**Little Tokyo Community Impact Fund**

**2023 Annual Report**

**(7/1/22 – 12/31/23)**

**UPDATE:**

The Little Tokyo Community Impact Fund (LTCIF) has continued in its general activities of inviting potential investors to consider making an investment to help LTCIF towards the goal of acquiring commercial property which can provide subsidized rents for small businesses consistent with the nature of the historic ethnic neighborhood of Little Tokyo.

All of the activities of the organization were conducted mainly by the Board of Directors as well as supportive community volunteers. During this 18-month time period, the community and LTCIF were still being impacted by the COVID pandemic which limited hosting of informational gatherings and other outreach efforts to raise awareness about LTCIF.

The Board of Directors held monthly meetings to carry out the business and mission of LTCIF and also sought other avenues of funding for LTCIF. The Annual Meeting of the investors of LTCIF was held on September 26, 2023 with approximately 33 investors participating and the ballots were received to re-elect the current members of the Board. Ms. Nicole Oshima was added as a new Board members for the “A” class of investors.

**SUMMARY OF ACTIVITIES:**

1) RE-CERTIFICATION: Re-certification for the Fund was completed in August of 2022 which allows further recruitment of investors within the State of California.

2) SBAN PROPOSAL: A proposal for grant funds was submitted by the Board to the Small Business Anti-Displacement Network (SBAN) to document the pioneering work of LTCIF. SBAN is a new national network to support the broadening effort to put commercial real estate into the hands of the community and/or small business investors. Subsequently, we were informed that our proposal was not selected for funding in this round of grants.

In November 1 -3, 2023, the LTCIF treasurer attended the SBAN national conference in Washington DC and represented the Fund where many other project leaders gathered to exchange information on community-controlled commercial real estate. The LTCIF reimbursed only for the airfare while the treasurer donated the remainder of the trip expenses.

3) POTENTIAL INVESTMENT SITES:

* The Board has been engaged in ongoing discussion with the Little Tokyo Service Center (LTSC) for a possible commercial space in the First Street North project being planned near the corner of Temple and Aiso streets.
* In August 2022, the Board investigated commercial property on First Street near San Pedro however it was deemed to be in poor shape and would require heavy renovation work beyond our means.

4) LISC PROPOSAL: LTCIF engaged in discussion with the local Local Initiatives Support Corporation office for possible small business property loan with the goal of submitting a request in the near future, using the ETCO property as a possible sale project.

5) ON-LINE SUBSCRIPTION: In September the project replaced the hard copy of the investor Subscription Agreement to an on-line version that could be issued via email or other social media upon request on the website.

6) CPA ADVISORY MEMBER: the Board added a CPA volunteer to serve on the Advisory Board who could assist with the annual fiscal reports and documentation.

7) ANNUAL MEETING OF INVESTORS: the Board held Annual Meetings of the investors on November 15, 2022 and also in the following year on September 26, 2023. Both meetings were well attended by investors who re-elected the proposed slate of Directors.

8) JACL OUTREACH: LTCIF was invited to conduct a workshop on our efforts at the national Japanese American Citizens League biennial convention held in Los Angeles on July 19th. The Board also participated in the Little Tokyo Service Center Sake and Food Tasting event to distribute flyers and investment information.

9) ETCO: the former Uyeda building on First Street was put up for sale and in April 2023 the LTCIF made an offer to purchase. Subsequently, the offer was not accepted.

**CURRENT STATUS OF INVESTORS:**

At the end of the year 2023, there were 29 “A” investors and 58 “B” investors in the LTCIF fund, for a total of $761K in the account. Having reach three-quarters of a million dollars was a major milestone which allows us to “be in the game”. The LTCIF Board continues to work to reach the initial investment goal of $2 million.

**FUTURE ACTION:**

The ongoing threat of Covid has lingered to make public gatherings still difficult however the Board has been discussing outreach options to seek to garner more investments for the LTCIF fund. Other potential commercial properties for sale are also being investigated.

**BUDGET RECAP:**

The LTCIF funds are currently being invested by representatives from Ameriprise into higher yielding accounts which have added to the total of funds available. The extremely low interest rates of the previous years have been replaced by higher rates of growth (approximately 5% in 2023) in various market accounts.

Operational expenses have been minimized by volunteer efforts although the fund does incur modest expenses for legal and financial services and a private mailbox.