



Neighborhood Development Center

625 University Ave W
Saint Paul, MN 55104
651.291.2480 • 651.291.2597 (fax)
ndc-mn.org

BUILDING NEIGHBORHOOD ECONOMIES FROM WITHIN

May 17, 2022

The Honorable Senator Eric R. Pratt
Chair, Jobs and Economic Growth Finance and Policy
Minnesota Senate Bldg., Room 3219
St. Paul, MN 55155

The Honorable Representative Mohamud Noor
Chair, Workforce and Business Development Finance and Policy Division
379 State Office Building
St. Paul, MN 55155

Dear Chairs Pratt and Noor,

Neighborhood Development Center (NDC) thanks you for your hard work this historical session. NDC supports policies and programs that benefit the members of our Minnesota entrepreneurship and business community who often lack the resources to get on the ladder of our state economy, including entrepreneurs who are Black, Latinx, or people of color. Amid the pandemic, entrepreneurship is up 30% in our state, and nationwide, 2.8 million more microbusinesses were started in 2020 than in 2019, and Black business owners accounted for 26% of these new businesses, according to a study by Venture Forward. We see this trend play out at NDC every day, as demand for our services grows.

This is a critical moment to provide opportunities that meet this growth, through access to flexible, patient capital, including grants, and technical assistance. Doing so will result in a thriving, diverse, and vibrant business community, that includes opportunities for businesses of all sizes to be successful. For this reason, we support a large target with spending prioritized for these important programs:

- **Small Business Partnership Grant Program**, which will ensure highly qualified, culturally responsive nonprofits reach entrepreneurs with technical assistance and resources, tailored to the needs of each community
- **SPARK Loan Program**, to create a revolving loan fund that will continually provide the resources needed to start and grow successful businesses across the state
- **Small Business Recovery Grant Program**, to reach small and micro businesses that have yet to return to pre-pandemic traffic and sales levels
- **Main Street Economic Development Program**, which will support ongoing post-pandemic and post- civil unrest rebuilding efforts

As a long-time recipient of state funds, which typically make up less than 12% of our overall budget, NDC is in favor of open and honest transparency between the state and funded nonprofits. State staff and representatives should collect information about nonprofits through other channels, such as publicly available tax forms, so as to not create unnecessary burden on organizations that are serving the community.

Business Training, Financing, Assistance, and Real Estate Incubators

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



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Again, we thank you for your commitment to serving your communities this session, and look forward to continuing to work with you both.

Sincerely,

Mihailo "Mike" Temali
NDC Founder & CEO

Renay Dossman
NDC President

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