

Subject Neighborhood Development Center

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Summary

Makes a onetime appropriation of \$9,500,000 from the general fund in fiscal year 2023 for a grant to the Neighborhood Development Center, to be used for the following purposes:

- \$2,000,000 for the capital investment needs of small business incubators;
- \$1,000,000 for small business incubators in greater Minnesota;
- \$1,000,000 to leverage additional loan dollars in recourse lending capital and for loan loss reserve for high-risk lending;
- \$3,500,000 for real estate lending capital; and
- \$2,000,000 for nonrecourse lending capital under customized loan terms for low-income entrepreneurs, with emphasis on BIPOC entrepreneurs.

In the 2021 omnibus law, the Neighborhood Development Center received a onetime appropriation of \$750,000 each year from the workforce development fund for small business programs, including business incubators, work in greater Minnesota, lending, and business services.

In the 2019 omnibus law, the Neighborhood Development Center received a onetime appropriation of \$650,000 each year from the workforce development fund for small business services, and in the 2017 omnibus law, it received a onetime appropriation of \$750,000 each year from the general fund for similar work.