

# Los Angeles World Airports

## Triennial ACDBE Goal Setting Stakeholders Meeting for FFYs 2024-2026 January 9, 2024



# Agenda

- **ACDBE Program Background**
- **Car Rental**
  - ❑ Goal Setting Methodology
  - ❑ LAWA's Proposed Overall ACDBE Goal FFYs 2024-26
- **Non-Car Rental**
  - ❑ Goal Setting Methodology
  - ❑ LAWAs Proposed Overall ACDBE Goal for FFYs 2024-26
- **Questions or Comments**

# Governing Regulation –

## 49 CFR Part 23

*<https://www.ecfr.gov/current/title-49/subtitle-A/part-23?toc=1>*

# ACDBE Program Purpose

- To “*give business opportunities to certain small business concerns that operate at airports and, that are owned and controlled by socially and economically disadvantaged individuals*”
- To “*help them...become self-sufficient, and able to compete with non-disadvantaged firms*”

# Subparts of the ACDBE Program

1. A: General
2. B: Administrative
3. C: Certification
4. D: Goals
5. E: Other Provisions

## **Subpart A: General**

- Ensure non-discrimination
- Create a level playing field.
- Ensure 'real' ACDBEs participation
- Remove barriers to participation.

# ACDBE Definition

- for-profit small business
- at least 51 percent owned
- socially and economically disadvantaged or,
- 51% of stock ownership.

# ACDBE Definition – continued

- Management and daily business operations.

# Concession Definition

Means one of more of the types of for-profit businesses listed below:

1. A business, located on an airport, that is engaged in the sale of consumer goods or services to the public under an agreement with the recipient, another concessionaire, or the owner or lessee of a terminal, if other than the recipient.

# Concession Definition - continued

2. A business conducting one or more of the following covered activities, even if it does not maintain an office, store, or other business location on an airport subject to this part, as long as the activities take place on the airport.

# Types of Concession Agreements

- Leases
- Subleases
- Contract and Subcontracts

# Goal Setting Methodology for Car Rental



# Goal Setting Methodology for Car Rental

## Two-Step Process:

- Step 1.* Determine the Base Figure for the relative availability of ACDBE firms.
- Step 2.* Determine if any adjustments are needed to arrive at the overall ACDBE goal.

# Determining Base Figure

- Six Neighboring Counties:

- Los Angeles
- Orange
- Riverside
- San Bernadino
- San Diego
- Ventura

# Determining Base Figure – cont.

NAICS	DESCRIPTION	ACDBE CERTIFIED FIRMS *	TOTAL FIRMS *	
423850	Service Establishment Equip and Supplies Merchant Wholesellers	5	932	
424690	Other Chemical and Allied Products Merchant Wholesellers			
441110	Car Dealer	0	1,132	
441340/441320	Tire Dealer			
484230	Automobile Carrier Trucking	0	424	
488410	Motor Vehicle Towing			
524126	Insurance	25	428	
532111	Passenger Car Rental			
561720	Janitorial			
561730	Landscaping			
811111	Auto Repair	13	5,165	
811121	Auto Body Repair			
811122	Auto Glass Replacement Shops			
811191	Auto Oil Changes			
811192	Car Washes			
* Neighboring Six (6) Counties: Los Angeles, Orange, Riverside, San Bernadino, San Diego, and Ventura				<u>% Certified</u>
TOTALS:		43	8,081	0.53%

# Determining Base Figure – cont.

## ACDBE Directories and Census Bureau Data

Determine the number of ready, willing and able ACDBEs in the market area from the ACDBE directory.

-Total Number of ACDBE-certified Firms: 43

-Total Number of Firms in the  
respective NAICS codes: 8,081

$$43 / 8,081 = \underline{\underline{0.53\% \text{ Base Figure}}}$$

# Adjustments

- Averaged the Base Figure (0.53%) with the median ACDBE achievement (1.9%) resulting in an Adjusted Base Figure of 1.2%.
- Averaged the Adjusted Base Figure (1.2%) with the FFY 2023 achievement (1.9%) resulting in 1.6%

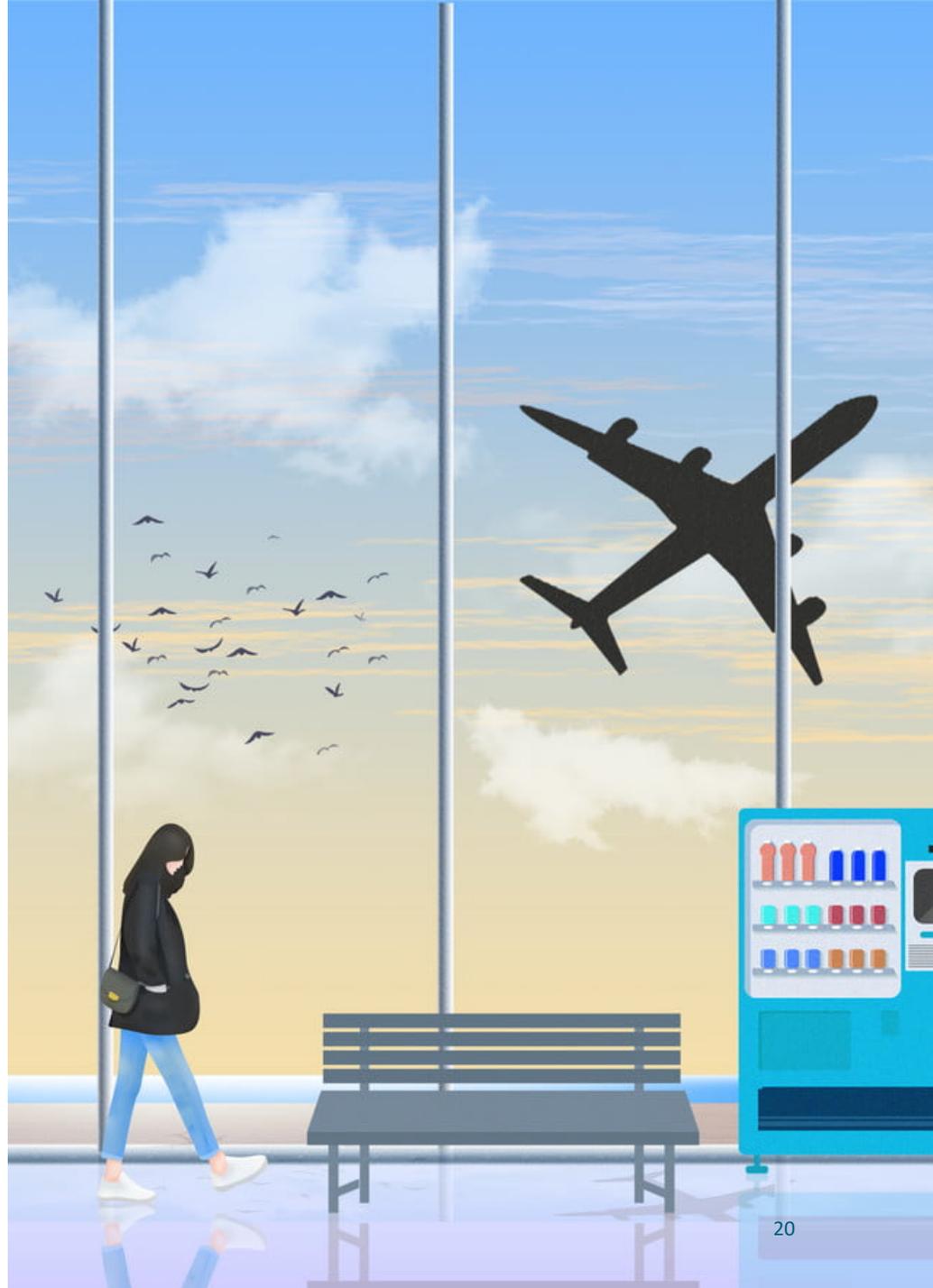
# **ACDBE Program Goal for Car Rentals**

- LAWA's Triennial FFYs 2024-2026  
ACDBE Car Rental Goal:  
1.6%**

# **Future Considerations/Challenges**

- **Post Pandemic**
- **ConRAC**

# Questions and Comments



# Goal Setting Methodology for Non-Car Rental

## Two-Step Process:

*Step 1.* Determine the Base Figure for the relative availability of ACDBE firms.

*Step 2.* Determine if adjustments are needed to arrive at the overall ACDBE goal.

# Determining Base Figure

## LAWA Active Participants List

Determine the number of ACDBEs based on participation in LAWA concession opportunities at LAX for the past three FFYs:

Total Number of ACDBE Firms (LAX):	71
Total Number of Active Firms:	348

$$71 / 348 = 20.4\% - \text{Base Figure}$$

# Adjustments

- Averaged the Base Figure (20.4%) with the median ACDBE achievement (25.9%) resulting in an Adjusted Base Figure of 23.2%.
- Averaged the Adjusted Base Figure (23.2%) with the FFY 2023 achievement (26.3%) resulting in 24.8%

# **ACDBE Program Goal for Non-Car Rentals**

- **LAWA's Triennial FFYs 2024-2026 ACDBE  
Non-Car Rental Goal:  
24.8%**

# **Future Considerations/Challenges**

- **Post Pandemic**
- **LAWA Projects**

Questions and  
Comments

Thank you!

