

**Attachment 4**

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

**Amount of Goal** *(submit if average annual gross receipts exceed \$200,000)*

The City of Redmond - Redmond Municipal Airport’s overall goal for concessions other than car rentals during the period beginning October 1, 2024 and ending September 30, 2027 is 0.28% of the total gross receipts for concessions.

**Name of Recipient:** City of Redmond

**Goal Period:** FY2025-2026-2027 – October 1, 2024, through September 30, 2027

**Overall Three-Year Goal:**

0.28% to be accomplished through 0.00% RC and 0.28% RN

The City of Redmond has determined that its market area is US nationwide.

**Methodology used to Calculate Overall Goal:**

The City of Redmond in conducting this goal-setting process is evaluating the extent, if any, to which the firms in the market area have suffered discrimination or its effects in connection with concession opportunities and related business opportunities.

**Market Area**

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 in which the firms which receive the substantial majority of concessions-related revenues are located.

<b>Type of Concession</b>	<b>City</b>	<b>County</b>	<b>State</b>	<b>Nationwide</b>
Food & Beverage				X
Food Vending Machine				X
News & Gifts				X

**Base of Goal**

To calculate the base of the goal the City of Redmond considered the previous 3 years (October 1, 2020, to September 30, 2023) 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**

<b>Fiscal Year</b>	<b>Concessions Revenue (Excluding Car Rental)</b>
2021*	\$1,781,642.00
2022	\$3,438,607.00
2023	\$4,110,673.00

(\*) Lower revenue due to Covid-19 close-down

The City of Redmond estimates that revenues to existing concessions will grow by 8% per year over the next three years due to inflation and increased passenger traffic.

2024 projected:

Prior year (2023): \$4,110,673.00 + 8% growth (\$328,854.00) = \$4,439,527.00

Goal period:

2025: \$4,439,527.00 + 8% (\$355,162.00) = \$4,794,689.00

2026: \$4,794,689.00 + 8% (\$383,575.00) = \$5,178,264.00

2027: \$5,178,264.00 + 8% (\$414,261.00) = \$5,592,525.00

City of Redmond's base of the goal for non-car rental concessions:

\$4,794,689.00 + \$5,178,264.00 + \$5,592,525.00 = \$15,565,478.00

The concession opportunities anticipated during this goal period are:

Food and Beverage, Vending Machine, and News and Gifts with estimated gross receipts of \$15,565,478.00.

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

**Methodology used to Calculate Overall Goal**

**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 (US nationwide)

**Denominator:** All ready, willing and able non-car rental concession firms in the market area (US nationwide).

NAICS(*)	Type of Concession	Total ACDBE's	Total All Firms
722310	Food Service Contractors	5	29,474
454210	Vending Machine Operators	1	3,398
722515	Snack & Non-alcoholic beverage	4	72,985
453220	Gift, Novelty & Souvenir Stores	8	18,609
<b>Total</b>		<b>18</b>	<b>124,466</b>

(\*) Based the 2021 6-digit NAICS as per the December 2024 US Census Bureau's website.

For the base figure:

$$\frac{\text{The total number of ACDBE's}}{\text{Total market area businesses}} = \frac{18}{124,466} = 0.00\%$$

The data source or demonstrable evidence used to derive the **numerator** was:

Business Oregon, Certification Office for Business Inclusion and Diversity (COBID)

<https://oregon4biz.diversitysoftware.com/FrontEnd/SearchCertifiedDirectory.asp?XID=2315&TN=oregon4biz>

The data source or demonstrable evidence used to derive the **denominator** was:

The U.S. Census Bureau

<https://data.census.gov/cedsci/table?q=United%20States%20Business%20and%20Economy&q=0400000US41&n=72%3A722515&tid=ECNBASIC2017.EC1700BASIC&hidePreview=true>

When we divided the numerator by the denominator we arrived at the Step 1 base figure for our overall goal for non-car rental concessions of 0.00 %.

**Step 2: 23.51(d)**

Step 2 of the goal setting calculation process is intended to adjust the Step 1 base figure to make it as accurate as possible. After calculating the base figure of the relative availability of ACDBEs, it is deemed as necessary to adjust our base figure by applying the Past History Accomplishments.

**Past History Participation**

FY	Achievement		
	RC	RN	Total
19	0%	0.33%	0.33%
20	0%	0.56%	0.56%
21	0%	0.56%	0.56%
22	0%	0.56%	0.56%
23	0%	0.61%	0.61%

Arranging this historical data from low to high, 0.33%, 0.56%, 0.56%, 0.56% and 0.61%, the median is 0.56%, which is our Step 2 adjustment figure.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total, arriving at an overall goal of

$$(0.00\% + 0.56\%) / 2 = 0.28\%$$

We deem the adjusted goal figure of 0.28% will accurately reflect our ACDBE non-car rental concession participation that can be achieved during this 3-year period.

## PUBLIC PARTICIPATION

**Consultation:** Section 23.43.

Prior to submitting this goal to the FAA, the Redmond Municipal Airport consulted with the following stakeholders online via Zoom on Wednesday, August 12, 2024 at 1:30 p.m. PDT.

Interested Community Organizations/Groups:

1. City of Redmond – Redmond Municipal Airport Business Coordinator/DBELO & ACDBELO
2. City of Redmond – Redmond Municipal Airport Customer Service and Administrative Supervisor
3. Airport Concessionaires: Aviano Inc., Avis Budget Car Rental, LLC., West One Automotive Group, Inc. dba Hertz Car Rental, and Enterprise Mobility dba Enterprise-Rent-A-Car and Alamo Rent A Car and National Car Rental
4. Oregon COBID (Certification Office for Business Inclusion and Diversity) Compliance Specialist and Small Business Certification Specialist
5. Oregon Department of Transportation

The consultation meeting was intended to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs and/or ACDBEs, and the Redmond Municipal Airport's efforts to establish a level playing field for the participation of DBEs and/or ACDBEs. The meeting notes is attached to this submission package.

Following the consultation, the proposed overall goal was published on August 18, 2024 on the Bend Bulletin and on the Redmond Municipal Airport's website ([www.flyrdm.com](http://www.flyrdm.com)), informing the public that the proposed goal and its rationale are available for review and comments during normal business hours at the airport administration office for 30 days following the date of the notice.

No comments have been received.

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

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

We understand that we 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 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*

We estimate that, in meeting our overall goal of 0.28%, we will obtain 0.28% from race-neutral participation and 0.00% through race-conscious measures.

Currently, the Redmond Municipal Airport has one ACDBE concessionaire actively working at the airport. We estimate that our goal will be exceeded during this goal setting period due to their participation at the airport. Therefore, we do not anticipate the need to use race-conscious goal participation.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (see 26.51(f)) and we 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 ACDBE goal; ACDBE participation on a prime contract exceeding a concession specific goal; and ACDBE participation through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

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