Letter from Henry Jimenez  
LEDC’S EXECUTIVE DIRECTOR

We would like to thank you for the support provided to the Latino Economic Development Center last year during the transitional time. As you may know, I started as Executive Director on March 1st, 2019. Upon my arrival, I assessed LEDC’s capacity, community impact, and contractual responsibilities. I found that LEDC still plays a crucial role in supporting Latino entrepreneurs and job seekers. Unfortunately, for the last couple of years, LEDC hasn’t been able to meet our community’s needs and operate efficiently. This was a challenging scenario, and while this report reflects the work done in 2018, I am happy to share that we have made substantial progress in 2019 to address those challenges. Some of the immediate adjustments we made included:

- Simplified and refocused the organization by redirecting LEDC staff to provide more direct technical assistance to businesses, lending, and workforce development. LEDC will focus their efforts to serve entrepreneurs in the feasibility stage, business retention, and new business. On a case-by-case basis, LEDC will work with second-stage businesses. Businesses that LEDC will not be able to serve will be referred to our partners.

- Changed the customer flow, assigning entry-level staff acting as a case manager and a more seasoned consultant to provide more technical services to our clients.

- To increase our capacity in the long term, we are in the process of hiring a second business consultant to be able to respond to the current demand for services. LEDC also provides the training for two of its new business consultants.

- To increase the organization’s branding, we had a series of activities to communicate to our membership that LEDC is still in operation and providing consulting services again. We ran an outreach campaign and a survey that increased substantially the number of businesses served.

- We keep committed to the work in the rural areas, and we are engaging in ways to improve the way we provide services to our customers.

- We were able to successfully sell Los Lagos building, and we are in the process of assessing the appropriate real estate needs for the organization.

- Finally, to improve the grant and contract management, LEDC contracted Clifton Larson Allen for accounting and systems management.

We look forward to continuing strengthening our communities through our work.

Letter from Christopher Romano  
LEDC BOARD OF DIRECTOR’S CHAIR

Friends, Colleagues, Community Members, Entrepreneurs –

The community spirit is strong behind LEDC’s mission and purpose. It can be seen in the Latino immigrants who come to Minnesota looking for opportunity—willing to work hard and sacrifice to bring their dreams to life. In doing so, these entrepreneurs revitalize communities in the metro’s urban core and across outstate Minnesota that often suffer disinvestment and blight. The spirit can be seen in the voice and influence provided by our established Latino business owners who have built million-dollar enterprises that employ our community members, give back to and support our local neighborhoods, and who “pay it forward” in support of other aspiring entrepreneurs. It can be seen in the individuals who commit to LEDC’s training and educational coursework with a dedication to learning and personal improvement. And it can be seen in the Latino farmers and agriculturalists who bring skill and investment in rural communities across our state. At LEDC we work tirelessly to build economic power, political influence, and community leadership within our local Latino communities, which, ultimately, creates a better Minnesota for all of us.

I feel tremendously grateful to be part of such an important organization—one that is needed now perhaps more than ever. And I am extremely proud of both what Henry and his team have been able to accomplish in 2019, as well as of what will be possible in 2020 and beyond. To those of you who have been a part of our work, a sincere “thank you.” Without trusted partners and supporters, LEDC would not be what it is. And for those of you who are inspired by our work but not yet engaged, please consider stepping forward. Help us by contributing to our work, and in doing so you will be supporting a strong and powerful vision and purpose. Together we can drive toward stronger, more diverse, and higher performing communities across Minnesota.

In solidarity,

Chris
The Latino Economic Development Center is a not-for-profit organization created in 2003 to support the economic well-being of Latinos in Minnesota. LEDC initially focused its efforts to support Latino entrepreneurs in the Twin Cities area, but due to the demand services and the evolving needs of our community, LEDC has developed a series of initiatives to respond to the business and workforce needs of the Latino community throughout Minnesota. Those initiatives are grouped in the following main categories:

**What LEDC does**

- **Entrepreneurship**
  - One-on-one assistance, coaching, and trainings

- **Workforce Development and Trainings**
  - GED in Spanish, English, Computer, Entrepreneurship

- **Access to Capital**
  - Loans and loan packaging

- **Latino Scholarship Fund**
  - Scholarships for Latino students

- **Rural and Agricultural Development**
  - Investing in local food systems and minority-owned businesses/farms

**Our Vision**
A thriving multicultural community, enriched with Latino leadership, culture, and economic influence.

**Our Mission**
To transform our community by creating economic opportunity for Latinos. We are an ethnic, membership-based Community Development Financial Institution (CDFI) certified by the U.S Department of Treasury, by the Minnesota State Council of OICs, and OIC America as an Opportunities Industrialization Center (OIC).

**LEDC at Glance**

- 17 loans given, totaling $626,000
- 1,050 hours of business technical assistance in the Twin Cities area
- 1,300 hours/70 businesses and farmers in rural areas
- Loan portfolio includes 110 open loans and over $4,500,000.00
- Jobs impacted 186 employees, 128 jobs created
- 3 scholarships to Latino students, totaling $7,500
- 3 loans given
- 1,300 hours/70 businesses and farmers in rural areas
- 7 staff members and 3 consultants
- 125 people received workforce services
- Trained 42 new aspiring entrepreneurs
- 5 farmers received the Organic + Good Agricultural Practice certifications
Access to Capital and Loan Program

In 2018, LEDC approved 17 loans totaling $626,000. LEDC’s portfolio increased to 110 loans totaling over $4,500,000 since 2013. LEDC’s loan portfolio is geographically distributed throughout the state: of the total dollars allocated $2.1M was in Saint Paul, $1.3M was in Minneapolis, $600K in rural areas, and $300K in subsidies in the suburbs. We have lent $440K to farmers. Through this program, we have been able to retain 186 jobs and create 128 in 2018.

Employment and Trainings - TTOIC Academy

In 2018, 125 people participated in one or more of our training offerings. Our current offerings include trainings for English as a second language, GED and pre-GED, computer skills development, micro-entrepreneurship, and workforce development. Over 80% reported job retention beyond six months. In 2018, our micro-entrepreneurship class supported the creation of six new jobs in Stillwater.

Entrepreneurship program

We provided over 3,000 hours of technical assistance in the metro area and rural area impacting about 287 entrepreneurs. We also surveyed our members to understand their current business needs, challenges, and opportunities. From this survey, we created a new entrepreneurship curriculum, which we piloted in 2018 with 42 aspiring entrepreneurs. LEDC currently has 404 clients in its entrepreneurship program, and 133 of those are paying members.

Picture:  Hector Lopez, owner of La Chiquis Supermarket, recipient of the BizRecycling Grant (10K) to implement a new recycling system at his business.

Picture:  2018 GED Graduation

Picture: José Parada, inauguró su negocio “Vidal Auto Service” en Julio de 2018 gracias a el programa de asistencia técnica
Rural and agricultural development

In 2018 this program received $342K in federal grants to continue providing technical assistance to minority-owned farms and small businesses. Our program is now working with farmers from Minnesota, Wisconsin, Michigan, and Florida. In 2018 we provided 1,300 hours of technical assistance. The demand for services keeps growing steadily, and we expanded services in the Minnesota communities of Danube, Renville, and Little Falls, and in Eau Claire, Wisconsin. Finally, through this program, LEDC helped five farmers obtain their certificate as organic producers and in food safety management, as well as expanded four existing businesses and created four new ones.

Picture: Asoel Garcia sheep farmer, Benson, MN

Latino Scholarship Fund (LSF)

In 2018, LEDC gave three scholarships of $2,500 each for a total of $7,500 through its Latino Scholarship Fund program.

The 2018 LSF recipients are:
- David Jiménez Bermeo: Nontraditional
- Emmanuel: First Year Access
- Karen Lopez: First Year Access

About the LSF:
In the early 1990s a group of low-income entrepreneurs had the dream of starting a program that would offer higher education opportunities to low-income Latino students who might also face legal challenges that prevent them from accessing financial aid. For many years, Latino leaders from different fields of community development continued to work toward this vision. Thanks to their hard work, the Latino Economic Development Center and its membership were able to create the LSF. In 2006, LSF awarded its first two scholarships.

Picture: 2018 Latino Scholarship Fund Recipients
Organizational Capacity and Sustainability

LEDC's main challenge in 2018 was to stabilize the organization and keep providing services to its members and potential entrepreneurs while experiencing staff changes. We want to give a special thanks to Ramon Leon (LEDC founder and longtime Executive Director), John Flory, and Yolanda Cotterall for their invaluable support, hard work, and commitment with the organization for all those years. They now go their separate ways to conquer new personal and professional challenges, and we wish them the best on their journey.

To respond to the organizational challenges, in 2018 LEDC created a stabilization plan and hired a transitional team to meet the following objectives:

1. Stabilize LEDC's financial outlook
2. Improve operating systems
3. Clarify short-term focus activities
4. Facilitate leadership transition
5. Implement real estate management strategy, including the sale of most of its current buildings

Under the leadership of Christopher Romano, LEDC hired a consulting firm to create a strategic framework. Ron Lezama was hired as Interim Executive Director, and Mike LaFave as a Financial Consultant. These two consultants became the point of contact during the transition. This transitional team provided the consistency and energy needed to not only keep the organization afloat but also to take the first steps to rebuild it. In late 2018, LEDC decided to seek a new executive director, which resulted in the selection of Henry Jimenez as the new LEDC leader. Once Henry joined the organization in early 2019, there was substantial progress toward meeting the objectives set in the 2018 stabilization plan. There was a small reorganization to ensure the organization could meet the needs of its clientele and stay financially stable. Also, to increase the technical capacity, LEDC conducted a train-the-trainer session, implemented by Yolanda Cotterall and John Flory to train two new business consultants. LEDC also hired two senior-level consultants on a contract basis to coach entry-level staff and to provide direct technical assistance to businesses. As part of rebuilding the organization, Ron Lezama fostered cooperation between John Ramirez and Yolanda Cotterall to develop a new micro-entrepreneurship curriculum in Spanish that is both high quality in content and culturally relevant. To create consistency in our systems and improve our relationship with our membership, we are creating a consolidated database and tracking system to have more timely and accurate reports. We expect to have this new system up and running in late 2019. Finally, we took strong steps to sell one of LEDC's buildings.

We want to thank our partners, supporters, friends, and staff for their commitment to the organization during times of uncertainty. We believe the worse is over, and the organization has taken strong steps towards its stabilization and we expect to see it thrive in the oncoming months.
Financial

Statement of Financial Position

Assets
- Cash and cash equivalents $171,959
- Accounts and grants receivable $115,787
- Contributions receivable $92,500
- Other assets $22,233
- Loans receivable, net $1,981,174
- Cash restricted for loan programs $747,798
- Property and equipment, net $2,929,661
Total $6,061,112

Liabilities
- Accounts payable / Accrued expenses $178,017
- Due to State of Minnesota $249,725
- Notes Payable $3,766,960
Total $4,194,702

Net Assets
- Net assets without donor restrictions $(42,574)
- Net assets with donor restrictions $1,908,984
Total $1,866,410

Statement of Activities

Revenue
- Contributions & in-kind $371,684
- Government grants $352,881
- Program fees $20,335
- Rental revenue $393,903
- Interest income $153,901
- Special events $12,500
- Other income $25,631
Total $1,330,835

Expenses
- Program services $1,413,956
- Management and general $530,531
- Fundraising $56,288
Total $2,000,775

Change in Net Assets $669,940

Funders and Sponsors

Grant & Individual Contributions
- The Saint Paul Foundation
- McKnight Foundation
- F R Bigelow Foundation
- Blandin Foundation
- US Bank Foundation
- McNee Foundation
- Wells Fargo Foundation
- Ramsey County
- LISC - Local Initiatives Support Corporation
- Immigrant Law Center
- Xcel Energy

Sponsorships - Mexican Independence Celebration
- Mexican Consulate
- Faribault Foods
- US Bank
- Fredrikson & Byron, PA
- Catholic Community Foundation

Sponsorships - Taco Tour
- El Nuevo Miramar Restaurant
- Taqueria Los Ocampo
- La Guadalupana, Inc

Sponsorships - Mexican Independence Celebration
- Mexican Consulate
- Faribault Foods
- US Bank
- Fredrikson & Byron, PA
- Catholic Community Foundation

Latinos Scholarship Fund
- Minnesota Twins Baseball Club
- Christopher Romano
- Ron Lezama
- Jose Gonzalez
- Sunrise Community Banks
- John Robertson
- Law Office of Iris Ramos

Compeer Financial
- Fairview Health Services
- Community Shares of Minnesota
- US Bank Employee donations
- Ally Financial, Inc
- Merrick Community Service
- Thrivent Financial Foundation
- United Way
- Benevity Fund
- Mightycause Charitable Foundation
- Center for Energy & Environment
- Razoo Foundation

Carmens Enterprise LLC
- Sonora Grill Longfellow, LLC
- A la Salsa Restaurant
LEDC’s Board of Directors
Christina Jennings, Shared Capital
Maria Boyle (Vice chair), J & B Group
Uri Camarena (Secretary), MEDA
Eduardo Mozqueda, Dorsey and Whitney
John Pacheco, Latino Chamber of Commerce
Andre Goodlet, Hormel Foods
Thomas Pantalion, US Bancorp
Christopher Romano (Chairman), Thrivent Financial Services
Iris Ramos, The Law Office of Iris Ramos LLC
Ambar Hanson, Hiawatha Academies
Victoria Ann Blanco, PricewaterhouseCoopers (PwC)

LEDC’s Executive Director (2019)
Henry Jimenez

LEDC’s Staff and Main Consultants (2018)
Andres Salinas, Loan Program Assistant
Alondra Rodriguez, Community Outreach Specialist
Jaime Villalaz, Greater MN Ag/Business Director
Joanne Parker, Bookkeeper
Johanna Jaquez, Client Specialist and Membership Coordinator
John Ramirez, TTOIC Director
Rocio Bustillos Valenzuela, Loan Program Director
Rodrigo Cala, Agricultural Consultant
Valentina Hidalgo, Community Outreach Specialist

Transitional Leadership
Ronal Lezama
Mike Lafave

Consultants
John Flory, Business Consultant
Yolanda Cotterall, Business Consultant

(612) 724-5332
www.ledc-mn.org
East Side Enterprise Center
804 Margaret Street.
St. Paul, MN 55106
LEDC-MN