

FY 2025-2027
Airport Concession Disadvantaged Business Enterprise
(ACDBE) Goal Methodology
(Non-Car Rental Concessions)
for



Tallahassee, FL

With Assistance From



April 2025

Section 23.45: Overall Goal Calculation for Non-Car Rental Concessions

In fulfillment of the requirements of 49 CFR Part 23, the City of Tallahassee (“the City”) has developed a proposed Overall Goal for FY 2025-2027 for Non-Car Rental concessions at Tallahassee International Airport.

General Information:

Airport Sponsor: **City of Tallahassee**
Airport: **Tallahassee International Airport**
ACDBELO: **LaTanya Raffington, Senior Coordinator**
Minority, Women & Small Business Enterprise Division
Tallahassee-Leon County Office of Economic Vitality
315 S. Calhoun Street, Suite 110
Tallahassee, FL 32301
(850) 300-7566
LRaffington@OEVforBusiness.org

I. Amount of Goal

The Tallahassee International Airport’s (“Airport”) overall goal for concessions other than car rentals (i.e., non-car rental) beginning October 1, 2024 and ending September 30, 2027 is the following:

Overall Goal:	<u>2.77%</u>
Race-Neutral:	<u>0.00%</u>
Race-Conscious:	<u>2.77%</u>

The goal is based on the total gross receipts for concessions at the Airport. 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.

The concession revenues anticipated during this goal period for all non-car rental concessions is **\$10,118,316**. 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 Airport will submit an appropriate adjustment to the overall goal. This will be submitted to the Federal Aviation Administration (FAA) for approval no later than 90 days before issuing the solicitation for the new concession opportunity (49 Code of Federal Regulations Part 23.45(i)).

Table 1: Concession Lease Dates

NAICS	Concession Type	Name	Beginning Lease Date	Ending Lease Date
453220	News & Gift	Tailwind TLH, LLC	2/26/2015	2/25/2030
522110	Banking	CORD Financial Services	10/1/2019	9/30/2024
522110	Banking	Ready Credit Corporation	2/14/2020	2/13/2025
541850	Advertising	Clear Channel Airports	8/1/2009	7/31/2024
722513	Food & Beverage	Tailwind TLH, LLC	2/26/2015	2/25/2030

A. Projected Concessions Opportunities: October 1, 2024 – September 30, 2027

Concessions revenue opportunity for the three-year period is based upon FY 2023 gross receipts of \$3,178,235. FY 2025, FY 2026 and FY 2027 gross receipts are expected to increase three percent (3%) each year based on FY 2023 gross receipts. The projected **non-car rental concessions base** is **\$10,118,316**.

**Table 2: Projected Gross Receipts for “All Other”
(Non-Car Rental Concessions) for FY 2025 – FY 2027**

Fiscal Year	Non-Car Rental Concessions
2025	\$3,273,582
2026	\$3,371,790
2027	\$3,472,944
Total	\$10,118,316

Source: Airport; compiled by KWA

B. Determination of Market Area

The 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.

The Airport reviewed the locations of current concessionaires. Although concessions that are doing business with the Airport are located in various states and nationally, ACDBEs that would participate at the airport would be more local. Therefore, the Airport is proposing to use the State of Florida as its market area.

**Table 3: Location of Current Concessionaires
Tallahassee International Airport**

NAICS Code*	Concession Type	Name	Location
453220	News & Gift	Tailwind TLH, LLC	Wilmington, NC
522110	Banking	CORD Financial Services	Temple, TX
522110	Banking	Ready Credit Corporation	Eden Prairie, MN
541850	Advertising	Clear Channel Airports	Allentown, PA
722513	Food & Beverage	Tailwind TLH, LLC	Wilmington, NC

*NAICS – North American Industry Classification System

II. Methodology used to Calculate Overall Goal

A. Goods and Services

The Airport can meet the percentage goal by counting the purchase from ACDBEs of goods and services used in non-car rental concessions business conducted at the Airport. The Airport and the non-car rental concessionaires at the Airport, should 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.

B. Management Contract or Subcontract

The Airport can meet the percentage goal by counting any non-car rental concessions operated through a management contract or subcontract with an ACDBE. The Airport and the concessionaires at the Airport, 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 concession activities to which the management contract or subcontract pertains will not be added to this base in either the numerator or denominator. While the Airport realizes that this appears to go against the normal rules and rationale for goal-setting, the Airport understands that this method is nevertheless required by statute.

C. Step 1: 23.51 (c)

The Airport determined the base figure for the relative availability of ACDBEs other than car rentals. The base figure was calculated as follows:

The Step 1 ACDBE base figure was determined using the DBE directory and County Business Patterns database method, per 49 CFR Part 23.51(c)(1).

The Airport determined the number of ACDBE firms available in the market area by NAICS code. The Airport also determined the total number of all firms available in the market area to calculate the relative availability of ACDBEs for each concession type. That relative availability was multiplied by the percentage of total estimated gross receipts per group of NAICS codes to determine the weighted availability of ACDBEs in the Airport's market area for each concession type as indicated in Table 4 below:

Table 4: Determination of Relative Availability of ACDBEs (Non-Car Rental)

NAICS Codes	Concession Type/Group	ACDBE Firms	Total Firms	Availability	Projected FY 25-27 Gross Receipts	ACDBE Goal (Dollars)
453220	News & Gift			0.00%	\$2,930,495	\$48,593
522110	Banking	2	463	0.43%	\$21,922	\$95
541850	Advertising	16	216	7.41%	\$868,536	\$64,336
722513	Food & Beverage			0.00%	\$6,297,364	\$31,024
Total					\$10,118,316	\$144,048
Step 1 Base Figure =						1.42%

Source:

1. 2022 County Business Patterns, U.S. Census Bureau, June 27, 2024.
2. Florida Department of Transportation UCP Directory, August 2024.

Note: Concessions that are shaded do not have opportunities during the upcoming three-year period. Their contract goals were used as availability.

The Step 1 base goal for "all other" (i.e., non-car rental) ACDBEs is **1.42%**.

D. Step 2: 23.51(d)

After calculating a base figure of the relative availability of ACDBEs, the Airport examined evidence to determine whether or not the base figure needs to be adjusted in order to arrive at the overall goal.

The data used to determine the adjustment to the base figure were:

1. Past participation

The Airport evaluated the current capacity of ACDBEs to perform work in the concessions program by measuring the volume of work ACDBEs have performed in the past.

The historical ACDBE accomplishments at the Airports in recent years were examined relative to the above consideration. Specifically, the annual “Uniform Report of ACDBE Participation” submitted to the FAA for each of the reporting periods listed below was assessed.

Table 5: Tallahassee International Airport ACDBE Accomplishments for FY 2020-FY 2023

Report Period	ACDBE Goal	Total ACDBE % Achieved	Achieved Over/Under
FY 2020	18.91%	8.73%	-10.18%
FY 2021	18.91%	5.52%	-13.39%
FY 2022	11.38%	2.68%	-8.70%
FY 2023	11.38%	2.71%	-8.67%
Median =		4.12%	-9.44%

Source: Tallahassee International Airport

The median ACDBE accomplishment for the past three years as shown above is **4.12%**, compared to the Step 1 DBE base figure for the Airport of **1.42%**.

E. Adjustment of the Step 1 Base Figure

In order to reflect as accurately as possible ACDBE capacity, the Airport will adjust the Step 1 DBE base figure of **1.42%** by averaging it with the ACDBE participation noted in Table 5 above (**4.12%**).

$$1.42\% + 4.12\% = 5.54\% / 2 = 2.77\%$$

The overall ACDBE goal for non-car rent concessions at the Airport is **2.77%**.

III. Consultation with Stakeholders (23.43)

Before establishing the ACDBE non-car rental goal, the Airport consulted with stakeholders in its concession program to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the Airport’s efforts to establish a level playing field for the participation of ACDBEs.

As part of the consultation process, the Airport held a meeting on April 2, 2025. Attendees were given an overview of the Airport’s ACDBE program and the draft goal. After the presentation, attendees were given an opportunity to comment on the draft goal. Please see Appendix A for the attendee list and comments.

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

Race-conscious means a measure or program that is focused specifically on assisting only ACDBEs, including women-owned ACDBEs. For the purposes of this part, race-conscious measures include gender-conscious measures.

Race-neutral means a measure or program that is, or can be, used to assist all small businesses, without making distinctions or classifications on the basis of race or gender.

The Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Airport uses the race-neutral measures below to increase ACDBE participation. The Airport understands that it will be expected to actually take these steps, and this is not merely a paper exercise.

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 the 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.

The Airport proposes to meet its entire goal of **2.77%** via race-conscious means (i.e., contract goal). The reason for this projected split is that the historical information on ACDBE participation showed that the median amount by which the goals were over-achieved over the previous three years was -9.44%.

In order to ensure that the ACDBE program will be narrowly tailored to overcome the effects of discrimination, if the Airport uses concession-specific goals, it will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and 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 an ACDBE goal
- ACDBE participation on a prime contract exceeding a concession specific goal

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

APPENDIX A: ACDBE STAKEHOLDERS MEETING