

Housing authority reports emerging business success

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By Scott Carlson

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Atlas Iron and Wire Works Inc. represents a 2009 statistic in the Milwaukee Housing Authority's emerging business enterprise program.

But company President Dan Biedenbender said the work that might add a couple of percentage points to the city agency's ledger means the difference between success and failure for his Milwaukee company, particularly last year when revenue had fallen 40 percent from a couple of years earlier.

"In this economy, there is not a lot private work going on," Biedenbender said. "Without it, I don't know what we would have done."

In 2009, Atlas was among more than 60 businesses that benefited from the work of the Milwaukee Housing Authority's program. On Wednesday, EBE program manager Louise Hutchins said the authority achieved 31 percent in EBE contracting on agency and related projects, surpassing its voluntary goal of 20 percent.

In addition, Hutchins and her staff helped open doors for certified emerging businesses, typically those owned by women or minorities, to work with other public agencies and private general contractors. That generated another roughly \$13 million in work for emerging businesses, she said.

Despite a down economy, Hutchins credited the Housing Authority surpassing its 20 percent goal for EBE contracting to "general contractors who understand the importance of using emerging businesses. They are the job creators and they help their industry."

Hutchins said the Housing Authority is reaching out more and more to partner with other agencies and the private sector because there is not enough dependable or ongoing work for emerging business owners.

"We were losing emerging business because we couldn't support them off of the public sector," Hutchins said. "We needed to get them involved in a venue with the private sector."

Despite its EBE status, Biedenbender said, the certification is not a guarantee of getting work, nor is the status something his company can translate into revenue projections for the next year.

“It is not a huge advantage because we still have to be very competitive in everything we do,” he said. “We have to be able to compete and complete the project. In today’s world, if we are not low bid we are not going to get the job.”

Meanwhile, as a general contractor, Craig Jorgensen said he considers the EBE program essential in getting a chance to win public contracts. His firm, VJS Construction Services, is working on the \$6.5 million Olga Village senior housing project in Milwaukee and has seven EBE subcontractors and material suppliers on the job.

Still, Jorgensen said, he also sees a greater good in the EBE program even though he knows there are some people in the subcontracting community who resent it.

“It is good for the overall betterment of the community,” he said, noting it helps in mentoring and training emerging business owners so they can succeed.