



San Diego International Airport

AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) PROGRAM

ACDBE PROGRAM PLAN

REVISED January 23, 2024

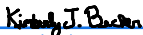
The San Diego County Regional Airport Authority (the "Authority"), owner and operator of San Diego International Airport, has established an Airport Concession Disadvantaged Business Enterprise (ACDBE) program in accordance with the regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 23. San Diego International Airport ("Airport") is a primary airport and the Authority has received federal funds authorized for airport development after January 1988 (authorized under Title 49 of the United States Code). The Authority has signed airport grant assurances that it will comply with 49 CFR Part 23.

It is the policy of the Authority to ensure that ACDBEs, as defined in Part 23, have an equal opportunity to receive and participate in concession opportunities. It is also our policy:

1. To ensure nondiscrimination in the award and administration of opportunities for concessions by airports receiving DOT financial assistance;
2. To create a level playing field on which ACDBEs can compete fairly for opportunities for concessions;
3. To ensure that our ACDBE program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet this part's eligibility standards are permitted to participate as ACDBEs at our Airport;
5. To help remove barriers to the participation of ACDBEs in opportunities for concessions at our Airport;
6. To promote the use of ACDBEs in all types of concessions activities at our Airport;
7. To assist the development of firms that can compete successfully in the marketplace outside the ACDBE program; and
8. To provide appropriate flexibility to our Airport in establishing and providing opportunities for ACDBEs.

Craig Ruiz, Manager, Small Business Development has been designated as the ACDBE Liaison Officer (ACDBELO). In that capacity, Craig Ruiz is responsible for implementing all aspects of the ACDBE program. Implementation of the ACDBE program is accorded the same priority as compliance with all other legal obligations incurred by the Authority in its financial assistance agreements with the Department of Transportation.

The Authority has disseminated this policy statement to the Airport Board and all of the components of our organization. The Authority has distributed this statement to ACDBE and non-ACDBE concessionaire communities in our area. The distribution was accomplished by posting this statement on its website.


Kim Becker (Jan 24, 2025 13:28 PST)

Kimberly J. Becker, President and CEO

Jan 24, 2025

Date

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GENERAL REQUIREMENTS

Section 23.1 Objectives

The objectives are found in the policy statement on the first page of this program.

Section 23.3 Definitions

The Authority will use terms in this program that have the meaning defined in Section 23.3 and Part 26 Section 26.5 where applicable.

Section 23.5 Applicability

The San Diego International Airport is a primary airport and the sponsor of federal airport funds authorized for airport development after January 1988 that was authorized under Title 49 of the United States Code.

Section 23.9 Non-discrimination Requirements

The Authority will never exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any concession agreement, management contract or subcontract, purchase or lease agreement or other agreement covered by 49 CFR Part 23 on the basis of race, color, sex, or national origin.

In administering its ACDBE program, the Authority will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the ACDBE program with respect to individuals of a particular race, color, sex, or national origin.

The Authority will include the following assurances in all concession agreements and management contracts it executes with any firm:

“This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23.

The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.”

Section 23.11 Compliance and Enforcement

The Authority acknowledges that the compliance and enforcement provisions of 49 CFR Part 26 (§§ 26.101, 26.105 through 26.109) apply to the concessions program under Part 23 in the same way that they apply to FAA recipients and programs under Part 26.

ACDBE PROGRAMS

Section 23.21 ACDBE Program Updates

The Authority is the operator of the San Diego International Airport, which is a large hub primary airport, and is required to have an ACDBE program.

As a condition of eligibility for FAA financial assistance, the Authority will submit its ACDBE program and overall goals to FAA according to Part 23.45(a).

. Prior to implementing significant changes to this ACDBE program, the Authority will provide the amended program to FAA for review and approval.

Section 23.23 Administrative Provisions

Policy Statement: The Authority is committed to operating its ACDBE program in a nondiscriminatory manner. The Authority's Policy Statement is elaborated on the first page of this program.

Authority will thoroughly investigate the full extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community and make reasonable efforts to use these institutions. The Authority will also encourage prime concessionaires to use such institutions.

ACDBE Liaison Officer (ACDBELO):

The Authority has designated the following individual as its ACDBELO Liaison Officer:

Craig Ruiz
Manager, Small Business Development
San Diego International Airport
PO Box 82776,
San Diego, Ca 92138-2776
(619) 400-2565 or cruiz@san.org

In that capacity, the ACDBELO is responsible for implementing all aspects of the ACDBE program and ensuring that the Authority complies with all provision of 49 CFR Part 23. The ACDBELO has direct, independent access to the President/Chief Executive Officer (CEO) concerning ACDBE program matters. An organizational chart displaying the ACDBELO's position in the organization is found in Attachment 1 to this program.

The ACDBELO is responsible for developing, implementing and monitoring the ACDBE program, in coordination with other appropriate officials. The ACDBELO has two direct-report staff, consultant support and a Department Director. Further, the ACDBE program receives assistance and support from various Authority departments, including the Executive Office, General Counsel, Operations, Finance, Airport Design and Construction, Procurement, Information Technology, Marketing, Revenue Generation, Planning and External Relations Divisions to assist in the administration of the program. The duties and responsibilities include the following:

1. Gathers and reports statistical data and other information as required by FAA or DOT.
2. Periodically reviews contracts signed by the prime concessionaire and subcontracts between the prime concessionaire and subconcessionaire for compliance with this program.
3. Works with all departments to set overall annual goals.
4. Ensures that bid notices and requests for proposals are available to ACDBEs in a timely manner.
5. Identifies contracts and procurements so that ACDBE goals are included in solicitations (race-neutral methods) and monitors results.
6. Analyzes the Authority's progress toward attainment and identifies ways to improve progress.
7. Participates in pre-bid meetings.
8. Advises the CEO/governing body on ACDBE matters and achievement.
9. Provides ACDBEs with information and technical assistance in overcoming limitations, such as inability to obtain bonding, financing, and insurance.
10. Plans and participates in ACDBE training seminars.
11. Acts as liaison to the California Unified Certification Program (CUCP)
12. Provides outreach to ACDBEs and community organizations to advise them of opportunities.
13. Maintains the CUCP's updated directory on certified ACDBEs and distinguishes them from DBEs.

Directory: The Authority through the California Unified Certification Program (CUCP) maintains a directory identifying all firms eligible to participate as DBEs and ACDBEs. The Directory lists the firm's name, address, phone number, date of the most recent certification, and the type of work the firm has been certified to perform as an ACDBE. The Directory clearly specifies whether a firm is certified as a DBE for purposes of part 26, an ACDBE for purposes of part 23, or both.

Section 23.25 Ensuring Nondiscriminatory Participation of ACDBEs

The Authority will maximize the use of race-neutral measures, obtaining as much as possible of the ACDBE participation needed to meet overall goals through such measures. The Authority will take the following measures to ensure nondiscriminatory participation of ACDBEs in concessions, and other covered activities (23.25(a)).

- Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under this part;
- Notifying ACDBEs of concession opportunities and encouraging them to compete, when appropriate;
- When practical, structuring concession activities to encourage and facilitate the participation of ACDBEs;
- Providing technical assistance to ACDBEs in overcoming limitations, such as inability to obtain bonding or financing;
- Ensuring that competitors for concession opportunities are informed during pre-solicitation meetings about how the recipient's ACDBE program will affect the procurement process;
- Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation;
- All concession agreements will contain the required non-discrimination clause from 49 CFR Part 23.

The Authority's overall goal methodology and a description of the race-neutral measures it will use to meet the goals are described in Section 23.25 and Attachment 5 of this plan. The goals are set consistent with the requirements of Subpart D of Part 23. (23.25(b), (d)).

The Authority will not use set-asides or quotas as a means of obtaining ACDBE participation (23.25(g)).

Section 23.26 Fostering Small Business Participation

Authority has created a small business element to provide for the structuring of concession opportunities to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of concession opportunities that may preclude small business participation in solicitations.

The small business element is incorporated as Attachment 11 to this ACDBE Program. The program elements will be actively implemented to foster small business participation. The Authority acknowledges that active use of the small business element is a requirement of the good faith implementation of this ACDBE program.

The Authority will submit an annual report on small business participation obtained through the use of this small business element. The report must be submitted in the format acceptable to the FAA based on a schedule established and posted to the agency's website, available at https://www.faa.gov/about/office_offices/acr/bus_ent_program.

Section 23.27 Reporting

The Authority will retain sufficient basic information about its ACDBE Program implementation, ACDBE certification and the award and performance of agreements and contracts to enable the FAA to determine compliance with Part 23. This data will be retained for a minimum of 3 years following the end of the concession agreement or other covered contract.

The Authority will submit an annual report on ACDBE participation to the FAA by March 1 following the end of each fiscal year. This report will be submitted in the format acceptable to the FAA and contain all of the information described in the Uniform Report of ACDBE Participation.

The Authority will create and maintain active participants list information and enter it into a system designated by the FAA. The Authority will collect the following information about ACDBE and non-ACDBEs who seek to work on each of our concession opportunities.

- a. Firm name;
- b. Firm address including ZIP code;
- c. Firm status as an ACDBE or non-ACDBE;
- d. Race and gender information for the firm's majority owner;
- e. NAICS code applicable to the concession contract in which the firm is seeking to perform;
- f. Age of the firm; and
- g. The annual gross receipts of the firm.

Authority will collect the data from all active participants for concession opportunities by requiring the information to be submitted with their proposals or initial responses to negotiated procurements. Authority will enter this data in FAA's designated system no later than March 1 following the fiscal year in which the relevant concession opportunity was awarded.

Section 23.29 Compliance and Enforcement Procedures

The Authority will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 23 for firms participating in the Authority's ACDBE Program.

1. The Authority will bring to the attention of the Department of Transportation any false, fraudulent, or dishonest conduct in connection with the program, so that DOT can take the steps (e.g., referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) provided in 26.107.
2. The Authority will implement appropriate mechanisms to ensure compliance with this Program. We have listed the provisions and contract remedies available to us in the event of non-compliance with the ACDBE regulations. (See Attachment 4).

CERTIFICATION AND ELIGIBILITY

Section 23.31 Certification Standards and Procedures

The Authority is a certifying member of the California Unified Certification Program (the "CUCP"). The Authority will use the certification standards of Subpart C of Part 23 to determine the eligibility of firms to participate as ACDBEs in airport concessions contracts. To be certified as an ACDBE, a firm must meet all certification eligibility standards. The Authority makes all certification decisions based on the facts as a whole. Detailed certification processes are

described in the California UCP agreement. The full UCP agreement can be found on Attachment 9 and at: [California Unified Certification Program Memorandum of Agreement \(CUCP MOA\) 2/2020](#)

The CUCP's directory of eligible DBEs/ACDBEs specifies whether a firm is certified as a DBE for purposes of Part 26, ACDBE for purposes of Part 23, or both.

For information about the certification process or to apply for certification, firms should contact:

Craig Ruiz
Manager, Small Business Development
San Diego County Regional Airport Authority
P.O. Box 82776
San Diego, CA 92138-2776
619-400-2565
cruiz@san.org
www.san.org/smallbusiness
Application link: <https://san.gob2g.com/>

The Uniform Certification Application form, Personal Net Worth statement, and documentation requirements can be reviewed at <https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/ready-apply>.

Section 23.33 Business Size Standards

In general, a firm will be considered as a small business eligible to be certified as an ACDBE if its gross receipts, averaged over the firm's previous five (5) fiscal years, do not exceed \$56.42 million. The following special exceptions apply to the general small business size limit:

1. The limit for passenger car rental companies is \$75.23 million, averaged over the firm's previous five (5) fiscal years.
2. The size standard for banks and other financial institutions is \$1 billion in assets.
3. The size standard for pay telephone companies is 1500 employees.
4. The size standard for new car dealers is 350 employees.

For size purposes, gross receipts (as defined in [13 CFR 121.104\(a\)](#)) of affiliates are included in a manner consistent with [13 CFR 121.104\(d\)](#), except in the context of joint ventures. For gross receipts attributable to joint venture partners, a firm must include in its gross receipts its proportionate share of joint venture receipts, unless the proportionate share already is accounted for in receipts reflecting transactions between the firm and its joint ventures (e.g., subcontracts from a joint venture entity to joint venture partners).

Section 23.35 Personal Net Worth Limits

The personal net worth standard used in determining eligibility for purposes of Part 23 is posted online on the Departmental Office of Civil Rights' webpage, available at <https://www.transportation.gov/DBEPNW>. Any individual who has a PNW exceeding this

amount is not a socially and economically disadvantaged individual for purposes of this part, even if the individual is a member of a group otherwise presumed to be disadvantaged.

Section 23.37 Firms Certified as DBEs

Certifying members of California UCP will presume that a firm that is certified as a DBE under part 26 is eligible to participate as an ACDBE. However, before certifying such a firm, certifying California UCP members will ensure that the disadvantaged owners of a DBE certified under Part 26 are able to control the firm with respect to its activity in the concessions program. In addition, Certifying California UCP members are not required to certify a Part 26 DBE as a Part 23 ACDBE if the firm does not perform work or provide services relevant to the Airport's concessions program.

Section 23.39 Other ACDBE Certification Requirements

The provisions of § 26.83(c)(1) of 49 CFR part 26 do not apply to ACDBE certifications. Instead, in determining whether a firm is an eligible ACDBE, Certifying California UCP members will take the following steps:

- 1) Visit the firm's principal place of business, virtually or in person, and interview the SEDO, officers, and key personnel. Certifying California UCP members will review those persons' résumés and/or work histories, and maintain a complete audio recording of the interviews. Certifiers will also visit one or more active job sites (if there is one). These activities comprise the "on-site review" (OSR), a written report of which the certifying California UCP member will keep in its files.
- 2) Analyze documentation related to the legal structure, ownership, and control of the applicant firm. This includes, but is not limited to, articles of incorporation/organization; corporate by-laws or operating agreements; organizational, annual and board/member meeting records; stock ledgers and certificates; and State-issued certificates of good standing;
- 3) Analyze the bonding and financial capacity of the firm; lease and loan agreements; and bank account signature cards;
- 4) Determine the work history of the firm, including any concession contracts or other contracts it may have received; and payroll records;
- 5) Obtain or compile a list of the licenses of the firm and its key personnel to perform the concession contracts or other contracts it wishes to receive;
- 6) Obtain a statement from the firm of the type(s) of concession(s) it prefers to operate or the type(s) of other contract(s) it prefers to perform;
- 7) Obtain complete Federal income tax returns (or requests for extensions) filed by the firm, its affiliates, and the socially and economically disadvantaged owners for the last 5 years. A complete return includes all forms, schedules, and statements filed with the Internal Revenue Service; and
- 8) Require applicants for ACDBE certification to complete and submit an appropriate application form, except as otherwise provided in § 26.85 of Part 26.

In reviewing the Declaration of Eligibility required by § 26.83(j), Certifying California UCP members will ensure that the ACDBE applicant provides documentation that it meets the applicable size standard in § 23.33.

For purposes of this part, the term prime contractor in § 26.87(j) includes a firm holding a contract with an airport concessionaire to provide goods or services to the concessionaire or a firm holding a prime concession agreement with the Authority.

With respect to firms owned by Alaska Native Corporations (ANCs), the provisions of § 26.63(c)(2) do not apply. The eligibility of ANC-owned firms for purposes of this part is governed by § 26.63(c)(1).

Certifying California UCP members will use the Uniform Certification Application found in Part 26 of this chapter without change. If California UCP seeks to supplement the form by requesting specified additional information consistent with Part 23 and Part 26, the California UCP will first seek written approval of the concerned Operating Administration.

Certifying California UCP members will require every applicant to clearly state that it is applying for certification as an ACDBE and complete all of section 5.

Car rental companies and private terminal owners or lessees are not authorized to certify firms as ACDBEs.

GOALS, GOOD FAITH EFFORTS, AND COUNTING

Section 23.41 Overall Goals

The Authority will establish two separate overall ACDBE goals; one for car rentals and another for concessions other than car rentals. The overall goals will cover a three-year period, and the Authority will review the goals annually to make sure the goal continues to fit the Authority's circumstances. The Authority will report any significant overall goal adjustments to the FAA.

If the average annual concession revenues for car rentals over the preceding 3 years do not exceed \$200,000, the Authority need not submit an overall goal for car rentals. Likewise, if the average annual concession revenues for concessions other than car rentals over the preceding 3 years do not exceed \$200,000, the Authority need not submit an overall goal for concessions other than car rentals. The Authority understands that "revenue" means total revenue generated by concessions, not the fees received by the airport from concessionaires.

The Authority's overall goals will provide for participation by all certified ACDBEs and will not be subdivided into group-specific goals.

Section 23.43 Consultation in Goal Setting

The Authority consults with stakeholders before submitting the overall goals to the FAA. Stakeholders will include, but not be limited to, minority and women's business groups, community organizations, trade associations representing concessionaires currently located at the Airport, as well as existing concessionaires themselves, and other officials or organizations which could be expected to have information concerning the availability of

disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs, and the sponsors efforts to increase participation of ACDBEs.

When submitting our overall goals, the Authority will identify the stakeholders that were consulted and provide a summary of the information obtained from the stakeholders.

The requirements of this section do not apply if no new concession opportunities will become available during the goal period. However, Authority will take appropriate outreach steps to encourage available ACDBEs to participate as concessionaires whenever there is a concession opportunity.

Section 23.45 Overall Goals

Overall goals will be submitted to the FAA for approval. The overall goals meeting the requirements of this subpart are due based on a schedule established by the FAA and posted on the FAA's website.

The goals must be submitted every three years based on the published schedule. If a new concession opportunity arises at a time that falls between the normal submission dates above and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the Authority will submit an appropriate adjustment to our overall goal to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity.

The Authority will establish overall goals in accordance with the 2-Step process as specified in section 23.51. After determining the total gross receipts for the concession activity, the first step is to determine the relative availability of ACDBEs in the market area, "base figure". The second step is to examine all relevant evidence reasonably available in the sponsor's jurisdiction to determine if an adjustment to the Step 1 "base figure" is necessary so that the goal reflects as accurately as possible the ACDBE participation the sponsor would expect in the absence of discrimination. Evidence may include, but is not limited to past participation by ACDBEs, a disparity study, evidence from related fields that affect ACDBE opportunities to form, grow, and compete (such as statistical disparities in ability to get required financing, bonding, insurance; or data on employment, self-employment, education, training and union apprenticeship).

The Authority will also include a projection of the portions of the overall goal expected to be met through race-neutral and race-conscious measures, respectively.

If the FAA determines that Authority goals have not been correctly calculated or the justification is inadequate, the FAA may, after consulting with us, adjust the overall goal or race-conscious/race-neutral "split." In such a case, the adjusted goal is binding on Authority.

A description of the methodology to calculate the overall goal for concessions other than car rentals, the goal calculations, and the data we relied on can be found in Attachment 5 to this program.

A description of the methodology to calculate the overall goal for car rentals, the goal calculations, and the data we relied on can be found in Attachment 6 to this program.

Section 23.53 Counting ACDBE Participation for Car Rental Goals

The Authority will count ACDBE participation toward Car Rental overall goals as provided in 49 CFR § 23.53.

Section 23.55 Counting ACDBE Participation for Concessions Other than Car Rentals

The Authority will count ACDBE participation toward overall goals other than car rental as provided in 49 CFR §23.55.

Section 23.57 Goal shortfall accountability.

If the awards and commitments on our Uniform Report of ACDBE Participation at the end of any fiscal year are less than the overall goal applicable to that fiscal year, the Authority will:

- Analyze in detail the reasons for the difference between the overall goal and our awards and commitments in that fiscal year;
- Establish specific steps and milestones to correct the problems the Authority has identified in our analysis to enable us to fully meet our goal for the new fiscal year;
- The Authority will submit the analysis and corrective actions developed under paragraphs (b)(1) and (2) of this section to the FAA for approval by April 1 following the report submittal.

The FAA may impose conditions as part of its approval of the Authority's analysis and corrective actions including, but not limited to, modifications to our overall goal methodology, changes in race-conscious/race-neutral split (if permitted by law), or the introduction of additional race-neutral or race-conscious measures (if permitted by law).

The Authority may be regarded as being in noncompliance with this part, and therefore subject to the remedies in § 23.11 of this part and other applicable regulations, for failing to implement our ACDBE program in good faith if any of the following things occur:

- The Authority' does not submit the analysis and corrective actions to FAA in a timely manner as required under paragraph (b)(3) of § 23.57;
- The FAA disapproves the analysis or corrective actions; or
- The Authority does not fully implement:
 - a. The corrective actions to which we have committed, or
 - b. Conditions that FAA has imposed following review of our analysis and corrective actions.
 - c. If information coming to the attention of FAA demonstrates that current trends make it unlikely that we, as an airport, will achieve ACDBE awards and commitments that would be necessary to allow us to meet our overall goal at the end of the fiscal year, FAA may require us to make further good faith efforts, such

as modifying our race-conscious/race-neutral split or introducing additional race-neutral or race-conscious measures for the remainder of the fiscal year if permitted by law .

Section 23.61 Quotas or Set-asides

The Authority will not use quotas or set-asides as a means of obtaining ACDBE participation.

OTHER PROVISIONS

Section 23.71 Existing Agreements

If permitted by the existing agreement, the Authority will use any means authorized under Part 23 to obtain a modified amount of ACDBE participation in the renewed or amended agreement.

Section 23.73 Privately-Owned or Leased Terminal Buildings

There are no existing or planned Privately Owned or Leased Terminal Buildings at the San Diego International Airport. Therefore, the requirements of this section are not applicable.

Section 23.75 Long-Term Exclusive Agreements

The Authority will not enter into a long-term and exclusive agreements for concessions without prior approval of the FAA Regional Civil Rights Office. The Authority understand that a “long- term” agreement is one having a term of longer than 10 years, including any combination of base term and options or holdovers to extend the term of the agreement, if the effect is a term of more than ten years. The Authority understand that an exclusive agreement is one having a type of business activity that is conducted solely by a single business entity on the entire Airport, irrespective of ACDBE participation.

The Authority may enter into a long-term, exclusive concession agreement only under the following conditions:

- 1) Special local circumstances exist that make it important to enter such agreement; and
- 2) FAA approves [Recipient's] plan for meeting the standards of paragraph (c) of § 23.75.

To obtain FAA approval of a long-term exclusive concession agreement, the Authority will submit the following information to the FAA. The items in paragraphs (1) through (3) below will be submitted at least 60 days before the solicitation is released and items in paragraphs (4) through (7) will be submitted at least 45 days before contract award:

- 1) A description of the special local circumstances that warrant a long-term, exclusive agreement;
- 2) A copy of the solicitation;
- 3) ACDBE contract goal analysis developed in accordance with this part;
- 4) Documentation that ACDBE participants are certified in the appropriate NAICS code in order for the participation to count towards ACDBE goals;

- 5) A general description of the type of business or businesses to be operated by the ACDBE, including location and concept of the ACDBE operation;
- 6) Information on the investment required on the part of the ACDBE and any unusual management or financial arrangements between the prime concessionaire and ACDBE, if applicable;
- 7) Final long-term exclusive concession agreement, subleasing or other agreements.
 - (a) In order to obtain FAA approval of a long-term exclusive concession agreement that has been awarded through direct negotiations, the Authority will submit the items in paragraphs (1) and (3) through (7) of this section at least 45 days before contract award;
 - (b) In order to obtain FAA approval of an exclusive concession agreement that becomes long-term as a result of a holdover tenancy, the Authority will submit to the responsible FAA regional office a holdover plan for FAA approval at least 60 days prior to the expiration of the current lease term. The holdover plan shall include the following information:
 - i. A description of the special local circumstances that warrant the holdover;
 - ii. Anticipated date for renewal or re-bidding of the agreement;
 - iii. The method to be applied for renewal or re-bidding of the agreement;
 - iv. Submission of all items required under (3), (4), (6), and (7) of this section for the agreement in holdover status or an explanation as to why the item is not available or cannot be submitted.

Section 23.77 Preemption of Local Requirements

In the event that a State or local law, regulation, or policy differs from the requirements of this part, the Authority will, as a condition of remaining eligible to receive Federal financial assistance from the DOT, take such steps as may be necessary to comply with the requirements of 49 CFR part 23. However, nothing in Part 23 preempts any State or local law, regulation, or policy enacted by the governing body of Authority, or the authority of any State or local government or recipient to adopt or enforce any law, regulation, or policy relating to ACDBEs, as long as the law, regulation, or policy does not conflict with Part 23.

Section 23.79 Geographic Preferences

The Authority will not use a local geographic preference. For purposes of this section, a local geographic preference is any requirement that gives a concessionaire located in one place (e.g., the local area) an advantage over concessionaires from other places in obtaining business as, or with, a concession at our airport.

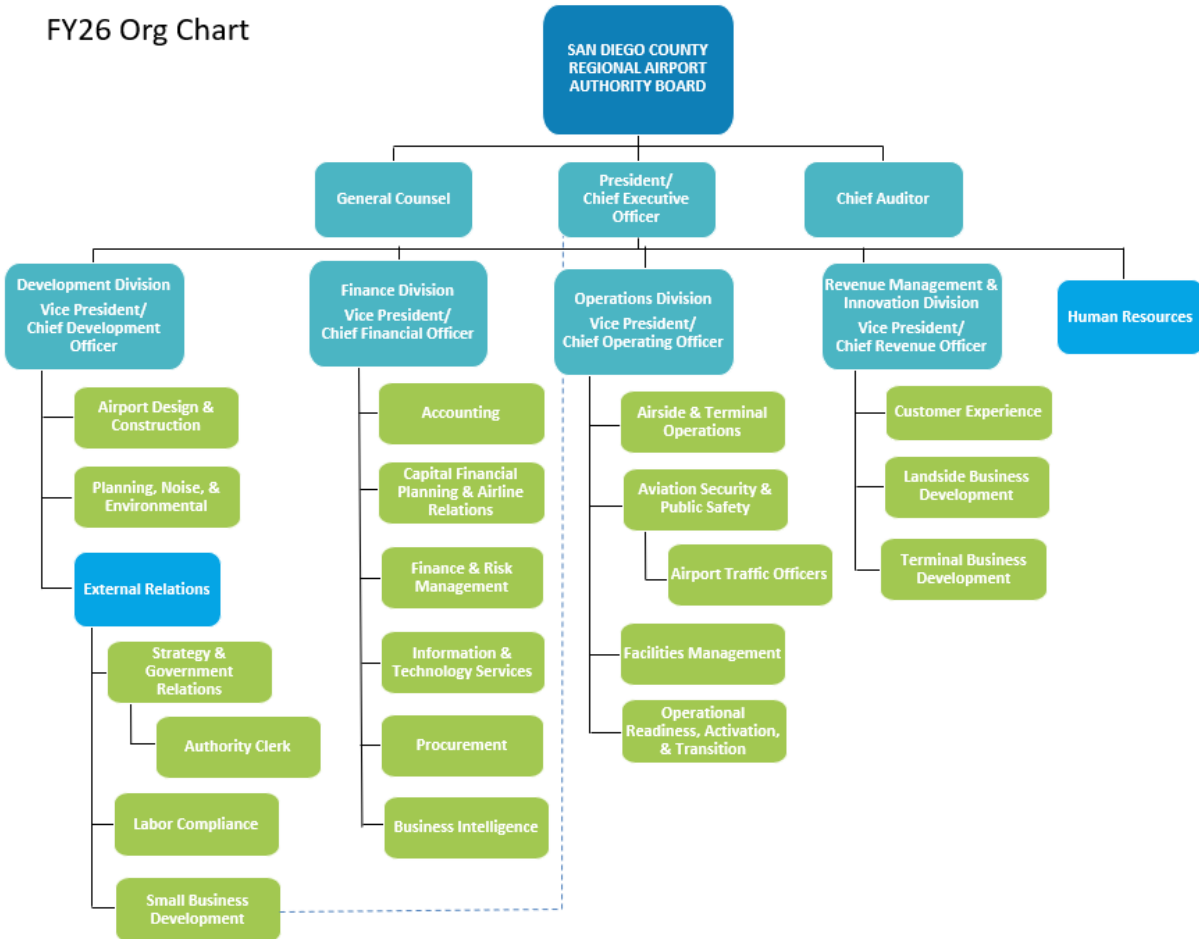
ATTACHMENTS

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Attachment 1

Organizational Chart

FY26 Org Chart



Attachment 2

California ACDBE/DBE Directory web link:

<https://californiaucp.dbesystem.com/>

Attachment 3

Active Participants List Collection Form

Firm Name	Street Address	Street Address (Line 2)	City	State	ZIP Code	ACDBE or Non- ACDBE Status	NAICS Code(s) of Scope(s) Proposed	Race of Majority Owner	Gender of Majority Owner	Age of Firm	Annual Gross Receipts

Attachment 4

Monitoring and Enforcement Mechanisms

The Authority has several remedies available to enforce the ACDBE requirements contained in its contracts, including, but not limited to, the following:

1. Breach of contract action, pursuant to the terms of the contracts. The Authority's concession leases state that a failure to include, as a standard term, that Concessionaire's breach of its obligations under the ACDBE Program is a breach of the concession lease and a ground upon which the Authority can terminate the concession lease.
2. Breach of contract action, pursuant to Section 1161 of the California Code of Civil Procedure
3. The Authority will include in its lease that a concessionaire shall implement and make reasonable efforts to maintain ACDBE participation, as proposed, throughout the term of the lease and that failure to do so may, at the sole and absolute discretion of Authority, be cause for immediate termination.
4. The Authority, in its sole discretion, shall determine if any proposed joint venture agreement is in compliance with the above requirements. If the Authority determines that the submitted joint venture is not in compliance, Respondent will have an opportunity to revise the joint venture agreement to remedy any issues identified by the Authority. In the event such remedy is deemed insufficient, the respondent will be required to convert proposed sub-participation into a form of sublease in compliance with 49 CFR Part 23.
5. Other actions deemed appropriate.

The Authority will implement various mechanisms to monitor program participants to ensure they comply with Part 23, including, but not limited to the following:

1. The Authority will insert the following provisions into concessions agreements and management contracts:

The Concessionaire shall submit to the Authority a Monthly Concession Rent Report stating the Gross Sales, and other data such as category data and number of transactions, for the preceding calendar month for each Unit Location comprising the Premises. The Monthly Concession Rent Reports shall be submitted in a format provided by the Authority no later than the fifteenth (15th) Day of each month following the month of accrual.

By the fifteenth (15th) Day of each month, Concessionaire shall report total monthly Gross Sales including ACDBE participation achieved by means of joint venture agreements and/or subtenancies. Reporting shall also include expenditures with ACDBE vendors. This reporting shall be directed to the Authority's Small Business Development Department, or any other Department as instructed by the Authority, using a web-based Compliance and Diversity Management System, or successor system during the Term of this Lease.

The use of a web-based ACDBE participation platform is mandatory, and such a system is important to the Authority's compliance with FAA requirements. The Concessionaire shall also provide any amounts that were expended by the Concessionaire over that same period, for purchases from ACDBE vendors, irrespective of the Concessionaire counting purchases from certified ACDBE vendors as part of their ACDBE participation plan.

In the event that Concessionaire achieves ACDBE participation by way of a joint venture agreement, additional reporting requirements shall apply. This reporting is intended, in part, to satisfy the monitoring requirements of 49 CFR Part 23 and the 2008 FAA Joint Venture Guidance (as revised). Concessionaire shall provide on a schedule to be determined by the Authority documentation including but not limited to distribution statements/profit & loss statements, minutes from management committee meetings, reconciliations of management fees, tax returns and capital activity reports. Concessionaire also shall provide any proposed changes to roles and/or responsibilities or amendments to joint venture or other supporting agreements in draft format for prior review and approval by the Authority.

2. The Authority will implement the following additional monitoring and compliance procedures:
 - a. Concessionaires will be required to submit a monthly report outlining the gross revenue earned by ACDBEs.
 - b. Concessionaires will be required to list the specific duties, functions, and responsibilities that ACDBEs will perform.
 - c. Concessionaires will be required to submit, for review, a written notification of any material change in the duties, functions, and responsibilities of ACDBEs prior to implementing the change.
 - d. The Authority will review, annually, the specific duties, functions, and responsibilities of each ACDBE to confirm that no material change has occurred.
 - e. The Authority will perform periodic reviews, including site visits, each year on concessionaires to confirm ACDBEs are performing listed duties, functions, and responsibilities.
 - f. The Authority will utilize compliance software to capture gross revenues of concessionaires, including ACDBEs and monitor progress of joint ventures and concessionaire commitments to ACDBEs versus actual participation.

Joint ventures will be reviewed in accordance with 49 CFR part 23 and the November 25, 2024 FAA Joint Venture [Guidance](#). For each concession joint venture in operation at the Airport that includes an ACDBE participant and for which ACDBE participation is being counted, the Authority will undertake the following monitoring tasks:

1. Certification Verification
 - a. ACDBE certification for firms being counted in joint ventures will be verified annually. Staff will ensure that the certification is current and for the applicable trade.
2. Reports
 - a. The Authority will monitor the federal fiscal year-to-date and monthly gross revenues for the joint ventures and the ACDBE dollar and percentage share of gross revenues.
3. Annual On-Site Observations/Review
 - a. The Authority will conduct site visits at the joint venture operations annually and as needed. Site visits will include interaction with managers, employees and others involved in the operation as appropriate.
4. Joint Venture Documentation
 - a. The Authority will require the submission of quarterly, annual and as needed activity report for all joint ventures in operation at the San Diego International Airport. These reports may include:

Quarterly reports may include:

1. Schedule of management committee meetings reports and minutes of such management committee meetings.
2. Quarterly distribution statements of profits and losses.
3. Joint venture activity reports detailing the activity of the ACDBE partners in relation to its assigned role in the operation and a detailed summary of its activities for the preceding quarter.

Annual reports may include:

1. Reconciliation of Administrative or Management Fees (if any) by both parties and verification and documentation evidencing that such fees represent a recovery of costs to the provider.
2. Tax returns, including K1s filed by the Joint Venture.
3. Capital account activity and balances for each partner in the Joint Venture
4. Certified statement of gross receipts required to be submitted in accordance with the lease.

As needed joint venture documents may include:

1. Proposed amendments to the Joint Venture Agreement. Proposed amendments must be submitted and approved by Authority General Counsel prior to its effective date
2. Changes to the roles and responsibilities of the joint venture partner prior to the effective date.
3. Documentation of all capital contributions made to the Joint Venture (the ACDBE joint venture partner and non-ACDBE joint venture partner) including any promissory notes (as they occur)

Financial Reviews

The Authority will review documentation of all capital contributions made by each Joint Venture partner, including any promissory notes. The Authority will also review any distributions made by the joint venture on a quarterly basis.

Attachment 5

Overall Goal Calculation for Concessions

other than Car Rentals

<https://www.ecfr.gov/current/title-49/subtitle-A/part-23/subpart-D>

Attachment 6

Overall Goal Calculation for Car Rentals

<https://www.ecfr.gov/current/title-49/subtitle-A/part-23/subpart-D>

Attachment 7

Forms 1 & 2 for Demonstration of Good Faith Efforts (used only when a solicitation contains a contract specific goal)

FORM 1: AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) UTILIZATION

The undersigned bidder/offeror has satisfied the requirements of the bid/proposal specification in the following manner (please check the appropriate space):

_____ The bidder/offeror is committed to a minimum of _____ % ACDBE utilization on this contract.

_____ The bidder/offeror has not met the ACDBE goal
The bidder/respondent is committed to minimum of ____% ACDBE participation in this opportunity and has submitted documentation demonstrating good faith efforts.

Legal name of bidder/respondent's firm: _____

State Registration No. _____

Name & Title

Signature

Date

FORM 2: LETTER OF INTENT

Note: The authorized representative (AR) named below must be an individual vested with the authority to make contracting decisions on behalf of the firm.

Name of bidder/respondent's firm: _____

Name & title of firm's AR: _____

Phone: _____ Email: _____

Name of ACDBE firm: _____

Name & title of ACDBE firm's AR: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Email: _____

Role to be performed by ACDBE firm:

<i>Description of Work</i>	<i>NAICS</i>	<i>Projected Dollar Amount/%</i>	<i>Joint Venture/Subtenant/Supplier*</i>

**For suppliers only, state how the ACDBE will perform (e.g., regular dealer, manufacturer, broker). Count only fees and commissions if the supplier performs as a broker.*

The undersigned bidder/respondent is committed to utilizing the above-named ACDBE firm for the work described above. The total expected dollar value of this work is \$ _____. The bidder/respondent understands that if it is awarded the contract/agreement resulting from this procurement, it must enter into an agreement ACDBE firm identified above that reflects the type and amount of participation listed. Bidder/respondent understands that upon submitting this form, it may not substitute or terminate the ACDBE listed above without following the procedures of 49 CFR Part 26, §26.53.

Signature of Bidder/Respondent's Authorized Representative

Date: _____

The undersigned ACDBE affirms that it is ready, willing, and able to perform the amount and type of work as described above, and is properly certified to be counted for ACDBE participation therefore.

Signature of ACDBE's Authorized Representative

Date: _____

If the bidder/respondent does not receive award of the prime concession opportunity, all representations in this Letter of Intent shall be null and void.
Submit this page for each ACDBE participant.

Attachment 8

ACDBE Certification Application Forms

CUCP ACDBE Certification Application Package & Instructions:

<https://san.gob2g.com/f>

Uniform Certification Application

<https://www.transportation.gov/civil-rights/disadvantaged-business-enterprise/uniform-certification-application-english>

Declaration of Eligibility

<https://www.transportation.gov/DOE>

Personal Net Worth (PNW) Statement

<https://www.transportation.gov/sites/dot.gov/files/2024-05/Personal%20Net%20Worth%20Statement%204.9.2024.pdf>

ATTACHMENT 9

State's UCP Agreement

California's UCP Agreement can be found here:

https://www.san.org/DesktopModules/Bring2mind/DMX/API/Entries/Download?Command=Core_Download&EntryId=17562&language=en-US&PortalId=0&TabId=225

Attachment 10

Regulations: 49 CFR Part 23

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

Attachment 11

Small Business Element

The Authority has established a small business element included in the ACDBE Program designed to structure concession contracting requirements to facilitate competition by small business concerns, taking all reasonable steps to eliminate obstacles to their participation, including unnecessary and unjustified bundling of concession opportunities that may preclude small business participation in solicitations.

The program elements will be actively implemented to foster small business participation. The Authority acknowledges that active use of the small business element is a requirement of the good faith implementation of this ACDBE Program.

1. Objective/Strategies

The Authority utilizes the “Multi-Prime” concession management approach, whereby the Authority selects several concessionaires to operate and manage packages of numerous concession venues. However, the Authority has also identified alternative concession contracting approaches to facilitate the ability of small businesses, including ACDBEs, to compete for and obtain direct leasing opportunities.

This may include but is not limited to using a combination of the following methods and strategies:

- a. Establish a race and gender-neutral small business set-aside for certain concession opportunities. The Authority will document the rationale for selecting small business set-aside concession opportunities which may include consideration of size and availability of small businesses to operate the concession.
- b. Consider the concession opportunities available through all types of concession models.
- c. On concession opportunities, consider all concession models to provide subleasing opportunities of a size that small businesses, including ACDBEs, can reasonably operate.
- d. Identify alternative concession contracting approaches to facilitate the ability of small businesses, including ACDBEs, to compete for and obtain direct leasing opportunities. For example, pop-up and kiosk locations that are right-sized and are supported by the Authority and concessionaires.

2. Small Business Definition

All businesses meeting the criteria outlined in this element will be considered small businesses, without regard to race or gender.

ACDBE firms are eligible for participation in the small business element.

The Authority defines a small business as a profit-making corporation, sole proprietorship, or partnership that meets these criteria:

- a. A business concern certified as an ACDBE or DBE; or
- b. A business concern that possesses a valid certification issued by an agency, approved by the Authority, that verifies the firm is within Small Business Administration (SBA) size standards 13 CFR Part 121 and consistent with 49 CFR § 23.33; and

3. Verification

If a firm has a certification with North American Industry Classification System (NAICS) codes to be performed on the contract that meets the SBA size standards, it is not required to obtain another certification. However, if a firm's NAICS code may not meet the SBA size standards, the firm should submit a self-certification to the Authority, evidencing of compliance with SBA size standards or provide verification from another agency that has verified firm is compliance with SBA size standards.

The Authority will accept the following certifications for participation in the small business element:

- a. Small Business Administration 8(a) Business Development Certification
- b. Women-Owned Small Business (WOSB)
- c. Veteran-Owned Small Businesses (VOSB)
- d. Service-Disabled Veteran-Owned small businesses (SDVOSB)
- e. Airport Concessions Disadvantaged Business Enterprise (ACDBE) and Disadvantaged Business Enterprise (DBE) certification from any state Unified Certification Program
- f. California Department of General Services Micro Small Business, Small Business Enterprise (SBE), and Small Business for Public Works (SB-PW)
- g. Valid certification issued by an agency, approved by the Authority, that verifies the firm is within the SBA size standards.

Minority and women-owned business enterprises which are awarded contracts under the small business element will be strongly encouraged to seek ACDBE certification.

4. Monitoring/Record Keeping

- The Authority will track and monitor participation by ACDBEs and other small businesses that results from the implementation of this small business element through a web-based compliance and diversity management system.
- Small Business element participation will be reported annually as part of the Uniform Report of ACDBE Participation.

- Based on the strategies implemented and annual small business element participation, the Authority will revise the Small Business element as needed.

5. Assurances

- This small business element is authorized under State law;
- Certified ACDBEs that meet the size criteria established under this element are presumptively eligible to participate in this element;
- There are no limits on the number of concession opportunities awarded to firms participating in this element, but every effort will be made to avoid creating barriers to the use of new, emerging, or untried businesses;
- The Authority will take aggressive steps to encourage those minority and women owned firms that are eligible for ACDBE certification to become certified; and
- This element is open to small businesses regardless of their location. There is no local or other geographic preference as part of this small business element.






SAN ACDBE Program Plan FINAL 01_23_25

Final Audit Report

2025-01-24

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