



PROGRAM PURPOSE

To support the development of Native American owned and operated businesses and promote economic opportunities for tribal communities throughout Minnesota.



OTHER FINANCING AND TECHNICAL ASSISTANCE:

- Contact the Minnesota American Indian Chamber of Commerce at 612-877-2117 for other financing and technical assistance. The organization can provide support for new and existing businesses.
- Contact the Minnesota Indian Affairs Council at 651-539-2202 for the St. Paul Office or 218-205-4752 for the Bemidji Office for possible technical assistance.
- In some cases, individual tribal governments have created economic development programs to meet the particular needs of their members. An interested entrepreneur should consider contacting their respective reservation.

mn EMPLOYMENT AND ECONOMIC DEVELOPMENT

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Minnesota Native American Business Loan Program



mn EMPLOYMENT AND ECONOMIC DEVELOPMENT

Minnesota Native American Business Loan Program



How it Works:

Entrepreneurs may apply for a loan to finance the start-up and expansion of a for-profit business.

Applications are submitted to the Department of Employment & Economic Development (DEED), Leech Lake Band of Ojibwe, Minnesota Chippewa Tribe or Red Lake Band

Eligible Applicants:

Applicants must be enrolled members of a federally-recognized Minnesota based band or tribe. Businesses can be located anywhere in the state, although the bulk of the loans are made to businesses on a reservation.

Minimum Project Requirements

Applicants must include a business plan that describes the business and includes financial projections.



Eligible Projects:

Start-up and expansion costs, including normal expenses such as machinery and equipment, inventory and receivables, working capital, new construction renovation, and site acquisition Financing of existing debt is not permitted.

Maximum Available:

Each band or tribe is allocated funds from the Business Loan Fund, based on the number of enrolled members. Loans may not exceed the funds available to any one tribe. Loan amounts are limited to 75% of the cost of the project.

Other Funds Required:

Owners must provide a portion of the financing needed to undertake the project. The amount varies between 5% and 10% depending on the requirements of each band or tribe.

Interest Rate/Terms:

Interest rate may be between 2% and 10%. Terms for real estate purposes are limited to no more than 20 years. Non-real estate loans are limited to no more than 10 years.

Applications Accepted:

The Department and the tribal organizations listed above accept applications on an ongoing basis, subject to the availability of funds.

Approving Authority:

The appropriate Tribal Council must approve each loan application. The Department administers this program and services many of the loans.

Contact:

DEED, the Leech Lake Band of Ojibwe, and the remaining Minnesota Chippewa Tribes (MTC) via MCT in Cass Lake and Red Lake Band of Chippewa have executed agreements that authorize each entity to operate the loan program on behalf of the department.

Members of the Leech Lake Band of Ojibwe

Enrolled members of the Leech Lake Band of Ojibwe reservation should contact Executive Director Robert Aitken III at 218-339-3940 for application forms and the loan process.

Members of the Minnesota Chippewa Tribe excluding Leech Lake

Enrolled members of the Bois Forte, Fond du Lac, Grand Portage, Mille Lacs and White Earth reservations should contact the Economic Development Director at 218-335-8582 for application forms and the loan process.

Members of the Red Lake Band of Chippewa

Enrolled members of the Red Lake Band of Chippewa reservation should contact 4-Directions Development Executive Director Sharon James at 218-679-1456 for application forms and the loan process.

For Other Minnesota Tribes and Bands

For those members of the other Minnesota tribes and bands, DEED accepts applications on an ongoing basis, subject to the availability of funds. Interested business owners may submit an application contacting program manager Lori Hanson at lori.hanson@state.mn.us 651-259-7823.