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MAYOR LIGHTFOOT TO INTRODUCE ORDINANCE EXPANDING REGULATORY RELIEF FOR BUSINESSES IMPACTED BY COVID-19

Proposal would further defer license expirations and extend programs that support outdoor dining; cap on third-party delivery fees also passes City Council

CHICAGO – Today, Mayor Lori E. Lighftoot and Department of Business Affairs and Consumer Protection (BACP) Commissioner Rosa Escareno will introduce an ordinance to extend critical regulatory relief measures for businesses that continue to be impacted by the ongoing COVID-19 pandemic. Under the proposal, the City would extend temporary relief efforts that were implemented this year into 2021 by further delaying license expiration dates, expanding critical sidewalk café reforms and extending the innovative Expanded Outdoor Dining Program. These efforts build on Mayor Lighftoot's commitment to support businesses throughout the COVID-19 pandemic, including through a cap on third-party delivery fees, which passed City Council yesterday, and the recently announced Hospitality Grant Program.

"Chicago's businesses have dealt with so much throughout the COVID-19 crisis and have stepped up to keep our community safe and healthy," said Mayor Lightfoot. "My administration is committed to doing everything we can to remove regulatory burdens and make sure that the City is aiding the recovery efforts. While we are still planning additional structural supports that we will announce in the coming months, the extension of these existing measures will provide critical emergency relief to tens of thousands of Chicago's businesses."

Throughout the COVID-19 pandemic, the City has made a number of regulatory changes that have temporarily eased the impact of the crisis on Chicago's businesses. Chief among these have been the extension of license expiration dates. The proposed ordinance would expand this program into 2021 – every business and public vehicle license that has expired or will expire between March 15, 2020 and June 15, 2021 would be considered active and individuals and businesses would have until July 15, 2021 to renew their licenses. This will allow tens of thousands of businesses to continue operating without the burden of a license renewal.



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"Small businesses are economic engines and job builders across our neighborhoods, and we must continue doing everything we can to support our business community and kickstart our marketplace," said BACP Commissioner Rosa Escareno. "With these measures, we are making sure that Chicago's businesses can operate through the winter and start the coming year without worrying about their license expiring or other regulatory burdens that may get in the way."

In June, Mayor Lightfoot introduced and City Council passed temporary reforms to the 2020 Sidewalk Café permitting process, making it faster, cheaper and easier than ever for restaurants to operate outdoors. The proposed ordinance would extend these reforms to apply to the 2021 café season as well. Under the proposal, City Council would continue existing support allowing all Sidewalk Café Permits issued in 2021 the option to extend in front of a neighboring establishment and benefit from a 75% reduction in permit fee. Additionally, the more than 1,000 existing Sidewalk Café Permits that are set to expire on February 28, 2021 will be considered active until June 1st, allowing continued operation for three extra months this spring without renewing.

In recognition of the critical importance of outdoor service for bars and restaurants during the COVID-19 pandemic, Mayor Lightfoot created the innovative Expanded Outdoor Dining Program in June. To date, 450 bars and restaurants have operated outside in private parking lots, on the sidewalk or in closed streets through this crucial program. Under the proposed ordinance, this program, which is administered by BACP, the Chicago Department of Transportation (CDOT) and the Department of Cultural Affairs and Consumer Protection (DCASE) would be extended through the end of 2021.

"Our Expanded Outdoor Dining program has been a lifeline for hundreds of Chicago restaurants and proved to be a good way to reimagine the use of our public way for new purposes," said CDOT Commissioner Gia Biagi. "By extending the program, we can continue to support our vital restaurant industry and neighborhood businesses while offering safe, inviting destinations for residents."

In addition to the introduction of the regulatory relief package, City Council yesterday passed an emergency measure to cap the fees that third party-delivery companies can charge restaurants for their service. Under this legislation, which goes into effect immediately, fees that third-party delivery companies can charge for their delivery services will be capped at 10 percent of the purchasing price, and total fees charged to participating restaurants, which include the delivery fees, will be capped at 15 percent. This ordinance, which was championed by multiple members of City Council including Alderman Waguespack, Alderman O'Shea, Alderman Mitts and Alderman Tunney, will be in effect until indoor dining is allowed in Chicago at 40% capacity for 60 days.



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"As Chairman of the Committee on License and Consumer Protection, I see how important it is to make sure that the City's regulations do not have a detrimental impact on our small businesses," said Emma Mitts, Alderman of the 37th Ward. "The introduced ordinance and the third-party fee cap passed yesterday will provide critical supports to businesses during this incredibly challenging time."

The third-party delivery fee cap that passed yesterday was a part of Mayor Lightfoot's emergency hospitality relief package announced on November 5th. As part of the effort, the City created a \$10 million Chicago Hospitality Grant Program, which will provide grants of \$10,000 each to nearly 1,000 bars and restaurants. Applications for this grant closed yesterday, and grants will be distributed in the coming weeks via a lottery. The Mayor also announced the creation of the <u>Take Out Chicago contest</u> and the <u>ChiServes.com worker portal</u>, where hospitality workers impacted by COVID-19 can access workforce development support resources through the Chicago Cook Workforce Partnership.

"As a City, we must use this opportunity to do everything in our power to support our independent businesses," said Tom Tunney, Alderman of the 44th Ward. "Throughout this crisis, we have worked hard to deliver as much relief as possible, and this latest effort will extend a critical lifeline for businesses throughout our City."

In the lead up to Black Friday and Small Business Saturday, all Chicagoans are encouraged to support their local businesses while staying safe. As we continue to deal with the ongoing COVID-19 pandemic, all Chicago residents are called upon to take a number of safety measures to protect themselves and their community. In order to support local businesses, Chicagoans are encouraged to shop online and pre-order to continue fighting COVID-19 throughout the crisis. BACP is holding a webinar this Wednesday at 11:00 am on how to make sure their small businesses have the digital presence they need to navigate the holidays, including website tips, e-commerce and digital marketing. Learn more and register at chicago.gov/businesseducation. If Chicagoans do shop in person, they must follow COVID-19 safety protocols- wear a face covering, follow capacity guidelines and maintain six feet of social distance.

"Our neighborhood small businesses are vital to the well-being of our community now and into the future," said Nedra Sims Fears, Executive Director of the Greater Chatham Initiative. "In Greater Chatham and in neighborhoods throughout the city, our small businesses need support now more than ever. I thank Mayor Lightfoot for her leadership delivering critical reliefs and ask all Chicagoans that have the means to support their local businesses this holiday season."

The City of Chicago in partnership with the Chicago Urban League has launched the Black Shop Friday initiative to urge Chicago residents to "spend green, shop Black" as they shop online and order food to-go this holiday season. Residents can learn more at



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<u>www.blackshopfriday.com</u>. Additionally, many of Chicago's local business service organizations are running local campaigns to support small businesses in neighborhoods throughout the City. BACP will be featuring these campaigns all week leading to Small Business Saturday on their <u>Twitter</u> and <u>Facebook</u> accounts.

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