Vision:
A thriving multicultural community enriched by Latino leadership, culture, and economic influence throughout the State of Minnesota.

Mission:
To transform our community by creating economic opportunity for Latinos.

Core Functions:
• Assist entrepreneurs with establishing and growing their businesses
• Develop public markets and commercial corridors with Latino business participation
• Build membership to improve access to resources for Latino businesses

Core Values:
• Promote just, sustainable, and ethical business practices; healthy, respectful work environments; social responsibility; and economic justice
• Develop Latino talent, leadership, civic engagement, and political influence
• Affirm and reflect the strengths of Latino culture and language
• Nurture free enterprise and the entrepreneurial spirit of our community
• Listen to and act in the best interests of our membership; contribute our wisdom and experience for the betterment of all members

LEDC Staff:
Ramón León, Executive Director
John Flory, Special Projects Director
Yolanda Cotterall, Greater Minnesota Program Manager
Mónica Romero, Business Consultant
José Ignacio Díaz, Community Organizer

Jennifer Rondon Siso, Executive Assistant
Adriana Vazquez de Shelton, Latino Scholarship Program Coordinator
Alvaro Rivera, Business Consultant
Daniel Bonilla, Office Manager/Membership Services Coordinator

Board of Directors
Juan Carlos Alanis, Latino Communications Network
Jeff Alexander, HRI Consulting
Lorenzo Ariza, Salsa a la Salsa restaurant
Eduardo Barrera, Translation Services
Maria Boyle, Employers Association
Patricia Brown, Neighborhood Development Center
Gloria Conterras-Edin, Centro Legal, LEDC Board Chair
Jennifer Godines, Minnesota College Access Network

Dulce Grieme, Logistics specialized services
Carlos Landreau, Landreau Insurance
Ronald Lezama, Individual
Leo Lopez, Guaranty Bank
Salvador Miranda, Organizing Apprenticeship Project
Rafael Quintero, Associated Bank
Christopher Romano, Riverview Economic Development Association

Latino Economic Development Center • Plaza Verde: 1516 E Lake Street, Suite 201 • Minneapolis, Minnesota 55407
612-724-5332 • Toll-free within the United States: 1-877-724-LEDC • http://www.ledc-mn.org

LEDC • Annual Report 2006 • 2
Letter from the Executive Director

Dear LEDC members, friends, and supporters,

I’m sure I announced it at the annual meeting in May 2006, but because of the magnitude of this project, I need to share it with you again. The Midtown Global Market is open to the public!! After more than three years of hard work, LEDC and our partners — the African Development Center, the Neighborhood Development Center and the Powderhorn Phillips Cultural Wellness Center — saw the Midtown Global Market become reality. This was a great victory for the organizations, neighbors, business and city leaders involved with this $18 million project. If you have not done so, we strongly encourage you to visit the Market, a real monument to the community economic development movement, and a great example of collaboration between private, non-profit, and government agencies.

2006 was a busy year for the organization in other ways as well. The Greater Minnesota Economic Development program is growing stronger and has many new faces. There are also new faces at LEDC, and a larger, more functional office space. We participated in several conferences around the country, and the organization has received several awards honoring its leadership and achievements. This recognition of our work means a lot to us.

2006 was a year of generosity. The generosity of our members made it possible for the Latino Scholarship Program to award two scholarships at the 2006 annual meeting. We met our fundraising goals and secured new funding support from Hispanics in Philanthropy, the Grotto Foundation, the Warren Foundation, and the Marquette Financial Companies.

We are grateful for the very positive year for LEDC. Foundations have been very generous and supportive, our dedicated staff has been working really hard, and our board of directors and committees have provided their input and guidance when needed. For all of your hard work and support,

Thank you very much,

Ramón León.

Letter from the Board Chair

Dear Amigos & Friends,

Dr. Martin Luther King Jr. once said that “the arc of history is long, but it will always bend towards justice.” As I step down from my tenure as Chair of the Board of Latino Economic Development Center, I am convinced more than ever before that the history that we are creating, as Latino business owners and as advocates of economic justice, is moving us toward a more just society, even though this is a time when we are viewed as having little or no value.

Nonetheless, as we continue to carve the path for our children and grandchildren, I encourage you to be persistent and courageous in your endeavors. Continue finding new paths to create new business so that we can build upon our economic strength and social position. Don’t give up or give in to the oppression that we are facing, even though this is a challenging time in our history. Remain strong and consider that this is time for opportunity and to strive towards something greater.

Six years ago, Latino Economic Development Center was a small program positioned in a large organization. It had little or no resources and employed one individual. Today, I look back and see an impressive history. There were times when we had only our passion and hearts for establishing a more economically savvy Latino community. But we were able to accomplish a lot with very little. I am proud of where we are today — I have been able to witness how our work has helped to bend the “arc of history” towards justice in Minnesota.

I personally want to thank all of the business owners, advocates, members and friends because of what you have given to me these past six years — renewed hope and spirit to continue to do this work.

Gracias!

Gloria Contreras Edin
Board Chair, Latino Economic Development Center

LEDC • Annual Report 2006 • 3
Midtown Global Market

"It was in December 2002 when a group of Latino business owners met with city officials to explore an opportunity to participate in the redevelopment of the former Sears tower at the corner of Chicago Ave. and Lake Street..."

And so began the story of how the Midtown Global Market was born, described on a flyer distributed at the grand opening in June 2006. Part of the largest redevelopment project in Minneapolis in many years, this $18 million project has gained national attention as a premier economic development strategy. LEDC is very proud to be one of the four partners that developed and own the market.

In addition to LEDC's development and planning role, the organization recruited and supported twelve Latino business owners in becoming part of the mix of businesses in the Market. Early organizing of Latino businesses on Lake Street by LEDC insured the inclusion of immigrant-owned businesses as a key feature of the project, which promises to bring substantial positive changes to Lake Street.

The Midtown Global Market is an internationally-themed public market featuring fresh and prepared foods, restaurants, and a selection of arts and crafts from around the world. It was designed to build on existing economic, social and cultural assets within the surrounding community. The goal is to have a marketplace made up of locally-owned, independent businesses that nurture small business growth and the creation of job opportunities.

The developers also wanted a space that invited the diverse peoples of the surrounding community to share and celebrate the many aspects of their cultural heritage. Currently, the Global Market draws more than 3,400 customers a day to an area of Lake Street that had been in serious decline. With a slogan of "Many tastes. One place," it has been described as the "town square" of Minneapolis.

The Global Market is an example of LEDC's commitment to maintain and expand our role as a major resource in development plans for the area. It also embodies our vision of transforming economically distressed communities through the integration of Latino business owners. This is an economic development strategy that provides benefits not only to the Latino community, but the community as a whole.

LEDC • Annual Report 2006 • 4
2006 Awards given by LEDC

**Negocio Ejemplar**
Latino Communications Network
Socially responsible business of the year. For being a good employer, offering incentives, promotion opportunities and support to its employees, and being a leader in the community.

**Mujeres Latinas en Negocio**
Maya Santamaria and Fidelia Morales
Latino Woman entrepreneur. For being a role model, a leader, hard working and successful entrepreneur.

**Empresarios Filantrópicos**
Elvira y Orlando Cruz
Philanthropic organization/individual/entrepreneur. For generous donations of time, work and/or money to the community.

**Voluntarios de LEDC**
Maria Zavala
Volunteer of the year: For her generous donation of work, time and advice to LEDC.

Awards received by LEDC in 2006

**Courage and Leadership Award**, given by Minnesota Hispanic Bar Association

**Minnesota Latino Achievement Award**, given by Contacto Integrated Mecia

**Community Development Leadership Award**, given by Local Initiatives Support Corporation (LISC)

---

**Latino Scholarship Program 2006**

In its first year, the Latino Scholarship Program awarded two scholarships. The scholarship recipients were announced at the annual meeting in May 2006. **Hanani Cardenas** and **Pedro Ruiz** were each awarded a $3,000 scholarship for the 2006-2007 school year. Both students started their college education in the fall of 2006 at the Minneapolis Community Technical College. Hanani is pursuing a degree in the medical field, and Pedro is studying Computer Design. Because every applicant satisfied all program requirements and had the enthusiasm and talent to further their education, it was a challenge to choose only two recipients. It's clear that the need for scholarships is very strong.
Expanding Business Opportunities

The Latino Economic Development Center is committed to building the economic capacity and self-sufficiency of Latinos in Minnesota. To assist entrepreneurs with starting a business, LEDC helps with financial skills development; loan packaging; business plan development; and licensing, permits and registration. The organization also works with business owners who want to expand, including purchasing property. Increasingly, LEDC members are expanding beyond Lake Street into other communities.

Tortilleria La Perla

In September 2006, the Star Tribune recognized the achievement of Tortilleria La Perla with a front-page feature article. The occasion was the opening of a new 15,000 square-foot tortilla production facility in South Minneapolis. José and Noemi Payan, La Perla owners and LEDC members, have come a long way since they first arrived in the Twin Cities over 15 years ago.

They began working in the back room of a local restaurant chain and later moved to Mercado Central in 1999 with modest dreams of operating a small family business. Eight years later, the Payans are the proud owners of a new production facility with a capacity to produce over 1.8 million corn and flour tortillas per week. La Perla currently employs 45 people and distributes corn and flour tortillas to 114 business accounts, including Cub Foods. Instead of working out of a back room, José now sits in the owner’s office—unless he’s out on the production floor or helping to fill a last-minute delivery.

Mi Familia Restaurant and Cantina

Located in Woodbury, Mi Familia Restaurant and Cantina opened in November 2006 and has been very well received. Their wonderful “platillos” are bringing in customers from the surrounding communities. The business has created 12 jobs and is close to reaching the sales levels projected in the business plan, an anticipated $600,000 by the end of the first year of operation.

Heriberto Herrera, the owner, has worked for years in the restaurant industry. During that time, he dreamed of his own restaurant, and talked enthusiastically about the excellent customer service he wanted to provide. He raised the capital needed to start his business by selling his concept and experience. The next challenge was finding the right place. As soon as he stepped inside his current location, Mr. Herrera knew that he had found the home for Mi Familia Restaurant and Cantina.

His unique eye for detail has resulted in a delightful eating establishment that is both fun and beautiful. Eating at Mi Familia is an experience that includes delicious food, artful presentation, and customer service that leaves you feeling like a welcome member of the family—and all of this in richly authentic surroundings.

Tony’s Super Mercado

Tony’s Super Mercado in Shakopee started with a few employees and a tremendous amount of dedication. Now the business has 11 employees and gross sales of $1.6 million. This year the owners launched a marketing campaign and are expanding their product line to better serve a truly bi-cultural customer base.

Fidelia Morales and her husband, Claudio Martinez, 1st exercised their entrepreneurial spirit in 1998 when they began selling women’s clothing out of the trunk of their car. They eventually were able to rent a commercial location just off Lake and Minnehaha, where they operated for three years. Because of lack of capital, they sold their shop, returned to being employees, and focused on raising their four children. However, they knew they still wanted to run their own business, so they saved their money and waited for the right opportunity.

In February 2005, they saw that opportunity in a failing grocery store in Shakopee and came to LEDC for guidance. They registered for the Small Business class and that, coupled with their previous experience, gave them the tools to assess both the risk and the potential of the business. In addition to the grocery store, the location had equipment for a butcher counter, a bakery and a restaurant. Neither Fidelia nor Claudio knew how to cut meat or bake bread, but Claudio was determined to learn. Working closely with employees, he developed himself as a butcher and a baker while Fidelia took on the administrative and purchasing duties for the businesses. Two months ago, the couple closed on the purchase of their building, paying a little over $1 million for the structure. Together they are a dynamic team.
2006 Highlights

- The Midtown Global Market formally opened in June.
- The demand for member services increased in 2006. 379 people participated in a variety of workshops and forums during the year, from writing a business plan to learning how to import products. LEDC also provided technical assistance to 377 persons with such items as business registrations, changing the name of a business, or purchasing a business.
- LEDC members were approved for loans totaling $1,987,400 to start or expand a business.
- Membership increased from 150 in 2005 to 225 members in 2006.
- Staff members were invited to present at the following conferences: CEOs for Cities: Portal Neighborhoods (Miami, FL); Culturally Based Economic Development (Cincinnati, OH); and Closing the Racial Wealth Gap (Santa Barbara, CA).
- The feasibility study for the formation of a Latino credit union was completed. The Board is still studying ideas and new ways to address financial education and access to capital for the Latino community.
- The first two college scholarships of $3,000 each were awarded.
- LEDC expanded its staffing capacity through some reorganization and new hires. Yolanda Cotterall was promoted to Greater Minnesota Program Manager, and former office manager Jennifer Rondon was named Executive Assistant. Adriana Vazquez de Shelton was hired in March 2006 as the part-time program coordinator of the Latino Scholarship Program. Alvaro Rivera and Daniel Bonilla were added to the staff at the end of the year. Alvaro is a business consultant with extensive experience in nonprofit and government program management. Daniel is the Office Manager/Member Services Coordinator. He has experience in creating community development plans and providing technical assistance to low-income communities.
- The Minneapolis office space was expanded by 1200 square feet to accommodate the additional staff.

Greater Minnesota Program

This program is an example of an effective combination of people power, program dollars, and community resources to build capacity within rural communities to encourage and support Latino entrepreneurs.

The Greater Minnesota Program grew out of LEDC’s success in the Twin Cities. Quickly realizing that the organization lacked the capacity to answer all the requests for help from rural Minnesota, LEDC developed a strategy. The idea was to train local individuals who could be employed by local partner agencies to deliver business consulting services. If successful, it would build local capacity to provide the same quality services that have become the hallmark of LEDC’s success.

LEDC created the “train the trainers” model which combines on-the-job training supplemented by monthly community development seminars through the Local Initiative Support Corp’s careership program. The intent is to prepare trainees as both business consultants and community organizers. This training is part of the Minnesota Collaborative for Latino Economic Development Initiative, and is made possible through the support of the Mile Marker Consortium of Community Developers and the Metropolitan Economic Development Association. In 2007, there are three trainees: Gustavo Estrada, in the Worthington/Marshall area, Roberto Valdez, in the Willmar area, and Maria Sosa, in the Austin/Owatonna area.

Adolfo Avila, a business owner in Worthington, was one of the initial trainees. With his help, local Latino entrepreneurs formed the first Latino Business Association in the state. The group had an initial meeting with the local Chamber of Commerce that was well attended by Latino business owners and Chamber representatives. Lourdes Schwab, a real estate agent in Willmar, began working with LEDC’s John Flory and local community partners to bring about the birth of a multi-cultural market place in downtown Willmar. The Willmar Area Multi-Cultural Market team includes Ridgewater College and instructor Roberto Trevino as educational resources for start-up entrepreneurs. Lourdes shipped out with her National Guard unit in February 2007, but her replacement, Roberto Valdez, is carrying on the work. The marketplace project has received preliminary funding and a board of directors has been formed.

In addition to the Worthington and Willmar areas, LEDC has begun partnering with the Welcome Center in Austin. Its executive director, Liliana Silvestri, and trainee Maria Sosa are working to develop a small business assistance program.

By late 2006 it was clear that a full-time staff person was needed to oversee the growing program, and Yolanda Cotterall took on the job. She will be responsible for managing the implementation of agreements with partner agencies, and coordinating activities and developing materials for the business consultant/community organizer trainees.

LEDC • Annual Report 2006 • 7
**Statement of Financial Position**

<table>
<thead>
<tr>
<th>Assets</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td>225,979</td>
</tr>
<tr>
<td>Property and Equipment</td>
<td>9,481</td>
</tr>
<tr>
<td>Other Assets</td>
<td>311,018</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$546,478</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Capital</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Liabilities</td>
<td>1,713</td>
</tr>
<tr>
<td>Capital</td>
<td>544,765</td>
</tr>
<tr>
<td>**Total Liabilities &amp; Capital</td>
<td><strong>$546,478</strong></td>
</tr>
</tbody>
</table>

**Statement of Activity**

<table>
<thead>
<tr>
<th>Revenue</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants Income</td>
<td>$491,500</td>
</tr>
<tr>
<td>Earned Program Service Income</td>
<td>$76,931</td>
</tr>
<tr>
<td>Membership dues</td>
<td>$13,554</td>
</tr>
<tr>
<td>Scholarship Funds</td>
<td>$25,000</td>
</tr>
<tr>
<td>Other Income</td>
<td>$47,015</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$654,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Program Services</td>
<td>$405,284</td>
</tr>
<tr>
<td>Management &amp; General</td>
<td>$130,334</td>
</tr>
<tr>
<td>Fundraising</td>
<td>$14,495</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$550,113</strong></td>
</tr>
</tbody>
</table>

**2006 Funders**

(in alphabetical order)

- Blendin Foundation
- Otto Bremer Foundation
- Bush Foundation
- Grotto Foundation
- Hispanics in Philanthropy
- Local Initiatives Support Corporation
- Marquette Financial Companies
- Midnight Foundation
- Minneapolis Foundation
- Payne Lake Community Partners
- The Saint Paul Foundation
- Saint Paul Travelers
- USBank
- Warren Foundation

**LEDC Partners**

(in alphabetical order)

- African Development Center
- Lake Street Council
- Metropolitan Economic Development Association
- Minneapolis Consortium of Community Developers
- Neighborhood Development Center
- Powderhorn Phillips Cultural Wellness Center
- Rural Initiative Foundations
- Small Business Development Centers
- United Immigrant Opportunity Services
- Welcome Center
- Other community organizations, including neighborhood and business associations and faith-based institutions

LEDC • Annual Report 2006 • 8