



City of  
**Philadelphia**

# **Philadelphia International Airport Concession Disadvantaged Business Enterprise Program**

October 2023 (Revised October 2024)



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**US Department of Transportation Federal Aviation Administration**  
Airport Concession Disadvantaged Business Enterprise Program  
49 CFR Part 23

City of Philadelphia, Department of Aviation, Philadelphia International Airport

**POLICY STATEMENT**

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

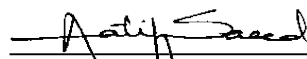
It is the policy of the City to ensure that ACDBEs, as defined in Part 23, have an equal opportunity to receive and participate in concession opportunities. It is also our policy:

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 airports;
5. To help remove barriers to the participation of ACDBEs in opportunities for concessions at our airports;
6. To promote the use of ACDBEs in all types of concessions activities at airports receiving DOT financial assistance;
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 airports in establishing and providing opportunities for ACDBEs.

Donna Jackson Stephans, Vice President of Diversity, Equity and Inclusion, City of Philadelphia, Philadelphia International Airport, International Plaza 2, Suite 400, Philadelphia, PA 19113, (215) 937- 6870, [Donna.Stephans@phl.org](mailto:Donna.Stephans@phl.org), has been designated as the ACDBE Liaison Officer (ACDBELO). In that capacity, Ms. Stephans 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 City in its financial assistance agreements with the Department of Transportation.

The City has disseminated this policy statement to various City Departments and components of our organization. We have distributed this statement to ACDBE and non-ACDBE concessionaire communities in our area at merchant and tenant meetings and will take the additional following steps.

1. Copies of the policy statement will be made available to the agencies/organizations consulted during the development of the ACDBE goal methodology.
2. This statement, as part of our overall plan, will be posted on PHL's website.



Atif Saeed, CEO

City of Philadelphia Department of Aviation

10/4/2024

Date

## **SUBPART A – 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 City will use terms in this program that have the meaning defined in 49 CFR 23.3 and 49 CFR 26.5 where applicable.

### **Section 23.5 Applicability**

The City of Philadelphia's Philadelphia International Airport is a large-hub primary airport and the sponsor of federal airport funds authorized for airport development after January 1988, authorized under Title 49 of the United States Code.

### **Section 23.9 Non-discrimination Requirements**

The City 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 City 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 City acknowledges these representations are also in accordance with obligations contained in its Civil Rights, DBE and ACDBE Airport grant assurances.

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

- (1) "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."
- (2) "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 City acknowledges that the compliance and enforcement provisions of 49 CFR part 26 (§§ 26.101 and 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.

### **SUBPART B – ACDBE PROGRAMS**

## Section 23.21 ACDBE Program Updates

The Philadelphia International Airport is a large hub-primary airport, required to have an ACDBE program. Prior to implementing significant changes to this ACDBE program, the City will provide the amended program to FAA for review and approval.

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

Primary Airport Size	Due Date	Period Covered	Next Goal Due
Large/Medium Hubs	October 1, 2023	Federal Fiscal Year 2024/2025/2026	October 1, 2026 (2027/2028/2029)

## Section 23.23 Administrative Provisions

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

The City will thoroughly investigate, on an annual basis, 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 City will also encourage prime concessionaires to use such institutions.

The following financial institutions have been identified as Minority Depository Institutions by the Federal Deposit Insurance Corporation:

**Asian Bank**

6509 Castor Ave.  
Philadelphia, PA 19149  
Phone: (215) 592-1188

**Tioga-Franklin Savings Bank**

320 E Girard Ave  
Philadelphia, PA 19125  
(215) 423-8012

**United Bank of Philadelphia**

1502 N. Broad St.  
Philadelphia, PA 19122  
Phone: (215) 978-5300

**ACDBE Liaison Officer (ACDBELO):** We have designated the following individual as our ACDBELO:

Donna Jackson Stephans  
Vice President for Diversity, Equity, and Inclusion  
City of Philadelphia, Department of Aviation  
Philadelphia International Airport  
International Plaza 2; Suite 400  
Philadelphia, PA 19113  
(215) 937-6870  
<mailto:Donna.Stephans@phl.org>

In that capacity, the ACDBELO is responsible for implementing all aspects of the ACDBE program and ensuring that the City complies with all provision of 49 CFR Part 23. The ACDBELO has direct, independent access to the Department of Aviation's Chief Executive Officer, Atif Saeed, 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 a staff of five to assist in the administration of the program, as well as the City's legal counsel 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. Reviews third party contracts and purchase requisitions 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 (both race-neutral methods and contract specific goals).
6. Analyzes the City's progress toward attainment and identifies ways to improve progress.
7. Participates in pre-bid meetings.
8. Advises the PHL Chief Executive Officer on ACDBE matters and achievement.
9. Provides ACDBEs with information and assistance in preparing bids, obtaining bonding, financing, and insurance; acts as a liaison to the OSDBU-Minority Resource Center (MRC).
10. Plans and participates in ACDBE training seminars.
11. Acts as liaison to the Unified Certification Program (UCP) in Pennsylvania.
12. Provides outreach to ACDBEs and community organizations to advise them of opportunities.

**Directory:** The Pennsylvania Unified Certification Program (UCP), 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.

The UCP ensures that the Directory lists each type of work for which a firm is eligible to be certified by using the most specific NAICS code available to describe each type of work. The UCP will make any changes to the current directory entries necessary to meet the requirements of this paragraph.

The UCP revises the Directory in real time. The Directory is available at: <https://paucp.dbesystem.com>. Sample screenshots from the directory may be found in **Attachment 2** to this program document.



## Section 23.25 Ensuring Nondiscriminatory Participation of ACDBEs

The City will not use set-asides or quotas as a means of obtaining ACDBE participation. (23.25(g)) and will seek ACDBE participation in all types of concession activities.

The City 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 City 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 potential offerors to assist them in obtaining ACDBE participation; and
- Establishing a technical assistance programs to foster ACDBE participation in concessions.

The City will also provide for the use of race-conscious measures when race-neutral measures, standing alone, are not projected to be sufficient to meet an overall goal. The following are examples of race-conscious measures we will implement, as needed:

1. Establishing concession-specific goals for particular concession opportunities.
  - a. In setting concession-specific goals for concession opportunities other than car rental, the City will explore, to the maximum extent practicable, all available options to set goals that concessionaires can meet through direct ownership arrangements. A concession-specific goal for any concession other than car rental may be based on purchases or leases of goods and services only when the analysis of the relative availability of ACDBEs and all relevant evidence reasonably supports that there is *de minimis* availability for direct ownership arrangement participation for that concession opportunity.
  - b. In setting car rental concession-specific goals, the City will not require a car rental company to change its corporate structure to provide for participation via direct ownership arrangement. When the overall goal for car rental concessions is based on purchases or leases of goods and services, the City is not required to explore options for direct ownership arrangements prior to setting a car rental concession-specific goal based on purchases or leases of goods and services.
  - c. If the objective of the concession-specific goal is to obtain ACDBE participation through a direct ownership arrangement with an ACDBE, the City will calculate the goal as a percentage of the total estimated annual gross receipts from the concession.
  - d. If the goal applies to purchases or leases of goods and services from ACDBEs, the City will calculate the goal as a percentage of the total estimated dollar value of all purchases to be made by the concessionaire.
  - e. When a concession-specific goal is set, the City will require competitors to make good faith efforts to meet this goal. A competitor may do so either by obtaining enough ACDBE participation to meet the goal or by documenting that it made sufficient good faith efforts to do so.

- f. The administrative procedures applicable to contract goals in part 26, § § 26.51 through 26.53. apply with respect to concession-specific goals.
2. Negotiate with a potential concessionaire to include ACDBE participation, through direct ownership arrangements or measures, in the operation of the non-car rental concessions.
3. With the prior approval of FAA, other methods that take a competitor's ability to provide ACDBE participation into account in awarding a concession.

The City's overall goal methodology and a description of the race-neutral measures it will take to meet the goals are described in Section 23.25 and **Attachment 5 and 6** of this plan. The goals are set consistent with the requirements of Subpart D. (23.25(b), (d)).

If the City projects that race-neutral measures alone are not sufficient to meet an overall goal, it will use race-conscious measures as described in Section 23.25 (e) (1-2) and **Attachment 5 and 6** of this plan. (23.25(e))

### **Section 23.26 Fostering Small Business Participation.**

The City 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 City acknowledges that active use of the small business element is a requirement of the good faith implementation of this ACDBE program.

The City 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](https://www.faa.gov/about/office_offices/acr/bus_ent_program).

### **Section 23.27 Reporting**

The City 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 City will create and maintain active participants list information and enter it into a system designated by the FAA. The City 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.

The City 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. The City



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. The form used to collect this data is included as **Attachment 3**.

The state department of transportation in each Unified Certification Program (UCP) established pursuant to 49 CFR § 26.81 must report certain information from the UCP directory to DOT's Departmental Office of Civil Rights each year. Because the City is a certifying member of the state UCP, it will ensure the collection and reporting of the following information in the UCP directory:

- 1) The number and percentage of in-state and out-of-state ACDBE certifications for socially and economically disadvantaged by gender and ethnicity (Black American, Asian-Pacific American, Native American, Hispanic American, Subcontinent-Asian Americans, and non-minority);
- 2) The number of ACDBE certification applications received from in-state and out-of-state firms and the number found eligible and ineligible;
- 3) The number of decertified firms;
  - i) Total in-state and out-of-state firms decertified;
  - ii) Names of in-state and out-of-state firms decertified because SEDO exceeded the personal net worth cap;
  - iii) Names of in-state and out-of-state firms decertified for excess gross receipts beyond the relevant size standard.
- 4) Number of in-state and out-of-state ACDBEs summarily suspended;
- 5) Number of in-state and out-of-state ACDBE applications received for an individualized determination of social and economic disadvantage status; and
- 6) Number of in-state and out-of-state ACDBEs whose owner(s) made an individualized showing of social and economic disadvantaged status.

### **Section 23.29 Compliance and Enforcement Procedures**

The City will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 23:

- We will implement a monitoring and enforcement mechanism to ensure that work committed to ACDBEs at contract award is performed by the ACDBEs. This mechanism will provide for a running tally of actual ACDBE attainments (e.g., payment actually made to ACDBE firms), including a means of comparing these attainments to commitments. The City will use tools such as those similar to the reporting form in **Attachment 4** to support monitoring efforts.
- The City will utilize the legal instrument of a contract clause to ensure compliance with the bid specifications. After award of the contract, the ACDBELO will conduct such audits and reviews as necessary to ensure the Airport that the concessionaire is in compliance.
- Prime concessionaires must also report to the ACDBELO when an ACDBE is terminated for any reason.
- The ACDBELO will make prompt compliance determinations regarding its prime concessionaires. Documentation of noncompliance will include the specific areas in which the concessionaire/sub-concessionaire failed to comply. In these instances, appropriate action consistent with the ACDBE and other contract provisions will be taken.

The City 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.

The City will consider similar action under our own legal authorities, including responsibility determinations in future contracts. We have listed the regulations, provisions, and contract remedies available to us in the events of non-compliance with the ACDBE regulation by a participant in our

procurement activities (**See Attachment 4**). (26.37)

## **SUBPART C – CERTIFICATION AND ELIGIBILITY**

### **Section 23.31 Unified Certification Program (UCP)**

The City is a member of the Unified Certification Program (PAUCP), administered by the State of Pennsylvania. The UCP will make ACDBE certification decisions on behalf of the City makes all certification decisions based on the facts as a whole. Detailed certification processes are described in the Pennsylvania's UCP agreement. The full UCP agreement can be found in **Attachment 9**. *At the time of this plan submission, the UCP agreement was under revision and signatures from recipients were being obtained. When that final, signed document is available, it will be updated in our plan and provided to FAA.*

The Pennsylvania UCP's directory of eligible DBEs specifies whether a firm is certified as a DBE for purposes of Part 26, and ACDBE for purposes of part 23, or both.

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

Deneen Wilson  
DBE Manager  
City of Philadelphia, Department of Aviation  
International Plaza 2  
Suite 400  
Philadelphia, PA 19113  
215-937-5421  
obd@phl.org

[PAUCP - DBE Certification Management System \(dbesystem.com\)](http://dbesystem.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:

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

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

The Pennsylvania 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, the Pennsylvania UCP 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 our 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 Pennsylvania UCP members will take the following steps:

- Visit the firm's principal place of business, virtually or in person, and interview the SEDO, officers, and key personnel. Certifying Pennsylvania 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 Pennsylvania UCP member will keep in its files.
- 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;
- Analyze the bonding and financial capacity of the firm; lease and loan agreements; and bank account signature cards;
- Determine the work history of the firm, including any concession contracts or other contracts it may have received; and payroll records;
- 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;
- 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;
- 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
- 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 Pennsylvania 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 a recipient.

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

Certifying Pennsylvania 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.

## **SUBPART D – GOALS, GOOD FAITH EFFORTS, AND COUNTING**

### **Section 23.41 Basic Overall Goal Requirement**

The City 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 City will review the goals annually to make sure the goal continues to fit the City's circumstances. The City 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, we 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, we need not submit an overall goal for concessions other than car rentals. We understand that "revenue" means total revenue generated by concessions, not the fees received by the airport from concessionaires.

The City'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 City 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, we will identify the stakeholders that we consulted with and provide a summary of the information obtained from the stakeholders.

### **Section 23.45 Overall Goals**

The Philadelphia International Airport is a **large-hub primary** airport. As a condition of eligibility for FAA financial assistance, the City will submit its overall goals according to the following schedule:

<b>Primary Airport Size</b>	<b>Due Date</b>	<b>Period Covered</b>	<b>Next Goal Due</b>
Large/Medium Hubs	October 1, 2023	Federal Fiscal Year 2024/2025/2026	<b>October 1, 2026 (2027/2028/2029)</b>

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 City 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. (23.45(i))

The City 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).

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 5** to this program.

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 6** to this program.

#### **Projection of Estimated Race-Neutral & Race-Conscious Participation (23.45(f), 23.25(d-e))**

The breakout of estimated race-neutral and race-conscious participation can be found with the goal methodologies in **Attachments 5 and 6** to this program. This section of the program will be reviewed annually when the goal calculation is reviewed under 23.41(c).

If the FAA determines that the City’s 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 the City.

#### **Section 23.53 Counting ACDBE Participation for Car Rental Goals**

The City will count ACDBE participation toward overall goals other than car rental as provided in 49 CFR § 23.53.

When an ACDBE is decertified because one or more of its disadvantaged owners exceed the PNW cap or the firm exceeds the business size standards of part 23 during the performance of a contract or other agreement, the firm's participation may continue to be counted toward ACDBE goals for the remainder of the term of the contract or other agreement. However, The City will verify that the firm in all other respects remains an eligible ACDBE. To accomplish this verification, The City will require the firm to provide, annually on December 1, a Declaration of Eligibility, affirming that there have been no changes in the firm's circumstances affecting its ability to meet ownership or control requirements of subpart C of

part 23 or any other material changes, other than changes regarding the firm's business size or the owner's personal net worth. The City will not count the concessionaire's participation toward ACDBE goals beyond the termination date for the concession agreement in effect at the time of the decertification (e.g., in a case where the agreement is renewed or extended, or an option for continued participation beyond the current term of the agreement is exercised).

Firms are required to inform the City in writing of any change in circumstances affecting their ability to meet ownership or control requirements of subpart C of this part or any material change. Reporting must be made as provided in § 26.83(i) of this chapter.

### **Section 23.55      Counting ACDBE participation for Concessions Other than Car Rentals**

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

When an ACDBE is decertified because one or more of its disadvantaged owners exceed the PNW cap or the firm exceeds the business size standards of part 23 during the performance of a contract or other agreement, the firm's participation may continue to be counted toward ACDBE goals for the remainder of the term of the contract or other agreement. However, The City will verify that the firm in all other respects remains an eligible ACDBE. To accomplish this verification, The City will require the firm to provide, annually on December 1, a Declaration of Eligibility, affirming that there have been no changes in the firm's circumstances affecting its ability to meet ownership or control requirements of subpart C of part 23 or any other material changes, other than changes regarding the firm's business size or the owner's personal net worth. The City will not count the former ACDBE's participation toward ACDBE goals beyond the termination date for the agreement in effect at the time of the decertification (e.g., in a case where the agreement is renewed or extended, or an option for continued participation beyond the current term of the agreement is exercised).

Firms are required to inform The City in writing of any change in circumstances affecting their ability to meet ownership or control requirements of subpart C of this part or any material change. Reporting must be made as provided in § 26.83(i) of this chapter.

### **Section 23.57      Goal shortfall accountability.**

If the awards and commitments on the Uniform Report of ACDBE participation at the end of any fiscal year are less than the overall goal applicable to that fiscal year, we 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 we have identified in our analysis to enable us to fully meet our goal for the new fiscal year;
- The City 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.

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



The City 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 City does not submit the analysis and corrective actions to FAA in a timely manner as required under paragraph (b)(3) of § 23.57;
- FAA disapproves the analysis or corrective actions; or
- The City 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.

### **Section 23.61 Quotas or Set-asides**

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

## **SUBPART E – OTHER PROVISIONS**

### **Section 23.71 Existing Agreements**

If permitted by the existing agreement, the City will use any means authorized by 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**

The Airport does not currently have any privately-owned or leased terminal buildings. Should that become the case, the City will pass through applicable provisions of part 23 to any private terminal owner or lessee via our agreement with the owner or lessee. We will ensure that the owner or lessee complies with part 23. We will obtain from the owner or lessee the goals and other elements of the ACDBE program required under part 23.

### **Section 23.75 Long-Term Exclusive Agreements**

We will not enter into a long-term and exclusive agreements for concessions without prior approval of the FAA Regional Civil Rights Office. We understand that a “long-term” agreement is one having a term of more 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. We 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 City 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 the City's plan for meeting the standards of paragraph (c) of § 23.75.

To obtain FAA approval of a long-term exclusive concession agreement, the City 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 City 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 City 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 City 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 the City, 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 City 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., our local area) an advantage over concessionaires from other places in obtaining business as, or with, a concession at our airport(s).

## **ATTACHMENTS**

Attachment 1	City of Philadelphia/Philadelphia International Airport Organizational Chart
Attachment 2	Sample Page from DBE Directory
Attachment 3	Active Participants List Collection Form
Attachment 4	Monitoring and Enforcement Mechanisms
Attachment 5	Overall Goal Calculations for Car Rental Concessions
Attachment 6	Overall Goal Calculations for Other than Car Rental Concessions
Attachment 7	Forms for Demonstration of Good Faith Efforts
Attachment 8	Certification Application Forms
Attachment 9	Pennsylvania UCP Agreement
Attachment 10	49 CFR Part 23
Attachment 11	Race Neutral Small Business Element

Attachment 1

CITY OF PHILADELPHIA/  
PHILADELPHIA INTERNATIONAL  
AIRPORT ORGANIZATIONAL  
CHART

**ACTIVE PARTICIPANT LIST DATA FORM**

**Part A for the Prime and Part B for Proposed Partner Firms Must be Submitted With the Proposal to be Considered for Award.**

The Department of Aviation is required pursuant to 49 CFR Part 23.27(c) to create and maintain a comprehensive Active Participants List. This Data Form will be used to collect bidder information used to determine the relative availability of Airport Concessions Disadvantaged Business Enterprise (ACDBE) and non-ACDBEs, and will assist with establishing the Department of Aviation's overall ACDBE goal. Include information on your firm (Part A), along with any partner firms that have proposed with you for this opportunity (Part B). Please type or print legibly and provide the following information:

**PART A: Prime bidder information**

1. Business Name: \_\_\_\_\_

2. Business Address:

\_\_\_\_\_  
(street address)

\_\_\_\_\_  
(city, state, zip code)

3. Is this firm a certified ACDBE? ☐ Yes ☐ No

4. Race/Ethnicity of firm's majority owner

☐ Black

☐ Hispanic

☐ Asian Pacific

☐ Native American

☐ Subcontinent Asian

☐ Other (specify) \_\_\_\_\_

☐ N/A – firm is a corporation, with no one person as a majority owner

5. Gender of firm's majority owner

☐ Male

☐ Female

☐ N/A – firm is a corporation, with no one person as a majority owner

6. Primary NAICS Code for work to be performed on this opportunity:

☐ 722310 - Food Services

☐ 722330 – Mobile Food Services

☐ 722513 – Limited Service Restaurant

☐ 722511 – Full Service Restaurant

☐ 451212 – Magazines/New Stands

☐ 443142 – Electronics Stores

☐ 451211 – Book Stores

☐ 453220 – Misc. Store Retailers

☐ 448120 – Clothing and Accessories



## AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) QUARTERLY ACTIVITY REPORT

**Reporting Period:** ☐ 1<sup>st</sup> Quarter (10/1/24 – 12/31/24) ☐ 2<sup>nd</sup> Quarter (01/1/25 – 03/31/25)  
(Please check appropriate Quarter)  
☐ 3<sup>rd</sup> Quarter (04/1/25– 06/30/25) ☐ 4<sup>th</sup> Quarter (07/1/25 – 09/30/25)

**Concessionaire:** NAME  
 ADDRESS  
 CITY, STATE - ZIP

**ACDBE:** FIRM NAME – FIRM PRINCIPAL/OWNER

**Goal:**     % **Contract Commitment:**     %

**Concession Type:** Example: Services, etc.

Concessionaire's Gross Receipts	Reporting Period-Federal Fiscal Year 10/1/2024 – 9/30/2025	Total Reported to Date (Current Federal Fiscal Year)
<b>TOTAL</b>	\$	\$
Concessionaire's Gross Operating Expenses	Reporting Period-Federal Fiscal Year 10/1/2024 – 9/30/2025	
<b>TOTAL</b>	\$	\$

ACDBE Name	Gross Receipts for Reporting Period (listed above)	ACDBE Participation % for this Reporting Period	Total ACDBE Gross Receipts Amount reported to date	Total ACDBE Participation % to Date
	\$	%	\$	%
<b>TOTAL</b>	\$	%		%

\_\_\_\_\_  
Signature of authorized representative

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print name of authorized representative

\_\_\_\_\_  
Phone number



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, expenditures that were made available by the car rental agencies at the airport were assessed. Notice the annual ACDBE percent accomplishment for each year reported as seen in Table 4, and the median amount of ACDBE participation for the three-year period.

<b>FISCAL YEAR</b>	<b>ACDBE goal</b>	<b>ACDBE achievement</b>	<b>Over/under</b>
<b>FY 2018</b>	1.17%	5.53%	4.36%
<b>FY 2019</b>	1.17%	3.59%	2.42%
<b>FY 2020</b>	2.05%	1.70%	-0.35%
<b>FY 2021</b>	2.05%	1.56%	-0.49%
<b>FY 2022</b>	2.05%	2.10%	0.05%
<b>MEDIAN</b>		<b>2.10%</b>	

### **Disparity Studies**

The City of Philadelphia commissioned a disparity study in 2021 for city and Metro-area contracts. The disparity study looked at availability versus utilization of DBEs in the Philadelphia Metropolitan Statistical Area (MSA) for public works contracts, personal and professional services contracts; and services, supplies, and equipment contracts. The study determined that DBEs for services, supplies and equipment contracts were under-utilized. However, the study did not address concessions specifically, so the data in the study were not used to make an adjustment to the base figure.

The Commonwealth of Pennsylvania commissioned two disparity studies in 2018. The first focused on the availability versus utilization of small diverse businesses (minority-owned, women-owned, veteran-owned, disabled-owned and LGBT-owned) in contracts with the Department of General Services. The second disparity study primarily focused on DBEs in contracts with the Pennsylvania Department of Transportation (Penn DOT). Contracts for these studies included construction, construction-related engineering, professional services, goods and support services. The studies determined that small diverse businesses and DBEs were under-utilized. However, neither study addressed concessions specifically, so the data in the studies were not used to make an adjustment to the base figure.

### **Goal of Another Recipient**

PHL did not base its base figure on the goal of another recipient.

### **Additional Evidence from Related Fields**

There was no evidence found either in the disparities studies or through subsequent research that provided additional insight or empirical data on disparities in the ability

**Methodology for Establishing the FY 2024 – 2026  
Airport Concession Disadvantaged Business Enterprise (ACDBE)  
Non Car Rental Goal  
City of Philadelphia, Department of Aviation  
Philadelphia, PA**

In fulfillment of the requirements of Title 49 Code of Federal Regulations Part 23 (49 CFR Part 23), the City of Philadelphia's Department of Aviation has developed a proposed Overall Goal for FYs 2024 – 2026 for Other Than Car Rental Concessions.

**Overall Three-Year Goal:**

PHL's overall ACDBE Non-Car Rental goal for FFYs 2024-2026 has been calculated as 21.64%; to be accomplished through 7.05% Race Conscious and 14.59% Race Neutral efforts.

**Methodology used to Calculate Overall Goal:**

The Airport, in conducting this goal-setting process, is determining 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. PHL has determined that its market area is the eight-county area of Bucks, Chester, Delaware, Montgomery, Philadelphia (in Pennsylvania) and Burlington, Camden, and Gloucester (in New Jersey).

**Base of Goal**

To calculate the base of the goal PHL considered the previous 3 years of gross concession receipts and the projected potential concession revenue (gross receipts) three years into the future including upcoming new opportunities.

Fiscal Year	Non-Car Rental Gross Receipts
2020	\$143,116,432
2021	\$121,515,135
2022	\$204,186,331

PHL estimates that revenues to existing concessions will grow by 5% over the next three years due to inflation and increased passenger traffic, along with recovery from the pandemic.

Fiscal Year	Car Rental Expenditures/Purchases	% Growth
-------------	-----------------------------------	----------

Full Name	Company
Lauren Rago	Hudson Group
Laurex London	SPI
Lee, Yvonne	Avis Budget
Marc Coleman	The Tactile Group
Mark Toliver	SPI
Martin RICKS	Paradies
Monique Nesmith-Joyner	City of Philadelphia
Paula FEIJOO-VEGA	Paradies
Peruzzato, Sydney	Avis Budget
Pyle, Dana	MarketPlace PHL
Raghu Tadavarthy	Seven Hills
Stacy French	PHL
Stanley Lowe	HMS Host
Stephanie Weatherbe	PHL
Steve Cant	EP Guidi
Steve McKeon	The Grove, Inc.
Suman Tadavarthy	Seven Hills
Vesay, Ashley	MarketPlace PHL
Victoria Hosendorf	The Enterprise Center
Weber, Matthew	EHl
William Carter, Esq.	Greater Phila Chamber
Jovan Goldstein	African American Chamber
Urselle Garnett	MarketPlace PHL
Saron McKee	PHL
Malyka Sankofa	The Enterprise Center
Sandy Roberts	Onsite Retailers
Slong	SLA Worldwide
Terri Roberts	Onsite Retailers
Nicole Stokes	City of Philadelphia
Jill Dresnin	Wright Food Services
Jolly Sikka	Ramy Enterprises
Michelle Francois	Hakan Ilhan Restaurants
Kim Carter	AACC
James Bishop	SLA Worldwide
Al Hopkins	Yummy Pretzel
Arif Vhora	Dunkin Donuts
Pat Reilly	Reilly
Reds Reilly	Russ Kelly

## Attachment 11

# Race Neutral Small Business Element

## **Attachment 11**

### **Airport Concessions Small Business Element**

#### **Objectives**

The objectives of PHL's ACDBE small business program are to:

- serve as a catalyst for small, new, emerging, and/or untried businesses to enter our concessions program;
- continue to level the playing field for participation in our concessions program;
- support the Airport's race-neutral ACDBE participation efforts; and
- increase the pool of ACDBE-certified firms.

PHL's Concessions Small Business Element will include the following elements:

- Establish a directory of Airport Concessions Small Business Enterprises (ACSBE).
- Implement a capacity-enhancement program for new entrants to airport concessions and those that want to expand.
- Implement a framework to establish goals or set aside space for ACSBE-only competition.

#### **Definition of ACSBEs**

The Department will define ACSBEs as:

- all currently-certified ACDBEs in the Pennsylvania Unified Certification Program (PAUCP) directory, and
- those that successfully complete a verification form and process that is informed by the ACDBE certification criteria of business size and personal net worth of the owner(s), without the social disadvantage criteria.

A copy of the verification form, updated in 2024, is attached as Exhibit 1. The process and database created will also include Small Business Enterprises (SBE) verified for the Disadvantaged Business Enterprise (DBE) SBE requirement under 49 CFR 26.39.

#### **Awareness Initiatives**

To ensure that the opportunity and purpose of ACSBE verification is widely known, PHL has developed an information initiative to encourage small businesses to apply. That initiative will include:

- posting of the verification form, SBE/ACSBE directory, and program information on the Business Diversity section of our website
- social media posts with links to our webpage
- inclusion of information on the program at outreach events hosted by the Airport and our concession manager and at applicable events where the Airport is a participant
- promotion of the program at applicable industry events

#### **Verification Process**

Office of Business Diversity staff with DBE/ACDBE certification experience will provide review of the verification form and supporting documentation. A site visit will not be conducted at the applicant's place of business unless information on the form or supporting documentation deems that it is necessary to validate provided information. The internal goal for verification completion will be 45 days after receipt a completed package. We are considering partnering with other recipients in the state to combine firms in our individual SBE directories.

## Program Strategies

**Capacity Enhancement** – To identify and avoid creating barriers to the use of small, new, emerging, and/or untried businesses, PHL will continue its *Change Your Altitude* series which focuses on capacity building, access, and outreach. In 2023 and 2024 PHL, in conjunction with our concession manager, developed and delivered ACDBE Academies which were small-group, in-depth training series for new entrants to the aviation concessions market place. These sessions were focused on small businesses, most of which were not currently certified as ACDBEs. Capacity-building activities such as these and our ‘Demystifying DBE/ACDBE Certification’ sessions will continue to assist small business prepare to evaluate and succeed in the airport concessions environment.

**ACDBE Certification Campaign** – In addition to broad publicizing of the ACSBE program and verification, the attendee firms at capacity-enhancement activities described above will be evaluated to determine if they also qualify as ACDBEs. Additionally, the benefits and process for certification will be highly emphasized to firm owners.

**ACSBE Opportunities** – The Airport has established a target to incorporate ACSBE participation in a minimum of three merchant locations over the next three years. The Airport contracts with a concession manager for leasing and operation of its food and shops locations. During its annual planning process, or when additional leasing opportunities become available, the concession manager will provide a recommendation on which, if any, are suited to be identified for ACSBE competition. The following opportunity models will be considered:

- **ACSBE Goals** – For opportunities that do not include an ACDBE goal, PHL will evaluate the potential to include an ACSBE goal for subleasing or joint venture agreement participation by ACSBEs.
- **ACSBE Set-Asides** – The focus of set-aside spaces will be on those no greater than 750 sq. ft., in all concessions types that meet the airport’s merchandizing demand. This can include models such as, but not limited to, retail merchandizing units (RMU), wall units, vending locations, kiosks, pop-ups, or inline store locations. To be considered for set-aside competition, there should be a minimum of three ACSBEs in applicable NAICS codes available in the directory.

Common airport concessions industry standards such as design, construction, and fit-out costs; staffing needs; and inventory and distribution demands can present barriers to small business participation. In addition to training on operational and financial considerations in an airport environment, PHL may also provide limited barrier reduction for certain known obstacles. PHL will work with its concession manager to offset the following maximum cost per location if determined to be necessary:

- up to \$10K – vending/wall unit/pop-up shops
- up to \$50K – RMU/kiosk
- up to \$75K – inline retail
- up to \$150K – QSR

Support for this effort may be provided through one or a combination of the following:

- Concession manager-provided design support and/or construction management support
- Waiving of certain lease costs
- Non-traditional rent calculation considerations
- Space buildout packages



## Monitoring Plan

PHL's monitoring plan will include quarterly monitoring of internal program elements and external monitoring of SBE performance.

Internal monitoring will include elements such as:

- Processing of ACSBE verification forms
- Maintenance of SBE directory
- Conduct of capacity-building events
- Annual identification of potential set-aside locations
- Efforts to encourage ACSBEs to become ACDBEs

In addition to the monitoring described above, PHL will submit an annual report on small business participation obtained through the use of the small business program.

## Implementation Timeline

The chart below details the required steps and timeframes to begin implementation of the program if the first location identified is a set-aside. It is anticipated that several of these steps can be completed earlier, but that will be largely dependent on the size and type of space selected for the initial set-aside location.

	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
Revise SBE Verification Form														
Begin informational campaign on SBE verification														
Combine Verification database for small businesses under DBE and ACDBE														
Identify space recommendations for SBE set-aside														
Announce competition for first set-aside location														
Award initial set-aside location														
Design and design review of initial location and permits														
Build out location														
Open location														

## Required Assurances

- The defined program is not prohibited under State law.
- Certified ACDBEs that meet the size criteria established are presumptively eligible to participate in the program.
- There are no geographic preferences or limitations imposed on any concession opportunities included in the program.
- There are no limits on the number of concession opportunities awarded to firms participating in your element and every effort will be made to avoid creating barriers to the use of new, emerging, or untried businesses.
- PHL will take aggressive steps to encourage those minority and women owned firms that are eligible for ACDBE certification to become certified.
- The program is open to small businesses regardless of their location (*i.e.*, that there is no local or other geographic preference).

## Small Business Enterprise Verification Application

### 49 CFR 26.39 and 49 CFR 23.26

A firm wishing to verify its status as a Small Business Enterprise (SBE) or Airport Concession Small Business Enterprise (ACSBE) must complete this application and submit it to the Philadelphia International Airport (PHL) for review and determination of its eligibility.

Forward completed applications and required documents to

OBD@PHL.org

### Should I apply?

- Is the firm at least 51%-owned by an economically disadvantaged individual(s) who also controls the firm? An economically disadvantaged owner is one whose personal net worth is less than \$2.047 million (equity in a person's principal residence, a person's equity in the applicant firm, and their retirement accounts do not count towards assets for this calculation).
- Is the economically disadvantaged owner(s) a U.S. citizen or lawfully admitted permanent resident of the U.S.?
- Is the firm a small business that meets the Small Business Administration's (SBA's) size standard related to its North American Standard Classification Code(s) **and** does not exceed USDOT's overall size standard (\$30.72 million in average annual gross receipts for SBEs or \$56.42 million in average annual gross receipts for ACSBEs)?
- Is the firm organized as a for-profit business?

⇒ If you answered Yes to all of the questions above, you may be eligible to participate in PHL's SBE or ACSBE program.

**If your firm is currently certified as a Disadvantaged Business Enterprise (DBE) or Airport Concession DBE (ACDBE) by the Pennsylvania UCP (<https://paucp.dbesystem.com>), you do not have to complete this application. All Pennsylvania UCP DBEs and ACDBEs are automatically considered SBEs and migrated into PHL's SBE database.**

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Verification is **free**. There is no fee for applying for SBE verification with PHL. Under Sec. 26.107 of 49 CFR Part 26, if at any time, PHL has reason to believe that any person or firm has willfully and knowingly provided incorrect information or made false statements, PHL may initiate suspension or debarment proceedings against the person or firm under 49 CFR Part 29, take enforcement action under 49 CFR Part 31, Program Fraud and Civil Remedies, and/or refer the matter to the Department of Justice for criminal prosecution under 18 U.S.C. 1001, which prohibits false statements in Federal programs.

## Section 1: Certification and Contact Information

### A: Certification Requested (check all that apply):

Small Business Enterprise (SBE) \_\_\_\_\_ Airport Concession Small Business Enterprise (ACSBE) \_\_\_\_\_

### B: Basic Contact Information

(1) Contact person's name and title:

\_\_\_\_\_

(2) Legal name of firm: \_\_\_\_\_

(3) Business Phone #: \_\_\_\_\_

(4) Other Phone #: \_\_\_\_\_

(5) Fax#: \_\_\_\_\_

(6) E-mail: \_\_\_\_\_

(7) Firm Website: \_\_\_\_\_

(8) Street address of firm (No P.O. Box):

\_\_\_\_\_

(9) City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

## Section 2: GENERAL INFORMATION

**A. Business Profile:** (1) Give a concise description of the firm's primary activities and the product(s) or service(s) it provides. If your company offers more than one product/service, list the primary product or service first. This description may be used in databases and directories of small businesses.

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

(2) NAICS Codes ([SBA NAICS Codes and Table of Size Standards](#)) for this line of work include:

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

(3) This firm was established on (month/year): \_\_\_\_\_

(4) Is the firm "for profit"? ☐ Yes Federal Tax ID# \_\_\_\_\_  
**NO? STOP! If the firm is NOT for profit, it does NOT qualify for this program and should not fill out this application.**

(5) Type of Legal Business Structure:

- ☐ Sole Proprietorship  
☐ Limited Liability Partnership  
☐ Partnership  
☐ Corporation  
☐ Limited Liability Company  
☐ Other (describe): \_\_\_\_\_

(6) Number of employees: \_\_\_\_\_ Full-time \_\_\_\_\_ Part-time \_\_\_\_\_ Seasonal \_\_\_\_\_ Total

**B: Business Size:** Specify the firm's gross receipts for the last 5 years. (Submit complete copies of the firm's federal tax returns for each year for the applicant firm and any affiliates.)

Year \_\_\_\_\_ Applicant Firm Gross Receipts \$ \_\_\_\_\_ Affiliate Firms Gross Receipts \$ \_\_\_\_\_  
 Year \_\_\_\_\_ Applicant Firm Gross Receipts \$ \_\_\_\_\_ Affiliate Firms Gross Receipts \$ \_\_\_\_\_  
 Year \_\_\_\_\_ Applicant Firm Gross Receipts \$ \_\_\_\_\_ Affiliate Firms Gross Receipts \$ \_\_\_\_\_  
 Year \_\_\_\_\_ Applicant Firm Gross Receipts \$ \_\_\_\_\_ Affiliate Firms Gross Receipts \$ \_\_\_\_\_  
 Year \_\_\_\_\_ Applicant Firm Gross Receipts \$ \_\_\_\_\_ Affiliate Firms Gross Receipts \$ \_\_\_\_\_

**C: Ownership:** Identify all individuals or holding companies with any ownership interest in the firm, providing the information requested below. (**Attach additional sheets if there are more than two owners**).

**Owner #1**

- (1) Name: \_\_\_\_\_ (2) Title: \_\_\_\_\_  
 (3) Home Phone#: \_\_\_\_\_  
 (4) Home Address: \_\_\_\_\_  
 (5) U.S. Citizen? **Yes**\_\_\_\_ **No**\_\_\_\_ or Lawfully Admitted Permanent Resident? **Yes**\_\_\_\_ **No**\_\_\_\_  
 (6) Number of Years as Owner: \_\_\_\_\_  
 (7) Percentage Owned: \_\_\_\_\_

**Owner #2 (if applicable)**

- (1) Name: \_\_\_\_\_ (2) Title: \_\_\_\_\_  
 (3) Home Phone#: \_\_\_\_\_  
 (4) Home Address: \_\_\_\_\_  
 (5) U.S. Citizen? **Yes**\_\_\_\_ **No**\_\_\_\_ or Lawfully Admitted Permanent Resident? **Yes**\_\_\_\_ **No**\_\_\_\_  
 (6) Number of Years as Owner: \_\_\_\_\_  
 (7) Percentage Owned: \_\_\_\_\_

**At least 51% of the firm must be owned by an economically disadvantaged individual or individuals. Those individuals must have a Personal Net Worth less than \$2.047 Million and complete a Personal Net Worth form (attached).**

### **AFFIDAVIT OF VERIFICATION**

This form must be signed for each owner upon which economic disadvantaged status is relied.

A MATERIAL OR FALSE STATEMENT OR OMISSION MADE IN CONNECTION WITH THIS APPLICATION IS SUFFICIENT CAUSE FOR DENIAL OF SBE/ACSBE STATUS, REVOCATION OF A PRIOR APPROVAL, INITIATION OF SUSPENSION OR DEBARMENT PROCEEDINGS, AND MAY SUBJECT THE PERSON AND/OR ENTITY MAKING THE FALSE STATEMENT TO ANY AND ALL CIVIL AND CRIMINAL PENALTIES AVAILABLE PURSUANT TO APPLICABLE FEDERAL AND STATE LAW.

I recognize that the information submitted in this application is for the purpose of inducing SBE/ACSBE status approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application, and I authorize such agency to contact any entity named in the application, and the named firm's bonding companies, banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility.

I agree to submit to government audit, examination and review of books, records, documents and files, in whatever form they exist, of the named firm and its affiliates, inspection of its place(s) of business and equipment, and to permit interviews of its principals, agents, and employees. I understand that refusal to permit such inquiries shall be grounds for denial of SBE status.

I agree to provide written notice to the Philadelphia Department of Aviation of any material change in the information contained in the original application within 30 calendar days of such change (e.g., ownership, address, telephone number, etc.). I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded; denial or revocation of SBE/ACSBE status; suspension and debarment; and for initiating action under federal and/or state law concerning false statement, fraud or other applicable offenses.

I certify that my personal net worth does not exceed \$2.047 Million, and that I am economically disadvantaged because my ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared to others in the same or similar line of business who are not economically disadvantaged. I declare under penalty of perjury that the information provided in this application and supporting documents is true and correct.

\_\_\_\_\_  
(Signature of Affiant)

\_\_\_\_\_  
Date

\_\_\_\_\_  
(Printed Name of Affiant)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Applicant Firm Name)

## **SBE VERIFICATION APPLICATION SUPPORTING DOCUMENTS CHECKLIST**

In order to complete your application for SBE/ACSBE status, you must attach copies of all of the following documents as they apply to you and the applicant firm.

### ***All Applicants***

\_\_\_ Personal Net Worth (PNW) Statement (form included with this application) for each owner on whose economic disadvantage the SBE/ACSBE certification is relied upon

\_\_\_ Federal Personal tax returns (including all schedules) for the past five years, for each owner noted above

\_\_\_ Firm's Federal tax returns (gross receipts), including all related schedules, for the past five years

\_\_\_ Affiliate firm's Federal tax returns (gross receipts), including all related schedules, for the past five years

## Personal Net Worth Statement

As of \_\_\_\_\_

<b>Name</b>			
<b>Residence</b> (As reported to the IRS) Address, City, State, and Zip Code			
<b>Company's Legal Name</b>		<b>Phone:</b>	
<b>Marital Status:</b> <input type="checkbox"/> Single <input type="checkbox"/> Married/Domestic Partnership		<b>Business Phone:</b>	
<b>Assets</b>	(Omit Cents)	<b>Liabilities</b>	(Omit Cents)
1. Cash and Cash Equivalents (checking and savings accounts, CDs etc.) (Complete Worksheet 1)		10. Mortgages on Real Estate Other Than Primary Residence (Complete Worksheet 10)	
2. Investment Accounts and Individual Securities (Complete Worksheet 2)		11. Loans on Life Insurance (Complete Worksheet 11)	
3. Value of Your Ownership Interest in Real Estate, Excluding Primary Residence (Complete Worksheet 3)		12. Other Liabilities (Complete Worksheet 12)	
4. Personal Property and Other Assets (Complete Worksheet 4)			
5. Ownership in Other Businesses (Complete Worksheet 5)			
6. Life Insurance (Cash Surrender Value) (Complete Worksheet 6)			
7. Amounts Owed to You (Complete Worksheet 7)			
8. Assets Held in Trust (Complete Worksheet 8)			
9. Assets Transferred to Related Parties Within the Past Two Years (Complete Worksheet 9)			
<u>Total Assets:</u>	\$	<u>Total Liabilities:</u>	\$

**Personal Net Worth: \$**

## Worksheets

**Worksheet 1—List Cash and Cash Equivalents (checking or savings accounts CDs etc.) (Attach additional sheets as necessary)**

Cash/Account	Balance

Total \_\_\_\_\_

**Worksheet 2—Investment Accounts and Individual Securities (e.g., Brokerage and Custodial accounts, stocks, bonds) (Full Value) (Attach additional sheets as necessary)**

Account or Security Name and Number	Value

Total \_\_\_\_\_

**Worksheet 3—Real Estate Other than Primary Residence (Attach additional sheets as necessary)**

	Property 1	Property 2	Property 3
Type of Property			
Address			
Date Acquired			
Purchase Price			
Present Market Value			
Source of Market Valuation			

Total \_\_\_\_\_



**Worksheet 4—Personal Property and Other Assets (Attach additional sheets as necessary)**

Type of Property or Asset	Is this asset insured?	Value
Vehicles (e.g., cars, trucks, recreational vehicles, motorcycles, boats, etc.) and titled in your name or of which you are the primary operator. (Itemize)		
Household Property (total value)		
Artwork (total value)		
Jewelry (total value)		
Other collectables (total value)		
Amounts owed to you (e.g., loans to others, including companies) (Itemize)		
Other (e.g., livestock, farm equipment, greenhouse)		

Total \_\_\_\_\_

**Worksheet 5—Ownership in Other Business Investments (excluding applicant firm) Sole Proprietorships, General Partners, Joint Ventures, Limited Liability Companies, Closely-held and Public Traded Corporations. (Attach additional sheets as necessary)**

	Business 1	Business 2	Business 3	Business 4
Business name				
Address				
Value				

Total \_\_\_\_\_

**Worksheet 6— Life Insurance (do not list term life insurance) (Attach additional sheets as necessary)**

Policy	Insurance Company	Cash Surrender Amount

Total \_\_\_\_\_

**Worksheet 7—Amounts Owed to You ( loans to other individuals and entities including applicant firm) (Attach additional sheets as necessary)**

Debtor	Description	Balance

Total \_\_\_\_\_

**Worksheet 8—Assets Held in Trust (Attach additional sheets as necessary)**

Trust Name	Description/Additional Information	Value

Total \_\_\_\_\_

**Worksheet 9— Assets Transferred to Related Parties Within the Past Two Years (Attach additional sheets as necessary.**

Asset	Description	Value

Total \_\_\_\_\_

**Worksheet 10—Mortgages on Real Estate Other Than Primary Residence (Itemize by loan, attaching additional sheets if necessary)**

	Property 1	Property 2	Property 3
Type of Property			
Address			
Name of all Mortgage Holders			
Loan Balance			

Total \_\_\_\_\_

**Worksheet 11— Loan on Life Insurance (do not list term life insurance) (Attach additional sheets as necessary)**

Policy	Insurance Company	Loan Amount

Total \_\_\_\_\_

**Worksheet 12—Other Liabilities (Attach additional sheets as necessary)**

Type of Debt	Creditor	Amount of Liability (Balance)
Loans on Motor Vehicles (itemize)		
Loans Secured by Property Other Than Real Estate or Vehicles		
Loans Secured by Property Other Than Real Estate or Vehicles		
Unpaid Taxes (fixed in amount and currently due)		
Any Other Amount, Not Reported Above, That You Currently Owe (itemize and describe)		

*Total* \_\_\_\_\_

**Worksheet 13—Retirement Accounts (Attach additional sheets as necessary)**

Account Name	Value

Total \_\_\_\_\_

**Worksheet 14--Primary Residence**

Address	
Date Acquired	
Purchase Price	
Market Value	
Source of Market Valuation	

## Declaration

I declare under penalty of perjury that the information provided in this personal net worth statement and supporting documents is complete, true and correct. I declare that no assets have been transferred to any beneficiary for less than fair market value in the last two years. I recognize that the information submitted in this application is for the purpose of inducing certification approval by a government agency. I understand that a government agency may, by means it deems appropriate, determine the accuracy and truth of the statements in the application and this personal net worth statement, and I authorize such agency to contact any entity named in the application or this personal financial statement, including the names banking institutions, credit agencies, contractors, clients, and other certifying agencies for the purpose of verifying the information supplied and determining the named firm's eligibility. I acknowledge and agree that any misrepresentations in this application or in records pertaining to a contract or subcontract will be grounds for terminating any contract or subcontract which may be awarded; denial or revocation of certification; suspension and debarment; and for initiating action under federal and/or state law concerning false statement, fraud or other applicable offenses.

\_\_\_\_\_  
Signature (SBE/ACSBE Owner)\_\_\_\_\_  
Date

## INSTRUCTIONS

An individual's personal net worth according to 49 C.F.R. Parts 23 and 26 includes assets and liabilities that she or he owns or is deemed to own without regard to community property or equitable distribution laws.

If the personal net worth of the majority owner(s) of the firm exceeds the PNW cap posted online at <https://www.Transportation.gov/DBEPNW>, as defined by 49 C.F.R. Parts 23 and 26, the firm is not eligible for SBE or ACSBE certification.

Provide all Worksheets. Provide documents to support each entry. If you have any questions about completing this form, contact the certifying agency.

### Assets

Report assets at their current fair market values as of the date of your PNW form. In cases of joint ownership, report only the value of your ownership unless Worksheet directs otherwise. Do not report the value of the applicant firm.

**Cash and Cash Equivalents:** Enter total from Worksheet 1.

**Investment Accounts and Individual Securities:** Enter total from Worksheet 2.

**Real Estate:** Enter total from Worksheet 3.

**Personal Property and Other Assets:** Enter total from Worksheet 4.

**Ownership in Other Businesses:** Enter total from Worksheet 5.

**Life Insurance:** Enter total from Worksheet 6.

**Amounts Owed to You:** Enter total from Worksheet 7.

**Assets Held in Trust:** Enter total from Worksheet 8.

**Transfers Within Preceding Two Years:** If you transferred assets worth at least \$20,000 in aggregate to related parties within the last two years, enter total from Worksheet 9. *Exclude transfers to applicant or DBE.*

Relatives include your spouse or domestic partner, children (whether biological, adopted, or stepchildren), siblings (including stepsiblings and those of the spouse or domestic partner), and parents (including stepparents and those of the spouse or domestic partner). Related entities include for-profit privately held companies of which any relative is an owner, officer, director, or equivalent; and family or other trusts of which you or any relative is grantor, trustee, or beneficiary, except when the transfer is irrevocable. See 49 C.F.R. 26.68(c)(7)-(9).

### Liabilities

Report current balances. Report only your own, direct liabilities. *Do not report* guarantees or other contingent liabilities. *Do not report* business debt, debt secured by retirement assets, or any amount you owe, directly or indirectly, to the applicant or DBE.

**Mortgages:** Enter total from Worksheet 10.

**Loans on Life Insurance:** Enter total from Worksheet 11.

**Other Liabilities:** Enter total from Worksheet 12.

### Other Information

Retirement Assets. Complete Worksheet 13 but *do not* enter value on PNW Statement.

Primary Residence. Complete Worksheet 14 but *do not* enter value on PNW Statement.

### Declaration

You must sign and date the statement.