

Emerging Entrepreneur Fund (EEF)

Program Purpose:	To provide financing for small and micro-businesses that are starting up or expanding throughout Minnesota, placing special emphasis on underserved communities.
How it Works:	The MN Department of Employment and Economic Development (DEED) has received federal funding through the U.S. Department of the Treasury and has partnered with approved lenders to increase debt financing activity.
Eligible Applicants:	Businesses with fewer than 500 employees company-wide are eligible; however the funding is focused on microenterprises and businesses with fewer than 50 employees. The fund targets underserved small business communities including those in economically distressed areas as well as minority and women-owned businesses.
Target Guidelines:	It is expected that the many of the businesses receiving financial support through this program will be owned and operated by a woman or a minority; or that they will be located in areas identified by DEED as distressed. Distressed areas are measured by population loss, higher than statewide average unemployment rate, and lower than statewide median household income.
Eligible Projects:	Start-up costs, working capital, business procurement, franchise fees, equipment, inventory, as well as the purchase, construction renovation, or tenant improvements of an eligible place of business that is not for passive real estate investment. Projects that include passive real estate are only allowed on a limited basis as determined by U.S. Department of the Treasury guidelines. Financing of existing debt is not permitted.
Funding Available:	The EEF funds may total up to \$150,000 per loan and must be matched on at least a one-to-one basis. Participating lenders in the EEF program are encouraged to structure their loan proposals to achieve at least a 5:1 leverage of DEED/Treasury funds.
Interest Rate/Terms:	Each qualified program lender has the authority to determine the specific interest rate and collateral requirements within program guidelines.
Application Process:	Qualified lenders accept applications on a rolling basis. Application forms and procedures will vary with the lender. Interested businesses should apply with the participating lender. DEED is notified of all loans approved by the participating lenders.
Website:	www.positivelyminnesota.com/ssbcj
Contact:	Bart Bevins, Emerging Entrepreneur Fund MN Department of Employment and Economic Development (DEED) Phone: 651-259-7424 or 800-657-3858 E-Mail: Bart.Bevins@state.mn.us

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