



FAA AIRPORT IMPROVEMENT PROGRAM (AIP)
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE
(ACDBE)
IN ACCORDANCE WITH 49 CFR PART 23

GOAL

For

CAPE COD GATEWAY AIRPORT
HYANNIS, MASSACHUSETTS

FFY2023 – 2025

HYA Cape Cod Gateway Airport 2023-2025 Goal Calculations for ACDBE Program

Section 23.45: Overall Goal Calculation for Concessions Other Than Car Rentals Amount of Goal *(submit if average annual gross receipts exceed \$200,000)*

Name of Recipient: Cape Cod Gateway Airport

Goal Period: FY 2023-2025 - October 1, 2022, through September 30, 2025

The Airports Non-Car Rental concessions average annual gross receipts do NOT exceed \$200,000. Therefore, a Non-Car Rental Goal is not required.

Section 23.45: Overall Goal Calculation for Car Rentals Amount of Goal *(submit if average annual gross receipts exceed \$200,000)*

Name of Recipient: Cape Cod Gateway Airport

Goal Period: FY 2023-2025 - October 1, 2022, through September 30, 2025

Overall Three-Year Goal: 1%, to be accomplished through 1% RC and 0% RN

Market Area for Car Rental Concessionaires:

The Airport has determined that its market area will be the State of Massachusetts.

Base of Goal

To calculate the base of the goal the airport considered the previous 3 years of gross concession receipts and the projected potential concession revenue (gross receipts) 3 years into the future including upcoming opportunities. Previous three years' gross receipts:

Gross Receipts for past three years:

- 2019 - \$3,582,161
- 2020 - \$3,636,503
- 2021 - \$4,733,460
- Total = \$11,952,124.00 ÷ 3 = **\$3,984,041.33**

The airport anticipates a 5% increase which equals \$199,202.07 annually. We have added the 5% increase to the average of the past 3-year gross receipts for a base of goal total of \$4,183,243.40. ($\$3,984,041.33 + \$199,202.07 = \$4,183,243.40$) The reason for this 5% increase is that the Airport feels there was a decrease in gross receipts from 2019 to 2021 due to the COVID epidemic. With the end of the pandemic restrictions, the Airport anticipates an increase in traffic. The yearly concessions Goods & Services opportunities anticipated during this goal period are: \$41,832.43. ($\$4,183,243.40$ yearly average with increase * 1.00% ACDBE Goal)

The following are not included in the total gross receipts for concessions: (a) the gross receipts of car rental operations, (b) the dollar amount of a management contract or subcontract with a non-ACDBE, (c) the gross receipts of business activities to which a management contract or subcontract with a non-ACDBE pertains, and (d) any portion of a firm's estimated gross receipts that will not be generated from a concession.

If a new concession opportunity arises prior to the end of this goal period and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the Airport will submit to the FAA an appropriate adjustment to the overall goal. This will be submitted to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity. (23.45(i)).

Management Contract or Subcontract

There are currently four (4) car rental agencies at the Airport: Hertz, Enterprise, Avis and Budget. We expect to meet the Goal with "Goods & Services" used by the car rental agencies. We may also meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. We, and the businesses at the airport, will add the dollar amount of a management contract or subcontract with an ACDBE to the total participation by ACDBEs in airport concessions (both the numerator AND the denominator) and to the base from which the airport's percentage goal is calculated. However, the dollar amount of a management contract or subcontract with a non-ACDBE and the gross revenue of business activities to which the management contract or subcontract pertains will not be added to this base in either the numerator or denominator.

Step 1: 23.51(c)

We determined the base figure for the relative availability of ACDBEs providing Goods & Services to car rental agencies. The base figure was calculated as follows:

“Ready, willing, and able ACDBEs Goods & Service providers to car rental agencies” in the market area divided by “All ready, willing and able Goods & Service providers to car rental agencies” firms in the market area, noted in the 2015 Census Bureau's County Business Pattern (CBP) database.

MA UCP and Census Bureau Database links used:

- <https://data.census.gov/advanced>
- <https://www.diversitycertification.mass.gov/BusinessDirectory/BusinessDirectoryDBESearch.aspx>

NAICS	Type of Concession	Total ACDBE's	Total All Firms
423120	Motor Vehicle Supplies & New Parts Merchant Wholesalers, inc. glass	0	221
441110	New Car Dealers	0	475
524210	Insurance	1	2216
811111	General Automotive Repair	0	1870
811121	Automotive Body, Paint and Interior Repair and Maintenance	0	1026
811191	Automotive Oil Change and Lubrication Shops	0	149
447190	Gas Stations	0	1959
453210	Office Supplies	0	128
561622	Locksmith / Key Replacements	0	90
488410	Vehicle towing	0	219
484230	Auto Transport (trucking)	0	90
441320	Tire Dealers	0	321
811192	Car Wash	0	419
	Total	1	9183
	ACDBE Percentage =	1/9183 =	0.0109%

When we divided the numerator by the denominator, we arrived at the Step 1 base figure for our overall goal for car rental concessions of: 0.01528%.

$$1 \div 9183 = 0.000109 \text{ or } 0.011\%$$

Step 2: 23.51(d) After calculating a base figure of the relative availability of ACDBEs, we examined evidence to determine what adjustment was needed to the **Step 1** base figure in order to arrive at the overall goal.

There was no disparity study available from which to gather information to adjust the base figure. This was determined by reviewing related websites.

The Airport has had no ACDBE or DBE participation in previous years on their concession and/or category of concessions. In order to reflect, as accurately as possible, the ACDBE participation we would expect in the absence of discrimination, we have adjusted our base Car rental Goal to 1% as the minimum Goal allowable is 1.00% and current calculations result in a Goal lower than 1.00%.

The Airport will attempt to obtain participation in future endeavors proposed at the Airport.

Section 23.51 Breakout of Estimated Race-Neutral & Race Conscious Participation

The Airport will meet the maximum feasible portion of its overall goal by using race- neutral means of facilitating ACDBE participation. The Airport uses the following race- neutral measures.

We understand that we will be expected to actually take these steps, and this is not merely a paper exercise.

1. Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23;
2. Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate;
3. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;
4. Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;
5. Ensuring that competitors for concession opportunities are informed during pre- solicitation meetings about how the sponsor's ACDBE program will affect the procurement process;
6. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and

We estimate that, in meeting our overall goal of 1%, we will obtain 0% from race-neutral participation and 1% through race-conscious measures. The Airport does not have a history of ACDBE participation or over-achievement of goals to reference and expects to obtain its ACDBE participation through the use of ACDBE goals or a conscious effort to obtain ACDBE participation. The Airport will implement outreach efforts in an attempt to obtain participation.

If we project that race-neutral measures, standing alone, are not sufficient to meet an overall goal, we will use the following race-conscious measures to meet the overall goal:

1. We will establish concession-specific goals for particular concession opportunities.
2. We will negotiate with potential concessionaires to include ACDBE participation through direct ownership arrangements or measures, in the operation of the concession.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and we will track and report race-neutral and race conscious participation separately. For reporting purposes, race-neutral ACDBE participation includes, but is not necessarily limited to, the following: ACDBE participation through a prime contract that an ACDBE obtains through customary competitive procurement procedures; ACDBE participation through a subcontract on a prime contract that does not carry ACDBE goal; ACDBE participation on a prime contract exceeding a concession specific goal; and ACDBE participation through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

We will maintain data separately on ACDBE achievements in those contracts with and without concession specific goals, respectively.