

Attachment 4**Section 23.45: Overall Goal Calculation for Concessions Other Than Car Rentals**

Name of Recipient: Alaska DOT & PF and Ted Stevens Anchorage International Airport

Goal Period: FY 2024-FY 2026

Overall Three-Year Goal:

3.30%, to be accomplished through 0% RC and 3.30% RN

The Sponsor has determined the market area is as follows: The Borough of Anchorage (B), state of Alaska (S), as well as the Nationwide (N) market area.

Market Area for Non-Car Rental Concessionaires

Company	Type of Concession	Borough	State	Nationwide
Alaska Airlines	Food & Beverage			XX
Alaska Channel	Advertising			XX
Baby Vend	Vending		XX	
Denali Pretzel	Food & Beverage	XX		
David Green & Sons, LLC (DGG JV)	Duty Free/General Merchandise	XX		
New Zoom Inc.	Automated Retail		XX	
Ready Credit Corp	Cash to credit Machine			XX
Sushi on the Fly Joint Venture (HMS Host)	Food & Beverage	XX		
Chen Alaska, Inc.	Food & Beverage		XX	
Hudson News & Gifts	News & Gifts			XX
In-Motion Pictures	Electronics Retailer			XX
Innovative Strategies	Vending		XX	
Jazzy Gourmet Popcorn, LLC	Specialty Retail		XX	
Jet Sunglasses	Retail	XX		
MRD, Inc. (McDonalds)	Food & Beverage			XX
Outpost-Ralph Collin	ATM		XX	
Host International, Inc.	Full-Service Restaurant			XX

Silver Gulch	Full-Service Restaurant			XX
The Sourdough Mercantile	Specialty Retail		XX	
Vend Alaska	ATM		XX	

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 the geographical area in which the firms receive a substantial majority of concessions related revenues are located. It was considered reasonable based on past history and the unique geographical location of Anchorage that the Borough of Anchorage, the state of Alaska, as well as the Nation should be used as the market area for the above reference concessions.

Base of Goal

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

Gross Receipts for Previous 3 Years - Non-Car Rental Concessions

Fiscal Year	Concessions Revenue (Excluding Car Rental)
2020	\$19,197,904
2021	\$23,296,469
2022	\$45,020,010
Total	\$87,514,383
Average	$\\$87,514,383 \div 3 = \\$29,171,461$

The concession opportunities anticipated during this goal period are those reflected in the market area chart on page one (1), with estimated gross receipts of \$29,171,461. While the FY 2022 gross receipts indicated a return to pre-COVID numbers, without substantial history, no growth will be anticipated at this time. An annual review of gross receipts will be made, and adjustments made if necessary. At this time there are no new leases slated for the FY 2024-FY 2026 time-period.

$\$29,171,461 \times 3.30\% = \$962,658$ – Projected ACDBE Participation

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 Sponsor will submit to the FAA an appropriate adjustment to the overall goal. This will be submitted to the FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity. (23.45(i)).

Step 1: 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 2,378 divided by 1,075,390.

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

NAICS	Type of Concession	Total ACDBE's	Total All Firms
722513	Limited Services Restaurant	455	256,375
541850	Advertising	178	2,532
454210/445132	Vending	1	4
722513	Food & Beverage	1	134
455219	Duty Free/General Merchandise	0	1
445132	Automated Retail (Vending)	1	4
525990	Cash to credit Machine	3	1,606
722513	Food & Beverage	1	134
445292	Confectionery & Nut Retailer	1	4
459420/543220	Gifts, Novelties, & Souvenir Retailers	324	20,286
443142	Electronics Retailer	0	16,797
445132	Vending	1	4
722513	Specialty Retail	3	452
456130	Retail vision wear	0	14
722513	Limited Services Restaurant	455	256,375
522320	ATM	1	5
722511	Full-Service Restaurant	314	250,186
722511	Full-Service Restaurant	314	250,186
543220/459420	Gifts, Novelties, & Souvenir Retailers	324	202,86
522320	ATM	1	5
Total		2,378	1,075,390
Step 1 =			

$$2378/1,075,390 = .22 \% - \text{Base}$$

Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, we examined evidence to determine what adjustment if any was needed to the Step 1 base figure in order to arrive at the overall goal. It was considered reasonable to examine past performance to establish if any adjustment needs to be made. See past history below.

ALASKA DOT & PF AND TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT Previous ACDBE Participation Accomplishments	
YEAR	% OF ACDBE DBE PARTICIPATION
2022	8.87%
2021	4.67%
2020	6.38% *
*Median	

The next step was to determine if any adjustment might be needed to the Base Figure. It was determined that the Median of the three years was 6.38% and it was felt that the Base Figure should be adjusted to cater for this variance.

A summary of this analysis yields the following:

MEDIAN PERCENTAGE	6.38%
BASE FIGURE	+ 0.22%
	<u>6.60%</u> ÷ 2 = 3.30%

Satisfied that the Median Percentage was valid, the final step in the comparison was the development of a simple average of the Base Figure and the Median Percentage to establish a final percentage. The result of this was 3.30%. It was felt that the Base Figure of 0.22% should be adjusted for this variance. The Average Percentage of 3.30% is established as the goal for ACDBE for FY 2024-FY 2026.

Public Participation

Consultation: Section 23.43.

The goal setting process used by recipients to establish their annual overall goal submitted to the operating administrations for approval includes consultation with minority, women's and ACDBE community organizations, and other officials or organizations which could be expected to have information concerning the availability of ACDBEs and non-ACDBEs. This consultation process is also intended to gather information concerning the effects of discrimination on opportunities for ACDBEs and establishing a level playing field for the participation of ACDBEs. Prior to submitting the ACDBE goal to the FAA the Sponsor consulted with the following stakeholders on September 19, 2023, at approximately 1:00 pm AKDT, with no comments received.

TED STEVENS ANCHORAGE INTERNATIONAL AIRPORT AGENCIES CONSULTED WITH	
Agency/Organization	Discussion/Information
	Availabilities of ACDBEs, Directories, small business and ACDBE opportunities, Goal setting
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	Availabilities of ACDBEs, Directories, small business and ACDBE opportunities, Goal setting
	Availabilities of ACDBEs, Directories, small business and ACDBE opportunities, Goal setting
Taffy Pippin, Consultant Taffy Pippin Consulting, LLC	Availabilities of ACDBEs, Directories, small business and ACDBE opportunities, Goal setting
Clayton Pippin, Planner Taffy Pippin Consulting, LLC	Availabilities of ACDBEs, Directories, small business and ACDBE opportunities, Goal setting

Breakout of Estimated Race-Neutral & Race Conscious Participation

Section 23.51 The Sponsor will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Sponsor uses the following race-neutral measures.

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. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process;
5. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation.

Each time the Sponsor submits an overall goal for review by the FAA, the Sponsor will also submit a projection of the portion of the goal that is expected to be met through race-neutral means and the basis for that projection. This projection is subject to approval by the FAA, in conjunction with its review of the Sponsor's overall goal. The Sponsor will establish contract goals to meet any portion of an overall goal when the Sponsor does not project being able to meet goals using race-neutral means.

We estimate that, in meeting our goal of 3.30%, we will obtain 0.00% of the goal from race-conscious participation and 3.30% via race-neutral participation measures. This is based on the fact that there is no longer an ACDBE concessionaire or an opportunity at this time for a new concessionaire.