



COMMEMORATING 45 YEARS OF SUCCESS

MAKING OUR MARK

Growing, partnering and transforming Connecticut's
small businesses, non-profits and local communities

ABOUT US

SHOWING SMALL BUSINESSES AND NON-PROFIT ORGANIZATIONS THE PATH TO SUCCESS



ABOUT OUR COMPANY

Created in 1975, HEDCO Inc. continues to provide mission focused loans to help clients and their communities improve, achieve and succeed by supporting their growth and progress. As part of our commitment to economic growth, we turn understanding into action. We build productive partnerships, create new programs to meet the changing needs of entrepreneurs and increase the funds available to help people build and improve their business or non-profit organizations. What makes our business model unique are the motivations behind our lending, the sizes of our loans, and the people involved in the process. We understand that fostering entrepreneurship in low-income communities is a proven path to prosperity. We derive satisfaction by seeing people transform an idea, a dream or a passion into a thriving business.

EST - 1975

OUR EXPERIENCED STAFF MEMBERS ARE PROBLEM SOLVERS WHO PROVIDE A PERSONAL TOUCH AND ARE ACCESSIBLE WHEN YOU NEED THEM. FOR OVER 40 YEARS WE'VE OFFERED:

- Free business advisory services
- Low Interest loans with flexible terms
- Revolving loan funds
- Technical assistance



EXECUTIVE COMMITTEE

Barbara J. Randolph Chairwoman	Marianne Stowell Treasurer
Eric C. Bauer Vice Chairman	Wayne Benjamin Assistant Treasurer
Edward J. Samorajczyk Secretary	Julio Mendoza Nomination Committee Chairman
Paul Perakos Assistant Secretary	

BOARD MEMBERS

Michael Casparino	Alan Lazowski
Don Chapman	Fernando G. Rosa
Michele M. Frey	Nicholas Seminara
Jeff Hubbard	George Swepson
Sheila S. Hummel	Pauline Yoder
Andreas Kapetanopoulos	David Cabezas
Ana Alfaro	Donte Fazzina



HEDCO Inc.
The Link to Business Success

LETTER FROM THE CHAIRWOMAN

Dear Friends,

2020 is a landmark year for HEDCO, Inc. as we celebrate our 45th anniversary and our 45th consecutive year of growth, driven by strong partnerships, our center of excellence and our high performing culture. 2020 also reflects another year in which our employees once again showed great commitment to drive the success of our company. In the midst of the pandemic, our dedicated staff is doing an incredible job at expanding our outreach while strengthening our programs and services. As you are aware an outbreak of a new strain of coronavirus ("COVID-19") was declared a pandemic by the World Health Organization in 2020. Due to the crucial role we play in assisting minority owned small businesses and community growth, HEDCO is considered an essential business and continued to operate under state-of-emergency and stay-at-home orders.

HEDCO remained committed to assisting customers as they work to stay afloat. We are extending our partnerships and making adjustments to align with our customer needs and operating conditions. HEDCO has become a premier resource for navigating Covid-19 by...

- Implementing operational excellence in responding to our current and potential customers' evolving needs in a cost-effective manner. Operational excellence in today's world is enabled by best-in-class technology, which we are using in a number of ways to increase efficiency across HEDCO.
- Spearheading the COVID-19 Business Response Program.
- Temporarily closing offices to prevent exposure to and the potential spread of the virus. Each employee is working remotely, is accessible by email and will be responsive to your communication attempts.
- Providing virtual training workshops and seminars.
- Establishing an emergency response team starting with our CEO, Fernando Rosa.

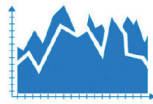
We will continue to deepen relationships with consumers, funding partners and local and state agencies in Connecticut. Our goal is to improve the financial outlook for small businesses and create entrepreneurial experiences that will aid business owners in reaching optimal performance.

As you read this year's report, you'll see there's a lot worth celebrating. From witnessing the growth of long-running programs to seeing new efforts get underway, 2020 has reinforced how important our work is in sparking economic growth, developing equity among business owners and supporting and investing in small, local businesses. We are proud of the past forty-five years and have highlighted our success by the decade in this year's report.

The evolution of our company has been exceptional. On behalf of the Board of Directors and myself, I sincerely thank all our advocates, funding partners, clients, employees and friends — we are stronger because of you.

BARBARA J. RANDOLPH
CHAIRWOMAN OF THE BOARD

State of Financial Position



Financial Summary

Year End
June 30, 2020
& 2019

ASSETS

2020

2019

Cash	10,984,915	10,280,031
Investments, at fair value	633,816	592,579
Loans receivable, net of allowance	28,104,220	23,924,543
Accounts and grants receivable	265,118	227,686
Furniture and equipment, net of accumulated depreciation	87,303	34,193
Prepaid expenses and other assets	170,600	170,600
Other real estate owned	—	80,000

Total Assets	\$40,245,972	\$35,809,632
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LIABILITIES AND NET ASSETS

Liabilities

Accounts payable and accrued liabilities	204,190	224,492
Refundable Advance	5,000,00	—
Loans payable	15,490,872	15,298,296
Total Liabilities	20,695,062	5,174,274

Net Assets

Without donor restrictions	15,114,348	13,406,582
With donor restrictions	4,436,562	6,380,262
Total Net Assets	19,550,910	19,786,844

Total Liabilities & Net Assets	\$40,245,972	\$35,809,632
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HEDCO INC. TIMELINE

SHOWING STARTUPS
& SMALL BUSINESSES
THE PATH TO SUCCESS

45
YEARS
& COUNTING

1975-1984

- 1975 Hartford Economic Development Corporation (HEDCo) was incorporated as a Small Business Technical Assistance agency.
- Received 250K in CDBG funding (Community Development Block Grant).
- 1984 begins lending for SBA and corporate funding.



1985-1994

- HEDCo and the Greater Hartford Business Development Center (GHBDC) formed a partnership to provide lending to small businesses.
- MRLF program added to services.
- Expansion of service area from City of Hartford to Metro Hartford region.
- HEDCo, UCONN and the Hartford Women's College initiated the Women's Enterprise Development Program funded by the Travelers.

1995-2004

- HEDCo and GHBDC selected to be lenders for the State of CT Department of Economic and Community Development (DECD) Loan programs.
- Selected by the Hartford Foundation for Public Giving to administer and provide loan to nonprofit agencies in the HFPG service areas.
- Began revolving loan fund program for minority and women owned construction companies.
- Expanded lending program with the SBA.
- Footprints expands from Metro Hartford region.

2005 - 2014

- HEDCo and GHBDC merge and become HEDCO, Inc. June 1, 2011.
- Footprint for newly merged entity expands to all 169 towns and cities in CT from 57 in prior decades.
- The Business Resource Center opens to provide one-stop technical assistance in rapidly expanding client base in multiple stages of entrepreneurial development.
- HEDCO added and expanded the Contractors Revolving loan fund Program.
- HEDCO in partnership with The Travelers and the DECD created a Bond Guarantee Program for women and minority businesses throughout the state of CT.



2015 - 2020

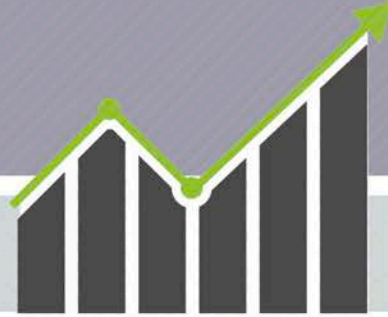
- HEDCO, Inc. awarded a 25 million dollar Minority Business Revolving Loan Fund (MBRLF) program through the State of CT DECD in partnership with the Spanish American Merchants Association (SAMA).
- COVID-19 Relief: HEDCO worked with the Hartford Foundation for Public Giving to establish a special program for nonprofits impacted by COVID-19.
- Partnered with the State of CT DECD and the Connecticut Minority Business Initiative to administer a 5 million dollar grant program to be used to support women and minority owned small businesses affected by COVID-19.



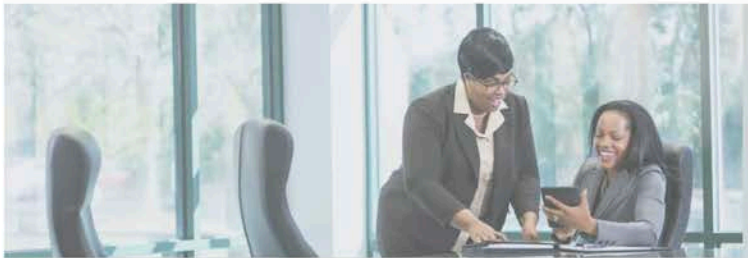
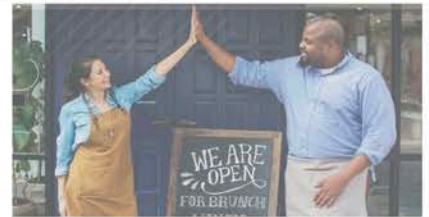
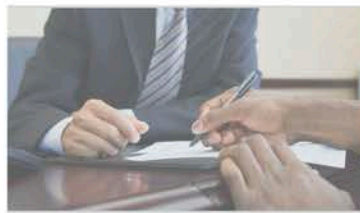
BY THE NUMBERS

LENDING TO SMALL BUSINESSES

NEW LOANS



1975
1984 **90**

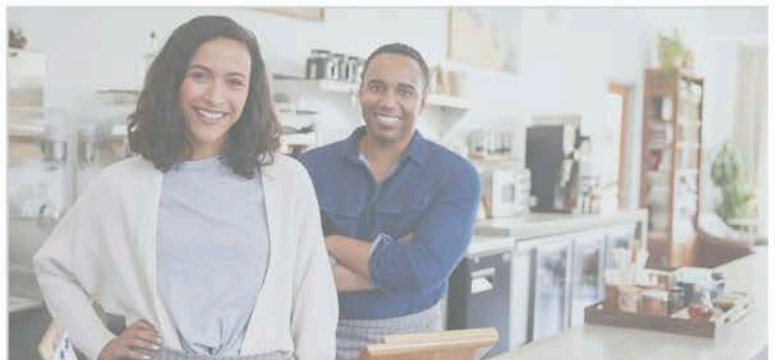


22% 1985
increase 1994

47% 1995
increase 2004

2005 **204%**
2014 increase

2015
2020 **74%**
increase





Supporting our customer base from end to end, we provide the tools that open the door to becoming an entrepreneur from concept to network to business owner.



MRLF PROGRAM

MERCHANT REVOLVING LOAN FUND

Our Merchant Revolving Loan Fund (MRLF) Program has been in existence since 1983 and is funded by CDBG (Community Development Block Grant) through the City of Hartford. This program has enabled HEDCO to help hundreds of small businesses throughout four specific corridors within the City. MRLF is designed to ensure new and existing business owners have access to the capital they need to promote economic growth, ultimately driving job creation and retention.



MBRLF PROGRAM

MINORITY BUSINESS REVOLVING LOAN FUND

Our Minority Business Revolving Loan Fund (MBRLF) Program is administered by the Department of Economic and Community Development (DECD). The MBRLF provides opportunities for minority owned and/or women owned entrepreneur/business owners throughout the state of Connecticut. This program's success relies on its ability to help new and existing business owners gain access to capital in order to start or grow their business.



COVID-19

THE COVID-19 BUSINESS RESPONSE PROGRAM

The COVID-19 Business Response Program is a direct response to the coronavirus pandemic. HEDCO partnered with the state Department of Economic and Community Development (DECD) and the Connecticut Minority Business Initiative on a financial relief program for minority owned and women-owned small businesses that have been negatively impacted by the coronavirus pandemic.

SOLUTIONS

WE ENVISION A FINANCIALLY INCLUSIVE SOCIETY WHERE MINORITY BUSINESS OWNERS HOLD THE POWER TO IMPROVE LIVES AND COMMUNITIES.

SOLUTIONS FOR SUCCESS



FINANCIAL SUPPORT

As small business clientele require access to capital needs that would be otherwise unmet or underserved, we look for ways to provide hope and opportunity for people to realize their dream businesses, create financial freedom and contribute to their communities through job creation and needed services. HEDCO seeks to ensure that our loan programs are representative of today's market. We continue to develop and offer small businesses and non-profit organizations flexible and affordable loan options that fit their needs.

TECHNICAL ASSISTANCE

As a growing percentage of small business owners require assistance to get started and create opportunity for sustainable growth, HEDCO created and implemented "The Business Resource Center (BRC)" to provide a wide array of programs, support services and resources to local businesses. "The Business Resource Center (BRC)," is a one-stop service center that houses HEDCO's technical assistance programming and support services. With the evolution of technology entrepreneurs have access to markets and more capabilities to start and expand their businesses. However, not all entrepreneurs have the resources or the business acumen required to start up and maintain a business. The Business Incubator Program, training classroom, team of experienced business professionals and experts continue to support our clients and look for opportunities to assist with changing business needs.

TRAINING PLATFORM

Ongoing business training is an essential component to bridging the gap between expectation and performance. The ability to remain relevant and competitive in the current marketplace requires constant personal and professional development. Our "Business Resource University" provides training classes designed to equip small business owners with the tools necessary for success. Key topics of discussion include business management, marketing, finance and the legal arena. Our interactive training classes are two-fold, they help to engage the business owners and reinvigorate the classroom by changing lectures into discussions and along the way business owners and instructors become partners in the journey of knowledge acquisition.



PROVIDING SERVICES TO HELP CLIENTS ACHIEVE RESULTS

HEDCO, Inc., strengthens Connecticut's economy by assisting startups and small businesses through the power of the incubator program, creating sustainable outcomes and increasing market share. Our business model helps to ensure that we are nimble in our response to changing environments and delivering programs that meet the needs of our clients. The areas highlighted influence HEDCO's strategic outlook, allow us to deliver on our promises and ensure successful business outcomes. On an annual basis, we review and improve upon these influences as they directly enhance our current programs and the implementation of new programs.



BUILDING PARTNERSHIPS FOR WHAT'S NEXT:



WE'RE HERE TO HELP

As seen through the coronavirus pandemic minority owned small businesses face structural challenges that underscore the underlying economic vulnerability of underrepresented groups, including the Black and Latinx communities. This is according to a special report released by the U.S. Chamber of Commerce and MetLife. Minority owned business owners are more likely than non minority owners to report difficulty obtaining loans, express fears about permanently closing, and predict declining revenues in the coming year. This revelation will directly affect the health and stability of minority owned small businesses. Additionally, the Federal Reserve Bank reported that minority owned small businesses were significantly more likely to show signs of limited financial health—by factors such as profitability and credit scores, they are also twice as likely to be classified as “at risk” or “distressed” than non minority owned small businesses.

With the acknowledgment of the pandemic's impact on minority owned small businesses, HEDCO's leadership team began to focus on solutions. They leveraged available information and resources, met with government officials and state and local agencies to develop a program that would help local communities. What emerged from their effort was a rich portrait of individuals taking action through uncertainty and acting quickly to put their resources to work. The final outcome was HEDCO, in partnership with Governor Ned Lamont's office, the State Department of Economic & Community Development (DECD) and the CT Minority Business Initiative announced the COVID-19 Business Response Program Line of Credit. The program provided \$5 million in zero-interest credit to minority and women owned small businesses with 20 or fewer employees that were negatively impacted by the coronavirus pandemic.

Qualified applicants were required to have a minimum of 51% of minority/women ownership; “good standing” with the Department of Revenue Services (DRS); and were conducting business for at least 6 months. As a result, we processed 478 loans through the COVID-19 Business Response Program Line of Credit to help businesses remain operational during the pandemic.



WE'RE ALL IN THIS TOGETHER

TESTIMONIALS AND SPONSORSHIP THROUGH COVID-19



"I really appreciate HEDCO for their assistance during COVID-19 and for

***Serenity Designs LLC
Bernadette***

"HEDCO's Covid-19 grant helped her business a lot and she is very grateful for it."

***Silhouettes Hair Salon
Alexandra***

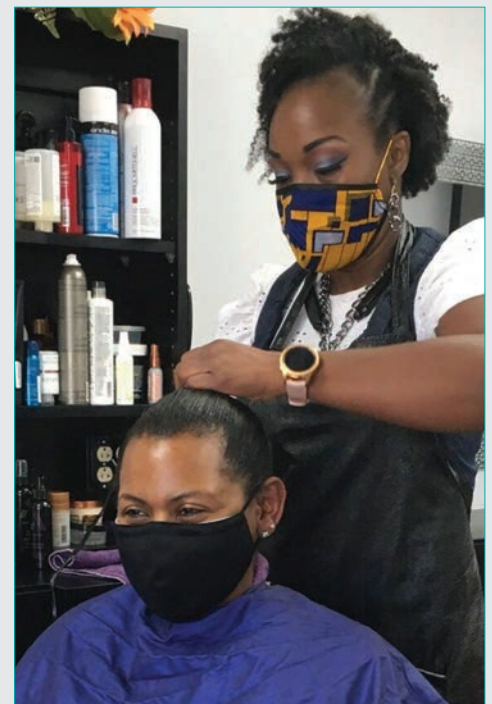
"I just wanted to thank you for your generosity, gifting me the much needed the PPE for my salon. I go through so many gloves (especially now) and haven't been able to procure KN95 masks at a reasonable and affordable price.

It was so kind of you to personally deliver as I know you are based out of Hartford and it's a long drive. I was so taken off guard and at first thought you were trying to sell me something LOL!!

Again, I just wanted to let you know how much I appreciate what you ladies do for us!!

Wishing you both peace, good health, and the promise of a better future for us all"

***Robert Christie Salon
Sue Camarda***





OUR TEAM



EXECUTIVE TEAM

FERNANDO G. ROSA



President &
Chief Executive Officer

KIM B. HAWKINS



Vice President &
Chief Operating Officer



TEAM MEMBERS

Patricia R. Geronimo

Chief Financial Officer

Daisy Butler

Administrative Specialist,
Business Resource Center

Thuvan Dinh

Loan Administration Specialist

Enrico Mendes

Senior Business Development
Officer

Jimmy McMikle

Business Development Officer

Morgan Randolph

Business Development Officer

John E. Robinson

Business Development Officer

Linda Pines

Executive Assistant

OUR FUNDING PARTNERS

Bank of America
Berkshire Bank
Citizens Bank
City of Hartford
Connecticut Department of Economic
& Community Development (DECD)

Farmington Bank
Hartford Foundation for Public Giving
Key Bank
Laz Parking
Peoples United Bank
Prudential Foundation
Santander Bank

Savings Bank of Danbury
SBA Microloan Program
SBA Prime
TD Bank
The Travelers
Webster Bank



HEDCO Inc.
The Link to Business Success



“TO MOVE THE WORLD, WE MUST FIRST MOVE OURSELVES”

SOCRATES

HEDCO, Inc.
207 Main Street
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Hartford, CT 06106

Business Resource Center
207 Main Street
3rd Floor
Hartford, CT 06106

Consultation and Text:
Katonya Hughey
President of Juene' Consulting LLC

Creative Design:
Exclusive Linez

Photo's of HEDCO, Inc. Team
William Pettigrew

