

EMPOWERING COMMUNITIES TRANSFORMING LIVES

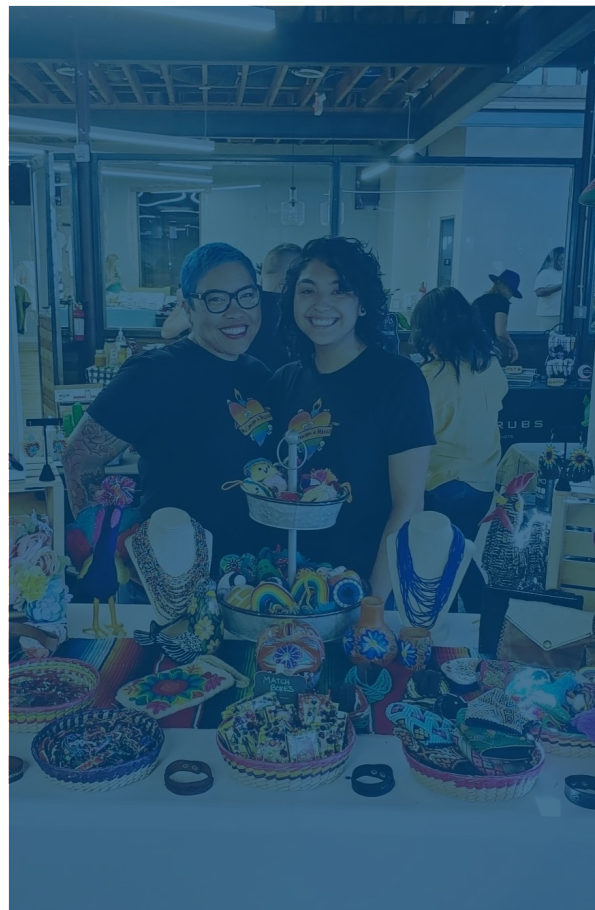
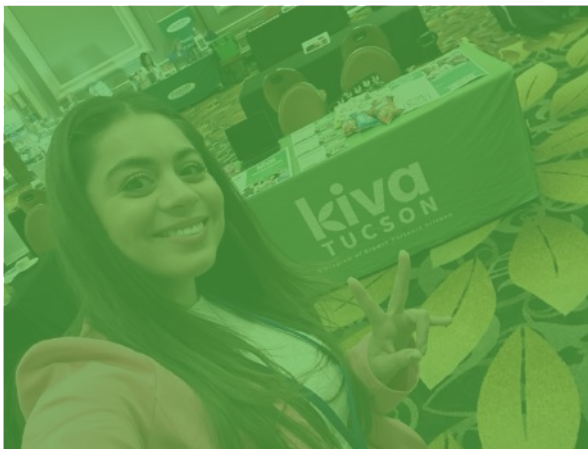


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Board of Directors



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*Board Chair
Certified Economic Developer*



Gary Molenda

*Vice Chair
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Peggy Hutchinson

*Treasurer
Community Volunteer*



Roxanne Veliz

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*Founder & Principal
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Mike Hammond

*Board Chair
Founder Cushman & Wakefield/
PICOR Commercial Real Estate
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Magdalena Verdugo

CEO YWCA Southern Arizona

Growth Partners Arizona Team



Andre T. Whittington

Executive Director



Jackie McGuire

Loan Program Manager



Alexa Rodriguez

*KIVA Capital Access &
Business Advisory Manager*



Letter From Our Executive Director

Intentional Growth Requires Inclusive Action

Dear Friends,

As I pause to reflect on our inaugural year, I am struck by the profound journey we have embarked upon—a journey marked by an unwavering commitment to intentionality and collaboration. Our journey, anchored by our strategic priorities, has been a testament to the power of unity and the spirit of progress that defines Growth Partners Arizona. In seeking intentional growth, we have not merely expanded; we have evolved. Through each partnership and collaboration, we have woven a stronger fabric for our community—one that supports and elevates the diverse voices of our vibrant society. The alliances we've fostered extend beyond transactional relationships; they are the lifeline of our collective success, pulsating with the shared goal of community empowerment.

Expanding our loan products will allow us to reach deeper within communities and expand access to capital opportunities for the most underserved. Our growth lending model is a hallmark of our adaptability and a cornerstone of our vision for equitable economic development. By championing accessible and fair financing, we have lit the torch for small businesses and nonprofits, guiding them toward growth and prosperity. Our pursuit to improve outcomes and amplify our impact is more than a commitment—it is a creed.

We have not only aimed for success; we have redefined it, ensuring that our measures of success ripple outwards, fostering a more prosperous, resilient, and inclusive Arizona. Our dedication to creating measurable and lasting change is as steadfast as our community's trust.

This reflection is not merely a recollection of past achievements. It is a reaffirmation of our mission and a reinvigoration of our collective purpose. It is a mosaic of stories, a narrative of resilience, and a blueprint for the future we are building together. As we share this journey, let it be a source of inspiration, a call to action, and a reminder of the empowerment within our grasp. Let it serve as a beacon of inspiration, engaging our spirit of enterprise and empowering us to set our sights even higher in the coming years.

Together, we stand at the threshold of untold possibilities, and with a spirit of enterprise and unity, we look forward to scaling new heights in the years ahead.

With heartfelt gratitude and renewed resolve,

A handwritten signature in black ink that reads "Andre T. Whittington". The signature is written in a cursive, flowing style.

Andre T. Whittington
Executive Director, Growth Partners Arizona

Update on Our Progress

Strategic Priorities

Earlier this year, we announced our strategic priorities for 18 months. We are excited to share our progress and provide an update on what we have been up to for the last 12 months. As we chart our course toward a future filled with opportunity and collaboration, this report illuminates the strides we have made toward our three strategic priorities:

- Grow Intentionally through Partnerships & Collaboration
- Launch Growth Lending Model
- Strengthen Outcomes & Amplify Impact

Emboldened by our shared vision, this narrative is not merely an account of progress; it is an anthem of our unwavering commitment to empower and uplift the vibrant community of Arizona, driving change that echoes beyond figures and into futures.

PRIORITY ONE

Grow Intentionally Through Partnerships and Collaboration

In our steadfast journey to champion nonprofits and small businesses, we commit to creating a landscape where advocacy, access to capital, and technical assistance converge to empower local enterprises. Our recent endeavors underscore our profound commitment to advocating for legislative changes, enhancing financial opportunities for those impacted by the justice system, and tackling predatory lending practices. Central to our mission is expanding access to capital and offering robust technical assistance, ensuring that small businesses and nonprofits are well-equipped to thrive. Moreover, our strategic expansion across Arizona reflects our goal of broadening our impact and reach. These initiatives underscore our dedication to nurturing the economic vitality and resilience of our local nonprofits and small businesses.

Our Progress on Our Key Commitments:

We Formalized Our Ecosystem



Forming a structured ecosystem, such as the Growth Alliance, is pivotal in propelling our key commitments forward. This alliance will act as a catalyst in our quest to advocate for small businesses, ensuring that our efforts in legislative reform, expanding access to capital, and providing comprehensive technical assistance are more effective and far-reaching. By fostering a cohesive network, the Growth Alliance enables us to streamline our initiatives, facilitating deeper collaboration and resource sharing. This unified approach amplifies our voice in

championing small businesses' needs and enhances our ability to make a tangible impact across the state. This alliance will create a more supportive and prosperous environment for small businesses, reflecting our unwavering dedication to their growth and success.

Small Business Advocacy

In recent months, we've forged meaningful alliances with mission-driven organizations, reinforcing our commitment to advocacy for underserved communities. These collaborations have yielded positive outcomes, as we've championed various legislative initiatives to broaden financial opportunities for individuals navigating the justice system. Our efforts have extended to national campaigns promoting enhanced transparency and accountability in small business lending, countering predatory practices. Additionally, our collaboration with the Opportunity Finance Network has been instrumental in elevating the needs of local small businesses, particularly during our impactful discussions on Capitol Hill, highlighting the priorities of Community Development Financial Institutions (CDFIs). These partnerships support our unwavering dedication to fostering economic empowerment and supporting the backbone of our community – small businesses.

Access to Capital & Technical Assistance

Recognizing the crucial need for capital, we have significantly focused on financial technical assistance, a key element in preparing our borrowers for successful funding opportunities. Throughout this year, our deliberate expansion of statewide partnerships has enabled us to collaborate with a diverse range of traditional technical assistance providers, extending our reach across Southern, Central, and Northern Arizona. Through these collaborations, we've conducted over 20 access-to-capital workshops and provided more than 100 hours of technical assistance. This has allowed us to positively impact over 150 small business owners and nonprofit leaders, reinforcing our commitment to nurturing the growth and resilience of our community.

Expand Reach & Impact

Our expansion across Arizona reflects strategic and impactful growth, enabling us to extend our support to diverse communities. These partnerships have been instrumental in supporting significant initiatives, such as joining in on the annual pitch tour by Moonshot, sponsoring the Rural Policy Forum with Local First Arizona, and supporting the small business pitch competition with the San Carlos Apache Tribe.

While broadening our reach is vital, we remain deeply committed to Southern Arizona, our foundational community. We've continued to strengthen this commitment through targeted local efforts, such as investing in the BIPOC Loan Fund, growing the impact of the Kiva Tucson Hub, and forging new partnerships. These actions underscore our dedication to enriching and supporting Southern Arizona while balancing our statewide expansion with a deep-rooted focus on local empowerment and economic development.





Berni and son, Owner Colados Coffee
Phoenix, AZ

PRIORITY TWO

Launch Growth Lending Model

In launching our growth lending model, we focused intentionally on three key commitments: building organizational capacity, expanding our loan programs, and enhancing the customer experience. This focus guided our efforts in creating more inclusive, effective, and responsive financial solutions for the communities we serve. Our journey has led to significant improvement in our internal capabilities, ensuring that we are well-equipped to meet the diverse needs of our customers. Expanding our loan programs will enable us to extend our reach and provide vital support to more communities. At the heart of all our initiatives has been our unwavering commitment to improving the customer experience, making every interaction with us streamlined, accessible, and impactful. This update reflects our progress in each of these areas, showcasing our dedication to community empowerment and economic growth.

Our Progress on Our Key Commitments:

We Operationalized Our Business Model



EmpowerEdge will assist in catalyzing financial empowerment and foster community impact. At its core, EmpowerEdge is a service offering and a transformative initiative dedicated to equipping small businesses and nonprofits with the tools and resources they need to succeed while making a lasting difference. This program will be essential in bridging gaps in financial literacy, access to capital, and workforce development, thereby creating a supportive ecosystem that nurtures growth and amplifies impact. By focusing on these critical areas, we will play a vital role in uplifting communities, enabling entrepreneurs and nonprofit leaders to not only realize their potential but also contribute significantly to the socio-economic fabric of our society.

Build Organizational Capacity

This year, our team took significant steps in capacity building by participating in the Equitable Underwriting Training with CapEQ & Path 15|55 and completing two pivotal trainings with the Opportunity Finance Network: CDFI 101 and Finance Management. These trainings have broadened our understanding and equipped us with practical tools for impactful community engagement.

Participating in development opportunities such as the CDFI 101 session deepened our grasp of Community Development Financial Institutions, enabling us to better align our financial services with the unique needs of underserved communities. The Finance Management training enhanced our financial stewardship, ensuring that our resources are utilized effectively for maximum community benefit. Together, these trainings have refined our approach to finance justice, solidifying our role as a catalyst for sustainable community growth and empowerment.

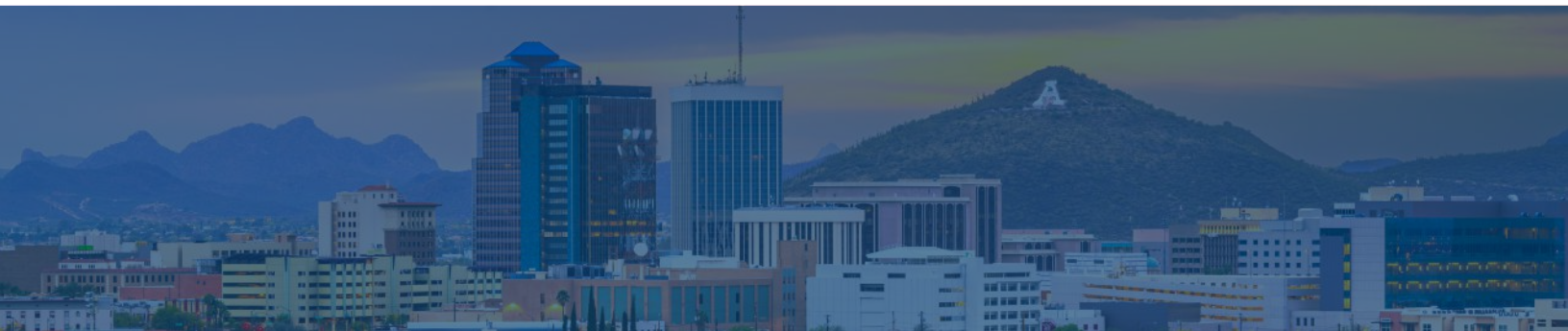


Expand Loan Programs

This year's expansion of our collaborative efforts, including growing our partnerships with CIC Tucson, Startup Tucson, and Local First Arizona, will significantly enhance our loan programs. By joining forces with these esteemed community allies, we aim to champion character-based and microloan products, ensuring financial empowerment reaches every corner of the state.

We're thrilled to have been selected by the City of Avondale to initiate a microfinancing program specifically for Avondale's local businesses. This initiative promises to be a game-changer in supporting the growth and development of small enterprises in the area. In addition, we are honored to manage the Brownfield Revolving Loan Fund in collaboration with the City of Tucson. This groundbreaking initiative aims to revitalize underused areas, transforming them into thriving community hubs and spreading positive change across the city.

Together, these strategic partnerships and groundbreaking projects are a testament to our unwavering dedication to fostering inclusive economic development and cultivating more robust, resilient communities across Arizona.



Improve the Customer Experience

Embracing the digital era, we've recently transformed our loan application process, launching a fully digital platform that not only streamlines the journey for our customers but also extends our reach into new regions throughout the state. These strategic enhancements to our services provided an outstanding response, evidenced by over \$5 million in funding requests from small businesses and nonprofits across the state.



This shift towards digital solutions is more than a technological advancement; it reflects our commitment to meet the growing needs of our underserved communities. By providing a seamless, efficient, and accessible experience for our borrowers, we are reinforcing our dedication to economic empowerment and community support.

To our valued community partners and investors, this development signifies a pivotal step in our collective journey toward fostering sustainable growth and inclusion. Our refined internal processes have optimized the experiences of our borrowers, clients, and investors, ensuring that every interaction with us is impactful and meaningful. These experiences underscore our shared vision of building stronger, more resilient communities through innovative and responsive financial solutions.



"I love that Growth Partners is an organization that focuses on helping the local business community. There is so much beauty in those that want to help others around them, especially when it's done locally."

Olivia J | Socks + Tights

PRIORITY THREE

Strengthen Outcomes & Amplify Impact

In the heart of every community are nonprofit leaders and small business owners, the unsung heroes whose resilience and innovation drive transformative growth. At the core of our mission lies a commitment to elevate these powerful voices, turning every statistic into a testament to their journeys. Our refined approach to data collection isn't just about numbers; it's about capturing the rich tapestry of challenges and triumphs that define our local communities. We emphasize collective storytelling, spotlighting these remarkable individuals, magnifying their impact, and celebrating their stories.

By sharing these narratives, we do more than highlight individual achievements; we weave a larger story of community resilience and collective success. We're not just sharing progress; we're honoring the heartbeat of our communities – the nonprofit leaders and small business owners whose dreams and efforts enrich us all. Their stories are our mission, and their successes are our greatest achievement. This approach isn't merely a strategy; it's a celebration of the human spirit and determination that propels financial empowerment across the state.

Our Progress on Our Key Commitments:

We Launched Our Impact Program



Earlier this year, we launched our "Moments of Impact" program. The "Moments of Impact" program represents a deep commitment to community empowerment and transformative growth. This initiative shines a spotlight on the true pillars of our communities: the nonprofit leaders and small business owners whose visions and efforts elevate us all. By harnessing the power of storytelling and meticulous data interpretation, this program will bring to life these local changemakers' inspiring journeys and significant achievements. Beyond aiding in business growth, this program fosters a shared sense of progress and unity across the state.

Optimize Data Gathering

The digitization of our lending software was a crucial step in establishing a solid foundation. It has not only streamlined our processes but also enhanced the accuracy and efficiency of our data collection. This digital leap means we can now gather comprehensive insights with greater speed and precision, ensuring that our decisions are data-driven and aligned with the needs of our community.

This advancement in our data-gathering capabilities is more than just a technological upgrade; it represents our commitment to staying ahead of the curve in serving our community effectively. By harnessing the power of digital tools, we're better equipped to understand and meet the evolving needs of those we serve. It's a significant milestone in our journey to empower and uplift the communities around us, and we're just getting started.

WHAT'S NEXT

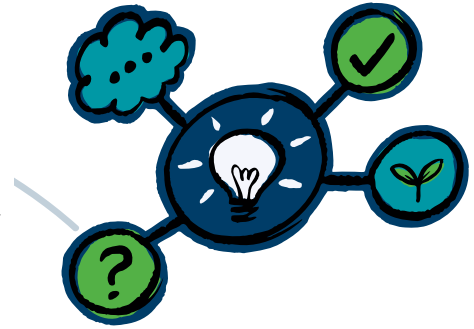
As we look to the future, Growth Partners Arizona is poised to embrace new and innovative approaches in community development financial institutions (CDFIs). A key focus will be advancing our data-gathering techniques, integrating cutting-edge technology to glean deeper insights and foster more impactful interventions. Adopting sophisticated analytics tools and AI-driven data processing will enable us to understand the nuanced needs of our communities better and tailor our support more effectively. This technological evolution will streamline our operations and enhance our ability to predict trends, identify opportunities, and proactively address challenges.

Simultaneously, we are committed to working intentionally to share the success stories of communities across Arizona. By leveraging new digital platforms and social media strategies, we aim to amplify these stories, connect with a broader audience, and inspire collective action. This approach will involve narrating successes and highlighting the journeys behind them, showcasing the resilience and innovation of our partners and borrowers. Through these narratives, we aim to foster a stronger sense of community, encourage collaboration, and spotlight the transformative power of financial inclusion. These stories will be beacons of inspiration and learning, guiding us and others in the CDFI space towards more effective and empathetic community support.

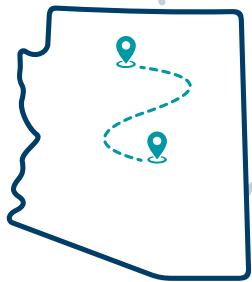


Workshops & Training

We are embarking on a mission to empower nonprofits and small businesses with the knowledge and skills they need to thrive. We will introduce innovative approaches to access capital workshops and grow our partnerships locally, regionally, and nationally. We will partner with local academic institutions to teach financial intelligence workshops and training programs. These sessions are specially designed to grow the financial knowledge of underserved small business owners. These initiatives are more than just learning experiences; they are a part of our commitment to building a more inclusive economy.



Northern Arizona Expansion



2024 marks a significant milestone as we complete our statewide expansion strategy. A pivotal part of this expansion is our focus on Northern Arizona, where we aim to extend our impact and reach. Our goal is to grow through partnerships and spend time building trust and growing our credibility within the region. This expansion is not just about geographic growth; it's a strategic effort to embrace and uplift diverse communities across Arizona, ensuring that our support and resources are accessible to all, regardless of location.

Advisory Committees

The importance of inclusive and strategic leadership becomes increasingly evident as we grow. To navigate this growth effectively, we are establishing an Advisory Committee, including community leaders from across the state. This committee will be crucial in shaping our strategic direction, bringing experience, insights, and perspectives. Members of the Advisory Committee will guide us and be our partners in creating sustainable and long-lasting impact in the communities we serve. Their involvement ensures that our decisions and actions align with our empowerment, collaboration, and sustainable development values.



Enhanced Lending Model

As we move forward, we are excited to introduce innovative changes to our lending model, aiming to support and empower businesses across Arizona more effectively. Understanding that business owners have unique needs at different stages of their journey, from startup to growth phases, we meet businesses at their current stage and propel them towards their aspirations. Our approach is centered on understanding and addressing the unique challenges and opportunities businesses face at different stages of development. By offering tailored financial solutions, we aim to nurture and accelerate their growth, ensuring they have the necessary resources to succeed. This enhanced lending model will represent a significant step in our ongoing commitment to bolstering the business community and fostering a thriving, inclusive economy in Arizona.

Expand Microloan Opportunities



Expanding our microloan programs across Arizona is crucial in addressing the scarcity of financial institutions in rural areas, which significantly restricts capital availability. By refining our lending model and partnering with organizations statewide, we are committed to bringing these essential financial resources to more rural communities.

This strategic expansion is vital in making microloans accessible to a broader spectrum of businesses, especially in regions historically lacking such support. Our initiative addresses the immediate financial needs of these businesses and plays a vital role in Arizona's overall economic development, ensuring equitable access to capital for all.

Capital Landscape Study

A key initiative in our roadmap is publishing a Capital Landscape Study set for release in early 2024. Conducted in collaboration with Local First Arizona, this study will embark on a long-term commitment to increasing awareness and accessibility of capital for Arizona's small businesses. The findings from this research will be crucial in understanding the current state of capital access and will inform our strategies to enhance and diversify financial resources for small businesses. This study is significant in our ongoing efforts to foster a more inclusive and prosperous economic landscape across Arizona. In addition, it will provide vital insights into how accessible capital can drive statewide economic growth, particularly in underserved and rural areas.



\$1,149,500¹

Transactions Closed

91%

Of Borrowers Are Located in Underserved Communities

68%

Women-Owned/Led Organizations

Core Loan Programs

\$642,000

Small Business Loans

\$200,000

Nonprofit Loans

\$307,000²

Community Loan Programs

COMMUNITY IMPACT

- Over \$60,000 in Grants Awarded and Sponsorships provided to the community.
- Over 100 Hours in Technical Assistance Delivered.
- Over 150 Businesses Reached.
- Over 30 Clients Funded Across All Programs.
- Invested \$100,000 to Expand Alternative Financing Programs for BIPOC-led businesses.

Accomplishments

\$2,025,000

Grants/Contracts Awarded

kiva
TUCSON HUB

Surpassed \$600,000 in Funds Disbursed in Southern Arizona

Platinum Transparency 2023

Candid.

3 Loan Participations Closed with First Time Partnering Organizations

Reporting Period Dec 2022 - Nov 2023

1. Transactions Closed includes all transactions closed during reporting period.

2. Community Loan Programs are programs that are community managed (BIPOC Loan Program) and Kiva Crowdfunding Loan Program.

Highlights of The Year





Looking Ahead

The bright future is illuminated by our steadfast commitment to our three strategic priorities: Growing Intentionally Through Partnerships and Collaboration, Launching Our Growth Lending Model, Strengthening Outcomes, and amplifying Impact. These priorities have shaped our past achievements and charted a vibrant path forward as we expand our focus to Northern Arizona, rural, and Native Communities.

We envision a future where our role extends beyond financing – becoming a cornerstone for sustainable growth and resilience in underserved communities. Our efforts will intensify, and our growth will continue to be intentional. We are dedicated to forging robust partnerships and collaborations, tailoring our Growth Lending Model to meet the diverse needs of our communities, and working alongside local organizations and governments.

The road ahead is filled with opportunity, and we look forward to learning and growing together.

KEY STORIES

[Building a More Inclusive Economy Through Partnerships and Collaboration](#)
The David and Lura Lovell Foundation

[Entrepreneurial Spirits Rise with Moonshot Events](#)
The Flagstaff Business News (Pages 1 & 34)

[Arizona CDFI Leader Shares Perspectives on Building a More Inclusive Economy](#)
The Opportunity Finance Network Blog

[Helping Arizona Small Businesses 'go green'](#)
Tucson Opinion: Local Opinion

[Growth Partners Arizona Backs Partner Organization's BIPOC Community Managed Fund with \\$100,000 Investment](#)
Accesswire

[Growth Partners Arizona Receives \\$250,000 Grant to Expand Funding to Rural Communities](#)
Yahoo Finance

[Empowering Southern Arizona: Growth Partners Arizona and Kiva Tucson Hub Surpass \\$600K in Community Lending](#)
NewsWire

[Growth Partners Arizona and Local First Arizona Partner to Launch a Transformative Microfinancing Program for Small Businesses in Avondale, AZ](#)
Accesswire



