



Airport Concessions Disadvantaged Business Enterprise Program Goal (ACDBE)

Paine Field Snohomish County Airport

Finance & Business Development

**ACDBELO: Nickolis A. Landgraff
ACDBE Coordinator: Mitchell Braathen**

**10108 32nd Ave West, Suite J
Everett, WA 98204
(425) 388-5125**

Section 23.45: Overall Goal Calculation for Concessions Other Than Car Rentals

Amount of Goal: 0.49%

Overall Three-Year Goal: 0.49%, to be accomplished through 0% RC and 0.49% RN

Name of Recipient: Snohomish County Airport/Paine Field (KPAE)

Goal Period: October 1, 2022 through September 30, 2025

DRAFT

Market Area:

The market area used to determine the base figure for the non-car rental ACDBE goal is Washington State. Snohomish County Airport/Paine Field currently has one nationally based concessionaire and two concessionaires in Washington State. While Washington State based concessionaires do not make up a substantial majority of firms, the substantial majority of concession related revenues are earned by Washington State concessionaires.

Base

Snohomish County Airport/Paine Field is using the average revenue over the last three years to calculate the

Year	Non-Car Rental Concession Revenue Total
2019	\$1,915,965
2020	\$1,901,926
2021	\$750,261
3 Year Average	\$4,568,152

Airport Administration does not anticipate any new concession opportunities to arise during this goal period. If a new concession opportunity arises prior to the end of this goal period Airport Administration will submit an adjustment to the overall goal to the FAA.

Methodology used to Calculate Overall Goal

Step 1: 23.51(c)

The Administration 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. (OMWDBE registry)

Denominator: All ready, willing, and able non-car rental concession firms in the market area. (Census data from Washington State [business and industry data](#))

$$\frac{\text{Numerator}}{\text{Denominator}}$$

NAICS	Description	Total Businesses	ACDBE Certified Businesses	ACDBE %
311511	Fluid Milk Manufacturing	10	0	0.00%
311513	Cheese Manufacturing	11	0	0.00%
311812	Commercial Bakeries	64	2	3.13%
311920	Coffee and Tea Manufacturing	54	0	0.00%
312120	Breweries	227	0	0.00%
312130	Wineries	355	0	0.00%
312140	Distilleries	56	0	0.00%
424420	Packaged Frozen Food Merchant Wholesalers	156	1	0.64%
424430	Dairy Product (except Dried or Canned) Merchant Wholesalers	33	0	0.00%
424440	Poultry and Poultry Product Merchant Wholesalers	5	0	0.00%
424450	Confectionery Merchant Wholesalers	55	1	1.82%
424460	Fish and Seafood Merchant Wholesalers	111	0	0.00%
424470	Meat and Meat Product Merchant Wholesalers	51	0	0.00%
424480	Fresh Fruit and Vegetable Merchant Wholesalers	155	0	0.00%

4248	Beer, Wine, and Distilled Alcoholic Beverage Merchant Wholesalers	125	1	0.80%
4542	Vending Machine Operators	49	5	10.20%
541614	Process, Physical Distribution, and Logistics Consulting Services	168	6	3.57%
541618	Other Management Consulting Services	63	5	7.94%
561720	Janitorial Services	1,910	5	0.26%
7224	Drinking Places (Alcoholic Beverages)	951	6	0.63%
722310	Food Service Contractors	612	15	2.45%
722515	Snack and Nonalcoholic Beverage Bars	2,751	10	0.36%
722511	Full-Service Restaurants	6,491	20	0.31%
722513	Limited-Service Restaurants	5,032	17	0.34%
812930	Parking Lots and Garages	264	3	1.14%
	TOTAL	19,759	97	0.49%

Airport Administration has chosen to select an unmodified goal for the 2022 to 2025 period. It has been estimated by the Airport Administration that, using race neutral measures, the market in equilibrium could support a higher average market participation rate among women and minority owned businesses. For this reason, Airport Administration believes, the number of certified ACDBE's is lower than the number of eligible ACDBE's. It is the Airport Administration's goal to increase the number of certified ACDBE's by minimizing the barrier created during the certification process as outlined in this ACDBE program. The Airport Administration also believes that it will take time for the effects of the ACDBE outreach efforts to affect the market. The Administration will review

the annual ACDBE participation each year for the 2023 to 2025 period and adjust the goal as needed.

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

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

1. Identifying ACDBEs and other small businesses who may be interested in participating as concessionaires by attending business outreach programs.
2. Notifying ACDBEs registered with Snohomish County of upcoming concession opportunities, and how to apply.
3. When practical, structuring concession activities as to encourage and facilitate the participation of ACDBEs.
4. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation.

Airport Administration understands that it will be expected to take these steps, and this is not merely a paper exercise.

Airport Administration estimates that, in meeting the overall goal of 0.49%, terminal concessions will obtain 0.49% from race-neutral participation. Airport Administration's estimate was established by dividing the overall goal by the estimated race neutral participation for similarly sized airports in Washington State and averaging the resulting numbers. Until Snohomish County Airport has historical data to prove otherwise, Airport Administration has no reason to believe it will deviate from the pattern.

If the administration projects that race-neutral measures, standing alone, are not sufficient to meet an overall goal, Airport Administration will use the following race-conscious measures to meet the overall goal:

1. The Administration will establish concession-specific goals for particular concession opportunities.
2. The terminal operator will negotiate with potential concessionaires to include ACDBE participation through direct ownership arrangements or measures, in the operation of the concession.
3. With prior FAA approval, the terminal operator will use other methods that take a competitor's ability to provide ACDBE participation into account in awarding a concession.

In order to ensure that the Administration's ACDBE program will be narrowly tailored to overcome the effects of discrimination, if Airport Administration use concession specific

goals Airport Administration will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and Airport Administration 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.

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

DRAFT