FOR ALMOST HALF OF THE LATINO RESIDENTS OF SAN FRANCISCO’S MISSION DISTRICT financial security is not something to take for granted. Mission locals have limited access to low-cost financial services, and significant swaths of the community resort to lending, borrowing and saving informally. One drawback of remaining “unbanked” is that, without a checking account or credit history, it is difficult to save and invest in long-term goals, such as buying a house or starting a business.

These realities cast a pall over this vibrant working-class neighborhood, which serves as a gateway to a new life in America. The Mission has always been the cultural epicenter of San Francisco’s Latino community—a neighborhood renowned for its strong familial ties, striking street murals and dynamic civic organizations. Almost half of all residents are foreign-born; two-thirds of these are from Mexico and Central America. They are important contributors to the local economy, and yet remain marginalized from the financial mainstream.

Levi Strauss & Co. has had a long presence in the Mission—one of the Company’s sewing plants was located at 250 Valencia St. for over 90 years. When Levi Strauss & Co. sold the building in 2005, it donated all proceeds to the Levi Strauss Foundation (LSF), and designated $1 million to reinvest back in the Mission.

Certainly, there had been significant charitable investment in this emblematic San Francisco neighborhood in recent decades—so what additionally could be done to effectively help Mission residents break the cycle of financial instability? The Levi Strauss Foundation provided an original answer by creating the Mission Asset Fund (MAF), a nonprofit organization that stresses the role of the community—and its cultural makeup—to address the economic needs of immigrants and low-income families in the neighborhood. The challenge was to address the community’s needs while also driving structural change.

A steering committee—comprised of six community leaders and a LSF representative—worked on a volunteer basis to guide the research and development of MAF. Over a ten-month period, they talked to Mission locals about how to build prosperity for them and their children. Taking these insights into consideration, MAF developed a 5-year business plan and engaged other public and private partners to co-fund the initiative.

In 2007, LSF made the initial donation to formally launch the Mission Asset Fund. Within its first year, over one hundred “matched savings” accounts were set up—allowing Mission locals to begin saving for long-term goals, like a home or an education. While demand for this service was apparent, it was still imperative for residents to develop a good credit score in order to access money at low fees.
MAF launched the groundbreaking program *Cestas Populares* (literally, popular baskets), in 2008. It became an innovative way to help people build and access credit by recasting a traditional saving practice used by low-income people throughout the world.

In a traditional *cesta*, members form peer-lending circles, in which each person contributes an equal amount of money into a collective pool; the accumulated amount is then distributed to a different member of the *cesta* each month. It’s a system based on mutual trust, and allows people to circumvent predatory lenders. However, while *cestas* let members reach their individual savings goal quickly, transactions don’t register among credit agencies, so members still remain locked out of the traditional financial market.

In response, MAF rethought the concept of the *cesta* as a method to actually “formalize” the lending activities taking place. The *Cestas Populares* process is deceptively simple: MAF motivates its clients to form traditional *cestas*, while concurrently requiring members to complete a financial management course to understand how to use credit responsibly. MAF subsequently records each of the *cestas* transactions and reports them to major credit agencies. As payments are recorded, participants begin to establish a credit record—gaining access to mainstream capital and low-cost loans for education, homes or small businesses.

In just two years, MAF managed over $500,000 in *cesta* loans. The total capital loaned through the program skyrocketed from $15,000 in 2008 to over $350,000 in 2010. Other neighborhood nonprofits approached MAF to learn ways to bring this resource to their own members.

To date, MAF has helped Mission residents earn $200,000 in matched savings. Through *Cestas Populares*, they have avoided paying another $200,000 in interest and fees to predatory lenders. Overall, the Levi Strauss Foundation’s initial $1 million investment has brought an additional $1 million in capital flows into the neighborhood.

Through this work, the Levi Strauss Foundation has demonstrated that working with communities to develop culturally relevant solutions is a lynchpin to driving sustainable change. Five years after the initial grant, LSF continues to be a part of the Executive Board and provide general support for MAF. By developing a variety of approaches that help low-income residents save for their future, the Mission Asset Fund has produced a structure that is valued and praised by the people it is meant to serve—the essence of a solid community partnership.

**LEVI STRAUSS FOUNDATION:** Established in 1952, the Levi Strauss Foundation is an independent private foundation that is grounded in the pioneering legacy and enduring values of Levi Strauss & Co.: originality, integrity, empathy and courage. The Foundation advances the human rights and well-being of underserved people where Levi Strauss & Co. has a business presence by taking courageous risks, supporting innovative community partnerships and promoting the practice of good corporate citizenship.