

**MASSACHUSETTS PORT AUTHORITY
PROPOSED AIRPORT CONCESSION
DISADVANTAGED BUSINESS
ENTERPRISE (“ACDBE”) GOALS
FEDERAL FISCAL YEAR (“FFY”) 2024 - FFY 2026**

Airport Sponsor: Massachusetts Port Authority

Airports: Boston Logan International Airport (BOS)

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Goal Period: October 1, 2024 - September 30, 2026

Overall ACDBE Goal for Non-Rental Car Concessions: 10.7% (race-conscious)

Overall ACDBE Goal for Rental Car Concessions:

Boston Logan International Airport: 1.1% (race-conscious)
Worcester Regional Airport: 1.1% (race-conscious)

Overall Goal Calculation for Concessions Other Than Car Rentals (23.45)
FFY 2024-2026

Amount of Goal

Massport's overall goal for ACDBE participation in concessions at Boston-Logan International Airport (excluding car rental concessions) during the period beginning October 1, 2023 and ending September 30, 2026 is 10.7% of the total gross receipts for concessions at the Airport. If conditions change, for example gross revenues increase for specific concessions at a rate that is disproportionate to the other contracts, or a new contract goal is established as provided in Massport's ACDBE Program, the goal will be adjusted accordingly. The projected revenues and contract goals for each annual period and for the total three-year period are detailed on the charts herein. 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 gross receipts that will not be generated from a concession.

The calculation for determining the overall goal for the three-year period is as follows:

Federal Fiscal Years 2024 – 2026

Total estimated gross receipts for all concessions excluding car rentals = \$1,291,284,783
Estimated ACDBE gross receipts as adjusted = \$138,167,472
 $\$138,167,472 / \$1,291,284,783 = 10.7\%$

Methodology used to Calculate Overall Goal

Overall goals have been determined by consolidating the total estimated gross revenues and estimated ACDBE gross revenues for continuing and anticipated new concession agreements that will become effective during the goal period. Goals for each new concession are determined through an analysis of the opportunity, potential for ACDBE participation and the relative availability of ACDBE firms who are ready, willing and able to perform under the agreement.

In accordance with 49 CFR part 23.51(c) ACDBE goals for specific opportunities are determined as follows:

Step 1: 23.51(c)

Massport determines the base figure for the relative availability of ACDBEs for the specific opportunity. The base figure may be calculated in a number of ways, depending upon what is most appropriate for the specific opportunity.

Examples are as follows:

Option 1: Ready, willing, and able ACDBEs in the appropriate trade in the determined market area ÷ All ready, willing and able companies in the appropriate trade in the determined market area.

The data source or demonstrable evidence used to derive the numerator may be either the DBE/ACDBE directory (23.51(c)(1)) or an active participant list (23.51(c)(2)).

If Massport uses DBE/ACDBE directories, which directories and which NAICS codes were used will be identified. Massport may also augment available ACDBEs with firms in local MBE/WBE directories or trade association lists. If Massport uses these sources to augment the numerator, the sources used and the number of firms added to the numerator will be identified.

If Massport uses an Active Participant List, where the information was obtained will be identified. Such information may come from past experience with firms that have run concessions or sought concession contracts or leases, knowledge about the universe of firms in certain concession services that tend to be interested in participating, and attendance lists from informational and outreach meetings about upcoming concession opportunities.

Option 2: Disparity Study -There are no relevant disparity studies from Massport's geographic area at this time. In the future, Massport may elect to utilize a disparity study should one become available.

Option 3: Goal of another sponsor – Massport may use the goal of another airport or DOT sponsor in the same, or substantially similar market if their overall goal is in compliance with 49 CFR parts 23. Should Massport elect to do so, Massport will include information as to why our airport concession opportunity has the same or substantially similar market.

Option 4: Alternative Methods – Massport may elect to use other methods to determine the base figure, however it must be based on demonstrable evidence of local market conditions and be designed arrive at a goal that is rationally related to the relative availability of ACDBEs in the market area.

Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, Massport will examine evidence to determine what adjustment, if any, is needed to the base figure in order to arrive at the overall goal.

In accordance with 23.51(d), any adjustment will be designed to reflect as accurately as possible the ACDBE participation Massport would expect in the absence of discrimination. In addition, Massport will document the basis on which Massport adjusted the base figure using the specific data.

Continuing Contracts

The following is a summary of Logan Airport contracts that will not expire during this three-year reporting period. Goals for these contracts are as previously established in accordance with 49 CFR part 23.

Food/Beverage and Retail. In mid-2017, MarketPlace Logan, LLC was awarded a contract to develop and manage all food/beverage and retail concessions in the terminal building. The contract commenced in November 2017 and will expire in 2032. An ACDBE goal analysis was conducted prior to the solicitations resulting in an ACDBE goal of 18.4%. The contract goal analysis was submitted with the FFY 2018 – 2020 Overall Goals. We have maintained the current contract goal in the base calculation for this three-year period. It should be noted that Food/Beverage and Retail concessions (including full-service restaurants listed below) represent approximately 75% of concession revenues anticipated to be generated over the three-year goal period, excluding hotel gross revenues.

Full-Service Food/Beverage. Legal Sea Foods, Inc. operates 6 full-service restaurants under separate agreements with Massport. There is no ACDBE goal set for these operations as there are no subcontracting opportunities since the brand was specifically pulled out of the Developer contract leaving all other Food/Beverage available for subcontracting under the Developer agreement. The agreements will expire on varying dates between April 2025 and November 2033. We assume these contracts will continue with no ACDBE goal through the three-year goal period.

Foreign Currency Exchange. Travelex left the US market in 2020 and was replaced at BOS by International Currency Exchange in November 2021. The contract will expire in October 2025, or October 2026 if the tenant exercises the available one-year option. Assuming the option will be exercised, the agreement will not expire during this goal period. This contract does not have an ACDBE goal.

Advertising. This Agreement is currently operated by JCDecaux and will expire in December 2025. An ACDBE goal based on goods/services purchases was set for this contract at the time that the contract was extended as a result of the Covid-19 pandemic. The goal was set at 48.2% of purchases which equates to 1.0% of gross receipts. Since this goal was recently calculated, it is anticipated that it will remain throughout the three-year goal period even if the contract is resolicited in 2025.

Travel Content LLC (Reach TV). Reach TV provides broadcasting services to the hold rooms. The projected revenue represents payment to the airport as revenue generated by the concession is not specific to Massport. There is no ACDBE goal for this contract as there are no subcontracting opportunities for this concession.

Luggage Carts. The luggage cart concession is currently operated by Smarte Carte and will expire in January 2025 or January 2027 if options are exercised. A goal analysis was performed

for this concession prior to the solicitation and resulted in no ACDBE contract goal for this concession as there are no ACDBE firms listed for this trade.

ATM Agreements. The ATM services at the Airport are fractured into numerous contracts, providing opportunities for a number of financial institutions to participate. ATMs are operated by: Bank of America, Citizens, and Santander. The agreements for this concession will not expire until September 2025. There were no ACDBE-certified financial institutions in Massachusetts as of the date of solicitation and therefore, no ACDBE goal was set for the concession. We anticipate these agreements will continue without ACDBE participation throughout the goal period.

Vending. The current vending contract will expire in October 2027. A goal analysis was performed for this concession prior to the solicitation and resulted in no ACDBE contract goal for this concession.

Prohibited Items Mail Back Service. This contract will expire in March 2027. This concession generates less than \$50,000 in gross revenues annually. Because of the size and nature of the business, an ACDBE goal was not set for this concession.

Gas Station. The Agreement with Nouria Energy was awarded in 2018, began operations in 2019, and will not expire until December 2042. The facility is newly constructed and the contract was solicited in 2017. A goal analysis was conducted for this opportunity at that time and an ACDBE goal of 5% was set. The goal will continue throughout the goal period.

Salon. Classique Salon operates a salon in the Airport. The salon generates less than \$50,000 annually and is on a month to month holdover. There is no ACDBE goal in this contract and, due to the size, it is anticipated that the contract will continue with no goal throughout the three year period.

Hotels. There are two hotels operating on airport property, the LHO Harborside Hotel LLC (Hyatt) and the Hilton HLT Logan LLC (Hilton). Neither of these hotels subcontract any of their facilities, therefore ACDBE goals are not currently set for these operations.

Cumulative Estimated Gross Revenues and ACDBE Gross Revenues for Each Year in the Three-Year Goal Period and the Total Three-Year period

Based on the above description of each non-rental car concession at the airport, we have estimated gross revenues for each concession for each year and weighted and consolidated the data to develop the overall three-year goal. The projections used in the preparation of these ACDBE concession goals, including concession revenue forecasts, represent the Authority's best efforts to develop a current assessment, based on data available at the time this report was compiled.

Table 1 below provides the estimated gross revenues for each year of the three-year goal period.

TABLE 1 Estimated Gross Revenues FFY 2024 - 2026				
	2024	2025	2026	Total
MarketPlace Logan, LLC	251,497,115	259,042,028	266,813,289	\$777,352,432
Legal Sea Foods, Inc.	33,241,857	34,239,111	35,266,286	\$102,747,254
JCDecaux Boston	15,030,853	15,481,779	15,946,232	\$46,458,864
Lenlyn Ltd. dba ICE Currency Services USA	11,843,543	12,198,850	12,564,815	\$36,607,208
Travel Content LLC	100,000	100,000	100,000	\$300,000
Smarte Carte	1,976,732	2,045,917	2,117,524	\$6,140,173
ATM Services	317,171	323,514	329,985	\$970,670
Vending (Prestige Vending)	2,008,100	2,048,262	2,089,228	\$6,145,590
Airport Mailers	26,722	27,256	27,802	\$81,780
Nouria Energy	19,671,474	20,359,975	21,072,574	\$61,104,023
Classique Salon	24,210	24,331	24,452	\$72,993
HLT Logan LLC (Hilton)	58,246,972	59,994,381	61,794,213	\$180,035,566
LHO Harborside Hotel, LLC (Hyatt)	23,704,497	24,415,632	25,148,101	\$73,268,230
Total Concessions	\$417,689,246	\$430,301,036	\$443,294,501	\$1,291,284,783
Total ACDBE Participation \$ at 10.7% (adjusted goal)	\$44,692,749	\$46,042,211	\$47,432,512	\$138,167,472

Table 2 below provides the ACDBE goal for each concession and estimated gross revenues and ACDBE gross revenues for each year of the three-year goal period.

TABLE 2 Estimated Total and ACDBE Gross Revenues FFY 2024 - 2026						
	2024	2025	2026	Total	Total ACDBE	ACDBE %
MarketPlace Logan, LLC	\$251,497,115	\$259,042,028	\$266,813,289	\$777,352,432	\$143,032,847	18.40%
Legal Sea Foods, Inc.	\$33,241,857	\$34,239,111	\$35,266,286	\$102,747,254		
JCDecaux Boston	\$15,030,853	\$15,481,779	\$15,946,232	\$46,458,864	\$464,589	1.00%
Lenlyn Ltd. dba ICE Currency Services USA	\$11,843,543	\$12,198,850	\$12,564,815	\$36,607,208		
Travel Content LLC	\$100,000	\$100,000	\$100,000	\$300,000		
Smarte Carte	\$1,976,732	\$2,045,917	\$2,117,524	\$6,140,173		
ATM	\$317,171	\$323,514	\$329,985	\$970,670		
Prestige Vending	\$2,008,100	\$2,048,262	\$2,089,228	\$6,145,590		
Airport Mailers	\$26,722	\$27,256	\$27,802	\$81,780		
Nouria Energy	\$19,671,474	\$20,359,975	\$21,072,574	\$61,104,023	\$3,055,201	5.00%
Classique Salon	\$24,210	\$24,331	\$24,452	\$72,993		
HLT Logan	\$58,246,972	\$59,994,381	\$61,794,213	\$180,035,566		
LHO Harborside Hotel	\$23,704,497	\$24,415,632	\$25,148,101	\$73,268,230		

TABLE 2 Estimated Total and ACDBE Gross Revenues FFY 2024 - 2026						
	2024	2025	2026	Total	Total ACDBE	ACDBE %
Total Concessions	\$417,689,246	\$430,301,036	\$443,294,501	\$1,291,284,783	\$146,552,637	11.4%
ACDBE Three-Year %						11.4%

As shown above, the base goal for ACDBE participation for FFY 2021 – 2023 is 11.4%.

Step 2 – Adjustments

The ACDBE regulation provides for a Step 2 adjustment of the developed base goal for a variety of factors, including the current capacity of ACDBEs to perform work in the concession program, as measured by the volume of work ACDBEs have performed in recent years. Table 3 below provides the ACDBE achievement for the most recent five-year period. This will provide for an adjustment of the base goal as follows:

YEAR	TOTAL GROSS REVENUES	ACDBE GROSS REVENUES	ACDBE %
2022	\$296,193,827	\$24,713,113	8.3%
2021	\$123,159,944	\$6,712,773	5.6%
2020	\$168,440,471	\$16,622,693	9.9%
2019	\$353,886,911	\$41,778,801	11.8%
2018	\$345,529,754	\$42,177,762	12.2%

Base goal of 11.4% + Median ACDBE Participation (2018-2022) of 9.9% = 21.3%
 $21.3\% \div 2 = 10.7\%$

There is no other relevant data to support an adjustment to the base goal. Therefore, the proposed overall ACDBE goal for the three-year period commencing October 1, 2023 and ending September 30, 2026 is 10.7%.

Proposed Overall Three Year Goal for FFY 2024-2026 = 10.7%

RACE-NEUTRAL/ RACE-CONSCIOUS GOAL

Non-car rental ACDBE goals set forth in this document were set as race conscious goals prior to the solicitation for each contract. For concession opportunities, not the subject of an agreement in force as of the date of this document for which a goal is established, Massport will meet the

maximum feasible portion of each contract go by using race-neutral means of facilitating ACDBE participation as determined at the time the concession specific goal is established. Massport may use the following race-neutral measures to facilitate ACDBE participation.

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. Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;
5. Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the sponsor's ACDBE program will affect the procurement process;
6. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and
7. Establishing a business development program (see 49 CFR Part 26.35); technical assistance program or taking other steps to foster ACDBE participation in concessions.

New Opportunities

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, Massport will submit an appropriate adjustment to the overall goal. This will be submitted to FAA for approval prior to executing the new concession agreement. (23.45(i)).

Massport determines the market area for each concession opportunity separately since the market area may vary depending upon the size and nature of the specific opportunity. For example, 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 may be national for large contracts and local or regional for smaller contracts. The market area is defined for each concession opportunity as it arises and as Massport undertakes the goal-setting process.

Goods and Services

Massport can meet the percentage goal by including the purchase from ACDBEs of goods and services used in businesses conducted at the Airport. Massport, and the businesses at the Airport, shall make good faith efforts to explore all available options to achieve, to the maximum extent practicable, compliance with the goal through direct ownership arrangements, including joint ventures and franchises. The dollar value from purchases of goods and services from ACDBEs may be added to the numerator, and the dollar value from purchases of goods and services from all firms (ACDBEs and non-ACDBEs) may be added to the denominator.

Management Contract or Subcontract

Massport can meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. Massport will add the dollar amount of a management contract or subcontract with an ACDBE to the total participation by ACDBEs in airport concessions (both the numerator AND the denominator) and to the base from which the airport's percentage goal is calculated. However, the dollar amount of a management contract or subcontract with a non-ACDBE and the gross revenue of business activities to which the management contract or subcontract pertains will not be added to this base in either the numerator or denominator.

Overall Goal Calculation for Car Rentals (23.45)
FFY 2024-2026

Amount of Goal

Massport's overall goal for ACDBE participation in car rental concessions at Boston Logan International Airport and Worcester Regional Airport during the period beginning October 1, 2023 and ending September 30, 2026 is 1.1%.

Background Information

There are currently eleven (11) rental car brands operating at Boston-Logan International Airport. Gross receipts generated by car rental firms at the airport were approximately \$398.3 million in FFY 2022. Purchases for FFY 2022 were approximately \$254.4 million and are estimated at approximately \$833.5 million for this three-year goal period. The projection used in the preparation of the car rental ACDBE concession goal, including purchasing forecasts, represent the Authority's best efforts to develop a current assessment, based on data available at the time this report was compiled.

49 CFR Part 23 provides the following guidance for establishing concession goals:

§ 23.51(a) Your objective in setting a goal is to estimate the percentage of the base calculated under §§23.47–23.49 that would be performed by ACDBEs in the absence of discrimination and its effects.

(1) This percentage is the estimated ACDBE participation that would occur if there were a "level playing field" for firms to work as concessionaires for your airport.

(2) In conducting this goal setting process, you are determining the extent, if any, to which the firms in your market area have suffered discrimination or its effects in connection with concession opportunities or related business opportunities.

(3) You must complete the goal-setting process separately for each of the two overall goals identified in §23.41 of this part.

(b) (1) Each overall concessions goal must be based on demonstrable evidence of the availability of ready, willing and able ACDBEs relative to all businesses ready,

willing and able to participate in your ACDBE program (hereafter, the “relative availability of ACDBEs”).

(2) You cannot simply rely on the 10 percent national aspirational goal, your previous overall goal, or past ACDBE participation rates in your program without reference to the relative availability of ACDBEs in your market.

(3) Your market area is defined by 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 which receive the substantial majority of concessions-related revenues are located. Your market area may be different for different types of concessions.

Counting Participation in Car Rentals

As provided and permitted by 49 CFR part 23, we have elected to set the Car Rental concession goal based on the purchase of goods/services. The regulation provides for counting ACDBE participation for car rentals as follows:

§ 23.53 How do car rental companies count ACDBE participation toward their goals?

(a) As a car rental company, you may, in meeting the goal the airport has set for you, include purchases or leases of vehicles from any vendor that is a certified ACDBE.

(b) As a car rental company, if you choose to meet the goal the airport has set for you by including purchases or leases of vehicles from an ACDBE vendor, you must also submit to the recipient documentation of the good faith efforts you have made to obtain ACDBE participation from other ACDBE providers of goods and services.

(c) While this part does not require you to obtain ACDBE participation through direct ownership arrangements, you may count such participation toward the goal the airport has set for you.

(d) The following special rules apply to counting participation related to car rental operations:

(1) Count the entire amount of the cost charged by an ACDBE for repairing vehicles, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services.

(2) Count the entire amount of the fee or commission charged by an ACDBE to manage a car rental concession under an agreement with the concessionaire toward ACDBE goals, provided that it is reasonable and not excessive as compared with fees customarily allowed for similar services.

(3) Do not count any portion of a fee paid by a manufacturer to a car dealership for reimbursement of work performed under the manufacturer's warranty.

(e) For other goods and services, count participation toward ACDBE goals as provided in part 26, §26.55 and §23.55 of this part. In the event of any conflict between these two sections, §23.55 controls.

(f) If you have a national or regional contract, count a pro-rated share of the amount of that contract toward the goals of each airport covered by the contract. Use the proportion of your applicable gross receipts as the basis for making this pro-rated assignment of ACDBE participation.

Example to paragraph (f): Car Rental Company X signs a regional contract with an ACDBE car dealer to supply cars to all five airports in a state. The five airports each account for 20 percent of X's gross receipts in the state. Twenty percent of the value of the cars purchased through the ACDBE car dealer would count toward the goal of each airport.

Market Area

The Car Rental Concessions at Boston-Logan International Airport are currently operated by five (5) different companies representing eleven (11) different brands. Based on the types of goods/services purchased by these firms (e.g., auto repair, insurance, fuel, etc.), we have determined that the market area for the purchase of certain goods and services is the Commonwealth of Massachusetts and certain goods/services purchases are represented by a national market.

Goal-Setting Step I

The regulation provides the following examples of potential approaches for accomplishing Step 1, determining the base figure, as follows:

23.51(c) Step 1. You must begin your goal setting process by determining a base figure for the relative availability of ACDBEs. The following are examples of approaches that you may take toward determining a base figure. These examples are provided as a starting point for your goal setting process. Any percentage figure derived from one of these examples should be considered a basis from which you begin when examining the evidence available to you. These examples are not intended as an exhaustive list. Other methods or combinations of methods to determine a base figure may be used, subject to approval by the FAA.

(1) Use DBE Directories and Census Bureau Data. Determine the number of ready, willing and able ACDBEs in your market area from your ACDBE directory. Using the Census Bureau's County Business Pattern (CBP) data base, determine the number of all ready, willing and able businesses available in your market area that perform work in the same NAICS codes. Divide the number of ACDBEs by the number of all businesses to derive a base figure for the relative availability of ACDBEs in your market area.

2) Use an Active Participants List. Determine the number of ACDBEs that have participated or attempted to participate in your airport concessions program in previous years. Determine the number of all businesses that have participated or attempted to participate in your airport concession program in previous years. Divide the number of ACDBEs who have participated or attempted to participate

by the number for all businesses to derive a base figure for the relative availability of ACDBEs in your market area.

(3) Use data from a disparity study. Use a percentage figure derived from data in a valid, applicable disparity study.

(4) Use the goal of another recipient. If another airport or other DOT recipient in the same, or substantially similar, market has set an overall goal in compliance with this rule, you may use that goal as a base figure for your goal.

(5) Alternative methods. (i) You may use other methods to determine a base figure for your overall goal. Any methodology you choose must be based on demonstrable evidence of local market conditions and be designed to ultimately attain a goal that is rationally related to the relative availability of ACDBEs in your market area.

We have decided to use the DBE Directories and Census Bureau Data method for determining availability. The most recent available census bureau data is for 2021. The NAICS codes for the various trades typically utilized by car rental concessions was determined through a survey of car rental concessionaires and research and are shown on the chart below.

Table 1 – U.S. Census / Massachusetts Unified Certification Program Directory				
Description	NAICS	2021 Census	MA UCP Directory	DBE/ACDBE %
Towing	488410	239	3	1.3%
Security	561621	135	4	3.0%
Keys/Locks	561622	90	0	0.0%
Janitorial Services	561720	1,665	32	1.9%
Auto Repair	811111	1,874	5	0.3%
Auto Body Repair	811121	1,010	1	0.1%
Windshield Repair	811122	154	0	0.0%
Total Local		5,167	45	0.9%
Description	NAICS	2021 Census	DBe-Connect Directory	DBE/ACDBE %
Auto Parts	423120	12,416	69	0.6%
Tires	423130	2,581	27	1.0%
Computer Support/Materials	423430	7,182	266	3.7%
Cleaning Supplies	423850	4,487	274	6.1%
Fuel/Oil/Energy	424720	2,607	170	6.5%
Car Dealerships	441110	21,622	5	0.0%
Auto Transport	484230	11,798	544	4.6%
Insurance	524210	135,939	242	0.2%

Table 1 – U.S. Census / Massachusetts Unified Certification Program Directory				
Description	NAICS	2021 Census	MA UCP Directory	DBE/ACDBE %
Asset Recovery	561491	725	5	0.7%
Human Resource Consulting	541612	8,664	1236	14.3%
Uniforms	812331	830	15	1.8%
Total National		208,851	2,853	1.4%
Total		210,565	2,857	1.4%

Weighting the above availability by utilization by trade results in the following:

Table 2 – U.S. Census / Nebraska Unified Certification Program Directory				
Description	NAICS	DBE/ACDBE %	Weighting	DBE/ACDBE Weighted %
Towing	488410	1.3%	0.1%	0.0%
Security	561621	3.0%	8.4%	0.3%
Keys/Locks	561622	0.0%	1.9%	0.0%
Janitorial Services	561720	1.9%	1.0%	0.0%
Auto Repair	811111	0.3%	0.1%	0.0%
Auto Body Repair	811121	0.1%	1.1%	0.0%
Windshield Repair	811122	0.0%	0.2%	0.0%
Total Local			12.8%	0.3%
Auto Parts	423120	0.6%	0.4%	0.0%
Tires	423130	1.0%	0.2%	0.0%
Computer Support/Materials	423430	3.7%	0.5%	0.0%
Cleaning Supplies	423850	6.1%	1.0%	0.1%
Fuel/Oil/Energy	424720	6.5%	1.5%	0.1%
Car Dealerships	441110	0.0%	80.0%	0.0%
Auto Transport	484230	4.6%	0.2%	0.0%
Insurance	524210	0.2%	1.6%	0.0%
Asset Recovery	561491	0.7%	0.1%	0.0%
Human Resource Consulting	541612	14.3%	1.5%	0.2%
Uniforms	812331	1.8%	0.2%	0.0%
Total National			87.2%	0.4%
Total			100.0%	0.7%

We therefore propose the base goal at 0.7%.

Step 2 - Examine the data to determine what adjustment, if any, is needed to the Base Figure

The ACDBE regulation provides for a Step 2 adjustment of the developed base goal for a variety of factors, including the current capacity of ACDBEs to perform work in a concession program, as measured by the volume of work ACDBEs have performed in recent years. We have reviewed the ACDBE achievement for the most recent five-year period for car rental purchases to provide for an adjustment of the base goal as follows.

Year	Total Purchases	ACDBE Purchases	ACDBE %
2022	\$254,381,634	\$3,155,608	1.2%
2021	\$168,121,229	\$2,435,610	1.5%
2020	\$118,433,870	\$1,257,47-	3.1%
2019	\$343,436,290	\$7,573,665	2.2%
2018	\$332,320,074	\$3,353,523	1.0%

Base goal of 0.7% + Median ACDBE Participation
(2018-2022) of 1.5% = 2.2%
 $2.2\% \div 2 = 1.1\%$

There is no other relevant data to support an adjustment to the base goal. Therefore, the proposed overall ACDBE goal for the three-year period commencing October 1, 2024 and ending September 30, 2026 is 1.1%.

Proposed Overall Three-Year Goal for Car Rental for FFY 2024-2026 = 1.1%

RACE-NEUTRAL/ RACE-CONSCIOUS SPLIT

The car rental goals set forth in this document have been set as race-conscious goals in the current agreements. We do not believe that it will be possible to achieve the goal using race neutral methods as those methods have not been successful in achieving ACDBE participation in car rentals throughout the country as demonstrated by the results of race neutral car rental goals as reported to the FAA.