



NOTICE OF MEETING OF THE SAN LUIS ECONOMIC DEVELOPMENT COMMISSION

In accordance with Section 38-431.01 of the Arizona Revised Statutes of the State of Arizona, notice is hereby given that the Economic Development Commission of the City of San Luis, Arizona, will hold a regular commission meeting at 4:00 p.m., Wednesday, October 16, 2024. The meeting will take place at the San Luis Council Chambers, located at 1090 East Union Street, San Luis, Arizona, 85349. Everyone from the public is invited to attend the open meeting.

In accordance with the Americans with Disabilities Act (ADA) and Section 504 of the Rehabilitation Act of 1973, the City of San Luis does not discriminate on the basis of disability in the admission of or access to, or treatment of employment in its programs, activities, or services. For information regarding rights and provisions of the ADA or Section 504, or to request reasonable accommodations for participation in City programs, activities or services contact: ADA/Section 504 Coordinator, City of San Luis Human Resources Department, 1090 East Union Street, San Luis, Arizona 85349; (928) 341-8520.

Notice is hereby given that pursuant to A.R.S. §1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the Economic Development Commission are audio and/or video recorded, and, as a result, proceedings in which children are present may be subject to such recording. Parents in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. §1-602.A.9 have been waived.

This notice is given by:

/s/ Yigal Duarte, Economic Development Assistant

AVISO DE JUNTA DE LA COMISION DE DESARROLLO ECONOMICO DE SAN LUIS

De acuerdo con los Estatutos del Estado de Arizona A.R.S. §38-431.01, se le informa a los miembros de la Comisión de Desarrollo Económico de San Luis y al público en general que la Comisión de Desarrollo Económico de San Luis tendrá una Junta Regular a las 4:00 p.m., el día miércoles 16 de octubre del 2024. La junta se llevara a cabo en el Sala del Cabildo ubicado en el 1090 East Union Street, San Luis, Arizona, 85349. El público está cordialmente invitado a la junta.

De acuerdo con el Acta de Americanos con Discapacidades y la Sección 504 del Acta de Rehabilitación de 1973, la Ciudad de San Luis, Arizona no discrimina por causa de discapacidad la admisión y acceso a sus programas, actividades, servicios o en el trato en cuanto a empleo. Para más información referente a derechos y provisiones del Acta de Americanos con Discapacidades o Sección 504, o para solicitar adaptaciones que sean razonables para la participación en programas, actividades o servicios de la Ciudad, contactar al: Coordinador del Acta de Americanos con Discapacidades/Sección 504, Departamento de Recursos Humanos de la Ciudad de San Luis, Arizona, ubicado en el 1090 E. Union Street, San Luis, Arizona, 85349; (928) 341-8520.

Por medio de este aviso y de acuerdo con los Estatutos del Estado de Arizona A.R.S §1-602.A.9, sujeto a ciertas excepciones reglamentarias, los padres de familia tienen el derecho de dar el consentimiento ante el Estado o cualquiera de sus subdivisiones políticas para hacer una grabación de audio o video de su hijo menor de edad. Las juntas de la Comisión de Desarrollo Económico de San Luis se graban en audio y/o video y como resultado, el hecho de que haya menores presentes puede ser sujeto a que sean grabados. Para que los padres de familia puedan ejercer sus derechos pueden dar el consentimiento por escrito con la Secretaria de la Ciudad a tal grabación, o tomar acción personal para asegurarse que su hijo menor no esté presente cuando la grabación se lleve a cabo. Si un menor de edad está presente en el momento de la grabación, la Ciudad asumirá que los padres de familia están cediendo los derechos sobre una posible grabación de acuerdo con los Estatutos del Estado de Arizona A.R.S. §1-602.A.9.

Este aviso es dado por:

/f/ Yigal Duarte, Asistente de Desarrollo Economico



AGENDA
San Luis Economic Development
Commission
Regular Meeting
San Luis Council Chambers
1090 E. Union Street
San Luis, AZ 85349
October 16, 2024
4:00 P.M.

PLEASE NOTE THAT BOARD MEMBERS MAY ATTEND THIS MEETING BY TELEPHONIC COMMUNICATION. *If authorized by a majority vote of the Board of Directors, an executive session will be held immediately following the vote in accordance with A.R.S. §38-431.03(A) and the meeting will be temporarily recessed while the Board retires to executive session which will not be open to the public.*

1. **CALL TO ORDER/ROLL CALL BY THE CLERK OF THE BOARD**
2. **PLEDGE OF ALLEGIANCE**
3. **DISCUSSION AND POSSIBLE ACTION ITEMS:**
 3. A. Discussion and possible action on any and all matters regarding electing the Chair of the San Luis Economic Development Commission. **(Armando Esparza, Director of Economic)**
 3. B. Discussion and possible action on any and all matters regarding electing the Vice Chair of the San Luis Economic Development Commission. **(Armando Esparza, Director of Economic)**
 3. C. Discussion and possible action on any and all matters regarding the selection of Commission Member terms. **(Armando Esparza, Director of Economic Development)**
 3. D. Oath and Swearing-in of office for members to serve on the Economic Development Commission to be officiated by Sonia Cornelio, City Clerk.
 3. E. Discussion and possible directions to the commission on any and all matters regarding the proposed amendments to the San Luis Economic Development Commission Bylaws. **(Armando Esparza, Director of Economic Development)**
 3. F. Discussion and possible action on any and all matters regarding the use of the USDA Rural Business Development Grant award to contact with Local First Arizona to bring Fuerza Local to the City of San Luis **(Elaman Rodriguez, Senior Manager of Spanish Rural Programs)**

3. G. Discussion and possible action on any and all matters regarding proposed changes to the San Luis Business Incubator Rates for startup businesses and existing businesses
(Armando Esparza, Director of Economic Development)

3. H. Discussion and update of current projects from the Economic Development Director.
(Armando Esparza, Director of Economic Development)

4. PRESENTATIONS:

4. A. Presentation by Arizona Commerce Authority on Statewide Economic Development. **(Jamie Kerr, Vice President, Rural Economic Development)**

4. B. Presentation by Greater Yuma Economic Development Corporation on Regional Economic Development. **(Greg LaVann, President and CEO)**

4. C. Presentation by 4FrontED on Bi-National Economic Development. **(Remigio Martinez, Executive Director)**

4. D. Presentation by Small Business Development Center. **(Crystal Mendoza, Director)**

5. ADJOURNMENT



ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

3. A.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Discussion and possible action on any and all matters regarding electing the Chair of the San Luis Economic Development Commission. **(Armando Esparza, Director of Economic)**

SUMMARY:

The San Luis Economic Development Commission will discuss and take possible action regarding electing the Chair position. The officers will be selected from among the voting members at the annual meeting. In nominating and electing Officers, the Commission shall receive nominations from the floor and shall elect its officers.

The Chair shall preside at all Commission meetings, authorize calls for any special meetings, appoint all committees, execute all documents authorized by the Commission, serve as an ex-officio voting member of all committees, make committee assignments, set agendas for Commission meetings, and generally perform all duties associated with that office.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPOINT _____ AS CHAIR TO THE SAN LUIS ECONOMIC DEVELOPMENT COMMISSION.



ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

3. B.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Discussion and possible action on any and all matters regarding electing the Vice Chair of the San Luis Economic Development Commission. **(Armando Esparza, Director of Economic)**

SUMMARY:

The San Luis Economic Development Commission will discuss and take possible action regarding electing the Vice Chair position. The officers will be selected from among the voting members at the annual meeting. In nominating and electing Officers, the Commission shall receive nominations from the floor and shall elect its officers.

The Vice-Chair, in the event of the absence or disability of the Chair or vacancy in that office, shall assume and perform the duties of the Chair. Additionally, the Vice-Chair shall serve as a Chair of the Executive Committee.

RECOMMENDATION / SUGGESTED MOTION:

**I MOVE TO APPOINT _____ AS VICE CHAIR TO THE SAN LUIS ECONOMIC
DEVELOPMENT COMMISSION.**



ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

San Luis Economic Development Commission Meeting

3. C.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Discussion and possible action on any and all matters regarding the selection of Commission Member terms. **(Armando Esparza, Director of Economic Development)**

SUMMARY:

The San Luis Economic Development Commission will discuss and take possible action regarding term appointment for commission members. Members shall serve for a four (4) year term; the term should be staggered, with three (3) members appointed once a year, and four (4) the following year upon the expiration date of the appointments. Due to all commission members being appointed at once, four (4) commission members will be appointed for four-year terms and three (3) for two-year terms to create a staggered schedule.

The following terms are available:

FOUR (4) YEAR TERM:

FOUR (4) YEAR TERM:

FOUR (4) YEAR TERM:

FOUR (4) YEAR TERM:

TWO (2) YEAR TERM:

TWO (2) YEAR TERM:

TWO (2) YEAR TERM:

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPOINT _____, _____, _____, AND _____, TO A FOUR (4) YEAR TERM

I MOVE TO APPOINT _____, _____, AND _____ TO A TWO (2) YEAR TERM.



ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

3. D.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Oath and Swearing-in of office for members to serve on the Economic Development Commission to be officiated by Sonia Cornelio, City Clerk.

SUMMARY:

Oath and Swearing-in of office.

RECOMMENDATION / SUGGESTED MOTION:

OATH AND SWEARING-IN OF OFFICE ONLY, NO MOTION.



ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

3. E.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Discussion and possible directions to the commission on any and all matters regarding the proposed amendments to the San Luis Economic Development Commission Bylaws. **(Armando Esparza, Director of Economic Development)**

SUMMARY:

The Economic Development Department is proposing to amend to update the language to the Commission bylaws effective since September 24, 2014. The proposed changes include:

Change the Community Development Department to Economic Development Division
Membership Categories- Review categories and addition of other sectors.
Article V. A. Regulars meetings-discuss to quarterly meetings.

Any other amendment as suggested by board.

RECOMMENDATION / SUGGESTED MOTION:

I MOVE TO APPROVE THE AMENDMENTS TO THE ECONOMIC DEVELOPMENT COMMISSION BYLAWS, AS PRESENTED.

Attachments

SLEDC Bylaws

CITY OF SAN LUIS
ECONOMIC DEVELOPMENT COMMISSION
BYLAWS

(Effective September 24, 2014. Updated October, 2024)

ARTICLE I: Name

- A. The organization shall be known as the San Luis Economic Development Commission (SLEDC), hereafter referred to as the “Commission”.

ARTICLE II: Mission

- A. The mission of the Commission is to promote sustainable and economic growth through economic development programs, partnerships, and innovative opportunities to create quality jobs and expand the commercial and industrial tax base.

To support this mission, the Commission will:

1. Collaborate in the creation and regular review of an economic development strategic plan, recommending its adoption to the San Luis City Council;
2. Serve as an advisory board to the San Luis Business Incubator, recommending potential tenants and aligning incubation strategies with targeted industries;
3. Review and advise on significant projects, including those focusing on downtown revitalization and arts and culture enhancement;
4. Provide a platform for dialogue among business, government, education, and cultural leaders.
5. Annually review and recommend updates to the economic development strategic plan to reflect evolving community needs and opportunities;
6. Support and advise the Economic Development Department on initiatives that promote community identity and cultural heritage;
7. Monitor and evaluate year-over-year changes in employment, commercial and industrial tax base, and cultural activities.

ARTICLE III: Membership

A. Advertisement, Nomination and Confirmation Processes:

1. Vacancies will be advertised in accordance with the San Luis City Council standards and accepted process for advertising vacancies to the appointed commissions, committees and boards.
2. Letters of interest, applications, and/or resumes will be submitted to and tracked by the Economic Development Department.

3. Members of the Economic Development Commission are encouraged to foster interest among community members in applying for vacancies.
4. The Economic Development Director will review applications to ensure they meet the advertised vacancy qualifications.
5. Letters of interest/resumes/applications will be sent to the Economic Development Department for review and recommendation to the San Luis City Council.
6. Members of the San Luis City Council will nominate individuals to the SLEDC.
7. Confirmations will typically occur at the following San Luis City Council meeting.
8. New members will receive an appointment letter from the Economic Development Department.
9. Members of the SLEDC serve at the pleasure of the council and can be removed by the city council.

B. Membership Categories

Two types of members-Voting Members are appointed by the San Luis City Council and Non-Voting Standing Advisory Members.

I. Voting Members (7):

Voting members shall be appointed through the process described above. The following industry clusters serve only as guidelines for member representation. Membership is not restricted to these clusters, however, and, at any given time, there can be more than one member from a cluster, however, it's recommended that a diversification of membership be considered as voting membership:

- a. Aviation/Transportation/Logistics
- b. Financial Banks
- c. Healthcare/Pharmaceuticals/Healthcare
- d. Education and Workforce
- e. Commercial real estate broker
- f. Retail
- g. Information and Communications Technology
- h. Data Centers
- i. Small Business and Entrepreneurship
- j. Arts, Culture, and Community Revitalization
- k. Developer
- l. Industrial

C. Membership qualifications

- a. Appointees should be residents of San Luis, Arizona, and/or
- b. Appointees should be licensed businessmen within the city limits, and/or

- c. Appointees should have an interest in quality development and growth of economic development for the community of San Luis, Arizona.

D. Voting Membership Terms

Members shall serve for a four (4) year term; the term should be staggered, with three (3) members appointed once year, and four (4) the following year upon the expiration date of the appointments. If new Commissioner is appointed in the middle of the term, the Commissioner appointed will finish the term of the person replaced. No voting member shall be eligible to serve more than two consecutive terms, except new members selected to fill the unexpired four-year terms of departing members.

E. Attendance and Possible Removal of Voting Members

Regular attendance by all voting members is expected at Committee and full Commission meetings. Members who miss three or more full Commission meetings during a given year may be requested by the City Council, upon recommendation of the SLEDC, to resign from the SLEDC.

2. Non-voting Standing Advisory Members

The following shall serve on the Commission as Standing Advisory Members; however, they serve with no term limitation and no voting rights,

- a. San Luis City Manager;
- b. San Luis Economic Development Director;
- c. Chairman or designee of the Yuma County Chamber of Commerce;
- d. Mayor of the San Luis City Council;
- e. Chairman or designee of the Greater Yuma Economic Development Corporation;
- f. Executive Director of the Greater Yuma Port Authority

ARTICLE IV: Officers

A. Officers

The officers shall consist of a Chair and a Vice-Chair selected from among the voting members at the annual meeting of the Commission in June of each year. In nominating and electing Officers, the Commission shall receive nominations from the floor and shall elect its officers.

B. Term of Officers

Officers shall serve a term of one year from the June meeting at which they are elected until their successors are fully elected the following June. Officers may be elected for no more than two additional consecutive one-year terms. While not binding, it is a general guide that the chair will serve a minimum of two consecutive one-year terms.

C. Responsibilities of the Chair

The Chair shall preside at all meetings of the Commission, authorize calls for any special meetings, appoint all committees, execute all documents authorized by the Commission, serve as an ex-officio voting member of all committees, make committee assignments, set agendas for Commission meetings, and generally perform all duties associated with that office.

D. Responsibilities of the Vice-Chair

The Vice-Chair, in the event of the absence or disability of the Chair or vacancy in that office, shall assume and perform the duties of the Chair. Additionally, the Vice-Chair shall serve as a Chair of the Executive Committee.

E. Vacancies and Special Elections

In the event of a vacancy in either office, a special election may be held to fill the position for the remainder of the term.

ARTICLE V: Meetings

A. Regular Meetings

Regular meetings shall be held every quarter. The date, hour, and location of those meetings are to be set by the Chair. Proceedings of all meeting of the full Commission shall, to the greatest extent possible, be governed by Robert's Rules of Order.

B. Annual Meeting

The Annual Meeting, which shall be for the purpose of the election of officers, shall be held at the time of the Regular meeting in June of each year.

C. Special Meeting

Special Meetings may be called by the Chair or at the request of three members, for the transaction of business as stated in the call for a special meeting.

D. Quorum/Voting

A quorum for the transaction of business at any Commission meeting shall consist of at least fifty-one percent of voting membership exclusive of any vacant seats. There shall be a quorum requirement of at least three (3) Committee members for a Committee meeting. Unless otherwise specified herein, all votes by the Commission shall be decided by the majority of those present at the time of the vote.

E. Minutes

The Economic Development Department staff will be responsible for taking minutes to reflect on the actions and recommendations of the Commission. Minutes shall be forwarded to all members within thirty days.

F. Director of Economic Development Participation

The Economic Development Director is not a member of the Commission, but he/she will serve as an ex-officio non-voting member. He/she may determine if a designee may attend on his/her behalf and if other departmental staff are needed on an occasional basis to provide technical assistance and professional expertise. All documentation and requests of meetings/ committees shall go through the Economic Development Department for processing.

G. Meeting Cancellation

Any regular or special meetings of the Commission or its Committees, are to be held on a day on which, due to inclement weather, will be canceled. The substitute date, hour, and location, if any, of such meeting will be set by the Chair of that meeting.

ARTICLE VI: Committees

A. Executive Committee

The Executive Committee is composed of the Chair and Vice-Chair of the Commission and two Executive Officers who are nominated by the Chair and Vice-Chair and then voted on by the full voting membership of the SLEDC. The two (2) ex-officio and non-voting members are the City Manager and the Director of Economic Development. Responsibilities include:

- a. Provide support and advice to the commission relative to the mission and strategic plan directed by the city council;
- b. Exercise oversight of the Commission activities, provide a forum for discussion and resolution of the Commission issues and disputes, and provide general management services to the full commission;
- c. Plan and implement the orientation program for the new commission members and;
- d. Report on the Commission activities, furnish information, and provide recommendations to the City Council or the appropriate Committee relative to programs and policies affecting the economic growth and development of the City of San Luis.

B. Ad Hoc Committee

Ad hoc committees may be created but must be recommended to and approved by the San Luis City Council. At the time of recommendation, the SLEDC must provide an

overview of the purpose, the expected goal or result and the estimated term of each AD Hoc Committee. The Chairman of the SLEDC appoints members to each Ad Hoc Committee. Appointed members do not necessarily need to be Commissioners; they can be members of the community.

C. Past Chairs

Past Chairs of the SLEDC continue to be engaged and can offer sound and valuable insight and perspective. To maintain the involvement of past SLEDC Chairs and to generate dialogue and discussion concerning economic development, the SLEDC should host a meeting that includes past Chairs approximately every year.

ARTICLE VII: Amendments

Substantive changes to these bylaws require approval by the San Luis Economic Development Commission.

ARTICLE VIII: Conflict of Interest

A Commissioner should abstain from voting on any matters that may present a conflict of interest. Failure of a Commissioner to abstain from voting where a conflict of interest may exist could result in a recommendation of removal from the Commission. As per State Law Commissioners are subject to Stature Control.

ARTICLE IX: Confidentiality

Topics discussed, which include all negotiations with prospectus relating to the development of new and /or expanding businesses and/or business operations, during all regular meetings, special meetings and executive sessions are strictly confidential. All matters considered confidential will be discussed outside of meetings only with other members of the Commission, the City Manager, Economic Development Director, City Council members and/or designated staff, as appropriate. Breaches of confidentiality could result in recommendation of removal from the Commission.



ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

San Luis Economic Development Commission Meeting

3. F.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Discussion and possible action on any and all matters regarding the use of the USDA Rural Business Development Grant award to contact with Local First Arizona to bring Fuerza Local to the City of San Luis (**Elaman Rodriguez, Senior Manager of Spanish Rural Programs**)

SUMMARY:

USDA Rural Business Development Grant Overview:

The City of San Luis was awarded \$60,000 in USDA Rural Business Development Grant funding for small business development programs. The USDA (U.S. Department of Agriculture) Rural Business Development Grant (RBDG) is a competitive grant program aimed at supporting the development and expansion of small and emerging private businesses in rural areas. Eligible applicants include public bodies, government entities, Indian tribes, and nonprofit organizations serving rural communities. The program focuses on promoting economic development and job creation through two types of grants: business opportunity grants and business enterprise grants.

The Economic Development Departments intends to engage with Local First Arizona to bring Fuerza Local to the community. The Fuerza Local Business Accelerator program, run by Local First Arizona, is a six-month initiative designed to empower underserved micro-entrepreneurs, particularly within the Latino community. The program offers weekly classes on essential business topics such as marketing, business planning, and cash flow management, all taught in Spanish. The participants are encouraged to save \$1,000 during the program, which is then matched by a scholarship from the Local First Arizona Foundation. This initiative not only provides critical financial literacy but also offers access to credit at fair market rates through partnering financial institutions, helping participants build a solid financial foundation for their businesses.

The Economic Development Department seeks input from the Commission members on Fuerza Local program and benefit to the community.

RECOMMENDATION / SUGGESTED MOTION:

DISCUSSION ITEM ONLY, NO ACTION.

Attachments

Fuerza Local - Impact Report 2023



FUERZA LOCAL

2023

BUSINESS ACCELERATOR IMPACT REPORT



WELCOME LETTER

Local First's approach to leading economic development in Arizona revolves around a diverse and inclusive Arizona economy- one in which every family can participate. By diversifying Arizona's local business offerings, we keep more money recirculating locally which enables families to have more opportunity to advance economically and build generational wealth.

Arizona must focus on people-driven strategies that enable all Arizonans to be successful. We are building economic resilience by growing entrepreneurs at every stage, and deepening Arizona's economy by growing successful small and mid-sized businesses, which are equally as important as advanced manufacturing and technology firms. Every small business supports a family and every family counts.

Local First has continued to distribute millions of dollars in small business relief aid, along with thousands of hours of small business technical assistance in English and Spanish. Our growing coalition of small businesses is the voice of Arizona.

We graduated 126 Latino entrepreneurs through our Fuerza Local Business Accelerator in 2023 and will graduate 142 more in 2024. Since 2013, Fuerza Local graduates have created hundreds of new businesses and jobs.

Welcome to the future of Arizona! Join us in celebrating entrepreneurship by supporting these outstanding small businesses.



Kimber Lanning - CEO, Local First Arizona

JOIN US IN BEING PART OF THE SOLUTION.

Local First continues to generate forward-thinking solutions for the state's largest economic challenges.

As you will see in our 2023 Fuerza Local Impact Report, the methodology to overcoming our most critical societal issues is baked into our inter-connected programs. Whether you're passionate about the climate crisis, food access, racial equity or rural community development, we want to engage with you for the future of our communities.

Arizona can and should lead the nation in economic resiliency. Together, we are shaping a more inclusive economy as we build with intentional inclusivity. Every Arizonan has a role to play, and every dollar spent with locally owned businesses has a positive impact on Arizona's economy.



ENTERPRISE DEVELOPMENT



Fuerza Local is aimed at under-resourced, Spanish preferred micro-entrepreneurs who have started or are thinking of starting a business, but who would benefit from six months of developing business acumen in the classroom. Developing entrepreneurs is an important part of any economic development strategy and here at Local First, we make entrepreneurship our priority. Local ownership that meets the basic needs of all people drives our economy, provides a diverse array of goods and services, builds local wealth and social capital, functions in harmony with our ecosystem, and encourages healthy communities.

It is our belief that such an economy cannot be fully realized if people are excluded from full and fair participation. Our business accelerators are designed to shape and uphold opportunities for anyone with tenacity and grit to start their own business and grow it into a successful enterprise.

Fuerza Local teaches empowerment through improved credit scores and a deeper understanding of how to access capital and invest it wisely. Most importantly we are creating a web of business professionals and mentors to support and collaborate with our graduates.

Please read more about Fuerza Local and the outstanding enterprises our graduates represent. Buying from one of them not only keeps money recirculating in the local economy; it's an investment in their whole family and neighborhood, which truly creates opportunity for all.



Launched in 2013, the Fuerza Local Business Accelerator was a direct response to the influx of predatory lenders that target low-income, Spanish-preferred Latinos who often lack financial literacy and access to capital. Over the past ten years, the six-month cohort-based program has graduated 1100+ micro-entrepreneurs who have learned marketing essentials, business planning, and cash flow management while gaining critically important financial literacy and building a credit history.

In our most recent survey of a sample 200 graduates of the program have generated \$24,187,500.00 for the local economy.

In 2023, the Fuerza Local Business Accelerator graduated 126 micro-entrepreneurs who wasted no time putting their knowledge to work with 90% of these graduates opening a checking account for the first time in their lives. And despite all the challenges of 2023, 73% of the graduates reported expanding their business last year with 35% hiring new employees, 13% buying company vehicles, and 8% opening a new location while the remaining 22% expanded with new products or services.

SECURING SCHOOL CONTRACTS TO GROW THE BUSINESS



MARIA LUZ PACHECO
MAJESTIC LUX STUDIO
19TH GENERATION
FALL 2022

When Maria Luz Pacheco Canales started her photography business Majestic Lux Studio a few years ago, she went in with a passion for taking photos on film.

Everything else about being a business owner she had to learn. When she saw an ad for Fuerza Local, she immediately submitted an application.

"I had no idea that you had to register the business, get insurance, nothing about business structure," she said. "The program opened many doors for me in the sense that now I have a contract with 17 schools, taking head shots of the students and faculty. My photos are going to be used on the schools' websites. Now the schools see me like a serious, professional business."

A business that began, in part, out of necessity to meet the scheduling needs of her seven children, has blossomed into one that now has employees, a healthy Instagram following and ongoing projects.

She's the first to admit that launching a business, taking an accelerator course, raising kids and studying for her citizenship test was incredibly challenging and exhausting but worth it.

Anyone in a similar situation should take advantage of what Fuerza Local has to offer, Pacheco Canales said. "When you love what you do, it doesn't feel like work," she said. "It's tiring and everything, but there is nothing better than seeing my clients happy and creating that smile."



1,424*

**TOTAL JOBS CREATED BY FUERZA LOCAL
ACCELERATOR GRADUATES**

*GRADUATES STILL REPORTING

GRADUATES SALES INCREASED IN 2023 OVER 2022
(SAMPLE OF 200 GRADUATES ONLY)

\$1,779,506

GRADUATES SALES IN 2023
(SAMPLE OF 200 GRADUATES ONLY)

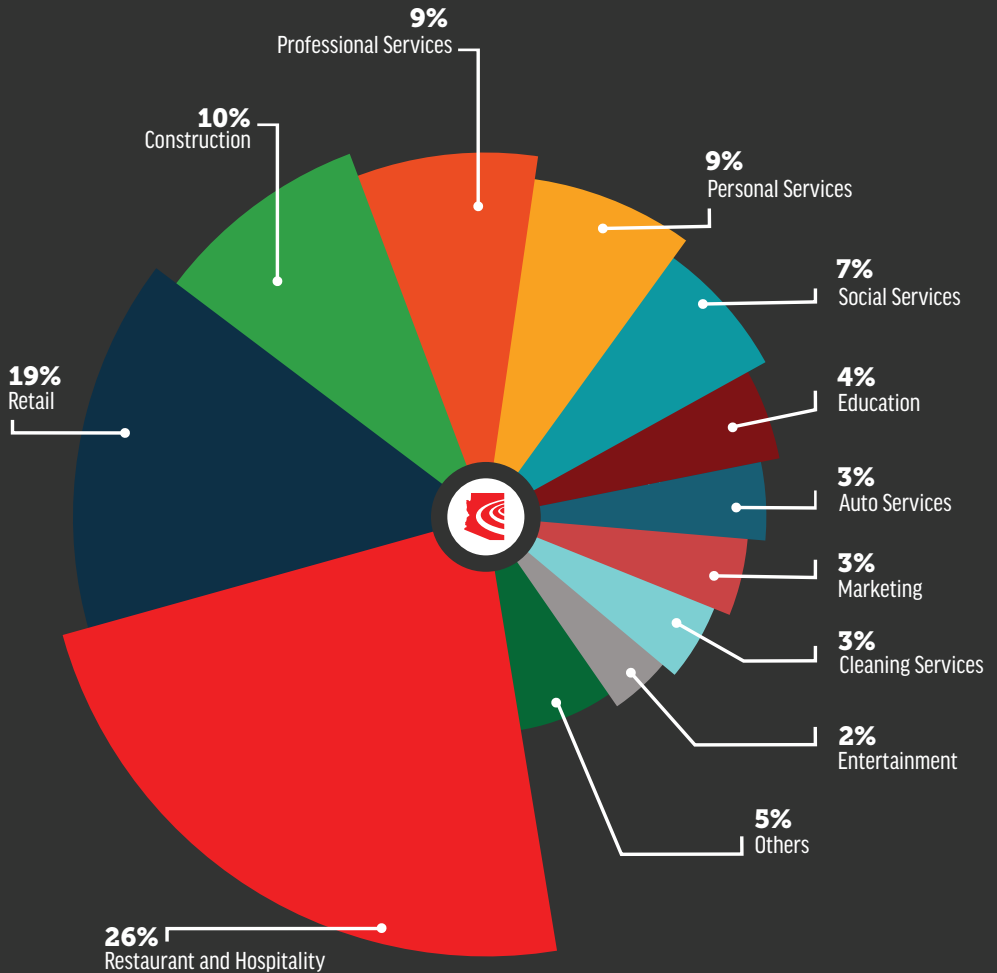
\$24,187,500



FUERZA LOCAL ARIZONA

ACELERADOR DE NEGOCIOS

BUSINESSES BY INDUSTRY



RUBY LOPEZ
WOOD PLAY ALL DAY
20TH GENERATION
SPRING 2023

Ruby Lopez was inspired to start her Montessori playground rental business, Wood Play All Day, after watching her children play and appreciating how they learn.

A mother of three, she has always had an appreciation for learning, and the more she studied, the more she realized that learning takes a variety of forms. "When my daughter comes home, I'm asking her what she did and how she did it because I want to learn," Lopez said of the Montessori way.

Joining Fuerza Local allowed Lopez to advance even more. She wasn't sure how to go about starting a business, but the program put her on the right path, she said. "I thought it was a good idea to take this course because we were starting from scratch. We didn't know what we were getting into," Lopez said. "We wanted to do things on the right foot, and this was a good guide for those who are starting from scratch to learn step by step how to do things right."

From the importance of organization to the development of a business plan to short- and long-term goal setting, Lopez said she came away from the experience with an invaluable set of tools that have helped her develop and grow her business.

Even though she was a beginner, Lopez can see how the program could help business owners at any point in their journey. "This is a program where they will guide you from the beginning to the last, and any questions you have, they are available to answer them," she said. "Fuerza Local has helped me a lot, and can help anyone take their business to the next level."



**A SOLID FOUNDATION TO ENABLE
LEARNING THROUGH PLAY**

BECOMING PART OF SOMETHING BIGGER

FROM GRADUATES TO ADVOCATES

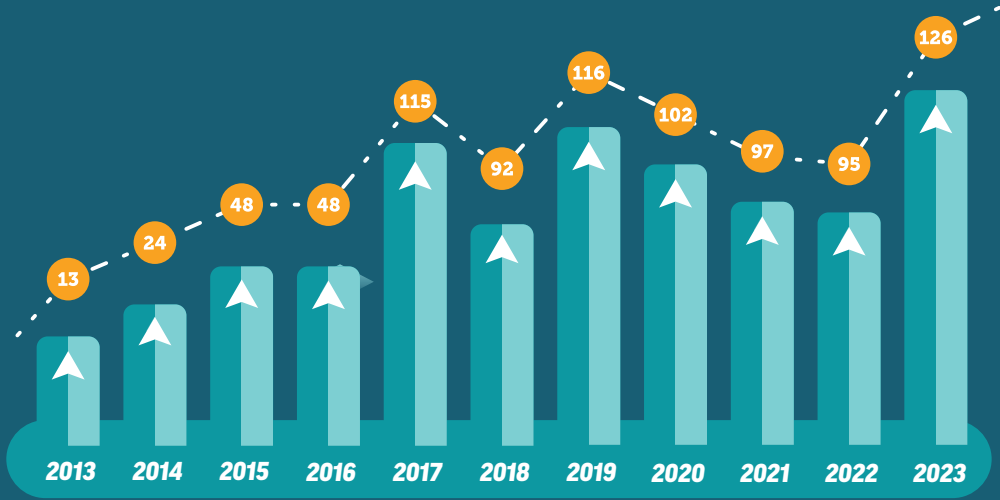
Once participants complete the program, and save \$1,000 in a savings account, they are celebrated at a community graduation ceremony that highlights each of their accomplishments. Each business graduate receives a \$1,000 matching grant from our Foundation, as well as a business membership to Local First Arizona.

Through their membership, each business becomes part of a community of more than 3,000 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 and technical assistance, which allows them to continue their education and develop their skills and knowledge.

GRADUATES BY YEAR



IN 2023:

126 BUSINESSES
ENTERED INTO THE
FUERZA LOCAL PROGRAM

90%

OF PARTICIPANTS OPENED A CHECKING ACCOUNT **FOR THE FIRST TIME** WITH A LOCAL BANK OR CREDIT UNION IN 2023

48%

OF ALL GRADUATES OPTED TO GO WITH A LOCAL BANK OR CREDIT UNION

OVERCOMING BARRIERS AND BUILDING A NETWORK



LUPITA FUENTES / GERARDO INIGUEZ
SEGURIDAD LATINA
15TH GENERATION
FALL 2020

When Gerardo Iniguez started Seguridad Latina, he put in untold hours of sweat equity trying to make connections that he thought would help his security system business grow. As the owner of a Spanish-language business looking to serve Arizona's Spanish-speaking population, he would walk neighborhoods, ring doorbells and leave business cards to spread the word about the services he offered.

His partner, Lupita Fuentes, hoped to grow the business by making connections in a different way. She attended Fuerza Local Acelerador de Negocios, a Spanish-language business accelerator that helps entrepreneurs develop or expand their business capabilities. "I was one of the people who told her, 'Don't waste your time on that. It's better to focus on the business,'" Gerardo Iniguez said. "I was wrong."

He started Seguridad Latina after working for a different security company and watching as Spanish-speaking clients accepted contracts that weren't fair or transparent as a result of a language barrier. He didn't realize Fuerza Local could help until he and Fuentes engaged with the program. "If I had known about Fuerza Local when we started, we would not have had so many setbacks and problems on our path," Fuentes said. "I loved the idea that we were local and supporting each other and that for me was a very good thing and was my biggest motivation."

The program helped the couple network with other businesses, provided lessons about best business practices and gave them confidence as business owners aiming to serve an underserved client base. In addition, Fuerza Local was free, a nice perk for entrepreneurs who are constantly reinvesting in their businesses. For Gerardo Iniguez, the Fuerza Local accelerator also showed him that the Arizona business community values Hispanic entrepreneurs so much, it invests in their professional development. "Everything is possible," Fuentes said. "Even though I had already been running the business for years when I entered the business accelerator, I learned and continue to learn every day, every time I go to a meeting or some other event. You always gain knowledge, so you always must be sharing and participating because there is always something different to learn."



73%

**OF 2023 GRADUATES EXPANDED
THEIR BUSINESS**

35%

HIRED NEW EMPLOYEES

13%

BOUGHT COMPANY VEHICLES

8%

**OPENED A
NEW LOCATION**

22%

**EXPANDED WITH NEW
PRODUCTS OR SERVICES**

18%

**OF GRADUATES ARE NOW REGISTERED AS
VENDORS WITH LOCAL GOVERNMENTS**

JOIN THE MOVEMENT

While much was accomplished in 2023, none of it would have been possible without the contributions and support of community members like yourself. And, there is much to be done in 2024.

Will you join us in our mission to build equitable systems for Arizona's local businesses and communities that create a vibrant, inclusive, and sustainable Arizona economy?



Become a Member: localfirstaz.com/coalition-member

Leave a Legacy: localfirstaz.com/legacy

Donate: localfirstaz.com/donate



MARIA Y DAMIAN RODRIGUEZ
SONORA GRANITE
19TH GENERATION
FALL 2022

Damian and Maria Rodriguez started Sonora Granite, a company that installs granite countertops, because they knew Damian could do the work. He had proven it to Maria's former employer when he fixed a countertop that had fallen at a restaurant.

They just weren't very well-versed on the administrative side of business ownership, which is why Maria researched Fuerza Local after seeing an ad for it on TV one evening. "My husband didn't know that we had applied for it and when everything was ready, I told him 'We're going and that's it!'" she said. "As a woman, we want our family to have a better life."

Once in the program, Damian and Maria learned about licensing with the Registrar of Contractors and gained a better understanding of how social media networks could grow their business. "It has helped me a lot," Damian said. "It motivates and inspires you."

Since graduating from Fuerza Local, Maria and Damian have pivoted their business from working with clients through a contractor to working with clients directly, which is a more profitable route.

The couple credits hard work and access to the valuable resources offered through Fuerza Local for getting them to where they are today. "Having patience is important," Damian said. "It's thanks to Fuerza Local that we are doing this."

BUILDING A FUTURE FOR THE NEXT GENERATION



1,020



**TOTAL NUMBER OF GRADUATES
FROM THE PROGRAM 2013-2023**

**ACCUMULATING 3,090
VOLUNTEERS HOURS**

83%

**NUMBER OF FUERZA LOCAL BUSINESS
OWNERS WHO DID BUSINESS WITH
OTHER FUERZA LOCAL GRADUATES**

60%

**OF GRADUATES CONTRIBUTE
TO LOCAL NONPROFITS
AND CHARITIES**



CELEBRATING

1M

1 MILLION DOLLARS
IN SCHOLARSHIPS

LOCAL FIRST INVESTED IN HISPANIC BUSINESSES IN ARIZONA





**FROM BAKER TO SUCCESSFUL
BUSINESS OWNER**

ANILU VICENTE
SHUNKA'S CREATIONS
3RD GENERATION / RURAL
SPRING 2023

YouTube was the most influential instructor for Anilu Vicente, who had dreamed of becoming a cake decorator and pastry chef since she was in elementary school.

"The pastry business captured not only my heart, but also my soul," Vicente said, explaining how she had always wanted to use cakes to create unique memories for people.

The biggest challenge of being self-taught, she said, was navigating a language barrier. It made finding resources more difficult. "I learned through trial and error and with a lot of frustration for not having a guide of what to do," she said. "The good thing is that I have always been positive, and I have had my wife and friend by my side who encouraged me to take risks and go in search of my dreams."

Part of Vicente's search included enrolling in Fuerza Local. There, language was not a barrier. While continuing to hone her skills as a cake decorator, she acquired valuable business skills, most notably related to billing. "One of my biggest mistakes was that I didn't know how to calculate costs," Vicente said. "I only charged for my ingredients but not my labor because I thought that was how it should be."

Fuerza Local showed her how to accurately value her hard work and talent, all at no cost to her.



Since 2003, Local First has passionately worked to build a diverse, inclusive and prosperous Arizona that is resilient, and celebratory of its diverse cultures.

FUERZA LOCAL ARIZONA

NIVEL EJECUTIVO

Launched in 2019, Nivel Ejecutivo is an advanced Spanish language business development program with 28 graduates to date. Nivel Ejecutivo, or 'next level executive' is an executive training program that provides rigorous entrepreneurial education to support business owners on their path to growth and success. It is designed to give business owners access to business knowledge, management skills, and relationships needed for their businesses to flourish in today's competitive marketplace.

The 6-month program includes 15 areas of focus taught by bilingual business professionals who are experts in their field. The curriculum was designed in partnership with a University in Mexico, UNAM.

SUPPORTIVE BUSINESS NETWORK

An additional strategy of Nivel Ejecutivo is creating a network of successful, growing businesses, across sectors, who can rely on each other for inspiration, information and referrals. Once connected, business owners have this revelation: "I don't have to figure it all out alone."

ACCESS TO CAPITAL & CONTRACTING

Nivel Ejecutivo provides opportunities to win contracts with government agencies and anchor institutions, and connects participants with public and private lenders to increase access to capital to grow their business.

BASIC REQUIREMENTS

Applicants must:

- lead a company registered in Arizona
 - have been in business at least 3 years
 - have at least 3 full-time employees on the payroll
OR have total annual gross sales of at least \$300K
- Program tuition is \$500 per applicant





CESAR SALAS
CESAR GRAPHICS
2ND GENERATION NIVEL EJECUTIVO
FALL 2021

Local First Arizona marked two big milestones in 2023: The 20th anniversary of our founding, as well as the 10th anniversary of our Spanish-language business accelerator, Fuerza Local Acelerador de Negocios.

One of the early graduates of Fuerza Local was Cesar Salas. He opened his Phoenix print shop, Cesar Graphics, in 2008 and benefited from the business education that the accelerator provided.

A few years later, Salas wanted to advance further and signed up for Fuerza Local's Nivel Ejecutivo – a no-cost program offering education, development and a business support system for experienced business leaders. “I don't know how to delegate, and that's something I learned when I entered the executive-level program,” Salas said. “I know I still need to learn more, but I am applying what I learned day by day.”

By participating in the program and learning new skills – particularly networking – he said his business has grown by about 15%. And others have noticed. “People want to know more about the program and Fuerza Local,” he said. “I attend other groups and programs trying to network, but I never forget about Fuerza Local. It's something I will always promote.”

Overall, he said the course opened his mind, allowing him to learn how to implement certain practices that he knew he needed to instill in the business. “It's a guide on how to apply what you need to do but don't know how or where to start, so that you can grow your business, have more time, delegate and grow personally and professionally,” Salas said.

CELEBRATING MILESTONES FOR PROGRESS



LILIA MARTINEZ
LAS ISLITAS DE SAN BLAS
14TH GENERATION / SPRING 2020
2ND GENERATION NIVEL EJECUTIVO / FALL 2021

Lilia Martinez was a waitress and manager for 23 years before she made the leap to become an entrepreneur. She had watched owner after owner buy and sell the Mexican restaurant where she worked, causing uncertainty and sometimes loss of income for employees. So in 2018, when another proprietor left, she purchased the Phoenix business and took the reins of Las Islitas de San Blas herself. "I was very fond of the restaurant and loved what I did," Martinez said. "It was the opportunity that I had been waiting on for so many years. I no longer wanted to be an employee. I wanted to be my own boss and improve my financial situation."

Although the first years were difficult, Martinez soon found Fuerza Local and its executive training program, Nivel Ejecutivo. "I recommend that all entrepreneurs and business people seek advice and help before opening a business," she said. "It would have been easier if I had known about Fuerza Local (at the beginning) to avoid so many headaches."

Through the program, Martinez received expert advice on improving her business and didn't feel so alone, she said. Sales at Las Islitas de San Blas have grown 30%, she said. Fuerza Local and Nivel Ejecutivo are programs that "every business person should take," Martinez said. "I have grown enormously on a personal and professional level and opened my mind. In addition, it motivated me to set goals and achieve them, to manage my business better, to create alliances and to meet other businesspeople."

TAKING CHARGE: A NEW CHAPTER IN THE RESTAURANT'S HISTORY



THANK YOU TO OUR 2023 SPONSORS



ARIZONA COMMUNITY
FOUNDATION
Pakis Center for Business Philanthropy



Thank you to these generous organizations, corporations and foundations that proudly supported the work of Fuerza Local in 2023. We could not do this work without their partnership!

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ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

3. G.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Discussion and possible action on any and all matters regarding proposed changes to the San Luis Business Incubator Rates for startup businesses and existing businesses (**Armando Esparza, Director of Economic Development**)

SUMMARY:

BACKGROUND: The San Luis Business Incubator has been a key resource for fostering entrepreneurship and supporting small businesses within our community. Currently, the incubator provides subsidized space and resources for both startup and existing businesses to encourage economic growth and innovation in San Luis. However, as operational costs have risen and demand for incubator services has increased, a review of the current rate structure has been initiated. The goal is to align the rates with sustainable operating costs while continuing to offer an accessible entry point for businesses to thrive.

Additionally, it has been recognized that different business needs may require more flexible and tiered pricing structures to ensure a balance between providing support and generating enough revenue to maintain the facility's high standards and service levels. The proposed changes to the rate structure will be discussed, focusing on how they will impact both new and existing businesses within the incubator program.

RECOMMENDATION / SUGGESTED MOTION:

DISCUSSION ITEM ONLY, NO ACTION

Attachments

San Luis Business Incubator - Business Plan Draft

San Luis Business Incubator Business Plan Update



Arizona, is a business initiative designed to support and nurture the development and growth of businesses. The Business Incubator offers a variety of programs and services aimed at fostering business growth and development within the San Luis entrepreneurial community.

Current Services

The San Luis Business Incubator provides a range of essential services designed to meet the diverse needs of its tenants. These include:

Office and Warehouse Space

The Incubator offers approximately 20,000 square feet of rentable space distributed across seven suites. Each suite is equipped with essential amenities such as air conditioning, access to fiber optic internet service, and utility services (water/sewer/waste) in the common area. This space is designed to accommodate

various business needs, from small startups to expanding enterprises, providing a conducive environment for business operations.

Business Planning Support

Tenants are offered comprehensive business planning assistance, including access to a wealth of resources and expert counseling services. This support encompasses the development of business plans, financial forecasting, market analysis, and strategic planning, ensuring that tenants achieve a solid foundation for growth and success.

Networking Opportunities

The Incubator coordinates regular networking events and opportunities, enabling tenants to connect with the broader business community. These events are designed to foster collaboration, exchange knowledge, and build valuable relationships that can lead to business growth and innovation.

Access to Common Areas

Tenants have access to well-maintained common areas, including lobbies, hallways, restroom facilities, conference rooms, and parking lot. These spaces are designed to enhance the tenant's experience by providing a relax and suitable environment for conducting meetings and enhance collaborations..

Security and Safety

The facility is equipped with robust security systems to ensure the safety of staff, tenants, and visitors. This includes the fire protection systems that are composed of alarms that are directly connected to Fire/Police dispatch, ensuring a quick response in case of emergencies, fire extinguishers, and fire sprinkler system. Regular safety drills and maintenance of security systems are conducted to maintain a safe environment.

Mission Statement

The mission of the San Luis Business Incubator is to create an environment that supports and nurtures businesses and individuals seeking to establish and expand their business ventures. The Business Incubator program is dedicated to providing the necessary resources, guidance, and networking to ensure the success and growth of its participants.

Vision

The vision of the San Luis Business Incubator is to be a leading catalyst for economic development in San Luis, foster innovation and entrepreneurship, and contribute to the overall prosperity of the community.

Business Incubator Financial Analysis

Revenue Analysis

Rent Revenues:

The rent revenue for the Business Incubator has shown an increasing trend from 2021 (\$41,812.23) to 2024 (\$121,869.00). However, the actual rent revenue collected in 2024 (\$85,621.41) was significantly lower than both the adopted and amended budget figures, indicating a shortfall of \$36,247.59. This discrepancy highlights potential issues with rent collection or tenant occupancy rates that need to be revised to match the current market rates.

The projected rent revenue for 2025 is \$122,000.00, assuming an increase without considering the shortfall experienced in 2024.

Other Revenues:

Miscellaneous Revenue and Lease Interest have shown minor fluctuations over the years, with a notable decrease in 2023 where Lease Interest reported a negative amount (-\$815.00). This suggests possible accounting errors or collection issues that need to be rectified.

Expense Analysis

Salaries & Related Expenses:

There has been a significant reduction in salaries and related expenses from \$40,373.41 in 2021 to \$11,068.63 in 2023, further decreasing to \$8,292.26 in 2024. This reduction is due to the Economic Development (ED) Department subsidizing staffing costs, with most of the salary expenses allocated to the ED Department rather than the Business Incubator unit.

Special Services:

Contractual services expenses were significantly higher in 2021 (\$14,148.94) compared to subsequent years. In 2024, actual expenses (\$10,505.10) were lower than the budgeted amount (\$15,000.00), suggesting either effective cost-saving measures or unmet service needs.

Lease Payments have remained fairly consistent, but the actual expenses are lower than the budgeted amounts, indicating potential savings or renegotiated terms.

Non-Departmental Costs:

These costs have consistently increased year-over-year, with a significant jump from \$39,214.05 in 2021 to \$76,560.00 requested for 2025. This increasing overhead requires detailed scrutiny to identify areas for potential cost savings.

Overall Budget Health

The Business Incubator has consistently operated at a deficit. The gap between revenues and expenses was notably high in 2021 (\$146,121.53) and, although improved in 2023 (\$35,899.10), it is projected to widen again in 2025 (\$23,110.00 deficit).

Despite lower actual expenses in 2024 (\$42,583.13) compared to budgeted amounts, the organization continues to operate at a deficit due to lower than expected revenues.

Market Analysis

To understand the competitive landscape for the San Luis Business Incubator, it is important to examine the offerings and structures of other business incubator programs in rural Arizona. This analysis provides insights into the services provided, target markets, and operational models of similar organizations.

Moonshot at NACET

Location: Flagstaff, Arizona

Services Offered:

- Office and Manufacturing Space: Provides tailored office and manufacturing space for entrepreneurs.
- Entrepreneurial Support: Offers mentorship, training programs, and a comprehensive two-year campaign aimed at fostering entrepreneurial ecosystems in rural communities.
- Pitch Competitions: Organizes pitch competitions like the Rural AZ Pitch Competition to support innovative business ideas (Moonshot AZ, 2024).

Target Market:

- Entrepreneurs and innovators in rural Arizona, focusing on high-impact business ideas that require specialized support to scale.

Unique Selling Points:

- Emphasis on moonshot-thinking, which involves ambitious, innovative projects.
- Does not take equity in the companies it assists, making it an attractive option for startups (Moonshot AZ, 2024).

AZ TechCelerator

Location: Surprise, Arizona

Services Offered:

- Office Space and Facilities: A four-building campus offering nearly 60,000 square feet of space designed to support technological ventures.
- Business Services: Provides mentorship, training, and resources tailored for technological innovation and entrepreneurship.
- Specialized Programs: Hosts events, webinars, and other programs to help startups navigate the business environment (AZ TechCelerator, 2024).

Target Market:

- Technology startups and entrepreneurs in Arizona looking for a supportive environment to grow their businesses.

- Unique Selling Points:
- Focus on technological innovation and a comprehensive support structure that includes affordable space and access to a network of industry professionals (AZ TechCelerator, 2024).

University of Arizona Center for Innovation (UACI)

Location: Various locations across Southern Arizona

Services Offered:

- Business Incubation: Supports scalable science and technology ventures by connecting entrepreneurs with necessary resources.
- Access to University Resources: Leverages the University of Arizona's resources to provide comprehensive support to startups.
- Community Support: Includes community and global entrepreneurs, offering a wide network for collaboration and growth (Startup Tucson, 2024).

Target Market:

Science and technology startups, including those initiated by university faculty and researchers.

Unique Selling Points:

- Strong integration with the University of Arizona, providing unique access to academic and research resources.
- Focus on scalable ventures with a significant emphasis on science and technology (Startup Tucson, 2024).

Recommendations for San Luis Business Incubator

To differentiate and enhance the San Luis Business Incubator:

Expand Service Offerings:

- Develop specialized support programs focusing on local industries such as agri-tech or cross-border commerce.
- Increase the frequency and diversity of networking events to include virtual options and workshops tailored to the needs of rural entrepreneurs.

Leverage Local Strengths:

- Partner with local educational institutions and business organizations to provide additional resources and mentorship opportunities.
- Highlight unique regional advantages, such as proximity to the border for businesses involved in cross-border trade.

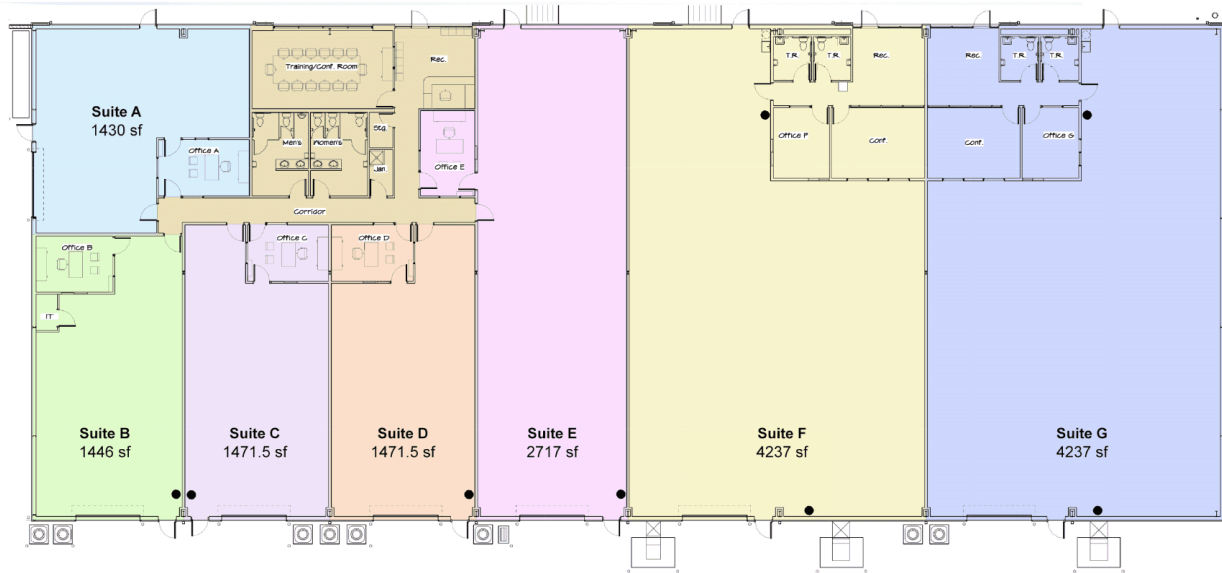
Enhance Marketing Efforts:

- Implement targeted marketing campaigns to attract high-quality tenants, focusing on the unique value proposition of the Incubator.
- Strengthen digital presence through social media, an updated website, and partnerships with local media outlets to increase visibility.
- By adopting these strategies, the San Luis Business Incubator can better position itself as a premier destination for entrepreneurs and startups in the region, contributing to the economic growth and innovation within the community.

Organizational Structure

The San Luis Business Incubator is structured to effectively manage resources, support tenant businesses, and achieve the incubator's strategic goals. The organizational structure ensures clear roles, effective communication, and streamlined operations, facilitating the growth and success of incubated businesses. Below is an overview of the key team members and their roles within the incubator and the Economic Development Department.

Current Facilities



The floor plan for the San Luis Business Incubator features a well-organized layout with seven suites of varying sizes designed to accommodate different business needs. The suites are distributed as follows:

- Suite A: 1430 square feet.
- Suite B: 1446 square feet.
- Suite C: 1471.5 square feet.
- Suite D: 1471.5 square feet, similar in size and layout to Suite C.
- Suite E: 2717 square feet, offering a larger open space for more extensive business operations.
- Suite F: 4237 square feet, the largest suite with reception, office, conference room, restrooms, and warehouse.
- Suite G: 4237 square feet, matching Suite F in size and layout.

Common areas include restrooms, a RAC (Reception and Administration Center), and a conference room centrally located for access and use by all tenants. The design emphasizes flexibility and accessibility, catering to the diverse needs of incubating businesses.

Financial Projections

The financial projections for the San Luis Business Incubator are designed to provide a clear picture of expected revenue streams based on current and proposed lease rates. These projections will help in strategic planning and ensuring financial sustainability while supporting the growth of incubated businesses.

Current Lease Rates

Year	Current Lease Rate
1	\$0.39
2	\$0.44
3	\$0.50
4	\$0.575
5	\$0.65
6	\$0.75

The current lease rates are structured to offer competitive pricing that gradually increases over the first three years, reaching a stable rate in subsequent years. This approach provides initial affordability to attract new tenants while ensuring revenue growth as businesses become more established.

Proposed New Rates

Proposed New Rate	Year 1	Year 2	Year 3+
TRUE Startup	\$0.44	\$0.58	\$0.79
ESTABLISHED Business	\$0.79	\$0.79	\$0.79

The proposed new rate structure introduces differentiated pricing for startups and established businesses. TRUE Startups will benefit from lower initial rates, increasing gradually to provide a runway for growth. Established businesses will maintain a consistent rate, reflecting their ability to sustain higher lease costs from the outset. This tiered approach ensures support for nascent businesses while maximizing revenue from mature enterprises.

Projected Revenues

Suite	SQFT	Rate	Rent
A	1,430	\$0.79	\$1,129.70
B	1,446	\$0.79	\$1,142.34
C	1,471.5	\$0.79	\$1,162.49
D	1,471.5	\$0.79	\$1,162.49
E	2,717	\$0.79	\$2,146.43
F	4,237	\$0.79	\$3,347.23
G	4,237	\$0.79	\$3,347.23
MONTHLY			\$13,437.90
YEARLY			\$161,254.80

Based on the proposed new rates, the projected monthly revenue for the San Luis Business Incubator amounts to \$13,437.90, leading to an annual revenue of \$161,254.80. This projection assumes full occupancy at the proposed rates and provides a sustainable income stream to support the operational costs and further development of the Incubator.

The financial projections outlined above, including the current and proposed lease rates, are integral to the strategic planning for the San Luis Business Incubator. By offering competitive and tiered lease rates, the Incubator can attract a diverse range of businesses while ensuring financial stability and growth. The detailed revenue projections provide a roadmap for anticipated income, supporting the Incubator's mission to foster entrepreneurship and economic development in the San Luis community.

Implementation Plan

The San Luis Business Incubator will adopt a phased approach to implementing the new rate structure. This strategy ensures a smooth transition for current tenants while aligning with the Incubator's long-term financial objectives. As existing six-year leases come to an end, new contracts incorporating the revised rates will be introduced. This means no tenant will renew their lease at the original rate, ensuring gradual adoption of the new pricing. This approach minimizes disruption and provides tenants with ample time to adjust their financial planning, and will facilitate rotation and admission of new tenants with different business ventures.

Communication Strategy

Effective communication is crucial for the successful implementation of the new rates. The Incubator will:

- **Provide Advance Notice:** Tenants will receive detailed information about the new rates well in advance of their lease renewal dates.
- **Offer Support:** Dedicated support will be available to assist tenants with any concerns or questions regarding the new rates.
- **Transparency:** Clear and open communication about the reasons for the rate changes, including the benefits for the Incubator and the enhanced services it will provide.

Potential Risks and Mitigation Strategies

Implementing a new rate structure involves several potential risks, including tenant dissatisfaction and increased vacancy rates. To mitigate these risks, the following strategies will be employed:

- **Tenant Engagement:** Engage tenants early in the process to understand their concerns and gather feedback. This will help in fine-tuning the implementation plan to address tenant needs.
- **Market Research:** Conduct thorough market research to ensure that the new rates are competitive and in line with similar incubators in the region. This will help in retaining existing tenants and attracting new ones.
- **Incentives for Early Adoption:** Offer incentives for tenants who opt to transition to the new rates early. These could include temporary discounts or enhanced service packages.

Continuous Monitoring

The Incubator will monitor the impact of the new rate structure closely, allowing for adjustments as needed to address any emerging issues promptly. This proactive approach ensures that potential problems are identified and resolved quickly, maintaining tenant satisfaction and occupancy rates.

Marketing and Sales Strategy

To promote the San Luis Business Incubator and its new rate structure, the following strategies will be employed:

Promotion on Social Media Channels

The Incubator will leverage social media platforms such as Facebook, LinkedIn, X, and Instagram to reach a wide audience. These channels will be used to:

- **Highlight Success Stories:** Share testimonials and success stories of current tenants to showcase the benefits of the Incubator.
- **Promote Events:** Advertise upcoming networking events, workshops, and other activities.
- **Engage with the Community:** Regularly post updates, industry news, and relevant content to engage with the entrepreneurial community.

Promotion at Industry and Business Events

Active participation in local and regional business events is essential. The Incubator will:

- **Exhibit at Trade Shows:** Set up booths at trade shows and industry conferences to promote its services.
- **Host Workshops and Seminars:** Organize workshops and seminars to provide valuable insights and attract potential tenants.
- **Networking:** Attend networking events to build relationships with key stakeholders and potential partners.

Stronger Partnerships with Business Organizations

Building and strengthening partnerships with local business organizations will enhance the Incubator's visibility and credibility. Key partnerships include:

- **Small Business Development Center (SBDC):** Collaborate with the SBDC to offer joint programs and services.
- **Arizona MBDA Business Center:** Work with the MBDA to support minority-owned businesses and entrepreneurs.
- **Chamber of Commerce:** Engage with the Chamber of Commerce to promote the Incubator's offerings and participate in community initiatives.

Enhanced Online Presence

Develop a comprehensive digital marketing strategy that includes:

Search Engine Optimization (SEO): Optimize the Incubator's website for search engines to increase online visibility.

Content Marketing: Create valuable content, such as blog posts, whitepapers, and eBooks, to attract and educate potential tenants.

Email Marketing: Use targeted email campaigns to reach out to prospective tenants and keep current tenants informed about upcoming events and opportunities.

Metrics and KPIs

To measure the effectiveness of the marketing and sales strategies, the following key performance indicators (KPIs) will be tracked:

- **Tenant Acquisition Rates:** The number of new tenants acquired each quarter.
- **Occupancy Rates:** The percentage of occupied suites compared to total available space.
- **Engagement Metrics:** Social media engagement rates, website traffic, and event attendance.

Conclusion

The San Luis Business Incubator is poised to significantly enhance its role in fostering local economic growth and supporting entrepreneurial ventures through a series of strategic initiatives. The financial projections, including a phased approach to the new rate structure, are designed to ensure both tenant satisfaction and financial stability. By adopting competitive and tiered lease rates, the Incubator aims to attract a diverse array of businesses, thereby creating a robust tenant base and driving sustained revenue growth.

Key Takeaways:

- **Financial Sustainability:** The proposed new rates, detailed financial projections, and revenue targets ensure the Incubator's operations remain financially viable while supporting tenant growth. The careful balance between affordability and revenue generation positions the Incubator to meet its financial goals.
- **Smooth Transition:** The phased implementation of the new rates, coupled with transparent communication and support for current tenants, minimizes disruptions and facilitates a smooth transition. This approach ensures existing tenants can adjust their financial plans accordingly, maintaining high occupancy rates.
- **Risk Mitigation:** By engaging tenants early, conducting thorough market research, and offering incentives for early adoption, the Incubator mitigates potential risks associated with the new rate structure. Continuous monitoring and the flexibility to make adjustments ensure tenant satisfaction and retention.
- **Enhanced Marketing and Sales Strategy:** Leveraging social media, participating in industry events, and strengthening partnerships with business organizations will boost the Incubator's visibility and attractiveness. A comprehensive digital marketing strategy, including SEO, content marketing, and targeted email campaigns, will further enhance outreach efforts.

- **Robust Support Services:** The expansion of specialized support programs, increased networking opportunities, and leveraging local strengths ensure the Incubator provides comprehensive support to its tenants. This holistic approach fosters a thriving business environment conducive to innovation and growth.

The San Luis Business Incubator's strategic plan, focusing on financial sustainability, risk mitigation, and robust marketing efforts, aligns with its mission to nurture businesses and drive economic development in San Luis. By implementing these strategies, the Incubator will continue to be a vital resource for entrepreneurs, contributing to the prosperity and innovation of the local community.

DRAFT



ECONOMIC DEVELOPMENT COMMISSION AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

3. H.

Meeting Date: 10/16/2024

Department Head: Armando Esparza, Director of Economic Development, Economic Development

Submitted By: Yigal Duarte, Economic Development Assistant, Economic Development

ITEM:

Discussion and update of current projects from the Economic Development Director. **(Armando Esparza, Director of Economic Development)**

SUMMARY:

Discussion of projects that will need participation from the commission.

RECOMMENDATION / SUGGESTED MOTION:

DISCUSSION ITEM ONLY, NO ACTION.

Attachments

Director's Update

SAN LUIS ECONOMIC DEVELOPMENT COMMISSION

DIRECTOR'S UPDATE





GROUNDBREAKINGS

PICENO DR.

REZONE NARRATIVE STATEMENT

The property described in the attached legal description consists of agriculture land that YRMC is in escrow to purchase and develop into healthcare related uses. The property is located west of Main Street between Piceno Drive and Los Oros Street. The proposed project development will be in phases consisting of the anticipated following improvements. These uses are preliminary and subject to modifications as development proceeds.

PHASE 1 - FREE-STANDING EMERGENCY DEPARTMENT

Phase 1 development includes the construction of a new 2-story, 60,000 approximate square foot Medical Office Building. It is expected a Free-Standing Emergency Department will be part of the initial development. Other proposed services include a Pharmacy, Lab, Radiology Services and a variety of Medical Clinics.

FUTURE PHASE - HOSPITAL BUILD-OUT

The facility design can potentially serve as the chassis for future overnight stay and eventually a small hospital.

ADDITIONAL SITE DEVELOPMENT - MEDICAL OFFICE BUILDINGS (MOBs)

Future site development includes the construction of a new Outpatient Medical Office Buildings to support the growing campus. The remaining site can support multiple buildings and associated surface parking.



COMMERCIAL DEVELOPMENTS



INDUSTRIAL DEVELOPMENTS



EDA

U.S. ECONOMIC DEVELOPMENT ADMINISTRATION

USHWY 95 WATER AND SEWER PROJECT

EDA GRANT



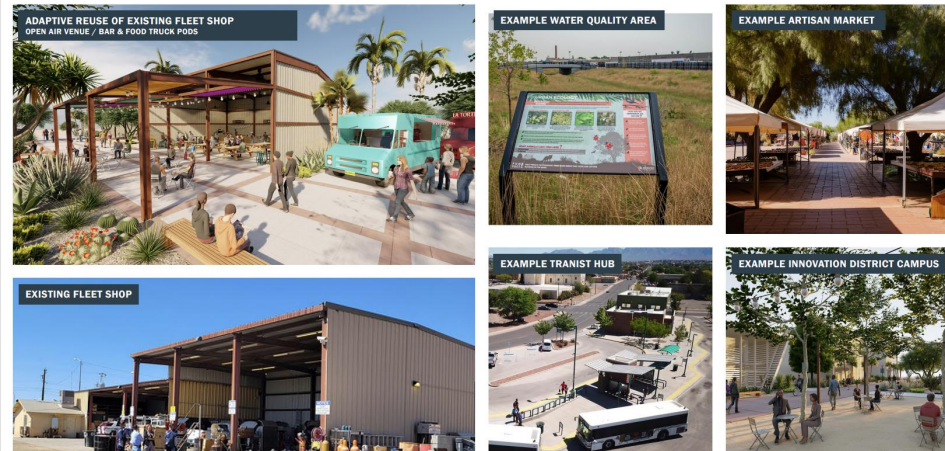
EPA COMMUNITY CHANGE GRANT

CITY OF SAN LUIS AND CAMPEÑINOS SIN FRONTERAS PROJECTS



GRANTS

- EPA Community Change Grant Second Application
 - Downtown Park and Parking Lot and Workforce Development
 - \$19.5 Million requested
- USDOT Active Transportation Infrastructure Investment Program
 - \$15 Million requested



THANK YOU

Questions?





AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

4. A.

Meeting Date: 10/16/2024

Summary

Presentation by Arizona Commerce Authority on Statewide Economic Development. **(Jamie Kerr, Vice President, Rural Economic Development)**



AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

4. B.

Meeting Date: 10/16/2024

Summary

Presentation by Greater Yuma Economic Development Corporation on Regional Economic Development. **(Greg LaVann, President and CEO)**



AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

4. C.

Meeting Date: 10/16/2024

Summary

Presentation by 4FrontED on Bi-National Economic Development. **(Remigio Martinez, Executive Director)**



AGENDA ITEM REVIEW FORM

**San Luis Economic Development Commission
Meeting**

4. D.

Meeting Date: 10/16/2024

Summary

Presentation by Small Business Development Center. **(Crystal Mendoza, Director)**
