



Business Resource Collective

OUR COALITION



The Business Resource Collective envisions a Minnesota where thriving Black, Indigenous, immigrant, and people of color owned (BIPOC) businesses build and sustain the culture, wealth and economic vitality of our communities.

Guided by our direct connection to BIPOC small businesses and entrepreneurs, our coalition advocates for increased financial resources, technical support and policy changes at the state and local levels to create a healthy ecosystem that invests in the specific needs and accelerates the growth of BIPOC businesses across Minnesota.

Our small businesses and entrepreneurs are an essential – and growing – part of our regional and state economy. But generations of structural racism have created dramatic racial disparities in business that cost BIPOC communities billions each year. Through strategic policy changes and targeted investments at the state level, we can ensure necessary resources are accessible to and actively advancing our businesses.

Need for Intentional Investment

The Black, African, Latino, Asian and Native American economy constitutes a \$1.4 trillion asset to the state of Minnesota.¹ From 2007 to 2017, the number of BIPOC-owned businesses doubled, increasing dramatically from just 6%, or 31,000 of the state's nearly 500,000 businesses in 2007 to 11%, or roughly 58,000, of the 522,144 businesses in 2017.²

BUT racial disparities cost an estimated loss of \$287 billion for BIPOC communities in MN, including a \$22 billion loss in income because of the wage gap, and \$67 billion loss in racial entrepreneurship gap.¹ And, despite state procurement goals for women and minority-owned businesses, only 2% of funding has gone to BIPOC businesses over the past 20 years.¹

The COVID-19 pandemic has exacerbated the disparities faced by BIPOC businesses – while also showcasing their tremendous strength and resilience. **NOW is the time to invest in our Micro to Main Street Businesses to so that all Minnesotans can thrive!**

1- Minnesota Solution to Close the \$287 Billion Racial Economic Gap, Bruce Corrie, 2020; 2- Federal Reserve Bank of Minneapolis, 2021

Investment Package

In addition to current program spending, BRC members recommend that a portion of the state's surplus be invested into the ecosystem that supports BIPOC small businesses, sole-proprietors, microbusinesses and creative businesses to achieve equitable economic recovery over the next five years. BRC members stand ready to review agency processes, carry out projects that fall under each category, reaching more than 10,000 businesses, creating thousands of jobs, and funneling \$25 billion in wages and taxes to the state and municipalities.



Corridor Redevelopment: \$176.5 million

Our businesses are still recovering from the 2020 civil unrest, and need capital for existing projects, and investments in revitalization projects along specific Twin Cities cultural corridors. However, changes must be made to the Main Street Economic Revitalization Program to serve our businesses effectively.

\$100 million

Main Street Economic Revitalization

\$76.5 million

Businesses and commercial corridors impacted by civil unrest



Infrastructure: \$162 million

To realize an equitable recovery and support ongoing growth, community-centered development must rebuild what has been lost AND create more space for BIPOC entrepreneurs. Wide-ranging projects in this category include shared ownership, and physical and digital infrastructure to provide lasting opportunities for wealth generation.

Capacity building funds to the Department of Employment and Economic Development, technical assistance providers and small businesses



Direct Investment: \$140 million

Given the recent impacts of COVID and generations of exclusion, cash in hand at this moment continues to be an essential strategy. This category includes \$80 million in grants to help BIPOC business owners sustain their business and recover jobs, and \$60 million in loans, with a forgivable component, to provide flexible capital to BIPOC business owners who can't obtain a bank loan to start or grow.

\$25 million

COVID Relief Grants

\$5 million

Creative Placekeeping Grants

\$110 million

Loan and Grants Fund



Basic Business Support: \$65 million

This funding will go toward operation and technology support, for BIPOC emerging and existing entrepreneurs and managing leadership of BIPOC small businesses, with intentional attention to micro-businesses of 20 employees or less, sole-proprietors, home-based businesses, and creative businesses – and with revenues of \$2.5 million or less.

Base increase to Business Development Competitive Grant Program to support an **additional 15,000 businesses** Curated events reaching **6,000 Minnesotans**