Dear friends and allies:

As I write this message, many thoughts come to my mind as I look back in time to 2003 when we applied to receive our status as a 501(c)3 organization. To be honest, we did not start the organization at the perfect time: the economic situation was challenging, the U.S. had just begun the War on Terror, and there was a very obvious anti-immigrant sentiment in the air caused by the unfortunate events of September 11 that made us nervous. Nevertheless, we decided that it was time to prove that Latino immigrants can contribute to our adopted communities - so we took the challenge.

The following years were not easy, but still the organization grew every year. In 2013, we are celebrating our 10th anniversary and we would like to celebrate with you the fact that we are still alive and have achieved ambitious goals over the past 10 years, like the opening of Midtown Global Market and the purchasing of Plaza Los Lagos, among others.

Throughout this annual report, you’ll read about a few of our accomplishments in 2012.

Perhaps one of the most significant goals that we as an organization achieved in 2012 was the goal of securing the economic support for and hiring of our Vice President and Chief Operating Officer, Mario Hernandez. Mario comes to the organization with great expertise in the nonprofit and government sectors that we are sure will be of tremendous help to the work of LEDC. Mario started on July 1, 2012, and immediately took over the internal challenges we were facing at that time. Although we still face challenges, Mario’s support, and the support from the staff and board, makes us confident we can overcome any challenge.

Thank you very much for your support and contribution, not only to LEDC, but to our constituency and our community as a whole.

Sincerely,
Ramón León
President and CEO

Ten years ago the founders of LEDC dreamed that one day we would own buildings on Lake Street, that we would help Latino entrepreneurs start their own business, that we would build mercados, and that we would train people and help them get jobs. They dreamed that some of the businesses we helped would evolve and hire more than 100 employees and own their own buildings. Those dreams have become a reality, but we have not stopped dreaming. It has been a privilege to be on the board for the past six years and the chair for the past three. I am honored to be involved with such a dynamic organization, and grateful for the superb leadership provided by the President & CEO and the dedication of the entire LEDC staff who are producing outstanding results year over year. We are still dreaming and looking forward to amazing accomplishments in the years to come.

Ronald Lezama
Chairman of the Board

For me, this past year included the exciting change of joining the LEDC team. As the Vice President and Chief Operating Officer, I’m tasked with creating the operational infrastructure LEDC needs in order to serve the training, education, and businesses needs of Latino entrepreneurs and job-seekers and to effectively engage community partners and supporters in the organization’s mission. As you’ll see from reading this annual report, LEDC is engaged in a rich portfolio of economic development projects and programs that build on the assets of Minnesota’s growing Latino community. I look forward to identifying ways to collaborate with you and continue advancing Latino economic development in Minnesota.

Mario A. Hernandez
Vice President and COO
LEDC Board 2012

Ronald Lezama (Chairman)
Juan Linarez (Vice Chair)
Leo López (Treasurer)
Elvira Flores (Secretary)
Lorenzo Ariza
Maria Boyle
Enrique García
Jennifer Godinez
Carlos Landreau
Idalia Leuze
Rose Lindsey
Rene Madrid
Salvador Miranda
Ernesto Palestino
Thomas Pantalion
Rafael Quintero

LEDC Staff 2012

Ramón León, President and CEO
Mario Hernandez, Vice President and COO
Laney Barbaugh, Special Projects Research and Support Coordinator (*)
Daniel Bonilla, Latino Academy TTOIC Program Director (*)
Liseth Bucheli, Business Training Coordinator (*)
Rocio Bustillos, Economic Development Lender/Business Consultant
Yolanda Cotterall, Greater MN Program Director
Anel Espinoza, Economic Development Lender/Business Consultant (*)
Yessenia Felix, Membership Services and Office Management
John Flory, Special Projects Director
Matt Kazinka, Green Initiative Coordinator
Sara López, Human Development Trainings Coordinator (*)
Juventino Meza, Human Development Program Coordinator (*)
Julia Parra McPherson, Business Training Coordinator
Mónica Romero, Loan and Technical Assistance Program Director
Jaime Villalaz, Economic Development Lender/Business Consultant
Julisa Viveros, Workforce Coordinator

LEDC-MN @Latinocdc

www.ledc-mn.org

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

Mission
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 act in the best interests of our membership; contribute our wisdom and experience for the betterment or all members.

SATELLITE OFFICES:

Los Lagos
1501 East Lake Street (lower level)
Minneapolis, MN 55407
(By appointment only)

Neighborhood House
179 Robie Street East, Suite 137
Saint Paul, MN 55107
(By appointment only)

Plaza Verde
1516 E. Lake Street, Suite 201
Minneapolis, MN 55407

(612) 724-5332
1-877-724-LEDC (5332)
National Activity:
LEDC began working with the Hmong American Farmers Association (HAFA) during the summer of 2012 to identify farmland for purchase for an agricultural land trust that would be available for long-term lease to a cooperative of Hmong vegetable growers. We identified a socially responsible lender based in California that was willing to invest $1 million in the purchase of 100 or more acres of prime farmland. A purchase proposal was developed for submission for a property within 20 minutes of the Twin Cities. LEDC and HAFA intend to establish an LLC that will lease the property from the investor and sublease to Hmong farmers who are members of HAFA. We believe this model can be duplicated by groups of immigrant farmers around the country. In 2012 the USDA approved funding to develop a farm plan for this property and to develop a standard legal and operational model that can be repeated.

International Activities:
The sponsoring group in Axochiapan for a vegetable exporting venture to market produce raised in Morelos, reported that they have secured the use of a packing and shipping warehouse in Axochiapan, along with necessary equipment, to begin shipments of produce to Minneapolis, as soon as the Mexican government gives final approval to their permits. LEDC is negotiating to purchase a building in St. Paul with the capacity to host a produce warehouse where imported produce may be stored upon delivery. The Mexican Restaurant Association is forming a purchasing cooperative that would purchase the majority of this imported product. The first shipment will include tomatoes, tomatillos, jalapeno peppers and limes.

Special Projects

Business Development Stories:

Francisco and Fidelia Chiman, who are from the town of Jolalpan in Puebla, México, came to LEDC in 2012 with a dream of starting a janitorial business. Both took business classes and received the technical assistance LEDC offers to its members. With great effort, the Chiman family opened their new company, Minnesota United Cleaners Services. Francisco and Fidelia have been able to close contract deals with well-known restaurants, creating more than six employment opportunities and significantly increasing their own income. One of their goals is to assist the community by creating twenty new employment opportunities over the next two years.

Maria Perez Gali is originally from Tampico in Tamaulipas, México. She graduated as an educator in her country and immigrated to the U.S. in 1998 to look for better opportunities. With her passion for child care, she decided to explore the possibility of opening a child care business. She faced many barriers, including the challenge of learning a new language, but she overcame obstacles and opened her child care business, Circulo de Amigos, in Minneapolis. The business has the capacity to serve 30 children between the ages of 6 months and 5 years, and has created more than 5 full-time employment opportunities. Maria became a member of LEDC in 2005, and is currently receiving assistance to open a new, eco-friendly child care center that will provide care for 87 children and create 12 new jobs.
Green Initiative Story

In 2012, LEDC’s Green Initiative continued to help Latino business owners increase the environmental sustainability of their businesses. One of more than 20 businesses to take action was La Perla Tortilleria, which operates a successful tortilla manufacturing operation in Minneapolis. An energy audit conducted in 2011 revealed that La Perla had surprisingly high lighting expenses.

La Perla participated in the One Stop Lighting Shop program of the Center for Energy and the Environment (CEE). They replaced hundreds of T12 florescent light bulbs with more energy-efficient options and received rebates from Xcel Energy for nearly 50% of the total cost. “We’ll be able to pay off the loan with the savings on our energy bills,” explains Mr. Payan. Additionally, the redesigned lighting creates a much brighter working area. “Everyone loves the new lighting. It’s perfect,” says Mr. Payan. LEDC provided financing for the project with a 0% interest loan supported by the McKnight Foundation. La Perla hopes to continue saving energy by improving outdoor lighting, adjusting the ventilation system, and increasing the efficiency of its delivery system.

MERA / SOCIAL MEDIA

LEDC is constantly seeking to provide workshops on topics that can help business owners overcome barriers. Due to the popularity of social media, LEDC coordinated a training on the topic for members of the Minnesota Mexican Restaurant Association (MERA). The training, presented by a specialist on the topic, gave an introduction to and how social media can help a business as a marketing tool to attract, create, and maintain a long-term business relationships with clients.

Mercado Central / CUSTOMER SERVICE

LEDC provides training according to the needs of businesses and their workforce. In 2012, we acquired and adapted an existing training, originally created by the University of Minnesota Tourist Center, to improve the skills and knowledge of employees that were directly serving customers at Mercado Central. Our Customer Service workshop series trained more than 40 employees of 18 businesses from the Mercado Central, who now have the multicultural vision and tools to work with the many clients from many cultures who visit the Mercado daily.

STUDENT: Lourdes Mendez

Lourdes Mendez and her family came to Minnesota from El Salvador 12 years ago. To support her family, Lourdes worked 11 years in a janitorial company until mismanagement forced the company to close. Lourdes had an entrepreneurial vision and decided to look for her own janitorial deals. She learned about LEDC while seeking assistance to develop her business, and took microenterprise trainings twice, updating her knowledge about accounting, customer service, financing and marketing. She now holds nine important contracts in the Twin Cities, two employees, and, thanks to the networking opportunities provided through the trainings, she might receive a contract offer from a construction company. Lourdes says that the trainings helped her develop a “clear understanding of what she will be facing.”

WORKFORCE STORY: Rosalio Rodriguez

Rosalio Rodriguez studied Hospitality and Tourism in Mexico, working for various restaurants that helped him gain experience. In 1998, Rosalio arrived in Minnesota to pursue the opportunity to work for different hotels and restaurants. In 2008, at age 42, he became sick and was informed that his illness did not have a cure and required extensive, strict and careful weekly therapy sessions to maintain a better quality of life. He lost job opportunities because he frequently was compelled to miss work to attend therapy sessions. He came to LEDC for assistance from our workforce department; we helped him identify his skills and conduct a job search that fit his skills and needs. Today, Rosalio is chef at Culvers and works a stable and enjoyable job that allows him to attend his weekly therapies.

For the Latino Academy TTOIC, 2012 was a year of transition. We continued to provide high-quality trainings for Latinos seeking to improve their opportunities for employment or business ownership. The department faced the loss of significant funding during the year due to a legislative change in a funding allocation; nonetheless, 760 individuals were served through the Latino Academy TTOIC.

We were excited that 137 individuals who received workforce assistance or took a class received a new job or retained their existing job. We were able to create a new set of classes that increased our client base – one such course was the Youth Entrepreneurship Program, a pilot program for youth ages 16-21 interested in starting a business. We also strengthened relationships with the University of Minnesota and environmental organizations for the Food Manager Certificate class and green business project, respectively. In 2013 we are planning to grow the Latino Academy TTOIC’s reach in St. Paul and build on the successes in 2012.
Rural Report

LEDC’s rural team has a vision for creating equitable and just economic development programs. We believe we cannot have justice unless we organize our communities for economic equity.

The agricultural opportunities represented in rural Minnesota are not new to us, but unfortunately, most agricultural opportunities for Latinos in rural areas are for farm workers, not owners. Today, with funding from the USDA, we offer assistance for the development of farming businesses and the formation of farming cooperatives. We believe cooperatives have the potential to strengthen and support individual farmers through the rigors of starting and growing a profitable farming operation.

If we have learned anything over the last 6 years it is that there are great opportunities and great challenges for Latinos in rural regions. Starting a business is not easy, but it can level the economic playing field, and farming businesses can be another opportunity on that equitable and just playing field.

La Perla Market St. Cloud

Emilio Aviles started his business, La Perla Market, in May of 2008 with an equity investment of $5,000 and a big dream to be successful. Emilio initially contacted LEDC staff in St. Cloud for help registering the business, and has continued to work with the organization since then. In July of 2010, Emilio and his wife Carmen opened a second location in Waite Park, MN. Within one year, they added a very successful meat market. However, they have also encountered challenges in terms of competition; a Super Wal-Mart and another Latino grocery have both opened within 5 blocks from their location. Even with their challenges, the Aviles reached sales of over half a million dollars in 2012 and created 5 new jobs. They plan to add a fast food section at the Waite Park location and continue expanding the businesses.

Agua Gorda Cooperative

On November 15, 2012, the City of Long Prairie’s Economic Development Committee approved leasing 3.1 acres of agriculture land to the Agua Gorda Cooperative. “Members of the cooperative have demonstrated being very responsible and hardworking people in agriculture activities,” said Lyle Danielson, Long Prairie’s Economic Development Director.

The co-op reached $7,000 in sales last year, allowing them to pay off their farm loan. Their successes, including the loan, were accomplished with the assistance of LEDC staff. For 2013, according to the analysis and projections for production, the co-op plans to produce approximately 60,000 pounds of vegetables which will generate up to $40,000 in sales. LEDC support to the Agua Gorda Co-op included identifying markets and setting fair prices for their products.

Other Activities in 2012 to Highlight:

- Renovation of the lower level of Plaza Los Lagos building (1501 E. Lake St) is completed; half of LEDC’s operations moved into the building, including training rooms and office spaces.
- Provided staff support to the Mexican Restaurant Association of MN, which held a week-long culinary event along with the celebration of “El Dia de los Muertos” at the Midtown Global Market.
- Conducted a feasibility study for a mercado incubator in Owatonna, MN.
- Secured funding through the Rural Cooperative Development Grant (RCDG) from the USDA for continuing support of our work to develop agricultural cooperatives, market cooperatives and public market cooperatives.
- Three agricultural cooperatives were formed in Greater MN cities: Agua Gorda Cooperative in Long Prairie/Staples, Good Food Cooperative in Madelia, and Rio Grande Cooperative in Claremont.
2012 Scholarship Recipients

LEDCC Latino Scholarship Fund:
Karen Gonzalez, $3,000

“George Linares” Scholarship:
Oscar Martinez Armenta, $3,000

“Ramiro Hernández” Scholarship:
Karla Arredondo, $3,000

IME, Instituto de Mexicanos en el Exterior, scholarship $3,000 each:
Johana Cornejo-Cisneros, $3,000
Emilia Gonzalez Avalos, $3,000
Roberto Ruiz, $3,000
Michelle Gonzalez-Lopez, $3,000

2012 LEDC Awards

Female Entrepreneur:
- Angelina Figueroa
- Maria Barvoza

Friend and/or Volunteer of the Year:
- Ambar Hanson
- Emilia Blanco
- Gary Gorman
- Rick Rocheford

Socially Responsible Business of the Year:
- Restaurant Los Ocampo
- Alex Cazalez Law Firm

Latino Scholarship Fund
Contributors
(In alphabetical order)

- A la Salsa
- Alicia Juárez
- Ambar and Eric Hanson
- Ameriprise Financial
- Ana Placencia
- Andrea K. Moerer
- Anonymous
- Blanca N. Olivas
- Blue Cross and Blue Shield of Minnesota
- Bruce F. Pomerantz
- Cardina Esparza
- Carlos Rivera
- Cesar Dewey
- Christian Haro
- Cynthia Campos
- Daniel W Cohen
- Day of the Dead Event (proceeds from event)
- DEC
- Elda Macías
- Elena Izaekosnas and Ernest Smith
- Ellen M. de la Torre
- Emily R. Baxter
- Enrique and Noelia Garcia
- Erika Busse
- Eudoro A. Olivas
- Francisco J. Gonzalez
- Gabriela Vazquez and Jose Rodolfo Gutierrez-Montes
- Gustavo M. Lanata
- Instituto de Los Mexicanos en el Exterior
- James Hunt
- Jana H. Hilleren Garcia
- Janet Hagen
- Jeffrey D. Kolnick
- Jennifer S. Leazer
- Jessica Lee
- John Flory
- John Keller
- Jose L. Gonzalez
- Juan Pujols
- Katherine Fennelly
- Kristin Lockhart
- La Loma Tamales
- Landreau Agency
- Lourdes Mendez
- Margaret Lund
- Mario Hernandez
- Mary K. Hanson
- Megan J. Bentley
- Monica Garcia-Perez
- Mónica Romero
- Neala J. Schleuning
- Nereida Flores
- Nina M. Northrup
- Noemi A. Treviño
- Oscar Peter Echandi
- Paul A. Mattsen
- Ramón León
- Raul Ramos
- Rebeca Juarez
- Ron Lezama
- Rosa Tock
- Rose C. Lindsay
- Ruby Lee
- Salsa a la Salsa
- Sandra L. Vargas
- Sara López
- Sarah M. Northrup
- Shamir Morse
- Stephen Philion
- Taqueria La Hacienda #3
- Thomas & Deborah Pantalion
- Thomas Kray
- Todays Life, Inc
- Ursula M. Lentz

IME, Instituto de Mexicanos en el Exterior, scholarship $3,000 each:
Johana Cornejo-Cisneros, $3,000
Emilia Gonzalez Avalos, $3,000
Roberto Ruiz, $3,000
Michelle Gonzalez-Lopez, $3,000

LEDCC Latino Scholarship Fund:
Karen Gonzalez, $3,000

“George Linares” Scholarship:
Oscar Martinez Armenta, $3,000

“Ramiro Hernández” Scholarship:
Karla Arredondo, $3,000

Latinos Scholarship Fund
Contributors
(In alphabetical order)

- A la Salsa
- Alicia Juárez
- Ambar and Eric Hanson
- Ameriprise Financial
- Ana Placencia
- Andrea K. Moerer
- Anonymous
- Blanca N. Olivas
- Blue Cross and Blue Shield of Minnesota
- Bruce F. Pomerantz
- Cardina Esparza
- Carlos Rivera
- Cesar Dewey
- Christian Haro
- Cynthia Campos
- Daniel W Cohen
- Day of the Dead Event (proceeds from event)
- DEC
- Elda Macías
- Elena Izaekosnas and Ernest Smith
- Ellen M. de la Torre
- Emily R. Baxter
- Enrique and Noelia Garcia
- Erika Busse
- Eudoro A. Olivas
- Francisco J. Gonzalez
- Gabriela Vazquez and Jose Rodolfo Gutierrez-Montes
- Gustavo M. Lanata
- Instituto de Los Mexicanos en el Exterior
- James Hunt
- Jana H. Hilleren Garcia
- Janet Hagen
- Jeffrey D. Kolnick
- Jennifer S. Leazer
- Jessica Lee
- John Flory
- John Keller
- Jose L. Gonzalez
- Juan Pujols
- Katherine Fennelly
- Kristin Lockhart
- La Loma Tamales
- Landreau Agency
- Lourdes Mendez
- Margaret Lund
- Mario Hernandez
- Mary K. Hanson
- Megan J. Bentley
- Monica Garcia-Perez
- Mónica Romero
- Neala J. Schleuning
- Nereida Flores
- Nina M. Northrup
- Noemi A. Treviño
- Oscar Peter Echandi
- Paul A. Mattsen
- Ramón León
- Raul Ramos
- Rebeca Juarez
- Ron Lezama
- Rosa Tock
- Rose C. Lindsay
- Ruby Lee
- Salsa a la Salsa
- Sandra L. Vargas
- Sara López
- Sarah M. Northrup
- Shamir Morse
- Stephen Philion
- Taqueria La Hacienda #3
- Thomas & Deborah Pantalion
- Thomas Kray
- Todays Life, Inc
- Ursula M. Lentz
2012 Sources of Revenue
(In alphabetical order)

- Grants and Contributions
- Ameriprise Financial
- Blandin Foundation
- F.R. Bigelow Foundation
- Grand Aspirations
- McNeil Foundation
- Metro Clean Energy Resources Team (CERT)
- Mission Economic Development Agency (MEDA)
- National Association for Latino Community Asset Builders (NALCAB)
- Nexus Community Partners
- Northwest Area Foundation
- Otto Bremer Foundation
- RE-AMP
- Sam’s Club Foundation (sub-grant through NALCAB)
- Sundance Family Foundation
- The Jay and Rose Phillips Family Foundation
- The Minneapolis Foundation
- The Saint Paul Foundation
- The Saint Paul Foundation Management Improvement Fund
- U.S. Bancorp Foundation
- Wells Fargo Foundation of Minnesota
- Xcel Energy Corporate Citizenship Foundation

Government Grants:
- City of Minneapolis, Department of Community Planning and Economic Development (CPED)
- City of St Paul, Department of Human Rights and Equal Economic Opportunity (HREOO)
- Community Development Financial Institutions (CDFI)
- Hennepin County Environmental Services
- Minnesota Department of Employment and Economic Development (DEED)
- State Council of Opportunities Industrialization Center (OIC)
- U.S. Department of Agriculture, National Institute of Food and Agriculture (USDA)
- U.S. Department of Agriculture, Rural Cooperative Development Grant (USDA)
- U.S. Department of Health and Human Services, Office of Community Services (OCS)

Statement of Financial Position of LEDC
for the year 2012 (Unaudited)

Assets
- Cash and Cash Equivalents $230,478
- Grants and Contributions Receivable $333,633
- Loans Receivable $281,357
- Property & Equipment (Net) $929,258
- Other Assets $14,698
- Total Assets $1,789,424

Liabilities & Net Assets
- Notes Payable $633,416
- Other Liabilities $130,974
- Net Assets $1,025,034
- Total Liabilities & Net Assets $1,789,424

Revenue
- Contributions $446,386
- Government Grants/Operating $563,298
- Program Fees $52,914
- Other Income $228,325
- Total Revenue $1,290,923

Expenses
- Program Services $837,932
- Management and General $369,594
- Fundraising $67,909
- Total Expenses $1,275,435

- Program Services
- Management and General
- Fundraising

LEDCC Partners
(In alphabetical order)

- Accountability MN
- Agua Gorda Cooperativa
- Casa de Esperanza
- Center for Energy and the Environment
- Center for Rural Policy and Development
- Centro Campesino
- Centro Latino Sagrado Corazón
- City of Saint Paul, Department of Human Rights and Equal Employment Opportunities (HREEO)
- Community Action Duluth
- Co-opera Co
- Cooperation Works
- Cooperativa Mercado Central
- The Food Service Energy Leadership Program of Eureka Recycling
- Good Food Cooperative
- Grand Aspirations
- Hennepin County Environmental Services
- Hmong American Farmers Association (HAFA)
- Institute of Mexicans Abroad (IME)
- Kandiyohi County Economic Development Commission
- Lake Street Council
- Land Stewardship Project
- Long Prairie Economic Development Authority
- Metro Clean Energy Resource Teams (CERT)
- Metropolitan Consortium of Community Developers (MCCD)
- Metropolitan Economic Development Association (MEDA)
- Mexican Restaurant Association of MN (MERA MN)
- Midwest Rural Assembly
- Migration and Development AC (MIDE, AC)
- Minneapolis Department of Community Planning and Economic Development (CPED)
- Minnesota Department of Agriculture (MDA)
- Minnesota Food Association
- Minnesota Latino Caucus
- Minnesota State Council of Opportunities Industrialization Center (OIC)
- National Association for Latino Community Asset Builders (NALCAB)
- Neighborhood Development Center (NDC)
- Neighborhood House
- Office of the Mexican Consulate in St Paul, MN
- Opportunity Finance Network (OFN)
- The Organizing Apprenticeship Project (OAP)
- RE-AMP
- Region 5 Development Commission
- Rio Grande Cooperative
- Rural Coalition
- Rural Initiative Foundations
- Saint James Economic Development Authority
- Small Business Development Centers
- St. Paul Department of Planning and Economic Development (PED)
- Willmar Area Multicultural Business Center
- Windom Dual Immersion School
- University of Minnesota, Department of Chicano Studies
- University of Minnesota, Department of Food Science and Nutrition
- University of Minnesota Extension
- Other community organizations, including neighborhood and business associations and faith-based institutions