



ANNUAL REPORT

2025



Latino Economic
Development Center

Centro para el Desarrollo Económico Latino

A STRONGER FOUNDATION FOR GREATER IMPACT AS A CDFI

A Community Development Financial Institution (CDFI) is a specialized, mission-driven lender certified by the U.S. Department of the Treasury that provides financial services to low-income and underserved communities. They operate primarily as community development banks, credit unions, and loan funds. OFN stands for Opportunity Finance Network, a leading national membership network and CDFI intermediary representing community development financial institutions across the United States.



Dear Friends, Partners and Community Members,

I am grateful for what we accomplished together in 2025. With 12 years of experience serving the community as a Community Development Financial Institution (CDFI), this was a year of remarkable growth in our financial strength and in our ability to expand opportunities for Latino and immigrant entrepreneurs across Minnesota. Every dollar entrusted to LEDC represents a belief in the power of small businesses to transform families, neighborhoods and local economies.

While financial reports tell one part of our story, they also reflect something much deeper: responsible stewardship, transparency and the trust our community, partners and funders place in us.

That trust fueled extraordinary progress. We strengthened our financial position, increased our net assets and expanded our lending capacity, helping more entrepreneurs access the capital they need. This financial and operational strength enables us to remain responsive, nimble and resilient—prepared to navigate challenges and pursue new opportunities.

We continued to invest directly into programs that provide business development, lending and agricultural support, ensuring our mission remains at the center of every decision we make. We also continued our capital investment in our future through Plaza del Sol, a long-term investment in entrepreneurship, cultural celebration and community that will create opportunities for generations to come.

Our strengthened financial position provides the stability needed to respond to emerging community needs while preparing for future opportunities.

I extend a special thank you to our Board of Directors and the CLA accounting team for helping ensure we remain responsible stewards of the resources entrusted to us.

These achievements belong to all of us—the dedicated staff, committed board members, generous funders, trusted partners, and, most importantly, the business owners who place their confidence in LEDC every day. Together, we are proving that communities can thrive when they have equitable access to capital, knowledge and opportunity.

Thank you for believing in our mission and for helping us build a stronger, more resilient future.

Con gratitud y esperanza,

Alma Flores
Executive Director
Latino Economic Development Center

TRUST EARNED, IMPACT DELIVERED

**LEDC is the only
Latino-focused
CDFI in Minnesota
and the Upper
Midwest.**

Trust is earned through transparency, accountability and a steadfast commitment to excellence. In 2025, LEDC strengthened that foundation by earning two significant third-party recognitions that affirm our financial strength and impact.

After a rigorous three-year process, LEDC achieved a BBB+ AERIS® Financial Strength and Performance rating, an independent assessment designed specifically for Community Development Financial Institutions (CDFI).

The rating evaluates financial health, performance and risk management practices, providing investors, lenders and partners with confidence in our ability to deliver lasting economic impact while maintaining a strong, sustainable organization.

We also earned the 2025 Candid Platinum Seal of Transparency, the highest level of recognition available to nonprofit organizations and an honor achieved by fewer than 1% of nonprofits nationwide. This designation recognizes organizations that publicly share detailed information about their mission, governance, finances and measurable results. By providing recent impact metrics and meaningful context around our work, we have demonstrated our commitment to openness and responsible stewardship.

Together, these recognitions reflect more than organizational achievements. They represent the trust placed in LEDC by entrepreneurs, funders and community partners. These recognitions underscore a culture of accountability that manages resources responsibly and creates lasting opportunities for the small business owners and communities we serve.



A YEAR OF EXCEPTIONAL GROWTH

LEDC ended 2025 with record revenue, expanded assets, increased lending capacity and a clean, independent audit. This financial growth strengthens our ability to invest in entrepreneurs and build lasting economic opportunities across Minnesota.

+134%
Revenue

+63%
Net Assets

+42%
Assets



Revenue Mix

Government	72.52%
Philanthropy	20.79%
Lending Interest Income	4.75%
Other Income	1.70%
In-Kind Contributions	0.16%
Program Income	0.08%



Use of Resources

Program Services	61.98%
Management & General	32.69%
Fundraising	5.33%

A special **thank you** to our philanthropic and government partners who make this work possible:

- Alerus
- Ameriprise
- City of Minneapolis
- Cloud Mountain Foundation
- Compeer Financial
- F.R. Bigelow Foundation
- Greater Twin Cities United Way
- Hardenbergh Foundation
- Huntington Bank
- James B Linsmayer Foundation
- JP Morgan Chase
- McKnight Foundation
- McNeely Foundation
- Mexican Consulate
- Minnesota Inclusive Growth Fund
- Minnesota Rural Finance Authority (RFA)
- Minneapolis Foundation
- Mortenson Family Foundation
- National Association for Latino Community Asset Builders (NALCAB)
- Northwest Area Foundation
- Old National Bank
- Opportunity Finance Network
- PNC Bank
- Ramsey County
- Rooted Philanthropic
- Saint Paul & Minnesota Foundation
- Securian Financial
- Southwest Initiative Foundation
- Starbucks Corporation
- State of Minnesota
- Target Foundation
- Tennant Foundation
- US Bancorp
- Women's Foundation of Minnesota
- Xcel Energy

Revenue	\$9,813,798
Expenses	\$3,690,172
Total Assets	\$27,026,483
Net Assets	\$15,927,495

HELPING ENTREPRENEURS PUT DOWN STRONG ROOTS



Strong communities are built by entrepreneurs, innovators, risk-takers and farmers who have the resources to turn their dreams into reality. In 2025, LEDC expanded access to business expertise, flexible financing and agricultural programs that aided individuals and families in growing successful businesses and building lasting prosperity for future generations.



Business Development

Through one-on-one advising, workshops and technical assistance delivered in culturally responsive and multilingual settings, LEDC equipped business owners with the support to navigate challenges and build for growth. Every business supported represents an investment in greater economic opportunity and stronger communities.

In 2025 we hosted 35 workshops with 292 participants. We also hosted 10 business training classes in the fall supporting 81 different businesses. Our two most requested workshops included our business start-up class and our Minnesota Department of Health Food License and Certification class. As a result of our workshops, our impact was demonstrated with 16 new businesses started, 13 businesses prepared for financing, and all participants better positioned to meet the challenges of entrepreneurship.



Lending

Access to capital is one of LEDC's most powerful tools. As a certified Community Development Financial Institution (CDFI), LEDC provided flexible financing to those who often face challenges accessing traditional lending. We've grown our lending portfolio while pairing financing with personalized business coaching to empower entrepreneurs to make informed financial decisions and increase long-term business success.

In 2025, we closed 45 loans totaling \$3,546,500. Our average loan size was \$78,811. As a result of these loans, our community created 167 new jobs and retained 267 jobs. At the end of 2025, our loan portfolio totaled \$9,531,297, supporting 158 businesses.

Our lending team leveraged \$754,300 from the Minnesota Inclusive Growth Fund to support eight loans with this targeted loan program.



Regenerative Agriculture

We expanded our commitment to regenerative agriculture in 2025, supporting emerging farmers as they adopted farming practices that improve soil health and economic resilience. Rooted in Indigenous knowledge and traditional farming insights, regenerative agriculture recognizes that healthy land and productive farms are deeply connected. LEDC helped connect historically underserved farmers with resources to cultivate healthier food systems and build sustainable agricultural businesses.

In total, we hosted 10 Regenerative Agriculture workshops with 89 participants. As part of our expansion of this program, we deliberately developed a strong lending pipeline to support growers, producers and value-added producers for both operational support as well as access to land. We currently have four farmers in our land access pipeline and seven clients in our agriculture loan pipeline. Our presence in this space allowed us to leverage over \$1.3 million in capital through our partners in the field.



EMPOWERING THE NEXT GENERATION



Education opens doors for future generations. In 2025, LEDC renewed its investment in tomorrow's leaders by relaunching the Latino Scholarship Fund for the first time since 2023. Nearly 70 students applied, reflecting both the need for financial support and the extraordinary talent emerging across Minnesota's Latino communities.

LEDC awarded scholarships to 15 outstanding students, providing up to \$5,000 for students attending four-year colleges and universities and up to \$2,500 for those pursuing two-year technical programs. Scholarship recipients planned to attend a variety of schools, including:

- Carlson School of Management
- George Washington University
- Hamline University
- Minnesota State University – Mankato
- Saint Olaf College
- University of Minnesota – Duluth
- University of Minnesota – Twin Cities



Latino Scholarship Fund
Fondo de Becas para Latinos

Scholarship applications recognized not only academic achievement, but also perseverance, ambition and a commitment to creating positive change. Each scholarship represented an investment in an individual student, while also strengthening the future workforce and the communities they will help lead.

The career aspirations for these students span a wide range of fields, including:

- Business and marketing
- Musical theater, including dreams of performing on Broadway
- Medicine, dentistry, neuroscience and biochemistry
- Architecture
- Law and political science
- Mathematics
- Finance and accounting

The Latino Scholarship Fund reflects our belief that when students have access to opportunity, they create lasting benefits that extend far beyond the classroom.

GROWING BUSINESS, GROWING MINNESOTA

**Strong
businesses
create strong
communities**

LEDC expanded opportunities for entrepreneurs throughout 2025 by increasing access to capital, growing business support services and reaching more communities across Minnesota. From the Minnesota Inclusive Growth Fund to expanded services in Northfield, we continued investing in the people and businesses driving local economies.

Minnesota Inclusive Growth Fund

The Minnesota Inclusive Growth Fund (MIGF) was created by the MN Catalyst Coalition, a group of eight (8) MN CDFIs that are passionate about creating an accessible ecosystem to support under-resourced businesses.

As a founding partner in the MN Catalyst Coalition, LEDC worked alongside other CDFIs to connect entrepreneurs with flexible financing and business support, ensuring more businesses had the resources needed to recover and grow following economic downturns brought on by the COVID-19 pandemic, civil unrest and inequities experienced by many Latino and immigrant-owned businesses.

LEDC was one of eight deployment funders providing loans for immediate working capital needs and larger growth investments. These resources helped business owners cover essential expenses such as payroll, rent and utilities while also supporting expansion through equipment purchases and facility improvements.

LEDC deployed 100% of the funds received—over \$1.7 million—which created a more inclusive economy where small businesses can thrive.

Partnership Expansion to Northfield

We partnered with the City of Northfield's Economic Development Authority (EDA) and expanded our services to the city in mid-2025 with monthly office hours. Throughout 2025, we served 43 clients in Northfield. Our mix of localized and culturally specific business coaching, financial resources and lending for local entrepreneurs was a great match for the community.

Key aspects of LEDC's Northfield operations included:

- One-on-one technical assistance and educational workshops – our most frequently provided service.
- Business coaching held at the Northfield Public Library to assist aspiring and existing business owners.
- Loan applications, business plans and services provided in Spanish and English.



BUILDING THE FUTURE OF ENTREPRENEURSHIP



Throughout 2025, the development of Plaza del Sol moved closer to reality. When completed in summer 2026, Plaza del Sol will feature a Food Hall, Commissary Kitchen and Event Center, providing affordable space for businesses and a welcoming gathering place for the broader community.

Throughout construction, careful planning and disciplined cost management reduced project expenses by \$1.7 million while preserving Plaza del Sol's long-term vision. We also laid the foundation for success by preparing to recruit food entrepreneurs and add new partnerships.

Plaza del Sol reflects our long-term commitment to community economic development and mitigating gentrification pressures.

Bringing Flavor to St. Paul's East Side



Plaza del Sol's Food Hall will lease two affordable restaurant spaces with full kitchens and three turnkey food stands, creating the perfect launchpad for local food entrepreneurs to grow their business on St. Paul's East Side.

A Professional Kitchen Designed for Food Entrepreneurs



The Commissary Kitchen will be a fully licensed, commercial kitchen featuring five dedicated workstations built to support food makers, caterers, food truck operators and emerging chefs. Flexible memberships and hourly rentals will be available to make it easy for food businesses to get started sooner without the cost of building a commercial kitchen.

Inclusive and Culturally Rich Event Venue



Plaza del Sol's Event Center will be designed to host everything from weddings and quinceañeras to corporate events and trainings to concerts and comedy shows. Featuring space for 300+ guests, this purpose-built space will bring energy to every event.

Our Vision

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

Our Mission

To transform our community by creating economic opportunities for Latinos.



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