

## **Application Summary**

**Mamacitas Cafe**, a specialty-foods social enterprise, will team with Mills College's Lorry I. Lokey School of Business and Public Policy to further develop Mamacitas' capacity to support the specific needs of systems-involved women of color, ages 18-24, within the City of Oakland, California. Through this partnership, Mills College will add comprehensive social entrepreneurship education to Mamacitas existing program which provides on-the-job training, financial literacy and wrap-around services to young women facing significant barriers to employment. Additional collaboration with Working Solutions, a Community Development Financial Institution (CDFI) and an SBA Microlender and Technical Assistance Intermediary, will provide seamless access to lending capital to qualified applicants who graduate from this pilot program.

## **Contestant Capacity: Organizational Background**

Mamacitas Cafe was founded in 2014 to address complex intersections of race, gender, incarceration and class by creating economic pathways centered around the unique needs of systems-involved individuals. According to the Public Policy Institute of California, about 70% of people who leave a California State Prison end up back inside in less than one year. Women have particularly complex barriers as the overwhelming majority of women in prison are survivors of domestic violence. According to the Domestic Violence Survivors Justice Act, three-quarters have histories of severe physical abuse by an intimate partner during adulthood, and 82% have suffered serious physical or sexual abuse as children.

Mamacitas was founded by Shana Lancaster and Renee Geesler, with support from a formerly incarcerated mentor, to disrupt the high rate of recidivism and unemployment amongst black and brown women in Oakland. Mamacitas' unique work environment stabilizes young women in transition, by providing living wages, holistic healing services and the preparation to build their own economic ladders in a trauma-informed workplace. This multi-racial and intergenerational enterprise rejects exploitative hierarchical structures and instead leads cooperatively. Through co-empowerment, women form deep relationships, have lower rates of recidivism and higher rates of long-term job retention.

Mills College's Lorry I. Lokey School of Business and Public Policy will bring academic expertise, as well as invaluable experience in personal, professional, and academic mentorship, to the partnership. Lead educator, Darcelle Lahr, is a Professor of Business Practice at the Lokey School. She has developed, and teaches, signature MBA courses in Social Entrepreneurship, and has extensive experience in serving social entrepreneurs and mission-driven leaders facing barriers to growth. In addition, Darcelle volunteers with a local doula group providing doula services to incarcerated women of color in Santa Rita County Jail.

## **Official Contact**

**Shana Lancaster** is a fourth-generation Oakland resident who is deeply connected to the city's unique landscape. Shana is a fierce youth advocate, a loving yet firm mentor, and empowers young people to fully explore their potential through one-on-one coaching and mentorship. Shana has over 15 years of experience in the foodservice industry and previously served as Program Director for a youth workforce development program housed at California Lawyers for the Arts. | [mamacitascafe@gmail.com](mailto:mamacitascafe@gmail.com), 510.421.9534

## **Participant Recruitment Plan**

Mamacitas Cafe has existing partnerships in place that provide referrals of systems-involved young women of color to the social enterprise. Although we cannot place everyone, we estimate that we receive 8 referrals each month from organizations like Youth Alive!, Beyond Emancipation, and MISSEY which provide direct services to our target population, but do not provide jobs or entrepreneurial training. We will continue to build on these partnerships and cultivate new referral pipelines with groups such as the Alameda County Public Defender's Office, which we estimate will yield an additional 8-10 referrals each month. By hiring staff through this pipeline, participants receive a holistic suite of wrap-around services from both the enterprise, classroom instruction and the referring agency.

## **Classroom Instruction**

An intensive business curriculum will be launched and delivered to two re-entry cohorts, who will be concurrently employed by Mamacitas Cafe, over a 14-week long session. Through our research we have found that the key to overcoming what might otherwise be destabilizing complexities of self-employment is the security and stability of concurrent traditional employment that is tailored purposefully and specifically to the healing needs of the participants. This is the model that Mamacitas follows in providing full-time employment in a work environment that supports our participants' entrepreneurship ventures, while fully investing in their learning, renewal, and growth.

Professor Lahr of Mills Graduate School of Business will convene and facilitate classes once a week, and will introduce young women to the social venture creation process, including how to develop a business plan, how to fund a business launch, and entrepreneurial decision-making. The course will be highly participatory including case studies, guest speakers, and extensive in-class discussions. Students will utilize the Mills Blackboard online interaction system for deeper collaboration and learning even outside of the classroom. Each participant will complete pre-coursework, under the mentorship of Mamacitas, to explore ideas for their pilot product so that classroom instruction can be tailored to the unique personal visions of each participant. The critical outcome of the course will be a professional business plan, demonstrating the viability of the participant's business concept.

Participants will explore how their organization's values and culture can not only spur successful business formation, but can also foster economic transformations in participants' own communities, thereby disrupting the harmful community patterns that may otherwise contribute to a community's own marginalization. Exploring these deeper systemic connections between economics and incarceration can empower women to heal themselves, and their communities, through enterprise.

With the support of Professor Lahr, Mills MBA students, and Mamacitas Cafe leadership and staff, qualified program participants will implement their new product or service through Mamacitas Cafe's business incubator. By launching their venture at their own place of work, participants will receive valuable feedback

about their venture in real-time from customers and colleagues, and will be able to make adjustments and refine as needed.

Additional components of this learning program, can be tailored specifically to the learning needs of the reentering individuals, and will be adapted directly from the other Mills courses taught by Darcelle Lahr: Strategic Management, Leadership and Ethics, and Social Impact Consulting. Further elements will be adapted from existing Mills MBA courses in managerial accounting, corporate finance, marketing management, operations management, public policy, economics for managers, organizational development, and persuasive communications, ensuring an integrated, holistic learning experience.

### **Mentoring**

All participants will be employed by Mamacitas Cafe prior to and during their coursework. During employment they will receive intensive food-service training, personalized mentorship, and on-the-job coaching. After a 6-week introductory phase, participants are then integrated into any aspects of business development that interest them, from menu planning to marketing to community engagement. This will begin laying the foundation for young women to imagine what kind of product or service they may be interested in exploring in their business plan. They will be able to take their on-the-job ideas to their classes at Mills for further discussion and development.

Once the entrepreneurial coursework starts, participants will receive additional mentoring from Mills MBA students. Mills students will work one-on-one with the formerly incarcerated individuals to deliver personalized, trauma-sensitive, mission-aligned business development support. MBA students will be supported in their consulting roles by seasoned Lokey School faculty.

### **Community Connections**

Mamacitas Cafe is committed to creating economic stability for our participants by providing services for emotional stability, teaching mastery of transferable job skills and offering clear pathways to upward mobility. Mamacitas belongs to a thriving ecosystem of small, socially-engaged businesses and organizations and, depending on an employee's interest and skill set, it is common and encouraged for employees to pursue advanced business and leadership training at one of our partner organizations.

For example, one of our longest standing partnerships is with Red Bay Coffee, a mission-driven, black-owned coffee roaster in Oakland, CA. Red Bay was founded by Keba Konte and prioritizes the hiring and training of formerly incarcerated individuals to work at his operation. Red Bay supplies Mamacitas coffee, trains our staff in coffee and barista skills and supports diverse entrepreneurship opportunities in the specialty coffee industry.

Another example of a valued community partner is Regina Evans, a sex-trafficking survivor and dedicated leader in the community. Through her vintage boutique, Regina's Door, she has created economic opportunities in a safe space for trafficking survivors, incarcerated and homeless youth. She provides compassionate and knowledgeable guidance and mentorship to aspiring, formerly traumatized, entrepreneurs.

### **Access to Capital**

Mamacitas provides financial literacy training as part of its program curriculum. Within the first 6 months of employment, participants learn budgeting and planning by independently operating a pop-up event. With the support of Mamacitas leadership and staff, participants calculate all costs associated with an event and establish their own revenue goals. After the event, they perform a financial analysis to understand whether they lost money, broke even or made a profit and then apply these learnings to better plan for another event.

This ongoing coaching will supplement the 14-week entrepreneurship training class provided by Mills College. Through additional partnerships with organizations like Operation Hope, participants will be coached on the basics of credit and receive referrals to community organizations and credit-repair resources in preparation for an approach to potential funding sources. Together, Mamacitas, Mills and Working Solutions will assist participants with learning to prepare for funding, and will support each participant as they navigate the funding and credit application process.

Working Solutions has a proven track record of serving disadvantaged populations who often lack access to traditional sources of credit. Working Solutions launched its microlending program in 2005, and has since made over \$11 million in microloans with a stellar 96% repayment rate to small businesses that have created or retained 2,000 jobs in the local community. Working Solutions provides:

- **Pre-loan Technical Assistance:** Applicants receive assistance from the Working Solutions Business Development and Business Lending Teams to help with completing their credit application and gathering any necessary documents for the underwriting process.
- **Safe, Affordable Microloans:** Working Solutions makes loans of \$5,000-\$50,000 to help underserved entrepreneurs start and grow small businesses. There is no minimum credit score requirement. The Working Solutions Step Ahead Loan Program is designed to offer smaller loans of \$5,000-\$10,000 to primarily cash-based businesses. The Step Ahead Loan product relies on flexible underwriting, a fast turn-around time, and limited paperwork to help underserved business owners with multiple barriers enter the financial mainstream.
- **Post-loan Business Consulting:** Working Solutions also offers customized, one-on-one business consulting to companies that are active clients in the Working Solutions loan portfolio. Our consultations are available for the full term of each loan, up to 5 years, and focus on skill-building so that our clients can apply what they learn to their long-term business success.

## **Conclusion**

Mamacitas Cafe is pleased to be partnering with Mills College and Working Solutions to provide wrap-around, tailored services to formerly incarcerated individuals. We appreciate the opportunity to have our program considered for an Aspire Challenge award, and we welcome thoughts and feedback from the committee.