2018 IMPACT REPORT

BUILDING OPPORTUNITY IN ARIZONA

LOCAL FIRST ARIZONA FOUNDATION
Local First Arizona Foundation creates innovative programs to build a more diverse, inclusive, and prosperous Arizona economy. We believe in leveraging Arizona’s existing assets in order to build opportunity for all.

In our work, we connect our small towns to opportunities, we improve success rates for underserved entrepreneurs so they can build self-reliance and community wealth, and we support food producers to increase connectivity between Arizona’s farms and its residents.

The Foundation works on broad economic development issues, implementing new tools and programs that highlight Arizona’s assets and create sweeping changes that increase opportunities for all Arizonans. We know that Arizona’s economy succeeds when everyone has opportunities to lead healthy and productive lives.

While our programs are incredibly diverse, we invite you to look comprehensively at key challenges facing Arizona and explore with us the creative solutions we’ll need to overcome them. Our programs address these challenges in innovative ways and represent a distinct shift from the old models of economic development that have too often left much of our population behind.

This past year, we saw the results of our work improve the lives of everyday Arizonans. Read through the stories included here and learn about our broad impact in communities across the state. I think you will be inspired by the many stories of self-reliance and prosperity that we are cultivating across Arizona, with the help of people just like you.

Locally yours,

Kimber Lanning
Founder & Executive Director
Local First Arizona Foundation
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The Fuerza Local Business Accelerator is a six-month program designed to teach under-served micro-entrepreneurs important basics for financial literacy and business development.

Investing in under-served communities through entrepreneurship is a successful strategy that in just 6 years has seen incredible job creation and business expansion, along with a reduction in reliance on social services. Creating opportunities for small business development in low-income communities helps build an Arizona we are proud to call home.

Participants attend weekly classes on a variety of topics including marketing, business planning, cash flow management, and many more. They also gain critically important financial literacy through participating in a lending circle, which requires them to make on-time payments every month they are in the program. These payments are reported to Experian, building a credit history for the small business owner, often for the first time.

Their savings are then matched by a scholarship made possible through the support of our donors. Each graduate is offered the opportunity to access credit at fair market rates through partnering financial institutions in lieu of any previous credit history. Local First Arizona Foundation launched the Fuerza Local Business Accelerator in 2013 as a direct response to the influx of predatory lenders that target low-income Latinos who often lack financial literacy. With your support, we are able to connect this vulnerable population to resources that help them build thriving businesses and better lives for their families.
Jose & Leticia Gamiz | Mi Vegana Madre

Jose and Leticia Gamiz became vegan in 2014 and quickly realized that although there were vegan options in town, none catered to their cravings for home-cooked Sonoran Mexican food. After a few successful kitchen experiments, they realized they could fill a gap in the Phoenix culinary world. A friend suggested they look into the Fuerza Local Business Accelerator, and a curious Jose and Leticia decided to give it a shot.

The Accelerator program provided a space where Jose and Leticia’s curiosity and desire to grow were encouraged. They had some business experience, but had struggled due to a lack of knowledge on how to structure a successful business. The Accelerator helped them focus on their passion for vegan Mexican food, and to turn it into a business venture that would fuel both their dream of success, and their love for animals. The more they learned in the Accelerator, the more they realized that there were not only informational resources but also an entire community available to help them succeed.

Today, Leticia and Jose have taken their vegan mexican food concept from a dream, to a food truck, and now to a brick and mortar business in Glendale, AZ.
Hiram Galindo | All Star Patios

Hiram always dreamed of opening his own business. After 20 years in the construction industry, he had gained technical expertise and understood the importance of responsive customer service. He knew that Arizona held immense opportunity in the patio industry, but was afraid to take the leap into starting his own business. He feared the possibility of not being able to provide for his family if his idea was not successful.

Once Hiram learned about the Accelerator, he realized he had spent the last 20 years making money for others, and figured it was time that he invested in his own dreams. Through his time in the Fuerza Local Business Accelerator, he learned the importance of building his own brand. He made small changes that had a huge impact on his business, like wearing branded work shirts, and having his truck professionally wrapped. Hiram now sees the sky as the limit for himself and his business.

By employing the information shared through the Accelerator program, Hiram is now fully supporting himself and his family through his business while also creating jobs for others in his community. He enjoys the flexibility of making his own schedule, and can now make time to be at his children’s sports games and dance recitals on a regular basis.
**MILESTONES & HIGHLIGHTS**

- **536** STUDENTS GRADUATED SINCE 2013
- **137** TOTAL JOBS CREATED IN 2018
- **$6M+** GROSS SALES FOR GRADUATES IN 2018

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**FUERZA LOCAL 2018 EXPANSION**

- **26%** BUSINESS OFFERING NEW SERVICES
- **17%** PURCHASED NEW COMPANY VEHICLES
- **20%** OPENED NEW BUSINESS LOCATIONS
- **35%** HIRED NEW EMPLOYEES
Food production and agriculture are major parts of our state’s economy, and keeping Arizona’s food on Arizona plates increases prosperity for both producers and consumers. Our food initiatives raise awareness of local food systems by enabling Arizonans to find out where and how to eat locally, while strengthening Arizona’s food production by providing tools, education, and marketing for farmers, food producers, and purveyors. With the support of our partners and donors, we are building economic opportunity and support for local food businesses across the state.

**THE PRODUCER**

“The Arizona Food & Farm Forum is one of the best food focused conferences we have. Local First Arizona Foundation has reignited a fire in my professional life. 2019 is going to be another step in the right direction for Arizona, and the Food and Farm Forum is one of those central pieces.”

- Gibson Rade -

**Gibson Rade | Whipstone Farm**

Gibson Rade is a 2nd generation produce and flower farmer at Whipstone Farm in Paulden, AZ. In addition to growing, Gibson has been building the infrastructure to communicate and share produce available for donation: bridging the gap between farmers and food advocates who want to address local food insecurity. Gibson’s next endeavor is to found a Farmer Food Safety Cooperative in Prescott, and we intend to support her in 2019 and beyond.
NOTEWORTHY PARTNERSHIP

• Conducted the initial inventory for the Maricopa County Food System Coalition Food Assessment and facilitated connections to key farmers for interview.

• Consulted with Ajo Center for Sustainable Agriculture & Southern Gila County Economic Development Corporation to lead focus groups to gain community wide insights into enhancing local food market branding and access.

• Bolstered the Town of Gilbert’s commitment to urban agriculture, high-quality food, and local heritage by hosting the 2018 Arizona Food and Farm Forum, showcasing the best of Gilbert as well as highlight the exceptional work of Arizona’s farmers and restaurateurs.

ARIZONA FOOD & FARM FORUM

The fifth annual Arizona Food & Farm Forum was held May 2018 at the working Farm at Agritopia in Gilbert. The 2-day conference convened Arizona’s farmers, food distributors, funders, entrepreneurs, and allies to rethink doing business as usual and to discuss, “What defines good food?” The event focused on retaining wealth in our local food community and creating opportunities for collaboration between food producers in Arizona.

GOOD FOOD FINDER AZ

Good Food Finder AZ is Arizona’s online directory of local foods, serving as a hub where consumers and institutional food buyers alike can discover and contact Arizona’s local food producers. This free resource shortens food supply chains and improves access to local production. Additionally, Good Food Finder AZ offers resources for users interested in food education opportunities, food access programs, and new market opportunities.

BUILDING RELATIONSHIPS

Local First Arizona Foundation staff hold leadership positions in food policy groups and networks across the state in order to influence policy, share successful models, forge partnerships, and connect Arizonans to existing resources.

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Kristen Osgood | Stern Produce

In less than two years, Kristen Osgood, Regenerative Strategy Manager for Stern Produce, has effectively launched their local buying program, Arizona Fresh Together. Arizona Fresh Together has spent over $3.9 million with 27 local purveyors over the last year. Our foods programs have helped Kristen become a stronger leader in her field while also collaborating with other local farmers:

“Honestly, I changed my whole career after last year’s Food and Farm Forum. I didn’t know there were people in the Regenerative Business space, until I met last year’s presenter, Ethan Soloviev. This year delivered yet again, with Deborah Frieze’s work in the Regenerative Economy. Additional key takeaways included meeting our competitors. I’d never met RJ [from Peddler’s Son Produce & Provisions] and I wasn’t certain how Erik’s [of Pivot Produce] program works. We all have different avenues with the same goals of supporting Arizona’s local farmers, together.”

- Kristen Osgood -
MILESTONES & HIGHLIGHTS
(BASED ON EVENT SURVEYS)

96% OF ATTENDEES ESTABLISHED NEW BUSINESS RELATIONSHIPS

24% OF ATTENDEES MADE NEW CONTRACTS, EARNING EACH BUSINESS $2,000-$20,000 IN ADDITIONAL ANNUAL REVENUE

84% OF ATTENDEES GAINED NEW MARKETING OPPORTUNITIES AND BUSINESS STRATEGIES
As the state’s Rural Development Council, Local First Arizona Foundation partners with businesses, leaders and organizations in rural Arizona communities to implement strategies that enable them to grow economic opportunity, retain youth, and increase revenue through tourism. These three strategies empower cities and towns to grow resources they need to build vibrant, sustainable, and resilient economies. Additionally, we work to ensure that rural communities have a place in Arizona’s overall economic development strategy through collaborative visioning of a new future, increased community engagement, and statewide dialogue.

RURAL POLICY FORUM

The Rural Policy Forum connects rural economic development professionals, nonprofits, community leaders, business owners, and other rural stakeholders who are interested in sustaining rural communities. Our goal is to hear strategies from national experts as well as highlight success stories from around Arizona that will give our rural leaders the tools, resources and relationships they need to face current challenges.

WEEKENDZONA

WeekendZona aims to redirect a portion of the $6.5 billion dollars Arizonans spend on average each year vacationing out of state back into our unique and diverse small towns. WeekendZona encourages exploration of our vast state, investing in the revitalization of these local economies, facilitating job creation, and generating Arizona state pride.

COMMUNITY ACTIVATION | MICRO-LOAN BUSINESS

Local First Arizona Foundation works to build resilient small businesses in rural areas through its innovative programs, providing tools and resources to local entrepreneurs. Shifting economic support to focus on small business development, even micro-entrepreneurs, has proven a highly successful strategy to create new job opportunities and rebuild communities. A single successful local business can support several ancillary business services such as accounting, website development, or graphic design, keeping dollars circulating through the local economy in a multiplier effect.
SCIENCE HAPPENS HERE

Science Happens Here (SHH) is a scavenger hunt card game that encourages students and their families to discover the breadth of S.T.E.M. (Science, Technology, Engineering, and Math) related activities happening daily in their local community. This program bridges the gap between schools and local businesses, encouraging local families to ‘buy local’ and local businesses to support education and youth engagement through school programs.

FUTURE LITTLE SCIENTISTS

“I have not heard that much enthusiasm about a program in a very long time. It is collaborations like these that make us stronger as a community.”

- Steve King -
Cottonwood District Superintendent

Cottonwood Launches Science Happens Here

For eight weeks, 3rd-6th grade classrooms across the Cottonwood - Oak Creek School District participated in Science Happens Here, a scavenger hunt card game with a Grand Prize opportunity to conduct an experiment with professional scientists.

To play, students were asked to collect SHH trading cards from local businesses in the community. Each card explained a S.T.E.M. process used within that independent business. The collected cards then allowed students to unlock household experiments on the Science Happens Here website (www.sciencehappenshereaz.com), earning them a point for their classroom.

Mrs. Heath’s students collectively earned a whopping 22 points, marking them this season’s victors of Science Happens Here! For their Grand Prize, the students chose to conduct a dissection experiment with the Arizona Science Center to study the anatomy of a squid.
Graham & Greenlee County Micro-Loan Fund

Currently, lending patterns in rural Arizona lack investment in small scale entrepreneurs, which are the backbone of a thriving economy. The issue in rural Arizona is not capital itself, but accessibility. Existing funders are either unwilling or unable to work in rural Arizona, and the lack of accessible capital limits opportunities for small businesses to open, compete, grow, and/or create jobs.

In 2018, Local First Arizona Foundation launched a micro-loan fund, with the intent to (1) infuse desperately needed capital into rural small businesses, and (2) stimulate rural investment from other existing lenders. The fund advances small business entrepreneurs in Graham and Greenlee Counties, creating jobs and retaining dollars in the local economy. Working strategically with a multidisciplinary team, LFAF is demonstrating the viability of both existing small businesses and start-ups while defining pathways to infuse capital in rural communities.

Footnote: The loan fund, supported by Freeport-McMoRan, is limited to Graham and Greenlee Counties and is focused on $5,000-$25,000 loans.
RURAL POLICY FORUM 2018

- 92% of attendees discovered new resources
- 89% of attendees left inspired to do more good work in rural Arizona
- 94% of attendees connected with someone new

WEEKENDZONA

- 49 total attendees
- $14,000 economic impact
- 3 host communities

SCIENCE HAPPENS HERE

- 45 participating classes
- 46 local businesses
- 200+ S.T.E.M. experiments conducted
WHAT’S AHEAD FOR THE FOUNDATION

FUERZA LOCAL ACCELERATOR | POWERING ARIZONA’S ENTREPRENEURS

- The Fuerza Local Business Accelerator will expand to 80 students per semester, graduating 160 entrepreneurs in 2019.
- Fuerza Local now offered in South Tucson, Avondale and Guadalupe, along with Phoenix, South Phoenix, Mesa and Maryvale.
- The newly opened Fuerza Local Commercial Kitchen will develop food entrepreneurs and introduce shared ownership models to lower the barrier of entry to launch small food enterprises.

GOOD FOOD FINDER | CELEBRATING ARIZONA’S HOMEGROWN FOODS

- Launch and lead a community-wide buy local food campaign.
- Increase online resources available to farmers and food producers across the state to help grow their businesses.
- Convene food businesses and partners at annual events to bolster our community food network.

RURAL DEVELOPMENT COUNCIL | GROWING ARIZONA’S SMALL TOWNS

- Double the reach of rural youth engagement programs by bringing Science Happens Here and other Youth programs to more communities.
- Launch initiative to market exploration of Arizona’s rural communities through profiles that emphasize Arts & Culture, History & Heritage, Outdoor Sports & Recreation, Food & Drink and Entrepreneurial Opportunities.
- Expand rural micro-loan program with a lending goal of $175,000; expected to help up to 10 businesses grow through capital improvements and job growth.
2018 BOARD OF DIRECTORS

Jeff Brodin, Board Chair
Brodin HR Law

Bo Hughes, Vice Chair
Pinnacle Bank

Levi Esquerra, Treasurer
Center for American Indian Economic Development, NAU

William Mandeville, Secretary
The Nature Conservancy

Robin Romano
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Keisha Tatum
US Department of Agriculture

Jenna Rowell
Arizona Public Service

Deanna Salazar
Blue Cross Blue Shield of Arizona

Kevin Youngblood
Pinnacle Forum

Jon Ford
Vitalyst Health Foundation
THANK YOU TO OUR 2018 SPONSORS!

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JOIN THE MOVEMENT, BECOME A localist.

Localists are a dedicated group of people that believe in supporting Arizona’s economy and building community along the way. When you become a Localist, your donation supports our mission of building opportunity in Arizona year-round. Whether it’s a farmer’s tour of their fields, a Fuerza Accelerator graduate’s grand opening, or a group kayak down the Verde River, Localists grow the love of local Arizona! Becoming a Localist at any level will go a long way and will give you access to unique opportunities.

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To learn more, visit:

LOCALFIRSTAZFOUNDATION.ORG/LOCALIST