

How is the project funded?

Our team applied for and received a **one-time grant** from USDA Rural Development, specifically the Rural Business Development Grant program to deliver a crowdfunding educational portal and supportive materials with an intent to move at least 5 businesses toward MnVest crowdfunding offerings. In addition, the **Region Five Development Commission prioritizes and financially supports** the staff time needed to provide technical assistance to regional businesses....including crowdfunding..... and lastly the portion of the **interest collected from the active loans** in our EDA (Federal Dept. of Commerce, Economic Development Administration) business lending program are utilized for any economic development program related expenses, including staff time dedicated to crowdfunding. Our team will explore and pursue additional fee-for-service and grant opportunities that add value to this endeavor.

What is NCEDA getting from all this?

You mean aside from the democratization of capital, vibrant and engaged local communities, and a more prosperous Minnesota?

North Central Economic Development Association is a 501(c)(3) nonprofit with the mission of *providing industry expertise for lending programs offered or created by the Region Five Development Commission.*

The mission of Region Five Development Commission is to *enhance the vitality and quality of life in Cass, Crow Wing, Morrison, Todd, and Wadena counties*

We viewed the MnVest law as a chance to create a new channel for capital in Minnesota – one that would help small businesses get investment capital from their own community, and we believe this is right in line with our mission.

Today we are creating educational resources (website, webinars, workshops). Tomorrow we have lofty goals that include creating a statewide network of supporters.

We believe that small businesses and, maybe more-importantly, new businesses are responsible for a significant amount of new and lasting job creation. As we are in the business of fostering job

creation, we believe it's important to support the tools these companies need to get their companies started, fully funded and able to create and retain jobs in the future. Therefore MN Vest provides a tool by which companies can increase awareness of their offering, work with a larger pool of prospective investors and increase the likelihood of getting what is most-important to them: capital.

We also believe in wealth creation. While not every company who seeks private investment capital will be successful, over time, many are and thus those investors who bore the risk of investing early, often gain significantly in the long run. Thus we believe MN Vest provides a tool for more MN-based investors to participate in these offerings and keep future profits in MN.