

Written Testimony of Matthew Thomas Dattilo
before the
Committee on Aviation
of the
Chicago City Council

Hearing to Consider Ordinance O2020-2365

Friday, May 15, 2020

Chairman O'Shea, Vice Chairman Curtis & Distinguished Members of the Committee:

Our firm provides counsel to airport concessionaires at Chicago Midway and O'Hare International Airports regarding a range of legal matters. Our clients include Airport Concessionaire Disadvantaged Business Entities ("ACDBEs"), subtenants, and prime contractors.

Signed into law on March 27, 2020, the U.S. CORONAVIRUS AID, RELIEF & ECONOMIC SECURITY ACT, (the "CARES Act") provided for nearly \$10-billion to support U.S. airports. Of that amount, O'Hare and Midway have reportedly already received nearly \$377-million.

On April 4, 2020, the Federal Aviation Administration (the "FAA") released updated guidance to airports regarding accommodations that airports may offer to tenants as a result of the economic effects of COVID-19. That guidance provides, among other matters, that economic relief to airport tenants is permissible under the terms of airport grants made available by the CARES Act. Further, the FAA set forth objective criteria under which airports should evaluate requests for relief from tenants.

On April 22, 2020, Mayor Lightfoot introduced Ordinance O2020-2365 to provide much needed relief for Chicago's airport concessionaires. The proposed ordinance closely tracks the FAA's guidance, especially as it concerns the criteria upon which relief will be granted.

As the Members of the Committee well know, sales revenue for airport concessionaires typically mirror enplanements. Just as enplanements at Chicago's airports have plummeted since the onset of COVID-19, so have sales revenue for Chicago airport concessionaires. Concessionaires, unlike retailers and restaurants outside the airport, are also unable to practically take advantage of relaxed restrictions on street-side businesses allowing for curbside pickup, carryout and delivery.

Ordinance O2020-2365 is a strong step in the right direction to assist Chicago airport concessionaires whose businesses generate hundreds of millions of dollars in economic impact and employ thousands of hard-working Chicagoans.

I appreciate your favorable consideration of the ordinance.