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# Urban Initiative Loan Program

Report to the Legislature  
as required by M.S. 116M.17, Sub. 4

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**URBAN INITIATIVE BOARD**  
**Report to the Minnesota Legislature, 2011**

Minnesota Statutes 116M.17, subd. 4, requires the Department of Employment and Economic Development (DEED) to submit an annual report to the Minnesota Legislature "...of an accounting of loans made under section 116M.18, including information on loans to minority business enterprises, and the impact on low-income areas."

**Urban Initiative Loan Program**

The Urban Initiative Program was created in 1993 to strengthen minority enterprise development, encourage private investment, create jobs and promote economic development in low-income areas of Minneapolis, St. Paul, and the suburbs of Bloomington, Brooklyn Center, Brooklyn Park, Burnsville, Columbia Heights, Coates, Coon Rapids, Fridley, Lauderdale, Lexington, Mendota, Miesville, New Germany, New Brighton, New Hope, Newport, Richfield, Spring Lake Park, South St. Paul, and West St. Paul. The program accomplishes these goals by making loans to new and expanding businesses in these targeted cities.

Urban Initiative loans are made through a network of certified nonprofit organizations. **Appendix 1** includes a list of current participants. The nonprofits receive grants, which they use to make loans to qualifying businesses. In most cases, the state's funds must be matched with funds from private, non-government sources. The participating organizations may lend between \$1,000 and \$150,000 in Urban Initiative funds to qualifying businesses.

A wide variety of businesses are eligible for loans including technologically innovative industries, value-added manufacturing and information industries. It will not, however, make loans to liquor stores, taverns or saloons, businesses primarily selling tobacco products, or adult entertainment businesses. Micro enterprises, which generally employ fewer than five people and which may include retail businesses, are eligible for loans up to \$25,000.

Individuals and businesses headquartered in an eligible city apply directly with one of the participating organizations. The organizations carefully consider the application, the nature of the business and management, its potential for success and repayment, and its projected impact on the community. If the application is given initial approval, it is forwarded to DEED for final consideration. Funds are disbursed on a project by project basis.

**Lending Activity in 2011**

During fiscal year 2011, DEED received 37 loan applications from 37 businesses. It reviewed and approved 34 of the applications, which totaled just under \$1.4 million in loan requests. A detailed listing of the approved projects is included in **Appendix 2**. The state contributed an average of \$41,059 to each of the proposed business loans, ranging from a minimum of \$3,500 to the maximum of \$150,000. The median amount of state funds invested was \$20,000. This investment helped to leverage just over \$13.8 million in additional investment.

**Table 1** below shows a breakdown of the state's investment by type and number of businesses, as well as total project costs, wages and projected job creation. The businesses receiving loans projected that they would **create** a total of 257 jobs over the next year and would pay an average of \$14.79 per hour, excluding benefits. The average state investment per job created would be \$5,432.

**Table 1. Urban Initiative Project by SIC\*, FY 2011**

<b>Business Sector</b>	<b>No. of Projects</b>	<b>State Investment</b>	<b>Avg. Investment</b>	<b>Project Cost</b>	<b>Projected Jobs</b>	<b>Projected Wages</b>
Construction	1	\$147,500	\$147,500	\$2,978,000	25	\$15.44
Manufacturing	3	\$399,500	\$133,167	\$3,744,500	43	\$18.21
Transportation	5	\$83,000	\$16,600	\$282,000	64	\$11.92
Wholesale	1	\$50,000	\$50,000	\$210,000	3	\$8.50
Retail	11	\$149,000	\$13,545	\$954,400	12	\$9.33
Financial	1	\$40,000	\$40,000	\$470,000	1	\$12.50
Services	12	\$527,000	\$43,917	\$6,588,613	109	\$15.78
<b>Total</b>	<b>34</b>	<b>\$1,396,000</b>	<b>\$41,059</b>	<b>\$15,227,513</b>	<b>257</b>	<b>\$14.79</b>

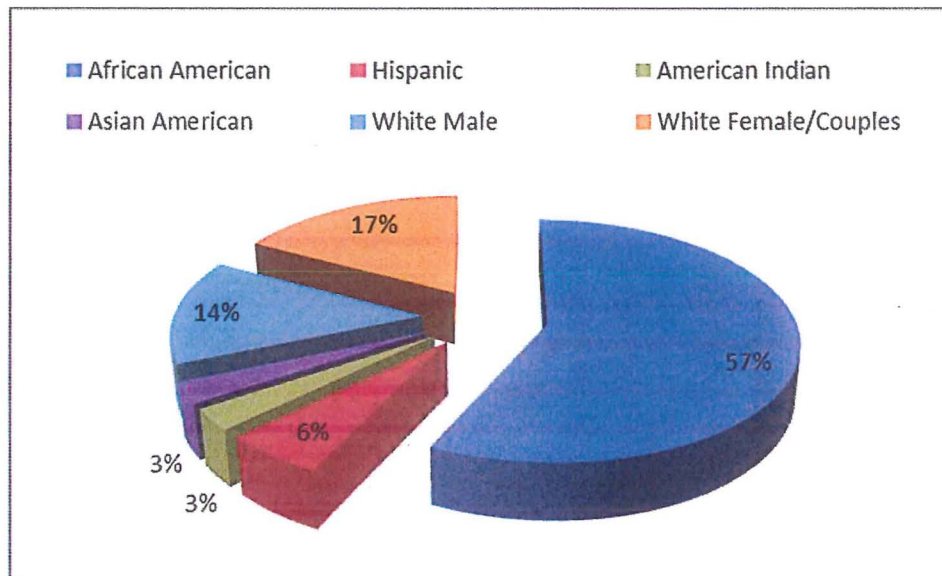
\* Classifications used in this report are the Standard Industrial Classification codes rather than the North American Industry Classification System.

As can be seen, the services sector received the largest number of loans and the largest amount of state funds invested. Manufacturing businesses had only three loans but totaled almost \$400,000 in investment, the second largest amount. On the other hand, only one company in the financial sector (857 Rice Street LLC) received a loan. The services sector was projected to create the most jobs while the manufacturing sector was projected to pay the highest wages. A staffing service (Synico Staffing, Inc.) and a taxi service (Twin Cities Airport Taxi, LLC) each projected an estimated 60 jobs created or retained, which is the highest for the year.

The largest state investment of \$150,000 each was made to David’s Body Shop/Moto Investments One; General Pattern/Reiland Investments, LLC; and Synico Staffing Inc. Also, two notable investments of more than \$145,000 were made to Sunderland Properties, LLC/T-Ray Construction and Power Systems Solutions, Inc. The smallest investment was \$3,500 made to Dalab Jewelry & Fashion, LLC of Minneapolis.

As shown in **Figure 1** below, minority business owners received 69 percent of program loan funds in FY 2011.

**Figure 1. FY 2011 Business Ownership**



As shown on the previous page, 57 percent of the loans went to businesses owned by African-Americans. In many of these cases, recipients were recent immigrants to the United States, primarily from East Africa. Most of the owners, 55 percent, were men while 31 percent of the businesses were owned by women. The remaining 14 percent of businesses were owned by two or more people. In many cases the owners are married couples.

### Program Since 1995

Between January 1995 and June 30, 2011, the Urban Initiative Program has made 724 loans to businesses in the Urban Initiative service area. It has committed a total of just over \$19 million in state funds and helped generate an estimated \$69.9 million in additional business investment. The average state investment per loan is \$21,824, while the median investment is \$12,500. The average total loan, including the private funds used to match the state's investment, was \$43,426, while the median total loan was \$20,000.

**Businesses Assisted.** Table 2 below shows the distribution of the state's investment in these businesses using Standard Industrial Classification (SIC) codes. Businesses in the retail and service sectors lead in terms of the number of loans made to them, while the fewest loans have been made to businesses in the agricultural and financial services sectors. Businesses in the service and retail sectors also received the highest total amount of state investment. It is noteworthy that retail businesses received 22 percent of the state funds, but represented 40 percent of the total number of projects. This is largely because statute limits the amount of state funds that may be invested in retail businesses to \$25,000. The "FIRE" category refers to businesses that provide financial, insurance and real estate services. The "Trans./Comm" category refers to businesses engaged in transportation, communications and utility services.

**Table 2. State Funds by Business Sector**

	Total \$ Loan	# of Loans	Average Loan	Median Loan	% of Total \$
Agriculture	\$229,125	8	\$28,641	\$30,000	1.5%
Construction	\$1,412,783	40	\$35,320	\$20,000	8.9%
FIRE	\$277,850	13	\$21,373	\$25,000	1.8%
Mfg.	\$3,201,345	88	\$36,379	\$25,000	20.3%
Retail	\$3,492,840	286	\$12,213	\$10,000	22.1%
Services	\$4,682,002	196	\$23,888	\$11,625	29.6%
Trans./Comm	\$1,392,652	59	\$23,604	\$25,000	8.8%
Wholesale	\$1,111,651	34	\$32,696	\$25,000	7.0%
<i>Total</i>	\$15,800,247	724	\$21,824		100.0%

The Urban Initiative Program provides financing for a very diverse set of small business activities. Unlike some of DEED's other loan products, the program often lends to individuals who want to startup a business and for businesses which need continuing financing. Table 3 provides information about the performance of businesses that are starting up or less than one year old, expanding their operations or working to remain in business.

Notice that while expanding and startup businesses have received an almost equal number of loans, expanding businesses have received more than double the amount of state funds. Both expanding and startup businesses have repaid about 38 percent of the state's loans, while "Retained" businesses have only repaid 20 percent.



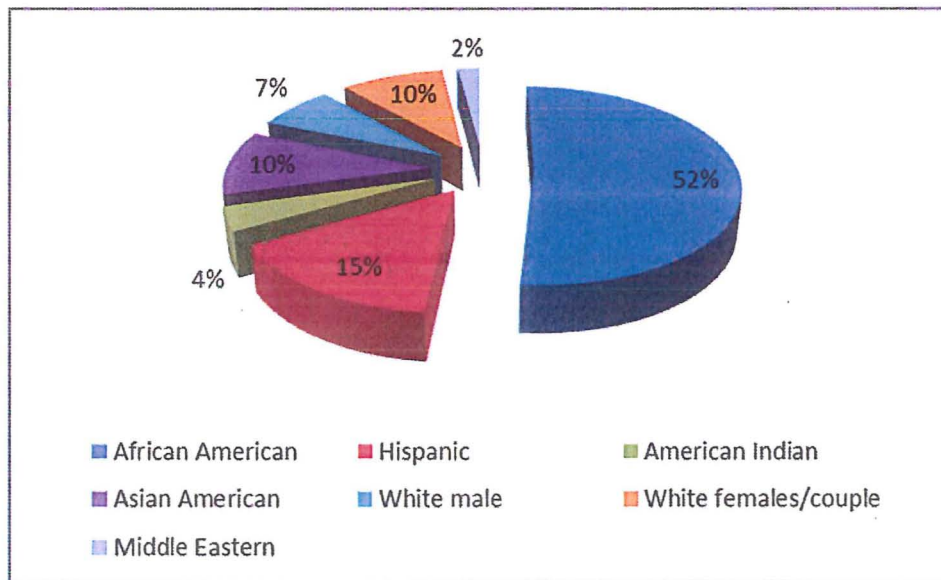
**Table 3. Business Loans - Startups/Expansions**

Loans	Retained	Expansion	Startup
# of Loans	130	291	303
Total State Investment	\$2,607,032.48	\$9,087,946.62	\$4,105,267.57
\$ Repaid	\$519,365.98	\$3,484,623.11	\$1,617,791.50
\$ Written Off	\$368,561.24	\$1,738,224.65	\$716,227.99
Average \$ Written Off	\$14,175.43	\$20,449.70	\$8,526.52
No. of Projected Jobs	203	545	128
Avg. Wages of Projected Jobs	\$13.54	\$15.95	\$11.38

Expanding businesses have been projected to create the most jobs at the highest average wage. Notice that amount of loans written off by expanding businesses is significantly higher than for the other two types of businesses. At the same time, the number of loans to “Expansions” and “Startups” that have been written off are about the same – 85 and 84 respectively. Additional information regarding job creation by “active” businesses (i.e., those repaying Urban Initiative loans at the end of the 2011 fiscal year) is provided below.

**Ownership.** The Urban Initiative Program is intended to support the development of non-traditional entrepreneurs, especially minorities and women. The ownership of the businesses that have received loans through the program reflects that focus. **Figure 2** below provides a percentage breakdown of all the loans made through the program.

**Figure 2. Total Business Ownership**



As of June 30, 2011, 83 percent of all Urban Initiative funds had been lent to minority entrepreneurs. African-American business owners have received almost \$7.3 million of loan funds, followed by Hispanic (\$2.3 million), Asian-American (\$2.3 million), and women (\$1.3 million). In terms of gender, women-owned businesses received 23 percent of the program’s funds (\$3.6 million) while businesses owned by men received 62 percent of the state’s investment (\$9.8 million). Businesses owned by two or more individuals, generally a married couple or family, have received just over \$2.3 million.

**Employment.** The Urban Initiative Program is also intended to support the creation of job opportunities in its targeted cities. Accordingly, DEED asks for information about the businesses that have received Urban Initiative loans, including the total number of jobs created by the business, excluding the owners.

The Department received information from 158 “active” businesses, i.e., those businesses operating and repaying Urban Initiative loans at the end of the 2011 fiscal year. Once a business repaid its loan or defaulted on the loan, it is no longer asked to report on its jobs performance. Of these 158 businesses, DEED received information regarding job creation from 94 businesses. The information shown in **Table 4** reflects their responses.

Overall, these businesses reported creating 340 jobs and paying an average actual wages of \$14.79 per hour. When these businesses applied for loans, they projected to create 516 jobs and paying an average of \$15.79 per hour. The total number of people employed by the reporting businesses is actually higher than the 340 jobs reported here. The 94 businesses which provided DEED employment information reported that they employed 817 people at the time of their Urban Initiative loans were closed.

**Table 4. Jobs Created by Industry Sector**

Business Sectors	# Active Projects	Projected Jobs	Projected Wages	Actual Jobs	Actual Wages	Total \$ Disbursed	\$ / Job Created
Construction	8	69	\$20.24	56	\$21.36	\$642,500	\$11,473
FIRE	3	6	\$11.25	0	\$0.00	\$95,000	\$0
Mfg.	14	112	\$14.00	81	\$11.62	\$832,475	\$10,277
Retail	73	83	\$9.19	110	\$11.12	\$1,073,537	\$9,759
Services	38	200.5	\$19.15	89	\$17.90	\$1,403,545	\$15,770
Trans./Comm	15	38	\$11.52	0	\$0.00	\$440,500	\$0
Wholesale	7	8	\$10.72	4	\$18.71	\$254,575	\$63,644
<i>Total</i>	158	516.5	\$15.79	340	\$14.79	\$4,742,132	\$13,947

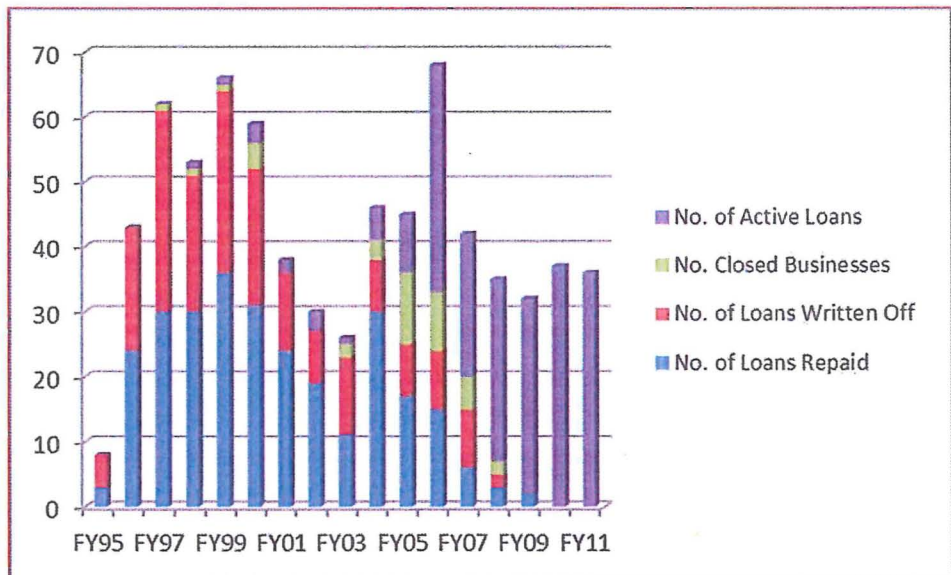
**Loan Performance.** Since the inception of the program in 1993, a total of 313 loans have been repaid for a total of \$5.6 million. During the same 17-year period, a total of 195 loans have been written off for a total of \$2.8 million. The remaining loans are in some stage of repayment. Table 5 provides a breakdown of loans that have been repaid or written off by business sectors. The average amount lost for each loan written off was \$13,796. This represents 17.9 percent of the total state funds invested through the Urban Initiative Program.

**Table 5. Loans Written off & Paid**

Sector	Total \$ Loan	# of loans	# of Loans Written Off	Total \$ Written Off	# of loans Paid Off	Total \$ Paid Off
Agriculture	\$229,125	8	3	\$56,766	3	\$100,000
Construction	\$1,412,783	40	17	\$156,560	13	\$361,175
FIRE	\$277,850	13	2	\$22,313	7	\$129,750
Mfg.	\$3,201,345	88	29	\$652,242	42	\$1,473,066
Retail	\$3,492,840	286	57	\$413,421	120	\$1,196,475
Services	\$4,682,002	196	67	\$1,124,027	74	\$1,419,944
Trans./Comm	\$1,392,652	59	12	\$134,549	27	\$655,692
Wholesale	\$1,111,651	34	8	\$263,138	27	\$285,679
<i>Total</i>	\$15,800,247	724	195	\$2,823,014	313	\$5,621,781

Figure 3 below provides a simple breakdown of the status of the loans that were made for each fiscal year through June 30, 2011.

Figure 3. Status of Loans by FY



The losses experienced by the program are not altogether surprising considering that most of the entrepreneurs participating in the program have very limited experience operating a business. Many of these businesses are undercapitalized and have very small margins for error if problems occur.

**Financial Position.** Appendix 3 shows the program’s balance sheet and cash flows for the life of the program. The program’s total assets as of June 30, 2011, were \$6,021,099.87. These assets are made up of cash in the Urban Initiative account - \$1,709,559.77 – and loans receivable - \$4,311,540.10. On average the program disbursed \$881,493 each year and received \$531,734 in principal repayments. Since its inception, the program has received a total of \$8.608 million in principal repayments, as well as \$2.108 million in interest earned through the investment of program funds. In addition, the program has received \$20,602 in loan interest repayments. The interest repayments are nominal because the program allows the participating organizations to retain repaid interest to cover a portion of their operating expenses.

**Administration.** As indicated in the introduction, the Urban Initiative Program is focused on a select group of cities in the Twin Cities metropolitan area. Businesses that are located in one of these cities are eligible to apply for a loan. While the principal cities are Minneapolis and St. Paul, other suburban cities are eligible if U.S. census information indicates that they have areas with low household income. In light of the 2010 Census, DEED revised the list of suburban cities, which are listed in the introduction. Interested parties should check the department’s website for more information about the Urban Initiative Program and a copy of this report.

DEED provides administrative support to the Urban Initiative Program. If you have any comments regarding this report or would like additional information, contact Bart Bevins at 651/259-7424 or bart.bevins@state.mn.us. Seth Kauffman, Business and Community Development Division intern, greatly assisted in developing this report.

# Appendix 1

## Urban Initiative Program Certified Partners

### *African Development Center*

Hussein Samatar  
1931 South 5<sup>th</sup> Street  
Minneapolis, MN 55454  
612/333-4772

### *Central Minnesota Development Company*

Michael J. Mulrooney  
Suite A  
1885 Station Parkway  
Andover, MN 55304  
763/784-3337

### *Metropolitan Econ. Development Association*

George Jacobson  
Suite 106  
250 South Second Ave.  
Minneapolis, MN 55401  
612/332-6332

### *Milestone Growth Fund*

Judy Romlin  
Suite 1915  
527 Marquette Ave.  
Minneapolis, MN 55402  
612/338-0090

### *Metropolitan Consortium of Community Developers*

David Chapman  
3137 Chicago Ave. S.  
Minneapolis, MN 55407  
612/789-7337

### *Neighborhood Development Center*

Brian Singer  
663 University Ave. #200  
St. Paul, MN 55104  
651/291-2480

### *Riverview Economic Development Association*

Tom Pliner  
176 Cesar Chavez St.  
St. Paul, MN 55107  
651/222-6347

### *Sparc*

Allison Sharkey  
843 Rice St.  
St. Paul, MN 55117  
651/488-1039

### *WomenVenture*

Ms. Michael Kithcart  
2324 University Ave.  
St. Paul, MN 55104  
651/646-3808



**Appendix 2. Urban Initiative Projects in FY 2011**

Project Name	State Amount	Total Loan	Total Project	Location	SIC Code	Race *	Gender **	Start *** /Expand	No./Jobs Projected	Wages Projected	Total Wages	Project Number	Organization
Open Arms Early Child Care Center	\$20,000.00	\$20,000.00	\$175,000.00	Minneapolis	8351	1	3	1	3	\$13.50	40.5	IICG-10-0023-a-FY11	ADC
Elite Driving School	\$5,000.00	\$5,000.00	\$45,000.00	Richfield	8299	5	1	1	4	\$15.00	60	IICG-10-0024-a-FY11	WV
Diamond Mills, LLC	\$50,000.00	\$50,000.00	\$210,000.00	Minneapolis	5141	1	1	2	3	\$8.50	25.5	IICG-10-0025-a-FY11	ADC/MCCD
Rodriguez Auto Service	\$20,000.00	\$20,000.00	\$20,000.00	St. Paul	7538	2	1	3	1	\$12.00	12	IICG-10-0026-a-FY11	REDA
Synico Staffing, Inc.	\$150,000.00	\$300,000.00	\$300,000.00	Minneapolis	7363	1	1	3	60	\$15.00	900	IICG-10-0027-a-FY11	MGF
Egg Plant Urban Farm Supply Company	\$5,000.00	\$10,000.00	\$50,000.00	St. Paul	5261	5	2	1	2	\$10.00	20	IICG-10-0028-a-FY11	WV
Care Business Group, LLC	\$15,000.00	\$25,000.00	\$40,000.00	St. Paul	4729	1	1	1	1	\$10.50	10.5	IICG-10-0029-a-FY11	ADC
Midwest Auto Repair, Inc.	\$60,000.00	\$60,000.00	\$332,500.00	Minneapolis	7538	1	1	3	1	\$10.00	10	IICG-10-0030-a-FY11	ADC/MCCD
Gargar Urgent Care & Clinic	\$25,000.00	\$25,000.00	\$150,000.00	Minneapolis	8099	1	1	1	4	\$20.00	80	IICG-10-0031-a-FY11	ADC
Hiraan Limousine	\$5,000.00	\$5,000.00	\$15,000.00	Minneapolis	4119	1	1	3	1	\$9.00	9	IICG-10-0032-a-FY11	ADC
Minnesota Food Grocery, LLC	\$25,000.00	\$25,000.00	\$210,000.00	Minneapolis	5411	1	1	2	2	\$10.50	21	IICG-10-0033-a-FY11	MCCD
Global Clothing & Accessories	\$10,000.00	\$10,000.00	\$25,000.00	Minneapolis	5651	1	2	3	0	\$0.00	0	IICG-10-0034-a-FY11	ADC
Gloria's Downtown Auto Sales	\$20,000.00	\$20,000.00	\$510,000.00	St. Paul	5511	2	2	3	1	\$9.00	9	IICG-10-0035-a-FY11	REDA
Hijaz Clothing & Merchandise	\$4,000.00	\$4,000.00	\$8,000.00	Minneapolis	5651	1	2	3	0	\$0.00	0	IICG-10-0036-a-FY11	ADC
African Forest Restaurant	\$15,000.00	\$15,000.00	\$35,500.00	Brooklyn Park	5812	1	2	1	0	\$0.00	0	IICG-10-0037-a-FY11	ADC
African Women Adult Care, LLC	\$25,000.00	\$25,000.00	\$98,013.00	Minneapolis	8322	1	2	1	2	\$10.00	20	IICG-10-0038-a-FY11	ADC
Royal Transportation, Inc.	\$18,000.00	\$18,000.00	\$47,000.00	Minneapolis	4119	1	3	2	1	\$14.40	14.4	IICG-10-0039-a-FY11	ADC
Diva Ave. LLC	\$22,000.00	\$22,000.00	\$38,200.00	Brooklyn Park	5621	1	2	1	2	\$7.50	15	IICG-10-0040-a-FY11	MCCD/WV
Power Systems Solutions, Inc.	\$149,500.00	\$325,000.00	\$325,000.00	Brooklyn Park	3613	4	1	2	8	\$24.00	192	IICG-10-0041-a-FY11	MGF
Dalab Jewelry & Fashion, LLC	\$3,500.00	\$3,500.00	\$12,000.00	Minneapolis	5944	1	2	3	0	\$0.00	0	IICG-10-0042-a-FY11	ADC
Twin Cities Airport Taxi, LLC	\$25,000.00	\$25,000.00	\$150,000.00	Minneapolis	4121	1	1	3	60	\$12.00	720	IICG-10-0043-a-FY11	MCCD
General Pattern/Reiland Investments, LLC	\$150,000.00	\$1,103,000.00	\$2,369,000.00	Blaine	3089	5	1	2	20	\$17.80	356	IICG-10-0044-a-FY11	CMDC
David's Body Shop/Moto Investments One	\$150,000.00	\$150,000.00	\$5,194,400.00	Minneapolis	7991	5	3	3	22	\$19.40	426.8	IICG-10-0045-a-FY11	CMDC
Mayle Delivery, LLC	\$20,000.00	\$20,000.00	\$30,000.00	Minneapolis	4119	1	1	1	1	\$9.00	9	IICG-11-0001-a-FY11	ADC
Pollo de Los Santos, LLC	\$20,000.00	\$20,000.00	\$25,000.00	Minneapolis	5812	1	2	3	2	\$9.00	18	IICG-11-0002-a-FY11	MCCD
Best Source Electronics Corp.	\$100,000.00	\$898,000.00	\$1,050,500.00	Blaine	3679	5	1	2	15	\$15.67	235.05	IICG-11-0003-a-FY11	CMDC
Spyhouse Coffee	\$15,000.00	\$30,000.00	\$30,000.00	Minneapolis	5812	5	1	3	2	\$9.00	18	IICG-11-0004-a-FY11	MCCD
MO Building Maintenance, LLC	\$5,000.00	\$15,000.00	\$15,000.00	Minneapolis	7349	1	1	1	2	\$9.00	18	IICG-11-0006-a-FY11	ADC
Saucy Burt's, LLC	\$9,500.00	\$10,700.00	\$10,700.00	Minneapolis	5812	5	2	1	1	\$11.00	11	IICG-11-0007-a-FY11	MCCD
857 Rice Street, LLC	\$40,000.00	\$40,000.00	\$470,000.00	St. Paul	6531	5	2	2	1	\$12.50	12.5	IICG-11-0009-a-FY11	SPARC
C.A.R.S. of Minneapolis, LLC	\$25,000.00	\$25,000.00	\$25,000.00	Minneapolis	7538	3	1	1	2	\$15.00	30	IICG-11-0010-a-FY11	MEDA
Bliss Yoga & Wellness Center, LLC	\$17,000.00	\$18,700.00	\$18,700.00	St. Paul	7991	5	2	3	2	\$9.00	18	IICG-11-0011-a-FY11	WV
Children First Day Care Center	\$25,000.00	\$25,000.00	\$215,000.00	Minneapolis	8351	1	3	1	6	\$17.50	105	IICG-11-0012-a-FY11	ADC
Sunderland Properties, LLC	\$147,500.00	\$147,500.00	\$2,978,000.00	Blaine	1623	5	1	2	25	\$15.44	386	IICG-11-0013-a-fy11	CMDC
Median	\$20,000.00	\$23,500.00							257	\$14.79	\$3,802.25		
Average	\$41,058.82	\$103,394.12	\$447,868.03							\$10.50	Median wages		
Total	\$1,396,000.00	\$3,515,400.00	\$15,227,513.00										

Project Name	State Amount	Total Loan	Total Project	Location	SIC Code	Race *	Gender **	Start/Expar	No./Jobs Projected	Wages Projected	Project Number	Organization
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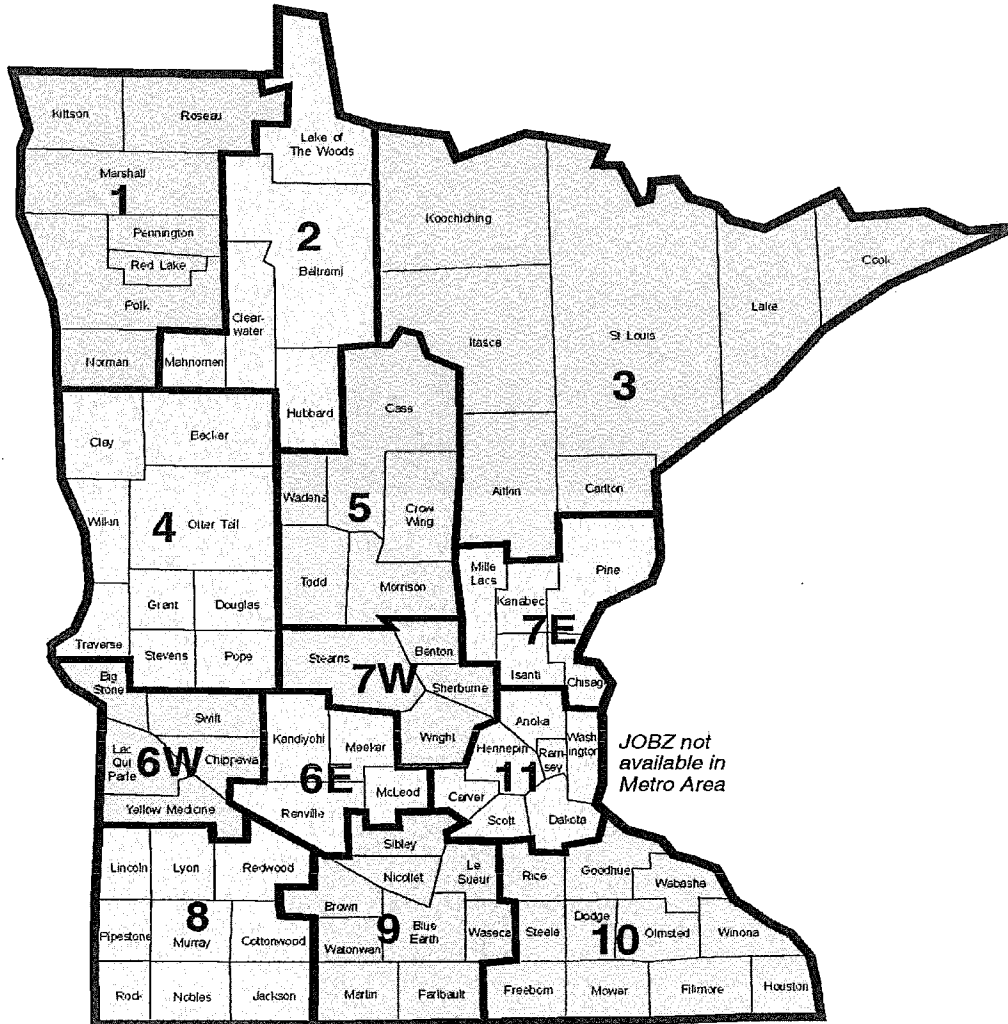
Race: 1=African American; 2=Hispanic;  
 3=American Indian; 4=Asian American;  
 5=European American; 6=Middle Eastern  
 Gender: 1=male; 2=female; 3=multiple  
 Start=1; Expand=2; Retain=3

BS=business sold  
 BC=business closed  
 wo= written off  
 PO=paid off

### Appendix 3. Urban Initiative Revolving Account

Balance Sheet	FY95-FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	Total
<b>Assets</b>											
Cash	\$33,373,784.17	\$3,178,792.12	\$2,834,469.80	\$2,325,115.17	\$1,711,696.03	\$1,695,998.60	\$2,476,731.47	\$2,584,795.02	\$2,436,806.79	\$1,709,559.77	
Loans Receivable	\$20,037,007.63	\$3,794,773.78	\$3,686,887.33	\$3,888,397.06	\$4,307,368.30	\$4,146,149.89	\$4,196,361.26	\$3,830,371.43	\$3,631,056.85	\$4,311,540.10	
<b>Total Assets</b>	<b>\$53,410,791.80</b>	<b>\$6,973,565.90</b>	<b>\$6,521,357.13</b>	<b>\$6,213,512.23</b>	<b>\$6,019,064.33</b>	<b>\$5,842,148.49</b>	<b>\$6,673,092.73</b>	<b>\$6,415,166.45</b>	<b>\$6,067,863.64</b>	<b>\$6,021,099.87</b>	
<b>Fund Balance</b>											
Reserved for Encumbrances	\$27,973,345.60	\$2,384,986.13	\$1,580,292.60	\$1,655,609.63	\$1,485,582.05	\$1,136,682.05	\$2,086,686.98	\$2,167,366.98	\$2,052,724.77	\$1,427,399.77	
Unreserved Retained Earnings	\$25,437,446.20	\$4,588,579.77	\$4,941,064.53	\$4,557,821.60	\$4,533,482.28	\$4,705,466.44	\$4,586,405.75	\$4,247,799.47	\$4,015,138.87	\$4,593,700.10	
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$53,410,791.80</b>	<b>\$6,973,565.90</b>	<b>\$6,521,357.13</b>	<b>\$6,213,431.23</b>	<b>\$6,019,064.33</b>	<b>\$5,842,148.49</b>	<b>\$6,673,092.73</b>	<b>\$6,415,166.45</b>	<b>\$6,067,863.64</b>	<b>\$6,021,099.87</b>	
<b>Statement of Cash Flows</b>											
<b>Operating Activities:</b>											
Loan Repayments:											
Interest	\$7,181.55	\$77.31	\$561.52	\$25.47	\$1,095.82	\$11,238.94				\$421.70	\$20,602.31
Principle	\$2,972,820.54	\$491,048.19	\$635,909.03	\$535,654.91	\$546,034.68	\$613,338.22	\$835,224.80	\$706,051.52	\$639,935.65	\$632,802.61	\$8,608,820.15
Investment Interest	\$1,525,008.95	\$83,036.26	\$35,090.66	\$54,867.13	\$89,884.94	-\$92,676.72	\$117,390.64	\$71,332.03	\$26,718.33	\$12,028.67	\$2,108,034.33
<b>Operating Cash Inflows</b>	<b>\$4,505,011.04</b>	<b>\$574,161.76</b>	<b>\$671,561.21</b>	<b>\$590,547.51</b>	<b>\$637,015.44</b>	<b>\$717,253.88</b>	<b>\$952,615.44</b>	<b>\$777,383.55</b>	<b>\$666,653.98</b>	<b>\$645,252.98</b>	<b>\$10,737,456.79</b>
Loans Issued											
Loans Issued	-\$6,772,753.51	-\$844,360.36	-\$1,004,693.53	-\$1,094,601.97	-\$1,249,622.08	-\$728,900.00	-\$924,995.07	-\$669,320.00	-\$814,642.21	-\$1,372,500.00	-\$15,476,388.73
Grants	-\$268,142.09	-\$15,124.72	-\$11,190.00	-\$5,300.17	-\$812.50	-\$4,051.31	-\$1,887.50	\$0.00	\$0.00	\$0.00	-\$306,508.29
<b>Operating Cash Outflows</b>	<b>-\$7,040,895.60</b>	<b>-\$859,485.08</b>	<b>-\$1,015,883.53</b>	<b>-\$1,099,902.14</b>	<b>-\$1,250,434.58</b>	<b>-\$732,951.31</b>	<b>-\$926,882.57</b>	<b>-\$669,320.00</b>	<b>-\$814,642.21</b>	<b>-\$1,372,500.00</b>	<b>-\$15,782,897.02</b>
<b>Net Operating Cash Flows</b>	<b>-\$2,535,884.56</b>	<b>-\$285,323.32</b>	<b>-\$344,322.32</b>	<b>-\$509,354.63</b>	<b>-\$613,419.14</b>	<b>-\$15,697.43</b>	<b>\$25,732.87</b>	<b>\$108,063.55</b>	<b>-\$147,988.23</b>	<b>-\$727,247.02</b>	<b>-\$5,045,440.23</b>
<b>Noncapital Financing:</b>											
State Appropriations	\$6,000,000.00						\$755,000.00				\$6,755,000.00
<b>Beginning Cash Balance</b>	<b>\$0.00</b>	<b>\$3,464,115.44</b>	<b>\$3,178,792.12</b>	<b>\$2,834,469.80</b>	<b>\$2,325,115.17</b>	<b>\$1,711,696.03</b>	<b>\$1,695,998.60</b>	<b>\$2,476,731.47</b>	<b>\$2,584,795.02</b>	<b>\$2,436,806.79</b>	
Net change in Cash	\$3,464,115.44	-\$285,323.32	-\$344,322.32	-\$509,354.63	-\$613,419.14	-\$15,697.43	\$780,732.87	\$108,063.55	-\$147,988.23	-\$727,247.02	
<b>Ending Cash Balance</b>	<b>\$3,464,115.44</b>	<b>\$3,178,792.12</b>	<b>\$2,834,469.80</b>	<b>\$2,325,115.17</b>	<b>\$1,711,696.03</b>	<b>\$1,695,998.60</b>	<b>\$2,476,731.47</b>	<b>\$2,584,795.02</b>	<b>\$2,436,806.79</b>	<b>\$1,709,559.77</b>	<b>\$1,709,559.77</b>

# Job Opportunity Building Zones



Region	Business Loan Officer
7E, 10	Carol Pressley 651/259-7427 <a href="mailto:carol.pressley@state.mn.us">carol.pressley@state.mn.us</a>
6W, 6E, 8	Bradley Simenson 651/259-7428 <a href="mailto:bradley.simenson@state.mn.us">bradley.simenson@state.mn.us</a>
1, 2, 3, 5	Emily Johnson 651/259-7450 <a href="mailto:emily.johnson@state.mn.us">emily.johnson@state.mn.us</a>
9, 7W	Samantha DiMaggio 651/259-7426 <a href="mailto:samantha.dimaggio@state.mn.us">samantha.dimaggio@state.mn.us</a>
4	Bart Bevins 651/259-7424 <a href="mailto:bart.bevins@state.mn.us">bart.bevins@state.mn.us</a>