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Participants in the Small Contractor Development Program.  
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## Small Contractor Development Program

Supporting minority & women owned businesses in New Haven, Connecticut

*By Jade Hardrick, Connecticut Economic Development Association & Laura Brown, UConn Extension*

The Small Contractor Development Program (SCDP) is designed to help small, minority and women-owned construction businesses grow and overcome obstacles to winning contracts on City of New Haven projects. The program is part of New Haven's Department of Economic Development which values job creation, improving quality of life and increasing economic growth.

The SCDP was implemented to guide and nurture a competitive local construction industry that would represent New Haven's ethnic diversity. This program is intended to provide equal opportunities for construction and construction-related contractors, and to target and mentor minority and women-owned firms which have been historically disadvantaged and were denied opportunities. According to Lil Snyder, SCDP Program Manager, the City of New Haven was beginning a large school construction project and wanted to include small, local, minority and female contractors. New Haven sets goals on its projects to make sure that all construction businesses have equal opportunities to participate in city projects and monitors these projects to ensure they meet diversity requirements.

In 2001, the Board of Alders adopted Section 12 ¼ of the New Haven Code of Ordinances which created the SCDP. The ordinance allows the city to provide opportunities for small and minority contractors, to initiate parity in New Haven construction contract procurement, and provides them with opportunities to develop, compete and succeed.

The program has assisted more than 1,000 small, minority and women-owned firms with contract issues, payments, bid documents, credit, registration, and contractor conflicts. City of New Haven construction projects valued under \$150,000 are reserved for competitive bidding to registered contractors, but construction projects valued over \$150,000 must prove an effort to achieve a 25% minority subcontractor goal. There are no bonding contracts for projects valued under \$100,000.

The SCDP also maintains a database that identifies New Haven-based companies, women-owned companies, and minority-owned construction businesses. Small contractors particularly benefit from the program by helping them become familiar with the public bid process, creating a portfolio of bid and work history, and being able to measure success and failure.



Image credits: Lil Snyder

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Lil Snyder, SCDP Program Manager

Challenges in implementing the SCDP included shortages of skilled labor in the industry, breaking up bid packages into small, more manageable packages for small contractors, and creating a prompt payment process. Snyder advised municipalities to have all departments on board with the goals of the program, have a strong monitoring and reporting system in place, and conduct a disparity study.

In addition to the SCDP program, the city of New Haven is underwriting a \$1.5 million emergency loan program that targets small businesses owned by minorities and businesses during COVID-19. Minority and women-owned businesses have suffered disproportionately, compared to other businesses during the pandemic.

Sifyan, L. and Parilla, J. (2020, April 14). Businesses owned by women and minorities have grown. Will COVID-19 undo that? Brookings.

<https://www.brookings.edu/research/businesses-owned-by-women-and-minorities-have-grown-will-covid-19-undo-that/>

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