# Airport Concession Disadvantaged Business Enterprise Contracting Preparedness Workshop

February 15, 2017





# Welcome & Introductions

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Director

Small & Minority Business
Resources Department





# Agenda

- \* Certification
- \* ACDBE Overview
- \* Future Business Opportunities
- \* Introduction to Technical Assistance Providers/Networking





# City of Austin ACDBE Certification

Keisha Houston

Business Development Counselor Small & Minority Business Resources Department





#### **ACDBE Interstate Certification**

- \* What is an Airport Concession Disadvantaged Business Enterprise?
- \* Examples of ACDBEs
- \* Eligibility Requirements
- \* SBA Guidelines
- \* ACDBE Facts
- \* ACDBE Required Documents
- \* Interstate Certification
- Joint Venture Certification

# What is an Airport Concession Disadvantaged Business Enterprise?

An ACDBE (Airport Concession Disadvantaged Business Enterprise) is:

\* A business (concession) that is located at the airport that sells consumer goods or provide services to the public.

or

\* A business that can provide goods or services to those businesses that are located at the airport (called concessionaires).

Note: ACDBE projects are funded by Federal Aviation Administration (FAA)

## **Examples of ACDBEs**

#### **Terminal**

- \* Store Fronts (such as restaurants, retail & novelty shops)
- \* Kiosks
- \* Vending Machines
- Chair Massage Space
- \* Shoe Shine Space

#### Other ACDBE services

- Merchandise, Products & Food Supply Companies
- \* General Maintenance Crews (such as elevator & escalator repairs)
- \* IT Services
- \* Signage

#### **ACDBE Eligibility Requirements**

\* 51% Owned, Managed and Controlled by a Socially **AND** Economically Disadvantaged Individual

#### **Socially Disadvantaged Individuals:**

Asian-Americans, African-Americans, Native Americans, Hispanics, and/or Women

#### **Economic Disadvantaged Individuals:**

Owner whose Personal Net Worth is \$1,320,000 or less

- \* For-Profit Business
- Small Business as defined by the Small Business Administration (SBA)
   Guidelines

# Small Business Administration's (SBA) Guidelines

For ACDBEs Average Gross Income For 3 Years Must Not Exceed the Following:

- \* \$56.42 Million For Non-Car Rental Businesses
- \* \$75.23 Million For Car Rental Agencies
- \* \$1 Billion For Banks and Other Financial Institutions
- \* 350 Employees For Automobile Dealers

## **ACDBE Requirements**

- No waiting period
- \* Must be a US Citizen or Permanent Resident
- \* Must have a Federal Tax ID Number (EIN)
- Must have experience directly related to the service the company is seeking certification
- Business must be capable of providing goods or services to the general public or concessionaire

# **ACDBE Requirements**

- \* Must identify work location preference
- \* Site Visit is required for businesses located in Austin's 5 county area which includes: Bastrop, Caldwell, Hays, Travis, and Williamson

#### **ACDBE Required Documents**

- ACDBE Application
- \* ACDBE Personal Net Worth Statement
- \* Supporting Documents listed on application checklist

#### **Interstate Certification**

#### What is Interstate Certification?

#### **How It Works:**

- \* The ACDBE certified firm will submit an Interstate Affidavit along with **ALL** of the documentation they submitted to their home state to the agency in the state they would like to do business in.
- \* The state receiving this information will review the documentation and honor that certification
- \* This process has to be completed for EVERY state the ACDBE Certified firm would like to work in
- \* Process may vary state-to-state

### Joint Ventures

\* Joint Ventures are not certified as ACDBEs.

# City of Austin ACDBE Compliance

Jolene Cochran

Senior Business Development Counselor Small & Minority Business Resources Department



# City of Austin Policy Statement

It is the policy of the City of Austin to ensure that ACDBEs as defined in Part 23 of the Code of Federal Regulations (CFR) have an equal opportunity to receive and participate in concession opportunities.

# City of Austin ACDBE GOALS Fiscal Years 2015-2017

Non-Car Rental 11.07%

Car Rental 2.43%

### Compliance Plan Requirements

#### SMBR requirements include:

- Goal Determination based on scopes of work selected
- Provide Availability List of Certified Firms
  - City of Austin Certification Program (COA)
  - TXDOT's Texas Unified Certification Program (TUCP)

#### Proposers are required to:

- Meet the Goal, or
- Demonstrate Good Faith Effort
  - Perform Good Faith Efforts 7 Minimum Requirements
  - Provide Good Faith Effort Documentation

## Compliance Requirement

- Identify ACDBE sub concessions to meet ACDBE contract goals
- Monitor ACDBE participation on all prime and sub contracts
- Review submission of monthly reports on ACDBE participation
- Verify ACDBE sub contracts are in compliance with federal program requirements
- Identify any corrective actions for compliance issues

### Joint Ventures

\* If a Joint Venture firm is certified as an Airport Concession Disadvantaged Business Enterprise (ACDBE), their participation will be counted toward the goals.

#### **Contact SMBR**

Certification Phone: 512. 974.7645

Email: <a href="mailto:smbrcertification@austintexas.gov">smbrcertification@austintexas.gov</a>

ACDBE Liaison Officer Designee:

Jolene Cochran, Sr. Business Development Counselor

Jolene.Cochran@austintexas.gov

512.974.7673

Located at: 4201 Ed Bluestein Blvd., Austin, Texas 78721

# **Austin-Bergstrom International Airport**

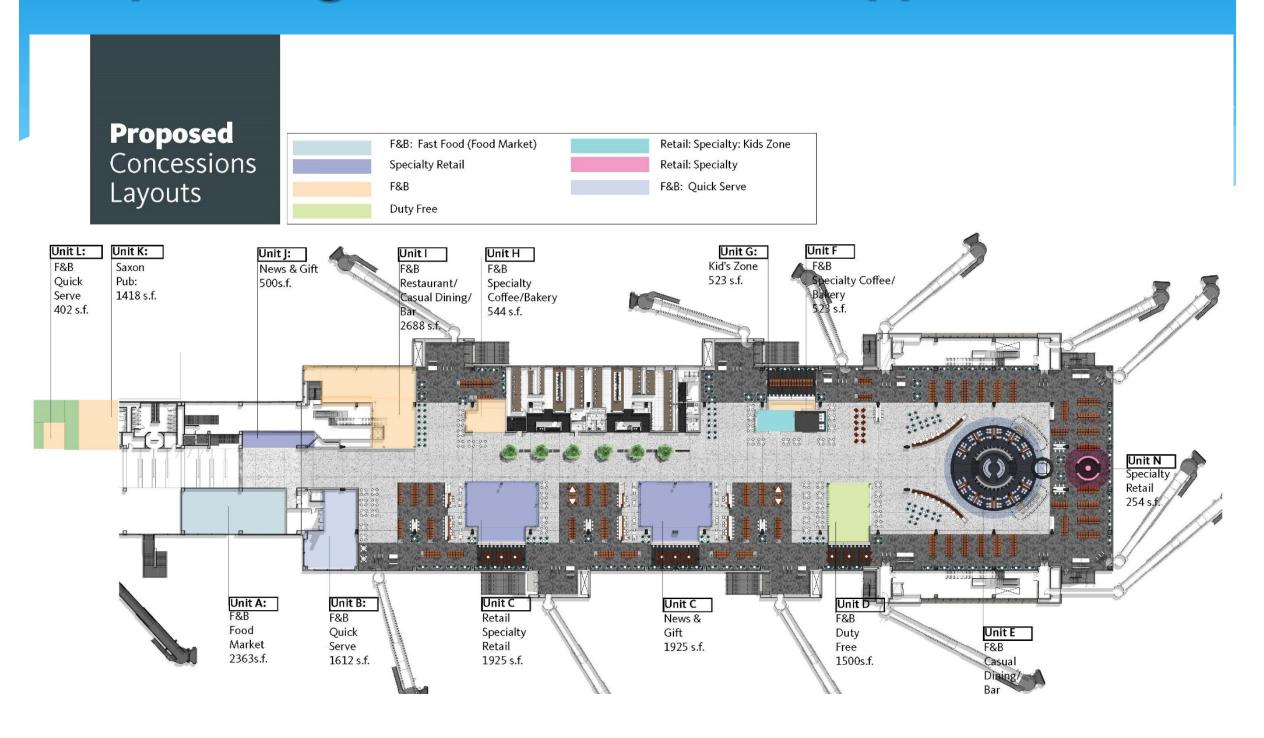
**Future Business Opportunities** 



#### **Upcoming Terminal Business Opportunities**

- Austin-Bergstrom International Airport has commenced construction on a 9 gate terminal expansion set to open late 2018/early 2019.
  - Terminal expansion will include locations for the operation of food & beverage, retail, and duty free concessions.
- Terminal Concessions RFP to be issued Spring 2017.
- RFP will include:
  - Space in the Airport's 9 gate terminal expansion
  - Some existing concession locations

#### **Upcoming Terminal Business Opportunities**



#### **Upcoming Terminal Business Opportunities**



#### **Challenges for Businesses**

- Large Investment
- Small Spaces
- Operating Hours
- Operating Costs
- Delivery/Storage

- Security
- Employee Badging
- Employee Parking
- Customer Dwell Time

#### **How to Participate**

- A Variety of Participation Structures
  - Direct Lease (Airport or Developer)
  - Sublease to a Prime Concessionaire
  - Joint Venture
  - Licensing
  - Vendor

#### How to Participate – What to Do Next

- Learn About Opportunities
  - Attend Outreach
  - Begin Networking / Keep Networking
- Take Advantage of Time
  - Start Certification
  - Start Business Planning
    - What is your concept?
    - Plan an approach
    - Arrange Financing
    - Start Designing

# Questions?

## Resources

#### Blender Hill

Public Information Specialist Senior Small & Minority Business Resources Department





#### **Prime Concessionaires**

- Delaware North Companies
- Paradies Lagardère

#### **Small Business Resources**

- Big Austin (Business Investment Growth)
  - www.bigaustin.org
  - p. 512.928.8010
- Business & Community Lenders of Texas (BCL of Texas)
  - www.bcloftexas.org
  - p. 512.928.9884
- Texas State Small Business Development Center
  - www.austinsmallbusinessanswers.com
  - p. 512.423.8450
- University of Texas Procurement Technical Assistance Center
  - http: ptac.txsbdc.org
  - p. 512.458.2458
- City of Austin Purchasing (Vendor Registration)
  - www.austintexas.gov/financeonline/vendor\_connection/index.cfm
  - p. 512.974.2018
- City of Austin Small Business Program
  - <u>www.austintexas.gov/smallbiz</u>
  - p. 512.974.7800
- City of Austin Small & Minority Business Resources Department
  - www.austintexas.gov/smbr
  - p.512.974.7645

Please contact these agencies for assistance with proposal writing, bid preparation, training, marketing and a variety of other services which are free or nominal.

### THANK YOU!