report may not align as PCV innovates how we collect and report on our business owners.



SF Hound Lounge  
San Francisco, CA

With the economic shifts of the past two years and recovery still behind in communities of color, who were disproportionately impacted by this pandemic, this is the time to make sure small businesses are well-equipped to provide good, quality jobs to their employees — not only to create wealth, but to make sure workers' health, career growth, and quality of life are taken care of. This is why PCV launched our new strategy — centering restorative capital and pairing it with business advising and good jobs research supports to move the needle on entrepreneurs' and workers' financial security, health, wellbeing, and wealth-building.





Peaches Patties  
San Francisco, CA

## RESTORATIVE CAPITAL

*Fair & Affordable Capital Across California*

Since the COVID pandemic hit, we've risen to meet the moment — by keeping our doors open, and meeting the 10x demand for capital by meeting entrepreneurs where they were as flexibly as we could.

Our lending program doubled in 2021, **setting a record with \$10 million** in capital deployment. Our portfolio remains committed to serving underestimated small businesses with **90% of our capital deployed to women and BIPOC entrepreneurs** and **86% deployed to businesses in and/or hiring from economically distressed areas**. Since launching our new strategy, PCV is focused on building place-based funds that democratize power sharing with local community partners, coalesce private and public investment, grant support, and community partnerships to spur community wealth-building.

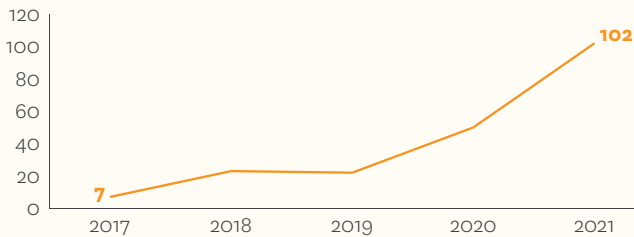
In 2021, we grew our California lending program even further **while advancing our impact goals or values**. Since the COVID pandemic hit, we've risen to meet the moment by keeping our doors open and getting entrepreneurs the capital they need. We **doubled the size** of our small business lending portfolio while **maintaining a lower than 1% write-off rate**. This is less than the **1.3% average loan loss rate of U.S. banks**. Our portfolio's performance does more than prove that you can invest in historically underestimated entrepreneurs and communities without compromise, it shows that there is room to deepen our efforts further.



# Who We've Worked With

We funded **133 businesses** with **\$10 MILLION** in restorative capital loans in 2021 (up from \$4.8 million in 2020), growing our portfolio to **237 active small business loans**.

PCV's loans to business owners of color have grown **1,343%** in five years!

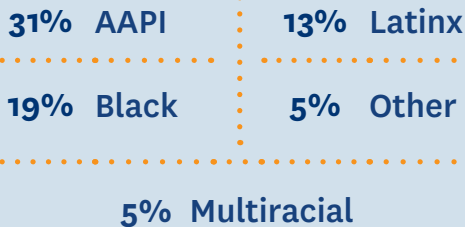


## We empower micro businesses:

We worked with **78 employer businesses** averaging **7.6 employees**

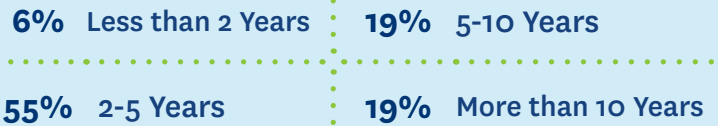
We worked with **56 solopreneurs** to help them build their dream

**76%** of loans were deployed to people of color in California (up from 72% last year):



Connie's Chicken & Waffles  
Baltimore, MD

## Time in Business:



## Our portfolio is based on economic, racial, and gender justice:

**90%** of our capital was invested in entrepreneurs of color and women across California

**86%** of our dollars are invested in businesses based in, or hiring from, economically distressed communities

**46%** of our capital was invested in women-identifying entrepreneurs

**44%** of capital invested in businesses based in majority-BIPOC communities in California (up from 32% before COVID)

**42%** of our clients are solopreneurs (54% identify as women and 68% are people of color)

## SUCCESS STORY

### TREVOR PARHAM, OAKSTOP

Oakstop, an Oakland-based social enterprise, provides coworking, meeting, and event spaces to entrepreneurs, artists, and businesses. The pandemic had been tough on Oakstop — in 2020 the staff had to be downsized to just five employees, with revenue taking a hit.

Nevertheless, Oakstop remained open which eventually paved the way to new opportunities.

Trevor was given a chance to secure more space in one of his downtown Oakland locations, but he needed capital to manage the operations and expansion of his business. That's when PCV stepped in to help. With a loan from PCV, Trevor was able to hire additional staff to manage the new space, as well as support rent costs and upgrade technology, fixtures, and protective equipment for his employees. And because PCV's model pairs our borrowers with pro bono business advisors, Trevor was able to work with HR advisor Caroline Pao from The Federal Reserve Bank of San Francisco. Together, they worked on Oakstop's growing HR and recruiting needs. Currently, Oakstop has 6 locations, with 2 added after PCV's initial loan. Trevor has not only grown his team to 25 employees, but is continuing to expand his business, and build a model for an inclusive, thriving shared

workspace that also builds Black wealth in Oakland through increasing ownership.



### The Oakland Restorative Loan Fund

In 2021, we launched PCV's first place-based fund called the Oakland Restorative Loan Fund — \$2.5 million in no fee, zero-interest small business loans available in the lowest-income tracts and highest concentration of Black, Latino, and AAPI areas of Oakland. The fund quickly received over **150 applications for more than \$10,000,000**. This blended capital program was established through a community impact investment from UCSF and grants from PCV's supporters to keep loans without fees or closing costs — especially crucial as state and federal grant programs and eviction moratoriums begin to end for entrepreneurs.

More importantly, the fund was designed and launched with community partners such as Black Cultural Zone, Oakland Black Business Fund, ESO Ventures, the Temescal Telegraph Business Improvement District, the Oakland Chinatown Chamber of Commerce, Feed The Hunger Fund, and The Unity Council, which ensured our capital reached entrepreneurs of color most at risk for gentrification and displacement. Rather than dictating the terms of the fund, we co-developed strategy and implementation with our partners — aligned with our mission of creating place-based ecosystem partnerships that center power with local community leaders and organizations. **100% of funded loans so far have gone to entrepreneurs of color in low-and-moderate-income communities.**

**Our mission of creating place-based ecosystem partnerships that center power with local community leaders and organizations.**



Cellars International Realty  
Miami, FL

## The California Rebuilding Fund

Heading into the pandemic, significant amounts of Black and Latinx households were disproportionately unbanked or underbanked, and yet the federal government chose to go through these same large mainstream banks for the launch of the PPP that communities of color are underserved by or

discriminated against. This is why only 2% of Black-owned businesses and 7% of Latinx-owned businesses received PPP loans. None of this was a surprise to us.

PCV co-founded the California Rebuilding Fund as an answer to that failure. The California Rebuilding Fund is a state-backed, public-private partnership — the largest multi-stakeholder partnership, launched with the Governor’s office in late 2020, for small businesses anywhere. Our experience launching our own

restorative capital loan products helped **PCV become the first CDFI to make a CARF loan, the first to deploy \$1M in CARF capital, AND the first to deploy \$2M in CARF capital.** We also partnered with the City of San Francisco to administer their 0% small business loan program through the CARF platform.

**PCV proudly took the lead in deploying capital in the largest multi-stakeholder partnership launched for small businesses anywhere.**

## SUCCESS STORY

### LIZA ANONGCHANYA, AZIL BOUTIQUE

Azil Boutique in San Francisco’s Hayes Valley is a go-to spot for understated and delicate handmade jewelry pieces specializing in local and independent designers. Azil prides itself on being woman and minority owned and operated since opening in 2011. Even though Azil’s growth strategy was impacted by COVID, the business has continued to grow thanks to her doubling-down online and investing more on digital advertising. This year will mark Azil’s ten-year anniversary! In 2021 PCV helped launch and facilitate a special 0% loan program for San Francisco businesses through the California Rebuilding Fund and the City of San Francisco — and Liza was our first loan in the program! Liza used the loan for working capital to keep her business growing.





Fingersnaps Media Arts  
San Francisco, CA

# SMALL BUSINESS ADVISING

*Closing The Small Business Advice Gap*

Our Business Advising program continues to grow year over year. In 2021 **our program grew by 53%, serving 1,500 small business owners with a record 1,800 advising matches — over 200% since 2019 — with 88% of our entrepreneurs being women-identifying and/or entrepreneurs of color.** To make sure we can give our entrepreneurs the best advisor match possible, PCV has continually been working on advisor recruitment. In 2021, there were **over 500** advisor signups to our Business Advising platform.

**Nearly 1800** mentoring matches (serving 1,500 small business owners, some repeat matches)

PCV partnered with an additional **22** community organizations, CDFIs, incubators, and accelerators nationwide to offer our BusinessAdvising.org platform to their small business clients, through the first full year of our **nationwide Small Business Support Circle.**

PCV business advisors volunteered **over 14,000 hours — that’s over \$2,730,000 worth of free advice** and coaching (according to Taproot’s industry standard of \$195 average hourly value of pro bono service.)

## OUR ADVISORS:

**50%** are former entrepreneurs themselves

**50%** are BIPOC

**24%** can support clients in languages other than English

**52+** languages spoken by Advisors (including Mandarin, Cantonese, Vietnamese, Tagalog, and Spanish — all highly demanded in 2021)



## Advisor Cohorts

To make sure our volunteer advisors are best equipped to support entrepreneurs, we've introduced PCV Advisor Cohorts — groups led by PCV-trained advisors and aimed at fostering collaboration, resource-sharing, and training opportunities among members. Each cohort will center on a specific subject matter (like Good Jobs Advising) to create solid frameworks and flexible approaches to small business mentorship. By pooling knowledge, experience, and conversation among industry professionals, our Advisor Cohorts deepen advisor-entrepreneur partnerships, bring tailored advice, and help small business owners receive the best advice they need to recover from the pandemic and grow sustainably.





## The Small Business Support Circle





To help mitigate the impact of COVID-19 on the small businesses that make up nearly half of our economy and help them rebound and grow sustainably, PCV has brought together a rapidly growing coalition of companies and organizations invested in the success and resilience of small businesses across the United States. We call this initiative the “Small Business Support Circle” and it’s working to get millions of dollars of free advice into the hands of job-creating small business owners everywhere.





Through their partnership and generous funding, members of the Circle are helping PCV to leverage and scale our unique [BusinessAdvising.org](https://www.businessadvising.org) pro bono advising platform to provide small businesses with the support they need to weather these tumultuous times.





FOUNDING PARTNERS





CORPORATE PARTNERS

































COMMUNITY PARTNERS














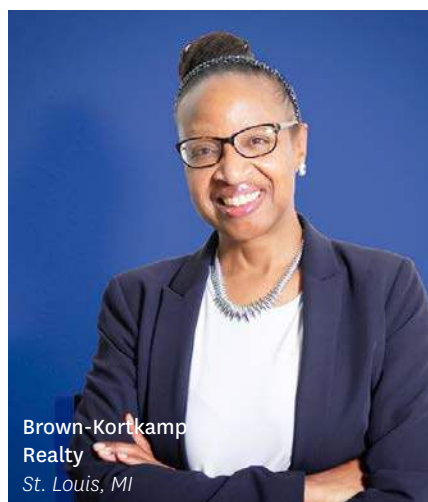











## Become an Advisor with PCV!



When Gail Brown’s father started Brown & Brown Realty in St. Louis in 1960, he did so with one thing in mind: to help disenfranchised Black homeowners find the housing they needed in the face of racist “redlining” practices across St. Louis. Gail grew up in the business, and when she took over the renamed Brown-Kortkamp Realty as owner in 1995, her attitude towards providing equitable options to residential and commercial property owners was exactly the same. Two once-in-a-lifetime economic crises have made it increasingly difficult for Gail to live her mission and provide her community with the services they need — but Pacific Community Ventures and our Small Business Support Circle are working to change that.

Missouri-based Justine Petersen is a founding member of PCV’s Small Business Support Circle since September 2020. Through them we were introduced to Gail, and connected her with Jennifer Levy — a former Partner at Rockwood Capital and current board member on the San Francisco-Marín Food Bank. Jennifer’s outside perspective helped Gail make some tough decisions around going remote, and rethinking some of her storage leases — helping Gail recoup \$1,500.00 in overhead each month. And she says the headspace this partnership gives her is invaluable. “When you’re at the top, you don’t have anyone to bounce ideas off of,” she also explains. “For entrepreneurs — especially leaders who run their own business — to have someone to speak to with an outside perspective is very helpful.”

“When you’re at the top, you don’t have anyone to bounce ideas off of...to have someone to speak to with an outside perspective is very helpful.”

## SUCCESS STORY

### DIANNE AUSTIN, COILS TO LOCS

Coils to Locs is a Boston-based business borne of Dianne’s own experience as a cancer patient — and survivor! Coils to Locs is a supplier of afro-textured synthetic wig styles for black women, or any woman with textured hair, experiencing hair loss due to cancer treatment, addressing a healthcare disparity for cancer patients of color. Dianne was introduced to Pacific Community Ventures through our Small Business Support Circle partner with ICIC, and was looking to get connected to a strategic thinker who could help her with product development. We connected her with Aude, a product manager at a technology company. Since getting connected to Aude in 2021, their conversations expanded beyond product development. Most notably, Aude consulted with an SEO expert and was able to pass along advice on how to make Dianne’s website more SEO friendly, which has led to a surge in new business!





Cupcakin' Bake Shop  
Berkeley, CA

# THE GOOD JOBS INNOVATION LAB

*Prioritizing Employee Health  
Alongside Business Health for  
Wealth-Building Outcomes*

For over 20 years, PCV has been a national leader in the drive to create good jobs with dignity that uplift workers and create generational wealth for small business entrepreneurs. In 2016, we produced the first measurable definition of a Good Job for impact investors, which is integrated into the GIIN's IRIS+ framework, and created step-by-step guidance for small business owners to implement improvements across each of the five core components of job quality, as well as improve racial justice efforts and COVID-19 safety for their business and workers.

To take our work further, we launched our Good Jobs Innovation Lab to design interventions within PCV's lending and advising offerings geared towards improving the financial security, health, and wellbeing for workers at small businesses. PCV continues to be one of the only organizations that works with small businesses on job quality, businesses who also have the least resources and support to enact job quality improvements. Most job quality work thus far has been targeted towards mid- to large-sized companies who already have the advantage of HR teams and resources. Yet **50% of Americans** are employed in small businesses, and **close to 60%** of low-wage workers are employed in businesses with less than 100 employees. **According to Oxfam America**, over 50 million workers in the country, disproportionately women of color, make less than \$15 an hour. We see an incredible opportunity

to move the needle on worker economic outcomes employed in small businesses, and our Lab is well-positioned to help realize these improvements.

**For over 20 years,  
PCV has been a  
national leader in  
the drive to create  
good jobs.**

## GOOD JOBS, GOOD BUSINESS TOOLKIT RESOURCES FOR:



Working alongside our lending and business advising programs, the Good Jobs Innovation Lab is identifying the best supports, policies, and innovations that help entrepreneurs grow their businesses sustainably, empower their workers through the power of good quality jobs, and impact their communities in the long-run.

We're also creating peer learning communities among our small business owners who've improved the quality of jobs they offer themselves and their employees. We know that advancing job quality needs an approach that is co-developed with small business owners, taking into consideration their capacity, motivation, as well as their financial situations and experiences with inequity. Thus, PCV is utilizing a co-researching model with our entrepreneurs to help our organization develop the best products and services that improve job quality and propel economic success in communities that have been failed by the traditional financial system.



**Out of the PCV Companies with employees that certified as “Good Jobs Creators”:**

**17%**

check three or more boxes in our Good Jobs framework

**35%**

check two boxes in our Good Jobs framework

**61%**

check one box and are looking to improve

**PCV companies care about creating good jobs:**

**58%** offer a Living Wage

**52%** offer Career-Building Opportunities

**32%** offer a Fair & Engaging Workplace

**22%** offer Wealth-Building Opportunities

**22%** offer Basic Benefits



**COVID-19 RESPONSE**

We know running a small business is challenging, and often entrepreneurs do not have enough HR resources to handle all employee matters. So when COVID-19 hit, we made sure our entrepreneurs had tools to navigate the pandemic with their employees. **Our Good Jobs, Good Business toolkit** features resources such as employee compensation and physical safety, hiring and retention advice, as well as how to support workers of color and racial equity in the workplace.

## PCV Good Jobs Award Winners

PCV is the only CDFI in the country to pair lending capital with microgrants for entrepreneurs who improve the quality of jobs they have for themselves and their workers. Our loan agreements include grants for each time a borrower institutes one of 11 measurable good job attributes. **In 2021, PCV awarded \$112,500 in Good Jobs Grants to 37 small businesses.** This is the very group of small business and good jobs champions that we hope to pull into a Good Jobs Fellows program through our Lab this year to create a peer learning community — one where both PCV staff can learn the improved design and delivery of our capital and advising programs to support them on these journeys; and one where they can learn and share with each other the strategies they employ to make these advancements.



Reem's California  
Oakland, CA



### FERNANDO DIAZ, PROYECTO DIAZ

PCV awarded Proyecto Diaz Coffee a good jobs grant for building a more fair and engaging workplace through providing predictable employee schedules, practicing internal promotions, and formalizing employee performance reviews. “We felt very blessed,” owner Fernando Diaz shared. “We immediately felt confident that we could give our manager and staff immediate raises. We used all of the [grant] money for raises.”

“We felt very blessed...we used all of the [grant] money for [employee] raises.”

### WANDA ROGERS, CONSTRUCTION SERVICE WORKERS

CSW works solely with underestimated workers and returning community members to provide temporary employment placement in the construction industry. Its founder is Wanda Rogers, the only African American woman to own a construction staffing agency in the country. We’ve been thrilled to work with Wanda and to help her create good jobs. Despite the pandemic and the resulting economic fallout, Wanda has grown from 2 to 13 employees while earning \$3,000 in Good Jobs, Good Business rebates from PCV.





## SUCCESS STORY

### KERRY BUFFINGTON AND TAMMY TURNER, KAPSTONE EMPLOYMENT SERVICES

Kapstone Employment Services, a Detroit-based full-service staffing agency, provides full-cycle recruiting, contingent, and permanent employment. Kapstone employs justice-impact folks directly from the Detroit community. During COVID-19, Kerry and Tammy faced high turnover, costing them time, money, and the ability to scale their business. They were paired with PCV business advisor Sophia Chan of Nokia to develop a financial plan and strategic budgeting. At the onset of COVID-19, Kapstone employees received \$13-18/ hr. They had 5-6 employees onsite and 13-15 contingent employees that worked for them or worked out their clients' facilities throughout Greater Detroit. While working with an advisor, Kapstone hired 97 contingent employees with an average wage of \$17 per hour.



Ciro's Landscaping  
Escondido, CA



SF Hound Lounge  
San Francisco, CA



Chua's Chocolatier  
Carlsbad, CA



Sip & Share Wines  
Indianapolis, IN



## POLICY & ADVOCACY

*Changing the rules of the game*

Interagency Convening on Equitable Economic Growth

For CDFIs to manifest the intentions set out by Civil Rights leaders to serve both racial and economic justice, we cannot be siloed from one another. We must work together to create lasting systemic change, impactful thought leadership, and transformative policy. While PCV’s day-to-day work centers on our small business clients, our Good Jobs Innovation Lab elevates that work and advances CDFIs and impact investors everywhere. We work closely with our investors and funders to ensure that capital and support comes to us in ways that allow us to be restorative. That only goes so far. Our advocacy allows us to amplify the voices of entrepreneurs, workers, and communities whom the government and private sector have largely failed, for broader systems change to make the rules of the game more fair, affordable, accessible for all.

Convening hosted by the Department of Commerce in 2021. Our partners at the U.S. Impact Investing Alliance and B Lab are collaborating with Commerce to bring together key voices from the government, business, investor, philanthropic and advocacy communities to identify and take action on opportunities for collaboration as we strive to implement an inclusive recovery and shape an economic system that works for all of us, not just the privileged few.

## Collaboration and Advocacy

Thanks to a grant from the **Tipping Point Fund on Impact Investing**, we were able to enter into a partnership with the **African American Alliance of CDFI CEOs** to advance our mission of promoting racial justice and equity in the CDFI movement. In 2022, we will use this funding to host a series of roundtables with thought leaders to come up with actionable policy proposals. We have invited elected and appointed officials to listen to these roundtables so that they can hear directly from industry leaders why and how we can better serve our mission to eliminate the racial wealth gap and fight for equity for all.

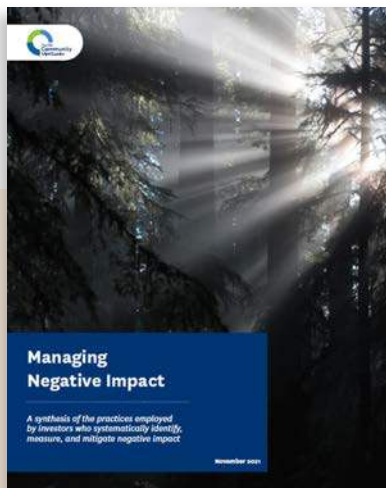
We also partnered with hundreds of national, international, state, and local organizations to show support for H.R. 40 — the federal legislation that would create a reparations task to study how to best use government policies, programs, and funds to study the legacy of slavery and create a proposal to undo the persistent and ongoing harms stemming from our country’s original sin. This is not tangential to PCV’s mission; this is core to addressing the racial wealth gap and ensuring that all Americans are able to thrive in their communities.



PCV has been working hard these past two years, trying to advance state and federal policy for a more inclusive recovery from COVID based around racial and economic justice. PCV is proud to be part of the Advisory Councils for the Small Business Administration’s Office of Access to Capital, and the U.S. Department of Commerce’s new **Job Quality Advisory Council**. Our CEO also joined the Interagency Equitable Economic Growth

PCV CEO, Bulbul Gupta with Lenwood V. Long, CEO of African American Alliance of CDFI CEOs





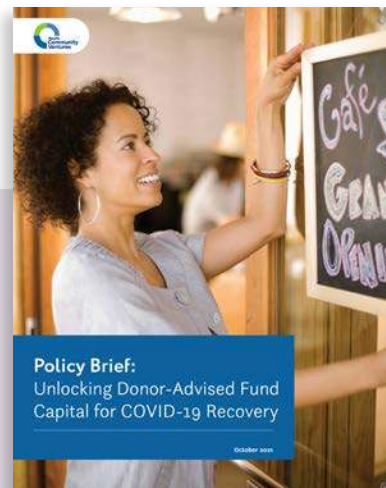
## MANAGING NEGATIVE IMPACT

Investing in electric vehicle companies has helped reduce greenhouse gas emissions and combat climate change. It's also fueled a surge in child labor in cobalt mines in the Democratic Republic of Congo, where children are exposed to toxic chemicals and hazardous working conditions. If impact investors are serious about avoiding green- and impact-washing and showing up for racial and economic justice, it's critical they identify and manage the negative along with the positive outcomes of their investments to understand their real impact. Our groundbreaking report summarizes the most promising practices and resources that can help companies and investors get serious about integrating negative impact management into their impact measurement and management (IMM) approach.



## POLICY BRIEF

True economic recovery requires democratizing wealth and promoting greater worker agency with an explicit focus on BIPOC communities. In addition to vast wealth inequality, the U.S. is also facing a “silver tsunami” as Baby Boomer business owners — who own an estimated 2.34 million businesses that collectively employ 25 million people — reach retirement age. Expanding employee ownership of small businesses can help usher in a more equitable, stable economy as the country recovers from the COVID-19 crisis. PCV issued a federal policy plan that would make it easier for retiring business owners to sell their companies to their employees, and get rid of outdated rules and red tape to make it easier for banks and other investors to fund employee-owned businesses.



## POLICY BRIEF

Now is the time to broaden how we think about philanthropy and what can be possible with large-scale investments from private donors put toward social and economic justice. One mechanism ripe for such change is Donor-Advised Funds (DAFs) — money committed to doing good, but whose donors can sit on those funds as long as they like. As a result, DAF donors are leaving approximately \$142 billion on the sidelines. This perpetuates the status quo, worsening wealth disparities while leaving DAFs exposed to investments that hurt people and the planet.

PCV has a plan for that. We're proposing a temporary incentive to kickstart catalytic investments to aid in COVID-19 recovery. The credit would drive the creation of impact investing infrastructure within the DAF industry — helping to institutionalize the systems, practices, and relationships needed to channel billions of dollars currently sitting in traditional investments into undercapitalized social enterprises, CDFIs, affordable housing creation, and economic development initiatives in communities of color.

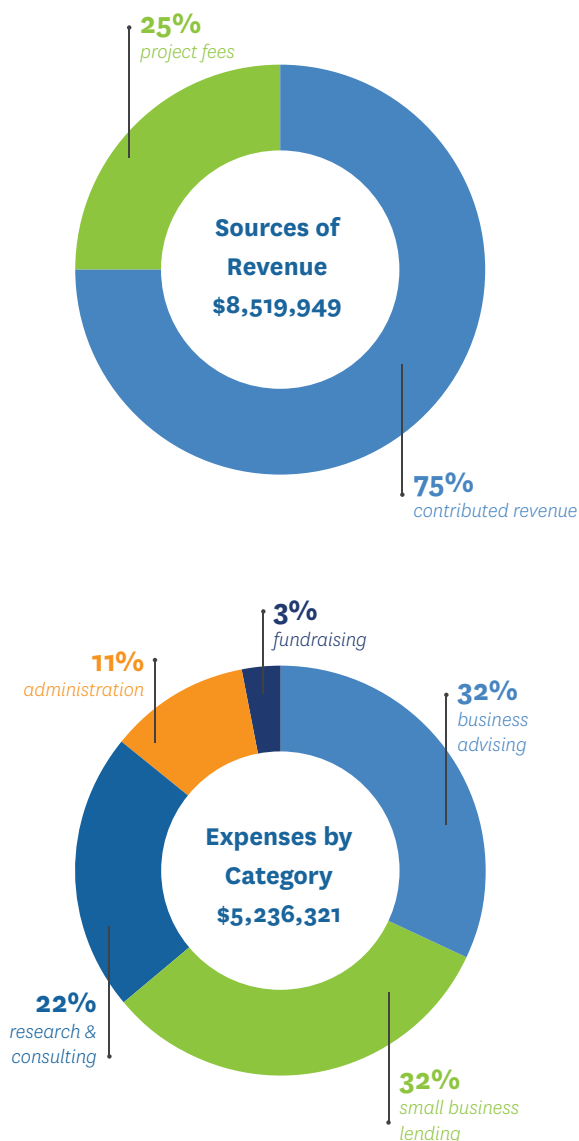


Culinary Artistas  
San Francisco, CA

# 2021 FINANCIALS

## Our Mission

Pacific Community Ventures works side-by-side with communities in the fight for economic, racial, and gender justice.



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## UPCOMING 25<sup>TH</sup> ANNIVERSARY

As PCV prepares to celebrate our 25<sup>th</sup> anniversary next year, we are both going back to our roots as one of the U.S.'s first impact investors, as well as the Civil Rights foundations of our CDFI industry, to decolonize, democratize, and be restorative with the people and places we serve. **Join us!**





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