

Washington Business Journal - May 26, 2008

<http://washington.bizjournals.com/washington/stories/2008/05/26/story6.html>

WASHINGTON BUSINESS JOURNAL

Friday, May 23, 2008

Prince George's institutes program to help minority developers win bids

Washington Business Journal - by [Joe Coombs](#) Staff Reporter

Long before the shouting began about the lack of local minority contracting opportunities at National Harbor, Prince George's County officials were working on a remedy.

Even though there wasn't a requirement to specifically hire minority or local developers at the \$4 billion waterfront project -- the deal with the county called for 20-30 percent participation of either local or minority businesses -- county economic development officials saw a need to better position their homegrown developers for future megaprojects in Prince George's.

A first-ever contractors' development program, designed to give minority and local developers a better track on bidding for large-scale projects, has attracted 10 Prince George's businesses, nine of which are minority-owned. It has been in the works for nearly two years, during a time of unprecedented growth in the county.

Classes began in mid-April, and when participants are finished with the certification program in late June, they will be armed with more knowledge on development negotiations, project estimation and other skills needed for securing bids, said Charlotte Ducksworth, director of the Prince George's County Chamber of Commerce's small business initiative, which is sponsoring the program with several entities.

"National Harbor was a good thing, not only because it's our largest project ever, but it allowed us to see some of our capacity challenges" for local and minority contracting, Ducksworth said.

National Harbor's developer, Fairfax-based The Peterson Cos., has actually exceeded its "local or minority" hiring goal, with more than 36 percent of the work devoted to those entities, said Ron Adolph, chief executive officer of Oxon Hill-based The TAC Cos. Adolph's company is managing the local and minority hiring process for Peterson and Nashville, Tenn.-based **Gaylord Entertainment Co.**

Many Prince George's-based contractors, Adolph said, simply did not qualify for work at National Harbor due to their size alone.

Of the 2,000 registered contractors at National Harbor, 222 are local minority-owned businesses, he said. Of that group, only 24 had annual revenue of more than \$5 million, and only one had more than \$50 million, Adolph said. All told, 48 contracts have been

administered to Prince George's-based local and minority-owned companies for a total of \$46.5 million.

"Some of the buildings going up now at National Harbor are minimum \$70 million projects," Adolph said. "When those bids go out, companies like Peterson are looking for contractors who do at least \$70 million in revenue each year. There's simply a shortage of those types of contractors located in Prince George's."

In some cases, smaller local contractors also are not aware of qualifications for construction bonding, finances, safety regulations and other areas before they bid on a large project, Ducksworth said.

With the certification program, she said, participants are also getting a "mentoring experience" from developers like Peterson and the backers of Konterra, a pending 2,200-acre mixed-use development in the county.

Those developers, along with accountants, lawyers and specialists from organizations such as the Construction Finance Management Association, are serving as instructors at the weekly classes.

"Ultimately, we want to make sure our local businesses build relationships with the larger contractors in our region," Ducksworth said.

E-mail: jcoombs@bizjournals.com phone: 703/258-0827

All contents of this site © American City Business Journals Inc. All rights reserved.