

LARSON URGES RECOGNITION FOR HUB ZONE AWARENESS WEEK

FOR IMMEDIATE RELEASE: April 17, 2001

LARSON URGES RECOGNITION FOR HUB ZONE AWARENESS WEEK

HARTFORD—U.S. Congressman John B. Larson (CT-01) today attended a press conference on Park Street in Hartford to announce Historically Underutilized Business (HUB) Zone Awareness week. The press conference was organized by the Southside Neighborhoods Institution Alliance (SINA), the Spanish American Merchants Association (SAMA) and the U.S. Small Business Administration (SBA) to encourage qualifying Hartford small businesses to apply for the HUB Zone designation from the SBA between April 16 and April 20.

Should a small business apply for and receive the designation, it would give that business a variety of economic advantages in applying for federal contracts that include exclusive set asides, the ability to enter into non-competitive contracts and preference over other bidders, according to SINA.

“Encouraging small businesses to utilize the HUB Zone program represents a tremendous opportunity to breathe needed economic life into low-income areas,” said Larson. “Making investments in disadvantaged areas, to help businesses and their employees is what this program, and others such as the New Markets Initiative, are all about. Public investment in poor communities, though partnerships with business is what will lift neighborhoods and people out of poverty, creating generations of success and economic health.”

Eddie Perez, the president of SINA said: “The HUB Zone program is another reason for businesses to invest in the SINA neighborhood. The \$220 million ongoing public and private investment in the Learning Corridor, new housing, road improvements, job creation and new resources for families and children coupled with the preference given to neighborhood businesses makes our neighborhood attractive for businesses looking to grow.”

Julio Mendoza, the Executive Director of SAMA stated: “The HUB Zone program has the potential to inject hundreds of thousand of new dollars into the Park Street economy and the city as a whole. This program will give neighborhood businesses real advantages when pursuing federal contracts.”

In order for a company to qualify for a HUB Zone designation, 35% or more of its employees must live in a designated “HUB Zone” area, which are areas with high poverty rates. If a Hartford small business employs people from, or is located in, one of Hartford’s 31 high poverty areas, they are encouraged to apply for the designation at SAMA or SBA Headquarters in Hartford. The SBA has also designed a new online application that will help speed the process.

In 2000, \$646 million worth of federal contracts were awarded to the 2,700 HUB Zone businesses in America. By 2003, 3% of all federal contracts will be set aside for HUB Zone businesses. As of now, only three businesses in Hartford have applied for and received the HUB Zone designation. Nationally, HUB Zones are located in more than 7,000 urban census tracts, 900 rural counties, and on every federally recognized Native American reservation.

###