BUILDING OPPORTUNITY IN ARIZONA

FUERZA LOCAL BUSINESS ACCELERATOR 2018 IMPACT REPORT
OUR FOUNDATION’S MISSION

Local First Arizona Foundation works to build equitable communities that create opportunities for people to build healthy futures for themselves and their families. We are building resilient, inclusive economies that are self-reliant and prosperous. To do this work, we must challenge old systems that limit access to the resources that enable residents to build independently owned businesses that create wealth and strengthen diversity in Arizona. Our holistic approach to building prosperity is paving new paths for all residents to thrive.

WHO WE ARE

Local First Arizona is a nonprofit organization that celebrates independent, locally owned businesses. We support, promote and advocate for a strong local business community and raise public awareness of the economic and cultural benefits provided by strong local economies. Local businesses contribute to a sustainable economy for Arizona and build vibrant communities we’re all proud to call home.

localfirstazfoundation.org
Fuerza Local Business Accelerator is our Foundation’s leading program that transforms lives through building strong enterprises and credit scores that enable access to capital at fair rates.

Our vision is an Arizona economy that is sustainable, resilient, and celebratory of diverse cultures.
The Fuerza Local Business Accelerator is a six-month program designed to teach underserved micro-entrepreneurs important skills for financial literacy and business development. Participants attend weekly classes on a variety of topics including marketing, business planning, cash flow management, and many more.

Participants 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 from the Local First Arizona Foundation. Each graduate is offered the opportunity to access credit at fair market rates through several partnering financial institutions in lieu of any previous credit history.

Investing in underserved communities through entrepreneurship is a successful strategy that in just six 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.
2018 GRADUATES
FUERZA LOCAL

Local First Arizona Foundation launched the Fuerza Local Business Accelerator in 2013 as a direct response to the influx of predatory lenders that targeted low-income Latinos who lacked financial literacy and access to the resources that help build businesses that thrive.
Sildayne Guerrero and her husband Edgar went to work one morning and
discovered they were both being laid off from the communications company
where they had worked together for years. As brand new parents,
Sildayne and Edgar knew they had to think of something fast. Having ample
skills in marketing, they begin their own marketing company to help small
businesses get found.

Like many entrepreneurs, Sildayne and Edgar jumped in head first without
knowledge of how to run a business. They had heard about the Fuerza
Local Business Accelerator from others in their community and decided to
apply. Upon being accepted, Sildayne says that she was excited and knew
that it was a big opportunity for her and the business. She applied herself
fully, depending on her instructors for guidance and feedback. Through the
Accelerator, she had access to a multitude of resources that armed her with
the knowledge needed to structure and scale her business.

With their new business taking off, the Guerreros are thrilled to be able to
create jobs in their community. They've learned to innovate and seek to
continuously incorporate new skills into their strategies to help their clients
stand out in a crowd.

“I believe that above all, being able to apply the information obtained in each
of the classes has given us a great base to continue growing and to create a
company with a strong foundation. Thank you Local First Arizona Foundation
for allowing us to participate and be a part of the Fuerza Local Accelerator.”

~ Sildayne Guerrero
137
Jobs created by Fuerza Local graduates in 2018.

536
Total jobs created by past Fuerza Local graduates.

76%
Active and ongoing participation from past graduates.
FUERZA LOCAL
BUSINESSES BY INDUSTRY

- 2% Transportation
- 4% Accounting
- 5% Technology
- 6% Air Conditioning
- 5% Retail
- 3% Health/Therapy
- 7% Auto Repair
- 3% Consulting
- 7% Photography/Video Services
- 19% Food & Beverage
- 6% Caregiving/Child Care
- 8% Beauty & Hair Salons
- 6% Janitorial/Cleaning Supplies
- 6% Building Contractors
- 5% Graphic Design/Printing
- 8% Event Planning & Supplies
34% Population in Arizona that identifies as Latino.

25% Latino adults live in poverty.

33% Latino children live in poverty.
THE TOY STORE SUCCESS

Bianca Mendoza
Bianca’s Balloons and Toys

Bianca began her journey in entrepreneurship out of necessity. Growing up in a monolingual Spanish household made it hard for Bianca to find good employment. She knew she had to find a way to support herself. She began selling balloons and small toys as a hobby at weekend markets, and she realized she had a talent for sales and customer service. Bianca wanted to scale up her operation in order to leave a legacy for her family but realized she had no knowledge of the laws and regulations that would make business ownership feasible. A friend who had been through the Fuerza Local Business Accelerator shared the application with her, and Bianca knew it was a good opportunity so she took it.

After joining the 2018 Fuerza Local cohort, doors that were once closed began to open for her. Through the program, she was able to build credit for the first time, which helped her obtain a loan that allowed her business to grow and expand. Armed with a solid understanding of how to run a financially viable business, Bianca was able to open her first brick and mortar store in MetroCenter Mall in 2018.

Bianca has an inventory of over 500 items and a full line of merchandise for infants in the store. With the help of Local First Arizona Foundation and Marisol Federal Credit Union, she plans to open a second location this year.

“Several years ago I had the dream of starting a business, but I did not have any idea how to do it. Now, with the knowledge from the Accelerator, and with the classes and people of Fuerza Local, I can tell you that I feel prepared to start any type of business.”

~ Bianca Mendoza
82% of graduates buy from fellow Fuerza Local businesses.

GRADUATES BY YEAR

- 2013: 13
- 2014: 24
- 2015: 48
- 2016: 48
- 2017: 115
- 2018: 92
Graduates who have received media coverage. 73%

Graduates who have received an award or recognition since graduating. 21%

Graduates who volunteer. 85%

Graduates who give charitably. 48%
THE DESIGNER

Aracely Garcia
AG Couture Designs

Aracely is a talented seamstress who honed her creative skills through the years by designing gowns for women and girls across Arizona. She began sewing dance costumes for her daughter, and news of her skill traveled quickly. She loved making people feel beautiful, and pretty soon she was designing costumes for multiple dance troupes and pageant contestants. She heard from a friend about the Accelerator and thought it would be a great opportunity to explore how she could turn her passion into a business.

Aracely had never seen herself as a business owner and knew she had a lot to learn. On top of learning how to build a business from the ground up, she was thrilled to be surrounded by a cohort of entrepreneurs that were starting their own businesses. Her classmates helped her see that the future was full of support and opportunity.

In 2019, Aracely’s plans for her business include expanding into a larger facility and bringing on additional staff to keep up with the high demand for her designs.

“I would congratulate and encourage anyone taking this important step to join Fuerza Local before starting their business. My advice is to not give up, and to always keep learning.”

~ Aracely Garcia
$6,229,450
Gross sales for graduates in 2018.

SINCE 2016

41%
Increase in new jobs created by graduates.

34%
Overall growth in graduates’ workforce.
Loans approved at traditional financial institutions in 2018.

Average loan size.

Total capital borrowed in 2018.
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 the time that he invested in his own dreams. Through his time in the 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 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.

“I used to let fear get in my way and now I am so glad I took the risk and went through the Fuerza Local program and learned to run my own company. Now, I’m ready for growth.”

~ Hiram Galindo
BUSINESS IMPROVEMENTS

37%  Built new websites.

82%  Built new social media platforms.

85%  Opened first time ever checking accounts.

Business improvements made by graduates increased their revenue by 27% in 2017 and 2018.
67% 

Business expansion rate in 2018.

**TYPE OF EXPANSION**

- **26%** Added new service offerings.
- **17%** Purchased new company vehicles.
- **20%** Opened new primary location.
- **35%** Hired new employees.
THE
PASTRY CHEF

Aide Almazan
Dolce Pastello Cakes

Aide Almazan comes from a long lineage of food entrepreneurs. Her mother owned a grocery store, and her uncles together owned a tortilleria. When she moved to Tucson, Aide saw a need for homemade baked goods and knew it was time for her to start her own business. Motivated by the opportunity to teach her daughters to be self-reliant, she got to work.

Aide first learned about the Tucson Fuerza Local Business Accelerator program from a contact the YWCA’s Women’s Business Center. She was immediately interested in the program and knew that with the help of the Accelerator, she could create a fully updated business plan. With classes that focused on accounting, tax procedures, and marketing, Aide knew that her business would be on track for success.

Aide is now looking forward to opening her second location of Dolce Pastello Cakes. She boasts the best cakes in Tucson, and her clients agree by giving many glowing five-star reviews.

“This program taught me how to diagnose my business challenges and how to identify its strengths and weaknesses. I’m now putting into practice what I learned to help my business grow, and that allows me to spend more time with my family.”

~ Aide Almazan
Becoming Part of Something Bigger
From Graduates to Advocates

Once participants complete the program, they are celebrated at a community graduation ceremony that highlights each of their accomplishments. Alongside their $1,000 matching grant, each graduate also receives a business membership to Local First Arizona.

Through their membership, each business becomes part of a community of more than 3,400 local business members across the state, giving them the opportunity to build and sustain strong relationships with like-minded business owners. Fuerza Local graduates also have access to webinars, seminars, and exclusive members-only opportunities, which allows them to continue their education and developed their skills and knowledge.
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Contributing to the Fuerza Local program ensures access to the thousands of underserved residents we have in Arizona who are victims of predatory lending scams that perpetuate poverty and limit our future. For $2,500, one entrepreneur can complete the six-month program, receive a scholarship, a credit score, a mentor, and lifelong access to the tools and resources provided by Local First Arizona.

Support this work today at localfirstazfoundation.org/donate/

Contact Us
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$100,000+
Freeport-McMoRan Foundation

$75,000 - $100,000
Vitalyst Health Foundation

$50,000 - $75,000
City of Phoenix, Phoenix Community Development & Investment Corporation, Yelp Foundation

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- United Way Valley of the Sun
- United Way Arizona Community Foundation

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