
Local First Arizona

Strengthening local businesses and communities by establishing equitable systems that level the playing field for a thriving, inclusive and lasting Arizona economy.

- Small Business Development
- Connection to Place
- Jobs and Economics



Growing and Retaining Small Business is Essential for Building Thriving Places



- Character of the Community
- Jobs
- Services are Crucial to Rural Quality of Life
- Youth Retention
- Hometown Pride
- Consistent and Reliable Tax Base

Recommendations for Policy Makers Who Want More Entrepreneurs and Small Businesses



1. Adequate and Accessible Building Stock
 2. Access to Capital
 3. Right Sized Ownership Models
 4. Buy Local Campaigns
 5. Storefront Improvements
 6. Unique Events that Drive Regional Recognition and Include Everyone
-

Adequate and Accessible Building Stock

- Policies are needed to make it easier to open a new business in an old building.
- Adaptive Reuse must be encouraged through flexible building code and solutions-oriented environments

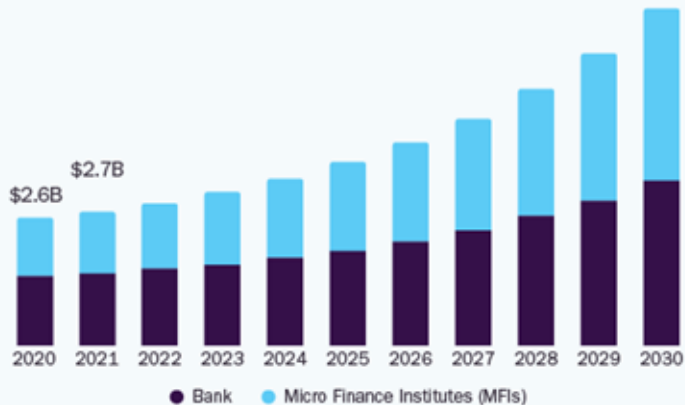


- International Existing Building Code offers flexibility without compromising safety

Access to capital is like oxygen for small businesses

- At least 8 AZ counties have no small business lending available
- Loans up to \$25,000 have made a significant difference
- Partnerships are essential to making loans work: CDFI, nonprofit lenders and CBOs.
- Character-based loans are increasingly successful

U.S. Micro Lending Market
size, by service provider, 2020 - 2030 (USD Billion)



GRAND VIEW RESEARCH

11.3%

U.S. Market CAGR,
2022 - 2030

Source:
www.grandviewresearch.com

What is the Silver Tsunami?

(and why we should care)



- By 2030, 73 million Baby Boomers will have reached age 65, drastically increasing retirements.
- Many Boomers are small business owners who need opportunities to transition out
- It's become increasingly hard to sell a rural business
- Many owners don't know about COOPs and ESOPs that could transition ownership to employees while retaining a solid pay-out

Employee ownership

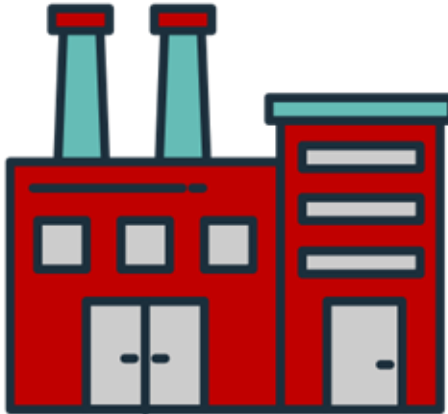
Creates stronger businesses and stronger communities

Profit margins



8.5% higher than
peers

Democracy at Work Institute



Sales and employment



Grows **2%** faster per
year

National Center for Employee Ownership

Unique benefits of employee buyouts



Owners can achieve a market rate sale



Median **job tenure is longer**
(>50% in one study)



Employee household **net worth is higher**
(almost double in same study)

Based on a 2017 study from the National Center for Employee Ownership

Buy Local campaigns build hometown pride while keeping dollars circulating



- Locally owned businesses keep 3 times more money in the local economy
- Vibrant main streets attract locals and visitors alike
- Small shifts in spending make a big difference!



OR



Storefront Improvement Programs Provide New Life to Old Buildings



- While government can't provide funding directly, they can help in other ways
 - These facelifts can transform main streets, districts, or older areas
 - Providing architectural and engineering services can transform budgets
-

Unique Events Build Connection to Place and Drive New Revenues



- Develop events in partnership with businesses
 - Encourage maximum participation and benefit
 - Ask for regional marketing support
 - Artists can transform the mundane
-

Relationships Matter Most



- Adequate and Accessible Building Stock
- Access to Capital
- Right Sized Ownership Models
- Buy Local Campaigns
- Storefront Improvements
- Unique Events that Drive Regional Recognition and engage everyone

Questions?

THANK YOU!

Kimber@localfirstaz.com