

**Port of Oakland**  
**Airport Concession Disadvantaged Business Enterprise Triennial Goal**  
**Federal Fiscal Years 2024/2025/2026**

The Port of Oakland herein publishes its proposed overall goals for its Airport Concession Disadvantaged Business Enterprise (ACDBE) Program Federal Fiscal Years (FFY) 2024, 2025, and 2026.

The proposed ACDBE **Non-Car Rental Goal** for FFY 2024-2026 is 1.9%.  
The proposed ACDBE **Rental Car Goal** for FFY 2024-2026 is .3%.

The methodology contained herein is available for inspection online at [www.portoakland.com](http://www.portoakland.com). The Port of Oakland (the "Port") will receive and consider public comments on the proposed goal until November 10, 2023. Comments may be submitted to the Port via email to [SRDAdmin@PortOakland.com](mailto:SRDAdmin@PortOakland.com).

There will be a public hearing to discuss the proposed ACDBE goal on November 10, 2023 from 4:00 p.m. to 6:00 p.m. at <https://portoakland.zoom.us/j/99470043539?from=addon>

Please join the Port of Oakland through its Oakland International Airport in a discussion and review of its triennial ACDBE Goal. The ACDBE Goal is the Airport Concession Disadvantaged Business Enterprise Goal that covers the federal fiscal years of October 1, 2024, through September 30, 2026.

This proposed ACDBE Goal and analysis to arrive at the goal may also be found on the Port of Oakland's website: <https://www.portoakland.com/wp-content/uploads/Final-24.25.26-ACDBE-Goal.pdf>

## Section 23.45: Overall Goal Calculation for Car Rental

Overall Three-Year Goal: **0.3%, to be accomplished through 0.0% Race Conscious and 1.0% Race Neutral**

### **Goal Based on Goods and Services Purchases - Determination**

Upon review of the market, it appears that all or most of the goal is likely to be met through the purchases by car rental companies of vehicles or other goods/services from ACDBEs. This is due to the fact that no certified ACDBE car rental companies exist within the market. As such, Port of Oakland has structured the goal entirely in terms of the purchases of goods and services.

We determined the goal based on outreach for the purchases of goods and services from certified ACDBE firms and/or potential ACDBE firms in the market area. This basis is in lieu of a goal based upon a percentage of total gross receipts of car rental operations at the airport. We will make a good faith effort to pursue opportunities to meet the goods and services goal. We will continue to consult and work with the State DOT & UCP, our car rental concessionaires at the airport, similarly situated airports in our region, minority and women businesses in the State, minority serving institutions, local pro-business organizations, and targeted media publications to find prospective ACDBE firms. We will work with our car rental companies to strategize outreach to State DOT & UCP certified ACDBEs that may be able to provide car rental goods and services, to encourage current vendors who may be eligible for ACDBE certification to apply, and to encourage firms already working at the airport but certified as ACDBE in other states, to apply via the interstate certification process. The State DOT & UCP is aware of this requirement and is on board to assist and process certifications as required by 49 CFR Subpart C.

We have the following car rental agencies operating at the airport: Alamo, Avis, Budget, Dollar, Enterprise, Fox Rent-A-Car, Hertz, National, Payless, and Thrifty,

After collaboration and discussion with Port of Oakland car rental company concessionaires at the Oakland International Airport, we were told the goods and services that they may need in the goal period are: Fleet, Automobile Parts, Durable Goods, Tires, Oil Change Services, Office Supplies, Auto Repair Services, Insurance Services, and Vehicle Towing.

### **Market Area**

The market area is the geographical area in which the substantial majority of firms which seek to do concessions business with the airport and includes where the substantial majority of concessions-related revenues are located.

Port of Oakland has determined that its market area for METROPOLITAN OAKLAND INTL is the United States.

### **Base of the goal**

To calculate the base of the goal, Port of Oakland considered the previous 3 years of car rental expenditures/purchases and the projected potential car rental expenditures/purchases three years into the future.

Car Rental Companies Goods and Services Purchases for Previous 3 Years

Year	Car Rental Companies Goods and Services Purchases	Increase/Decrease
2021	\$160,090,371	
2022	\$23,764,639	-85%
2023	\$23,764,639	0%
	Average Decrease:	-43%

The Port of Oakland estimates expenditures will grow by an average of 7% each year over the next three years. The growth estimates are based on enplanement projections from the FAA Terminal Area Forecast Quick Data Summary Report - Facility.\*\*

Year	Annual Growth / Reduction Estimate	Annual Gross Receipts Estimate
2024	9%	\$ 25,903,457
2025	7%	\$ 27,716,698
2026	4%	\$ 28,825,366
Three-Year Total Gross Receipts:		\$ 82,445,521
Average Annual Growth Rate:		7%

$\$25,903,457 + \$27,716,698 + \$28,825,366 = \$82,445,521$  which is the recipient's base of goal for car rental goods and services purchases.

The following are not included in this base: (a) non-car rental operations.

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 Port of Oakland 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))

### **Step 1 - Actual Relative Availability of ACDBEs - §23.51 (c)**

We determined the base figure for the relative availability of ACDBEs for car rental goods and services purchases. The base figure was calculated as follows:

Numerator: Ready, willing, and able non-car rental ACDBEs in the market area  
 \_\_\_\_\_ divided by \_\_\_\_\_

Denominator: All ready, willing and able non-car rental concession firms in the market area

The data source(s) used in the calculation included:

- Recipient's Active Participant Lists: Uniform Report data and procurement data provided by car rental companies.
- FAA Matchmaker showing the number of ACDBEs that are certified within the market area (the United States). <https://faa.dbesystem.com/>
- Census Bureau Data (<https://data.census.gov/cedsci/>)

The calculation and explanation for this is as follows:

Concession Activity	NAICS	# ACDBE Certified Firms	# Total Firms	% Availability
Facility Equipment (e.g., metal containers)	423990	46	8812	0.5%
Get Oil Changes	811191	9	4816	0.2%
Get Vehicles Repaired	811111	27	76000	0.0%
Insurance Services	524126	3	2113	0.1%
Logistics Consulting	541614	152	7160	2.1%
Purchase Automobile Parts	441330	4	18652	0.0%
Purchase Office Supplies	459410	4	3744	0.1%
Replace Tires	441340	3	11371	0.0%
Replenish Fleet	441110	3	18111	0.0%
Tow Vehicles	488410	13	8082	0.2%
Average ACDBE Availability:				0.3%

When we calculated the average availability we arrived at the Step 1 base figure for our overall goal for car rental concessions of **0.3%**

### **Step 2 Adjustment**

The Step 1 goal is under **1.0%**; therefore we are adjusting the goal upward to **1.0%** based on potential outreach efforts to certified ACDBEs.

### **Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation**

Port of Oakland will make every reasonable effort to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The airport will use 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.

- Locate and identify ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23
- Notify ACDBEs of concession opportunities and encouraging them to compete, when appropriate
- When practical, structure concession activities so as to encourage and facilitate the participation of ACDBEs
- Provide technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing
- Ensure that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process
- Provide information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation

If race-neutral measures, standing alone, are not sufficient to meet an overall goal, the following race-conscious measures will be used to meet the overall goal:

- There will be no ACDBE concession goals since the Port of Oakland is a Ninth Circuit recipient.

Port of Oakland estimates that, in meeting the overall goal of 1.0%, it will obtain 1.0% from race-neutral participation and 0.0% through race-conscious measures. The reason for the breakout is that Port of Oakland is a Race Neutral entity.

In order to ensure that Port of Oakland's ACDBE program will be narrowly tailored to overcome the effects of discrimination, if concession specific goals are used, Airport will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation and race-neutral and race-conscious participation will be tracked 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.

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

## **Consultation**

Port of Oakland routinely meets with stakeholders in an effort to increase ACDBE participation. Stakeholders consulted included minority and women's business groups, community organizations, trade associations representing concessionaires currently located at the airport, as well as existing concessionaires themselves, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the sponsor's efforts to increase participation of ACDBEs.

Specifically, Port of Oakland consulted with: regional and ethnic chambers of commerce, WRMSDC, industry trade organizations, and certified ACDBEs within California's UCP database. The consultation was done virtually.

The following comments were received during the course of the consultation: TBD

### **Section 23.45: Overall Goal Calculation for Non-Car Rental**

**Overall Three-Year Goal: 1.9%, to be accomplished through 0.0% Race Conscious and 1.9% Race Neutral**

## **Market Area**

Port of Oakland has determined that the market area for METROPOLITAN OAKLAND INTL is the United States. The market area is the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and in which the firms which receive the substantial majority of concessions-related revenues are located.

The concession opportunities anticipated during this goal period for this market area are: advertising, wine, and goods and services for parking management and shuttle bus/curbside management.

## **Base of the goal**

To calculate the base of the goal, Port of Oakland considered the most recent previous 3 years of gross concession receipts and the projected potential concession revenue (gross receipts) three years into the future including upcoming new opportunities.

Year	Non-Car Rental Concessions Gross Receipts
2021	\$32,327,748
2022	\$57,655,106
2023	\$57,655,106

Port of Oakland estimates that revenues to existing concessions will grow by an average of 7% each year over the next three years. The growth estimates are based on enplanement projections from the FAA Terminal Area Forecast Quick Data Summary Report - Facility.

Year	Annual Growth / Reduction Estimate	Annual Gross Receipts Estimate
2024	9%	\$62,844,066
2025	7%	\$67,243,150
2026	4%	\$69,932,876
Three-Year Total Gross Receipts:		\$200,020,092
Average Annual Growth Rate:		7%

$\$62,844,066 + \$67,243,150 + \$69,932,876 = \mathbf{\$200,020,092}$  which is the recipient's base of goal for non-car rental concessions..

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, Port of Oakland 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.

### **Methodology used to Calculate Overall Goal**

Port of Oakland can meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. Port of Oakland, 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 recipient'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.

Port of Oakland, and the businesses at the airport, shall make good faith efforts to explore all available options to achieve, to the maximum extent practicable, compliance with the goal through direct ownership arrangements, including joint ventures and franchises.

Port of Oakland will include goods and services purchases from ACDBEs toward meeting the goal.

**Step 1 - Actual Relative Availability of ACDBEs - \$23.51 (c)**

We determined the base figure for the relative availability of ACDBEs other than car rentals. The base figure was calculated as follows:

Numerator: Ready, willing, and able non-car rental ACDBEs in the market area  
 \_\_\_\_\_ divided by \_\_\_\_\_

Denominator: All ready, willing and able non-car rental concession firms in the market area

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The data source(s) used in the calculation included:

- FAA Matchmaker United States UCP Data showing the number of ACDBEs that are certified within the market area of the United States.
- Census Bureau Data (<https://data.census.gov/cedsci/>)

The calculation and explanation for this is as follows:

Concession Activity	NAICS	# ACDBE Certified Firms	# Total Firms	% Availability
Advertising Company Procurement	541810	557	14612	3.8%
Janitorial	561720	1024	66471	1.5%
Wine Bar Procurement	722410	97	38398	0.3%
Average ACDBE Availability:				1.9%

When we calculated the average availability we arrived at the Step 1 base figure for our overall goal for non-car rental concessions of **1.9%**.

**Step 2 Adjustment**

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 is not enough historical data on ACDBE participation is available to reference to make an adjustment to the Step 1 base figure; therefore, Port of Oakland is adopting the Step 1 base figure of **1.9%** as the overall goal for this three-year goal period (FY 2024-26).

**Breakout of Estimated “Race and Gender Neutral” (RN) and “Race and Gender Conscious” (RC) Participation**

Port of Oakland will make every reasonable effort to meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. Port of Oakland will use 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.

- Locate and identify ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23
- Notify ACDBEs of concession opportunities and encouraging them to compete, when appropriate
- When practical, structure concession activities so as to encourage and facilitate the participation of ACDBEs
- Provide technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing
- Ensure that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process
- Provide information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation

If race-neutral measures, standing alone, are not sufficient to meet an overall goal, the following race-conscious measures will be used to meet the overall goal:

- The Port of Oakland is a Ninth Circuit recipient.

Port of Oakland estimates that, in meeting the overall goal of 1.9%, it will obtain 1.9% from race-neutral participation and 0.0% through race-conscious measures. The reason for the breakout is that Port of Oakland is a Race Neutral recipient within the Ninth Circuit.

Additionally, The Port of Oakland has been able to meet its ACDBE Non Car Rental Goal in all federal fiscal years.

In order to ensure that Port of Oakland's ACDBE program will be narrowly tailored to overcome the effects of discrimination, if concession specific goals are used, Airport will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation and race-neutral and race-conscious participation will be tracked 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.

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

## **Consultation**

Port of Oakland routinely meets with stakeholders in an effort to increase ACDBE participation. Stakeholders consulted included minority and women's business groups, community organizations, trade associations representing concessionaires currently located at the airport, as well as existing



concessionaires themselves, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the sponsor's efforts to increase participation of ACDBEs.

Specifically, Port of Oakland consulted with: local and ethnic chambers of commerce, ACDBEs certified in California, and WRMSDC. The consultation was done by video conference.

The following comments were received during the course of the consultation: **TBD**.

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