



2023 Legislative Session NDC Request 2024-2025 Biennium

HF1065
SF804

Neighborhood Development Center (NDC) has a **30-year** track record in training, assisting and lending to community entrepreneurs.

NDC's Core Entrepreneur Services: \$800,000 per year

- NDC reaches 800 Twin Cities entrepreneurs a year through Entrepreneur Training & Workshops, Small Business Lending, Business Technical Assistance, and Affordable Commercial Real Estate program
- 90% of those assisted are people of color

Technical Assistance in Greater MN: \$150,000 per year

- For partners implementing the NDC model in Greater Minnesota communities including St. Cloud, Duluth, Lower Sioux Indian Community, Moorhead, and more

Affordable Business Incubator Development in Greater MN: \$1,000,000

- Supports the development of permanently affordable, concentrated commercial space with wrap-around business services in Greater Minnesota communities

Phase One Loan Fund: \$2,000,000

- High-risk, high-touch, character-based loans with flexible and patient terms, made to entrepreneurs who cannot obtain bank loans
- Funds would be used to make non-recourse loans
- NDC can utilize this to leverage \$10MM in private sector recourse loan capital funds

Emerging Developers Assistance Fund: \$3,000,000

- New program extends NDC's 30 years of commercial development expertise to open opportunities for people of color to become developers
 - \$500,000 for Pre-Development Grant Fund, to be repaid by developers only if their project happens
 - \$2,000,000 for short-term Construction Loans for developers who are ready for project construction phase. These are repayable and can be used to cover up to \$200,000 in construction costs
 - \$500,000 for specialized Developer Technical Assistance for participants

Total Request: \$7,900,000

Only 21% of NDC's budget comes from government sources, including city, county and state.



NDC QUICK FACTS*

Lorenzo Ariza
Salsa a la Salsa



Leila Janikamalvand
Leila's Brow Art

10 years, vs 5 year State average

Over 700

86%

3,250

\$3,266

\$5.32MM

\$5.3MM

45

300+

5

Existing NDC businesses

Percent owned by people of color

Jobs created (including business owners)

Program cost for the development of each job

Annual income tax returned to State

Annual sales tax returned to State

New businesses created annually

New jobs created annually

Affordable commercial business incubators

Average age of NDC-assisted businesses

*Based on Wilder Study, 2020

BUILDING BUSINESSES AND JOBS THAT STRENGTHEN COMMUNITIES



Marla Smith, Consciously Beautiful



Frank Chase, Andy's Garage



Soleil Ramirez, Arepa Bar



Annikki May, UFirst Towing

Business Training, Financing, Assistance and Incubators

Frogtown Crossroads • Midtown Global Market • Frogtown Square
Twin Cities Construction Alliance • Frogtown Entrepreneur Center