

Kickstarting Business Development in Ajo



International Sonoran Desert Alliance

Kickstart Ajo is a multi-agency business attraction, retention and expansion program designed to help balance the Risk-Reward paradigm for doing business in Ajo, Arizona. For entrepreneurs in Ajo's isolated and often seasonal market, the Risk of failure is high, while the return on investment Reward is meager. We are working to balance out this value proposition through a continuum of tools that include: Micro-grants for startup, Technical Assistance for marketing and planning, Tenant Improvement grants for infrastructure challenges, 1:1 matched savings accounts for durable equipment, and a Revolving loan fund to step in where traditional lenders cannot.

Location:

Ajo, AZ, USA

Content updates:

Impact Receipt[®] for...
Freeport McMoRan

Investment:
\$295,000.00

Report Stage:
Final

Last Updated:
22 Jul 2020



Portion Funded 68% <i>of total cost</i>	Investment Type Foundational <i>from options: incremental, significant, or foundational</i>	Funder's Claim (enabled all of the outcomes, including...) 25 businesses created, saved, or strengthened
------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------

Core Services

Below is the grantee's description of each of the core services or activities this program/initiative uses to achieve its goal.

The program's primary core service or activity:

Community And Economic Development > Business And Industry > **Entrepreneurship** ⓘ

The primary and secondary intervention types:

➔ Direct Service

Individual Supports, Training, Education


Grants Or Scholarships For Education, Training, Or Other Services

Advertising, Public Service Announcements, Or Social Marketing

Leaderships And Professional Development

Conferences Or Convenings

The program's duration and frequency of engagement with beneficiaries:

Program Duration	Engagement Frequency	Engagement Duration
 REPORTS.FORM.LABELS.INTERVENTION.DOSAGES.DURATIONS.MULTIPLE_MONTHS	Five to ten	

Additional information about your program's core service, activity or strategy:

Kickstart Ajo is a mechanism to channel much needed resources into the Ajo business community through a collaboration of three distinct organizations (the International Sonoran Desert Alliance, Ajo District Chamber of Commerce and the Ajo Center for Sustainable Agriculture) and a representative group of stakeholders (Leadership for Sustainable Communities Cohort-LSCC). Through this mechanism, resources are distributed to individual businesses and entrepreneurs via five investment vehicles: 1) Micro-grants, 2) Technical Assistance Grants, 3) Tenant Improvement Grants, 4) 1:1 Matched Savings Accounts and 5) Revolving Loan Funds. By combining a set of investment tools and organizational supports into a single supportive process, we believe there is a collective impact that is greater than the sum of the parts. In response to the diverse nature of our target beneficiaries, we have earmarked resources into three categories: 1) Farmers Market Vendors / Producers, 2) Businesses based in the historic town center and 3) Businesses Outside of the historic town center—including home-based businesses. Funds in each of the investment categories are earmarked equitably among the target groups. The application process is extremely collaborative and co-creative in nature as each review panel member agrees to provide ongoing support and technical assistance for business applicants

Beneficiaries



Below is the grantee's description of the people served by this program (on the left) and selected demographic and geographic categories representing these beneficiaries (on the right).

The direct target population for Kickstart Ajo includes existing Ajo businesses and individuals interested in starting a business in Ajo. These business owners and emerging entrepreneurs are operating in a challenging and highly seasonal market with limited access to capital and technical assistance. Kickstart Ajo is particularly focused on supporting businesses and entrepreneurs operating in the visitation and tourism space and those businesses offering authentic experiences that capitalize on the rich cultural heritage of the region.

Indirectly all area residents and visitors will benefit from increased business activity. With more than 30% of the population in poverty and an area median income \$6,000-10,000 less than neighboring urban locations, the need for jobs and increased economic opportunity is acute.

Children and youth (4%)

Adults (68%)

Seniors (28%)

Females (55%)

Males (45%)

People of Asian descent (4%)

People of European descent (55%)

People of Latin American descent (11%)

Indigenous peoples (9%)

Multiracial people (20%)

Self-employed people (75%)

Farmers (14%)

Artists and performers (32%)

Impact Model / Theory of Change



Below is the grantee's summary of how this program/initiative generates value, including the criteria for success at each stage and the number of successes achieved (Indicator), where the data come from (Measurement), and, if relevant, how much the current numbers vary from the original forecast before implementation (Variance).

Service type: Small Business - Development and growth of small businesses



Stage

Indicator

Classification

Variance

4 tools/systems/other infrastructures developed, enhanced

Description: Number of tools, systems, or infrastructure to improve or expand program implementation.

Success Criteria: Established business evaluation protocols, rubrics and annual reporting formats are created. These tools will feed into an overall business health indication for the community of Ajo.


Sources/Assumptions: The Kickstart Ajo collaborative regularly evaluates the number, type and efficacy of evaluation tools created through this program.



Directly Measured

Objective assessment of capacity development gains reported by program implementers (e.g., based on surveys or tests using specific, predefined evaluation criteria)

n/a

Date	Documents
06 Jul 2020	 Kickstart_Ajo_-_Schedule_of_Capacity_Building_Tools.xlsx

10 programs or services created, enhanced

Description: Number of programs or services created, expanded, or improved.

Success Criteria: Each participating organization has expanded and/or improved specific wrap-around business support services over the course of this program. Specific services are documented in the Schedule of Business Services document.


Sources/Assumptions: Participating capacity building organizations are surveyed re: new or expanded serviced offerings for businesses.



Directly Measured

Objective assessment of capacity development gains reported by program implementers (e.g., based on surveys or tests using specific, predefined evaluation criteria)

n/a

Date	Documents
06 Jul 2020	 Kickstart_Ajo_-_Schedule_of_Business_Services.xlsx

1 organizations or collaborations created, expanded

Description: Number of new organizations created; existing organizations expanded; or partnerships, coalitions, or collaborations created or expanded to leverage existing resources, activities, and capacities to achieve greater results.

Success Criteria: This program resulted in the formation of a new multi-agency committee: the Kickstart Ajo Committee. This committee will continue offering coordinated business support and managing the newly established micro-loan fund beyond the grant funded period.

Sources/Assumptions: Minutes are taken during all collaboration meetings to document ongoing eco-system building work. Detailed notes on business application evaluation and award decisions are also maintained by the lead committee member.



Directly Measured









Objective assessment of capacity development gains reported by program implementers (e.g., based on surveys or tests using specific, predefined evaluation criteria)

n/a




Capacity Developed



Stage	Indicator	Classification	Variance
 Reached	<p>50 reached</p> <p><i>Description:</i> Number of beneficiaries that participate in, or are directly served by, the program.</p> <hr/> <p><i>Success Criteria:</i> A beneficiary that has applied, interviewed, been evaluated and awarded a Kickstart Ajo Award is considered to have been "reached."</p> <hr/> <p><i>Sources/Assumptions:</i> Kickstart Ajo committee lead collates data after each award cycle.</p>	 Directly Measured Derived from other tracked data (e.g., sales, member lists)	n/a
↓			
 Learn	<p>40 beneficiaries gain the skills, capacity to create, strengthen their businesses</p> <p><i>Description:</i> Number of individuals that attain sufficient knowledge, skills, motivation, and/or access to resources (e.g., financial products or services) to enable them to create or build small businesses.</p> <hr/> <p><i>Success Criteria:</i> Of businesses participating in Kickstart Ajo, this metric is an indication of how many of those businesses are experiencing business growth and/or an improvement in capacity to manage their business.</p> <hr/> <p><i>Sources/Assumptions:</i> Participating businesses are asked to submit quarterly self-assessments and program efficacy surveys.</p>	 Directly Measured Subjective assessment of learning gains self-reported by [intermediaries] (based on their own opinion)	n/a
↓			
 Act	<p>30 beneficiaries take targeted actions to create, strengthen their businesses</p> <p><i>Description:</i> Number of individuals served that exercise their new capabilities (e.g., increase saving, pay down debt, use credit, etc.), or otherwise change behavior, to create or strengthen their businesses.</p> <hr/> <p><i>Success Criteria:</i> Success on this metric is indicated by a business owner changing how they track, manage, advertise or operate their business enterprise. The shift should directly correlate with a coaching, learning or other capacity building experience.</p>	 Guess Guess based on anecdotal results (success stories, personal experiences)	n/a
↓			
 Succeed (Social Impact)	<p>25 businesses created, saved, or strengthened</p> <p><i>Description:</i> Number of businesses created, saved, or materially strengthened (e.g., through expansion or increased revenues) as a result of this program.</p> <hr/> <p><i>Success Criteria:</i> Number of businesses that have grown or stabilized revenue during and immediately after program participation.</p> <hr/> <p><i>Sources/Assumptions:</i> Businesses are asked to submit quarterly self-evaluations on the health of their business and relative effectiveness of Kickstart Ajo interventions.</p>	 Directly Measured Subjective assessment of social impact self-reported by [beneficiaries] (based on their own opinion)	n/a



Indicator		Classification	Variance
Date	Documents		
06 Jul 2020	 Kickstart_Ajo_Quarterly_Report_-_Q2_2019_-_Google_Forms.pdf		

Budget



Expenses	Current Forecast	Variance	Notes (contents of line item)
Direct Cash	\$365,500.00		Includes foundation and match funding for direct business support and eco-system building support through managing organizations.
Direct In-Kind	\$40,000.00		Subsidized rents for Ajo tenants and participant matches
In-Direct Cash	\$29,500.00		Program administration
In-Direct In-Kind			
Total Program Cost	\$435,000.00		

Date	Notes
15 Jul 2020	The multi-year Freeport McMoRan investment of \$295,000 was critical in making this program possible as it represents the first committed funds which made the other in-kind and leveraged contributions possible. Without the generous commitment from Freeport McMoRan Foundation and their willingness to support a new approach to community economic development in Ajo, this program would not have been possible.

Narratives



Success Story

Curley Coffee is a small batch coffee roaster that started out selling exclusively at the seasonal Farmer's Market. Early on, Kickstart Ajo provided technical assistance in brand development and some equipment to allow the operation to scale up. With additional support for equipment and installation expenses, Curley Coffee transitioned into being a permanent vendor in the Ajo Farmers Market & Cafe and hired an employee. As production capacity has grown, Curley Coffee is now the exclusive supplier of coffee for guest rooms at the Sonoran Desert Inn, stocks a shelf at the local grocery store and recently opened a virtual storefront through AjoArtisans.org (another Kickstart Ajo-supported endeavor). In August 2020, Curley Coffee will open its own stand-alone café and roastery in Ajo's historic town center. The new location will have one full-time and one part-time employee in addition to a full-time owner/operator. Curley Coffee is a fantastic example of a micro-entrepreneur taking incremental steps with Kickstart Ajo support to grow from a hobby business into a community fixture and job creator. "The success of

Lessons Learned

One of the most significant lessons learned was that the dollar value of the invested resource was often less impactful than what the resource said about how our community values entrepreneurship, innovation and a willingness to take risks. As a former single-industry community with a deeply ingrained 'company town' mentality, entrepreneurship was historically not a highly rewarded character trait. Through the envisioning, development and implementation of this project, we, the eco-system builders, have come to realize what a valuable and finite resource entrepreneurs are and we are working hard to empower and attract more of them.

As one Ajo business owner said after receiving a Kickstart Ajo award: "This is the first time I have felt accepted into the business community after more than 8 years in operation."

Another lesson learned was just how critical continued support after an award is to a program like this. We consistently experienced an implementation hurdle



Curley Coffee Roasters is tightly intertwined with the support provided by Kickstart Ajo. We have felt very fortunate to have help with the purchase of equipment, with marketing, with renovating a space and with keeping our employees on during the COVID crisis. Kickstart Ajo has been a vote of confidence as we continue to build the business one brick at a time, so that it will stand the test of time," says owner Annelise Keuper.

among businesses after the initial euphoria of receiving an award wore off. Often the time demands and changing priorities common to running a small business delayed or altered the way committed resources could best help businesses. As we envision a future for this program, including intentional and dedicated support in award implementation will be a core component.



Questions

1 . Did your organization or program serve any of the following areas during your report period?

- Arizona
- Colorado
- New Mexico
- Iowa
- Texas
- Connecticut
- New Jersey
- National
- International

2 . Please check which operating communities your organization or program serves or served in Arizona during the report period.

- Ajo
- Bagdad
- Bisbee
- Globe/Miami
- Graham County

- Greenlee County
- Green Valley/Sahuarita
- Jerome/Clarkdale
- Phoenix
- Tucson
- Hualapai Tribe
- San Carlos Apache Tribe
- Tohono O'odham Nation
- White Mountain Apache Tribe
- Statewide

