



NEIGHBORHOOD DEVELOPMENT CENTER

How microenterprise creates
investment and opportunities that
allow communities to thrive

Profile by Clay Scott

When Bee Vang takes a break from work and walks down University Avenue in St. Paul, he might hear the sounds of Vietnamese, Spanish, Somali, Oromo, Khmer, or any one of a dozen other languages, including his native Hmong. Back at the offices of Neighborhood Development Center (NDC), where Bee is a loan officer and business adviser, he hears many of those same languages being spoken.

“Part of what makes NDC so effective,” he says, “is that our staff is intimately connected with the people we serve. We’re from those communities.”



“I can say that without NDC, I would not have achieved my dream.”

— Hassan Ziadi, NDC participant

NDC is dedicated to revitalizing and transforming inner city communities “one entrepreneur at a time,” and its work has had a profound and measurable impact.

With its commitment to serving people of color—who have been largely under-resourced and underserved—and its success in tapping into the entrepreneurial energy of low-income neighborhoods, the organization exemplifies the type of microenterprise development that NWAFF is looking to fund through the Enterprise Development portfolio. Microenterprises fostered and supported by organizations like NDC provide crucial opportunities to develop ownership and income, and those are opportunities that the Foundation wants to cultivate through its funding.

The communities served by NDC may represent a variety of cultures, but Bee Vang says they have one thing in common: a lack of access to mainstream financial institutions.

“Banks tend to be concerned with one thing and one thing only,” he says, “and that’s profitability. At NDC, on the other hand, we try to work with people, try to understand their circumstances, their background, and what they’re trying to achieve. Then we see if there’s a creative way we can help them fund their business.”

Access to Loan Capital + Business Training = Successful Entrepreneurs

NDC has not only helped fund small businesses in communities of color, but has also provided vital technical assistance, business training, and other support.

“It is a very powerful thing,” he says, “to have a chance to work with these diverse entrepreneurs,



who are so passionate about what they are doing. We become their friends. We become their biggest fans. And whether they’re trying to set up a small grocery store, or a translation agency, or a medical transportation service, the dream is the same.”

Take Hassan Ziadi. Ever since he was a boy in Rabat, Morocco, he had a vision of opening his own restaurant—just a small place, he says, where he could share the flavors of his homeland. He had worked as a chef in fine restaurants around the world, but it wasn’t until he came to Minneapolis that he began to try and to make his dream a reality. That turned out to be a lot more daunting than he had anticipated.

“I knew nothing,” he says. “Not accounting, not marketing, not business licensing or insurance. Nothing. Now I understand that having a restaurant is a lot more than just cooking.”

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— **Bee Vang**, NDC Loan Officer and Business Adviser





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— **Isabel Chanslor**, *NDC Chief Program Officer*

A friend told Hassan about NDC’s business training class. The program introduced him to concepts he’d never thought about, gave him strategies for dealing with problems he would never have anticipated, and—most important of all, he says—gave him confidence that he could succeed. He also qualified for a timely microloan from NDC and received invaluable technical assistance. In a matter of months, he had launched Moroccan Flavors at the Midtown Global Market in Minneapolis, one of NDC’s business incubators. Hassan seems almost in shock as he describes how quickly things came together.

“NDC was incredible,” he says, as he ladles a savory Moroccan tagine onto a plate while a line of customers waits at the cash register.

“All of the staff helped out—the loan officers, everybody. They helped me with my menus. They even helped me paint. I can say that without NDC, I would not have achieved my dream.”

A Domino Effect that Benefits Everyone

Isabel Chanslor is NDC’s chief program officer, and she’s witnessed many success stories like Hassan’s.

“The most gratifying thing for me, working with these amazing entrepreneurs,” she says, “is to watch the accumulation of small triumphs. We focus our resources on particular neighborhoods, and with each success story, that neighborhood becomes a little stronger, and people are a little more inclined to spend their money there, and people who live in it are a little more inclined to keep living there.”

As an example, Isabel talks about the organization’s work along the light rail line, a commercial corridor

housing a concentration of NDC-supported businesses. The light rail’s construction had a major impact on those businesses, and NDC stepped in with technical support, loans, and other assistance.

“It’s a chain reaction,” she says, “until you reach a tipping point, and the narrative of the entire community begins to change. That, to me, is what our work is all about.”

Building Confidence, Growing, and Benefiting Others

Aileen Erler is an entrepreneur whose work is not confined to a single neighborhood, but her relationship with Isabel and NDC was crucial in helping her start her business, Alpha 1 Appliance Repair.

“My career definitely represents a nontraditional path for a Native American woman—or for a woman, period,” Aileen says. “But it’s a good, honest, satisfying way to make a living. I’m independent, and I can support my family. And it’s my own business. And I’m proud of that.”

Aileen got a degree in appliance repair, but it was years before she was able to launch her business. Like Hassan, she found her way to NDC’s business training program, and it was an eye-opener for her.

“The class taught me so much,” Aileen says. “And almost all of it was new to me—from the nuts and bolts of setting up a spreadsheet for bookkeeping and invoicing, to advertising, budgeting, putting together a business plan—everything. It might all seem like basic stuff, but when you don’t have experience with any of it, it can seem intimidating and confusing. Now those concepts are a really important part of my approach to my business.”



“To start a business from scratch is liberating, and it’s empowering. It makes me feel I have control over my finances and my ability to take care of my family.”

— Aileen Erler, NDC participant

That business has continued to grow, and Aileen says she’s become more organized, more productive, and more efficient. In the future, she’d like to help train other women entrepreneurs.

She adds, “To start a business from scratch is liberating and it’s empowering. It makes me feel I have control over my finances and my ability to take care of my family. But there’s something else about my work

that I realize I really love, and it’s also what I appreciate about NDC. And that is: that I do something that produces tangible results and that provides a service. Ultimately, I am able to give something to other people. And that’s what really matters.”



Listen directly to the voices within the NDC profile through the audio story. Visit nwaf.org/annual-reports.

HOW IT SERVES ENTERPRISE DEVELOPMENT

Neighborhood Development Center supports microenterprise as a means to build ownership and income for low-income communities, especially in communities of color—including Native American, immigrant, and refugee communities—where ownership opportunities have been profoundly limited. NDC intentionally targets owners of microenterprises by providing loans that fund their operations, as well as comprehensive and integrated programming that encompasses training, technical assistance, and incubator opportunities.

NDC’s effectiveness at training entrepreneurs is astonishing. To date, more than 550 entrepreneurs—nearly all of them people of color, and many of them immigrants and refugees—have passed through NDC’s training program and gone on to launch their own businesses, employing more than 2,000 people. That translates into strong communities and vibrant neighborhoods.

