

SF2783 / HF2789



The Equity Fund

Our vision is a vibrant, diverse business community that encourages and supports LGBTQ+ entrepreneurs and small businesses.

The Equity Fund is an innovative program that invests in LGBTQ+ small businesses through grants and programming tailored to the unique needs of LGBTQ+ entrepreneurs. To date, the Equity Fund has invested more than \$185,000 and provided business education to queer businesses in Minnesota.

LGBTQ+ businesses make up more than 7% of the total business landscape. Despite their significant contributions to the economy, LGBTQ+ entrepreneurs face unique challenges in gaining access to capital and business development support. The Equity Fund helps even the playing field and invests in Minnesota as a whole.

Our ask:

- **\$500,000 per fiscal year (FY24 & FY25) to be appropriated to DEED.**
- **Funds will be used for LGBTQ+ small business grants and business education and support.**
- **1/3 of funds earmarked for LGBTQ+ businesses from Greater Minnesota and 1/3 for LGBTQ+ businesses owned by entrepreneurs of color.**

LGBTQ+ Small Businesses in Minnesota

The Equity Fund aims to make Minnesota a vibrant state where all businesses can thrive. The fund was born out of an urgent need to support LGBTQ+ entrepreneurs of color who were disproportionately impacted by the pandemic and local civil unrest. Nearly one-third of LGBTQ+ small business owners say they lost 50% of their business as a result of COVID.

A 2021 study* conducted by the Center for LGBTQ Economic Advancement & Research found that 28% of LGBTQ small businesses reported having poor financial health; additionally, business owners reported a lower likelihood of receiving financing due to their LGBTQ+ identity.

The pandemic shined a light on longtime, systemic challenges faced by LGBTQ+ entrepreneurs. That's why the Equity Fund has continued and grown beyond the initial need.

21,000+

LGBTQ+ Businesses in Minnesota

22%

LGBTQ+ Businesses Located in Greater MN

2,300+

LGBTQ+ & BIPOC Businesses**

\$25.5 M in LGBTQ+ economic impact annually in Minnesota

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\$335,000+

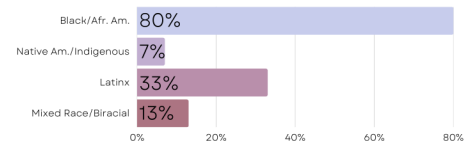
in small business grants per fiscal year

Comprehensive Training & Education

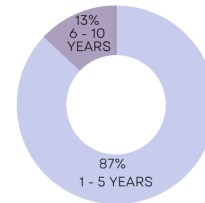
tailored to meet the unique needs of LGBTQ+ entrepreneurs

Current Grantee Demographics

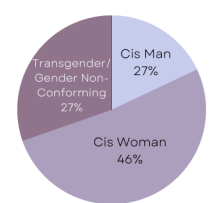
Racial & Ethnic Identity



Years in Business



Gender Identity



*<https://www.lgbtmap.org/file/LGBTQ-Small-Businesses-in-2021.pdf>

**estimates from: <https://www.ondeck.com/resources/bipoc-business-report>

Strategic Partnership

The strategic partnership between PFund Foundation and Quorum has made this program a success as both organizations bring needed and unique expertise. PFund Foundation is a respected leader in responsive and community-based philanthropy. It brings a long history of effective and efficient grant-making to the Equity Fund program. For decades, Quorum has been a leader in LGBTQ+ business engagement and development. They are an ideal partner to develop and deploy the necessary business trainings to strengthen LGBTQ+ businesses.



PFund Foundation

Since 1987, PFund Foundation has been the upper Midwest's only LGBTQ+ community foundation. PFund awards scholarships and grants, develops leaders, and inspires philanthropy. It has awarded more than \$3.5 million dollars to LGBTQ+ communities. PFund Foundation is led by the community, in support of the community.

Accomplishments

- 500 LGBTQ+ students have been awarded more than \$1.5 million in scholarships.
- \$125,000 was awarded in 2022 for rural-serving LGBTQ+ organizations across the upper Midwest.
- Mobilized more than \$250,000 in emergency funds for families, non-profits, and small businesses during the pandemic.

Contact us:

Park Street Public: Emma McBride | 612-418-3483 | emma@parkstreetpublic.com

PFund Foundation: Aaron Zimmerman | 612-870-1806 | aaron@pfundfoundation.org

Quorum: Rebecca Waggoner | 612-460-8153 | rebecca@twincitiesquorum.com



Quorum

Quorum is the LGBTQ+ and allied chamber of Commerce for Minnesota. Quorum champions the business case for a fully-inclusive business community as a conduit for economic development and is a leader in the continuum of change. Quorum builds, connects and strengthens Minnesota's LGBTQ+ and allied business communities.

Accomplishments

- Provided 550+ hours of networking and small business education to over 1200 entrepreneurs since 2019.
- Hosts more than 70+ networking, education and certification events throughout the year.
- Is the statewide facilitator for LGBTQ Business Enterprise Certification.

Learn more: www.pfundfoundation.org or www.twincitiesquorum.com