



Program administered by
the **Small & Minority
Business Resource
Department**

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City of Austin

Airport Concession Disadvantaged Business Enterprise (ACDBE) Program Overview

Regulation 49 CFR, PART 23

Airport Advisory Committee

PURPOSE

- **Overview of the U.S. DOT Disadvantaged Business Programs**
- **Overview of the City of Austin's ACDBE Program**
- **Highlight ACDBE Program Requirements**
- **Provide an ACDBE Goals and Methodology update**
- **ACDBE Outreach Efforts**

U.S. Department of Transportation

**Disadvantaged Business
Programs**

THE HISTORY

In 1983, Congress enacted the first Disadvantaged Business Enterprise (DBE) statutory provision to ensure funds authorized for the highway and transit Federal financial assistance programs be expended with DBEs.

In 1987, Congress re-authorized and amended the statutory DBE/ACDBE programs and added women to the groups presumed to be disadvantaged.

Since 1987 DOT has established a single DBE/ACDBE goal, encompassing both firms owned by women and minority group members.

The three major DOT Operating Administrations (OAs) in the DBE program are the Federal Highway Administration (FHWA), the Federal Aviation Administration (FAA) and the Federal Transit Administration (FTA).

The DOT DBE program is administered by state and local transportation agencies under the rules and guidelines in the Code of Federal Regulations. (Title 49, Part 26).

The FAA maintains a separate program for concessions in airports under (Title 49, Part 23) known as the Airport Concession Disadvantaged Business Enterprise (ACDBE) Program.

HOW THE PROGRAM WORKS

Regulations require recipients of DOT Federal financial assistance establish goals for the participation of disadvantaged entrepreneurs and certify the eligibility of DBE firms to participate in their DOT-assisted contracts.

Recipients are state and local transportation agencies; FAA, FHWA & FTA.

Each DOT-assisted State and local transportation agency are required to

- Establish narrowly-tailored goals.
- Evaluate DOT-assisted contracts throughout the year
- Establish contract specific DBE/ACDBE subcontracting goals to ensure nondiscrimination in federally-assisted procurements.

ABOUT THE ACDBE PROGRAM

The U.S. DOT's ACDBE program through the Department of Aviation provides a vehicle for increasing the participation of women and minorities in state and local procurement for airports.

Federal Regulations require Departments of Aviation that receive USDOT financial assistance to establish a ACDBE Program and goals for the participation of ACDBE's.

Departments of Aviation are required to establish annual ACDBE goals and review contracts throughout the year to establish project-specific ACDBE subcontracting goals.

ACDBE Program Participants

**All Large Hub, Medium Hub or General Aviation Airports
with commercial service**

- Dallas/Fort Worth Airport (DFW)
- George Bush Intercontinental Airport (IAH)
- Dallas Love Field (DAL)
- **Austin-Bergstrom International Airport (AUS)**
- William P. Hobby (HOU)
- San Antonio International Airport (SAN)
- All other primary airports in Texas

WHO ARE CONSIDERED ACDBE'S?

Concession are defined as:

A business, located on an airport that is engaged in the sale of consumer goods or services to the public under an agreement with the recipient, another concessionaire, or the owner or lessee of a terminal, if other than the recipient.

A business conducting one or more of the following covered activities, even if it does not maintain an office, store, or other business location on an airport, as long as the activities take place on the airport:

- Management contracts and subcontracts
- Web-based or other electronic business in a terminal or of which passengers can access at the terminal
- Advertising business that provides advertising displays or messages to the public on the airport
- A business that provides goods and services to concessionaires.

City of Austin's ACDBE Program

City of Austin
Aviation Department
(Austin Bergstrom International Airport)

Program Procurement Areas

- Airport Concession Disadvantaged Business Enterprise (ACDBE)
 - Concessions, Parking Management, Advertising, Vending, Marketing, Car Rental, etc.
- Disadvantaged Business Enterprise (DBE)
 - Projects with federal grant funding
- Minority-Owned & Women-Owned Business Enterprises (MBE/WBE)
 - Projects without federal grant funding
- Small Business Enterprise (SBE)
 - Construction projects \$50,000 & under

Components of the Airport Disadvantaged Business Enterprise (ACDBE) Program

- **Certification**
- **Compliance**
- **Goal Setting**
- **Reporting**

Certification

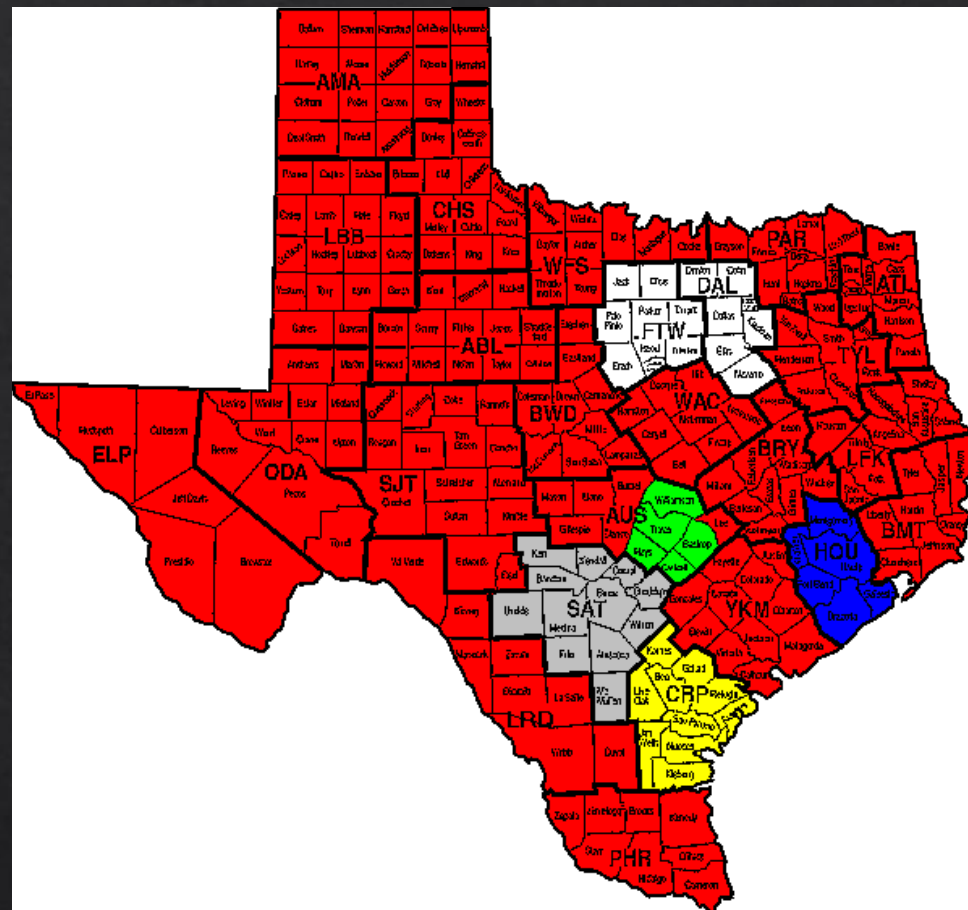
ACDBE Certification Requirements

Administered by the Small & Minority Business Resources Department Certification Division

- **51 percent owned, managed and controlled by an economically and socially disadvantaged individual**
- **Must be U.S. citizen or Legally Admitted Resident**
- **Contributions, ownership, and daily management control clearly documented**
- **Presumed Groups: Asian-American; African-American; Native American; Hispanic; Women**
- **The primary economically disadvantaged owner(s) personal net worth not to exceed \$1.32 million**
- **Firm must be organized as a for-profit business**
- **On-site visit required**

ACDBE/DBE Certification

Texas Unified Certification Program (TUCP)



City of Houston	(HOUSTON)
City of Austin-Hays, Travis, Williamson, Caldwell, Bastrop	(AUSTIN)
Corpus Christi Regional Transportation Authority	(CCRTA)
North Central Texas Regional Certification Agency	(NCTRCA)
South Central Texas Regional Certification Agency	(SCTRCA)
Texas Department of Transportation	(TXDOT)

Compliance

Compliance Requirement

Administered by the Small & Minority Business Resources Department Compliance Division

- **Identify certified ACDBEs to meet ACDBE contract goal**
- **Verify ACDBE contracts in compliance with federal program requirements**
- **Monitor ACDBE participation on contracts**
- **Submit annual reports on ACDBE participation to FAA (March)**
- **Identify any corrective actions for compliance issues**

AUSTIN BERGSTROM INTERNATIONAL AIRPORT (ABIA)

ACDBE PROCUREMENT AREAS

**Non-Car Rental
Concessions
&
Car Rental
Concessions**

NON-CAR RENTAL POTENTIAL CONCESSION OPPORTUNITY

ACDBEs Certified by NAICS Categories

Non-Car Rental

NAICS CODE	CONCESSION OPPORTUNITY
722410 722310	Food & Beverage
453220 448110	Retail including News & Gifts; Newsstands
541810	Advertising
454210	Vending Machines (Kiosks)

Note other potential concession opportunities not include but likely are personal services, management services, marketing, parking, etc.

CAR RENTAL POTENTIAL CONCESSION OPPORTUNITY

ACDBEs Certified by NAICS Categories

Car Rental

NAICS CODE	CONCESSION OPPORTUNITY
811121	Auto Body Work
488410	Towing Services
811192	Car Wash & Auto Detailing
561720	Custodial Services
524126	Insurance

Note other potential concession opportunities not include but likely are auto maintenance, locksmith services, CONRAC building maintenance services.

ACDBE PROGRAM GOAL UPDATE

**Fiscal Year
2021 - 2023**

Goal Methodology

Race Conscious/Race Neutral (RN/RC)

The overall goal including breakdown of Race Conscious and Race Neutral Goals are reported.

- The **Race Conscious** Goal is based on measures that provide benefits only for ACDBEs. The use of contract goals is a primary example of a race conscious measure.
- The **Race Neutral** Goal include measures for all firms while benefiting ACDBEs.

ACDBE Goal Calculation

It's a Two Step Process!

Step 1

Determine the base figure for the relative availability of ACDBEs.

- **Availability refers to ready, willing and able (RWA) businesses**

Step 2

Examine available evidence to determine adjusting base figure.

City of Austin ACDBE Accomplishments for Non-Car Rental Overview

Step 1 Base Figure Determination

<i>Concession Opportunity</i>	<i>No. ACDBE Firms</i>	<i>Census Participants/ Concession Listing Participants</i>	<i>ACDBE Availability</i>
Food & Beverage	24	602	3.99%
Retail including News & Gift Newsstands	64	1486	4.31%
Advertising	8	632	1.27%
Vending	9	209	4.31%
TOTAL	105	2929	3.58%


CALCULATION

Base Figure = Ready, Willing & Able Non-Car Rental ACDBEs in the Market Area / All Non-Car Rental Companies Ready, Willing & Able in the Market Area

City of Austin ACDBE Accomplishments for Non-Car Rental Overview

Step 2 Examination of available evidence to determine adjusting base figure using past participation

Fiscal Year	Goal	Accomplishment
2015	11.00%	10.80%
2016	11.00%	16.74%
2017	11.00%	11.51%
2018	11.06%	14.00%
2019	11.06%	8.91%



The median accomplishment over past five years is 11.51%

Non-Car Rental Calculation to Determine the New Goal

Take the
Step 1 Relative Availability %
Add to
Step 2 Median Past History %

Take the Total
Divided by 2 to get the new goal.

$$3.58\% + 11.51\% = 15.09\%$$
$$15.09\% / 2 = 7.55\%$$

Non-Car Rental
NEW ACDBE GOAL
7.55%



City of Austin ACDBE Accomplishments for Car Rental Overview

Step 1: Base Figure Determination

Concession Opportunity	No. ACDBE Firms	Census Participants/ Concession Listing Participants	ACDBE Availability
Auto Body Work	2	206	0.97%
Towing Services	1	423	0.24%
Car Wash & Auto Detailing	1	152	0.66%
Custodial Services	14	1708	0.82%
Insurance	1	484	0.21%
TOTAL	19	2973	0.64%


CALCULATION

Base Figure = Ready, Willing & Able Car Rental ACDBEs in the Market Area / All Car Rental Companies Ready, Willing & Able in the Market Area

City of Austin ACDBE Accomplishments for Car Rental Overview

**Step 2 Examination of available evidence to determine adjusting
base figure using past participation**

Fiscal Year	Goal	Accomplishment
2015	2.41%	0.16%
2016	2.41%	0.09%
2017	2.41%	2.12%
2018	2.43%	0.00%
2019	2.43%	1.81%



The median accomplishment over past five years is 2.12%

Car Rental Calculation to Determine the New Goal

Take the
Step 1 Relative Availability %
Add to
Step 2 Median Past History %

Take the Total
Divided by 2 to get the new goal.

$$0.64\% + 2.12\% = 2.76\%$$
$$2.76\% / 2 = 1.38\%$$

Car Rental
NEW ACDBE GOAL
1.38%



RECAP

Recommended ACDBE Goal Determination

Triennial ACDBE goals are based on data collection and evidence currently available.

WHAT WAS CONSIDERED?

In determining the relative availability of ACDBEs, the City utilized

- 1.) TUCP Directory Information (ACDBEs)**
- 2.) Census Bureau Data (All businesses)**

In determining any adjustments, the City considered

- 1.) Past Participation (Goal Accomplishment)**
- 2.) Public Consultation (Stakeholder Input)**

**FY 2021-2023
ACDBE Program Update**

Public Comments

**Presented to stakeholders and opened for public comment
on December 4, 2020.**

**Closed public comment for review and submittal on
January 8, 2021.**

Program update is currently under review with FAA.

ACDBE OUTREACH EFFORTS

February 2020

Runway to Opportunities Outreach Event

Sponsored by Aviation Department & SMBR

May 2021

Annual National Airport Car Rental Supplier Diversity Outreach Event

Sponsored by the Airport Business Group (ABG)

Co-Sponsored by the Airport Minority Advisory Council (AMAC)

Supporting Sponsors:

Avis Budget Group

Enterprise Holdings

Dollar

Fox

Hertz

Thrifty

City of Austin Small & Minority Business Resources

Website:

<http://www.austintexas.gov/smbr>

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THANK YOU!