

Attachment 6

Overall Goal Calculation for Car Rentals

Name of Recipient:

La Crosse Regional Airport ("Airport")

Goal Period: FY-2026-2027-2028 - October 1, 2025, through September 30, 2028

Overall Three-Year Goal:

1.00%, to be accomplished through 0% RC and 1.00% RN

Methodology used to Calculate Overall Goal:

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

Goal Based on Goods and Services Purchases - Determination:

Upon review of the market, it appears that all or most of the goal is likely to be met through the purchases by car rental companies of goods and services from ACDBEs. There are no ACDBE rental car companies in the market area. Airport has therefore structured the goal entirely in terms of the purchase of goods and services.

Market Area

La Crosse Regional Airport (Airport) is a non-hub primary airport. It is located 5 nautical miles northwest of La Crosse, a city in La Crosse County, Wisconsin. It is the sixth busiest of eight commercial airports in Wisconsin in terms of passengers served. In CY 2023, Delta Air Lines and their affiliates ended operations at the Airport. This resulted in a decline in passenger enplanements from 2022 to 2023 by 34%. Traffic decline continued in 2024 with a reduction of 8%. It is anticipated that passenger traffic will begin recovery in 2025 and continue growth thereafter.

Table 6-1: Annual Passenger Traffic

Year	PAX	% Chg.
2022	63,239	
2023	41,457	-34%
2024	38,336	-8%

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.

Airport has determined that its market area for car rental goods and services is as follows.

Table 6-2: Goods and Services Market Area:

Type of Concession	NAICS Code(s)	Regional	State	Nationwide
New Vehicles	441110			XX
Oil Change Services	811191	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Office Supplies	424120	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Collision Repair Services	811111	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Insurance Services	524210			XX
Tires	423130	La Crosse (WI), Houston (MN), & Winona (MN) counties		XX
Landscaping Services	561730	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Automobile parts	441330	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Glass Repair Services	811122	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Towing Services	488410	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Car Wash and Detailing	811192	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Car Wash Supplies	423850	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Infant/Child Car Seats	424350			XX
Locksmith Services	561622	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	
Card Processing Services	522320			XX
Janitorial Services	561720	La Crosse (WI), Houston (MN), & Winona (MN) counties	MN & WI	

Base of Goal

To calculate the base of the goal, Airport considered the previous 3 years of car rental expenditures/purchases and the projected potential car rental expenditures three years into the future, including upcoming new opportunities.

Table 6-3: Expenditures for Previous 3 Years - Car Rental

Fiscal Year	Car Rental Expenditures/Purchases	% Growth
2022	\$5,606,209	25.94%
2023	\$4,037,099	-27.99%
2024	\$3,956,031	-2.01%

The Airport is projecting a 12% increase in passenger traffic for 2025 and 10% thereafter. The Airport estimates that traffic will result in similar concessions growth of 12% for the first year and 10% for the following two years as shown below.

Table 6-4: Estimated Gross Receipts for Next 3 Years

Goal Period	Prior Year	% Growth	\$ Growth	Prior Year	Projected Growth Amount
2025	\$3,956,031	+ 12% =	\$474,724 +	\$3,956,031 =	\$4,430,755
2026	\$4,430,755	+ 10% =	\$443,075 +	\$4,430,755 =	\$4,873,830
2027	\$4,873,830	+ 10% =	\$487,383 +	\$4,873,830 =	\$5,361,213
Total					\$14,665,798

\$14,665,798 is the recipient's base of the goal for car rental concessions.

The following are not included in this base: concessions other than car rental.

If a new concession opportunity arises prior to the end of this goal period and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, Airport will submit to the FAA an appropriate adjustment to the overall goal. This will be submitted to FAA for approval no later than 90 days before issuing the solicitation for the new concession opportunity.

Step 1:

The Step 1 figure was calculated as follows.

The data source used was the UCP directory of certified DBE/ACDBE firms and Census Bureau data.

Table 6-5: ACDBE Market Share by NAICS

Concession Type	NAICS Code	ACDBE Firms	All Firms in Market Area
Tires	423130	1	0
Car Wash Supplies	423850	0	4
Office Supplies	424120	0	0
Infant/Child Car Seats	424350	0	0
New Vehicles	441110	0	18
Automobile parts	441330	1	0
Towing Services	488410	0	0
Card Processing Services	522320	0	3
Insurance Services	524210	0	100
Locksmith Services	561622	0	0
Janitorial Services	561720	0	38
Landscaping Services	561730	0	70
Collision Repair Services	811111	0	64
Glass Repair Services	811122	0	0
Oil Change Services	811191	0	0
Car Wash and Detailing	811192	0	7
Total		2	304

When we divided the numerator (ACDBE Firms) into the denominator (all firms in market area) we arrived at the Step 1 figure for our overall goal for car rental concessions of: 0.66%.

$$2 \text{ ACDBE Firms} \div 304 \text{ All Firms} = .0066$$

The Airport explored using a weighted approach to calculate the base figure. Because of the limited number of firms in the market area, Airport determined that there is insufficient data to complete a weighted Step 1 calculations. Therefore, the base figure of relative availability of ACDBEs for Step 1 is 0.66%

Step 2:

After calculating a base figure of the relative availability of ACDBEs, we examined evidence to determine what adjustment was needed to the Step 1 figure to arrive at the overall goal.

To reflect as accurately as possible the ACDBE participation we would expect in the absence of discrimination we have adjusted our base figure by **0.34%**. Our overall goal for non-car rental concessions is **1.00%**.

The data used to determine the adjustment to the base figure was as follows.

Past Participation

Data used to determine the adjustment to the base figure was the median of historical ACDBE accomplishments.

Table 6-6: Past ACDBE Participation

Fiscal Year	RC	RN	Total Achievement
2020	1.34%	0.00%	1.34%
2021	0.91%	0.00%	0.91%
2022	1.04%	0.00%	1.04%
2023	3.62%	0.00%	3.62%
2024	1.00%	2.63%	3.63%

Arranging this historical data from low to high, .91%, 1.04%, 1.34%, 3.62%, and 3.63%, the median is 1.34% which is the figure we will use to make our Step 2 adjustment.

To arrive at an overall goal, we added our Step 1 base figure with our Step 2 adjustment figure and then averaged the total arriving at an overall goal of 1.00%. (Step 1 figure of 0.66% plus Step 2 figure of 1.34% = 2.00%, divided by 2 = 1.00%).

Airport believes this adjusted goal figure will accurately reflect ACDBE car rental concession participation that can be achieved during this 3-year period.

Consultation:

[To be added.]

Breakout of Estimated Race-Neutral & Race Conscious participation

Airport will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The primary measure Airport will use to encourage race-neutral participation is the active implementation of our race-neutral small business element that is required by § 23.26. The small business element is detailed in Airport's FAA-approved ACDBE Program Plan.

We estimate that, in meeting our overall goal of 1.00%, we will obtain 0.00% from race-neutral participation and 1.00% through race-conscious measures.

The current agreements did not contain goals and are in effect until July 2028. It is anticipated that the new agreement will take effect in August 2028. The Airport believes that opportunity to implement race conscious means are limited because of the following:

1. Short time period for a new agreement to impact ACDBE participation.
2. Goods and services will be the primary means for achieving ACDBE participation.
3. The Airport surpassed its prior goal through race neutral means.

Should the Airport's ACDBE participation fall short of the goal, the Airport will work with concessionaire to do the following:

1. Identify potential ACDBEs and encourage them to get certified.
2. Work with the concessionaire to make ACDBEs and potential ACDBEs of goods and services aware of opportunities.

In order to ensure that our ACDBE program will be narrowly tailored to overcome the effects of discrimination, if we use concession specific goals we will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual ACDBE participation and we will track and report race-neutral and race conscious participation separately. For reporting purposes, race-neutral ACDBE participation includes, but is not limited to, the following: ACDBE participation through a prime contract that an ACDBE obtains through customary competitive procurement procedures; ACDBE participation in a concession opportunity that does not have an ACDBE goal; ACDBE participation that exceeds a concession specific goal; and ACDBE participation through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

Airport will maintain data separately on ACDBE achievements in those contracts with and without concession specific goals and report accordingly.