

Bilingual Staff



Small Business Financing



Business Incubators



Minority Business Owners



Neighborhood Development Center, Inc.



Women Business Owners



Entrepreneurial Training

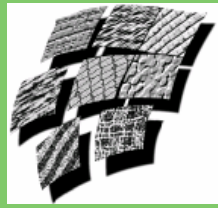


Technical Assistance



Real Estate Development Projects

building neighborhood economies from within



**Neighborhood
Development
Center, Inc.**

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



Ethnic Training Classes

Neighborhood Based Training



Trained by Ethnic Background



**Graduates of
NDC Training**

Ethnicity	No. Trainees	Percentage
African American	839	41%
Caucasian	425	21 %
American Indian	113	6 %
Asian American	16	1 %
Other	44	2 %
Trained in their own languages		
Latino/Latina	375	18 %
Hmong	144	7 %
Somali	42	2 %
Oromo	37	2 %

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.

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

Average Amount of Loans	\$ 19,148
Loans Written Off (Principal)	\$563,673
Loans Paid in Full (Principal)	\$1,010,647

Technical Assistance



**One-on-One
Technical
Assistance**



**Total Hours Provided
in 2002**

2,500 hours

**Number of Businesses
Assisted**

142 new and
emerging businesses

**Type of Technical
Assistance**

- Legal
- Accounting
- Marketing
- Merchandising
- Technology
- General Management
- Rent Management
- Financing

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



Mercado Sales, Employment & Sales Taxes

	1999	2000	2001
Gross Sales	\$902,517	\$3,508,000	\$4,252,000
Employment	59	71	89
Est. Sales Taxes Paid	\$50,000	\$190,000	\$230,000

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



Real Estate Development Initiative (REDI)

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*



NDC has committed \$200,000 for training, lending, & TA to support African American businesses

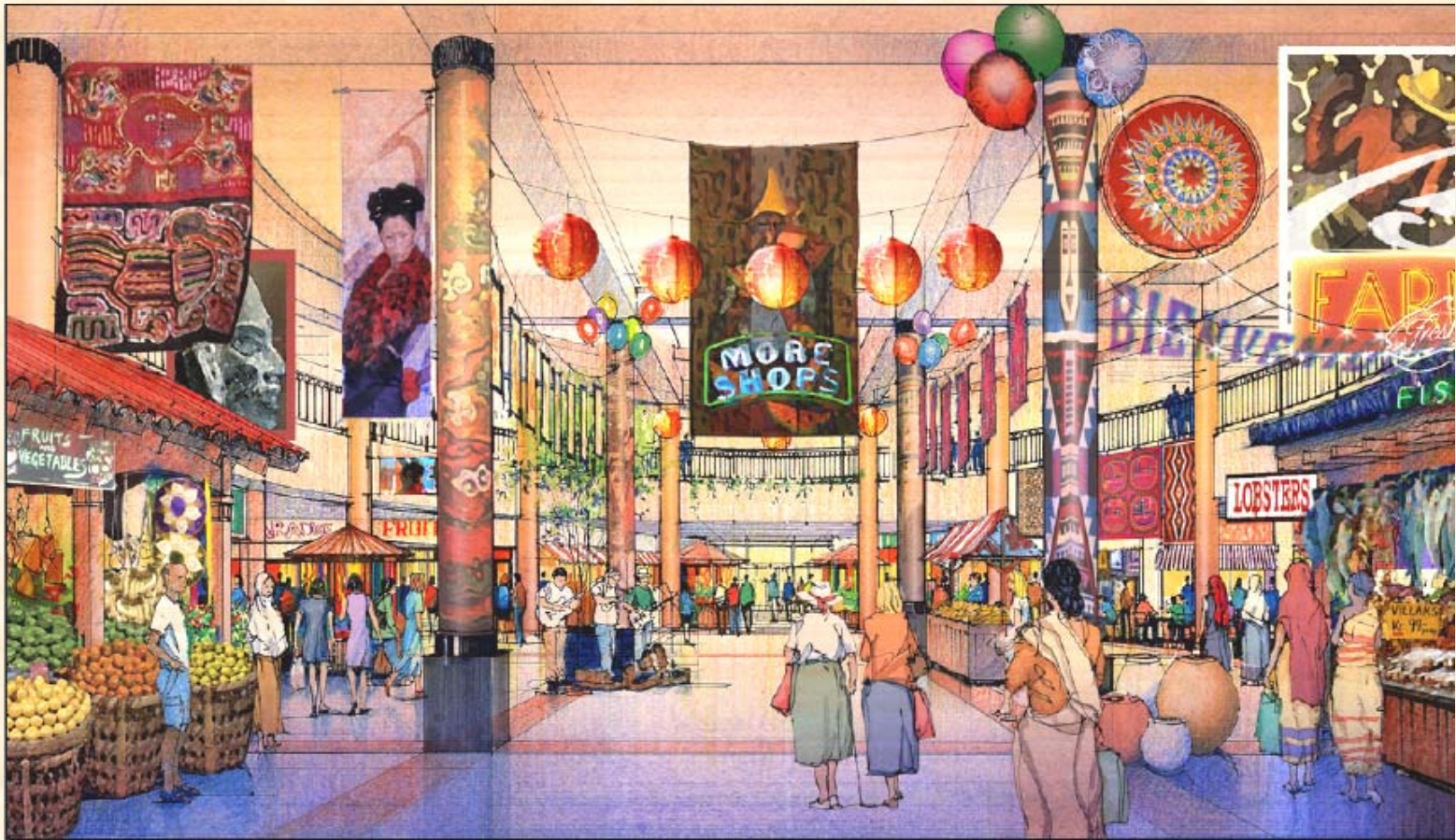
- Collaboration of five nonprofit organizations to redevelop key intersection
- Mixed-use project with housing and commercial
- NDC is lead developer on commercial
- 48 – 65 Housing Units; 6,500 – 12,000 SF of commercial space

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 of 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.

NDC Community Impact

● Create Jobs for Community Residents

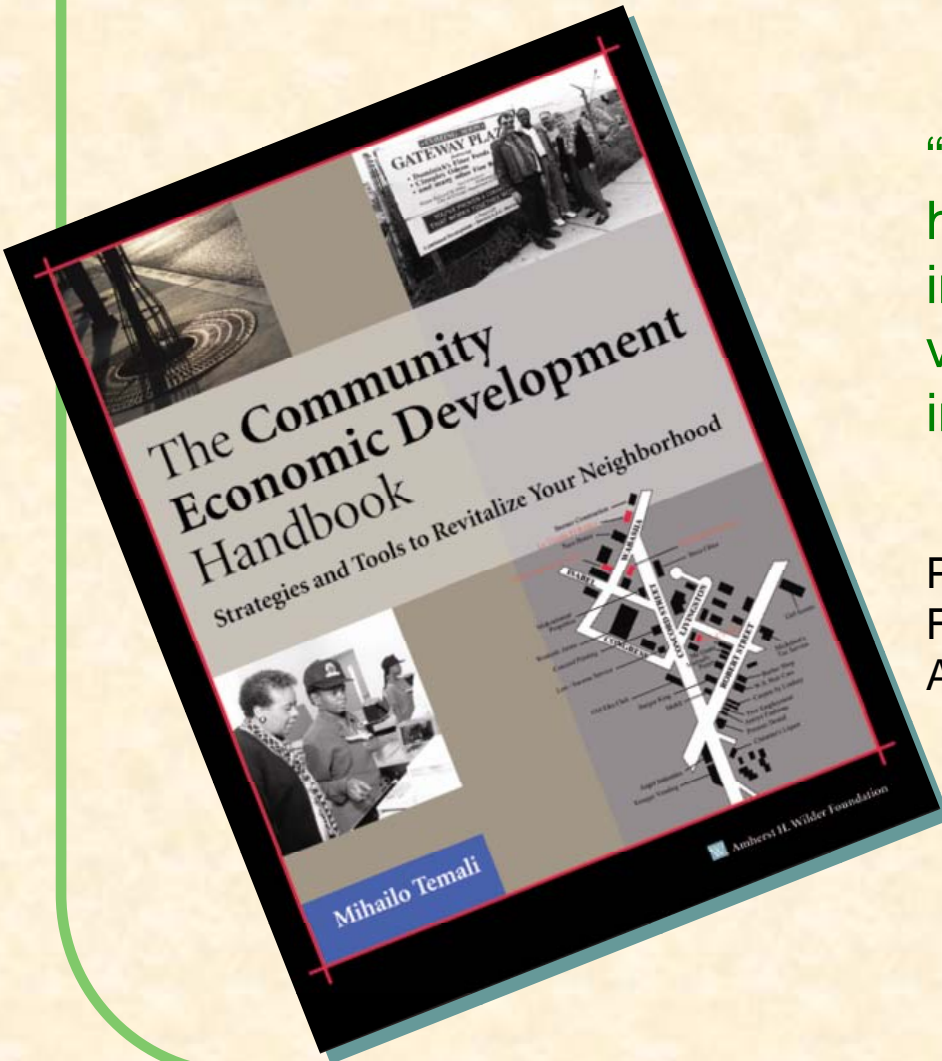
The surveyed businesses employ an average of 1.81 persons, nearly 822 jobs created or retained overall.



● Increased Household Income

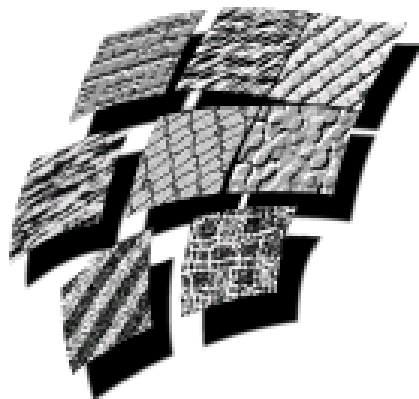
Before training, 12% made more than \$3,500 a month; after training 33% reported monthly incomes over \$3,500, followed by 13% who make \$3,001 to \$3,500 per month.

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.”

PAUL S. GROGAN, President, Boston Foundation and author of *Comeback Cities: A Blueprint for Urban Neighborhood Revival*.



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