



2023 Annual Report

Minnesota District Office



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<https://www.sba.gov/mn>

A MESSAGE FROM THE

Minnesota District Office

In fiscal year 2023, the U.S. Small Business Administration (SBA) Minnesota District Office (MNDO) team and partners worked tirelessly to help small businesses recover, start, and scale. We want to thank our lending and resource partners for going the extra mile to ensure the success of our small businesses, and the communities they support. The quick actions and willingness to help from our partners across the state ensured that small businesses continued to bring economic impact and vibrancy to cities and towns in all regions of Minnesota.

Overall, the total dollar amount of SBA backed lending continued to be quite strong in fiscal year 2023 (as compared to pre-pandemic historical levels) with over \$799 million of SBA backed capital obtained by Minnesota Small Businesses. Of note, in FY23 we saw an increase in the number of SBA loans to minority populations by 12% compared to the year prior following large gains since 2020. As a direct result of SBA guaranteed 7(a) and 504 small business financing, over 18,400 jobs across Minnesota were created or saved. These loans were made through banks, credit unions, CDFIs, and CDCs.

“SBA programs remain at the forefront for businesses seeking to start, grow, expand, and recover,” shared SBA Minnesota District Director, Brian McDonald. “Small businesses are the backbone of the American economy, and our partners and lending community play a critical role in the small business ecosystem. Through SBA’s guaranteed loan programs, trusted counselors & mentors, and field support - SBA is helping small businesses succeed every day.”

Kind regards,

Brian McDonald

*Minnesota District Director
U.S. Small Business Administration*

SERVING THE ENTIRE STATE OF MINNESOTA

Minnesota District Office

Our office provides help with SBA services including funding programs, counseling, federal contracting certifications, and disaster recovery.

Need assistance? The SBA Minnesota team is here to connect you with resources to help your small business start, grow, and succeed.

Sign-up for Our Newsletter

Stay up to date on the latest news and events from the Minnesota District Office.

<https://sba.gov/updates>

2023 EVENTS, AWARDS, AND ACCOMPLISHMENTS

National Small Business Week

National & Small Business Person of the Year: Abdirahman Kahin, Afro Deli.

This year, Abdirahman Kahin of Afro Deli & Grill was honored as the National Small Business Person of the Year for 2023 at the National Small Business Week (NSBW) awards ceremony in Washington, D.C. This prestigious award recognizes entrepreneurs who demonstrate exceptional leadership and create sustainable, thriving businesses in their communities.

This annual tradition, led by the U.S. Small Business Administration for 60 years, takes place from April 30-May 6. During NSBW, the SBA recognizes the hard work, ingenuity, and dedication of America's small businesses and celebrates their contributions to the economy.

Minnesota District Office Awards

Encore Entrepreneur: John Cariveau, Bradley Klatt, & Mark Skoglund

Uncommon Loon Brewing Company – Chisago City, MN

Family-Owned Small Business: Heather Hoffman & Andrew Leach

Commercial Drywall, Inc. – St. Anthony, MN

Minority-Owned Small Business: Jose Carrazco

West Oakland Auto Repair – Austin, MN

Veteran-Owned Small Business: Dr. Kenneth Dodge

Falls Optical – Little Falls, MN

Women Owned Small Business: Adelle Starin

Baby's on Broadway – Little Falls, MN

Young Entrepreneur: Garrett Larson

Ronnings – Littlefork, MN

SBDC Excellence & Innovation: Northland SBDC

Duluth, MN

WBC of the Year: WBC Central

Little Falls, MN

SBA'S 70th Anniversary

The Minnesota District Office celebrated the SBA's 70th Anniversary by honoring Angie's BOOMCHICKAPOP as the state's legacy business.

Starting Angie's BOOMCHICKAPOP in their garage, the Bastian's worked closely with their local SBDC from 2005-2012. The Bastian's utilized SBA backed financing for a factory build-out enabling them to grow. During their time as owners, Angie and Dan employed nearly 300 people. In October 2017, Angie's BOOMCHICKAPOP was acquired by Conagra Brands.



Other Events

In FY23, the Minnesota District office hosted **43 events** with nearly **1,400 attendees**.

A few of our highlights:

- THRIVE Emerging Leaders Cohort
- MN Brewers Guild Conference
- 12 Veterans Resource Briefs
- 3 Boots to Business Reboots
- FDIC Money Smart for Small Businesses
- IP Basics with USPTO and SBDC
- SBA and BBB Jumpstart for Black Business Owners

Resource Partner Impact

Overall clients served by Minnesota SBA's Resource Partners.

SBDC

4,281 clients served

America's Small Business Development Centers (SBDCs) are a network of centers that provide no cost, confidential counseling and training to help small business owners with a variety of topics.

Learn more about Minnesota's SBDC's: <https://mn.gov/deed/business/help/sbdc/>

SCORE

6,662 clients served

SCORE is the nation's largest network of volunteer business mentors. Experienced executives share real-world knowledge as often as you need in person, virtually or via email.

Learn more about SCORE: <https://www.score.org/>

VBOC & Vet Outreach

645 clients served

Veteran entrepreneurs or small business owners can receive business training, counseling and mentoring, in addition to financing options and procurement guidance which can help veterans compete for government contracts.

Learn more about VBOC's: <https://sba.gov/vboc>

WBC

2,280 clients served

Women interested in starting or growing a small business can tap into a national network of community-based Women's Business Centers. These centers offer training and counseling to those looking to make their entrepreneurial mark.

Learn more about WBC's: <https://sba.gov/wbc>

FY23 LENDING ACTIVITY

Powering the American Dream

Total Minnesota SBA lending reached \$799 million in FY23.

7(a) Loans

\$614 million

1,563 7(a) loans were approved in FY23, which helped Minnesota's small businesses start, grow, and expand. In FY23 the SBA 7(a) program increased the number of Minority-Owned (Black, Hispanic/Latino, AANHPI, and Native American) loans by 12%.

504 Loans

\$182 million

217 loans supported small businesses in commercial real estate and large mechanical equipment expansion in Minnesota.

Microloans

\$3.4 million

There are 9 SBA Microloan Intermediaries in Minnesota. This year, **189** microloans were approved assisting Minnesota small business owners with access to small amounts of capital.

Minnesota's SBA Top Lenders

The following are the top Minnesota SBA lenders in FY23 by loan volume.

U.S. Bank – 190

Huntington National Bank – 144

Bank Vista – 97

MBFC – 78

Wells Fargo Bank – 61

Frandsen Bank & Trust – 53

Twin Cities-Metro CDC – 53

Highland Bank – 49

Old National Bank – 44

Choice Financial Group – 37

RESEARCH, DEVELOPMENT, & CONTRACTING

Additional Small Business Assistance

SBIR/STTR Highlights

The Small Business Innovation Research/Small Business Technology Transfer (SBIR/STTR) program funds technology-focused small businesses with qualifying federal grants and contracts for research and development or prototyping operations from participating federal agencies.

SBIR/STTR programs provided 42 grants for \$37,406,824 and 25 contracts for \$16,445,730 in Minnesota in FY23.

Surety Bond Highlights

Surety bonds help small businesses win contracts by providing the customer a guarantee that the work will be completed. Many contracts require surety bonds, which are offered by surety companies. The SBA guarantees surety bonds for certain surety companies, which allows the companies to offer surety bonds to small businesses that might not meet the criteria for other sureties.

SBA guaranteed 85 Surety Bonds for \$63 million in Minnesota in FY23.



U.S. Small Business
Administration

2023

Annual Report

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