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, a signature program of the Foundation, 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 under-resourced micro-entrepreneurs important basics for financial literacy and business development.

Investing in under-served communities through entrepreneurship is a successful strategy that, in seven years, has seen incredible job creation and business expansion, along with increases in community participation.

Creating opportunities for small business development in low-income communities helps build an Arizona where everyone has the opportunity to succeed.

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 participation 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 several 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 and access to capital. With your support, we are able to connect this vulnerable population to resources that help them build thriving businesses and opportunity for their families.
MOVERS, SHAKERS, COMMUNITY MAKERS

Dania & Ernesto Lopez
South Central Nutrition
13TH GENERATION

When Diana’s mother was diagnosed with cancer, her life changed. After endless research of an incurable disease, she learned she could control one thing: the food she put in her body. That sparked Diana’s imagination for fruit shake concoctions and granola bowls that left her friends and family speechless, and her mother living four more years than expected.

Diana’s husband, Ernesto, has his own business. He worked on cars out of his home garage, but both decided to venture into a new project and wanted to do it right. For them it meant finding retail space, opening up a business account, and creating a community hub that gave back to their community.

After their friends at restaurant La Olmeca invited them to their Fuerza Local graduation, they grabbed the flyer off their register and applied the next day. They had missed the deadline. But they got a callback and hit the ground running. They are now leasing a space two doors over from La Olmeca, planning their grand opening, and have a goal of opening a Downtown Phoenix location in 2021.

“Fuerza Local opened our eyes to what it means to be a business owner. From the smallest of details, like a logo, to registering for an LLC, this is the starting point I’d recommend to everyone.”

~ DANIA & ERNESTO LOPEZ
88
Jobs created by Fuerza Local graduates in 2019

624*
Total jobs created by past Fuerza Local graduates

*Graduates still reporting

394
Employees at businesses started by 2019 graduates

$6,991,360
Gross sales for 2019 graduates

FUERZA LOCAL BUSINESSES BY INDUSTRY

- Food & Beverage 31%
- Construction 10%
- Cleaning Services 9%
- Barber Shops 9%
- Document Prep & Sales 5%
- Janitorial & Supplies 5%
- Auto Repair 4%
- Event Planning & Supplies 3%
- Graphic Design & Printing 3%
- Computer Repair 3%
- Health & Wellness 3%
- Event Planning 3%
- Transportation 2%
- Technology (IT) 2%
- Photo- & Videography 2%
- Consulting 1%
- Accounting 1%
- Retail 14%
- Contractor & Supplies 10%
- Construction 10%
- Caregiving (Seniors & Children) 3%
- Auto Repair 4%
- Document Prep & Sales 5%
- Cleaning Services 9%
- Barber Shops 9%
- Graphic Design & Printing 3%
- Computer Repair 3%
- Health & Wellness 3%
- Event Planning 3%
- Transportation 2%
- Technology (IT) 2%
- Photo- & Videography 2%
- Consulting 1%
- Accounting 1%
- Retail 14%

*Graduates still reporting
Picky Hats came to be because of, well, picky customers. Yeira and Ramon began selling hats with pre-printed designs to a variety of smaller businesses. Soon, their clients started requesting more customization and Yeira and Ramon were determined to deliver.

They also wanted something to call their own. When they started the business accelerator program, they were two years into their operation but knew they needed some help in order to continue growing and making a profit.

“In the life of a small business owner, you learn as you make mistakes,” says Ramon. They had moments of wanting to give up and close up shop, but luckily, they now had Fuerza Local in their back corner. From filing taxes correctly to being able to learn from other established businesses, Fuerza Local was the support they were looking for.

They have also joined Nivel Executivo, Fuerza Local’s executive training curriculum, for businesses ready to scale up and making more than $250,000 annually. Currently, they occupy two spaces at Desert Sky Mall: a working space in the back and a small kiosk within the mall. Their goal in 2020 is to close both spaces they have outgrown and invest in a larger storefront and packaging warehouse.

“Fuerza Local is a true community. It’s a family. We feel protected and inspired by our fellow entrepreneurs, and never alone in this venture as a small business owner.”
– YEIRA JACOBO & RAMON BACA
### Population in Arizona that identifies as Latino

Sources: 2019 U.S. Census Bureau, Population Estimates Program (PEP) & 2019 U.S. Census Bureau, American Community Survey (ACS)

20% of Latino adults live in poverty

Source: Center for American Progress Talk Poverty Project (2019)

35% of Latino children live in poverty

Source: National Center for Children in Poverty (2018)

### Graduates by Year

<table>
<thead>
<tr>
<th>Year</th>
<th>Graduates</th>
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<tbody>
<tr>
<td>2013</td>
<td>13</td>
</tr>
<tr>
<td>2014</td>
<td>24</td>
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<tr>
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<td>115</td>
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<td>2018</td>
<td>92</td>
</tr>
<tr>
<td>2019</td>
<td>116</td>
</tr>
</tbody>
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### of graduates report supporting fellow Fuerza Local businesses

Sources: 2019 U.S. Census Bureau, Population Estimates Program (PEP) & 2019 U.S. Census Bureau, American Community Survey (ACS)

67% of graduates report supporting fellow Fuerza Local businesses

Source: Center for American Progress Talk Poverty Project (2019)
THE HANDYMAN

Enrique Valdovinos
Baldos Auto Repair
12TH GENERATION

Enrique has always been a natural businessman. Before entering the program, he was running three different businesses: a restaurant, an at-home mechanic shop, and an air conditioning repair service.

He applied for the Fuerza Local Businesses Accelerator program, because he wanted all three of his businesses to have a strong foundation for success. For Enrique, that meant registering his first LLC, implementing an insurance plan, mastering marketing tactics, and lifting off.

A week after graduation, he leased a warehouse where he now operates his mechanic shop and is expanding his client base to be able to make a profit off of all the recent investments.

In 2020, he wants to feel “established”—less of working with a month’s out overlook, but setting realistic goals quarterly, hiring an accountant so he can focus on clientele, and duplicating these steps for his other businesses.

“I never thought I could achieve getting a building I could call my own. For me, it brings an extra sense of security. To our customers, it paints a picture of credibility, professionalism, and helps our reputation.”

~ ENRIQUE VALDOVINOS
<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
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<tbody>
<tr>
<td>49%</td>
<td>Launched / built new websites</td>
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<tr>
<td></td>
<td><strong>57 New Websites</strong></td>
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<tr>
<td>98%</td>
<td>Created social media accounts for marketing</td>
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<tr>
<td></td>
<td><strong>114 New Accounts</strong></td>
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<tr>
<td></td>
<td><strong>293,275 Followers</strong></td>
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<tr>
<td>60%</td>
<td>Graduates who have received media coverage</td>
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<tr>
<td>23%</td>
<td>Graduates who have won awards or recognition</td>
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<tr>
<td></td>
<td><strong>Total value of give back and community engagement</strong></td>
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<tr>
<td></td>
<td><strong>$133,806</strong></td>
</tr>
<tr>
<td>54%</td>
<td>Give charitably to their communities</td>
</tr>
<tr>
<td>50%</td>
<td>Volunteer time for community efforts</td>
</tr>
</tbody>
</table>
Irma Balvastro & Alejandra Reyes
Delicious Foods & Birreria Las Marias
12TH GENERATION

Irma and Alejandra found their passion by being organizers of their annual family events, from decorations to special dishes, you can bet their Thanksgiving and Christmases are like no other. Family and friends knew they were talented and told them to dream bigger.

Two years into their business, they now run a catering company for banquets and special events and a full-service restaurant. The problem? One commercial kitchen is where seven full-time employees, and up to 18 employees on weekends, prep and cook for both busy businesses.

Their goal in 2020 is to open a second commercial kitchen to more comfortably prepare delicious foods and create a space for their community to also start-up their food businesses. (A model we love and know works well!)

They admit, they might have begun their business backward, but luckily, with advice and guidance from Fuerza Local instructors, they have started the process of finding a representative to renegotiate contracts, maintaining an accountant, and finding the right machinery to keep up with customer demands.

“Fuerza Local taught us how to work smart to better our businesses, and now we get to work to better our community and become a true pillar for others.”

~ IRMA BALVASTRO & ALEJANDRA REYES
IN 2019:

120

BUSINESSES

Entered into the Fuerza Local program

116
Program graduates

86
New LLCs formed

28
In start-up phase

98%
Still active with mentors and Fuerza Local

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/
Endless frozen yogurt concoctions, healthy acai bowls, and crepes? It’s a child’s dream and a mother’s way to support her family and greater community in Laveen, Arizona.

From health permits to designing a logo, everything Yahaira was learning during the Fuerza Local Business Accelerator program she was applying in real life—and found even more motivation to get back to her two-hour evening classes. She knew she’d be well-prepared to handle any hurdle, or health inspector, coming next.

While Yahira has always worked in the food industry, as her own boss, she now gets to spend more time with her family and has full control over the creative direction of the impact she wants to make in her neighborhood.

From creating special deals for nearby schools and community centers to letting her kids pick what fruits and candies should be featured for the week, reaching her one-year anniversary as a small business owner has been that much sweeter because of the confidence she instilled in herself and the support of Fuerza Local and fellow entrepreneurs.

“Just from putting in a little extra effort in a logo, customers ask if we’re a franchise. I’m always ecstatic to tell them, no, I’m a small business owner...just getting started.”

~ YAHaira ORTEGA

Yahaira Ortega
Froyoholic
12TH GENERATION

A DREAM COME TRUE

~ YAHaira ORTEGA
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 develop their skills and knowledge.

64% of 2019 graduates expanded their business

- 32% Hired new employees
- 25% Added new products or services
- 15% Secured government contracts
- 11% Purchased new company vehicles
- 9% Expanded or opened a new location
LOCAL FIRST ARIZONA FOUNDATION

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- Mesa AZ
- Arizona Community Foundation
- Parsons Foundation
- Community Development Partners

$15,000 - $25,000
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- United Way
- Hensley Beverage Company
- Sprouts Health Communities Foundation
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- GoDaddy
- Blue Cross Blue Shield of Arizona

$10,000 - $15,000
- APS
- Foundation
- Avondale
- Phoenix
- United Way
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$5,000 - $10,000
- Arizona State University
- Arizona Commerce Authority
- Flinn Foundation
- Arizona Community Foundation
- Foundations Health Solutions
- Gilbert Arizona
- OneAZ Credit Union
- SRP

28
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