Bilingual Staff | Small Business Financing | Business Incubators

Men | Women | Minority Business Owners

Entrepreneurial Training | Technical Assistance | Real Estate Development Projects

building neighborhood economies from within
Mission

NDC works in the inner cities of Saint Paul, Minneapolis and greater Minnesota, to:

- help emerging entrepreneurs develop successful businesses that serve their communities
- help community groups build stronger neighborhood economies.
NDC Strategies

- Reach and develop inner-city underground entrepreneurial talent
- Re-develop inner-city commercial corridors as catalysts for neighborhood development
- Strengthen capacity of community-based organizations to do economic development
The NDC Keys to Success:
Training, Lending & Technical Assistance

NDC 2003 staff members:
- Training Program Coordinators
- Business Trainers
- Loan Officers
- Business Advisors (TA)
- Incubator Managers
- Consultants
- Administration

NDC Executive Board
NDC Training

Neighborhood Based Training

Ethnic Training Classes
### Trained by Ethnic Background

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>No. Trainees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>African American</td>
<td>839</td>
<td>41%</td>
</tr>
<tr>
<td>Caucasian</td>
<td>425</td>
<td>21%</td>
</tr>
<tr>
<td>American Indian</td>
<td>113</td>
<td>6%</td>
</tr>
<tr>
<td>Asian American</td>
<td>16</td>
<td>1%</td>
</tr>
<tr>
<td>Other</td>
<td>44</td>
<td>2%</td>
</tr>
</tbody>
</table>

#### Trained in their own languages

<table>
<thead>
<tr>
<th>Language</th>
<th>No. Trainees</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latino/Latina</td>
<td>375</td>
<td>18%</td>
</tr>
<tr>
<td>Hmong</td>
<td>144</td>
<td>7%</td>
</tr>
<tr>
<td>Somali</td>
<td>42</td>
<td>2%</td>
</tr>
<tr>
<td>Oromo</td>
<td>37</td>
<td>2%</td>
</tr>
</tbody>
</table>

Graduates of NDC Training
Neighborhood Partners

- African Development Center
- Dayton's Bluff Community Council
- East Side Neighborhood Development Corporation
- Greater Frogtown Community Development Corporation
- Hamline Midway Coalition
- Hmong American Partnership
- Latino Economic Development Center
- Minnesota Indian Economic Development Fund
- Northside Residents Redevelopment Council
- Oromo Community of Minnesota
- Phillips Community Development Corporation
- Riverview Economic Development Association
- Selby Area Community Development Corporation
- Seward Redesign
- Southeast Asian Community Council
- Whittier Community Development Corporation
### NDC Small Business Financing

Team effort to help businesses succeed on their financial planning and real state development.

<table>
<thead>
<tr>
<th>Borrowers Ethnicity</th>
<th>No. Borrowers</th>
<th>Amount of Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>African American</td>
<td>63</td>
<td>$1,550,020</td>
</tr>
<tr>
<td>European American</td>
<td>31</td>
<td>$349,555</td>
</tr>
<tr>
<td>Hispanic</td>
<td>27</td>
<td>$338,800</td>
</tr>
<tr>
<td>Asian</td>
<td>19</td>
<td>$405,700</td>
</tr>
<tr>
<td>Islamic Financing</td>
<td>18</td>
<td>$188,258</td>
</tr>
<tr>
<td>American Indian</td>
<td>4</td>
<td>$98,760</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>$190,000</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>163</strong></td>
<td><strong>$3,121,093</strong></td>
</tr>
</tbody>
</table>

- **Average Amount of Loans**: $19,148
- **Loans Written Off (Principal)**: $563,673
- **Loans Paid in Full (Principal)**: $1,010,647
# Technical Assistance

<table>
<thead>
<tr>
<th>Total Hours Provided in 2002</th>
<th>2,500 hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Businesses Assisted</td>
<td>142 new and emerging businesses</td>
</tr>
<tr>
<td>Type of Technical Assistance</td>
<td>Legal, Accounting, Marketing, Merchandising, Technology, General Management, Rent Management, Financing</td>
</tr>
</tbody>
</table>

One-on-One Technical Assistance
Mercado Central – Before Renovations:
Mercado Central - After Renovations
Mercado Central - Quick Facts

- Completed July 1999
- 41 tenants, most of whom are graduates of NDC's training classes
- NDC provided 11 small loans for an average amount of $12,000
- Cooperativa Mercado Central governed by 9 member Board of Directors
<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Sales</td>
<td>$902,517</td>
<td>$3,508,000</td>
<td>$4,252,000</td>
</tr>
<tr>
<td>Employment</td>
<td>59</td>
<td>71</td>
<td>89</td>
</tr>
<tr>
<td>Est. Sales Taxes Paid</td>
<td>$50,000</td>
<td>$190,000</td>
<td>$230,000</td>
</tr>
</tbody>
</table>
NDC Business Incubators:  
*Midtown Business Center - North*

- Small business incubator is home to 14 businesses (Hmong, African American, Caucasian owners)
- Tenants receive business supports & technical assistance
- Winner of St. Paul Heritage Preservation Award for Adaptive Reuse in 1997
NDC Business Incubators:
Plaza Latina, St. Paul

- Opened in September of 2002
- Partner Organization: East Side Neighborhood Development Company (ESNDC)
- Gathers 10 Latino Businesses
- Privately Owned Building
Established in 2002, REDI offers real estate development services with the following goals:

- To catalyze corridor revitalization in targeted neighborhoods
- To encourage property ownership and business growth among NDC targeted entrepreneurs
- To enhance the capacity of neighborhood organizations to carry out real estate projects
REDI Loan Fund

- Initially capitalized by $650,000 in loans from Wells Fargo Bank and Western Bank
- Offers subordinated deferred debt for commercial real estate projects
- $265,000 in loans made to date:
  - Atrebla Childcare (Entrepreneur)
  - University Dale Redevelopment Holding Company (Neighborhood mixed-use project)
  - Franklin Bakery (Catalytic project)
Future Marketplaces:
University & Dale Collaborative

- Collaboration of five nonprofit organizations to redevelop key intersection
- Mixed-use project with housing and commercial
- NDC is lead developer on commercial
- 48 – 65 Housing Units; 6,500 – 12,000 SF of commercial space

NDC has committed $200,000 for training, lending, & TA to support African American businesses
Future Marketplaces: *International Market at Sears*

Future of the Sears Building
Future Marketplaces: International Market at Sears

Drawing of what could be the interior design of the International Market at Sears
Major Accomplishments in 2002

- Nearly 300 graduates from NDC’s training program were in business.
- Innovation Award from the Association for Enterprise Opportunity based on NDC expansion the Islamic Financing Program: Reba Free Program
- James Rouse National Achievement Award from the National Community Reinvestment coalition.
NDC Community Impact

Based on the 2002 Wilder Research Center study to evaluate the impact our programs on the community.

Impact on Neighborhoods

- Each business returns in average $40,633 per year to the community in terms of rent, purchased supplies, payroll, contributions, payroll and property taxes, etc.
- Over $9,020,440 per year for all the businesses.

NDC Program Performance

- Our program costs is $12,961 per business and $4,604 per job.
- It takes our businesses 5 months to pay back NDC's entire program costs (1993-2002) through dollars returned to neighborhoods.
Create Jobs for Community Residents
The surveyed businesses employ an average of 1.81 persons, nearly 822 jobs created or retained overall.

Increased Household Income
Before training, 12% made more than $3,500 a month; after training 33% reported monthly incomes over $3,500, followed by 13% who make $3,001 to $3,500 per month.
NDC Model Published

“Rich with street-smart guidance. A highly practical, useful guide that inspires a can-do attitude and fills a void in the field. A must for anyone interested in seeing cities thrive.”


The Community Economic Development Handbook
Strategies and Tools to Revitalize Your Neighborhood

Mihailo Temali