



Where entrepreneurs
start, grow + thrive

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

FROM: Warren McLean, President, Northside Economic Opportunity Network

DATE: 5/1/2023

RE: Why we need your support on the House and Senate jobs bill

Thank you for your work/inclusion in the jobs and economic development bills.

NEON works to close wealth and economic racial disparities while building a vibrant and thriving North Minneapolis. In 2022, NEON provided \$522,000 in loans and \$2,061,100 in grants to small businesses. Additionally, we served 1,308 unique clients and provided 5,547 hrs of business technical assistance. Through this we created 180 new jobs, retained 484 jobs and started 164 new small businesses in North Minneapolis.

NEON agrees with the general concepts of both House and Senate bills; however, we cannot understate the critical importance to delineate grants over loans for economic development for small businesses owned by communities of color. Additionally, it's critical to recognize that small business owners of color have less access to capital. We strongly encourage the Senate and House committee members to find solutions between these two bills that will ensure funding specific to real estate. Specifically, construction, rehabilitation, and acquisition funding. We recommend a program like MainStreet that has a local advisory committee to inform and make decisions on funding to ensure benefit to the organizations, businesses, and residents that live in the zip codes included. There are too many small business owners of color who do not own their building and/or space and as a result are at the mercy of landlords that may or may not offer improvements to their building and/or spaces. If funding for capital improvements to owners of color is prioritized in disinvested areas of the city such as North Minneapolis, then we invest in the wealth and economic development of all parties. This is a win-win-win solution.

NEON welcomes the opportunity to discuss these priority issues on behalf of the clients we serve. Please reach me at warren@neon-mn.org.

Regards,

Warren McLean, President

Please let me know if you have any questions. I can be reached at 612-302-1501 or Warren@neon-mn.org

