



COUNCIL AGENDA: 5/23/23
FILE: 23-736
ITEM: 2.10

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Aitken

SUBJECT: SEE BELOW

DATE: April 24, 2023

Approved

Date

5/8/23

COUNCIL DISTRICT: 6

**SUBJECT: AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE
PROGRAM FOR FEDERAL FISCAL YEARS 2024-2026**

RECOMMENDATION

Adopt a resolution:

- (a) Approving the proposed Airport Concession Disadvantaged Business Enterprise program update in accordance with the Federal Aviation Administration regulations for the San José Mineta International Airport;
- (b) Approve the three-year Airport Concession Disadvantaged Business Enterprise race-neutral goal of 7.7% for all San José Mineta International Airport concessions, other than car rentals, for Federal Fiscal Years 2024-2026;
- (c) Approve the three-year Airport Concession Disadvantaged Business Enterprise race-neutral goal of 0.40% for rental cars for Federal Fiscal Years 2024-2026;
- (d) Authorizing the City Manager to submit the three-year Airport Concession Disadvantaged Business Enterprise program to the Federal Aviation Administration;
- (e) Authorizing the City Manager to make revisions to the three-year ACDBE plan as requested by the Federal Aviation Administration.

SUMMARY AND OUTCOME

Approval of the updated Airport Concession Disadvantaged Business Enterprise (ACDBE) program and submission to the Federal Aviation Administration (FAA) results in the City being compliant with ACDBE program requirements, allowing the City to remain eligible to receive an estimated \$66.5 million in FAA and United States Department of Transportation grants for San José Mineta International Airport (Airport) development and operations between 2024 and 2026.

BACKGROUND

The ACDBE program was created to minimize concerns related to minority discrimination in the award and administration of concession opportunities at airports. Adherence to ACDBE program regulations is required to remain eligible to receive federal grants for airport development from the FAA's Airport Improvement Program (AIP).

Under the FAA regulations, the City is required to submit an updated ACDBE participation plan every three years that identifies new concession opportunities, potential ACDBE participants, and new percentage targets for ACDBE participation. The last ACDBE participation plan submitted to the FAA was for Federal Fiscal Years (FFY) 2021 through 2023. The FFY begins on October 1 and ends on September 30 of the following year.

The purpose of the ACDBE program is:

1. To ensure nondiscrimination in the award and administration of opportunities for concessions by airports receiving FAA financial assistance;
2. To create a level playing field on which ACDBEs can compete fairly for opportunities for concessions;
3. To ensure that the ACDBE program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet applicable eligibility standards are permitted to participate as ACDBEs at the Airport;
5. To help remove barriers to the participation of ACDBEs in opportunities for concessions at the Airport; and
6. To provide appropriate flexibility to the City in establishing and providing opportunities for ACDBEs at the Airport.

Definitions

ACDBE

Under the ACDBE regulations, an airport concession disadvantaged business enterprise means a for-profit small business concern that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals. The ACDBE regulations further require that one or more of the socially and economically disadvantaged individuals who own it must control the management and daily business operations of the company claiming ACDBE status and be independent.

Airport Concessions

ACDBE regulations define concessions to include businesses located on an airport that are engaged in the sale of consumer goods or services to the public under an agreement with the owner of the airport, the non-airport owner or lessee of a terminal on the airport, or another concessionaire. Covered concessions also include management contracts and subcontracts, web-based or other electronic business in a terminal or which passengers can access at the terminal,

an advertising business that provides advertising displays or messages to the public on the airport, or a business that provides goods and services to concessionaires.

Market Area

The ACDBE program regulations define market area as the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and where they receive the substantial majority of concessions related revenues.

Quotas or Set-Asides Prohibited

The ACDBE regulations expressly prohibit the use of quotas or set asides in the ACDBE program.

Race-Conscious Measures

The ACDBE program must provide for the use of race-conscious measures when race-neutral measures, standing alone, are not projected to be sufficient to meet the City's overall ACDBE goal. The City of San José is subject to the rulings of the Ninth Circuit Court of Appeals, which established/identified specific rules and situations before a jurisdiction can utilize race-conscious measures. When a race-conscious measure is adopted, the following are examples of race-conscious measures that are acceptable under the ACDBE regulations:

- Establishing concession-specific goals for particular concession opportunities; or
- Negotiation with a potential concessionaire to include ACDBE participation, through direct ownership arrangements or measures, in the operation of the concession.

Race-Neutral Measures

In implementing its ACDBE program, the City is first required to use race-neutral measures to the maximum extent possible to achieve its ACDBE goals. Examples of race-neutral measures include:

- Locating and identifying ACDBEs and other small businesses that may be interested in participating as Airport concessionaires;
- Structuring concessions so as to encourage and facilitate the participation of ACDBEs;
- Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing; and
- Establishing a business development program, technical assistance program, or taking other steps to foster ACDBE participation in concessions.

Small Business Concern

In order to qualify as an ACDBE, a firm must also qualify as a small business concern. As a general rule, the ACDBE regulations treat a firm as a small business eligible to be certified as an ACDBE if its gross receipts, averaged over the firm's previous three fiscal years, do not exceed \$56.42 million. The following types of businesses have different ACDBE size standards:

- Banks and financial institutions: \$1 billion in assets;
- Car rental companies: \$75.23 million average annual gross receipts over the firm's three previous fiscal years;

- Automobile dealers: 350 employees

Socially and Economically Disadvantaged

Socially and economically disadvantaged individual means any individual who is a citizen, or lawfully admitted permanent resident, of the United States and who meets one or more of the following conditions and does not have a personal net worth exceeding \$1.32 million:

- Any individual to be a socially and economically disadvantaged individual on a case-by-case basis;
- Any individual in the following groups whose members are presumed to be socially and economically disadvantaged:
 - "Black Americans," which includes persons having origins in any of the Black racial groups of Africa;
 - "Hispanic Americans," which includes persons of Mexican, Puerto Rican, Cuban, Dominican, Central or South American, or other Spanish or Portuguese culture or origin, regardless of race;
 - "Native Americans," which includes persons who are American Indians, Eskimos, Aleuts, or Native Hawaiians;
 - "Asian-Pacific Americans," which includes persons whose origins are from Japan, China, Taiwan, Korea, Burma (Myanmar), Vietnam, Laos, Cambodia (Kampuchea), Thailand, Malaysia, Indonesia, the Philippines, Brunei, Samoa, Guam, the United States Trust Territories of the Pacific Islands (Republic of Palau), the Commonwealth of the Northern Marianas Islands, Macao, Fiji, Tonga, Kiribati, Juvalu, Nauru, Federated States of Micronesia, or Hong Kong;
 - "Subcontinent Asian Americans," which includes persons whose origins are from India, Pakistan, Bangladesh, Bhutan, the Maldives Islands, Nepal, or Sri Lanka;
 - Women; and
 - Any additional groups whose members are designated as socially and economically disadvantaged by the Small Business Administration, at such time as the Small Business Administration designation becomes effective.

Geographic Preferences

ACDBE regulations prohibit the use of geographic preferences as a factor in obtaining business or doing business as, or with, an airport concession.

ANALYSIS

The City is required to prepare an ACDBE participation program update for the Airport every three years (Please see **Attachment** - Federal Aviation Administration (FAA)

Overall Airport Concessionaire Disadvantage Business Enterprise (ACDBE) Goal-Setting Methodology - for the complete program goal updates). Targets are prepared to estimate the percentage of concession revenues that will be performed by ACDBEs in the absence of discrimination. The first target is for all concessions other than rental cars and the second target is for rental cars. The reason for setting separate ACDBE participation targets is that the FAA

has determined that there are differences between car rental concessions and other types of concessions. Each target must cover a three-year period, with annual reviews and reporting to the FAA, to ensure that the Airport is tracking the ACDBE participation.

Pursuant to FAA regulatory requirements, the proposed ACDBE participation targets were determined based on the marketplace and on demonstrable evidence of the availability of ready, willing, and able ACDBE firms relative to all businesses that were also ready, willing, and able to participate in the Airport's concession opportunities.

The Airport contracted with consultant company, GCAP Services Group LLC, to determine ACDBE participation goals for the Airport for FFY 2024-2026. In determining these overall ACDBE participation goals, the consultant closely followed the United States Department of Transportation Disadvantaged Business Enterprise program regulations set forth for goal setting in 49 Code of Federal Regulations Part 23, including a two-step goal-setting methodology identified in 49 Code of Federal Regulations Section 23.51.

To determine the overall ACDBE participation goal, the consultant is required to:

- Examine the types of concession opportunities that the Airport anticipates for the plan period;
- Base requirements on the Federal laws, regulations, and guidance set forth by the United States Department of Transportation;
- Base goals on evidence of ACDBE firms that are "ready, willing, and able"; and,
- Narrowly tailor the goals to the evidence.

The ACDBE participation targets are based on demonstrable evidence and using formulas approved by the FAA. The Airport's ACDBE concession participation targets for FFYs 2024 through 2026 are 7.7% for concessions other than rental cars and 0.40% for rental cars. Given the lack of ACDBE rental car companies, rental car ACDBE goals rely on the purchases of goods and services from ACDBE businesses, which are often limited given the national and/or regional supply chain of car rental companies.

The City proposes to meet the overall goal by using the race-neutral methods for ACDBE and small business participation in accordance with 49 Code of Federal Regulations 23.

The Airport will use the following methods to encourage ACDBE participation:

- Encourage ACDBE participation in all new Airport concession request for proposals;
- Prior to granting an extension or option to renew an agreement, assess the potential for new ACDBE participation;
- Require monthly ACDBE participation reporting by concessionaires;
- In the event that opportunities for new entrants arise, identify ACDBEs and other small businesses that may be interested in participating as Airport concessionaires and conduct outreach;
- Encourage ACDBE certification of concessionaires currently operating at the Airport that are ACDBE eligible;

- Encourage prime concessionaires with new opportunities to include ACDBE participation; and
- Request that concessionaires identify ACDBE goods and services providers and report the amount of those transactions.

The City can be penalized or treated as being in noncompliance by the FAA only if the City fails to administer its ACDBE program at the Airport in good faith. If ACDBE participation falls short of the targets, the FAA may require the City to provide a statement explaining why the overall targets were not met and what is being done to improve ACDBE participation in Airport concessions.

The City held a stakeholder meeting on April 6, 2023, to present these proposed goals to the community and to seek input about the availability of disadvantaged and non-disadvantaged opportunities, the effects of discrimination on opportunities for ACDBEs, and the City's efforts to establish a level playing field for the participation of ACDBEs.

The City also plans to present this same presentation directly to the Airport Commission on May 8, 2023, to ensure all stakeholder are given opportunity to review and comment on the proposed goal.

Following the consultation with stakeholders, notice of the proposed 7.7% goal for concessions other than rental cars and 0.40% goal for rental cars was published by the Airport Minority Advisory Council and on the Airport's websites. Additionally, the presentation was also posted to the Airport's website for all stakeholders to see even if they did not make it to the original presentation. Furthermore, the Airport and its consultant conducted additional outreach to multiple trade organizations, including Airport Minority Advisory Council, Airport Council International –North America, and American Association of Airport Executives.

Racial Equity Impact Analysis

United States Department of Transportation set up the ACDBE and Disadvantage Business Enterprise programs to help remedy discrimination along with past discrimination in contracting with transportation agencies. Considering a significant portion of the ACDBEs and Disadvantaged Business Enterprises hold their certifications based on race, this program has a direct racial equity impact.

These programs seek to help lower barriers of entry into contracts for many businesses that are owned 51% or more by a disadvantaged owner including but not limited to women, Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Subcontinent Asian-Pacific Americans, or other minorities found to be disadvantaged by the United States Small Business Administration.

Therefore, the ACDBE program at the Airport takes steps along with the general federal program to help these ACDBE businesses receive opportunities to bid on contracts at the Airport. This is done through outreach, networking, pre-proposal meetings, and training events. These efforts strive to help these business owners increase their awareness of Airport opportunities, including

how to apply for and to receive certification for Disadvantaged Business Enterprise or ACDBE status. This also allows them to create teams with other ACDBEs or primes and strengthen their abilities to get contracts they may not qualify for alone. The Airport also makes available an Airport ACDBE and Disadvantaged Business Enterprise liaison, who will include these firms in communications for future opportunities and to engage with these firms for when they have questions. The liaison is available directly via a call or email or even by attending any of the many events. This allows the liaison to provide insight via comments, concerns, and questions to better lower the barriers and help find additional ways to even the playing field in participating in Airport contracts.

EVALUATION AND FOLLOW-UP

This memorandum will not require any follow-up from staff.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the May 23, 2023 City Council meeting.

The Airport held a stakeholder meeting on April 6, 2023, to present the ACDBE goal setting process and subsequent goals and to seek community input. A notice of the proposed goal and methodology was published on March 7, 2023 on the Airport's website, Federal Airport Administration's Airport goal page of the FAA website, and the Airport Minority Advisory Council's Events Page. Additionally, this notice was forwarded out to ACDBE's in our market area, all vendors and parties on our interested party list, that includes primes, small and local businesses, and the local Chambers of Commerce.

The notice informed the public of the upcoming ACDBE FFY 2024-2026 proposed goal for the Airport. The notice to the public included information on:

- Who to contact about the goal
- How to inspect the details about the goal and methodology
- The deadline for providing comments
- Notice of the April 6, 2023 stakeholder meeting

The stakeholder meeting that took place on April 6, 2023 was presented by Nicole Chang, our ACDBE consultant from GCAP Services Group LLC. Nicole presented on the proposed goal and methodology.

HONORABLE MAYOR AND CITY COUNCIL

May 1, 2023

Subject: Airport Concession Disadvantaged Business Enterprise Program for Federal Fiscal Years 2024-2026

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An additional presentation will take place by GCAP Services Group LLC to the Airport Commission on May 8, 2023.

The presentation was also shared on the Airport website to ensure stakeholders had access to the presentation even if they could not attend either presentation.

No comments have been received as of the writing of this memorandum.

Once approved by the City, the ACDBE program will be posted to the Airport website and submitted to the FAA.

COMMISSION RECOMMENDATION AND INPUT

The Airport Commission will be briefed at a public meeting on May 8, 2023 on the ACDBE goal setting process.

CEQA

Not a project, File No. PP17-008, General Procedure and Policy Making resulting in no changes to the physical environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

John Aitken, A.A.E
Director of Aviation

For questions, please contact Magdelina Nodal, Senior Analyst, at mnodal@sjc.org or (408) 392-3673.

ATTACHMENT: Federal Aviation Administration (FAA) Overall Airport Concessionaire Disadvantage Business Enterprise (ACDBE) Goal-Setting Methodology



**Federal Aviation Administration (FAA)
Overall Airport Concessionaire
Disadvantage Business Enterprise (ACDBE)
Goal-Setting Methodology**

**Fiscal Federal Years (FFY) 2024-2026
Goal Period**

Submitted in fulfillment of:
Title 49 Code of Federal Regulations Part 26

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1 INTRODUCTION

The San Jose Mineta International Airport (Airport), as a recipient of federal funds, is required under 49 Code of Federal Regulations (CFR) Part 23 to establish an Airport Concessionaire Disadvantaged Business Enterprise (ACDBE) program. Under these regulations, recipient airports are required to establish goals for ACDBE participation in airport concessionaire opportunities if concessionaire revenues annually exceed prescribed amounts. The goals are determined for a three (3) year period on a triennial basis. The following sections detail the methodologies used to determine ACDBE participation goals for car rental concessionaires and non-car rental concessionaires. The methodology for setting each goal includes a determination of a base figure, followed by an adjustment to that base figure, and recognition of several factors.

1.1 Market Area

The Airport's market area is the geographical area in which the substantial majority of firms which seek to do concessions business with the Airport and in which the firms receive a substantial majority of concessions related revenues are located. The Airport has defined their market area as the State of California.

2 ACDBE GOAL METHODOLOGY FOR NON-CAR RENTAL CONCESSIONS FOR FFYS 2024-2026

Based on historical data, the Airport annually has non-car rental concession revenues greater than \$200,000. Because revenues exceed this amount, according to Part 23, the Airport must establish a goal for non-car rental ACDBE participation. The goal is intended to cover the three (3) year period for Federal Fiscal Years (FFYs) 2024-2026. The following subsections outline the methodology used to determine the goal for non-car rental ACDBE participation.

2.1 Current Non-Car Rental Concessions

Currently the Airport has contracts with nineteen (19) non-car rental concessionaires. These include retail and food & beverage. The concessionaire categories are listed below in Table 1 with fiscal year gross receipts. The Airport's current gross receipts for non-car rental concessionaires exceeds \$200,000 as shown in Table 1 below.

Table 1

Non-Car Rental Concessionaire	Gross Receipts for FFY 2022
Host (Food and Beverage)	\$23,511,466
AMS-SJC Joint Venture with JR Lester	\$17,464,489
WDFG NA (World Duty Free Goods)	\$418,166
SSP America Inc. (Food and Beverage)	\$10,826,080
PRI Provenzano Resources	\$536,983
Alclear	\$12,530,060
ALD Development Corp (both locations)	\$3,664,275
Drop Water (was listed as part of canteen but they are their own company)	\$12,700
Clear Channel Advertising	\$7,014,870
Certified Folder	\$47,413
ReadyCARD	\$13,633
Smarte Carte-Luggage Carts	\$242,641
Smarte Carte-Massage Chairs	\$140,077
Bank of America	\$0
Compass Group USA, Inc DBA Canteen	\$61,928
Prepango, LLC	\$7,481
SecurityPoint Media, LLC	\$162,000
Total	\$76,654,262

Source: San Jose Mineta International Airport Accounting

2.1 Step 1: Determination of the Base Figure

To establish the Base Figure of the relative availability of ACDBEs to all comparable firms (ACDBEs and non-ACDBEs) available to bid or propose on concessions, the Airport followed one of the five prescribed federal goal-setting methodologies in accordance with the 49 CFR Part 23 regulations. This was accomplished by accessing the California Unified Certification Directory of Certified ACDBE Firms and the 2020 U.S. Census Bureau County Business Patterns Database. Comparisons were made within the Airport market area and by the specified industries and types of businesses identified in Table 2.

Table 2 represents the projected gross receipts for each concessionaire type for Federal Fiscal Years 2024-2026. Table 2 also shows the concessionaire type weighting. This percentage is the amount of each concessionaire type divided by the total projected gross receipts for FFY 2024-2026.

Table 2

NAICS Code	Concessionaire Type	Projection of Gross Receipts for FFY 2024-2026	% by Concessionaire Type
451212	News dealers and newsstands	\$19,611,091	7.7%
453220	Gift, novelty, and souvenir stores	\$18,609,753	7.3%
454210	Vending machine operators	\$304,806	0.1%
488119	Other airport operations	\$19,945,519	7.8%
488190	Other support activities for air transportation	\$19,945,519	7.8%
541850	Outdoor advertising	\$22,332,730	8.7%
541890	Other services related to advertising	\$515,748	0.2%
722310	Food service contractors	\$30,902,490	12.1%
722410	Drinking places (alcoholic beverages)	\$11,833,093	4.6%
722511	Full-service restaurants	\$32,111,375	12.5%
722513	Limited-service restaurants	\$16,397,691	6.4%
722515	Snack and nonalcoholic beverage bars	\$49,992,087	19.5%
812199	Other personal care services	\$13,482,459	5.3%
Total		\$255,984,360	100.00%

Source: San Jose Mineta International Airport Accounting

To determine the base figure for the relative availability of ACDBEs within the market area, the Airport calculated the ratio of ready, willing and able ACDBE firms to all firms (ACDBEs and non-ACDBEs) located in the market area for each of the concessionaire types.

$$\frac{\text{Number of Ready, Willing, and Able ACDBEs}}{\text{Number of All Available Firms}} \times \text{Concessionaire Type \%} = \text{ACDBE Relative Availability}$$

- For the numerator: California Unified Certification Program Directory of Certified ACDBE Firms
- For the denominator: 2020 U.S. Census Bureau's County Business Pattern (CBP) Database

The Base Figure resulting from this weighted calculation is shown in Table 3 below.

Table 3

Concessionaire Type	NAICS Code	ACDBEs ¹	All Firms ²	ACDBE Relative Availability ³	Weighting % ⁴	Adjusted Base Figure
News dealers and newsstands	451212	38	79	48.1%	7.7%	3.7%
Gift, novelty, and souvenir stores	453220	73	2,042	3.6%	7.3%	0.3%
Vending machine operators	454210	8	239	3.3%	0.1%	0.0%
Other airport operations	488119	4	186	2.2%	7.8%	0.2%
Other support activities for air transportation	488190	1	432	0.2%	7.8%	0.0%
Outdoor advertising	541850	7	277	2.5%	8.7%	0.2%
Other services related to advertising	541890	7	782	0.9%	0.2%	0.0%
Food service contractors	722310	44	2,504	1.8%	12.1%	0.2%
Drinking places (alcoholic beverages)	722410	18	3,166	0.6%	4.6%	0.0%
Full-service restaurants	722511	47	31,036	0.2%	12.5%	0.0%
Limited-service restaurants	722513	67	31,771	0.2%	6.4%	0.0%
Snack and nonalcoholic beverage bars	722515	32	11,707	0.3%	19.5%	0.1%
Other personal care services	812199	6	2,884	0.2%	5.3%	0.0%
Total ACDBE Goal Figure						4.7%

2.2 Step 2: Adjusting the Base Figure

Upon establishing the Base Figure, the Airport reviewed and assessed other known evidence potentially impacting the relative availability of ACDBEs within the market area, in accordance with prescribed narrow tailoring provisions set forth under 49 CFR Part 23.51 Step 2 ACDBE Goal Adjustment guidelines.

¹ Total ACDBEs located in the market area from the California Unified Certification Program (CUCP) database.

² 2020 U.S. Census Bureau County Business Pattern Database.

³ Percent of Estimated Revenues by Concessionaire Type (Table 2).

⁴ Base Figure = (ACDBE/All Firms) x weighting

Historical Non-Car Rental ACDBE Participation

Past ACDBE participation attainment provides demonstrable evidence of ACDBE availability and capacity to perform on the Airport's non-car rental concessions. Table 4 shows the ACDBE participation achieved on non-car rental concessionaires for the last three (3) federal fiscal years.

Table 4

	Non-Car Rental ACDBE Goals	Non-Car Rental ACDBE Participation
FFY 2020	10.64%	16.07%
FFY 2021	10.10%	8.19%
FFY 2022	10.10%	10.74%
Median ACDBE Participation Within the Last Three (3) Years		10.74%

Source: Overall ACDBE Triennial Goal Methodologies for FFY 2018-2020 and FFY 2021-2023 and Uniform Reports for FFY 2020-2022.

To arrive at an overall goal, the Airport added the Step 1 ACDBE Base Figure with the Step 2 Adjustment Figure and then averaged the total.

$$\begin{array}{rclclcl}
 \text{Non-Car Rental} & & \text{Non-Car Rental Median ACDBE} & & & & \\
 \text{ACDBE Base} & + & \text{Participation Within the Last} & \div 2 & = & \text{Non-Car Rental} & \\
 \text{Figure} & & \text{Three (3) Years} & & & \text{ACDBE Triennial Goal} & \\
 (4.7\%) & & (10.74\%) & & & (7.7\%) &
 \end{array}$$

Disparity Studies

The Airport has not conducted a Disparity Study nor are they aware of any relevant studies of a similar size and location. Therefore, no adjustment was made to the base figure based on disparity study data.

Other Considerations

The Airport is not aware of any other factors or adverse considerations that would have a material effect on ACDBE availability within the Airport marketplace or on ACDBE's ability to participate (meeting bonding, insurance and financial requirements) in the Airport's FAA-assisted contracting program. Therefore, no further consideration toward a goal adjustment was made. The Airport will continue to explore and consider all available evidence that materially would affect the opportunities for ACDBEs to form, grow, and compete in the Airport's concessionaire program.

2.3 ACDBE Triennial Goal for Non-Car Rental Concessions FFY 2024-2026

The Airport Non-Car Rental ACDBE Triennial Goal for FFY 2024-2026 is 7.7%.

The Airport must project the amount of the goal that will be met with both race-conscious and race-neutral means. The Airport operates a strictly race-neutral ACDBE program and will meet all of the goal with race-neutral means, as shown below.

Non-Car Rental ACDBE Goal	7.7%
Race-Conscious Projection	0.0%
Race-Neutral Projection	7.7%

2.4 Race -Neutral Measures

49 CFR Part 23 requires that airports meet the maximum feasible portion of their overall ACDBE goals utilizing race-neutral means. Race-neutral participation includes any time that an ACDBE wins a contract through customary competitive procedures. Race-conscious methods are those that are focused specifically on assisting only ACDBEs, such as establishing a contract goal of ACDBE participation. Although the airport has not achieved its non-car rental participation goals in the past, the Airport will provide greater effort in executing the following race-neutral measures to help achieve the non-car rental ACDBE goal:

- Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires.
- Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate.
- When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs.
- Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the Airport's ACDBE program will affect the procurement process;
- Providing technical assistance to ACDBEs in overcoming limitations, such as obtaining bonding or financing.

3 ACDBE GOAL METHODOLOGY FOR CAR RENTAL CONCESSIONS FOR FFYS 2024-2026

The Airport annually has car rental concessionaire revenues greater than \$200,000. Because revenues exceed this amount, according to Part 23, the Airport must establish a goal for car rental ACDBE participation. The goal is intended to cover the three (3) year period for FFY 2024-2026. The following subsections outline the methodology used to determine the goal for non-car rental ACDBE participation.

3.1 Current Car Rental Concessionaires

Current car rental concessionaires and their FFY 2022 revenues are listed in Table 5 below.

Table 5

Concessionaire	FFY 2022 Gross Revenue	Contract Commencement Date	Contract Termination Date
Avis Budget Car Rental, LLC	\$48,428,490	February 18, 2008	June 30, 2030
DTG Operations, Inc.	\$12,051,274	February 19, 2008	June 30, 2030
EAN, LLC dba Enterprise Rent a Car	\$50,634,582	February 19, 2008	June 30, 2030
Fox Rent a Car, Inc.	\$7,332,855	February 19, 2008	June 30, 2030
Hertz Corporation	\$26,470,400	February 19, 2008	June 30, 2030
NOCAL Rentals, Inc. dba Payless Car Rental	\$944,599	April 5, 2012	June 30, 2030
Sixt Rent a Car	\$8,150,607	January 31, 2013	June 30, 2030

Source: San Jose Mineta International Airport's Car Rental Concessionaires' Contractor Agreements

Since the car rental concessionaires at the Airport has annually seen average revenues in excess of \$200,000 over the past three years, the Airport is required to establish a goal of ACDBE participation for car rental concessions.

3.2 Step 1: Determination of Base Figure

The methodology used to determine a base figure of car ACDBE rental participation is to obtain the number of ready, willing and able ACDBE firms that provide car rental services or provide goods and services to car rental concessionaires and dividing that number by the total number of ready, willing and able firms in the market area. For the purpose of determining this goal, the market area is considered to be the State of California as car rental firms generally operate on a regional basis, shifting cars and resources among a region as needs dictate.

Table 6 below details the types of firms that are expected to be able to provide car rental sales and or goods and services to the Airport.

Table 6

Type of Service	NAICS Code	ACDBE Firms	All Firms
Motor vehicle supplies and new parts merchant wholesalers	424720	6	237
Tire and tube merchant wholesalers	441110	0	1,943
Motor vehicle parts (used) merchant wholesalers	441120	0	1,496
Other miscellaneous durable goods merchant wholesalers	441310	0	3,292
Petroleum and petroleum products merchant wholesalers (except bulk stations and terminals)	441320	1	2,262
New car dealers	524210	2	14,354
Used car dealers	811111	3	9,470
Automotive parts and accessories stores	811112	0	215
Tire dealers	811121	1	4,088
Insurance agencies and brokerages	811122	0	691
General automotive repair	811191	1	701
Automotive exhaust system repair	811192	5	2,015
Total		19	40,764
Base Figure			0.05%

3.3 Step 2: Adjusting the Base Figure

After determining the base figure of ACDBE participation, the figure may be adjusted based upon local supporting evidence such as historic participation, disparity study information, and local availability of ACDBE firms.

Historical ACDBE Participation

Table 7 below shows the historical car rental ACDBE participation obtained by the Airport for the last three (3) federal fiscal years (FFY).

Table 7

Federal Fiscal Year	Car Rental ACDBE Goal	Car Rental ACDBE Participation
FFY 2020	3.64%	0.77%

Federal Fiscal Year	Car Rental ACDBE Goal	Car Rental ACDBE Participation
FFY 2021	0.40%	0.72%
FFY 2022	0.40%	1.15%

Source: Overall ACDBE Triennial Goal Methodologies for FFY 2018-2020 and FFY 2021-2023 and Uniform Reports for FFY 2020-2022.

To arrive at an adjusted base figure, the airport added our Step 1 ACDBE Base Figure with our Step 2 Adjustment Figure (the median ACDBE participation) and divided by two (2) to get the average.

Car Rental ACDBE Base Figure (0.05%)	+	Car Rental Median ACDBE Participation Within the Last Three (3) Years (0.77 %)	÷ 2	=	Car Rental ACDBE Triennial Goal (0.4%)
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Disparity Studies

The Airport has not conducted a Disparity Study nor are they aware of any relevant studies of a similar size and location. Therefore, no adjustment was made to the base figure based on disparity study data.

Other Considerations

The Airport is not aware of any other factors or adverse considerations that would have a material effect on ACDBE availability within the Airport marketplace or on ACDBE's ability to participate (meeting bonding, insurance and financial requirements) in the Airport's FAA-assisted contracting program. Therefore, no further consideration toward a goal adjustment was made. The Airport will continue to explore and consider all available evidence that materially would affect the opportunities for ACDBEs to form, grow, and compete in the Airport's concessionaire program.

3.4 ACDBE TRIENNIAL GOAL FOR CAR RENTAL CONCESSIONS FFY 2024-2026

In accordance with the requirements of 49 CFR Part23, the Airport has established a Car Rental ACDBE Triennial Goal for FFY 2024-2026 of 0.4%.

The Airport must project the amount of the goal that will met with both race-conscious and race-neutral means. As the Airport has exceeded car-rental ACDBE goals in the past, it expects to meet the triennial goal with race-neutral means. Further, the Airport operates a strictly race-neutral ACDBE program all will meet all of the goal with race-neutral means, as shown below.

Car Rental ACDBE Goal	0.4%
Race-Conscious Projection	0.0%
Race-Neutral Projection	0.4%

3.5 Race -Neutral Measures

49 CFR Part 23 requires that airports meet the maximum feasible portion of their overall ACDBE goals utilizing race-neutral means. Race-neutral participation includes any time that an ACDBE wins a contract through customary competitive procedures. Race-conscious methods are those that are focused specifically on assisting only ACDBEs, such as establishing a contract goal of ACDBE participation. The airport expects to solely utilize race neutral methods to achieve its car rental participation goals and does not expect to establish contract goals to achieve this goal. The underlying reason for the use of race-neutral means to achieve the goal is the market availability of ACDBE firms in the Airport's market area.

Some race-neutral methods the airport will utilize are listed below:

- Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires.
- Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate.
- When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs.
- Providing technical assistance to ACDBEs in overcoming limitations, such as obtaining bonding or financing.


4 PUBLIC PARTICIPATION

A Public Notice will be issued on the Airport website (Attachment 1), publishing the Draft Proposed FAA publishing the Draft Proposed FAA Overall ACDBE Goal-Setting Methodology for FFY 2024-2026. The notice informed the public that the proposed goal and rationale were available for inspection at the Airport's principal office during business hours for 30 days following the date of the Public Notice, and that the Airport would accept comments on the goal analysis for 30 days from the date of the Public Notice.

In accordance with Public Participation Regulatory Requirements of Title 49 CFR Part 26, minority, women, local business associations, and community organizations within the market area were contacted and provided an opportunity to review the triennial goal analysis and provide input. The Airport reached out to nine (9) local minority, women, and community business organizations to provide them information on the Airport's ACDBE program and specifically the Draft Proposed ACDBE Goal-Setting Methodology for FFY 2024-2026 and to solicit their comments. Each organization was contacted multiple times by both telephone and email. The email blast distributed is Attachment 2. The summary of all contact made in an attempt to receive input as part of this process can be found in Attachment 3. The Airport hosted a webinar for public comment and showed a presentation outlining the methodology (Attachment 4). The Airport recorded the presentation and has the recorded if the public would like to review the Triennial ACDBE Goal Methodology for FFY 2024-2026.

ATTACHMENT 1: WEBSITE NOTIFICATION

[PASSENGERS](#) [BUSINESS](#) English [JOIN OUR EMAIL LIST](#)

 **SAN JOSE MINETA**
INTERNATIONAL AIRPORT [ABOUT](#) [COMMUNITY & ENVIRONMENT](#) [DOING BUSINESS](#) [PRESS ROOM](#)

[Home](#) / [Standards and Guidelines](#) / [Airport Concessions Disadvantaged Business Enterprise Program \(ACDBE\)](#)

Airport Concessions Disadvantaged Business Enterprise Program (ACDBE)

The San José Mineta International Airport is committed to a Program for the participation of Airport Concession Disadvantaged Business Enterprises (ACDBEs) in airport concession-related contracting opportunities in accordance with U.S. Department of Transportation, 49 Code of Federal Regulations Part 23.

Notice to Public: Posted March 7th, 2023
[Federal Aviation Administration \(FAA\) Airport Concession Disadvantaged Business Enterprise \(ACDBE\) Goal Federal Fiscal Years 2024-2026](#)

It is the policy of the City of San José (City) to ensure non-discrimination on the basis of race, color, sex, or national origin in the award and administration of its concession-related contracts. It is the intention of the City to create a level playing field on which ACDBEs can compete fairly for contracting opportunities related to the City's concession activities.

- [Norman Y. Mineta San José Int'l Airport FFY 2015-2017 ACDBE Plan](#)
- [Norman Y. Mineta San José Int'l Airport FFY 2018-2020 ACDBE Plan](#)
- [Norman Y. Mineta San José Int'l Airport FFY 2021-2023 ACDBE Plan](#)



**NORMAN Y. MINETA
SAN JOSE INTERNATIONAL AIRPORT**

**FEDERAL AVIATION ADMINISTRATION
ACDBE GOAL FEDERAL FISCAL YEARS 2024-2026**

In accordance with 49 CFR Part 26.45(g), the City of San Jose/Norman Y. Mineta International Airport (SJC), as a recipient of U.S. Department of Transportation (DOT) assistance, announces a proposed Federal Aviation Administration (FAA) Airport Concessions Disadvantaged Business Enterprise (ACDBE) goals for Non-Car Rental and Car Rental Concessions.

Triennial Period

October 1, 2023 through September 30, 2026

7.7%

RN ACDBE Goal for Non-Car Rental Concessions

0.4%

RN ACDBE Goal for Car Rental Concessions

These race-neutral goals represent the percentage of work to be performed by certified ACDBE firms on SJC's FAA-assisted projects during each federal fiscal year of the project period.

We will be hosting a webinar for public participation on
Thursday, April 6, 2023 at 10:00 a.m.

The methodology used to determine the proposed goal will be available for public inspection for thirty (30) days from the date of this notice, Monday through Friday from 8:00 a.m. to 4:00 p.m. at the following location:

City of San Jose/ Norman Y. Mineta San Jose International Airport
1701 Airport Blvd. Ste B-1130
San José, CA 95110
Tel: (408) 392-3673

The U.S. DOT and SJC will accept comments on this proposed goal for 30 days from the date of this notice.

Written comments to the SJC DBE Liaison Officer, Christopher Hickey, may be sent to the address above and/or emailed to Christopher.Hickey@sanjoseca.gov. Written comments can also be sent directly to the FAA, DBE/ACDBE Compliance Specialist for the Western Pacific Region, P.O. Box 920078, Los Angeles, CA 90009-2007. Written comments at both locations will be accepted until April 7, 2023.

ATTACHMENT 2: SAMPLE E-BLAST

SJC NORMAN Y. MINETA
SAN JOSE INTERNATIONAL AIRPORT

FEDERAL AVIATION ADMINISTRATION ACDBE GOAL FEDERAL FISCAL YEARS 2024 - 2026

In accordance with 49 CFR Part 26.45(g), the City of San Jose/Norman Y. Mineta International Airport (SJC), as a recipient of U.S. Department of Transportation (DOT) assistance, announces a proposed Federal Aviation Administration (FAA) Airport Concessions Disadvantaged Business Enterprise (ACDBE) goals for Non-Car Rental and Car Rental Concessions.

These race-neutral goals represent the percentage of work to be performed by certified ACDBE firms on SJC's FAA-assisted projects during each federal fiscal year of the project period.

7.7%
NON-CAR RENTAL
ACDBE GOAL

0.4%
CAR RENTAL
ACDBE GOAL

PUBLIC WEBINAR

**THURSDAY
APRIL 6, 2023
10:00 A.M.**

SJC will be hosting a webinar for public participation. Please use the link below to join on Thursday, April 6th, 10:00 a.m. PT.

Microsoft Teams Meeting

Join on computer or mobile app
Meeting ID: 213 976 846 123
Passcode: QiEZz4
Call in (audio only)
+1 323-886-7053,,622438442#
Phone Conference ID: 622 438 442#

**Comments
Accepted Through
April 7th**

SJC will be accepting comments to the overall ACDBE Goal-Setting Methodology for FFY 2023-2026 until April 7, 2023. Written comments to the SJC DBE Liaison Officer, Christopher Hickey at Christopher.Hickey@sanjoseca.gov. Written comments can also be sent directly to the FAA, DBE/ACDBE Compliance Specialist for the Western Pacific Region, P.O. Box 920078, Los Angeles, CA 90009-2007.

Public Notice **Teams Meeting Link**

ATTACHMENT 3: CONSULTATIVE PROCESS SUMMARY

Organization	Contact Efforts	Comments
Hispanic Chamber of Commerce of Sonoma County hccadmin@hcc-sc.org info@hispanicchambersc.com 707-575-3648	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/29/23/23 called and left voicemail. 	None received.
Hispanic Chamber of Commerce Silicon Valley Dennis King 408-248-4800 dennisk@hccsv.org connie@sbdchc.org INFO@HCCSV.ORG	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/29/23 attempted to call organization; number disconnected. 	None received.
North Bay Black Chamber of Commerce info@nbbcc.org 707-623-2701	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and left voicemail. 	None received.
Sonoma Small Business Development Center 707-595-0060	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and left voicemail. 	None received.
Napa Chamber of Commerce Travis Stanley, President & CEO travis@napachamber.com (707) 254-1146 (707) 226-7455	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and spoke with a representative. Provided information on the goals, upcoming webinar, and where to find the public notice online. 	None received.
Solano County Black Chamber of Commerce Tamuri Richardson, President tamuri@solanoblackchamber.com info@solanoblackchamber.com 707-378-5301	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and spoke with a representative. Provided information on the goals, upcoming webinar, and where to find the public notice online. 	None received.

Organization	Contact Efforts	Comments
Marin Small Business Development Center Miriam Karell, Director miriam@marinsbdc.org 415-482-1819	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and spoke with a representative. Provided information on the goals, upcoming webinar, and where to find the public notice online. 	None received.
San Francisco Bay Area Hispanic Chamber of Commerce Two Embarcadero Center, 8th FL San Francisco, CA 94111 Evodio "Vo" Walle, President vo@h5c.org vo@sfbayhcc.com info@sfbayhcc.com 415-572-3568	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 attempted to call organization; number disconnected. 	None received.
Hispanic Chamber of Commerce Alameda County info@achcc.org 415-572-3568 510-522-0414	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and spoke with a representative. Representative confirmed they received the emails and notified Airport that this information was shared with their members. No additional information was requested by the representative. 	None received.
East Bay Small Business Development Center ebinfo@eastbaysbdc.org 510-516-4118 510-885-4806	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 attempted to call organization; numbers posted online have been disconnected. 	None received.
Santa Clara & San Benito Counties Building & Construction Trades Council Josué Garcia Norene Sakazaki, Office Manager josue@scbtc.org norene@scbtc.org david@scbtc.org 408-265-7643	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and left voicemail. 	None received.

Organization	Contact Efforts	Comments
Chinese American Chamber of Commerce Santa Clara Valley cacc_sc@yahoo.com 408-615-7300	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 attempted to call organization; number posted online has been disconnected. 	None received.
Filipino American Chamber of Commerce of Silicon Valley info@filamchamber.org 408-283-0833	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 attempted to call organization; number posted online has been disconnected. 	None received.
Hispanic Chamber of Alameda County info@achcc.org 415-572-3568 510-536-4477	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 attempted to call organization; unable to leave voicemail due to full voicemail. 	None received.
Silicon Valley Minority Business Consortium Walter Wilson walter@minoritybusinessconsortium.com REGINALD SWILLEY swilley@minoritybusinessconsortium.com 408-660-9171	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 attempted to call organization; unable to leave voicemail due to full voicemail. 	None received.
San Jose MBDA Business Center Paula Tran Raymond Au Yeong Tony Tang ptran@sanjosembdacenter.com; rauyeong@sanjosembdacenter.com ttang@sanjosembdacenter.com 408-998-8058 x 139 408-998-8058 x 137	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and spoke with a representative. Provided information on the goals, upcoming webinar, and where to find the public notice online. 	None received.
National Association of Women Business Owners Silicon Valley info@nawbo-sv.org 408-657-7190	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and spoke with a representative. Provided information on the goals, upcoming webinar, and where to find the public notice online. 	None received.

Organization	Contact Efforts	Comments
Oakland African American Chamber of Commerce communityengagement@oaacc.org office@oaacc.org 510-268-1600	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and left voicemail. 	None received.
Silicon Valley Vietnamese American Chamber of Commerce Nancy Kieu Nga Avila info@svvacoc.org knavila@svvacoc.org 408-673-7181 408-658-7785	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and spoke with a representative. Provided information on the goals, upcoming webinar, and where to find the public notice online. 	None received.
The Silicon Valley Black Chamber of Commerce Carl Davis pres@blackchamber.com info@blackchamber.com 408-288-8806	<ul style="list-style-type: none"> Sent e-blasts on 3/21/23, 3/23/23, 3/30/23/23, 4/3/23, 4/5/23, 4/6/23 3/30/23 called and left voicemail. 	None received.

ATTACHMENT 4: WEBINAR PRESENTATION



1




Agenda

- > ACDBE Program Introduction
 - Title 49 CFR Part 23
 - Title 49 CFR Part 26
 - Triennial Goal Period for FFY 2024-2026
- > ACDBE Goal Development
 - Market Area
 - Current Concessions
 - Categorization of Work
 - ACDBE Availability
 - Adjustment
- > Non-Car Rental Concessions Goal
- > Car Rental Concessions Goal
- > Next Steps



2

SJC  **SAN JOSE MINETA**
INTERNATIONAL AIRPORT

ACDBE Program Introduction

<p>Title 49 CFR Part 23</p> <p>Participation of DBEs on Airport Concessions</p>	<p>Title 49 CFR Part 26</p> <p>Participation by DBEs in U.S. Department of Transportation Program</p>	<p>Triennial Goal Period for FFY 2024-2026</p> <p>Goal Methodology Setting for FFY 2024-2026 (October 1, 2023 – September 30, 2026)</p>
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3

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INTERNATIONAL AIRPORT

ACDBE Goal Development



MARKET AREA



CURRENT
CONCESSIONS



CATEGORIZATION
OF WORK



ACDBE
AVAILABILITY




ADJUSTMENT





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5


MARKET AREA


CLIENTS


CATEGORIZATION



ACDBE


ADJUSTMENT


Market Area

The market area is State of California

- Area where the substantial majority of firms who seek to do concessions are located
- Required to evaluate the availability of ACDBE firms



NON-CAR RENTAL CONCESSIONS

 **SAN JOSE MINETA**
INTERNATIONAL AIRPORT

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MARKET AREA

CURRENT CONCESSIONS

CATEGORIZATION OF WORK

ACDBE AVAILABILITY

ADJUSTMENT




NON-CAR RENTAL CONCESSIONS

Current Concessions

Non-Car Rental Concessionaire	Gross Receipts for FFY 2022
Host (Food and Beverage)	\$23,511,466
AMS SJC Joint Venture with JR Lester	\$17,464,489
WDFG NA (World Duty Free Goods)	\$418,166
SSP America Inc. (Food and Beverage)	\$10,826,080
PRI Provenzano Resources	\$536,983
Alclear	\$12,530,060
ALD Development Corp	\$3,664,275
Drop Water	\$12,700
Clear Channel Advertising	\$7,014,870
Certified Folder	\$47,413
ReadyCARD	\$13,633
Smarte Carte Luggage Carts	\$242,641
Smarte Carte Massage Chairs	\$140,077
Bank of America	\$0
Compass Group USA, Inc DBA Canteen	\$61,928
Prepango, LLC	\$7,481
SecurityPoint Media, LLC	\$162,000
Elevate	
WSE	
Total	\$76,654,262

Currently, there are 19
non-car rental concessions

 **SAN JOSE MINETA**
INTERNATIONAL AIRPORT

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MARKET AREA

CURRENT CONCESSIONS

CATEGORIZATION OF WORK

ACDBE AVAILABILITY

ADJUSTMENT




NON-CAR RENTAL CONCESSIONS

Categorization of Work

NAICS Code	Concessionaire Type	Projection of Gross Receipts for FFY 2024-2026	% by Concessionaire Type
451212	News dealers and newsstands	\$19,611,091	7.7%
453220	Gift, novelty, and souvenir stores	\$18,609,753	7.3%
454210	Vending machine operators	\$304,806	0.1%
488119	Other airport operations	\$19,945,519	7.8%
488190	Other support activities for air transportation	\$19,945,519	7.8%
541850	Outdoor advertising	\$22,332,730	8.7%
541890	Other services related to advertising	\$515,748	0.2%
722310	Food service contractors	\$30,902,490	12.1%
722410	Drinking places (alcoholic beverages)	\$11,833,093	4.6%
722511	Full service restaurants	\$32,111,375	12.5%
722513	Limited service restaurants	\$16,397,691	6.4%
722515	Snack and nonalcoholic beverage bars	\$49,992,087	19.5%
812199	Other personal care services	\$13,482,459	5.3%
Total		\$255,984,360	100.0%

13 NAICS Codes
were found to be
applicable to the
scope of the non-
car rental
concessions.

 **SAN JOSE MINETA**
INTERNATIONAL AIRPORT

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MARKET AREA

CURRENT CONCERNING

CATEGORIZATION OF WORK

ACDBE AVAILABILITY

ADJUSTMENT


NON-CAR RENTAL CONCESSIONS

ACDBE Availability

$\sum \frac{\text{Number of Ready, Willing, and Able ACDBEs}}{\text{Number of All Available Firms}} \times \text{Weighting Type \%} = \text{ACDBE Base Figure}$

Total ACDBEs in the market area from the California Unified Certification Program (CUCP)
 2020 U.S. Census Bureau County Business Pattern Database
 Categorization of Work

 **SAN JOSE MINETA**
INTERNATIONAL AIRPORT

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MARKET AREA

CURRENT CONCERNING

CATEGORIZATION OF WORK


ACDBE AVAILABILITY

ADJUSTMENT

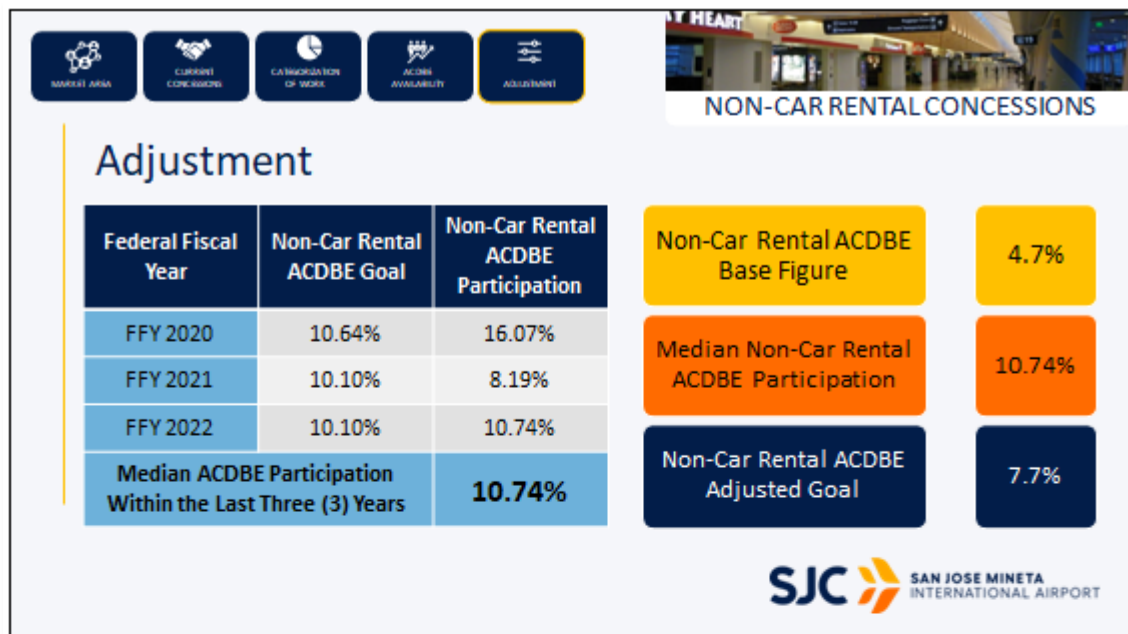

NON-CAR RENTAL CONCESSIONS

ACDBE Availability

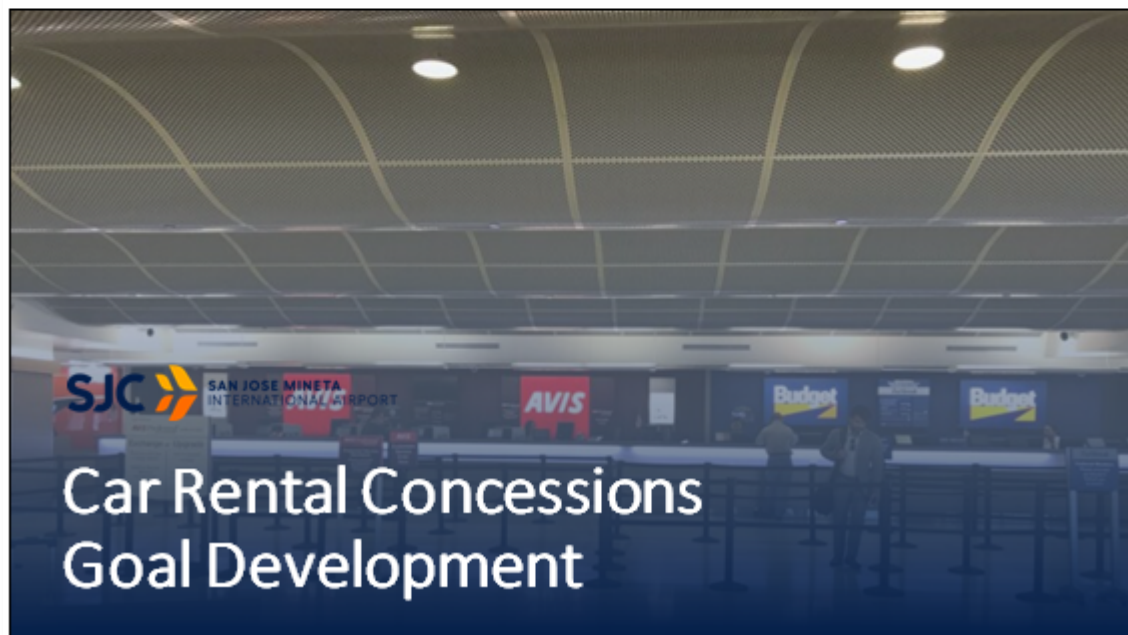
NAICS Code	Concessionaire Type	ACDBE	All Firms	ACDBE Relative Availability	Weighting %	Adjusted Base Figure
451212	News dealers and newstands	38	79	48.1%	7.7%	3.7%
453220	Gift, novelty, and souvenir stores	73	2,042	3.6%	7.3%	0.3%
454210	Vending machine operators	8	239	3.3%	0.1%	0.0%
488119	Other airport operations	4	186	2.2%	7.8%	0.2%
488190	Other support activities for air transportation	1	432	0.2%	7.8%	0.0%
541850	Outdoor advertising	7	277	2.5%	8.7%	0.2%
541890	Other services related to advertising	7	782	0.9%	0.2%	0.0%
722310	Food service contractors	44	2,504	1.8%	12.1%	0.2%
722410	Drinking places (alcoholic beverages)	18	3,166	0.6%	4.6%	0.0%
722511	Full service restaurants	47	31,036	0.2%	12.5%	0.0%
722513	Limited service restaurants	67	31,771	0.2%	6.4%	0.0%
722515	Snack and nonalcoholic beverage bars	32	11,707	0.3%	19.5%	0.1%
812199	Other personal care services	6	2,884	0.2%	5.3%	0.0%
ACDBE Base Figure						4.7%

 **SAN JOSE MINETA**
INTERNATIONAL AIRPORT

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11



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CAR RENTAL CONCESSIONS

Market Area


The market area is State of California


- Area where the substantial majority of firms who seek to do concessions are located
- Required to evaluate the availability of ACDBE firms





 **SAN JOSE MINETA**
INTERNATIONAL AIRPORT


13

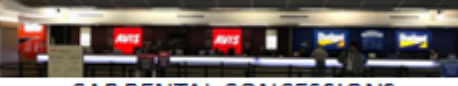













CAR RENTAL CONCESSIONS

Current Concessions

Currently, there are 7 car rental concessions

Concessionaire	FFY 2022 Gross Revenue	Contract Commencement Date	Contract Termination Date
Avis Budget Car Rental, LLC	\$48,428,490	February 18, 2008	June 30, 2030
DTG Operations, Inc.	\$12,051,274	February 19, 2008	June 30, 2030
EAN, LLC dba Enterprise Rent a Car	\$50,634,582	February 19, 2008	June 30, 2030
Fox Rent a Car, Inc.	\$7,332,855	February 19, 2008	June 30, 2030
Hertz Corporation	\$16,470,400	February 19, 2008	June 30, 2030
NOCAL Rentals, Inc. dba Payless Car Rental	\$944,599	April 5, 2012	June 30, 2030
Slit Rent a Car	\$8,150,607	January 31, 2013	June 30, 2030

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NAIICS AREA

CURRENT CONCURRENCE

CATEGORIZATION OF WORK

ACDBE AVAILABILITY

ADJUSTMENT



CAR RENTAL CONCESSIONS

Categorization of Work

NAIICS Codes	Concession Type
424720	Motor vehicle supplies and new parts merchant wholesalers
441110	Tire and tube merchant wholesalers
441120	Motor vehicle parts (used) merchant wholesalers
441310	Other miscellaneous durable goods merchant wholesalers
441320	Petroleum and petroleum products merchant wholesalers (except bulk stations and terminals)
524210	New car dealers
811111	Used car dealers
811112	Automotive parts and accessories stores
811121	Tire dealers
811122	Insurance agencies and brokerages
811191	General automotive repair
811192	Automotive exhaust system repair

12 NAICS Codes
were found to be
applicable to the
scope of the car
rental concessions.

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NAIICS AREA

CURRENT CONCURRENCE

CATEGORIZATION OF WORK

ACDBE AVAILABILITY

ADJUSTMENT



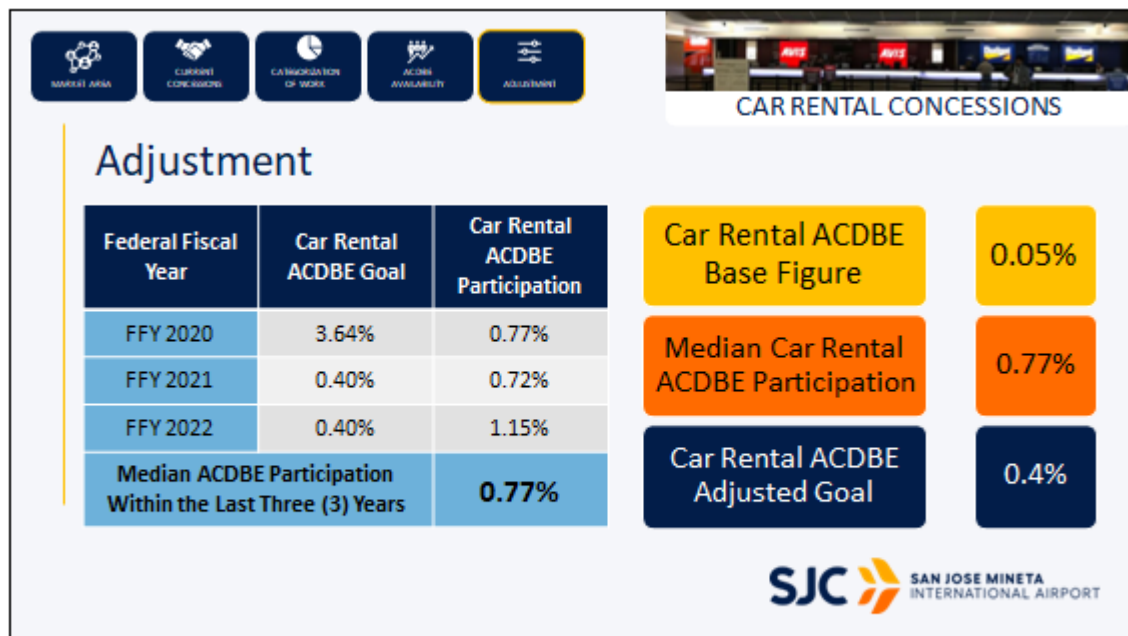
CAR RENTAL CONCESSIONS

ACDBE Availability

NAIICS Codes	Concession Type	ACDBEs	All Firms	ACDBE Availability
424720	Motor vehicle supplies and new parts merchant wholesalers	6	237	2.5%
441110	Tire and tube merchant wholesalers	0	1,943	0.0%
441120	Motor vehicle parts (used) merchant wholesalers	0	1,496	0.0%
441310	Other miscellaneous durable goods merchant wholesalers	0	3,292	0.0%
441320	Petroleum and petroleum products merchant wholesalers (except bulk stations and terminals)	1	2,262	0.0%
524210	New car dealers	2	14,354	0.0%
811111	Used car dealers	3	9,470	0.0%
811112	Automotive parts and accessories stores	0	215	0.0%
811121	Tire dealers	1	4,088	0.0%
811122	Insurance agencies and brokerages	0	691	0.0%
811191	General automotive repair	1	701	0.1%
811192	Automotive exhaust system repair	5	2,015	0.2%
		19	40,764	
		ACDBE Base Figure		0.05%

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QUESTIONS?

**Public Comment
Webinar**

April 6, 2023

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