

Project/Program Profile

Name: Save-Up Program

Organization: Asian and Pacific Islander Small Business Program (API SBP)

Location of Project/Program: 231 E. Third Street, Suite G-106, Los Angeles, CA 90013

Year Project Completed/Program Began Operation: April 2011

Funding Sources: United Way of Greater Los Angeles, Union Bank

Populations Served: Low-income individuals and families with less than 80% AMI

Number of Staff: 3

Total Cost of Development/Operation: \$28,000 per year

Partners: Little Tokyo Service Center Community Development Corporation, Search to Involve Pilipino Americans and Thai Community Development Center

Services Provided: Provides a matched savings program to help low-income individuals with their savings. Provides financial literacy training.

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SERVICES: Individual Development Account

(Italicized portions offer further explanation. If the standard is not fulfilled by the project, it is noted in the italicized explanation. Crossed-out portions are not applicable.)

Level 1: Program Feasibility Assessment

These basic criteria determine the feasibility of an IDA program. The focus is on the organizational and financial readiness of the program.

1. NEED

a. Community Need

i. There is a population that is unbanked or underbanked.

1. *Many Asian and Pacific Islanders remain unbanked due to language barriers, cultural barriers, and misconceptions about the financial industry.*

ii. There is a population lacking financial education and information about financial services.

1. *The program also provides this same population with financial education, which they lack.*

b. Market Study/Needs Analysis

No market study was conducted.

~~i. The market study confirms the need for, and viability of the program.~~

~~1. There are no other IDA programs in the area that can work with the target population.~~

~~2. There is enough demand for services and sources of funding to support the program.~~

~~ii. The market study informs the organization about demographics of the area, competition, and barriers to entry.~~

c. Local Support

i. The IDA account holders support the program.

1. *Account holders support the program because it helps them jump-start their savings and gain financial literacy.*

ii. Neighbors and local community members support the program.

iii. The program is in alignment with local city, county, state and/or federal development goal(s)

2. *The program is in alignment with development goals of many agencies that seek to improve the lives of low-income individuals.*

2. ORGANIZATIONAL READINESS

a. The organization is willing and able to do the program.

b. The program is in alignment with the mission of the organization.

i. *The mission of API SBP is "to assist the development of small and micro businesses in Los Angeles with a particular focus on the Chinese, Korean, Japanese, Thai and Filipino business communities, especially those of low income immigrants."*

ii. *The Save-Up Program helps improve the lives of low-income community members by assisting them with their savings efforts and therefore helping them achieve better financial standing.*

c. The Board of Directors embraces a CED strategy and/or embraces the program as a part of the CED strategy.

d. The organization and/or its partners have a track record of participating in similar programs.

- i. Prior to the Save-Up Program, API SBP successfully operated an IDA program with its partners at the Little Tokyo Service Center, Search to Involve Pilipino Americans and Thai Community Development Center.*
 - e. The organization has the financial and operational capacity to undertake the proposed program.*
 - ~~*i. The organization can support the additional debt (if any) created by the program.*~~
 - 1. There is no debt component.*
 - ii. The organization has qualified staff that can undertake the program.*
 - iii. The organization has access to reliable, qualified vendors and service providers.*
- 3. FINANCIAL FEASIBILITY**
 - a. Program cost**
 - i. The program is affordable to the organization, and the projected cost is appropriate to the concept.*
 - ii. The operator or staff providing the cost estimates is qualified and experienced with financial education programs.*
 - 1. The umbrella operator is API SBP, which is experienced with IDA and financial education programs.*
 - b. Funding sources**
 - i. There are enough sources of funding for the uses.*
 - 1. The program is funded by Union Bank and United Way of Greater Los Angeles.*
 - ii. There are enough sources to match the savings of individuals.*
 - iii. The organization has endeavored to secure all available competitive and noncompetitive funding sources for which the program qualifies.*
 - 1. United Way and Union Bank are the only sources.*
 - iv. The actual disbursement of each source is timely and in sync with the needs of the program.*
 - v. The organization is aware of the compliance implications of each source.*
 - c. Cash flow**
 - ~~*i. The program produces enough cash flow to support the proposed debt structure (if any).*~~
 - 1. There is no debt.*
 - i. If the program is low-cost or free, it is subsidized enough to sustain itself beyond the first year.*
 - 1. The program is free, and it has been subsidized beyond the first year.*

Level 2: Practical Considerations

These criteria are essential for a successful, operating IDA program.

- 1. MARKET BARRIERS**
 - a. The organization understands why past programs have not worked and instead addresses prior issues in innovative and alternative ways.*
 - i. The organization has learned from its past IDA funding program, which required the additional savings to be used for business purposes. The Save-Up Program does not place restrictions on what savings can be used for.*
- 2. DEVELOPMENT TEAM & PARTNERSHIPS**
 - a. The organization has assembled the best team for the program, including employees, trainers, outreach coordinators, and management staff.*

- b. If the organization is lacking in any area (financial, experience), it has partnered with another entity to operate the program.
 - i. *The organization has partnered with Little Tokyo Service Center Community Development Corporation, Search to Involve Pilipino American, and Thai Community Development Center. The business counselors at each of these partner organizations market the program and follow up with participants.*
 - ii. *Little Tokyo Service Center Community Development Corporation serves as the fiscal agent for the organization and its programs.*
 - c. The program is supported by public sector, private sector, and community partners.
 - i. *United Way is a public sector supporter.*
 - ii. *Union Bank is a private sector supporter.*
 - d. Through an open dialogue with the community, the organization has sought and incorporated community participation in the program
 - i. *The organization incorporates feedback from participants.*
3. SITE CHARACTERISTICS
- a. The area that is served by the program makes sense.
 - i. *The program serves the areas of the Filipino, Japanese, and Thai business communities because its focus is on helping low-income immigrants save up enough to start small businesses.*
 - b. The offices of the program are located near or adjacent to transit.
4. PROGRAM DESIGN & OPERATION
- a. The program is run in the appropriate language(s) for the clientele in the area.
 - i. *The program is run in English, but translation is provided.*
 - b. The program is culturally appropriate to the clientele in the area.
 - c. The program is tailored to the specific geography of the clientele in the area.
 - i. *Besides being culturally appropriate, the program has no specific geographic adaptations.*

Level 3: From Feasible to Exemplary

These criteria elevate an IDA program to an exemplary program.

1. FUNDING & FUNDING REQUIREMENTS

- a. The program uses a funding program or funding source that is new and innovative.
 - i. *Like many IDA programs, the program partners with banks and United Way to operate the program.*
- b. Each funding source was heavily leveraged to gain further resources.
 - i. *Funding sources were not heavily leveraged for other sources.*
- c. Certain features of the program were adapted to capture funding, but the program was not completely changed in order to capture one particular funding source.
 - i. *Features were adapted to community input and needs.*
- d. There are multiple stakeholders providing funding, and this mix of funding sources maximizes the feasibility of the program.
 - i. *The program is funded by United Way and Union Bank. The mix of funding sources maximizes the feasibility of the program.*
- e. The program exceeds minimum standards required by funding sources.
 - i. There is deeper low and moderate income targeting than required by funding sources.
 - 1. *The program meets the income limits required by funding sources.*

2. FUTURE PROJECTS

- a. The program strengthens the position (financial, political, capacity, experience) of the organization.
 - i. *The success of the program strengthens API SBP as well as its partner organizations.*
 - b. Through the program, the reputation of the organization was enhanced. Issues that the staff faced were dealt with in a diplomatic manner, enabling future programs.
 - c. The success of the program will enable future funding on other programs.
 - d. The community is happy with the program and will participate in more/similar programs in the future.
 - e. The community is more knowledgeable about IDA programs.
3. ENVIRONMENTAL IMPACT
- a. The program has less environmental impact than traditional programs during operation.
 - i. *The environmental impact is undetermined.*
4. ECONOMIC IMPACT
- a. The program attracts new businesses to the area.
 - i. *The program attracts new businesses by helping low-income immigrants save up enough money to start local businesses.*
 - b. The program helps retain existing businesses.
 - i. *The program helps retain existing businesses by helping low-income business owners save up for business expenses.*
 - c. The program improves matching of employees with employers.
 - i. *The program does not provide job matching.*
 - d. The program encourages development, redevelopment, and investment.
 - i. *By helping individuals and families jump start their savings, the program is encouraging personal investment.*
5. COMPREHENSIVENESS
- a. The organization provides or connects to other programs that provide multiple services e.g. social services.
 - i. *API SBP offers other services such as workshops and the Entrepreneur Training Program.*
 - ii. *Each of the partner organizations offers other programs and social services, such as affordable housing and foreclosure assistance.*
6. DIVERSITY
- a. The program serves a mixed income clientele.
 - i. *The program serves individuals with less than 80% of the Area Median Income.*
 - b. The program encourages mixed age, gender, ethnic, etc. participation.
 - i. *The program encourages participation from five different Asian and Pacific Islander communities.*
 - ii. *The program encourages mixed gender participation. API SBP is a federal Small Business Administration Women's Business Center.*
 - c. The program supports minority businesses.
 - i. *The program helps minority individuals save enough to start businesses.*
7. PUBLIC BENEFITS
- a. The program provides a financial service that is needed by the community but is currently not provided or accessible.
 - b. The program results in other positive economic impacts.
 - i. *With individuals saving more and investing more, the local economy is boosted.*
 - c. The program results in other positive social impacts.

i. The program makes other programs and services of financial institutions more approachable for Asian and Pacific Islander immigrants.

8. LONGITUDINAL DATA

a. The program tracks financial indicators of its participants (e.g. # of participants who have gone on to purchase homes)

i. The program tracks deposits of participants.

9. REPLICABLE/SCALABLE

a. This program can be replicated in other communities, regions, and/or states.

i. Partnership with other organizations can greatly expand the reach and effectiveness of an IDA program. Other regions can replicate the partnership model used by the API SBP.

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