VISION:
A thriving multicultural community enriched by Latino leadership, culture, and economic influence.

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.
FROM THE PRESIDENT

Dear Members, friends and allies of the LEDC,

In addition to the historic election of the current President of the United States, 2008 will be remembered as a year of economic challenges. The Midtown Global Market, averaging almost 4,000 visitors per day, has not been able to break even. Plaza Verde has had difficulty retaining tenants. Our business community in the east metro area has not seen significant growth. Many of our members and clients are experiencing difficulties.

We had planned to add at least two more staff positions at the beginning of the year. However, because of the economic climate, we decided to delay doing any hiring even though we have experienced an increased demand for services. We are fortunate to have our current staff of ten dedicated individuals who met the demand.

But along with these challenges, we also see the many opportunities that give us hope. At the end of 2008, we had 550 members, with 350 of them active. LEDC has grown an average of 50 new members every year since its start in 2003. We provided technical assistance to 180 business members over the past year. 244 individuals took advantage of our trainings and workshops, and approximately 600 walk-ins and callers approached LEDC for short business advice.

The Greater Minnesota program continues to grow and strengthen. We have strong local partnerships in Willmar and St. Cloud, and we are working together to provide Latinos with economic opportunities in out-state Minnesota.

National training on public markets as tools for effective community development is underway. We expect our first training to take place in spring 2009. Community development organizations across the US, from Idaho and Colorado to Chicago and Washington DC, have expressed strong interest in attending such weeklong training.

What will 2009 bring us? The response to this question is uncertain, but we can assure you that we will be more intentional, focused, creative, and assertive than ever. We will make every possible effort to improve our work, the lives of individuals, and the communities where we live. And we will keep seeking your support and advice.

As always, to all our members, organizational partners, and corporate and philanthropic supporters,

Thank you very much

Ramón León
President/C.E.O., Latino Economic Development Center

LETTER FROM THE BOARD CHAIR


In 2008 our country witnessed a historical moment — the election of our first African American President. Regardless of partisanship, we must acknowledge the great social progress we have made in this country given our history of deep racial inequities. Now, we find ourselves in troubling economic times as a nation, and collectively we are developing solutions in order to support new industries and reinvest in our country’s growth.

These two issues are parallel to addressing how far LEDC has come and where we are headed as an organization. In 2001, there was no Latino nonprofit focused solely on economic development in Minnesota. In 2008, the Latino Economic Development Center has assisted in developing approximately 55 new businesses, has grown to 350 active members, and is a critical partner in major economic developments, including the Mercado Central, Midtown Global Market, and various out-state projects.

LEDC is dedicated to assessing the economic development opportunities for the Latino community and focusing on strategic planning to build on these opportunities by 2010 and beyond. As a board and community of businesses, we are reinvesting in our community to stimulate successful Latino businesses, real estate projects and perhaps even our first Latino-led financial institution. With all that is occurring nationally — new leadership and a new paradigm of economic restructuring — I believe LEDC is an amazing local example of how new leadership and economic stimulus can intersect to bring real social change.

That may sound audacious, but I encourage everyone to review our annual report, look at our results and example, and let us know how you can help us meet our mission in these exciting times — as a model for authentic economic stimulus.

Sincerely,

Jennifer Godinez,
Board Chair, Latino Economic Development Center
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.

SKINOVATION MEDSPA

- **Business type:** Skin Treatment Spa
- **Years in business:** 4 Months
- **LEDC Member:** 4 Years
- **Locations:** 7200 France Ave Suite 231 Edina, MN 55435
- **Annual sales:** None reported yet
- **Initial investment:** $30K

Skinovation Medspa is an example of Latinos diversifying their business types. Skinovation is a new business that offers permanent hair removal, photo rejuvenation, microdermabrasion, ultrasonic facial treatments, and facial peels. Its goal is to help people with their skin problems.

“My workplace went bankrupt, so I started looking for opportunities to continue doing what I love. I decided to start my own business and went to the Secretary of the State in St Paul, where they referred me to LEDC. At LEDC I found very friendly and professional people who guided me through the opening phase of my business.”

**Carolina Pedrosa, Owner**

AZ TECHS

- **Business type:** IT Support
- **Years in business:** 9 Years
- **LEDC Member:** 5 Years
- **Annual sales:** $350K

AZ Techs provides support to both the Latino community and the American market. The company specializes in working with small businesses and non-profit organizations. It provides IT services and sells various technological products, but also plays an important role in educating customers in technology. AZ Techs was initially helped by LEDC and now provides IT services to LEDC, providing maintenance for its server and equipment.

“I have received outstanding support during the 7 years I have been associated with LEDC. We like to be known as ‘your total computer partner.’ We specialize in providing IT support to small businesses, with a special interest in non-profit organizations.”

**Ernesto Palestino, Owner**

AZ Techs takes great pride in the personalized attention that it offers each of its clients. Its staff is bilingual, enabling them to work with a very mixed market. Ernesto is a great example of the diversification in Latino businesses.

**SALSA A LA SALSA**

- **Business type:** Restaurant
- **Years in business:** 6 Years
- **LEDC Member:** 6 Years
- **Locations:** 2, Minneapolis
- **Annual sales:** $1 million
- **Employees:** 24
- **Initial investment:** $150k
- **Initial loan:** $120k

“The popular Salsa a La Salsa has opened a second location in the Midtown Global Market. It is a sit-down restaurant featuring the same sophisticated Mexican menu and full bar that has wowed food critics and customers alike. Salsa a La Salsa is listed as an Editor’s Pick by Minnesota Monthly in 2009. Owner Lorenzo Ariza has had more than thirty years of experience in the food industry.

LEDC assisted Lorenzo in the creation of his restaurant. As a start-up business, he received training in all the necessary subjects including the development of a loan package and an accounting system. After Salsa a La Salsa became a successful establishment, Lorenzo joined the board at LEDC.

LEDC helped Francisco write a business plan, obtain a license, and register a legal name. The organization also helped create a loan package to present to the MCCD loan committee. This is an example of LEDC supporting youth in following their dreams.
LATINO SCHOLARSHIP FUND

The Latino Scholarship Fund awarded seven scholarships in the amount of $3,350. The awards were presented during the Annual Meeting on May 14, 2008. Below are the scholarship recipients and the schools they are attending:

Edgar Ivan Ullaguari, Minneapolis Community & Technical College
Marlen Mendoza, Minneapolis Community & Technical College
Adriana Echeverria, Augsburg College
Alejandro Reyes, Gustavus Adolphus College
Ana Paulina Gonzalez, Augsburg College
Irvin Perez, University of Minnesota

The George W. Linares Scholarship in the amount of $3,500 was awarded to Irma Marquez, who is attending Gustavus Adolphus College.

In 2008, The Saint Paul Travelers, The Otto Bremer Foundation, Ameriprise, and the Saint Paul Foundation awarded grants to the Latino Scholarship Program. These funds were vital to both increasing the number of scholarships awarded and continuing staff support for the program. On behalf of the Latino community, we would like to thank these organizations.

Latino business owners, professionals, and community members were also important supporters of the Latino Scholarship Fund. We want to recognize the following people, businesses, and organizations for their generous contributions to the fund.

1) Circle of Funders ($1,500 or more)
   - Ramiro Hernández, Bymore, Inc.
   - Thomas and Deborah Pantalion
2) Donors ($500 to $1,499)
   - Leo Lopez, Guaranty Bank
   - Lorenzo Ariza, Salsa a La Salsa
3) Collaborators (up to $499)
   - Christopher and Kerry Romano
   - Debra King
   - Rogelio Muñoz
   - Juan Linares
   - Carlos Mariani and Herminia Cardenas
   - Amber and Eric Hanson
   - Jennifer Godinez
   - Elda Macias
   - Sisters of Saint Joseph of Carondelet
   - Angel Andres Toro
   - Elaraj & Associates
   - The Baratz family
   - Nancy Barcelo
   - Paul Fate

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   - Angel Andres Toro
   - Elaraj & Associates
   - The Baratz family
   - Nancy Barcelo
   - Paul Fate

2008 AWARDS GIVEN BY LEDC

Socially Responsible Business of the Year:
Taquería la Hacienda, Owners: Miguel y Maria Zagal
For giving back to the community, being a role model, giving employees incentives and promotions, and for being active in their community

Female Entrepreneur of the Year:
Celia Ruiz, Cafetería Las Tapatias
For being a role model, leader, hard working and successful Latina entrepreneur in Minnesota.

LEDC Volunteer of the Year:
Diana Salas
For her generous donation of work, time and commitment to the Latino community.
GREATER MINNESOTA RURAL PROGRAM

In 2007 we established a staff position to manage the Greater Minnesota Rural Program. This was a critically important step, resulting in more focused work in rural areas. Our Rural Program, managed by Yolanda Cotterall, is an important resource for both Latinos and community organizations that want to promote opportunities for economic development for Latinos. And it enables LEDC to extend the reach of its expertise and economic development resources by building local capacity.

Our partner in this work, the Metropolitan Economic Development Agency, has brought resources and expertise to our joint initiative, MN Collaborative for Latino Economic Development (MCLED). The MCLED initiative, with funding from the Otto Bremer Foundation, has allowed us to focus on capacity-building efforts in two communities. These two communities, Willmar and St. Cloud, have demonstrated interest in developing programs to provide targeted assistance for Latinos in their area. Through LEDC’s “Train the Trainer” program, they now have trained community organizers/business consultants to work with Latinos who want to open a business.

St. Cloud

Jaime Villalaz, contracted by MAFO, Inc., has been actively training as a community-based organizer/consultant since Jan 2007. Senior LEDC staff has worked with Jaime to provide individual technical assistance and other services in the seven-county area surrounding St. Cloud. In that time, Jaime has assisted 65 individuals in researching and developing their business idea. LEDC also conducted an eight-week business start-up class, which resulted in the opening or expansion of three businesses. In addition, one of the students in the class has joined with two other people to build an organization to organize Latinos and advocate on behalf of the Latino community.

Willmar

In 2003 LEDC was approached to provide technical assistance and support for the development of a public market. Over the last five years, our work in Willmar has continued to evolve. Two organizers/consultants have received training. There are 36 minority-owned businesses in downtown and the surrounding commercial districts. The Willmar Area Multicultural Marketplace is now an independent, nonprofit micro-enterprise development organization. Through the efforts of LEDC, the organization has acquired new space, which will house their offices and a classroom. In addition, they have a commercial kitchen incubator for use by community members interested in building a food-related business.

LEDC anticipates continuing its work in these communities and is exploring the possibility of working in two additional locations. Our rural work has accomplished much, but we are especially proud of the way that Latino residents in rural Minnesota are beginning to organize themselves. In April 2009 a group of Willmar residents gathered to launch the first Latino Community Association. This group developed the template for an organizational structure that could be duplicated throughout the state, wherever there are Latinos who want to make a difference in their communities.

History

The Greater Minnesota Rural Program grew out of LEDC’s success in the Twin Cities. At the time, the organization had yet to be formally incorporated as a non-profit. Quickly realizing that it lacked the capacity to answer all the requests for help from rural Minnesota, LEDC developed a strategy. The idea was to train local individuals in rural communities 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 for Latinos that had become the hallmark of LEDC’s success.

Ramón León and John Flory, with the guidance of their advisory board, went where they were called — Owatonna, Long Prairie, and Worthington. In those early years, Ramón and John would drive for hours to bring the message of community organizing as a tool for economic development. The work was difficult, especially given the logistics of providing training to someone located in a distant community. But the Latino populations in these communities were asking for help.

Ramón and John worked as a team to build relationships with local economic development organizations and community groups. These groups learned that this duo, and the collective expertise of their advisory board, was a unique resource. The first business class was offered in Owatonna in 2002. In 2006, the first Memorandum of Understanding was signed in support of training a Latino community organizer/business consultant in Worthington and Willmar. And in January 2007, the program was assigned a full-time manager.
2008 HIGHLIGHTS

General Information
- Foundation year: 2003
- Number of staff: 10 employees
- Total members: 550 businesses
- Members receiving Technical Assistance: 180 businesses
- Processed loans: 14 for a total amount of $259,700
- 2008 start-ups: 26 new businesses opened their doors with the help and guidance of LEDC
- Average new members per year: 49.5
- Female members: 40%

Services
- Staff members providing Technical Assistance: 3 employees.
- Each member can receive up to 20 hours of Technical Assistance per year.

Programs
- Currently 35 programs
- 2008: 244 participants, 40% increase in attendance.
- Targeting new programs based on
  - Business maturity: Start Ups, Intermediate and Advanced businesses
  - Type of participants: Owners or Employees.
- Central calendar on the LEDC website, www.ledc-mn.org, to make it more accessible.
- Greater Minnesota local partner, the Willmar Area Multi-cultural Marketplace (WAMM), is now a 501(c)3 nonprofit organization.

LEDC participated in several national events in 2008
- Expanding Asset Building Opportunities through Shared Ownership. Organized by Annie E. Casey Foundation and The Asset Founders Network. Baltimore, MD
- National Strategy of Economic Development that incorporates Latino Farmers and Ranchers. Organized by MAFO. Sacramento, CA
- MAFO National Council. A national association of Farmers and Ranchers
- National Association of Microenterprise. Annual Conference organized by Association for Enterprise Opportunity (AEO).
  LEDC Presentation: “Public Markets and Economic Development in Rural areas.”
- Presentation on “Economic Development for Latinos in Rural Minnesota.” St. Cloud State University. St. Cloud, MN.
- Minnesota Microenterprise Conference. Organized by MAFO/LEDC. St. Cloud, MN.
- Latina Leadership Series. Workshops organized by The Wilder Foundation. St. Paul, MN

2008 Awards Received by LEDC
- Mónica Romero “2007 Originator of the Year” recognized by the Metropolitan Consortium of Community Developers
- LEDC “Originating Partner of the Year” recognized by the Metropolitan Consortium of Community Developers
# Statement of Financial Position

**Of the Organization for the Year 2008 (Unaudited)**

## Assets

<table>
<thead>
<tr>
<th>Current Assets</th>
<th>$449,766</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property and equipment</td>
<td>$38,704</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$488,470</strong></td>
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## Liabilities and Capital

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<thead>
<tr>
<th>Current Liability</th>
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<tbody>
<tr>
<td>Capital</td>
<td>$427,414</td>
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<tr>
<td><strong>Total Liabilities and Capital</strong></td>
<td><strong>$488,470</strong></td>
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</table>

## Revenue

<table>
<thead>
<tr>
<th>Grants Revenue</th>
<th>$250,590</th>
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</thead>
<tbody>
<tr>
<td>Program Revenue</td>
<td>$281,204</td>
</tr>
<tr>
<td>Membership Dues</td>
<td>$18,050</td>
</tr>
<tr>
<td>Other Income</td>
<td>$13,251</td>
</tr>
<tr>
<td>Income Released from Restrictions</td>
<td>$290,248</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$853,343</strong></td>
</tr>
</tbody>
</table>

## Expenses

| Program Services | $716,853 |
| Management & General | $148,850 |
| **Total Expenses** | **$865,703** |

## 2008 Funders

(in alphabetical order)

- Ameriprise Financial
- Blandin Foundation
- Blue Cross Blue Shield
- Bush Foundation
- Community Planning and Economic Development, City of Minneapolis
- Hispanics In Philanthropy
- Local Initiatives Support Corporation
- Marquette Financial Companies
- McNeely Foundation
- Minneapolis Foundation
- Minneapolis Foundation
- Northwest Area Foundation
- Otto Bremer Foundation
- Payne-Lake Community Partners
- Saint Paul Foundation
- The Travelers Foundation
- Warren Foundation

## LEDC Partners

(in alphabetical order)

- African Development Center
- Centro Legal
- City of Willmar Economic Development Corp.
- Heartland Community Action
- Lake Street Council
- Kandiyohi County
- Metropolitan Economic Development Association
- Metropolitan Consortium of Community Developers
- Neighborhood Development Center
- Powderhorn Phillips Cultural Wellness center
- Rural Initiative Foundations
- Small Business Development Centers
- United Immigrant Opportunity Services
- Willmar Area Multicultural Market
- Other community organizations, including neighborhood and business associations and faith-based institution.