No doubt the year 2009 has been one of the most difficult years for everyone. Our Latino community and its businesses as well as our own organization have not been an exception. Despite everything, we continue to be optimistic. Although we were forced to make adjustments, realignments and to establish priorities to be able to survive this recession, we have done our best to continue helping our members in weathering the storm of this crisis and surviving it.

In 2009, we devoted a great amount of our time to providing Technical Assistance to businesses in crisis, particularly 18 of them that were about to close. This would have meant the loss of many jobs that would have been quite difficult to recover. In one case, 44 jobs were saved. On the other hand, we were able to help create 47 new jobs, of which 13 can be attributed to the creation of 34 new businesses which we helped start.

In rural areas, we were able to provide support in the formation of Association of Latinas in Action, ALA. We continued with our program to organize and develop Latino businesses, mainly in the area that forms a triangle from Alexandria to Willmar to St. Cloud, thanks to our partners in those areas: WAMM (Willmar Area Multicultural Market) and MAFO. This work was conducted with generous economic support from the Blandin, Bush, Mc Knight Foundations and Hispanics in Philanthropy.

At a national level, we are pleased to report that we conducted our first Public Market Workshop training in which we trained 10 people who represented 6 states and 9 organizations of community development. It is important to mention the routine participation in this training of our usual partners NDC (Neighborhood Development Center), MCCD (Metropolitan Consortium of Community Developers), OAP (Organizing Apprenticeship Project), NALCAB (National Association for Latino Community Asset Builders, and also the economical support from the foundations Anne E. Casey and Mc Knight.

At the international level we had the privilege of being hosts to Alejandra Cervantes and Anselmo Meza who are President and Vice-president respectively of Migration and Development (MIDE) a sister organization in Mexico. They received a grant from the Partners of the Americas to learn and practice the community economic development models used in our agency, as well as being introduced to immigrant business communities to investigate the potential of promoting development projects in their communities of origin in Mexico. Here, we would very much like to make widely known, our gratitude to Ana Luisa Fajer, the Honorable Consul of Mexico, and her staff for their incredible support of this program which we expect will continue.

Finally, I would very much like to share with you that, during 2009 we held productive discussions with the Minnesota State Council for the Opportunities Industrialization Center (OIC) to establish the first Latino employment training center that will be named Teocalli Tequiotl (which means Temple of collective work in Nahualt). It will be devoted to training and finding employment opportunities for Latinos in MN and will begin operations in 2010.

As you can see, the year did not bring bad news only, though we had to postpone our plans to open one of our most ambitious projects – the Latino Social Innovation Center. We are certain that nothing bad lasts forever and that we can count on what’s most important – your support and confidence that together we will accomplish our goals.

Sincerely,

Jennifer Godinez
Board Chair

Ramón León
President and CEO
Expanding Business Opportunities

**Fiesta In America**
Fiesta in America is a traditional Mexican ‘Dulceria’ – a candy store. The owner of Fiesta in America, Laura Sanchez, has done an amazing job of bringing a full array of traditional Mexican candy and combining it with traditional American candy selections while using festive displays that represent her native culture. She has brought together products that make her “corner” store in the Midtown Global Market (MGM) a wonderfully happy place to shop for a bi-cultural experience in sweet treats. Her concept caught the eye of the Minnesota State Fair folks resulting in an invitation to Ms. Sanchez to be new vendor at the 2009 event. Laura worked very hard to make sure her booth was not just duplication of her “corner” store but also a stellar representative of her culture. Fiesta in America was very well received. LEDC has assisted Laura since 2003, more so since she moved to MGM. As for her State Fair appearance, LEDC helped her primarily with her marketing strategy and projections.

**Taco Taxi**
Taco Taxi and its owners the Lopez brothers have had a permanent presence on Lake Street since 2005. For years, Taco Taxi has been a food vendor at many Minnesota outdoor events – especially during the summer season. In 2009, Taco Taxi came to LEDC in need of assistance in applying for a Conditional Use Permit (CUP) in order for them to remain open for 24 hours on the weekends. Applying for a Conditional Use Permit is a tedious process which includes informing residents in the area of the intention, visiting community associations and gaining their support, and finally presenting their petition to Council Members during a public hearing. LEDC was pleased to see the residents’ acceptance and they were granted permission to be open 24 hours on the weekends. This process was a learning experience for the Lopez brothers. They are now convinced of how beneficial it is being organized and involved with their community.

**Banquetes Tradicionales Mexicanos**
The Sanchez brothers operate their Banquets business on the third floor of the Plaza Verde’s Celebration Hall. Since they became permanent tenants in 2009, not only has their business increased in exposure and success but Plaza Verde now has a responsible business operation managing this well preserved historic building. LEDC helped the Sanchez brothers with projections for their business plan and with acquiring legal assistance. From set up to clean up, Banquets offers everything needed to make a private party or a social meeting the best experience for all participants. They have tables, chairs and décor; they offer bartending and food service with diverse menus; and they have sound system packages with various entertainment options.

**Deportes Azteca**
Located on the second floor of Mercado Central, Deportes Azteca, LLC is a sporting goods store offering soccer uniforms and shoes for men, women and kids. Rosalba and Alfonzo purchased the business in 2007 from the previous store owner. In need of a loan, they came to LEDC looking for assistance in preparing their business plan in order to present a request to their lender. During this process, it became evident that the purchase agreement needed to be clearer so LEDC helped connect Rosalba and Alfonzo with proper legal assistance. The negotiation process took close to a year to complete, but in the end it was a win-win situation for both the seller and purchaser. In 2009 Rosalba and Alfonzo closed on their business loan which greatly reduced their interest expense therefore, allowing them to pursue additional projects like the Kids Soccer League they launched in Summer of 2009.
Expanding Business Opportunities

2009 Highlights – Special Projects

Construction
2009 was critical for Minnesota independent contractors working in the trades. The MN Department of Industry and Labor made it mandatory for them to get an Independent Contractor Exemption Certificate (ICEC). This requirement was implemented because of a history of employers misclassifying workers; employees classified as independent contractors, worked without worker’s compensation and unemployment insurance coverage. In April of 2009, LEDC prepared and presented a detailed workshop for 35 individuals who participated in the construction trade so they may understand the reasons and intent of the new law and the process to comply. As a result, the informed trades people decided to continue working as independent contractors. Additionally, the ones offered employment could make informed decisions in choosing companies that provide worker’s compensation and unemployment insurance coverage.

Cosmetology
In 2004, LEDC with the help and support of State Representative Karen Clark, passed a bill that mandated all Cosmetology Board exams to be provided in the exam-taker’s principal language; Spanish included. Getting the law passed was a long process but definitely a needed one. Cosmetologists who held licenses in different states or countries needed to pass two tests before applying for a Minnesota Cosmetology license. Latino cosmetologists were having difficulty passing the tests due to language barriers. They had the skills, as well as many years of experience, but could not practice their profession because of the difficulty in passing the tests required to become a licensed Cosmetologist in Minnesota. By 2007 the cosmetology board had yet to offer exams in Spanish, so LEDC started offering assistance by interpreting the exams. LEDC made real progress in removing the existing language barrier: in 2007 and 2008 we provided 84 hours of assistance. In 2009, 16 stylists took the tests; five received their license, two salons were licensed and three individuals are preparing for the Managers test, totaling 193 hours of assistance. Meanwhile, LEDC maintained communication with the Minnesota Board of Cosmetology, encouraging them make it a priority to search and contract exam testing centers who could offer the exams in Spanish. By the end of 2009, we received the news that at last, in the early weeks of 2010, the exams would be provided in Spanish.

GENERAL PROGRAM’S REPORT:
• In 2009, there were 463 participants in LEDC programs, that’s a 10% increase from 2008.
• We created seven new programs; 3 for existing businesses, 3 for advanced businesses and one for organizations.
• The volunteer program increased from 18 participants in 2008 to 42 in 2009.
• The most popular program was the Business Orientation Program with 145 participants. The orientation measures how many people per year are interested in starting new businesses.
• LEDC developed a tool to do an annual “Business Strength” evaluation. This tool includes analyzing 13 different areas of a business; with the objective of improving the productivity and decreasing the effects of the economic crisis on businesses. This tool was applied successfully to 5 businesses in 2009 and we hope to implement it broadly in 2010.

2009 LEDC Awards
During 2009, LEDC and/or its employees were recognized and received the following awards:

“Innovative Idea Champions”, by the Corporation For Enterprise Development (CFED), Washington DC

“Immigrant Of Distinction Award”, by SD/MN American Immigration Lawyers Association (AILA)

“Immigrants Of Distinction Proclamation”, by the Hon. Mayor RT Rybak and City Council of Minneapolis MN

“Immigrants Of Distinction Proclamation”, by the Hon. Christopher Coleman, Mayor of St. Paul, MN

“Ohtli Award”, by the Secretary of Foreign Relations, The Institute of Mexicans Abroad, and The Mexican Consulate in St. Paul, MN

A LEDC staff was certified as an Economic Development Finance Professional by the National Development Council

CFED’s 2009 Innovation Summit in Washington, DC

“Ohtli Award”, by the Secretary of Foreign Relations, The Institute of Mexicans Abroad, and The Mexican Consulate in St. Paul, MN

Graduation, Microenterprise class.
2009 Highlights (cont.)

Janitorial Cooperative
LEDCo collaborated with local SEIU 26 to support the creation of a cooperative of janitorial workers. The Green Cleaning Cooperative was established to provide employment to members of the union who were laid off from their jobs with a large local janitorial firm in October of 2009. Forty of these laid off workers/union members decided to form a cooperative and sought the assistance of LEDCo.

National Program
• In 2009, LEDCo launched its new program – ‘Public Markets’ workshop; a training for organizations who wished to develop a public market as a tool to undertake economic development in their community. The four day training session hosted ten participants from eight different states nationwide. This successful training will be offered again in 2010. 2009 participants from Washington DC were motivated to develop a plan to establish three public markets in their city over the next few years, with LEDCo’s assistance.
• Ramón León, President of LEDCo, has taken a leadership role in the Economic Development Committee through the National Association of Latino Community Asset Builders (NALCAB). His goal is to motivate other organizations to focus on working with Latinos to develop more entrepreneurial projects with and for the Latino community.

International Program
The directors of Migration and Development (MIDE) based in Aguascalientes, México, participated in an exchange program with LEDCo with Non-Governmental Organizations (NGO) as the host organization. The directors came to Minnesota for two months and worked with LEDCo to learn about the practices and methodology in doing economic development work with clients and community. LEDCo developed an agreement to partner and work toward the development of international programs created to generate links between immigrants in the US and farmers and producers of crops in the towns, regions or cities of origin of these immigrants. We continue to visit Axochiapan, a city in the state of Morelos in Mexico to create a base of support for an economic development project there.

WE CONTINUED WORKING ON:

Small Business Loan Program
In 2007, LEDCo established its Loan Policy and Procedures Manual with assistance from members of an external loan committee. In 2008, LEDCo’s Board approved the use of dollars from the LEDCo reserve fund to start providing loans. This resulted in three loans being reviewed and approved. In 2009, LEDCo approved a fourth loan in rural Minnesota. We also asked for a community investment loan called an “EQ2” from a well recognized national bank so that we could continue providing loans to existing and potential business owners. We are currently awaiting an answer from this bank.

In November of 2009, LEDCo applied for a Community Development Financial Institution (CDFI) certification with the Department of the Treasury. We also applied for financial assistance to increase the capacity of LEDCo’s ability to provide business loans. Only if LEDCo is a certified financial institution can it access money from the Treasury Department.

LEDC Social Innovation Center
In 2009, with the purpose of promoting more integration of Latinos in the use of technology and to promote the development of technology businesses within the community of Latino entrepreneurs, LEDCo undertook a feasibility study to establish the viability of a “Social Innovation Center” in Minneapolis. The Project was deemed feasible and is advancing to completion. We hope to be able to open the Center near the end of 2010 or beginning of 2011.

In November of 2009, LEDCo held its first meeting for the purpose of pre-design discussions and input for the center. These sessions were attended by approximately 35 business owners and representatives from universities, foundations, organizations and community members. In this meeting the group drafted some expectations, values, services and functions of the center. The goal of this center will be to serve and benefit at least 60 entrepreneurs from different ethnic backgrounds each year.
Greater Minnesota Rural Program

Highlights of Rural Program
In 2009, LEDC’s rural work resulted in building the capacity of two regions in greater Minnesota. Willmar, in Kandiyohi County and St. Cloud in Stearns County, as well as seven counties that surround the St. Cloud regional hub. Through LEDC’s ‘Train the Trainer’ program and the preparation of a Community Organizer/Business Consultant, many rural Latinos received help to achieve their dreams of economic independence by opening up their own small business. The impact was tremendous with seven business classes and workshops conducted, 57 individuals receiving training, 21 new businesses created, over 800 hours of individual technical assistance provided, 16 new jobs created and one new loan generated.

Businesses’ Stories
St. Cloud – Emilio Aviles wanted to open a grocery store in Cold Spring, MN. He quickly understood that he would need help. Jaime Villalaz, the LEDC trainee who had participated in our rural activities ‘Train the Trainer’ program, had encountered Mr. Aviles through his outreach efforts to Latino entrepreneurs and aspiring entrepreneurs in Stearns County. Through conversations with Emilio, he and Jamie set out to work on navigating the complex process of licensing and opening a business. Together they identified a list of tasks and information that Emilio needed help with and early in 2009 La Perla Market opened to the public. Today, Mr. Aviles is doing very well, he has a solid customer base and is learning how to efficiently manage his business. He has learned how to better understand his industry and his market and with Jaime’s help, he has adjusted his strategies to respond accordingly in this difficult economic environment. He anticipates opening his second location by the Fall of 2010 and is excited and grateful for the assistance provided by Jaime and the support and training that Jaime received from LEDC.

Willmar – Ricardo Rodriguez saw an opportunity in his community of Willmar, MN to purchase an existing restaurant that had been owned and operated by a very nice couple who, due to a medical crisis, was being forced to sell their business. It was a very difficult process for the former owners to establish their price and negotiate the sale of their dream. But fortunately they were in touch with The Willmar Area Multicultural Marketplace (WAMM) and its business consultant, Roberto Valdez. Roberto, like Jamie, had participated in LEDC’s ‘Train the Trainer’ program and was now making microenterprise consulting services available to the culturally diverse Willmar residents. This help to both seller and purchaser resulted in a smooth sale and transfer of ownership of the restaurant. Mr. Rodriguez has continued to work with Roberto and his growing business – he has created three additional jobs at his establishment and is doing very well.
Latino Scholarship Fund

The Scholarship committee reviewed, analyzed and selected the award recipients from a group of scholarship applicants. The selected applicants received their scholarships during LEDC’s Annual Meeting in 2009. Below are the award recipients and the schools they will be attending:

The “George W. Linares” Scholarship for $3,500 was awarded to Jesus E. Juárez Reyes, who will be attending Augsburg College to continue his education.

The “Ramiro Hernández Márquez” Scholarship was awarded to Sara Lizbeth Alarcón Vargas, who will be attending Minneapolis Community and Technical College to study Photography.

The LEDC Scholarships, each for $3,250, were awarded to:
- José Luis García, attending Winona State University to study Accounting.
- Gloria Berenice Castillo Alvarez, attending Southwest Minnesota State University to study Political Science.
- Sarai Román, attending Saint Benedict College to study Pre-Law, Education.
- Laura Griselda Pastrana Campos, attending Minneapolis Community and Technical College to study Psychology.

Latino Scholarship Fund Contributors
(in alphabetical order)

FOUNDATIONS/GRANTS
Otto Bremer Foundation
U of M

THROUGH MATCHING FUNDS
Elda Macias/Ameriprise
Kristin Lockhart/Comm Shares
Thomas and Deborah Pantalion/United Way

BUSINESSES
A la salsa Restaurant
La Loma Tamales
Salsa a La Salsa Restaurant
Small Business Support Services

INDIVIDUALS
Ana Luisa Fajer
Anonymous
Anthony n Kriten Trelles
Chris and Kerry Romano
Chris Sherman
David Greenberg
Julie Bubser
Julio Garcia
Mihailo and Laura Temali
Mónica Romero
Rachel Briseño
Rebecca Flory
Rolando Borja
Tamara Bauers
Thomas & Deborah Pantalion
Vikas Anand Narula

2009 LEDC Awards

- Socially Responsible Business of the Year to El Burrito Mercado. This award recognizes the business who gives back to the community, has been a role model, and gives its employees incentives and promotions.

- Female Entrepreneur of the Year to Lilia Zagal (co-owner of Los Ocampo Restaurant) because of the role she has played as a women in the family, business and community. Because she has been a leader, a role model, and for her hard and successful work.

- Friend Volunteer of the Year to Thomas Pantalion for his generous donation of work, time and for his commitment for the betterment of the Latino community in Minnesota.
Statement of Financial Position
Of the Organization for the Year 2009 (Unaudited)

**Assets**

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<tr>
<th>Category</th>
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<tbody>
<tr>
<td>Current Assets</td>
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<td>Property and Equipment</td>
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<td>Other Assets</td>
<td>$49,736</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$635,675</strong></td>
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**Liabilities and Net Assets**

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<td>Current Liability</td>
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<td>Net Assets</td>
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<td><strong>Total Liabilities and Net Assets</strong></td>
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**LEDC Revenue 2009**

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<tr>
<td>Grants</td>
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<tr>
<td>Program Service</td>
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<td>Membership</td>
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<tr>
<td>Scholarship</td>
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<tr>
<td>Other</td>
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<td><strong>Total Revenue</strong></td>
<td><strong>$1,011,090</strong></td>
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**LEDC Expenses 2009**

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<tr>
<td>Program</td>
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<tr>
<td>Management &amp; Administration</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$669,723</strong></td>
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2009 Funders
(in alphabetical order)

- Ameriprise Financial
- Blandin Foundation
- Bush Foundation
- City of Minneapolis Community Planning and Economic Development, CPED
- Hispanics in Philanthropy
- Marquette Financial Companies
- McKnight Foundation
- National Association for Latino Community Asset Builders, NALCAB
- Nexus Community
- Northwest Area Foundation
- Otto Bremer Foundation
- Payne-Lake Community Partners
- The Annie E Casey Foundation
- The McNeely Foundation
- The Minneapolis Foundation
- The Saint Paul Foundation
- Twin Cities Local Initiatives Support Corporation, LISC
- Wells Fargo Foundation
- Hispanic’s in Philanthropy
- Marquette Financial Companies
- McKnight Foundation
- National Association for Latino Community Asset Builders, NALCAB
- Nexus Community
- Northwest Area Foundation
- Otto Bremer Foundation
- Payne-Lake Community Partners
- The Annie E Casey Foundation
- The McNeely Foundation
- The Minneapolis Foundation
- The Saint Paul Foundation
- Twin Cities Local Initiatives Support Corporation, LISC
- Wells Fargo Foundation
- AICPAC
- AARP Foundation
- American Express Foundation
- Ameriprise Financial
- Blandin Foundation
- Bush Foundation
- City of Minneapolis Community Planning and Economic Development, CPED
- Hispanics in Philanthropy
- Marquette Financial Companies
- McKnight Foundation
- National Association for Latino Community Asset Builders, NALCAB
- Nexus Community
- Northwest Area Foundation
- Otto Bremer Foundation
- Payne-Lake Community Partners
- The Annie E Casey Foundation
- The McNeely Foundation
- The Minneapolis Foundation
- The Saint Paul Foundation
- Twin Cities Local Initiatives Support Corporation, LISC
- Wells Fargo Foundation

LEDC Partners
(in alphabetical order)

- African Development Center
- Heartland Community Action
- Lake Street Council
- Kandiyohi County Economic Development Commission
- 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
- State Council of Opportunities Industrialization Center (OIC)
- Other Community Organizations, Including neighborhood and business associations and faith-based institution.