



ANNUAL REPORT | 2021



At Business Impact NW, we remove barriers and expand opportunities for entrepreneurs from underserved communities to start and grow businesses by providing compassionate loans and technical assistance services in Washington, Oregon, Alaska, and Idaho.

Our mission is to grow businesses that create jobs in underserved communities.

Our vision is for all business owners to have an equal opportunity to succeed.



WWBC
—WASHINGTON—
Women's Business Center

LENDING
Business Impact NW



FBRC
FOOD BUSINESS RESOURCE CENTER

Letter from the CEO

Over the past year, Business Impact NW has found success and opportunities to further our mission as we meet the challenges —economic and otherwise— that face small businesses in the Pacific Northwest. I am privileged to lead such a talented staff whose commitment to supporting entrepreneurs has led to innovations in our programs, expanded the reach of our services, and deepened the impact of our work. In providing millions in PPP loans, focussed one-on-one coaching, and new rounds of recovery programming, Business Impact NW has remained dedicated to our vision of pandemic recovery where all small business owners are able to prosper.

- We have continued to grow our presence across our 4-state service region with increased staff in Oregon, ground-work laid to begin lending in the state of Alaska, and new offices in Tacoma, WA and Fairbanks, AK.
- I am particularly proud of the completion of research and development projects to meet specific community needs including riba-free capital, equity finance products, ITIN loans, and paths to entrepreneurship for military spouses.
- Our expanding partnerships with Black Owned Business Excellence, Seattle Metro Chamber, and Pierce County, to name a few of many, are adding to the rich ecosystem of resources and support for entrepreneurs.

In every aspect of our work, we strive to meet the needs of small businesses and this report celebrates our accomplishments of 2021.



Joe Sky-Tucker
President & CEO



CLIENT SPOTLIGHT

Monique's Hot Kitchen

Monica Wachira spent her entire life dedicated to food. Growing up in Kenya, she began cooking at age five. Throughout her life, she worked in kitchens large and small; learning all there was to a career in cooking. Prepping for her business launch, Monica turned to Business Impact NW to support her in navigating financial projections and bookkeeping. Eventually, she launched her own business: Monique's Hot Kitchen.

Faced with the pandemic in her first year, she knew she could turn to Business Impact NW for support navigating PPP loans during this time. Monique's Hot Kitchen overcame the pandemic and even opened Monica up to a new opportunity: packaging her recipes. Another step in her journey that she notes, "I see the opportunities in the Business Impact NW classes... I can do packaged foods, there is so much I can do!"



Our Impact

- Jobs Retained or Retained: **4,940**
- New Businesses Started: **107**
- Unique Clients Served: **3,215**
- Number of Training Sessions Provided: **304** training sessions
- Number of 1:1 Coaching Hours Provided: **2,390**
- Increase in Sales (for Technical Assistance clients): **\$2,431,570**
- Loans Disbursed*: **218**
- Amount Disbursed: **\$17,136,519**
- Average Loan Size: **\$39,190**

*Including Flex Fund and all Business Impact NW loans, with the exception of PPP loans highlighted elsewhere

Who We Serve (self reported)

- BIPOC: **35%**
- Women: **68%**
- Low-Income: **67%**
- Rural: **17.5%**
- Immigrant & Refugee: **9.5%**
- LGBTQ+: **30%**
- Veteran: **25%**

Top Industries We Work With

- Restaurants, Bars, & Eateries: **166 businesses**
- Professional Services: **159 businesses**
- Service Industry: **119 businesses**
- Retail: **119 businesses**
- Construction: **76 businesses**
- Arts & Entertainment: **74 businesses**





Our COVID-19 Response

Since the onset of the pandemic, Business Impact NW has been a critical member of the Flex Fund program. Supported by the Washington State Department of Commerce, the Small Business Flex Fund is designed to help small business owners and nonprofits access funds at a competitive interest rate so they can bounce back stronger than ever. Through our participation in the Flex Fund in 2021 Business Impact NW provided **157** loans for **\$13.452** million dollars.

In 2021 Business Impact NW provided **491** Paycheck Protection Program loans for **\$10.62** million dollars and forgave **562** loans for **\$12.993** million dollars.

In the last year we have supported **351** clients with COVID-19 recovery services.



PARTNER SPOTLIGHT...

Black Owned Business Excellence



Business Impact NW joined as a founding collaborator of Black Owned Business Excellence in 2020. In the first year of our collaboration, Business Impact NW has been a financial sponsor, contributor of event content and speakers, and committed a staff

member to become a sitting officer within the collaboration. Black Owned Business Excellence has a focus on black small business owners, and Business Impact NW proudly stands as an ally organization with Black Owned Business Excellence's work.



INTRODUCING

Our Diversity Committee

In 2021 Business Impact NW staff founded an internal Diversity Committee to advance the organization's commitment to **Diversity, Equity, and Inclusion**. In the committee's first year, the collective has added pronouns and phonetic pronunciation to staff email signatures, wrote press releases in response to current events impacting our clients and

communities, and developed an organizational style guide. Central to the work of the committee has been supporting other inclusion efforts undertaken by the organization, including Spanish translation of loan documents and business support services.



CLIENT SPOTLIGHT

Urban Log Studios



Husband and wife team Andrew and Alexis Nicholls founded Urban Log Studios in 2021. The same year, they participated in and won Impact Pitch 2021's 'Best Early Stage Business Award'.

Their goal is to positively impact their community by providing necessary services to the local urban logging industry. Urban Log Studios not only offers access to traditional craftworks with fallen trees but access to sustainable forestry practices.

Impact Pitch is a yearly, free opportunity we offer to small businesses with big impact in the Pacific Northwest to compete for over \$30,000 in prizes. Over the course of 5 months, participating businesses solidify their business models, financial projections, and work alongside a business coach to build a strong final business pitch for the event finale. Andrew and Alexis Nicholls received the full wrap-around support we offer businesses like theirs and their hard work didn't go unnoticed.

2021 Financial Report

FY21 Net Income **\$3,255,932.71***

FY21 Income **\$7,687,231.59**

FY21 Net Assets **\$7,228,529.69**

FY21 Expenses **\$4,431,298.88**

Total Assets **\$28,332,904.80**

Total Liabilities **\$21,104,375.11**

Total Equity **\$7,228,529.69**

Net Equity Ratio **26%**

FY21 Fundraising Expenses **\$396,266.16** ■

FY21 Administrative Expenses **\$1,077,469.64** ■

FY21 Program Expenses **\$2,957,563.08** ■

FY21 Program Income **\$37,158.85** ■

FY21 Loan Income **\$2,608,880.80** ■

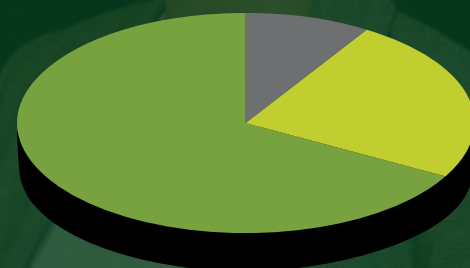
FY21 Rental Income **\$64,103.00** ■

FY21 Miscellaneous Income **\$41,200.48** ■

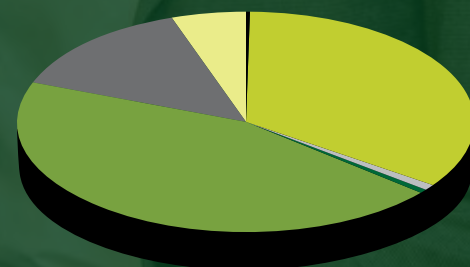
FY21 Federal Grants **\$3,410,426.96** ■

FY21 Other Grants **\$1,060,542.68** ■

FY21 Contributions **\$382,162.03** ■



FY21 Expenses **\$4,431,298.88**



FY21 Income **\$7,687,231.59**

*The 2021 Financial year represents a larger-than-usual net income due to Business Impact NW's CDFI RRP Grant and PPP fee income. The majority of this surplus will be used as loan capital and lent back to small businesses.

2021 Board of Directors

Phil Jones, Chair
Jessica Enzi, Vice-Chair
John Zmolek, Secretary/Treasurer
Kellen Ball

Tom Berquist
Peter Ha
Marcus Harjani
Kristina D. Maritzczak

Munzer Sukhun
Lorri Wallace
Heyward Watson

Our Community

Click [here](#) for a list of the organizations we work with.

Our 2021 Funders

Government Funders

City of Seattle
City of Tacoma, Minority Business Development Agency
City of Tukwila
King Conservation District
King County
Pierce County
United States Department of Agriculture
United States Department of Treasury
United States Small Business Administration
Washington State Department of Agriculture
Washington State Department of Labor & Industries

Private Funders

AARP Foundation
Absher Construction
Amazon
Association of Enterprise Opportunity
Association of Women's Business Centers
Banner Bank
Beneficial State Foundation
Boeing Foundation
Boeing Employees Credit Union Foundation
Capital One
Columbia Bank
Craft3
Farmstand Local Foods
Federal Home Loan Bank of Des Moines
Harborstone Credit Union
Hauser, Jones & Sas
Hummingbird Marketing Services
Insperity
JP Morgan Chase Foundation
KeyBank Foundation
MADE Law
Mastercard Foundation
MUFG Union Bank Foundation
National Development Council
Northwest Area Foundation
Northwest Credit Union Foundation
Oregon Community Foundation
Remitly
SAP Concur
Seattle Credit Union
Sound Credit Union
Team Soapbox LLC
The Norcliffe Foundation
The Russell Family Foundation
The Spur Group
The U.S. Bank Foundation
Umpqua Charitable Foundation
Verity Credit Union
Veterans Loan Fund LLC
Vulcan Inc.

Washington Economic Development Association
Washington Federal Foundation
Washington State Employees Credit Union
Washington State Microenterprise Association
Washington Trust Bank Foundation
Wells Fargo Foundation
West Monroe Partners

In-Kind Contributions

Arceda Accounting and Business Services
Association of Washington Business Institute
Beneficial State Bank
Boon Boona Coffee
Heart Financial Group
IYBS Local
Jeanie Cisco-Meth
Maria Perez Mason
Aikido Tacoma Aikikai
Nuflours Bakery
Olykraut
Pacific Coast Harvest
Quad 2 International LLC
Roy Hsu
Tad Richardson
The Retirement Solution Inc.
TheWMarketplace
Visual Print Solutions

Individual Donors

Andrea Lucas
Audrey Hackett
Barbara Elizabeth Bolles
Bill Kirst
David Gorton
Elizabeth LaZella
Erica Delevan
Ezgi Ucaner-Flor
Heidi Rickard
Heyward Watson
Jason Hirl
Jessica Enzi
Joe Sky-Tucker
John Hammond
John Zmolek
Julie MacDonald
Kellen Ball
Kerrie Hurd
Kristina D. Maritzczak
Lisa Stirgus
Liz Kenyon
Lorri Wallace
Maggie Karshner
Marcus Harjani
Maria Perez Mason

Marieka Klawitter
Michael Felts
Michelle Ritter
Munzer Sukhun
Nadine Byrd
Nick Etscheid
Oghale Agbro
Palacia Scott
Pelin Muharremoglu
Peter Ha
Phil Jones
Ryan Koegel
Sarah Slonsky
Susan Hanson
Tom Berquist
Travis Wilkinson
Whitney Keyes
William Hayes





Our sustaining partners make our work possible by providing the capital and operating support that powers our mission. We are proud to work with these partners who share our vision for a Pacific Northwest where all business owners have an equal opportunity to succeed.

WSECU

**sound
credit
union**

Harborstone[®]
Credit Union

B|E|C|U

Verity
CREDIT UNION

USDA

POWERED BY
SBA
U.S. Small Business
Administration