

Page 1: Contestant Capacity (1- page maximum)

1. Organizational Background: HEDCO, Inc., 15 Lewis Street, Hartford, CT 06103; Official Contact Person: Fernando G. Rosa, President & CEO, Telephone: (860) 527-1301; Email Address: fernandor@hedcoinc.com

Briefly describe your organization's history, its core competencies, geographic area of focus and how it is well positioned to deliver entrepreneurship training to formerly incarcerated individuals.

HEDCO, Inc. has provided technical assistance and financial support for more than 30 years to unserved and underserved Minority and Woman-owned Small Businesses (MWBES) in the City of Hartford and, since 2013, to all MWBES in all of Connecticut's 169 cities and towns. HEDCO is the only CDFI and SBA-funded technical and financial assistance intermediary that's primary clients and underserved MWBES. Since 2006, HEDCO has operated a Business Resource Center that offers no-cost and low-cost business education and training, development of business plans, and assistance in qualifying underserved MWBES for low-cost loans. Most recently, HEDCO has been partnering with the Greater New Haven NAACP, the Greater New Haven Professional and Business Association, the regional office of the US SBA, and transitional housing and social service organizations to reach out to Second Chance adults—adult men and woman ex-offenders- re-entering the community to expand these adults' employment skills and to introduce entrepreneurial education and training. Last year, HEDCO and the Greater New Haven Branch of the NAACP provided job training and job preparedness services to 40 unemployed ex-offenders.

Background of Management Team: This Aspire Challenge grant will be supervised and directed by Ms. Kim Hawkins, HEDCO's COO and Mr. Fernando Rosa, HEDCO's President and CEO. Mr. Rosa and Ms. Hawkins have a combined 45 years' experience working with underserved and un-served MWBES in the cities of Hartford and New Haven and other distressed urban centers in Connecticut. Ms. Hawkins was the first HEDCO Business Resource Center Director and currently directs the SBA PRIME Technical Assistance grant for underserved Hartford MWBES and the PRIME grant's expanded services for formerly incarcerated individuals. HEDCO and the Greater New Haven Branch of the NAACP and the Greater New Haven Business and Professional Association have established partnerships with transitional services organizations in both Hartford and New Haven who will bring additional resources to the Aspire Challenge initiative.

The proposed Aspire Challenge Management Team will consist of experienced HEDCO Business Resource Center (BRC) staff and consultants working with HEDCO to sustain and expand employment skills and entrepreneurial education to formerly incarcerated individuals in the cities of Hartford and New Haven. Several full-time HEDCO Business Development staff currently are serving formerly incarcerated individuals in Hartford and HEDCO retains the services of an experienced consultant to provide similar services for formerly incarcerated individuals, working with the Greater New Haven NAACP and the Greater New Haven Business and Professional Association. Last year, HEDCO, the NAACP and the Greater Hartford Business and Professional Association combined to provide skills development and job preparation services to 40 formerly incarcerated individuals in Hartford and New Haven. Through HEDCO's new SBA PRIME grant, HEDCO is increasing its outreach and recruitment efforts in both cities for underserved MWBES and for formerly incarcerated individuals. HEDCO staff and consultants are culturally competent and had significant experience with small business owners and potential entrepreneurs who lack business development and management skills. Through the Inspire Challenge Initiative, HEDCO and its partners will continue to work with formerly incarcerated individuals to help these with employment preparation (Phase I) and then will develop and implement a new Entrepreneurial Curriculum to provide in-depth business development training and education (Inspire Phase II)

Pages 2-3: Entrepreneurial Education Delivery Solution (2- page maximum)

1. Participant Recruitment Plan:

HEDCO will sustain and increase its efforts to recruit formerly incarcerated individuals in partnership such community and economic development agencies as SAMA (Spanish-American Merchants Association (SAMA), Upper Albany Main Street, the Greater New Haven Branch of the NAACP and the Greater New Haven Business and Professional Association, the Connecticut Department of Corrections, and a range of Hartford and New Haven churches and other non-profit transitional services providers in both cities. HEDCO's Business Resource Center and HEDCO consultants working with the Greater New Haven Branch of the NAACP and the Greater New Haven Business and Professional Association, will meet with potential candidates for the Aspire Challenge Program, assess their business and employability skills. These individual assessments with help create an IEP (Individual Education Program) for each participant so that he or she can move quickly from PHASE I education and training to PHASE II entrepreneurial education and mentoring. Both HEDCO and the Greater Hartford Business and Professional Association operate offices in city neighborhoods that are easily accessible to potential participants. HEDCO, the Greater New Haven Chapter of the NAACP and the Greater New Haven Business and Professional Association will also make use of all available social, media and electronic and print publicity to increase the number of formerly incarcerated individuals learning about the opportunities offered through the Aspire Challenge Initiative.

2. Classroom Instruction: *Describe how your organization will identify and deliver a proven, existing intensive entrepreneurship education curriculum to formerly incarcerated individuals.*

HEDCO, SAMA, and the Greater New Haven Chapter of the NAACP and the Greater New Haven Business and Professional Association have offered employability skills and job preparation education to formerly incarcerated individuals for two years. Locally these services have been defined as Second Chance activities, reflecting initiatives by the SBA and the State of Connecticut.

The propose collaborative HEDCO Aspire Challenge Initiative will significant enhance employment and business training and education offered by HEDCO, SAMA, the Greater New Haven Chapter of the NAACP and the Greater New Haven Business and Professional Association. HEDCO will be reaching out to the University of Hartford's Entrepreneurial Center, the SBA-funded Connecticut Small Business Center and individual curriculum consultants to establish a progressive training, education and entrepreneurial curriculum through Stage 1 and Stage II services. The Stage II curriculum will be developed and refined by Challenge partners and retained expert consultants, and launched by the end of the first six-months of the Aspire Challenge grant. HEDCO, SAMA, and its partners all have extensive experience with small business development education, leadership training, marketing, including developing a business plan and back office management with unserved and underserved MWBEs in Connecticut's most distressed urban centers.

HEDCO and its partners will engage previously incarcerated individuals in two cohorts in the first-year of the Aspire Challenge grant. The first cohort will offer participants Phase I training and education, with some entrepreneurial courses already validated by HEDCO. In the second half of the grant year, successful participants from Phase I training will be enrolled in Phase II

entrepreneurial learning. A second cohort will begin later in the first half of the grant period in Phase I education and later in the second half of the grant year in Phase II entrepreneurial learning. Phase I and Phase II classroom learning will be for 2 months for a total of 8 months training reaching 40 Aspire participants. Aspire partners (HEDCO, the NAACP, Upper Albany Main Street, the University of Hartford Entrepreneurial Center, and the Greater New Haven Business and Professional Association) will make their classroom and meeting space available to Challenge participants. HEDCO and SAMA have already placed a limited number of small business development Webinars on their Web sites for interested MWBE's. Through the Aspire Challenge Initiative, HEDCO and its partners will develop new entrepreneurial webinars for participating formerly incarcerated individuals.

HEDCO, SAMA and several other Aspire Challenge Initiative partners have extensive experience offering technical assistance and small business development education and training to un-served and underserved MWBEs in Hartford and New Haven. Thousands of MWBEs have enrolled in HEDCO and SAMA business training and education classes, seminars, and online Webinars. HEDCO, SAMA and the University of Hartford Entrepreneurial Center and the Initiative's New Haven Partners employ full-time staff and expert trainers to provide learning in all areas outlined in the Aspire Challenge Request for Proposals.

3. Mentoring:

Aspire Challenge partners cited in this grant application provide both individual and small group mentoring for MWBEs and other un-served potential entrepreneurs on a regular basis. HEDCO, the Greater New Haven Chapter of the NAACP, and the Greater New Haven Business and Professional Association all have offered mentoring on an individual and small group basis for formerly incarcerated individuals through their Second Chance programs. The above organizations already working with formerly incarcerated individuals know the importance of mentoring in advancing the skills and knowledge of these clients. Each participant in the Aspire Challenge Initiative will be assigned a mentor/counselor who will be there for clients when they need immediate assistance. HEDCO also would like to use mobile technology to link Inspire participants to their mentors to receive more immediate attention.

The City of Hartford is now cited as the second poorest city of its size in the United States (US Census Update 2015). The City of New Haven also is among the ten poorest medium-sized cities in the nation. Hartford has the highest unemployment rate in Connecticut and in New England; New Haven has the second highest unemployment rate. Both cities have very high numbers of formerly incarcerated individuals re-entering the community. The Connecticut Department of Corrections estimate that at least 1,000 formerly incarcerated adults re-enter the City of Hartford each year. These individuals need substantial support to become financially self-sufficient.

4. Community Connections:

HEDCO has the following existing community connections directly related to ongoing services for formerly incarcerated individuals: SAMA, Greater New Haven NAACP, Greater New Haven Business and Professional Association, the local SBA Office, the Upper Albany Small Business Association, the regional Workforce Investment Board, the Hartford Promise Zone Small Business Association, the CT Department of Corrections, the University of Hartford Entrepreneurial Center, both cities' transitional services organizations, local churches in both cities, local banks including Bank of America, The Travelers, the Prudential Foundation, and other financial institutions. HEDCO, SAMA, and the New Haven NAACP have long-standing relationships with both local, city, state, and private sector partners through more than 35 years of outreach and service to underserved MWBEs in the state's distressed urban centers.

Page 4: Access to Capital (1-page maximum)

1. Access to micro-lending: Describe how you will link participants with participating microlenders (and when appropriate), SBA Microloan intermediaries, to fund and grow new businesses

HEDCO is both a certified CDFI organization and a U.S. Small Business Administration Microloan Intermediary and a Connecticut Preferred CECD lender. Currently, HEDCO is the administrator for a significant number of “Loan Funds” established by various public and private sector partners. The following Loan Funds are relevant to the Aspire Challenge Initiative: The new Connecticut Department of Economic Development Minority Business Revolving Loan Program, The Minority Business Enterprise Assistance Fund, City of Hartford Merchants Assistance Fund, the Connecticut DECD Small Business Express, and the SBA Microloan Program. Revolving loan funds currently available to qualified Hartford MWBEs are estimated at \$2.5 million. The new Connecticut Department of Economic Development Minority Business Revolving Loan Program will make \$5 million in new loan funds available to Minority Business Small Business Enterprises available in 2017-2018. HEDCO also is requesting an additional \$500,000 in new loan funds for underserve MWBEs in Connecticut in 2017-2018.

While HEDCO and its partners have new resources to provide greater financial assistance to new un-served and underrepresented formerly incarcerated individuals living in the highly-distressed cities of Hartford and New Haven, these individuals will require substantial technical assistance to qualify for such assistance and gain the necessary skills to pay back their loans, to sustain their businesses and to expand and grow. Aspire Challenge partners (such as the Greater New Haven NAACP, SAMA, the Upper Albany Main Street Organization, and the University of Hartford Entrepreneurial Center, and the New Haven Chamber of Commerce) will have immediate access to loans funds to all Aspire Challenge Initiative participants who qualify for loans or other financial assistance. It will be the role of HEDCO and the above cited partners to recruit formerly incarcerated individuals for the Aspire Initiative, assess their skills, provide mentoring, and support their progress through Phase I and Phase II for the program. HEDCO and its partners then will work with successful candidates to assist them originate and close their loans.

2. Connection to capital and funding opportunities: Describe how your organization will help to prepare to meet with capital providers, preparing proper documentation, matchmaking events with local lenders and funders, or business pitch events to key member of an entrepreneurial ecosystem.

HEDCO, through significant private support, has been able to greatly enhance its loan origination and closing procedures. Through the support of the Prudential Foundation, the Farmington Bank, the Webster Bank, People’s Bank, TD Bank and others, HEDCO has installed and is using a “paperless” loan origination and closing system, accessible to its small business clients through its Web site. All facets of the loan application and loan closing are now electronic and accomplished with the assistance of HEDCO Small Business Development staff. Many of HEDCO’s traditional public sector and private sector funding sources are increasingly supportive of efforts to support entrepreneurial success among formerly incarcerated, non-violent individuals. Many of HEDCO’s current requests for private sector funding pertain to support for technical assistance and training for this very underserved adult population.

HEDCO also will be reaching out to several major community foundations, including the Hartford Foundation for Greater Hartford and the Community Foundation for Greater New Haven to engage their help in sustaining and expanding the Aspire Challenge Initiative. Additionally, HEDCO is working with such entities as the Prudential Foundation and the Travelers to actively engage their employees for pro-bono financial education and mentoring for Aspire Participants.

Finally, HEDCO and its partners will ask their existing clients to help Aspire participants learn how to sell their business services to new clients.