

**LAFAYETTE AIRPORT COMMISSION (LAC)
AIRPORT CONCESSIONS
DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) PROGRAM
Non-Car Rental Goal Setting Methodology and Calculations
Federal Fiscal Years 2017, 2018 and 2019
(October 1, 2017 to September 30, 2020)**

Goal Overview

The Lafayette Airport Commission (LAC) proposes an overall Airport Concessions Disadvantaged Business Enterprise (ACDBE) Goal applicable to non-rental car concession opportunities anticipated for federal fiscal years beginning October 1, 2017, 2018, 2019 and ending on September 30, 2018, 2019 and 2020 respectively. The goal was developed in compliance with Federal Regulations set forth by 49 CFR Part 23, Subpart D. ***The proposed overall ACDBE goal for FFYs 2017, 2018 and 2019 is 0.49%.***

Concession Opportunities

The airport’s non-rental car concession opportunities are detailed below.

Retail Category	Master Tenant	Estimated Annual Value	Weight (%)
Food/Beverage/Gift	Oakwell's Commuter Rail, LLC	\$ 775,869.00	31.78%
Parking	Republic Parking	\$ 64,998.00	2.66%
Advertising	Clear Channel	\$ 1,600,150.00	65.55%
Luggage Carts		\$ -	0.00%
Transportation		\$ -	0.00%
Vending Machine		\$ -	0.00%
Goods/Services		\$ -	0.00%
Total		\$ 2,441,017.00	

Local Market Area

Upon embarking on the new terminal development program, the Lafayette Regional Airport has worked with partner organizations in the Lafayette region to determine the appropriate market area. The Lafayette Metropolitan Statistical Area, as defined by the US Census Bureau, includes the following five parishes: Lafayette, St. Martin, Acadia, Iberia, and Vermillion. The combined statistical area adds three additional parishes, Evangeline, St. Landry and St. Mary, to include two more populous cities of Opelousas and Morgan City.

North American Industry Classification System (NAICS) Code

In order to obtain an accurate count of ready, willing and able ACDBEs, the concessions activity was examined and its “scope of services” was detailed for the purpose of defining the products and services required for the ACDBE program. Each product/service was assigned a six digit North American Industry Classification System (NAICS) Code.

After identifying the NAICS codes, contracting dollars were estimated for each product or service based on the three-year average of reported concessions revenue as detailed below.

NAICS	RETAIL CATEGORY	ESTIMATED ANNUAL VALUE	PERCENTAGE
722310	Food/Beverage	\$ 581,902	23.84%
453220	Gift/Novelty/Souvenirs	\$ 193,967	7.95%
812930	Parking	\$ 64,998	2.66%
541850	Advertising	\$ 1,600,150	65.55%
333924	Luggage Carts	\$ -	0.00%
485310	Ground Transportation	\$ -	0.00%
454210	Vending Machine Operators	\$ -	0.00%
	Goods/Services	\$ -	0.00%
	Total	\$ 2,441,017.00	100.00%

Ready, Willing and Able Airport Concessions Pool

The Louisiana Unified Certification Program (LAUCP) is the basis of the airport’s concessions DBE pool. The Louisiana Department of Transportation and Development (LADOTD) and the New Orleans Aviation Board (NOAB) have been identified as agencies authorized to provide certification services in the State of Louisiana for the ACDBE Program. For the purposes of this analysis, only ACDBEs certified by the LADOTD and the NOAB are considered as the vendors target market.

For LAC’s concessions program, two (2) DBE firms have been identified as retail services vendors. The list of certified DBE contractors is compared to a more global list of businesses, segregated by NAICS Code. The U.S. Census Bureau’s County Business Pattern (USCBP) database is used to determine the general market population of ready, willing and able businesses and revealed 176 retail vendors as provided in the tables below.

NAICS	Retail Services	LAUCP	US Census CBP
722310	Food/Beverage	2	129
453220	Gift/Novelty/Souvenirs	0	36
812930	Parking	0	4
541850	Advertising	0	3
333922	Luggage Carts	0	0
485310	Ground Transportation	0	2

NAICS	Retail Services	LAUCP	US Census CBP
454210	Vending Machines	0	2
	Total	2	176

Additionally, 767 goods and services businesses were revealed in the U.S. County Business Patterns of which 8 are certified in the LAUCP directory.

NAICS	Goods & Services	LAUCP	US Census CBP
561720	Janitorial	5	65
561612	Security	0	8
561320	Staffing	3	53
424130	Office Supplies	0	2
561710	Pest Control	0	33
541211	Financial Services	0	151
541110	Legal Services	0	455
	Total	8	767

The Base Figure calculation weighs the relative availability of ACDBE concessionaires to the relative amount of concessions businesses available for the total pool of businesses located in the metropolitan Lafayette area.

NAICS	Retail Category	Percentage	LAUCP	US Census CBP	Base ACDBE Goal
722310	Food/Beverage	30.00%	2	129	0.00465116
453220	Gift/Novelty/Souvenirs	30.00%	0	36	0.00000000
812930	Parking	30.00%	0	4	0.00000000
541850	Advertising	5.00%	0	3	0.00000000
333924	Luggage Carts	1.00%	0	0	0.00000000
485310	Ground Transportation	1.00%	0	2	0.00000000
454210	Vending Machines	1.00%	0	2	0.00000000
	Goods/Services	2.00%	8	767	0.00020860
	Total	100.00%	10	943	0.00485977
	Base Goal				0.49%

Based on raw data, ACDBE-certified businesses represent 0.49% (including purchases of goods and services) of the total available businesses in the metropolitan Lafayette area.

Historical ACDBE Performance

For the purpose of this analysis, the historical ACDBE participation accomplishment was analyzed as detailed below.

Fiscal Years	Goal %	Accomplishment %	Race Neutral
Fiscal Year 2012 - 2013 (FY 2013)	0	0.00%	0.00%
Fiscal Year 2013 - 2014 (FY 2014)	0	0.00%	0.00%
Fiscal Year 2014 - 2015 (FY 2015)	0	0.00%	0.00%
Fiscal Year 2015 - 2016 (FY 2016)	0	0.00%	0.00%
Fiscal Year 2016 - 2017 (FY 2017)	2.1	0.00%	0.00%
	Median	0.00%	0.00%
	Average	0.00%	0.00%

Over the past five completed fiscal years the average ACDBE participation is 0.00. As such, the overall goal was not adjusted to factor historic participation.

Other Adjustment Factors Considered

Disparity Studies

The airport has inquired about the availability of disparity study data for the Lafayette area and the State of Louisiana from other like-funded agencies such as the Louisiana Department of Transportation and Development (LaDOTD) as well as from other local and regional airports. There are no studies currently available and none conducted within the last seven (7) years for any LADOTD or US Department of Transportation (USDOT) assisted agencies in the state.

Use of Race Neutral Means

Historically, the LAC achieved ACDBE participation through the use of race-conscious means – contract goals. Establishing contract goals will continue to be used to meet any portion of the overall goal the LAC does not project being able to meet using race-neutral means. Given the past five (5) year history of ACDBE participation, contract goals will continue as a means of encouraging concessionaire opportunities. However, contract goals need not be established on every such contract, the size of contract goals will be adapted to the circumstances of each such contract (e.g., type of product or service and the availability of ACDBEs to provide the particular type of product or service). The LAC will also endeavor to create a contracting environment that facilitates the ACDBE goal through race-neutral means. The following race-neutral measures will be taken to increase ACDBE participation:

1. Encourage master concessionaires to structure concession opportunities to foster and facilitate the participation of ACDBEs when practical.
2. Identify opportunities for technical assistance to ACDBE firms; including assisting with back-office, financial and marketing services.
3. Identify education and training programs to encourage an expansion of services, which are offered to ACDBEs and small businesses.
4. Ensure that the ACDBE website is updated with available opportunities for ACDBE-owned and other small business firms in the community.
5. Utilize emerging technology to include the ACDBE directory in the DBE office's web site.
6. Identify opportunities for business development assistance through financing and loan guarantee programs with local banks and lending organizations.

In order to ensure that the ACDBE program is narrowly tailored to overcome the effects of discrimination, the airport will continue to track and report race-neutral and race-conscious ACDBE participation. For reporting purposes, race-neutral ACDBE participation includes, but is not limited to, the following: ACDBE participation through a master concessions lease, where ACDBE participation is obtained through customary competitive procurement procedures; ACDBE participation on a sub-lease that exceeds the stated contract goal; and ACDBE participation through a sub-lease from a master concessionaire that did not consider a firm's ACDBE status in the lease.

Public Participation and Consultation

The notice of the proposed overall goal will be available to the public for 30 days following the date of the notice and comments regarding these documents will be accepted for 45 days after the date the notice is published. The public notice indicates the location where the proposal can be reviewed and where comments can be transmitted. The notice will be published in the following publications:

- The Lafayette Daily Advertiser
- The Acadiana Advocate
- Lafayette Airport Commission Website – LFAirport.com

LAC has engaged the following professional, technical, civic, business, and community-based organizations as a DBE Advisory Committee for consultation on the DBE Goal. The DBE Advisory Committee includes the following organizations:

- Asian Chamber of Commerce
- Greater Southwest Black Chamber of Commerce
- National Black Chamber of Commerce
- Hispanic Chamber of Commerce
- Kiwanis Southwest
- Lafayette Consolidated Government

- Lafayette Economic Development Authority
- Louisiana Procurement and Technical Center
- 100 Black Men of Greater Lafayette
- Lafayette Commission on the Needs of Women
- Louisiana Small Business Development Center
- Pastoral Alliance

Establishment of the FFYs 2018 - 2020 ACDBE Goal

The base ACDBE goal calculated for FFYs 2018 - 2020 is 0.49%. There were no adjustments made to the base goal. Therefore, the airport's ACDBE goal is proposed at 0.49% for federal fiscal years 2017 through 2019. Moreover, continued use of race-conscious (contract goals) means is recommended through FFY 2020.