

42-R-20

A RESOLUTION

**TERMINATING THE LIMITS ON THIRD-PARTY FOOD DELIVERY
SERVICE FEES ON JUNE 8, 2020**

WHEREAS, the City of Evanston, Cook County, Illinois (“City”), is a home rule unit of government and, pursuant to the provisions of Section 6(a) of Article VII of the Illinois Constitution, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, on March 13, 2020, the President of the United States declared a national emergency concerning the Novel Coronavirus Disease (“COVID-19”) outbreak; and

WHEREAS, on March 9, 2020, the Governor of Illinois issued a disaster proclamation for the State of Illinois concerning the COVID-19 outbreak; and

WHEREAS, on March 15, 2020, the Mayor declared a state of emergency due to the COVID-19 outbreak pursuant to Section 9-9-3 of the City Code; and

WHEREAS, the Evanston City Council has extended the state of emergency due to the persistence of the COVID-19 outbreak; and

WHEREAS, in March and April 2020, the Governor of Illinois issued Executive Orders mandating individuals living in Illinois shelter at home and requiring all non-essential business activities and operations to cease; and

WHEREAS, in order to reduce the spread of the COVID-19 virus and protect public health, the shelter-at-home orders prohibit restaurants in the City from offering dine-in services, limiting restaurants to delivery, drive-through, and take-out options only; and

WHEREAS, many consumers use third-party applications and websites to place orders with restaurants for delivery and takeout, and these third-party platforms charge restaurant fees; service agreements between some restaurants and third-party platforms provide that the platform charges the restaurant 10% of the purchase price per order, while some agreements provide for higher per-order fees; and

WHEREAS, restaurants and especially small business restaurants, have limited bargaining power to negotiate lower fees with third-party platforms, given the high market saturation of third-party platforms, and the financial pressures small business restaurants are facing during the state of emergency; and

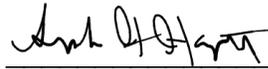
WHEREAS, the Evanston City Council capped the per-order fees of third-party food delivery platforms at 15% in order to accomplish the legitimate public purpose of easing the financial burden on struggling restaurants during this emergency while not unduly burdening third-party platforms, but did not provide a termination date for the 15% cap on per-order fees.

NOW BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS, THAT:

SECTION 1: The prohibition on third-party food delivery services charging a covered establishment a fee per online order for the use of its services that totals

more than 15% of the purchase price of such online order shall terminate on June 8, 2020.

SECTION 2: This Resolution 42-R-20 will be in full force and effect from and after the date of its passage and approval in the manner provided by law.



Stephen H. Hagerty, Mayor

Attest:

Approved as to form:

Eduardo Gomez

Eduardo Gomez, Deputy City Clerk



Kelley A. Gandurski, Corporation Counsel

Adopted: May 11, 2020