



Air travel was way down when this photo taken at O'Hare International Airport on April 16, 2020. But Chicago Aviation Commissioner Jamie Rhee is confident travel, and the city's airports, will bounce back. *Teresa Crawford/AP*

Aviation commissioner lobbies for increase in \$4.50-a-head airline ticket tax

During a virtual speech to the City Club of Chicago, Jamie Rhee said she's confident air travel will bounce back from the pandemic enough to justify the \$8.7 billion O'Hare modernization plan.

By [Fran Spielman](#) Jan 6, 2021, 4:35pm CST

Chicago Aviation Commissioner Jamie Rhee is lobbying for an increase in the \$4.50-a-passenger ticket tax to bankroll airport improvements and expressed confidence that air travel will bounce back from the pandemic, justifying the \$8.7 billion O'Hare modernization plan.

Mayor Lori Lightfoot has said repeatedly she remains fully committed to the massive O'Hare expansion project she inherited from Mayor Rahm Emanuel.

That's even after former U.S. Transportation Secretary Sam Skinner, who co-chaired Lightfoot's economic recovery task force, warned the City Club of Chicago in September the airlines are "facing the biggest challenge in their history — bigger than faced after 9/11, as big as it was."

Airline industry analysts have also argued the "Taj Mahal" project will need to be delayed or dramatically scaled back because airlines decimated by the coronavirus can no longer afford their share of the \$8.7 billion worth of improvements.

Rhee used her own virtual forum before the City Club of Chicago last week to paint a far more optimistic picture.



Jamie Rhee, shown during an earlier in-person meeting of the City Club of Chicago, appeared at a virtual meeting of the group Wednesday to argue for increasing the ticket tax to help pay for airport improvements. *Rich Hein/Sun-Times file*

The commissioner acknowledged April 2020 "represented the low point for airline capacity, falling to 24%" for airports nationwide compared with the same figures a year earlier.

But she argued at the meeting Wednesday that Chicago has "gained most of its destinations and connectivity back and is rebuilding schedules and passenger activity."

Most "previously linked destinations are still being served, just at lower frequency levels," she added. "Ever so slowly, a recovery has begun to emerge."

Rhee noted the aviation industry has bounced back before from “disruptions” ranging from terrorist attacks to fuel shortages, and will do so this time.

“People want to travel. People need to travel,” Rhee said. “The pace of recovery will vary and is not yet certain. But aviation is resilient, and Chicago’s airports are particularly so.”

Vowing to “build responsibly” and be “good stewards” of airport resources, she said: “We’re gonna work lockstep with our airline partners and federal partners all the way. ... It’s so important that we invest in our airports now to make sure that we remain competitive for the future against all or these other airports out there vying for this business.”

During the question-and-answer session, Rhee was asked what she would like to see from Congress and the incoming Biden administration to keep O’Hare and Midway “growing and competitive.”

“One of the things I’ve pushed really hard on — and I thought we were close last year — was an increase in the passenger facility charge,” commonly called a “ticket tax.”

“That has not been increased in nearly 20 years. It’s at \$4.50,” Rhee said.

“It takes a lot to maintain common areas within the airports. And to have a dedicated revenue source” through the facility charge, she said, adding that “just a modest increase ... would allow O’Hare the flexibility. ... There’s a lot of infrastructure needs out there that need to be met and very limited resources.”

A former chief procurement officer, Rhee also made a strong push for relaxing the standards to qualify as a disadvantaged business enterprise at the federal level.

A percentage of airport contracts are set aside for those businesses, but federal standards and city programs in those areas don’t align. Rhee said the federal rules need updating.

The federal rules govern contracts paid for with federal money, but the ticket tax, though set by Congress, is collected and spent locally — some of it on contracts awarded to businesses owned by minorities and women.

Rhee wants Congress to increase that tax but not take away local control of the money.

“I would resist making them federal money where our [disadvantaged business enterprise] program applies, so that we’re not able to use those local hiring programs.”

Rhee argued Chicago has “one of the more robust” minority business programs in the country. It’s working at O’Hare, in part, because the city is “unbundling” larger contracts into smaller ones.

“Of the 20 airport capital improvement projects set to be bid out over the next two years, we expect that half will be aimed exclusively for the small- and mid-sized business community,” she said.

“We could not and did not allow COVID to derail our commitment to equity and inclusion. In 2020, CDA spent \$197 million with certified diverse firms — 33% of our total spend and a \$62 million increase over 2019 — all in the midst of a pandemic.”

The same is true for airport concessions, with more businesses qualifying as “ACDBE” — Airport Concession Disadvantaged Business Enterprise. O’Hare is on pace for a record 40% participation rate in 2020. Midway is closing in on 57%.

As for the long-stalled extension of the O’Hare people mover project, Rhee said only “it’s gonna open when it’s safe. It’s gonna open when it’s reliable.” She said “substantial progress” has been made during exhaustive testing.

“If you’ve been out to O’Hare, you’ve seen that train running. The construction is done. We’re commissioning it now, and we’re working out all of” the kinks, she said.

A Democratic Congress Could Boost Biden’s Transportation Agenda

Transit advocates and climate activists are hoping that Democratic Senate wins in Georgia can set the stage for big changes in U.S. transportation priorities.

By

Laura Bliss

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An aide to then-presidential candidate Joe Biden affixes a poster to an Amtrak train during a campaign stop in Alliance, Ohio, on September.

For clean transportation advocates, Wednesday, Jan. 6 started out on a high note. Before the invasion of the U.S. Capitol by a mob of Trump supporters ushered out the Trump administration in a new spasm of chaos, the results of the Jan. 5 Georgia Senate runoffs reshaped President-elect Joe Biden’s chances for transformative policymaking across many fronts, including the nation’s roads, bridges and transit systems.

“This raises the chances that there will be a big stimulus or recovery bill, and that creates a lot of near-term opportunity,” said Beth Osborne, the director of Transportation For America, an advocacy group.

Doubling as an economic stimulus and climate action agenda, Biden's \$2 trillion clean energy and infrastructure campaign proposal was an early sign of his desire to change the way the nation moves. The incoming president pledged to create 500,000 electric vehicle charging stations nationwide, zero-emissions public transit for every city of more than 100,000 residents and the "second great railroad revolution."

Another sign came in his selection of Pete Buttigieg for transportation secretary: In his own campaign for the White House, the former mayor of South Bend, Indiana, pitched a national Vision Zero initiative, expanded biking, walking, and public transit amenities, and an overhaul of the gas tax. "It's about jobs, it's about climate, it's about equity. All of these things need to be at the heart of our infrastructure vision," Buttigieg said in a video last month marking his nomination.

In a Republican-controlled Senate, such promises would have had little to hang on, except for a thin reed of hope that infrastructure might be the last bipartisan issue. Biden's Cabinet picks, including Buttigieg, will now stand a much better chance of approval by the Senate. And Democrats will be able to bring forward legislation that may have otherwise been DOA under GOP Senate leader Mitch McConnell.

That includes the Moving Forward Act, the \$1.5 trillion infrastructure bill that passed the House in July but hasn't been heard in the Senate. Policy experts point to it as a potential starting point for a Biden-backed infrastructure bill. Alongside investments for schools, housing and broadband access, it would reauthorize funding for surface transportation with some significant departures from the past, including \$100 billion for public transit, tripled funding for Amtrak and prioritizing funds for roads and bridges in need of repair. It would also spend \$1.4 billion on alternative fuel charging infrastructure.

In a country that currently generates most of its transportation revenue by taxing gasoline purchases, and spends 80% of those funds on roads to drive on, this level of investment in more climate-friendly modes would represent a major turn. "Both Biden's infrastructure platform and the Moving Forward Act would shift considerably more money to active transportation modes and public transit, as compared to the current situation," said Yonah Freemark, a senior research associate at the Urban Institute.

There are signs that "infrastructure week" may at last rise above unfunny-meme status. Transit systems approaching financial free fall due to the pandemic stand to benefit. The \$14 billion in transit operating aid included in the recent Covid-19 stimulus package may not be enough to keep the largest agencies afloat if large numbers of riders do not return to trains and buses by the end of the year, Freemark said. That issue could be addressed in a future Biden-backed infrastructure bill, something transit advocates are now counting on.

"Riders look forward to winning more Covid aid and equitable investment in our common infrastructure," Betsy Plum, the executive director of Riders Alliance in New York City, said in a statement following the Georgia results. "We are eager to work together to get public transit

back on track and realize its potential to help meet the country's pressing needs for climate and racial justice.”

Even with the President-elect's party controlling both chambers of Congress, passing a major infrastructure package would face hurdles. Issues such as the pandemic, health care, criminal justice reform, and reversing Trump tax cuts may outstrip EV infrastructure and the railroad revolution on lawmakers' to-do lists. And while Congress is due to reauthorize transportation funding in 2021, the Senate could decide to punt, having already extended the FAST Act, an Obama-era surface transportation funding bill, for an additional year. Whether legislators decide on a more ambitious approach, such as the one outlined in the Moving Forward Act, could depend on whether Biden follows through on his promise to seize transportation as an opportunity for climate action and environmental justice.

“If the administration pushes for a lot of change, it makes it easier for the Senate to support change,” Osborne said.

How that pushing would go over is another question. The Capitol Hill negotiation skills of the 38-year-old Buttigieg, the White House's would-be chief transportation emissary, are unproven. Still, the landscape looks far more favorable for the incoming administration than it did last month. And there are other signs that “infrastructure week” may at last rise above unfunny-meme status. House Democrats have heralded the return of earmarks, which could increase bipartisan support for a larger infrastructure bill. Transportation investment could also appear in many forms, such as inside an environmental protection bill or a budget reconciliation plan.

“It's unclear where transportation fits into all these moving parts,” Freemark said. But with the FAST Act expiring this year, “we'll either have the the extension of what we have currently, or we'll have something new.”

Lower Metra fares, improved Pace service for south suburban Cook County under new program

Fair Transit South Cook, a three-year pilot program, cuts fares in half on the Metra Electric and Rock Island Lines. It also increases the hours and frequency of Pace's Halsted 352 route.

By Manny Ramos@ ManuelRamos Jan 4, 2021, 2:21pm CST



Cook County Board President Toni Preckwinkle speaks Monday during a press conference at the LaSalle Street Metra Station in the Loop. She was kicking off Fair Transit South Cook — a three-year pilot project aiming to improve public transportation in south Cook County. *Ashlee Rezin Garcia/Sun-Times*

Some Metra and Pace riders will see lower fares and improved service thanks to a pilot program launched Monday.

Cook County Board President Toni Preckwinkle, who spearheaded the program, said it will make public transportation more accessible and affordable to people who live in or travel to the south suburbs.

“The Southland has long been plagued by a lack of access to transportation and affordable options to get residents to their destinations,” Preckwinkle said Monday. “Time spent waiting on a train or bus could mean the difference between keeping or losing a job and right now, in the current climate with the pandemic, every dollar counts.”

Fair Transit South Cook is a three-year program giving riders a 50% reduction in fares for the Metra Electric and Rock Island Lines. It also increases the hours and frequency of Pace’s Halsted 352 route.



The Metra Electric line is one of the routes on which fares will be lowered under a pilot program launched Monday. *Bill Ruminski/Sun-Times file*

The pilot is a partnership between Cook County, Metra, Pace and the Regional Transportation Authority. The county will dish out \$35 million to fund the program, offsetting costs incurred by Metra and Pace during the pilot.

Preckwinkle said the program is especially important now that the pandemic has “disrupted all aspects of our daily lives” and Cook County’s essential workers who rely heavily on public transportation will see some help.

“Now more than ever, it’s important to consider the transportation challenges our residents face,” Preckwinkle said. “The core of Fair Transit is to create equitable access to transit options.”

Richard Kwasneski, chairman of Pace’s board of directors, called the pilot a “game changer for the south suburbs.”

“Transit is a key piece of infrastructure and will be crucial for our region’s economic recovery,” Kwasneski said.

Pace’s 352 route is one of the most used, Kwasneski said, and the program will help triple the number of trips during peak times and nearly double trips during non-peak times.

“The Fair Transit South Cook project is an example of the kind of leadership and innovation that our transit system must pursue if we are to bring improved service, lower cost and more access to the areas in our region with the greatest need,” said Michael Lewis, a member of the RTA board of directors.

Jim Derwinski, Metra’s CEO, read a statement from Romaine Brown, chair of the Metra board of directors.

“This opportunity was truly a Godsend and an easy call for us to participate — and, as we say in the rail business, ‘We’re completely on board,’” the statement read. “This program will help overcome decades of disinvestment in the region.”

Manny Ramos is a corps member in Report for America, a not-for-profit journalism program that aims to bolster Sun-Times coverage of issues affecting Chicago’s South and West sides.