



Department of Economic and
Community Development

Connecticut

Glendowlyn Thames
Deputy Commissioner

February 1, 2021

Ms. Kim Hawkins
President & CEO
HEDCO, Inc.
207 Main Street
Hartford, CT 06103

Dear Ms. Hawkins:

The Connecticut Department of Economic and Community Development (DECD) is pleased to provide this letter of financial support to HEDCO, Inc., in Hartford, Connecticut.

DECD Assistance

DECD is providing funding over a two-year period in an amount not to exceed \$550,000 to HEDCO to provide small business education, training and financial support services to minority and women owned businesses. This funding will be provided as follows:

Year 1 \$275,000 - To be paid out in two disbursements; one payment of \$137,500 upon execution of the contract; the second payment of \$137,500 will be contingent on the review and approval of the program assessment and analysis report.

Year 2 \$275,000 - To be paid out in two disbursements: one payment of \$137,500 upon successful completion of Year 1. The second payment of \$137,500 will be contingent on the review and approval of the program assessment and analysis report.

Funding will be provided from the Small business Express Program, pursuant to Public Act No. 11-1.

Project Description & Use of DECD Funds

As a value added service for the Minority Revolving Loan Fund, DECD funding will be used to support the HEDCO, Inc., SHEBA, and Liberty Bank partnership in providing a comprehensive small business education, training, and financial support to up to 40 at-risk MWBEs (20 participants each year) seeking to begin or sustain their small business enterprises over the next two years. SHEBA (a sub-recipient) will receive \$250,000 per year to perform comprehensive assessments of MWBEs small business needs and the provide targeted education, training, and skills

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development services. HEDCO, Inc. will be responsible for assessment of program performance and achievements and will help to publicize the new initiative in the region. For this HEDCO will receive \$25,000 per year. Liberty Bank will provide \$30,000 to assist HEDCO, Inc. for unmet initiative needs.

If this letter is acceptable to HEDCO, Inc., please reply in writing and return Attachment "A" within 5 days of the date of this letter, to the attention of Ms. Toni Karnes, your project manager at the address shown. If you have any questions, please contact Ms. Karnes at 860-500-2439 She can assist you with all facets of your business development project.

Sincerely,

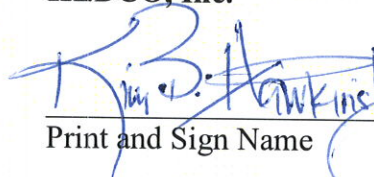
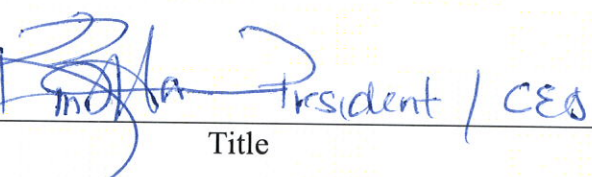


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Attachment

Agreed and Accepted By:

HEDCO, Inc.

		2/4/21
Print and Sign Name	Title	Date

Attachment A – Scope of Services

PROGRAM GOALS/OBJECTIVES & METRICS

COMPREHENSIVE ASSESSMENTS OF SMALL BUSINESS SKILLS (Five Days average)

- Numbers of MWBEs enrolling in the Skills Assessment Program: (Baseline 20 MWBEs per Year -2 years)
- Number of MWBEs completing the Skills Assessment Program: (Baseline 5-20 MWBEs) # Analysis of post-assessment questionnaires submitted by participants
- Offering of tailored small business training and education services (one year)
- Number of MWBEs completing assessment program choosing to engage in Training and Education
- Number and description of training and education curricula selected by MWBEs
- Number of MWBEs completing one or more business education/skills training sessions
- Analysis of # MWBEs enrolled in small business training compared to program costs
- Analysis of # MWBEs completing the overall program compared to program costs
- Number of MWBEs obtaining small business loans and total dollar value of loans as direct result of the Collaborative Program

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- Number of core program sponsors and estimated in-kind or cash contributions HEDCO, INC.
- Amount of In-kind contributions and direct financial assistance to MWBEs involved in program

HEDCO, Inc.
ATTACHMENT "B"

Financial assistance from the Department of Economic and Community Development is subject, but not limited, to the following:

1) Completion of Required Documents

- Application
- Financing Plan and Budget
- Corporate Resolution
- Non-Discrimination Certification
- W-9 and Agency Vendor Form
- Department of Labor Release Form
- ACH Payment Information
- Evidence of necessary Insurance Requirements (see Exhibit B)

2) Transaction Costs

- **Agreement from the Company to accept responsibility for the payment of all necessary and appropriate fees associated with this transaction, whether a closing takes place.** Such costs may include reasonable attorney fees, appraisal costs, and other possible fees and costs related to this including the closing costs associated with securing the State Financial Assistance. State funds can be used to pay fees but must be incorporated into the Project Financing Plan and Budget.

5) Counsel

- DECD advises the Applicant to retain counsel. Please provide name and contact information of your counsel on the line below.

Counsel Contact (include email address):

Name: Att. John D. Gale
Address: 363 Main Street Fl 4 Hartford, CT 06106
Phone: 860 522-8296 Fax: 860 522-8298
E-mail Address: office@jgale.com

Please initial below to indicate that you have been informed of these conditions and return with your written acceptance of this letter of interest.

Initials: _____

[Signature]

Date: _____

2/4/21

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EXHIBIT B
INSURANCE REQUIREMENTS FOR NON-PROFIT AND FOR-PROFIT ENTITIES

(A) Applicant shall procure and maintain for the duration of the Project Financing Plan and Budget the following types of insurance, in amounts no less than the stated limits, against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder; provided however, that if this project is (i) financial assistance of no more than \$100,000, (ii) a planning grant, or (iii) a predevelopment loan, only items 1 and 2 as set forth herein shall apply:

- 1) Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage. Coverage shall include Premises and Operation, Independent Contractors, Product and Completed Operations and Contractual Liability. If a general aggregate is used, the general aggregate limit shall apply separately to the Agreement or the general aggregate limit shall be twice the occurrence limit.
- 2) Workers' Compensation and Employer's Liability: **Statutory coverage in compliance with compensation laws of the State of Connecticut.** Coverage shall include Employer's Liability with a minimum limit of \$100,000 each accident, and \$500,000 Disease – Policy limit, \$100,000 each employee.
- 3) Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury. Coverage extends to owned, hired and non-owned automobiles. If the vendor/contractor does not own an automobile, but one is used in the execution of the contract, then only hired and non-owned coverage is required. **If a vehicle is not used in the execution of the contract, then automobile coverage is not required.**
- 4) Directors and Officers Liability: \$1,000,000 per occurrence limit of liability; provided, however, that Directors and Officers Liability insurance shall not be required for limited liability corporations or limited partnerships.
- 5) Comprehensive Crime Insurance: \$100,000 limit for each of the following coverages: Employee Dishonesty (Form O), Forgery/Alteration (Form B), and Money and Securities coverage for Theft, Burglary, Robbery, Disappearance and Destruction.
- 6) Builders Risk: **(Construction Project only during the construction phase)** With respect to any work involving the construction of real property during the construction project, if DECD is taking a collateral position in the property, the Applicant shall maintain Builder's Risk insurance providing coverage for the entire work at the project site. Coverage shall be on a Completed Value form basis in an amount equal to the projected value of the project. Applicant agrees to endorse the State of Connecticut as a Loss Payee.
- 7) Property Insurance: (Post Construction) **If DECD is taking a collateral position in the property,** the Applicant shall maintain insurance covering all risks of direct physical loss, damage or destruction to real and personal property and improvements and betterments (including flood insurance if property is within a duly designated Flood Hazard Area as shown on Flood Insurance Rate Maps (FIRM) set forth by the Federal Emergency Management Agency (FEMA)) at 100% of Replacement Value for such real and personal property, improvements and betterments or the maximum amount available under the National Flood Insurance Program. The State of Connecticut shall be listed as a Loss Payee.

(B) Additional Insurance Provisions

- 1) The State of Connecticut Department of Economic and Community Development, its officials and employees shall be named as an Additional Insured on the Commercial General Liability policy. Additional Insured status is not required for items (A)2 through (A)7 above.
- 2) Described insurance shall be primary coverage and Applicant and Applicant's insurer shall have no right of subrogation recovery or subrogation against the State of Connecticut.
- 3) Applicant shall assume any and all deductibles in the described insurance policies.
- 4) Without limiting Applicant's obligation to procure and maintain insurance for the duration identified in (A) above, each insurance policy shall not be suspended, voided, cancelled or reduced except after thirty (30) days prior written notice by certified mail has been given to the State of Connecticut, with the exception that a ten (10) day prior written notice by certified mail for non-payment of premium is acceptable.
- 5) Each policy shall be issued by an Insurance Company licensed to do business by Connecticut Department of Insurance and having a Best Rating of A-, VII, or equivalent or as otherwise approved by DECD.