

A PPEP Microbusiness and Housing Development Corporation Success Story in San Luis, Arizona



Many low-income and very low income farm workers in San Luis, Arizona are looking for a “better quality of life” and are looking for this life under entrepreneurship. Lacking formal training and technical assistance to start, expanding a self-employment activity has been the number one concern for these farm worker families residing in this rural southeastern community located 25 miles south from Yuma, Arizona. This low-income population is looking for a better way to support themselves as well as their families.

PEPP Microbusiness and Housing Development Corporation (PMHDC) a twice certified Community Development Financial Institution (CDFI) and its flagship micro enterprise development project has provided training and technical assistance (TAT) and credit (over \$5 million) to this low-income farm worker community for the past 22 years in San Luis, Arizona with excellent results.

PMHDC’s interventions under its micro enterprise development program have brought positive changes in the lives hundreds of low-income families especially those that are farm workers. This intervention offered an individual and family holistic approach in economic self-sufficiency. PMHDC worked with other San Luis partners like the City of San Luis City Council who has committed \$50,000 to the project in 2008, Comite de Bien Estar, a housing development corporation is a partner as well as support from local for-profit corporations like Riedel Construction Company who just recently donated \$50,000 to PMHDC for the continuation of the training and technical assistance to be afforded to the micro small business community of San Luis, Arizona..

PMHDC was certified as a Community Development Financial Institution in 1995 and since then PMHDC has lent over \$15 million in rural low-wealth communities like San Luis, Arizona. Micro enterprises have started or expanded with these types of development services, the results can be surprising and lasting. One negative aspect of this type of development service is the high expense associated with training and technical assistance. The cost of training is substantial because those at the entry level stage of development typically require the greatest amount of dedicated advice and guidance, over an extended period of time to achieve the highest rates of success.

Funding is scarce relative to the need. The micro- enterprise industry has found the technical assistance funding gap to be a nationwide problem, particularly in the very low-income sector.

PMHDC has had to go to the community to obtain additional support and has been extremely successful at least with San Luis, Arizona. One reason for this is that the community has seen and experienced the impact PMHDC is having in a community of 24,000 inhabitants. where the tax base is very small but yet the community knows what the return on its investment will be when PMHDC, a certified CDFI, continues to fund the local businesses with loans that average \$10,500. The best news is that PMHDC has received and used community and private funds to support its innovative projects.

Irma's Floral and Gift Shop

Entrepreneur Información

Business Name: Irma's Floral and Gift Shop

Entrepreneur Name: Irma Correa

Address: 1946 E Juan Sanchez Blvd...

Suite 4

San Luis, AZ 85349

Phone: (928) 627-1314

Business Description: Floral/Gift Shop – makes natural floral arrangements for all occasions and sells at retail small porcelain figures, metallic balloons, gift-wrapping, and other accessories. Sells through the Internet as well.

Fund Source used for customer: SBA 4 – Microloan

Business Success Case Study

Irma's Floral and Gift Shop is a sole proprietorship owned and operated by Irma Correa and her daughter Anna Correa.

Mrs. Correa is a former agriculture worker who worked long hours in the local fields. This type of work is very hard and requires long hours where most of the workers leave their homes as early as 4:00 a.m. and arrive back after 8:00 p.m. This is especially hard for women who do not only have the responsibility of work, but of their children and taking care of the household chores after working long hours.

Correa's dream, however, was to own her own flower shop and to one day be self-sufficient. She realized her dream into reality by hours of required planning. In August 29, 2002, she started an intensive small business management training course through the Job Opportunity for Low Income Individuals (HHS) Program. A program that gave her an opportunity to learn, research, and develop a business plan for her business.

On October 31, 2002, Correa was provided with her first time business loan of \$5,000. The proceeds from this loan were used to purchase inventory, fixtures and she obtained a tiny commercial space where she opened her small floral business. PMHDC provided

technical assistance and support al along until she was able to open her flower and gift shop.

Six years later, Correa no longer works in the agriculture fields. She is now the proud owner of her own business! It was difficult for her in the beginning, but she feels it was worth it. Her daughter helps her out and she has more time to spend with her family Most recently she bought a small trailer where she added additional inventory. Today she has a large flower and gift business in a business mall and she is the only flower shop in that community that has the Flower-Wire Service using Internet. Through the use of technology provided by PMHDC and a Tech-Equity Project funded by E-Bay Foundation and the Association for Enterprise Opportunity.



Submitted by: Frank Ballesteros
PPEP Foundation
Executive Director
802 E 46th Street
Tucson, Arizona 85713
(520) 806-4690
Fballesteros@ppep.org