Certification 101

What is an Airport Concessions Disadvantaged Business Enterprise (ACDBE)?

What Other Certifications are Available to You? and Why Should You Apply?

Phoenix Sky Harbor International Airport

PHX Small Business Workshop Series – T4 Retail
August 5, 2014
THE AVIATION DEPARTMENT’S COMMITMENT to OUTREACH

The City of Phoenix Aviation Department is a committed and proactive partner to the small business community.

- Advocating on behalf of Small, and Airport Concessions Disadvantaged Business Enterprises (S/D/ACBE).
- Providing contracting opportunity information to small businesses
- Assisting prime contractors with identifying small businesses
- Educating small businesses on “how to” access contracting opportunities
- Hosting small business networking forums
- Assisting with monitoring of S/D/ACBE utilization on contracts with participation goals
Series of informational workshops (schedule available when you leave)

Presentation will be available at https://www.phoenix.gov/solicitations/35 - NEW LOCATION

Sign in sheet will be available at https://www.phoenix.gov/solicitations/35 - NEW LOCATION

PHX Terminal 4 (T4) Retail Workshops are open to any small business firm interested in pursuing retail and goods and services opportunities. ***You do not have to be a certified firm to attend***

DISCLAIMER: Attendance of a PHX workshop does not guarantee work with the City of Phoenix Aviation Department.
AVIATION DEPARTMENT’S SMALL BUSINESS PROGRAM OBJECTIVES

To ensure **non-discrimination** in the award and administration of opportunities for concessions at all City of Phoenix (Phoenix Sky Harbor International, Phoenix Goodyear, and Phoenix Deer Valley) airports.

To help **remove barriers** to the participation of all **small businesses** in opportunities for concessions at AVN*;

To create a **level playing field** on which all **small businesses** can compete fairly for opportunities for concessions at AVN.

*AVN is the City of Phoenix Aviation Department which includes Phoenix Sky Harbor International, Phoenix Goodyear, and Phoenix Deer Valley airports.*
WORKSHOP OVERVIEW

- Certification terminology
- What is an ACDBE
- What is a Small Business
- How to get certified
CERTIFICATION IS A TOOL!

Certification is a marketing tool, used specifically to enhance your ability to do business in public markets. Certification does not guarantee that you will be successful each and every time you bid; but it may add a competitive edge to your bid.
ACDBE = Airport Concession Disadvantaged Business Enterprise
Program implemented by local agencies pursuant to federal regulations, Title 49 Code of Federal Regulations Part 23 (49 CFR Part 23). This program applies to contracts and concessions administered by airports that receive financial assistance from the Federal Aviation Administration.

DBE = Disadvantaged Business Enterprise
Program implemented by local agencies and state departments of transportation pursuant to federal regulations 49 CFR Part 26. This program applies to all contracts financed in whole or in part by the Federal Aviation Administration, Federal Transit Administration or Federal Highway Administration.

SBE = Small Business Enterprise
Program implemented by the City of Phoenix to promote small business development. Only applicants who meet the certification requirements set forth in Chapter 18, Article VIII of the Phoenix City Code Eligibility requirements for SBE certification will be certified.
Local program = SBE Program implemented by the City of Phoenix to promote small business development and applies to contracts issued and financed by the City of Phoenix.

Federal program = DBE Program - CFR Part 26
                   = ACDBE Program - CFR Part 23

CFR = Code of Federal Regulations

USDOT = The United States Department of Transportation (USDOT or DOT) is a federal Cabinet department of the U.S. government concerned with transportation. It is governed by the United States Secretary of Transportation.

FHWA = Federal Highway Administration

FAA = Federal Aviation Administration

FTA = Federal Transit Administration

SBA = Small Business Administration
Recipient = Entity that receives funds from USDOT through programs of the FHWA, FAA, and FTA. The City of Phoenix is a recipient. ADOT is also a recipient.

Subrecipient = Entity that receives funds from City of Phoenix through programs of the FHWA, FAA, and FTA. Valley Metro, and the cities of Avondale, Glendale, Goodyear, Mesa, Scottsdale, Surprise, Tempe, and Tolleson are subrecipients.

AZUCP = Arizona Unified Certification program. Program created to allow an applicant for DBE Certification in Arizona to file only one application and go through one certification review to achieve DBE Certification that will be recognized by all recipients of FAA, FHWA and FTA funds in the State. The AZUCP is comprised of the City of Phoenix, the City of Tucson, and the Arizona Department of Transportation (ADOT).

Certification = Granted approval of *DBE, ACDBE or SBE application by the City of Phoenix (or *AZUCP).
CERTIFICATION TERMINOLOGY

**SBC** = Small Business Concern. Identification is a self registration/self-identification **not** a certification designation.

**PNW** = Personal net worth. All Assets excluding interest in the business and primary residence cannot exceed $1,320,000.

**Expertise** = The owner-applicant must have expertise and technical knowledge in firm’s critical operations.

**Control** = The owner-applicant must exercise control over the daily operations of the business.

**AVN** = City of Phoenix Aviation Department “system” which includes Phoenix Sky Harbor International, Phoenix Goodyear, and Phoenix Deer Valley airports.
FEDERAL PROGRAMS
Disadvantaged Business Enterprise (DBE)
Airport Concession Disadvantaged Business Enterprise (ACDBE) *

• Applicable to USDOT-funded contracts administered by the City or its sub-recipients (Valley Metro and surrounding cities)

• Available to firms located throughout the United States.
  - Applicants in Arizona can apply/complete the City of Phoenix, ADOT, or City of Tucson DBE certification process.
  - Applicants from another state must be certified in their home state and then can apply/complete the City of Phoenix, ADOT, or City of Tucson DBE certification process.

*ACDBE Certification is only available through the City of Phoenix
LOCAL PROGRAM

Small Business Enterprise (SBE)

- Applicable to City of Phoenix-funded contracts administered by the City
- Available **only** to firms with a principal location in **Maricopa County**
BENEFITS OF CERTIFICATION

• Visibility/Exposure
  - Primes
  - Other “small” business
  - Private sector
  - Other municipalities

• Increased access to opportunities

• Growth
WHAT IS AN ACDBE?
Airport Concessions Disadvantaged Business Enterprise (ACDBE) program was established to ensure a level playing field and foster equal opportunity for firms owned and operated by disadvantaged individuals in an airport concessions environment on FAA-assisted contracts and procurements. ACDBE certification does not guarantee award of a contract.

- Established by the USDOT in 2005
- Final rule for Airport Concessions Code of Federal Regulations (CFR) Section 49 Part 23
Airport Concession is a for profit business located on an airport engaged in the sale of consumer goods or services to the public under and agreement with the recipient, another concessionaire, the owner on or lessee of a terminal or take place on an airport such as Management contracts.

Example: Mini Cactus Supplier
Concessions opportunities
- Food and Beverage (F&B)
- Retail
- Services to traveling public

Goods or Services providers - Firms that provide goods and/or services that represent a commercially useful function directly to airport concessionaires
- F&B distributors
- Retail goods
- Paper products
- Janitorial
- Legal
- HR/employees
- Uniform
- Extermination
- Auto related (car rental and ground transportation)
WHAT IS A SMALL BUSINESS?
The City of Phoenix defines small business firms as:

- **Independent** and **for profit** business concerns
- Owned and controlled by one or more persons
  - Personal Net Worth (PNW) of each owner(s) cannot exceed **$1.32 million**
  - Gross sales (averaged over the business' previous 3 fiscal years) cannot exceed the **Small Business Administration (SBA) guidelines**
SBE vs AC/DBE CERTIFICATION

There are similarities between SBE and AC/DBE certification for owners.

- Personal Net Worth
- Control and Expertise
- US Citizenship or permanent legal resident
- Operational For-Profit concern
- Small Business Administration (SBA) guidelines requirement
- Non-transferrable
- Business size
  - Same for DBE and SBE
  - but not for ACDBE
WHO SHOULD APPLY FOR CITY OF PHOENIX CERTIFICATION?

SBE vs AC/DBE CERTIFICATION

THERE ARE DIFFERENCES
DIFFERENCES: APPLICANTS

AC/DBE PROGRAM

- African American
- Native American
- Pacific Islander
- Asian
- Hispanic
- Anglo

SBE PROGRAM

Program is race and gender neutral. Firm need not be owned or controlled by a particular ethnic or gender group to apply.
DIFFERENCES: LOCATION

AC/DBE PROGRAM

Can be located anywhere in U.S. but must complete the DBE certification process in Arizona. Home state DBE certification is required.

SBE PROGRAM

Firm must have its principal location in Maricopa County.
CITY OF PHOENIX
CERTIFICATION PROCESS

1. Complete online application
2. Verification of Documents/Internal review
3. Onsite Interview/Job Site Visit
4. Final Recommendation
5. Certification granted
   *If denied, applicant can appeal decision*
6. Certificates issued
You must create an account to begin application process

https://phoenix.diversitycompliance.com
ON-LINE DIRECTORIES
CITY OF PHOENIX (SBE only)
AZUCP (DBE, ACDBE, SBC)

City of Phoenix

Search for SBE ONLY

AZUCP

Search for DBE, ACDBE, and SBC
COMMON MISTAKES DURING THE APPLICATION PROCESS

• Incomplete information
• Insufficient documentation of ownership acquisition
• By-Laws/Operating Agreement issues
• Insufficient management, control, and/or voting rights
• Lack of independence

DISCLAIMER: Submission of an application does not guarantee Certification with the City of Phoenix.
CERTIFICATION APPLICATION ASSISTANCE

• CALL 602-262-6790
  TTY 602-534-1557

• ONLINE
  After creating a vendor account, use the free tutorials/training webinars
  Online Customer Support is also available

• WORKSHOPS

  UPCOMING
  Wednesday, Aug. 13th, 2 - 4 pm
  2 - 3pm: Apply for SBE and/or DBE certification
  3 - 4pm: Find SBE and DBE business opportunities
  Calvin G. Goode Municipal Building 251 W. Washington St., 10th floor
T4 RETAIL CONTRACTING OPPORTUNITIES*
Presented June 17, 2014

- RFP issue date: early December 2014
- One RFP with the potential of three (3) contracting phases
- 18 contract packages (bundles)
- Different size bundles for different size operators

*INFORMATION SUBJECT TO CHANGE

T4 Retail Business Sessions and Workshops information available at: https://www.phoenix.gov/solicitations/35
T4 RETAIL INFORMATIONAL MEETINGS
and OUTREACH WORKSHOPS
SCHEDULE

RFP 101 Workshop
Wednesday, August 20, 2014/3:30 – 5:00 pm/ Phoenix Aviation Advisory Boardroom

Terminal 4 Retail Business Informational Meeting #3
Tuesday, September 16, 2014/2:00 pm – 4:00 pm/Location: TBD

Small Business Outreach Requirements Workshop
Wednesday, September 17, 2014/8:30 – 10:00 am/Location: TBD

Concessions 102 Workshop
Wednesday, September 24, 2014/3:30 – 5:00 pm/ Phoenix Aviation Advisory Boardroom

PHX FASTPITCH
Tuesday, October 14, 2014/2 sessions (AM, PM)/Location: TBD

Terminal 4 Retail Business Informational Meeting #4
Wednesday, November 12, 2014/2:00 – 4:00 pm/Location: TBD

Register for all meetings and workshops via EventBrite
SUGGESTIONS

- Register to be notified of opportunities
- Attend pre-proposal conferences
- Download attendee lists
- Attend trainings and networking events
- Contact current concessionaires
- Start looking for your partners now
- Read “Resource Materials”
- For information about the T4 Retail program, check “phoenix.govsolicitations/35” frequently
WHAT’s NEXT...

THIS PRESENTATION AND SIGN IN SHEET WILL BE POSTED ON
https://www.phoenix.gov/solicitations/35

You will also receive an Online survey. We appreciate your feedback!
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Thank you