



2021-2022 Priorities Report



Welcome

Local First Arizona is leading statewide conversations to build a diverse and inclusive Arizona economy. Our work touches many areas of community and economic development that will be critical to ensure a thriving Arizona in years to come.

2021 was a painful year for so many, but also a year of reflection, and for some, growth. Local First continued to distribute millions of dollars in small business relief aid, along with thousands of hours of small business technical assistance. We also worked to shift 11% market share from big banks to community banks to ensure more local lending, and advanced solutions to meet Arizona's rural community needs. We graduated over 200 entrepreneurs of color through our business development programs and celebrated 80 green business projects and certifications.

At the start of this new year, rather than providing an overview of Local First's specific accomplishments last year, we decided to share what we've identified as Arizona's key opportunities for community and economic development, and Local First's approach in 2021 and beyond. You may notice some of our priorities are familiar; indeed, we have been elevating them for nearly 20 years. But now, after consistent pressure, many in Arizona are linking arms with us to push for a significant change in our state's overall economic development strategies. Whether in board rooms or council chambers, Arizonans are recognizing we can't possibly import enough jobs to offset the rapidly growing number of working poor families.

We must focus on a bottom-up, people-driven strategy to create opportunities for all Arizonans, rural, urban, and Tribal, to be successful. We must diversify our economy by growing entrepreneurs at every stage- successful mom and pops are equally as important as advanced manufacturing and technology jobs. Every small business supports a family and every family counts.

We will also focus on the financial sector, which is completely broken in Arizona and inhibiting our ability to grow and diversify. Moving deposits to community banks and credit unions will be key to building back better. We can diminish predatory lending by uplifting families into mainstream banking.

And finally, we'll focus on Arizona's food system and its intersection with water and resilience. As our state strains to feed itself, 1 in 5 Arizona kids goes to bed hungry every night. Investing in food entrepreneurship solves for jobs and food security at once. Food technology and planting native foods solves water use reductions. Choosing to ignore this issue or suggesting that we eliminate farms is dangerous and ill-informed. We must invest in reduced water practices so we are not forever reliant on other states and nations to grow our food.

Welcome to the future of Arizona with its rapidly changing demographics and environment.

Kimber Lanning
Founder and CEO

The Amazing Team at
Local First Arizona



ROADMAP FOR A VIBRANT, INCLUSIVE, AND SUSTAINABLE ARIZONA ECONOMY



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Mission

To build equitable systems for Arizona's local businesses and communities that create a vibrant, inclusive, and sustainable Arizona economy.

Vision for Arizona's Communities

- Resilient and increasingly self-reliant
- Inclusive of all residents, who have widespread opportunities to succeed
- Thriving, entrepreneurial and innovative, with access to capital
- Environmentally regenerative



01

Prioritize Entrepreneur Development and Small Business Support

At its core, Local First believes that entrepreneurship is Arizona's strongest weapon to battle the growing wealth gap. After decades of widening wealth inequality, Arizona's richest households have nearly 170 times more wealth than its poorest, who have experienced further declines throughout the pandemic. According to the Economic Policy Institute, Arizona has the second fastest-growing disparity in the country. To counter this trend, Local First is investing in diversifying Arizona's business offerings to keep more money recirculating and touching the greatest number of Arizonans, which enables families to have more opportunities to advance.

To have a thriving and diverse Arizona economy, small business needs must be prioritized. Entrepreneurship should be considered a key strategy, which is why Local First's business programs are designed to enable and uphold the greatest number of startups and small businesses possible, from the smallest startup concept through companies with hundreds of employees.

It's hard to overstate the value we've gotten through working with Local First. For a small, community-focused brewery like ours, the work they do to help share our story and bring in new customers is incredible. The support they've provided our brewery through thick and thin has been instrumental in us persevering through the pandemic.

John Buford, Co-founder, Arizona Wilderness Brewing Co.

Build Access to Capital

Small business loans are essential to support growth; capital is like oxygen needed to fuel the flame for a startup to grow and for a small business to maintain or expand. Here in Arizona, right-sized small business loans are critically scarce. \$250,000 loans are more prevalent than \$25,000 loans, when both are equally essential in a thriving economy.

To address this issue, Local First encourages the growth of community banks and credit unions which are far more likely to offer small business loans in Arizona than their global bank competitors. Over the past 6 years, Arizonans have shifted 11% of their total deposits from global to local financial institutions. Which gives Arizonans more control of their money and the ways it's invested.

By partnering with community banks and credit unions, Local First will ensure more successful local

lending for small business growth. After the first round of Paycheck Protection Program (PPP) lending, Arizona ranked 50th in terms of loans completed per capita because the global banks in Arizona, which hold 70% of our money, failed us.

Indeed, the second round of PPP lending in Arizona was only successful because our community banks and credit unions stepped in to flex their financial muscle and local relationships, which in turn helped rescue not just small businesses, but Arizona's entire economy.

Furthering the issue, Arizona has eight counties with no local financial institutions. In two of these counties, Local First stepped in to manage micro-loan funds offering loans up to \$25,000 to help small businesses invest, grow their companies, and create jobs. Providing capital to rural small businesses keeps their

economies moving, protects jobs, and maintains critical infrastructure to enable livable places.

This lack of capital is the silent killer of any economy; we can not overstate its importance.

Access to capital is also critical for small businesses to transition to more sustainable operations. Local First's Green Loan Fund is dedicated to small businesses looking to reduce water or energy use, minimize waste, and diminish transportation emissions. These projects can be costly, but always create cost savings once implemented. Viewed like a bridge loan, business owners can qualify for the Green Loan Fund based on their future savings rather than their past performance. This type of creative thinking will be essential to growing resilience in Arizona.

Provide Technical Assistance

Along with capital, small businesses need technical assistance, and lots of it! Local First delivered thousands of hours of business assistance through the pandemic and will continue to ensure the small business sector is as competitive as possible.

Local First continues to assist businesses with everything imaginable, from branding

and marketing to navigating government for licensing and banks for securing credit. This past year, we assisted with trademarks, GoFundMe campaigns, supplier negotiations, crisis management, debt restructuring, loan applications, lease negotiations, and new business model evaluations.



Diminish the Digital Divide

A significant focus is helping our small businesses compete online. While the digital divide grows, Local First advocates for investments in broadband to support our rural and Tribal communities while at the same time pressuring the federal government to enforce antitrust laws to break apart monopolistic behaviors of the world's biggest companies that cripple our small businesses and diverse economy while extracting wealth from our communities.

Continuing the "Shop Local. Buy Local. Be Local" movement, Local First launched the online marketplace at shop.localfirstaz.com to uplift statewide small businesses that have great products and services but are limited by their ability to be found online. 100% of sales go directly to the small business, which affords them the opportunity to be profitable while learning about successful e-commerce.

Support Entrepreneur Development

Business incubators and accelerators need to meet entrepreneurs and business owners where they are, considering each and every Arizonan's lived experience and exposure to success.

Local First's **Fuerza Local** business accelerator has been growing successful, Spanish-preferred small businesses since 2013. In 2022, 120 additional businesses will graduate the 6 month, Spanish language program, which has created over 500 successful businesses and over 800 new jobs to date. Offered in Maryvale, South Phoenix, Mesa, and the Verde Valley, the program builds participant credit scores while teaching strong business acumen.

Following completion of the Fuerza Local accelerator, more advanced business owners may move on to **Nivel Ejecutivo**, or 'next level executive', which is designed for Spanish-preferred businesses that have at least 3 employees and

\$500,000 in annual revenue.

Local First also offers **We Rise**, a no-fee business accelerator created for and by Arizona's Black entrepreneurs, including classroom instruction, mentorship, and financial literacy. Local First understands that succeeding in business is often reliant on who you know, so building a network of successful Black-owned businesses is essential for growing generational wealth among Arizona's Black community.

For **food entrepreneurs**, from cottage industries to restaurants, Local First's community kitchens, food coalitions, and restaurant boot camps provide access to affordable commercial kitchen space, profitable distribution channels, and approachable business incubation. These programs blend food, community, and entrepreneurship to develop successful businesses while improving access to healthy, locally grown food.

These programs are critical investments in the future of Arizona. While we continue to strive for higher education for every Arizona child, we must also meet Arizona right here, right now- and provide the opportunity for everyone to succeed no matter what their current educational attainment level, status, or income. Every family can build abundance for themselves by rallying around their own small business with a plan.

'Growing our own' will build self-reliance and opportunity in our Arizona communities that need it the most. According to the Bureau of Labor Statistics, small business expansions have accounted for a whopping 60% of all new job growth in the US. While certainly many small businesses fail, the smartest strategy is to help them be successful by providing access to capital, technical assistance, and a network of mentors.



A DIVERSE AND INCLUSIVE ARIZONA ECONOMY

Invest In Arizona

Uphold Local First Arizona's entrepreneur development and small business support.

Become a We Rise or Fuerza Local sponsor or contribute to one of our alternative funding options.

02 Invest in Rural Development

As a statewide organization, Local First acquired the Arizona Rural Development Council in 2013 and proceeded to invest time and resources to better understand the rural-urban divide while elevating rural needs to state leadership.

Arizona's overall competitiveness must include rural communities, including any city or town outside of Greater Phoenix and Tucson Metro. These communities offer broad lifestyle experiences, innovation, and deep resilience. In order to strengthen Arizona's economy, we should elevate these communities and their unique needs and assets.

Foster Community-Led Strategies

Applying traditional economic development strategies such as business attraction in rural areas won't work. Instead, we need to invest in rural communities with alternative approaches designed by the rural communities themselves.

Annually, Local First convenes statewide rural leaders to explore challenges and solutions for rural economic development. Strategies for business retention, workforce development, and affordable housing continue to dominate the dialogue, along with broadband, healthcare, and youth retention. Rural leaders share resources and strategies to overcome some of Arizona's most pressing issues while Local First provides partnership and support through innovative programs designed to meet identified needs.

Workforce Development

Arizona must diversify its approach to job creation and re-skilling the rural workforce. In 2020, approximately 85% of new jobs in Arizona were projected to be created in Maricopa County. 10% were in Pima County, leaving just 5% of all new jobs that were created in Arizona spread across the remaining 13 counties combined. This is a critical missed opportunity that must be rectified if we are to maintain thriving rural areas.

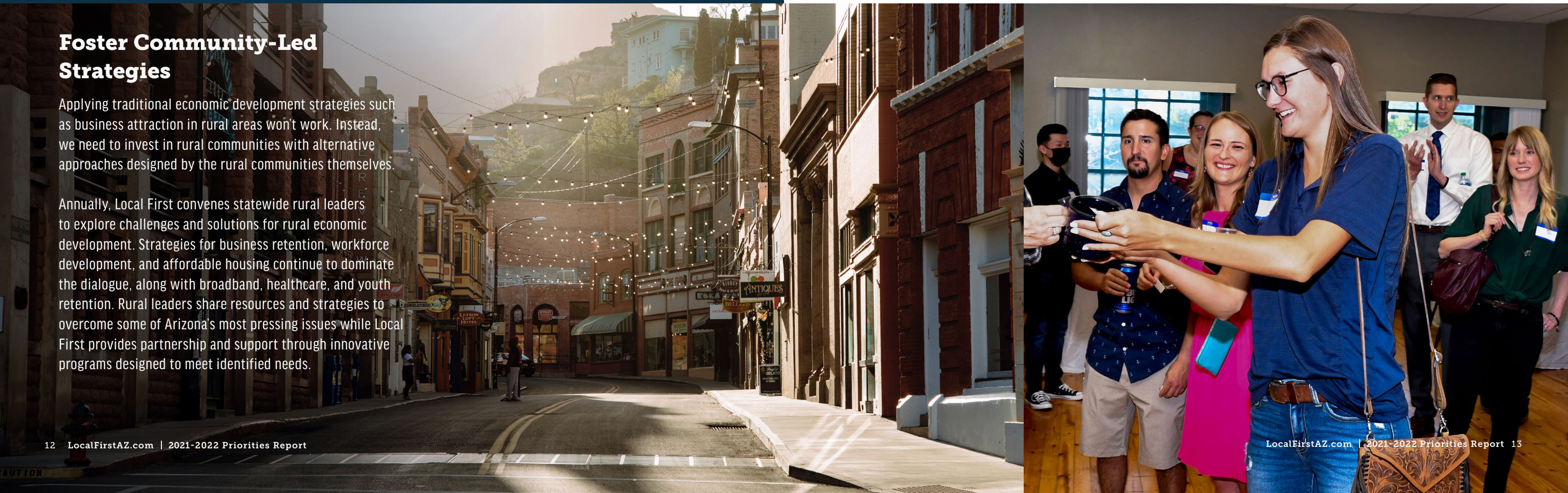
Using the Talent Pipeline Management© (TPM) tool, Local First is convening private sector employers to understand their workforce challenges which could include difficulty with recruitment

and retention or training and skills gaps. The employer collaborative collects and compares data to determine the root cause of the workforce challenge, and then works with community partners to develop solutions. The result is a solution that addresses the specific problem that employers identify and oftentimes, also addresses community needs.

In Mohave county, for example, Local First convened manufacturers around recruitment and retention challenges and the solution was a young professionals group. Local First discovered that engaging the young, local workforce in activities outside of work was a need across

multiple sectors and the group is now open for young professionals from any workforce sector to participate.

By convening employers to collectively address workforce challenges, more opportunities evolve for creating and implementing solutions that engage local partners, recruit and retain talent, and nurture rural industries. In 2022, Local First plans to deepen its work in rural workforce development by expanding TPM into Pinal, Navajo, Gila, and more Counties to convene employers, understand challenges, and work towards solutions.



Develop Entrepreneurial Ecosystems

In 2021, Local First Arizona completed an economic leakage study in Eagar-Springerville and discovered that more than \$16M in local dollars were being spent outside of the community. The findings were used to begin to address entrepreneurial opportunities and workforce challenges for local employers to develop strategies to plug those leaks and keep more dollars and jobs in their local economy.

Similarly, an economic leakage study conducted for Eloy helped to create a vision for downtown development by identifying key businesses needed to fill the gaps in products and services being filled by surrounding communities.

By identifying economic leaks, Local First assists rural towns with identifying gaps in their business offerings, and then helps with recruiting or developing new small businesses to fill those gaps.

Rural Entrepreneur Development

To meet current rural interests, Local First will launch its Rural Business Academy in 2022, offering courses uniquely designed to strengthen rural small businesses. Available remotely, the business academy will focus on talent recruitment and retention, digital marketing, building the customer experience, and finance and succession planning. By improving success rates for small businesses, small towns can increase local revenues, create or retain jobs, and maintain the quality of life for so many rural residents.

Promote In-State Tourism

Arizona must also capture more tourism dollars by focusing additional efforts on in-state tourism. Currently, Arizonans spend \$6.5B vacationing in California. Local First is working to redirect 10% of those dollars into rural areas by elevating rural stories and creating experiential destinations.

Working with community leaders across rural Arizona, Local First develops community profiles that spotlight things to do, cultural and historical activities, places to eat, and ideal lodging options. Travelers can build interactive self-guided itineraries through ruralaz.com while further deepening their ties to Arizona by exploring the incredible diversity the state offers. In partnership with the Arizona Office of Tourism, Local First will also release six new Small Wonders maps over the next two years which will feature hidden gems that can be discovered in different rural regions across the state. These new tourism dollars injected into rural communities not only support hospitality jobs but also help support ancillary professional jobs and overall quality of life.



03

Increase Capacity in Under-resourced Areas

Investing in long-neglected communities across Arizona is crucial to the state's future success. While investing in high-wage jobs is important, so is investing in creating opportunities for those living in areas experiencing divestment, redlining, and abandonment.

Facilitate Inclusive Statewide Recovery

Launched in May of 2021, the Arizona Economic Recovery Center (AZERC) assembles all available federal, state, municipal, and foundation grants into one easy to manage list and then deploys a previously vetted team of grant writers, facilitators, project managers, economic analysts, or other professionals to help rural, Tribal, and/or low-income communities secure additional resources to build resilience. In its first six months, AZERC professionals secured \$4.6M in additional funding for some of Arizona's most critical-yet-remote

communities and organizations.

In time, Local First Arizona will measure local impacts and improvements in economic capacity, health, and well-being, to determine the long-term gains of capital injections and improved capacity to deliver essential services in these communities. Consider the rate of return on investment for the AZERC: For \$120k spent, \$4.6M was gained for Arizona. Over the next few years, the ROI and impact on our communities will be astronomical.

Community-Based Collaboration

Launching in 2022, the Community Navigator program implements a hub and spoke model across 10 different statewide organizations, including two CDFIs (Community Development Financial Institutions), selected based on their interest in growing entrepreneurship in rural and Tribal communities. The collaborative program works to deploy deep support for remote small businesses by leveraging community-based organizations from Nogales to the Navajo Nation. These organizations know their communities intuitively. Those boots on the ground will be critical to build trusted spaces where knowledge transfer can occur.

Focusing on small businesses including those owned by socially disadvantaged, Veteran, BIPOC and LGBTQ entrepreneurs, Local First will work side-by-side with its partnering organizations to share successful models for delivering technical assistance, improving access to capital, and ensuring local support that builds resilience uniformly across the state. These extended relationships will be the connector veins that help all of our state's communities survive in a crisis.

Alternative Funding Opportunities

Building on two successful county loan funds that have invested more than \$300,000 into rural small businesses – creating dozens of jobs and improving services offered in their communities– Local First will expand its **micro-loan** offerings.

For example, Local First extended credit to businesses ranging from a senior care facility and main street retailer to a trenching company laying cable for broadband in their region. Each of these businesses were declined loans from traditional banks due to historical data. Local First Arizona's micro-loans are designed to practically assess business cash flows and existing contracts, rather than basing their ability to repay on three years of past tax returns. Notably, the repayment rate on Local First's micro-loans is 100%, with several entrepreneurs choosing to pay off their loans in advance.

To further address the lack of capital in rural Arizona, Local First will continue to encourage rural residents and businesses to move their money into community banks and credit unions that have local leadership and decision-making authority to approve more small business loans, while working to partner with the Federal government on strategies to increase available capital in Rural.



04 Rebuild Arizona's Food System

There's no greater threat to Arizona's economic security than a broken food system that renders us reliant on other states and nations to feed our residents. During the pandemic, several significant breaks were exposed in our food system when store shelves went bare while food rotted in fields. Local First continues to elevate the importance of Arizona farms and food distribution, food entrepreneurs, and farmland preservation as essential pieces of economic development and resilience.



Improve Access to Healthy, Locally Grown Food

On-farm agriculture in Maricopa County is a \$1.95 billion per year industry yet, in 2020, Maricopa County lost over 200 acres of prime farmland from small- to medium-size local food farmers due to urban sprawl, including single-family homes and commercial development growth. These small- to medium-size food farmers provide our communities with fresh, locally grown food and are especially vital to communities that don't have access to affordable healthy food by donating to food banks and through programs like Local First's Feed Phoenix program.

Exemplifying how a food system should work, Local First partnered with the City of Phoenix to develop Feed Phoenix which sources produce from 14 Arizona farms and delivers it to 45+ Phoenix restaurants to create nutritious, high-quality meals for COVID-impacted families across the city. Gaining national attention for its innovation and efficiency, Feed Phoenix will continue to produce 5,000 meals per week through July 2022, supporting over 200 Arizona jobs.

In rural Arizona, food insecurity is on the rise and must be addressed. In

Graham County, for example, Local First partnered with NAU on a study that determined 26% of residents are food insecure, meaning they don't know where their next meal is coming from. As a result, Local First invested in developing a food coalition and farmers market to bring together food producers to share resources, reduce costs, and grow their reach. In 2022, Local First will also use a train-the-trainer model to grow community kitchen incubators statewide. This model, called Kitchen-in-a-Box, will enable small towns to build healthier food systems, grow small businesses and jobs, and improve food access.

The more we encourage and support local food systems over global food systems, especially in communities with generational trauma and divestment, the more this access to healthy and nutritious food will improve the quality of life and tighten bonds between families, their communities, and land.

Statewide, [GoodFoodFinder.com](https://www.goodfoodfinder.com) makes it easy to find and support local food and provides connections to resources, education, and access points for people choosing local foods, either for taste, nutrition, sustainability, or economic reasons. Additionally, Good Food Finder is a resource hub for farmers, gardeners, and specialty crop producers.

Cultivate Homegrown Food Production

Local First Arizona believes that through food, we can cultivate inclusive and creative communities for generations to come. To serve an ever-growing number of outstanding purveyors, Local First will expand its reach with food entrepreneurs by opening two more community kitchen incubators. Overseeing the success of 80-100 new food concepts per year, Local First's community kitchens support food trucks, caterers, restaurants, value-added products, and baked goods. Offering one-on-one mentoring and coaching, as well as courses like the Restaurant Startup Boot Camp, will

Mindful Land Stewardship

The COVID-19 pandemic is revealing just how rigid, consolidated, and fragile our current food system is. It is a system that revolves around massive amounts of imported food and big agriculture that is largely exported. This system does not support resiliency, is not sustainable, and does not create equal access for all Arizonans.

Arizona's food system needs significant investments in food processing facilities and flexible transportation options. Farms need assistance transitioning to low-water growing strategies and effective

tools for soil conservation. As we measure water usage and impacts, food production should be separated from cotton and alfalfa production, so we can clearly see the cost of feeding people in Arizona versus water used for exported commodities and/or animal feed. The true value of agricultural land should factor in health and well-being that comes with food security versus single-family home development that isn't sustainable.

Local First will be investing in land use studies and mapping to help provide a more

ensure a higher rate of success for these businesses. The low-cost community kitchens provide a longer runway to hone tastes, menus, and portion sizes while learning about finance, food costing, and marketing in a supportive environment that removes barriers to food business ownership with their affordability. Local First community kitchen graduates touch farmers markets, specialty retailers, create business-to-business commerce across Arizona, and have proudly launched dozens of successful food enterprises.

accurate assessment of farmland values. Looking at agricultural easements and land trusts, Local First and the Coalition for Farmland Preservation will strive to slow farmland loss and build awareness on the vulnerabilities of a state that can't feed itself. Vulnerability like this has led to a single bell pepper costing \$7 in Hawaii.

Once farmland is gone, it's gone. When we lose that source of nourishment for our community and children, we also lose that connection to the place where our food grows - permanently. Rich agricultural heritage and

a connection to place are part of what makes Arizona such a wonderful state to call home. That's why preserving farmland and sustainable farming is so important.

Collectively, the [GoodFoodFinder.com](https://www.GoodFoodFinder.com) platform, community kitchen incubators, and farmland preservation meld into one cohesive good food economy for a healthy Arizona food system where our children can not only see the farm, they can eat the food grown on the farm.



**ENCOURAGE
AND
SUPPORT
LOCAL
FOOD SYSTEMS**

05 Build Inclusive Environmental Resilience

As the world adopts policies to manage the impending climate crisis, city leaders, utility companies and policy makers primarily focus on global corporations, anchor institutions, and a broad array of residents. In the middle of those stakeholders are small businesses- tens of thousands of them- most of which are going to need assistance, resources, and education to be able to participate in the transition to a post carbon economy. Local First works to reach small business owners who may be more concerned with keeping food on the table than reducing their climate impacts, and helps them identify ways they can reduce their monthly costs on the way to becoming more sustainable.



Address Business-Related Environmental Impact

For businesses looking to reduce their environmental footprint through incremental, yet impactful changes, Local First offers the Green Business Certification. Initially launched in Tempe in 2018, the program has expanded to include urban and rural areas across the state. Focused on key areas including waste, water, energy, pollution, transportation, and other general best practices such as localizing supply chains, the certification features a self-guided assessment

coupled with expert consultations. The certification tool, funded through the United States Environmental Protection Agency, is the most robust in Arizona and requires bi-annual recertification for businesses to maintain their status. In 2022, Local First aims to certify 35 new businesses annually which will ensure opportunities for small businesses to participate in a cleaner economy and experience the savings that come with it.



Sustainable Business Mentorship and Collaboration

For locally-owned, independent businesses with more substantial projects in mind, the award-winning 7-week SCALE UP (Sustainable Communities Accessing Lending and Expertise Upon Performance) program enables them to go from education and collaboration to planning, benchmarking, financing, & implementation – all in one accessible package.

Currently, there is no comprehensive plan in Arizona that engages small businesses in meeting their sustainability goals. SCALE UP meets this need with mentorship and collaboration to develop a sustainability project plan that leads to reductions in energy use, water consumption, waste generation and/or transportation emissions and is linked to community and social equity goals. Designed to incorporate equity, inclusion, and resiliency, SCALE UP is accessible in English and Spanish and offers optional additional support for those focused on the local/regional food system

Now offered in the Tucson and Phoenix areas, Local First plans to expand the comprehensive program with 40 SCALE UP graduates in 2022

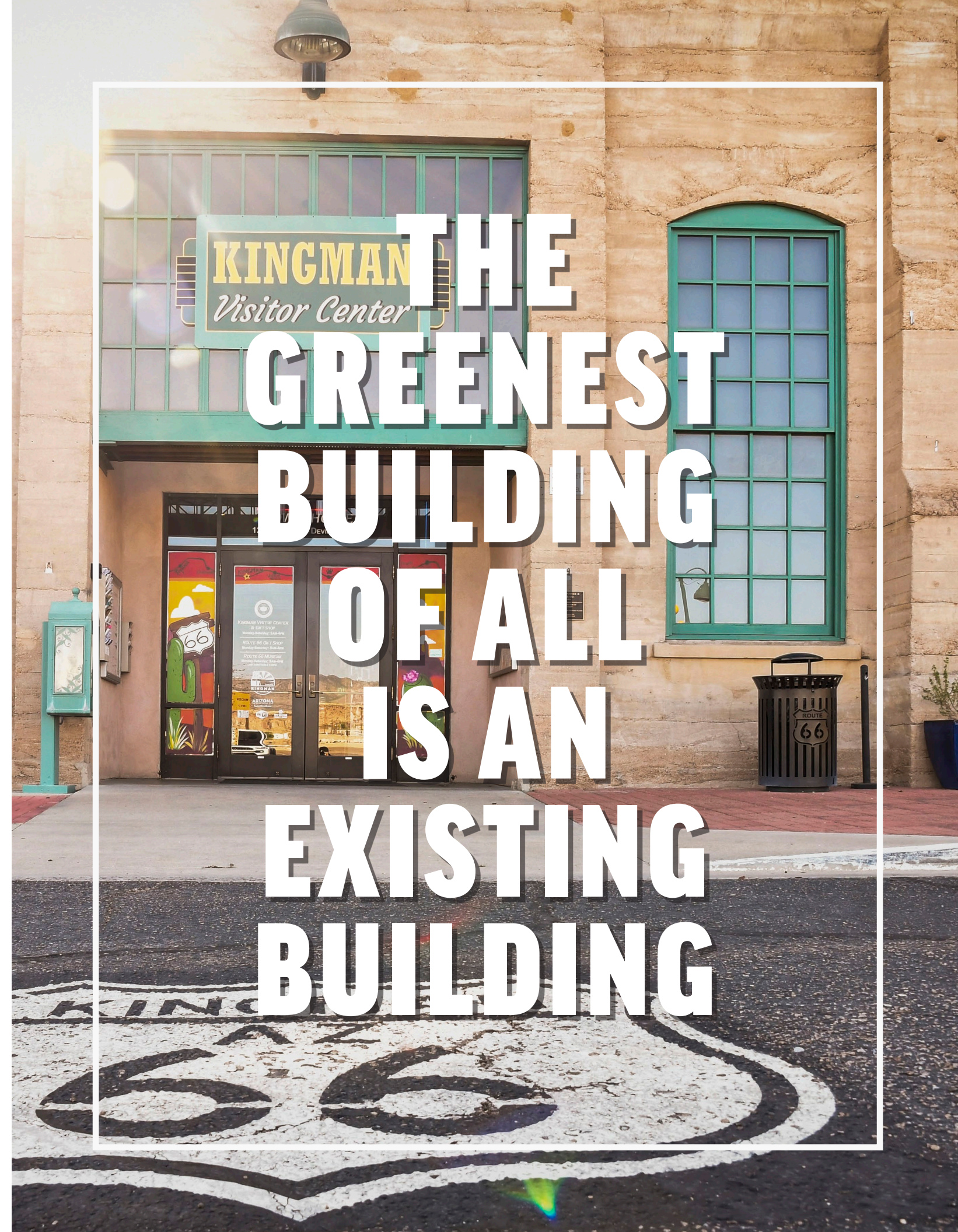
Smart Growth, Infill, and Historic Preservation

In terms of the built environment, we must also work to protect our older building stock by prioritizing main streets, downtowns, and business clusters. Rural and urban areas should review their building code to ensure the most streamlined path for a new business to get its doors open. Adapting the International Existing Building Code (IEBC) provides more flexibility for businesses to meet code while protecting life safety. This one small step can go a long way in

protecting the buildings that are the vital incubator spaces for small business start-ups. Getting these buildings occupied reduces blight and keeps untold tonnage out of Arizona's landfills while eliminating the economic and environmental drain of wasted, dead space. Local First works with cities and towns statewide to streamline the process for new businesses to open in old buildings.

Local First is also laser-focused on Historic Preservation tax credits to encourage towns to protect and preserve our most cherished buildings and their history, while incentivizing development that creates culture, hometown pride, and unique destinations.

Tear-down culture must be eliminated. Arizona's tendency to eliminate our history is not sustainable. Indeed, the greenest building of all is an existing building.



06 Deepen Arizona's Economy and Include Everyone

Local First Arizona has long advocated for more local procurement. Government spending of our taxpayer dollars should be leveraged to grow and sustain good Arizona jobs. Working in partnership with the Cities of Phoenix and Tempe, as well as countless large employers, Local First works to elevate and connect highly qualified Arizona companies, businesses, and entrepreneurs to compete for, and win, contracts of all kinds. This strategy of localizing supply chains deepens Arizona's economy by keeping dollars recirculating to support businesses, jobs, and a strong economy.

Strengthen & Localize Procurement Opportunities

Local First will conduct 'Doing Business with the City' workshops that introduce a diverse array of companies to procurement officials to learn about becoming a certified vendor in order to bid on municipal contracts. In addition, Local First will continue to review purchasing records from companies that are interested in leveraging their spend to strengthen Arizona's economy. Too often, we find companies with a mission to elevate quality of life here in Arizona, yet their spending undermines their mission. For example, spending millions of dollars with a company that doesn't provide healthcare to their employees certainly doesn't improve quality of life, or improve access to healthcare, for those Arizona employees.



Diversify Supply Chains & Enable Shared Ownership

In addition to localizing spending where possible, Local First will continue our work in partnership with Project Equity (PE) to identify business owners who are looking to retire or sell, provide funding for employees to be able to purchase the businesses, and transition them to an ESOP or Employee Stock Ownership Plan - in the process diversifying business ownership. These transitions will be absolutely crucial in rural Arizona where retiring boomers often can't find a buyer, and longtime employees lack resources to buy the business. Shared ownership keeps the

business solvent, protects jobs, and keeps the service or product available in the community where it stands.

Cooperatives will be another essential pathway elevating more workers into a shared ownership model. Bringing together a group of Latina bakers to start a working cooperative, for example, could help reduce start-up costs through shared purchasing, marketing, or rentals while also yielding higher returns for the individual women and their families. Cooperatives are proven to be more resilient and

likely to weather system shocks ranging from an unsafe food supply source to a pandemic.

Finally, Local First will explore Community Investment Trusts to broaden ownership opportunities and, specifically, to reduce displacement. In a CIT model, community members can buy shares in a property and experience the equity that comes with area improvements. They can extract this equity at any time in order to springboard into homeownership.

07 Community in Arms

What is it about a team that's more powerful than a single person? I think it's accountability. You can make excuses for yourself as to why today isn't the day to get involved and do the work, but it's difficult to make excuses to your teammates because they'll call it out.

That's why I was taken aback by something coach Monty Williams said on SportsCenter after the Phoenix Suns won the West Finals.

'If I get on you, I'm not calling you out, I'm calling you up.' You have potential, and I have to work my tail off to help you reach that potential.

I thought on and on about what he said and why calling up works versus calling out and here's where I landed: When we call each other out it builds

a defensive wall, but when we call each other up, that creates space for dialogue, empathy, and context.

This is the work Local First Arizona is doing through its partnership-driven and community-building approach.

For example, Feed Phoenix, which is a program that is bringing together the City of Phoenix, 14 farms, and 45+ small food businesses to deliver over 48,000 meals for those impacted by COVID-19 or partnering with the State of Arizona, Vitalyst Health Foundation, Freeport-McMoRan Foundation, and the Arizona Community Foundation to launch the Arizona Economic Recovery Center which has helped communities statewide earn over \$4.6M in grants.

We are honored to work side-by-side with partners across the state that share a resolute commitment to Arizona's residents and we gratefully acknowledge the many individuals, foundations, and corporations whose vision and contributions help build more equitable systems for Arizona's local businesses and communities to create a vibrant, inclusive, and sustainable Arizona economy.

So now, like Coach Monty, I'm calling you up because I know we share the same vision of a vibrant, inclusive, and equitable Arizona. Stay with us, or if you're new, join us in this movement. Make a donation or create a fundraiser on Arizona Gives Day, volunteer during one of our in-person events in 2022. We're one team: we see each other's potential so let's call each other up and stay accountable for Arizona's future.



Sincerely,
Quin Works
Director of Development

Thank You to Our 2021 Sponsors

Thank you to the following organizations, corporations, and foundations that generously supported the work of Local First Arizona in 2021. We could not do this work without their partnership!

\$100,000+

- State of Arizona
- Arizona Community Foundation
- City of Phoenix
- Maricopa County
- Maricopa County IDA
- Kemper and Ethel Marley Foundation
- Bob and Renee Parsons Foundation
- Freeport-McMoRan Foundation
- Vitalyst Health Foundation
- Sprouts Foundation
- Arizona Office of Tourism

\$75,000+

- Thunderbirds Charities
- USDA- Rural Development

\$50,000+

- Arizona Complete Health
- Yelp Foundation
- Northern Arizona University
- Flinn Foundation
- SRP

\$30,000+

- APS
- Hensley Beverage Company
- Arizona Federal Credit Union
- One AZ Credit Union

\$25,000+

- City of Mesa
- City of Tucson
- Pakis Foundation

\$15,000+

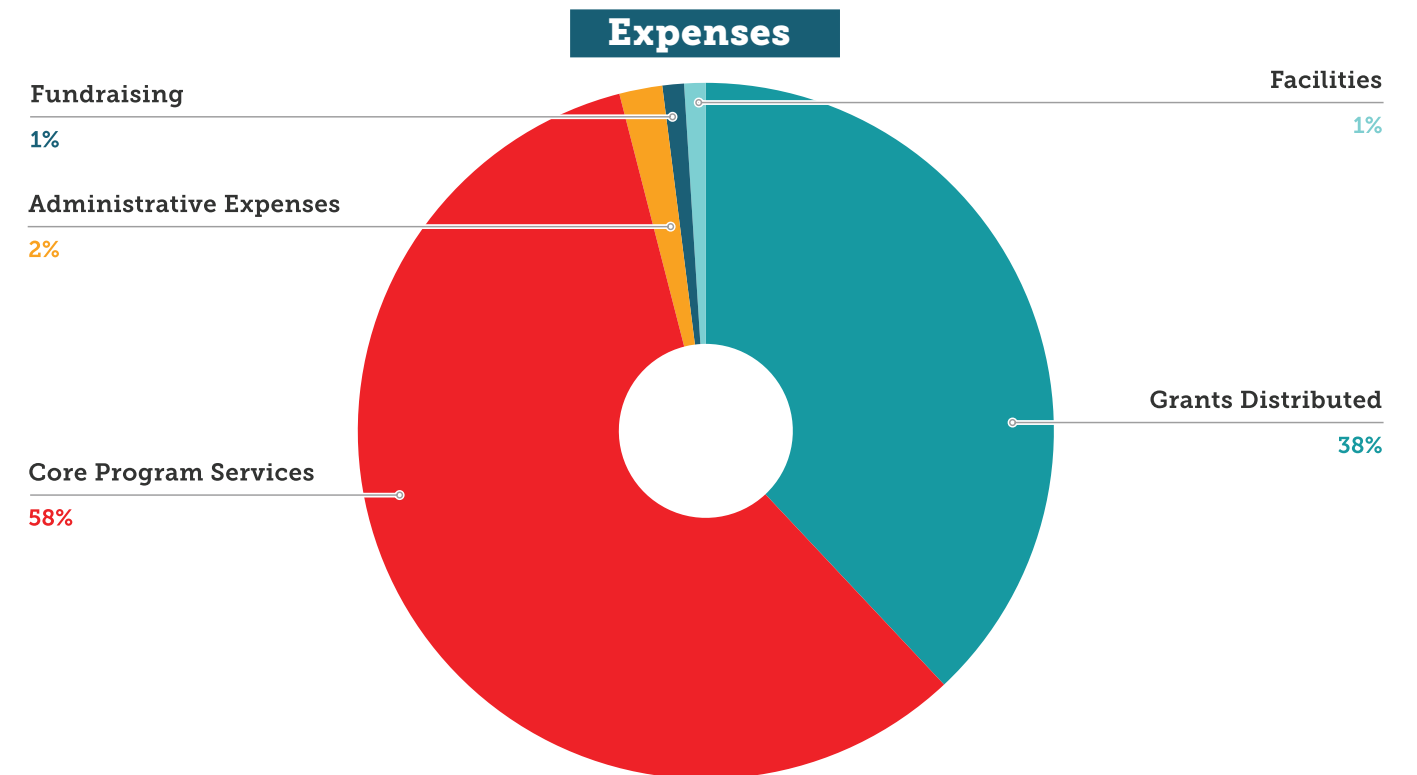
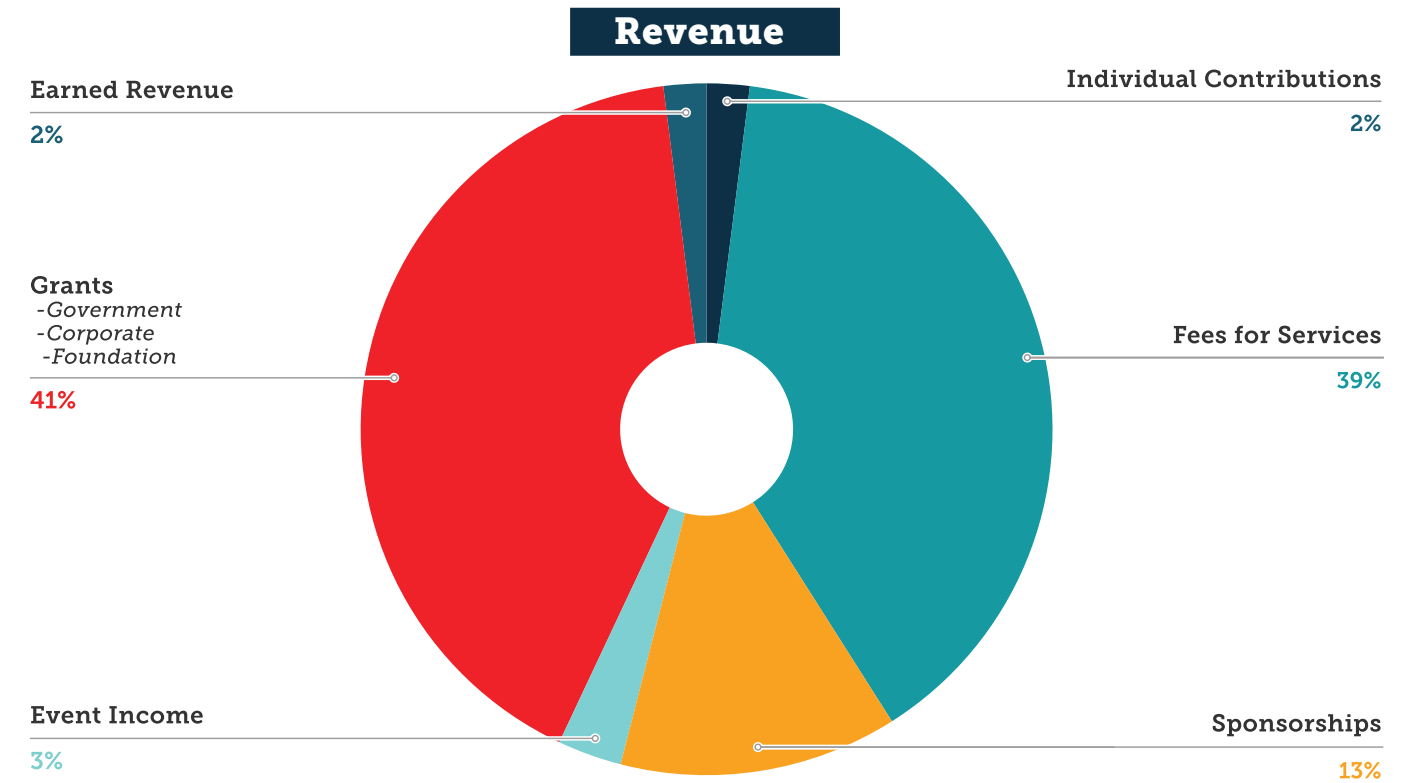
- City of Avondale
- BBVA

\$10,000+

- Chapman Honda of Tucson
- Tucson Electric Power
- Western Alliance Bank
- City of Tempe
- Center for the Future of Arizona
- Ideas Collide



Local First Arizona 2021 Budget



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First Things First and Historic Fourth Avenue Coalition

Morgen Hartford

Alzheimer's Association, Desert Southwest Chapter

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The Heath Team at NOVA Home Loans

Jeff Saunders

AZ Beds LLC

Jennifer Schultz De La Rosa

PhD, University of Arizona

Kerry Stratford

Caliber

Ashley La Russa

Roux Events LLC



INVEST IN ARIZONA

We are in the age of exhaustion. But if not us, my friends, then who?

What if, collectively, we decided that every kid growing up in South Phoenix, South Tucson, or Maryvale, or Guadalupe, or San Manuel or Navajo Nation was as important to the future of Arizona as our own children or grandchildren?

Local First Arizona lives in the doing. Our priorities for Arizona's future live in our programmatic efforts to build a diverse and inclusive Arizona economy. Our progress is measured and our conviction is relentless.

Welcome to the future of Arizona.

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localfirstaz.com/donate

VOLUNTEER

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BECOME A MEMBER

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LEAVE A LEGACY

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