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**HELP ON THE HORIZON FOR STRUGGLING AIRPORT CONCESSIONAIRES**

*City agencies teaming up and enlisting community groups to provide critical financial assistance and job retention resources*

**CHICAGO** –The City of Chicago’s Departments of Aviation (CDA) and Procurement Services (DPS) today announced a partnership to enlist established Assist Agencies to provide support and technical services for small, diverse airport businesses, including concessionaires, hit hard by COVID-19’s impact on the aviation industry. Resources that foster and enable business sustainability and job retention will be a particular focus. The announcement follows the successful passage of CDA’s Concessions Relief Program through the City Council’s Committee on Aviation. The ordinance is scheduled for a full council vote next week.

“I applaud CDA, DPS, and Assist Agencies for their collaborative effort to support our small diverse businesses, including ACDBE concessionaries, that provide travelers with the best flavor and culture our city has to offer,” said Mayor Lori E. Lightfoot. “This partnership represents exactly the kind of innovative solutions we need for our businesses not only to stay afloat during the COVID-19 crisis but become even stronger and more dynamic as a result. Despite the challenges we face, we will continue doing everything we can to support our city’s entrepreneurs through this unprecedented moment and lay the groundwork for the historic recovery to follow.”

The effects of the pandemic on the travel industry are wide-ranging, and Chicago’s airports have not been spared. While official passenger traffic data at Chicago’s airports do not yet reflect the true impacts of the COVID-19 pandemic, the Transportation Security Administration (TSA) has indicated that passenger throughput at its security screening checkpoints nationwide has dropped by 90 percent nationwide since the pandemic began. According to industry analysts, airlines canceled 65% of all scheduled flights in April. While O’Hare – the busiest airport in the world by operations in 2019 – continues to accommodate a high volume of flights, daily operations in May are typically a third of what they would normally be. As a result, many airport concessionaires are not operating, or operating at greatly reduced hours.

“These concessionaires – largely small, diverse and locally owned – are in many ways the backbone of our airport community, and these are incredibly challenging and uncertain times for them,” CDA Commissioner Jamie L. Rhee said. “In offering a lifeline, we want to be both proactive and creative – and leveraging the experience and relationships that have been built up over many years helps us do that. Our Assist Agencies are in the community and represent thousands of small businesses. and they are natural partners in this effort.”

The City of Chicago has been working aggressively to provide a range of resources and critical supports for members of the airport community. The Concessions Relief Program was introduced into the City Council last month and will be voted on in May. The program will grant CDA the authority to provide financial relief to airport concessionaires – including restaurants, shops, advertisers and rental car operators – groups that by and large did not receive direct assistance from the federal government beyond what is generally available to small businesses. This temporary relief can take the form of rent reductions, adjustments to minimum rent, rent deferral, reduced security deposit or letter of credit requirements, relaxation of mandatory minimum or maximum operating space requirements, short extensions of term to extend amortization of costs, and authorization of operational alternatives (like kiosks, mobile carts, etc.), or other relief consistent with FAA guidance and legal requirements.

"Our airports are economic engines and job creators – and Chicagoans from every neighborhood in this city make a living at O'Hare and Midway," Committee on Aviation and 19<sup>th</sup> Ward Alderman Matt O'Shea said. "This crisis has hit the small businesses that are so integral to our airport community particularly hard, and this is a smart and creative approach to provide them a range of supports. There is still a lot of work to do and jobs at stake, but the best way to get through this is working together and leveraging resources and relationships."

Meanwhile, CDA and DPS are partnering to utilize the existing Service and Reimbursement Agreement Program to work with established local Assist Agencies to provide support for small, diverse ACDBE-certified businesses currently operating at the airports. CDA will deploy support services to assist these businesses to identify specific service needs and appropriate resources to sustain long-term growth during the pandemic. The available services and support will be critical for businesses to retain employees, maintain operations, and support the reentry of customers at O'Hare and Midway Airports.

“Connecting the local business community to opportunities is at the cornerstone of our operations,” said Shannon E. Andrews, Chief Procurement Officer for the City of Chicago. “We are pleased to be able to build on this existing training program to help connect businesses with a range of additional resources during this challenging time.”

Registered Assist Agencies will be awarded the Reimbursable Service Agreements after review and acceptance of submittals by DPS and CDA. The outlined services will be provided directly to the small and certified vendors in coordination with CDA's representatives, project managers, and concessions managers.

The COVID-19 assistance will range from administrative functions like completing applications, insurance analysis, business records documentation to more specialized aspects of services including marketing through web and social media platforms, business strategy developments, and operational assessments. In addition to addressing immediate business needs, the Assist Agencies will develop and utilize assessment forms to follow up with plans and monitor for long term sustainability. Submittals will be accepted beginning May 21, 2020 at [dps.assistagency@cityofchicago.org](mailto:dps.assistagency@cityofchicago.org). For detailed information about the Assist Agency Service and Reimbursement Agreement Program, visit [www.chicago.gov/dpsrules](http://www.chicago.gov/dpsrules).

In its ongoing commitment to transparency and accountability, all relief associated with the Concessions Relief Program must have the approval of the City's Corporation Counsel and Chief Financial Officer, and CDA will submit a report to the Aviation Committee quarterly on the status of all relief granted. Relief may not exceed three years, and will include workforce retention requirements.

While addressing challenges of the pandemic, CDA has not lost sight of the critical investments that will secure the airports' - and the City's - economic future. A key component of that is workforce development and capacity building, and those efforts are continuing in creative ways. Earlier this year, CDA opened a Bid and Resource center at O'Hare to support the Construction Managers at Risk (CMARs) responsible for overseeing the O'Hare 21 terminal redevelopment program, and those businesses wishing to be involved in this historic project. The Bid and Resource center provides printed and digital materials on how to do business with the CDA and CMAR's, computer and internet access for companies without their own equipment, and areas to support CMAR bid openings. Presently, most bid openings are conducted virtually. CDA has also published a Three-Year Buying plan, which is available at the resource center.

"At CDA we never lose sight of Mayor Lightfoot's vision for a Chicago that is more equitable and fair, and where every neighborhood benefits from the work we do," Rhee said "We are committed to recruiting and developing the kind of diverse workforce and business pool to reimagine O'Hare for the next century."

Next Tuesday, May 19<sup>th</sup> at CDA's behest, the CMAR's will be conducting a virtual meeting for local businesses to discuss opportunities and next steps in the airport's capital program. For more information, or to register, visit [HERE](#).

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**About the Chicago Department of Aviation (CDA):**

The Chicago Department of Aviation (CDA) is self-supporting, using no local or state tax dollars for operations or capital improvements at O'Hare and Midway International Airports. Chicago's airports offer service to over 260 nonstop destinations worldwide, including 47 foreign countries, combined. Together, Chicago's airports serve more than 105 million passengers each year and generate approximately \$60 billion in annual economic activity for the region. Please visit [www.flychicago.com](http://www.flychicago.com) to learn more about the Chicago Department of Aviation.