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## Akron Urban League's MCCAP program a boon to minority contractors

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The Akron Urban League's first MCCAP class: Dwayne Hubbard, left, Dierre Id-Deen, Rodney Griggs, Larry Walker, LaQuata Williams, Gary Barton, Angela and Tommy Brown, and Ervin Worthy.

Even many successful businesspeople have bad memories of starting their careers and financial lives — applying for coveted initial jobs, only to be told they needed experience first, or being denied a loan because they hadn't had one before.

How, many have wondered, does a person get experience or build a credit record, when no one will hire them or give them a first loan?

Minority contractors, many of whom start their businesses after working for other companies and mastering their trades, say they often feel the same way.

They're told contracts are too big for them, because they've never done similarly sized jobs. They operate on bootstraps, because it's often difficult to get that first loan when their company doesn't have a credit history or a track record with a lender.

Enter the Akron Urban League and MCCAP.

MCCAP stands for Minority Contractor Capital Access Program and, while it definitely does help small, minority contractors to access capital, it does far more than that.

"Our goal is for them to be successful and grow their business — we provide them with the tools to do that," said Gail Wilson, the Urban League's director of the two-year MCCAP initiative.

That includes, she said, technical help with marketing, accounting and legal services from local professionals. They work with the program to make sure participants have and can use things like QuickBooks; are able to properly go over and fully understand contracts and other legal documents; and know how to target their marketing and get their names out effectively and affordably.

The program even provides a new laptop that runs QuickBooks and a new mobile phone to ensure that participants can communicate with employees, clients and others effectively.

Coaching and mentoring are provided, often by seasoned construction entrepreneurs, some of whom have retired and some of whom are looking for new subcontractors.

"We try to give them everything they need and make all these things available for them," said Wilson, whom participants and volunteers alike credit with keeping the program not only going through the pandemic, but able to graduate its first cohort of local business owners and be in a position to expand next year.

The program also works to find business opportunities for enrollees, connecting them with local general contractors and larger construction companies that come in to talk to participants.

It works, too, Wilson attests — and is gaining momentum.

In March, Wilson was happy to report that the program had helped those enrolled to capture more than \$2 million in revenue from new contracts over the program's first two years. On Thursday, Dec. 1, she said that figure now stands at \$4.1 million, with the last \$2 million or so coming in only about six months.

Participants credit the program with helping them to understand contracts, manage their books, get new business and, perhaps most importantly, access financing. The MCCAP program, which along with the Urban League gets support from the city of Akron and Summit County, works with the county Development Finance Agency's Western Reserve Fund to offer lines of credit to MCCAP participants. It's a godsend and a lifeline, say some in the program.

"I'm a small contractor, so I don't have a lot of capital," said Rodney Griggs, owner of Kingdom Construction and Builders in Akron.

Griggs, who described himself as "the poster child for MCCAP," said he realized that what he got out of the program would be the result of what he put into it. So, he tried to use every service and offer of help the program made available, he said, from accessing "every ounce" of the credit line available through the DFA to meeting with every adviser he could and even calling some at home. They were all more than willing to help, he said.

In the two years he's been in the program, his 19-year-old construction company was nearly reborn.

"I went from doing a couple hundred thousand a year to more than \$600,000 a year, and I'd say that's all because of MCCAP," Griggs said of his revenue growth. "MCCAP helped me with bonding. The program has done some wonderful things for us as contractors, starting out with just giving us tools to work with."

Others echo his sentiments.

"It was a struggle before we got into the program," said Gary Barton, owner of B&G Masonry Remodeling in Akron. "MCCAP is a wonderful thing. It really helped me out 100%. It kind of made us able to do more projects and bigger projects."

Barton said the program helped him spend less time on administration and more time on actually growing and operating his business — including access to a line of credit that gave him more flexibility with his cash flow.

LaQuata Williams, who owns White Glove Cleaning Solutions in Akron, said the program helped her to better understand contracts, to develop relationships with new clients and to expand her seven-person business from residential to commercial cleaning.

"I love the MCCAP program. I think it has allowed me to kind of build relationships with people in diverse corporate communities and various fields that I didn't know existed," Williams said. "It kind of opened my eyes in terms of how far I could take my cleaning business. Before MCCAP, I was pretty small-minded and thought, 'Oh, I'll just clean businesses and houses.' But so many doors opened up to me through the MCCAP program."

She also said that the financing made available through the program helped her a lot, especially when it comes to managing payroll for jobs that might not pay as quickly as she has to pay her workers.

"I've used it for employment when I do post-construction cleanup. It can take you a month to get paid, and with the line of credit I can say, 'I need this amount to cover payroll.' They take care of it, and when I get paid from the job, I pay it back. But the process is easy, and it's allowed me to hire employees," Williams said.

That's just what Rachel Bridenstine said she wants to hear, too.

Bridenstine oversees lending for MCCAP as executive director of DFA's Development Fund of the Western Reserve & Western Reserve Community Fund. To date, she said MCCAP participants have gotten 17 lines of credit, with outstanding loans ranging from a peak of nearly \$1 million to about \$700,000 today, as some have paid down their initial borrowing.

The Western Reserve Fund was integral in working with the Urban League to get the MCCAP program up and running — not only on the lending side, but in helping to organize the program and the two years of technical support it provides to each participant. It's been a success, Bridenstine said, and might soon be able to lend more money to participants with more ease.

Currently, loans for more than \$100,000 require third-party approval, but the DFA has gotten access to up to \$3 million in loan guarantees, some of which will go toward MCCAP to eliminate the need for a third party, Bridenstine said.

"For some of the contractors doing residential work, that (\$100,000) is fine, but for some of the larger ones doing commercial work, it's not enough," she said.

Some non-minority people in the construction industry say they aren't surprised that the program is working, or that minority firms need the assistance and financing it provides.

It's been too long in coming, said Lou Ciraldo, retired owner of Summit Construction and a mentor for MCCAP who has volunteered with the Urban League for more than 20 years. In the past, lip service was paid to helping minority businesses, but little was done to actually help them succeed.

"In the late '90s, it was more of a gladhanding. It was not a real opportunity for minority companies to get into the business," Ciraldo said. "We sometimes shoot ourselves in the foot."

But MCCAP is different, he said, because it takes a more holistic, organized approach that's meant to help the companies it works with grow to the point that they no longer need help.

"I think a lot of the MCCAP program because of how they've structured that support network, with bankers, insurance people and others," Ciraldo said, "and I'm happy to be a mentor."

Now, with support growing, its first cohort about to graduate and a third signed up earlier this year, the Urban League is preparing to expand the program, said its vice president of programs and operations, Larry Chadwick.

"What we're doing now in the new year is, instead of bringing people in twice a year, we're going to bring in people quarterly. So, it will be four to six people per quarter," Chadwick said.

MCCAP has shown too much progress for the Urban League not to pursue it further, he said.

"I definitely think that, 100%," Chadwick said. "The opportunities out there and the participants we're reaching, it's been great. And now they (participants) are telling their peers about the program."

They're doing more than that, too.

"I'm graduating from the program and now I'll be on the other side," Griggs said. "As a mentor."