



SF 4253

**Author:** Senator Bobby Joe Champion

Workforce and Business Development Finance and Policy Committee  
Wednesday, March 30, 2022 – 3:00 – 4:30 p.m.

### Northside Economic Opportunity Network Food Incubator

**Introduction:** Warren McLean, President and CEO of the Northside Economic Opportunity Network. NEON is in the process of planning and constructing a Food Business Incubator in North Minneapolis. The total cost of the project is \$12.5 million and we are asking for the state to partner with NEON by providing \$6 million from the General Fund.

**Background on NEON:** NEON was started in 2006, and consists of 11 team members. Our mission is to build wealth for low to moderate income entrepreneurs in North Minneapolis. In the last two years NEON provided 11,560 hours in technical assistance and \$6.8 million in loans and grants to 2,256 clients.

#### Description of Food Business Incubator:

##### Intersection of 23rd Avenue North and Broadway Avenue North

Build NEON's shared commercial kitchen to equip our Food Incubator clients, who represent 40% of our clientele, with the professional space and tools to develop and test their products with minimal overhead.

- 21,650 sq. ft. total
- 24 private kitchens
- 3,000 sq. ft. community shared kitchen
- 40-50 food truck clients
- 270 food business clients served per year
- Groundbreaking: October 2022

#### Minnesota State Bonding Proposal:

\$6,000,000 in appropriations from the general fund to the commissioner of employment and economic development for a grant to NEON for one or more of the following project elements: demolition, site preparation, and construction of the Northside Food Business Incubator building.

**Description of Job Creation:** During the construction phase the Food Business Incubator will produce 261 jobs, once construction is completed the Food Business Incubator goes into full operation it will produce another 265 permanent jobs.

**Funding:** Our Campaign Committee has the following members:

- Doug Baker
- David Mortenson
- Vance Opperman
- Steve Wellington
- Peter McLaughlin
- Tim Baylor
- Patrick Troska
- James Pierce

To date we have raised \$4.8 million dollars.

#### Our Development Partners:

- Ilhan Omar
- Wellington Management
- McKnight Foundation
- United Healthcare
- Key Investment
- Otto Bremer Trust
- Julie and Doug Baker Jr. Foundation
- LSE Architects
- The Jay & Rose Phillips Family Foundation
- The Hatchery
- University of Minnesota Extension
- Partners in Food Solutions
- Northwest Area Foundation
- Thrivent
- Cargill
- Mortenson Family Foundation
- Northside Funders Group
- LISC Twin Cities
- Old National
- US Bank
- Wells Fargo

