

TO: Senator Bobby Joe Champion, Chair, Jobs & Economic Development Senator Jen McEwen, Chair, Labor & Industry Senator Zaynab Mohamed, Vice Chair, Jobs & Economic Development Senator Grant Hauschild, Vice Chair, Labor & Industry Senator Heather Gustafson, Vice Chair, Education & Finance Representative Hodan Hassan, Chair, Economic Development Representative Jay Xiong, Chair, Workforce Development Finance & Policy Representative Mike Nelson, Chair, Labor & Industry Representative Kaela Berg, Chair, Labor and Industry Finance and Policy Representative Liz Olson, Chair, Ways & Means

FROM: The Lake Street Council DATE: 5/2/23 RE: HF 3028 and SF 3035

Dear Members of the Omnibus Jobs and Labor Conference Committee,

Thank you for bringing much-needed economic development support to the Twin Cities through HF 3028 and SF 3035. We are grateful for these investments in economic and workforce development that will support residents and businesses throughout the Twin Cities - and especially on Lake Street.

Founded in 1967, the Lake Street Council drives economic development in South Minneapolis by supporting and empowering entrepreneurs who operate small businesses along the Lake Street corridor. As the largest and most diverse commercial corridor in South Minneapolis, Lake Street is a key source of economic activity for our vibrant communities, providing jobs, goods and services, and cultural activity.

Since 2020, the Lake Street Council has played a critical role in recovery efforts, including raising and distributing over \$11.5 million to over 500 businesses in direct business support grants, forgivable loans, and pre-development and acquisition support. In addition, we have also played an important role in uplifting and



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bringing customers back to the area with our robust marketing and placemaking efforts - funding over 30 new murals and public art activities.

We believe that the Empowering Enterprise Program and the PROMISE Act would allocate needed resources to entrepreneurs in our community.

## Specifically, we believe the Empowering Enterprise Program will foster a stronger, more flexible approach to economic development by expanding the capacity of local community and business groups across each commercial corridor through direct funding allocations.

It would allow the Lake Street Council and other partner organizations to continue providing critical strategic assistance to individual businesses; securing physical area improvements; and supporting programming and community engagement initiatives that help draw visitors to our vibrant commercial corridor.

The Lake Street Council would use this funding allocation to replenish our We Love Lake Street grant **program which has supported hundreds of small businesses over the last several years.** For example, to date:

- Our We Love Lake Street program provided over 500 grants to local businesses and redevelopment projects.
- 84% of businesses receiving We Love Lake Street grant awards were BIPOC-owned businesses, and 7% were community-based nonprofit organizations.
- 74% of these businesses had annual revenue of less than \$500,000 per year.

We would like to suggest the following recommendations for the Empowering Enterprise Program, which we believe will make it an even more effective recovery tool:

- Consider increasing the \$500,000 funding cap, specifically for redevelopment projects, to several million dollars. This increase would match up with the current financing gaps we are tracking on rebuilding projects along our corridor. There are ten severely damaged properties along the Lake Street corridor alone that have a combined financing redevelopment gap of \$94 million.
- Provide direct funding for 38th St./George Floyd Square.

In addition, we believe the Senate proposal language is missing critical funds for real estate redevelopment projects in the form of forgivable loans and grants. For every successful applicant to the Minnesota Main Street Economic Revitalization Program Street program in the Lake Street area, there were two more applicants that were turned away. Key redevelopment sites across the Twin Cities would benefit from the kind of catalytic investments the State of Minnesota is able to provide.

We would also suggest that the Senate bill raise the revenue cap on business grants to provide an opportunity for mid-sized local businesses to apply for grants and not just the smallest of businesses.

More than 1500 businesses were impacted by the Civil Unrest that followed the murder of George Floyd, resulting in over \$500 million in damages - making it the second most expensive civil disturbance in U.S. history. Many organizations like the Lake Street Council responded immediately to this crisis to help businesses get back on their feet, but more support is still needed. We cannot let another construction and legislative session end without passing a catalytic corridor recovery legislation.

This year, the legislature has the opportunity to invest in critical real estate development projects that are being driven by local, primarily BIPOC entrepreneurs. This type of funding would provide critical community services, generate equitable wealth-building opportunities for BIPOC residents and entrepreneurs, and allow several businesses and organizations displaced by the unrest to finally return to Lake Street.

The historic budget surplus presents a unique opportunity to support this full recovery and make a generational impact on the future of Lake Street and other commercial corridors across the Twin Cities.

I urge you to support legislation that invests in small businesses, the Lake Street Council, and the Lake Street corridor.

Please let Russ Adams or myself know if you have any questions at 612-438-6338, <u>asharkey@lakestreetcouncil.org</u>, or russ@lakestreetcouncil.org.

Sincerely,

allison Sharkey

Allison Sharkey Executive Director

## March 27, 2023

The Honorable Hodan Hassan Chair, Economic Development Finance, and Policy Committee Minnesota House of Representatives 597 State Office Building Saint Paul, MN 55155

RE: H.F. No. 3028 and the "empowering enterprise program"

Dear Representative Hassan:

We, the 120 undersigned business owners, nonprofit leaders, and residents are writing to express our support for legislative funding that would bring critically needed investments to the Twin Cities and support the vibrancy of Minneapolis and St Paul's economic and cultural business districts.

The civil unrest that unfolded following the murder of George Floyd has had a lasting effect and resulted in several hundreds of millions of dollars in damage across the Twin Cities. More than 1,500 businesses and nonprofits were fully or partially destroyed, many of them owned by immigrants, low-income entrepreneurs, and families who are Black, Indigenous, or People of Color (BIPOC).

Despite this profound loss, our communities have come together and worked tirelessly to rebuild, leveraging grants, forgivable loans, technical assistance, and other financial support made possible by private fundraising, corporate donations, and nonprofits. But much remains to be done, and we believe the State of Minnesota has a critical role to play.

The allocation of funding in H.F. No. 3028 and the "empowering enterprise program" would start to provide the necessary investments needed to implement local economic development programs and begin to make a significant intergenerational impact on historically diverse economic and cultural business districts, including Lake Street, West Broadway, Saint Paul's Midway neighborhood.

In addition, we believe support of 38th Street and Chicago Avenue is still critically important and needs support from the State of Minnesota.

The funding provided by H.F. No. 3028 would support the Twin Cities' continued recovery, supporting critical recovery tools like property acquisition, building preservation, strengthening business operations, business and safety improvements, area beautification, new development, and more.

As our communities continue to rebuild and recover from civil unrest, historic divestment, and institutional barriers, the funding from the State of Minnesota would make a powerful impact. We urge you and your colleagues to invest in our region's economic growth and future success by passing this legislation.

Thank you for your consideration.

Sincerely,



Destination Northside and Northside Economic Opportunity Network



Lake Street Council



38th Street United coalition with Sabathani Community Center



Midway Chamber of Commerce

Chad Kulas, Midway Chamber of Commerce Peter McLaughlin, Twin Cities LISC Ann Kim, Vestalia Hospitality Renay Dossman, Neighborhood Development Center Walter Bonilla, Wells Fargo Warren McLean, NEON Mitra Jalali, City of Saint Paul - Ward 4 Laura Zabel, Springboard for the Arts Ali Barbarawi, Chicago Lake Family Dental Andrew Sybilrud, Bremer Bank David Wellington, Wellington Management, Inc. Ruhel Islam, Curry in a Hurry Renee Spillum, Creative Enterprise Zone Juan Linares, Cooperative Mercado Central Inc.

## See reverse side for full list of signatures









Anna Wienke, We...Artist Collective, Studios, and Gallery Miluska Novota, Hortensia PLLC Josey Perez, Premier Health of South Minneapolis Justin Kirkeberg, Candid theater co Kendal Bergman, Resident Stacey Peacock, Stacey Peacock Consulting Jeff and Gita Zeitler, Urban Forage Winery and Cider House Daniel Goldschmidt, Etude LLC Sarah Goodspeed, Resident Barbara Jeanetta, Resident Karen Karen Lopez, Novedades Krystal Aaron Keith, Green Buidlers Wendy Knox, Frank Theatre Olivia Rodriguez, Zo Audio Kalan Knudson Davis, Dragon Papers Ink Ben Jacobson, Benj Jacobson Bree Sieplinga, Upstream Arts Doug Mork, Building Dignity & Respect Standards Council Andrea Kuenning, Resident Dianne Carlson, Resident Seth Prince, PrinceWorks, LLC Morgan Luzier, Balance Fitness Studio Renato Zagal, Renatos Restaurant Inc. Victoria Gonzalez, Manny's Tortas Llc Jeanette Vyhanek, Resident Amanda Madison, Bancroft Neighborhood Association Alice Reynolds, Over Under Leeann Sit, Resident Ryan Mulso, Joyce Preschool Brenna Everson, Brenna Everson Consulting LLC Timothy Jordan, North Star Mini Storage Nat Bennett. Resident Brad Turner, PPNA Jesus Escobar, Print & Buy LLC Veronica Murphy, Resident Chris Cinque, Resident Taylor Smrikarova, Redesign, Inc. Don Blyly, Uncle Hugo's Science Fiction Bookstore Pinkey Patel, Elite Cleaners Alembirhan Mezgebu Dominic Nzara, Dominci's Tax Service Karen Karen Lopez, Novedades Krystal James Garrett Jr., FAIA, NOMA, 4RM+ULA Linda McHale, Corner Store Vintage Emily Allgeyer, Resident Victoria Yepez, VY Management LLC Cody Oesterreich, Resident Jay Patel, International Management LLC Steven Budas, Resident Isadora Korak, Resident Andrew Sybilrud, Bremer Bank Daniel Swenson-Klatt, Butter Bakery Cafe GBC Danii Lemaire, Resident Juno Choi, Arbeiter Brewing Company Katie Hosley, Resident William Weber, William Weber Consulting LLC

Nicole Henry, Resident Tom Lubanovic, Frostbeard Studio Adeniyi Alabi, ADENAL Investment LLC Anisa Esse, Blue Horn Properties & Essential Health Services Conrad Leifur, Sooki and Mimi Emily O'Brien, Sooki & Mimi Rev. Ingrid Rasmussen, Holy Trinity Lutheran Church Jackie Knight, Ackerberg Rachael Crew, Sooki & Mimi Monika D'Onofrio. Sooki & Mimi Julie Ingebretsen, Ingebretsen's Nordic Marketplace Jessica Bergman, Resident Becky Lemon, Sooki & Mimi Daniel Springrose, Sooki & Mimi Stephanie Bergholtz, Sooki & Mimi / Vestalia Hospitality Timothy Conners, Rotary Irene Kelly, Prisma, LLC Ellen Archibald, Resident Sarah Robinson, Resident Rachel Bouchard, Flourish Pilates+Bodywork Cara Carlson, Anam Cara Therapies, PLLC and Beechwood, Inc. Julia Holtemeyer, Resident Kali Pliego, Resident Chris Jones, Resident Zoe Martinez, Resident Lamberto Vergara, Minnesota School of Barbering Amanda Duerr, St. Paul Area Chamber Marcy McHenry, Midpointe Event Center Anthony Mendoza, Schindel Segal Mendoza, PLLC Kara Sime, Your HR Navigator Rev. Ingrid Rasmussen, Holy Trinity Lutheran Church Thomas McInerney, Thomas J McInerney CPA Tetra Constantino, Elsa's House of Sleep Greg Sofie, Atlas Staffing Inc. Art Serotoff, Resident Victoria Lauing, Chicago Avenue Fire Arts Center Julia Eagles, Resident Stephen Obayuwana, Construction Basics Inc. Adeyinka Badewa, eStoreMasters LLC dba United Developers Larry Olson, Metroplains Joan Phillips, Carondelet Event Center & Member of the Midway Chamber of Commerce Thomas Foss, Burning Brothers Brewing Catherine Day, Storyslices LLC May yer Thao, Hmong American Partnership Lauren Callis, Curiosity Studio Alexander Kado, Resident **Thomas Mollner, Mollner Properties** Devin Creurer, Arcadia Management Kara Yorkhall, Fertile Ground Women's Health and Fertility Center Doug Mork, Building Dignity and Respect Standards Council Elizabeth Greenbaum, Articulture Betty Edwards, Resident Robin Major, Resident Julia Eagles, Resident Julia Dellick, Resident

March 27, 2023



Elite Cleaners & Launderers 3101 Minnehaha Ave, Minneapolis, MN 55406

The Honorable Hodan Hassan Chair, Economic Development Finance, and Policy Committee Minnesota House of Representatives 597 State Office Building Saint Paul, MN 55155

RE: H.F. No. 3028 and the "empowering enterprise program"

Dear Representative Hassan:

My name is Pinkey Patel and I am the owner of Elite Cleaners on Minnehaha Avenue right off Lake Street. We are the 3rd building from the 3rd Precinct police dept and we had suffered huge damages during the riots. Our building was totally burned from the inside and all my dry cleaning machinery was gone.

During this time we just had one support and that was Lake Street Council. They stood by us like a rock and helped us through those difficult times. We needed money to rebuild and they helped us with all the resources they had, without them we would not have rebuilt our business there again.

It was the funding from these non profits that helped us rebuild our business and also provided a sense of security and support, which was very important. Without these funds small businesses like ours would not have survived. We still need more help as we have not fully recovered and the process is ongoing. Supporting the involved organizations, gives small business like ours the opportunity to recover bit by bit. For this reason, it is imperative that the state legislature allocates funds to support small businesses.

Thank you to the Economic Development Finance and Policy Committee and to Rep Hodan Hassan for reading my testimony.

Pinkey Patel Owner, Elite Cleaners & Launderers



March 27, 2023

The Honorable Hodan Hassan Chair, Economic Development Finance, and Policy Committee Minnesota House of Representatives 597 State Office Building Saint Paul, MN 55155

RE: H.F. No. 3028 and the "empowering enterprise program"

Dear Representative Hassan:

My name is Lamberto Vergara, and I am a business owner in the city of Minneapolis. I am writing today to express my request for Minnesota Legislature to spend a portion of its historic surplus on investing in the small business corridors damaged in civil unrest in 2020.

A bit of my background, I started my business journey over 12 years ago, in Minneapolis as a barber shop owner. I now own two barbershops (LV's Barber Shop), a barber supply store (Twin Cities Barber Supply) and a barber school (Minnesota School of Barbering). It has been a great experience having businesses in Minneapolis but also has come with a lot of hardships. As a small business owner during the pandemic it was a struggle to keep afloat but with the help of the community and state programs I was able to do so.

I have joined with many organizations to be able to move ahead with my dreams of being a business owner and I have contributed my time and donations to organizations such as; Lake Street Council, Latino Economic and Development Center, and Longfellow Business Association. These organizations are essential part of the success story of many small businesses. Without their support many of the Lake Street businesses would have vanished during the pandemic and the George Floyd civil unrest that took place in Minneapolis in 2020.

Businesses like mine are a staple to the community and they are what makes Lake Street so full of culture and diversity. I want to express my desire for the community to continue to flourish but in order to do so we need the support of our city officials, representatives, senators, mayors, and governor to fund the needs of the small businesses. The buildings in which we do business in Minneapolis are run down and have taking hits during the civil unrest. We need the funds to renovate and rebuild to attract more customers. Our businesses not only bring jobs to hundreds of people in the area but also service many of the customers in the community. We need the support of legislators to invest in small businesses to help replenish funding programs like the Acquisition & Predevelopment Fund, while also boosting many other initiatives for Lake Street's recovery.

I want to thank you for taking the time in reading my letter. I hope that my small impact can help encourage financial commitment from legislatives to support small businesses. This would serve as a significant way to begin the healing process of past systemic neglect by providing easier access to resources and stimulating long-term economic development.

May 1, 2023

El Rey Audio 515 E Lake St, Minneapolis, MN 55408

The Honorable Hodan Hassan Chair, Economic Development Finance, and Policy Committee Minnesota House of Representatives 597 State Office Building Saint Paul, MN 55155

RE: SF 3035/HF 3028

Dear Representative Hassan:

My name is Olivia Rodriguez and I'm testifying in support of SF 3035/HF 3028.

The Lake Street community and the business owners need the support of the Lake Street Council to continue to grow and expand. To fulfill our dreams, we need the state's support for the Lake Street businesses. We know that this will not be possible if the Lake Street Council does not have the necessary funds. Your support will be the difference in my community. As a business owner, SF 3035/HF 3028 will create a relief in our hearts. I am a mother, I am an immigrant, I am a dreamer that wants to move forward with my community. I have been a business owner here in Minnesota for over 10 years and I love Lake Street.

I have been with the Lake Street Council for the past 3 years and they have supported me in becoming part of the south Minneapolis community by expanding and purchasing a beautiful commercial space along with business knowledge and technical assistance. During these three years after the pandemic, the Lake Street Council was there with attention, navigation and funds to keep us active as business people. The kindness and respect of the team has been constant since 2020. Since then, we have been constantly looted but they have been there for me and the diverse merchants on Lake St to support us. Lake Street Council have been on par with me and I know I can seek help with them at any time.

Thank you to the Finance and Economic Development Policy Committee and Representative Hodan Hassan for reading my testimony.

**Olivia Rodriguez** 

ay 1, 2023

El Rey Audio 515 E Lake St, Minneapolis, MN 55408

The Honorable Hodan Hassan Chair, Economic Development Finance, and Policy Committee Minnesota House of Representatives 597 State Office Building Saint Paul, MN 55155

RE: SF 3035/HF 3028

Dear Representative Hassan

Mi nombre es Olivia Rodriguez y testifico en apoyo de la Ley SF 3035/HF 3028

La comunidad y los dueños de negocio de la Lake St necesitamos el apoyo de Lake Street Council para seguir creciendo y expandiéndose. Para cumplir nuestros sueños, necesitamos el soporte del estado para los negocios de la Lake Street. Sabemos que esto no será posible si Lake Street Council no cuenta con los fondos necesarios. El apoyo de ustedes será la diferencia en mi comunidad. SF 3035/HF 3028, como negociante, es necesario ya que esto creará un alivio en nuestros corazones. Soy madre, soy inmigrante, soy soñadora que desea seguir adelante junto con mi comunidad. Soy negociante aquí en Minnesota desde hace más de 10 años y amo la Lake Street.

He estado con Lake Street Council los 3 últimos años y me han apoyado para formar parte de la comunidad del sur de Minneapolis con la expansión y la compra de un bello espacio comercial junto con conocimiento y asistencia técnica. Durante estos tres años después de la pandemia, Lake Street Council estuvo presente con atención, navegación y fondos para mantenernos activos como negociantes. La amabilidad y respeto del equipo ha estado constantemente desde el 2020 ya que desde entonces nos han saqueado constantemente y ellos estuvieron ahí para levantarnos nuevamente a mi y a la diversidad de comerciantes en la Lake St. LSC ha estado a la par conmigo y sé que puedo buscar ayuda con ellos en cualquier momento.

Gracias al comité de Finanzas y Políticas de Desarrollo Económico y a la Representante Hodan Hassan por leer mi testimonio.

Olivia Rodriguez

May 1, 2023

Floreria Yare LLC 417 E Lake St #81

The Honorable Hodan Hassan Chair, Economic Development Finance, and Policy Committee Minnesota House of Representatives 597 State Office Building Saint Paul, MN 55155

RE: SF 3035/HF 3028

Dear Representative Hassan:

Mi nombre es Guillermina Figueroa Carrillo y testifico en apoyo de la Ley SF 3035/HF 3028

Tengo un negocio en Lake Street desde hace 14 años el cual me ha ayudado a sacar a mi familia adelante, pero lamentablemente mi negocio ha sufrido mucho después de lo sucedido en Mayo del 2020 y ha sido difícil salir adelante con los gastos que un negocio pequeño tiene, sería muy importante tener un apoyo para poder seguir funcionando y volver a tener presencia y éxito en la calle Lake porque ha sido difícil atraer clientes a nuestra área, necesitamos más apoyo financiero. Todos queremos que Lake St vuelva a ser la calle famosa y exitosa que era hace algunos años y espero que nos puedan brindar el apoyo para lograrlo junto con Lake Street Council ya que ellos nos han apoyado a nosotros y a otros negocios durante todo este tiempo y así queremos que continúe.

Gracias al comité de Finanzas y Políticas de Desarrollo Económico y a la Representante Hodan Hassan por leer mi testimonio.

Guillermina Figueroa Carrillo Floreria Yare LLC May 1, 2023

Joyeria Max 417 E Lake St Minneapolis MN 55408

The Honorable Hodan Hassan Chair, Economic Development Finance, and Policy Committee Minnesota House of Representatives 597 State Office Building Saint Paul, MN 55155

RE: SF 3035/HF 3028

Dear Representative Hassan:

Mi nombre es Maximo Figueroa dueno de Joyeria Max Limited y testifico en apoyo de la ley SF 3035/HF 3028

La ayuda y apoyo que he recibido de la organización Lake Street Council en momentos muy difíciles después de las protestas sucedidas en el 2020, donde mi negocio fue seriamente afectado, no solo recibí apoyo económico sino que también en gran parte me devolvió la esperanza de volver a reiniciar mi negocio quien a su vez hasta ahora sigue generando empleos y beneficios para contribuir con impuestos y desarrollo de y para nuestra comunidad en esta ciudad. Creo que esta ley de financiamiento puede ayudar a otros negocios que como el nuestro ha podido subsistir y mantenerse en esta comunidad.

Gracias al comité de Finanzas y Políticas de Desarrollo Económico y a la Representante Hodan Hassan por leer mi testimonio.

Maximo Figueroa