2019 marked an important turning point for LEDC. Through systematic evaluation of what was working well and what needed improvement, we emerged from 2018’s survival mode to become a stable organization with a strong base coming into 2020. Some of these efforts have led to immediate results; others will bear fruit over time, as we continue to grow our capacity both in terms of staff and financial resources.

In addition to the department-specific accomplishments you will find in the body of this report, a few organizational achievements worth highlighting from 2019 include:

Consolidation of operations into one Twin Cities location. After the sale of the Los Lagos building, we assessed our need for physical space in terms of size, cost, and accessibility, leading to a decision to consolidate all our operations into the East Side Enterprise building. This decreased our operational cost and improved the internal coordination of services between staff members.

Departmental reorganization. In order to provide more specialized services, we reorganized our teams from region- to sector-based departments, splitting rural businesses and agricultural program into two service lines. Rural non-farming businesses now form part of our larger entrepreneurship and Business Development family, and our newly created Agricultural program is able to provide farmers and agricultural businesses, both in the Twin Cities and across greater Minnesota, with technical assistance tailored to their fields. This reorganization, along with a detailed review and revision of all of our job descriptions, leaves us well-positioned us for expansion and continued improvement in the way we meet the unique needs of our Latino and immigrant business communities.

Accounting and grant management. With a focus on maintaining the accuracy of our financial reporting, we continued working with Clifton Larson Allen to coordinate our programming with an improved accounting and grant management system. Due to be fully implemented in 2020, we took substantial steps in developing an online platform to exchange information between our loan/access to capital programs and our accounting system.

Legislative Advocacy. In 2019, we were intentional and proactive in bringing the Latino voice to the halls of our government institutions. We testified in the legislature to support policies that benefit the Latino business community and met with Governor Tim Walz, as well as with the mayors of Minneapolis and St. Paul. We believe this advocacy is only the beginning of broader conversations centering the needs of our clients and members, and the greater community.

Refreshed online image and presence. LEDC is proud to enter 2020 with a clean and inviting website redesign, including a sharp new logo. Our fully bilingual web presence ensures that our community of clients and members, as well as our partners and potential funders, can easily access and feel at home on our page. As a trusted source of information in Minnesota’s Latino and immigrant communities, we look forward to the continued expansion and efficacy of our communication channels.

As we look ahead, feet planted firmly on the stable foundation we have built throughout 2019, we are filled with optimism that, with your support, we will continue building the thriving organization that our Latino businesses, which are pillars of our culture, deserve.

To LEDC friends, supporters and members of our community,

Of everything that LEDC was able to accomplish in 2019, I am perhaps most proud of the organization’s reemergence as the prominent Community Development Finance Institution (CDFI) serving Latino communities and entrepreneurs in Minnesota. Due to the strategic leadership embodied in our Executive Director Henry Jimenez, as well as the care and skill provided by LEDC’s capable staff, 2019 will be remembered as the year that LEDC significantly grew its effectiveness and its efficiency. Today, LEDC is a trusted partner to hundreds of local Latino business owners and entrepreneurs, as well as a strategic ally to local governments, philanthropic leaders and community representatives who bring a shared focus on the continued success of our communities.

Even as we recognize and celebrate LEDC’s accomplishments in 2019, it is necessary to also recognize that we are living in challenging and uncertain times. The COVID19 pandemic has been devastating to many of our local entrepreneurs and small business owners, most of whom have dedicated their lives to the success of their work. We are also together experiencing a significant civil rights upheaval and reckoning, as we collectively become more conscious of the systemic and historic racism that has always impeded the progress of our Black, Indigenous, People of Color (BIPOC) communities.

Yet even as we face the challenges presented during these unprecedented times, there are signs of hope for our communities. The stabilization and growth accomplished in 2019 has positioned LEDC to demonstrate formidable leadership in today’s unsettled environment. LEDC has become the conduit through which support for, and solidarity with our Latino entrepreneurs flows. Because of the leadership provided by LEDC and its allies, I continue to be confident in the future growth and success of Minnesota’s Latino communities.

My parting challenge to you today is to seriously consider how you might personally support LEDC’s vital work in Minnesota communities. This is truly a time of collective effort and even the smallest positive action contributes to a larger and more impactful ripple. Visit our local entrepreneurs, be intentional in making local purchases, contribute financially to the organizations you care about, share precious time in a volunteer capacity. Be a part of the positive change we are all hoping for!

In solidarity and with gratitude,
The Latino Economic Development Center was founded in 2003 by a group of Latino business owners and community activists united in their belief that Latino entrepreneurship could revitalize South Minneapolis. In the wake of the rapidly growing Latino population in Minnesota, Latino entrepreneurs and community members recognized the need for culturally and linguistically competent economic development services. This type of service could help recent immigrants bridge gaps in knowledge and understanding and help them develop assets that would enable them to achieve self-sufficiency. Those initiatives are grouped in the following five categories:

**LEDC Overview**

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

**Workforce Development and Trainings**
- GED in Spanish, English, entrepreneurship, and computer literacy

**Lending Program**
- Loans and loan packaging

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

**Rural and Agricultural Development**
- Investing in local food systems and minority-owned 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 US Department of Treasury, by the MN State Council of OICs, and OIC America as an Opportunities Industrialization Center (OIC).

**LEDC at Glance**

- **14 Loans Given** totaling $659,800, leveraging 2,035,200
- **40 Small businesses** received 1050 hours of business technical assistance in the Twin Cities area, and 250 in the rural area
- **Loan portfolio** includes a total of 124 loans totaling for $5,026,954.00
- **25 farmers** received 1640 hours of technical assistance
- **3 Scholarships to Latino Students**, totaling $7,500
- **10 Staff members and 4 consultants**
- **Trained 94 new aspiring entrepreneurs**
- **6 farmers** received the organic food + safety food manufacturer certifications

Jobs Impacted
- 156 employees, 73 Jobs Created

130 people received business or workforce trainings

25 farmers received 1640 hours of technical assistance

10 Staff members and 4 consultants

3 Scholarships to Latino Students, totaling $7,500

Trained 94 new aspiring entrepreneurs

6 farmers received the organic food + safety food manufacturer certifications
Entrepreneurship
Business development

Beginning in the Twin Cities and extending to rural Minnesota, the success of LEDC efforts in prior years have created opportunities and removed barriers to business and economic progress for Latino immigrant community members throughout Minnesota.

In 2019 the Business Development department integrated both metro and rural areas into one department. The demand for technical assistance and business development services is continuously increasing. Over 1,000 hours of technical assistance were provided to dozens of start-up and existing businesses in the Twin Cities area and more than 200 hours in greater Minnesota. In return, in late 2019, LEDC started the process of hiring new staff to meet the demands for services and loans.

LEDC provides a wide range of services for new and expanding businesses through one-on-one coaching. Areas of coaching include the following: business planning, financial matters, cash-flow needs, financial statement interpretation, and marketing. Technical assistance is offered to clients when they are ready to start the process of becoming business owners.

Despite the challenging year for the LEDC business development team in greater Minnesota, we were able to succeed with limited personnel: Six new businesses created in Willmar, Benson, Morris, and Foley as well as twenty-five jobs impacted, and twelve new jobs created. LEDC also distributed $225,000 in business loans and $75,000 was leveraged from collaborations.
Lending Program

As displayed by the steady growth in overall loans produced and portfolio size, 2019 was a successful year for the LEDC’s Lending program. In 2019, LEDC approved fourteen loans totaling $659,791, which in return leveraged an additional $2,035,200. LEDC’s portfolio increased to a total of 124 loans totaling $5,026,954 since 2013. Loans given in 2019 were geographically distributed throughout the state allocating $96,600 in Saint Paul, $186,191 in Minneapolis, $97,000 in surrounding metro cities, and $280,000 in rural areas. Forty-one jobs have been retained through this program with an additional forty-eight new jobs created in 2019.

LEDC also took necessary steps toward improving our programs systems and protocols by:

1) Initiating the process of updating the lending policies and procedures manual (Completion deadline December 2020).

2) Securing a CDFI Grant to transition the loan management software from the desktop version to the iCloud version, and improving the exchange of information between the accounting department and the lending program.

Employment and Training

TTOIC Academy

In 2019, 94 people participated in 41 micro-entrepreneurship training sessions, totaling 82 hours of training and 3,952 hours of accumulated individual training.

Aspiring entrepreneurs received additional support from our business development team, which consisted of 260 hours of technical assistance, 195 hours of assessment support, and 233 hours of follow up through outreach. In total, our clients received 4,640 hours of business development support.

Our academy also provided GED completion programs and English classes. We served 31 students in our GED program. We offered 96 sessions, totaling 768 hours of group training, and 11,904 hours of cumulative training.

We served 5 students in our ESL program which provided 20 training sessions, totaling 40 hours of group training and 200 hours of cumulative training.
Agricultural Program (New)

In 2019, LEDC created the Agricultural Program, which was previously merged with the overall rural program. This program serves Latino owned agricultural businesses and farmers in the Twin Cities and across greater Minnesota. LEDC provides complete one-stop agricultural services for all clients, providing technical assistance, business development, access to capital and markets, and specialization in organic and food safety certifications.

In 2019, LEDC worked closely with Shared Ground Farmers Cooperative to sell over $200,000 of Latino grown vegetables. Three new Latino farm enterprises were registered and provided 4 Latino farm loans for a total of $95,000. Working alongside our partners in Michigan, we helped bring $80,000 of Latino grown blueberries into the Twin Cities marketplace. LEDC continues to work in the cooperative movement to explore ways of collective land ownership for farmers.

Latino Scholarship Fund (LSF)

LEDC provided five First-Year Access Scholarships and one Non-traditional Scholarship. Each scholarship was for $2,500 - totaling $15,000.

The 2019 LSF Recipients:
- Elena Castillo
- Gerardo Orozco Guzman
- Jailene Lopez Perez
- Jonathan Sosa Bustillos
- Jose Orellana Castillo
- Maya J. Casco Enriquez

About the LSF

In the early 1990’s, 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 may also face legal challenges that prevent them from accessing financial aid. For many years, Latino leaders from different community development fields continued to work on this vision. Thanks to their hard work, the Latino Economic Development Center and its members were able to create the Latino Scholarship Fund (LSF). In 2006, LSF awarded its first two scholarships.
### Statement of Financial Position

**Assets**
- Cash and cash equivalents: $429,330
- Accounts and grants receivable: $900,926
- Contributions receivable: $189,500
- Other assets: $19,346
- Loans receivable, net: $2,168,986
- Property and equipment, net: $2,079,196
- Total Assets: $5,787,284

**Liabilities**
- Accounts payable / Accrued expenses: $215,811
- Due to State of Minnesota: $306,320
- Notes Payable: $3,189,076
- Total Liabilities: $3,711,207

**Net Assets**
- Net assets without donor restrictions: $1,626,358
- Net assets with donor restrictions: $449,719
- Total Net Assets: $2,076,077

### Statement of Activities

**Revenue**
- Contributions & in-kind: $570,707
- Government grants: $599,336
- Program fees: $21,380
- Rental revenue: $325,201
- Interest income: $137,999
- Special events: $11,000
- Gain on sale of asset: $467,476
- Other income: $85,496
- Total Revenue: $2,218,595

**Expenses**
- Program services: $1,333,831
- Management and general: $611,801
- Fundraising: $63,296
- Total Expenses: $2,008,928

**Change in Net Assets**
- $209,667

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### Grant & Individual Contributions
- The Saint Paul & MN Foundation
- McKnight Foundation
- F R Bigelow Foundation

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

### Latino Scholarship Fund
- Minnesota Twins Baseball Club
LEDCC’s Board of Directors

Aileen Kasper, Genesys Works Twin Cities
Ambar Hanson, Mortenson Family Foundation
Andre Goodlet, Hormel Foods
Chris Romano (Chairman), Seward Redesign
Christina Jennings (Treasurer), Shared Capital Cooperative
Eduardo Mozqueda, TCF Bank
John Pacheco, Latino Chamber of Commerce
Maria Mejia de Boyle (Vice chair), J & B Group
Miguel Garate, Riverland Community College
Tony Vannicola, Consultant
Uri Camarena (Secretary), MEDA (Lending)
Victoria Blanco, Price Waterhouse Coopers

LEDCC’s Executive Director

Henry Jimenez

LEDCC’s Staff and Main Consultants

Aaron Blyth, Agricultural Program Manager
Alondra Rodriguez, Communications Manager
Andres Salinas, Lending Program Director
Jaime Villalaz, Business Development Director
Noah Heil, Employment Navigator, MN Opportunity Corps
Joanne Parker, Bookkeeper
Johanna Jaquez, Membership Services Coordinator
John Ramirez, Employment and Training Director
Valentina Hidalgo, Community Outreach Specialist

Consultants

Clifton Larson Allen for accounting and systems management
Daniel Bonilla, Organizational Consultant
Rodrigo Cala, Agricultural Trainer
Yolanda Cotterall, Business Development Consultant

(Alphabetical)