



## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

### Report to the Restore Illinois Collaborative Commission October 1, 2020

This report is submitted to the Restore Illinois Collaborative Commission (“RICC” or “Commission”) in response to ILCS 20 605/605-1045, requiring the Department of Commerce and Economic Opportunity (DCEO) to submit a report not less than every 30 days, beginning July 1, regarding the status of current and proposed economic revitalization efforts in response to the COVID-19 crisis. This report will be updated monthly through the end of calendar year 2020.

The report to the Commission provides a brief summary of the Restore Illinois plan and metrics and a summary of ongoing recovery efforts, including:

- Support to impacted businesses through grants, loans, and other forms of relief.
- Support to residents through job training and other services for low-income residents, such as LIHEAP and basic needs assistance.
- Targeted support in communities most impacted by this crisis through grants, technical assistance, and outreach.

Three state agencies recently appeared before the Commission to provide updates and respond to questions: the Illinois Department of Employment Security (IDES) on September 15, DCEO on September 21, and the Illinois Department of Public Health (IDPH) on September 29. In addition, DCEO submitted responses to questions posed by members of the Commission on September 8. The full responses, presented in a Q&A format, are attached to this report as Appendix 1. DCEO followed up by submitting additional information regarding Business Interruption Grants, Rebuild Distressed Communities, Local CURE, Small Business Development Centers, and the Downstate Business Stabilization Program. This presentation is attached as Appendix 2. DCEO’s staff will continue to meet with the Commission as needed and provide any information requested.

### **Restore Illinois**

Central to Governor Pritzker’s strategy for containing the spread of COVID-19 while encouraging a safe economic recovery is the Restore Illinois plan, as updated by [Actions to Combat a Resurgence of COVID-19](#). Restore Illinois relies on core health metrics (COVID test positivity rates, hospital admissions, ICU and other hospital capacity indicators) to identify measures that business owners and residents can take to help reduce the spread of the coronavirus.

Core health metrics likewise drive mitigation measures that can be adopted at the regional level to respond to local outbreaks of COVID-19. The resurgence prevention plan outlines available general and industry-specific mitigation measures that can be acted upon to prevent a renewed spread of COVID-19. To provide for a more

granular approach, mitigation will be applied on a regional basis based on the 11 Emergency Medical Services regions. These strategies reflect a tailored and surgical alternative to reverting to restrictions from an earlier Restore Illinois Phase as originally envisioned.

The following metrics are used to determine when the spread of the virus in a region requires additional mitigation measures:

- Sustained increase in 7-day rolling average (7 out of 10 days) in the positivity rate and one of the following:
  - o Sustained 7-day increase in hospital admissions for a COVID-19 like illness
  - o Reduction in hospital capacity threatening surge capabilities (ICU capacity or medical/surgical beds under 20%)
- OR three consecutive days averaging greater than or equal to 8% positivity rate

On September 18, the Illinois Department of Public Health (IDPH) provided updated information indicating 24 counties in Illinois were at a warning level for COVID-19. A county enters a warning level when two or more risk indicators that measure the amount of COVID-19 experience an increase. Although the reasons for counties reaching a warning level varies, some of the common drivers for outbreaks include university and college parties as well as college sports teams, large gatherings and events, bars and clubs, weddings and funerals, long-term care facilities, correctional centers, manufacturing plants, schools, and cases among the community at large. General transmission of the virus in the community is also increasing in some areas. These metrics are intended to be used for local level awareness to help local leaders, businesses, local health departments, and the public make informed decisions about personal and family gatherings, as well as what activities they choose to do.

Enhanced mitigations currently apply to Region 4 (Metro East) and, beginning October 3, Region 1 (Northwestern Illinois). Previous mitigations in Region 7 (Will/Kankakee Counties) have been lifted thanks to the steps taken by businesses and residents to implement mitigation measures and reduce positivity rates.

Complete information regarding specific mitigations applicable by region can be found at:

<https://dceocovid19resources.com/restore-illinois>. IDPH will track the positivity rates in affected regions over a 14-day monitoring period to determine if mitigations can be relaxed, if additional mitigations are required, or if current mitigations should remain in place. If the positivity rate averages less than or equal to 6.5 percent for three days, the region will return to Phase 4 mitigations under the Restore Illinois Plan. If the positivity rate averages between 6.5 percent and 8.0 percent, IDPH will continue to monitor the region to determine if additional mitigations are needed. If the positivity rate averages greater than or equal to 8.0 percent after 14 days, more stringent mitigations will be applied to further reduce spread of the virus.

## **State of Illinois Support for Businesses, Communities and Families**

Information below provides an update for program initiatives since the previous Restore Illinois Collaborative Report was delivered to the Commission on September 1, 2020.

### **Resources for Businesses**

Given the significant challenges businesses face in the current climate, the State has established various business assistance programs aimed to help small businesses with the most urgent needs. These programs are designed to ensure assistance is accessible by all Illinois communities.

#### **Business Interruption Grant (BIG) Program -- DCEO**

- Budgeted amount: \$540 million funded by the CARES Act.

- BIG provides relief for costs incurred to qualifying businesses due to COVID-related business interruption.
- Half of the funding is allocated to assist childcare providers across the state with reopening in the wake of the COVID-19 pandemic through the Child Care Restoration Grant program, which is being administered by the Illinois Network of Child Care Resource and Referral Agencies (INCCRRA).
- At least 30% of all funds across the program are dedicated to Disproportionately Impacted Areas (DIAs), or low-income areas that have had high rates of COVID-19 cases. 176 zip codes across the state have been identified as DIAs with the majority being outside Chicago. A list of eligible zip codes can be found at this link: [https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/BIGDIAZipCodeList\\_062520.pdf](https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/BIGDIAZipCodeList_062520.pdf). A map of DIAs is provided at the bottom of this web page: <https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/C19DisadvantagedBusGrants.aspx>.
- Results of First Wave of BIG Grants: On August 12, the Governor and DCEO announced the first round of BIG awards through which the State has awarded grants to businesses suffering losses due to the economic downturn caused by the pandemic. The highlights of this wave:
  - \$48.6 million in grants to 2,800 small businesses located in 400 individual cities across 81 counties. See this link for a list of first round grantees: [https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/BIG-Round1Awardees\\_09.17.20.pdf](https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/BIG-Round1Awardees_09.17.20.pdf)
  - \$11.9 million has gone to businesses in downstate communities
  - More than half of the grant awards and total funding have gone to businesses in DIAs.
- On September 15, Governor Pritzker announced that the second round of BIG grants will include \$220 million for small businesses suffering revenue losses. Applications opened on September 17 ([See link for application information here](#)) and will be reviewed on a rolling basis. DCEO expects to begin making awards for this round during the first half of October, and all funding is expected to be awarded by the end of the year.
- Funding for the second round will be prioritized as follows<sup>1</sup>:
  - Heavily Impacted Industries and Priority Businesses: \$60 million has been set aside for Heavily Impacted Industries such as movie theatres, performing arts venues, concert venues, indoor recreation, amusement parks, and event spaces located at banquet halls and hotels. In addition, applications from priority businesses, such as those directly affected by regional mitigations implemented by the state or local governments, independently owned retail, and tourism- and hospitality-related industries, will be prioritized for remaining funds.
  - Agriculture: \$5 million will be provided to farming operations experiencing livestock production disruptions. Online applications for these funds will be available at the Illinois Department of Agriculture website starting October 1, 2020.
  - Grants and Loan Forgiveness for Illinois Small Business Emergency Loan recipients: As authorized by the General Assembly, DCEO will offer \$20 million in to convert loans made by Illinois Small Business Emergency Loan program into grants and offer grants to businesses that have remained on the wait list for the program.
- On September 21, Governor Pritzker and the Illinois Department of Human Services (IDHS) announced that more than \$156 million in BIG funding has been provided to 4,686 child care providers across Illinois facing challenges as a result of the ongoing COVID-19 pandemic. This first round of funding helped child care centers and homes in 95 counties across the state. Forty-seven percent of the grant funds were awarded to childcare programs located in areas that have been disproportionately impacted by COVID-19. The list of child care providers that were awarded the grant can be found at

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<sup>1</sup> Of the awards noted below, DCEO will ensure that \$70 million is set aside for DIAs and \$100 million will be awarded in Downstate Communities.

[https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/CCRG\\_Round%201%20Grantees%20for%20DCEO%20Website\\_09222020.pdf](https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/CCRG_Round%201%20Grantees%20for%20DCEO%20Website_09222020.pdf)

- The remaining \$114 million in grants for child care providers will be issued in the coming months. Illinois child care providers who have already received support do not need to reapply as long as they have provided required reports. Applications will be open to other child care providers that did not apply for the first round from October 1 to October 15 at <https://www.ilgateways.com/financial-opportunities/restoration-grants>

#### **Rebuild Distressed Communities – DCEO**

- Rebuild Distressed Communities is a \$25 million economic recovery program using funds from the Rebuild Illinois capital plan to strengthen Illinois commercial corridors that sustained property damage as a result of civil unrest during protest and demonstrations on or after May 25th, 2020.
- The program will prioritize small businesses, underinsured or uninsured businesses, businesses that have a high community impact, and businesses in communities that have experienced historic disinvestment. It also includes provisions to prioritize partnerships with BEP-certified contractors to do the repair work.
- To coordinate reimbursement and capital repairs, the State of Illinois has selected two community development organizations – the Local Initiative Support Corporation (LISC) and the Chicago Neighborhood Initiative (CNI). LISC and CNI were selected via a competitive process and will conduct outreach, coordinate local qualified vendors to perform repairs, and provide funds to cover the cost of repairs and new building improvements for businesses in eligible communities across the state. Additionally, LISC will host the application for the grants on its website.
- DCEO expects to open applications near the beginning of October and to begin making awards by early to mid-November.

#### **Downstate Small Business Stabilization Program – DCEO**

- \$20 million program using federal Community Development Block Grant funds for small businesses in suburban and rural counties across Illinois, providing grants of up to \$25,000 to small businesses in communities served by DCEO's Office of Community Development. See the complete list of grantees here: <https://www2.illinois.gov/dceo/CommunityServices/CommunityInfrastructure/Documents/DSBS%20Cumulative%20Funded-09.11.2020.pdf>.
- These grants will offer businesses of up to 50 employees the opportunity to partner with their local governments to obtain grants of up to \$25,000 in working capital.
- Approximately \$5.3 million has been awarded to date. DCEO will continue to make awards on a rolling basis as applications are evaluated and agreements are finalized.

#### **Advantage Illinois Loan Payment Relief – DCEO**

- Advantage Illinois (AI) is DCEO's loan participation program for small businesses<sup>2</sup>. It partners with local banks to provide a low-interest option for small businesses looking to expand operations.
- Since March, AI has made 11 new loans worth a total of \$4.3 million. Eight of the 11 qualify as Fund for the Advancement of Minority Enterprises (FAME) loans, which can provide additional support for woman-, disabled-, veteran-, and minority-owned businesses.
- DCEO is encouraging and automatically approving adjustments to the terms of existing Advantage Illinois and FAME loans. These adjustments could include either 3 months of no payments or 6 months of

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<sup>2</sup> Advantage Illinois was launched in 2010 using federal Small Business Credit Initiative (SBCI) funding. It has since been converted to a state-run program using "recycled" funds – essentially repayments from participating businesses.

interest-only payments. As of late September, 19 companies have received approximately \$467,000 in relief.

- Program participants interested in exploring relief options can contact their lender or reach out to DCEO at [CEO.Advantagellinois@Illinois.gov](mailto:CEO.Advantagellinois@Illinois.gov).

## Support for Residents and Families

The following programs were established to provide financial relief in the form of grants, emergency services, regulatory protection, and more to households and families facing hardships during this crisis

### Help Illinois Families - Emergency Support for Households (Low Income Home Energy Assistance Block Grant and Community Services Block Grant) -- DCEO

- Help Illinois Families is a \$275 million program supported with both federal and state matching funds -- including \$90 million from the CARES Act -- that bolsters efforts to provide food, rent, utilities, temporary shelter, medicine and other essential household services to lower income families impacted by the COVID-19 crisis.
- \$250 million has either been obligated to local Community Action Agency partners delivering services or is awaiting final approvals to be obligated. DCEO expects to receive remaining funds from the federal government over the next couple of months.
- Eligibility for the Low Income Home Energy Assistance Program (LIHEAP) in fiscal year 2021 has been expanded from 150% to 200% of the Federal Poverty Level. Applicants will be served on a first-come, first-served basis until funding is exhausted.
- LIHEAP provides assistance to lower income households to receive assistance with home energy services, including heating and cooling.
- The Community Services Block Grant (CSBG) program supports projects that lessen poverty in communities; address the needs of low-income individuals including the homeless, migrants and the elderly; and provides services and activities addressing employment, education, housing, nutrition, emergency services and health.
- DCEO has launched a new remote application process that will provide applicants the option to begin the intake process online or over the phone with the assistance of a live agent. The State's new website and call center is accessible for all residents – with assistance provided in English and Spanish, and other languages assisted through translation.
- Beginning with the June 15 launch of the Help Illinois Families initiative through September 28, DCEO has received 64,750 requests for assistance through the on-line pre-application form. Most-requested forms of assistance include help with utility bills (40,886 requests), housing costs (32,221), food costs (17,429), and water/sewer bill (15,747).
- During the current program year beginning in July, DCEO has received 67,734 LIHEAP applications and approximately \$41 million in benefits have been paid or are in process.
- Residents can obtain more information and begin their application at this link: <https://www2.illinois.gov/dceo/CommunityServices/HomeWeatherization/CommunityActionAgencies/Pages/helpIllinoisFamilies.aspx>

### Rental and Mortgage Assistance -- IHDA

- Governor Pritzker has extended the moratorium on evictions through October 17 to protect renters unable to pay due to the economic distress created by COVID crisis. This also minimizes the spread of the virus by not forcing residents to move to new housing or shelters.
- The **Emergency Rental Assistance (ERA)** program will use CARES Act funding to provide eligible renters impacted by COVID-19 with \$5,000 for back rent and prepay through 2020, or until funds are exhausted.
  - To be eligible, an applicant must have had an unpaid rent balance that began on or after March 1, 2020 due to loss of income related to COVID-19 pandemic and have household income at or below 80% of the area median income. The application period has closed.
  - For those who applied for Emergency Rental Assistance, application status notifications began September 10th and will continue through October 31st, when full disbursement of funds is expected. IHDA expects to ultimately fund about 40% of all rental applications received.
- The **Emergency Mortgage Assistance (EMA)** program will use CARES Act funding to provide homeowners impacted by COVID-19 up to \$15,000 to reinstate their mortgage and prepay through 2020 or until funds are exhausted.
  - To be eligible, an applicant must have had a past due balance or a forbearance balance that began sometime on or after March 1, 2020 due to loss of income related to COVID-19 pandemic and have household income at or below 120% of area median income. The application period has closed.
  - For those who applied for Emergency Mortgage Assistance, application status notifications are expected to be completed by October. IHDA expects to ultimately fund about 50% of all mortgage applications received.
- Residents can find additional information regarding housing assistance [here](#).

## Job Training and Placement

The state offers a range of workforce training and assistance programs, which are being recalibrated to assist both employers and workers in the wake of the COVID-19 crisis.

### Get Hired Illinois – DCEO

- In May, the Governor announced the launch of Get Hired Illinois – a new portal designed to connect workers with available job and career training opportunities across the state of Illinois. Prospective employers and workers can access the portal at this link: <https://www2.illinois.gov/GetHired/Pages/default.aspx>
- More than 400 new employers have signed up for Get Hired since the website launched, adding 303 virtual job fairs and 15,254 job listings to the portal. In total, this portal provides Illinois job seekers access to nearly 60,000 jobs connected through the state's webpage.

### Coursera On-Line Workforce Training – DCEO

- The State of Illinois has partnered with Coursera, University of Illinois Urbana-Champaign, Northwestern University, and the University of Chicago to offer free online career training geared toward helping Illinoisans who have lost their jobs due to the COVID-19 pandemic.

- Free virtual training courses will provide training and credentialing that will help ready dislocated workers for jobs in Information Technology (IT) and other marketable fields. Illinois residents interested in pursuing this opportunity can find information and sign up at this link: <https://www.illinoisworknet.com/Training/Pages/Coursera.aspx>.
- On September 9<sup>th</sup>, Coursera announced that it will extend the deadline for Illinoisans to access free courses and credentialing programs from September 30 to October 31.
- TechReady Illinois is also included in the partnership with Illinois and Coursera offering a set of their courses through the Coursera Platform. The TechReady Illinois is an effort to help Illinois residents hurt by COVID-19 gain new digital skills at steeply discounted tuition rates.
- Since the beginning of June, 5,894 invitations were sent through Illinois workNet to individuals interested in taking courses on the Illinois IT Training on Coursera. Of these, 3,936 learners created an account and 3,039 enrolled in one or more courses.

### **Summer Youth Employment Program – IDHS**

- The Governor announced on July 16 that State has dedicated \$9.3 million to support the Summer Youth Employment Program (SYEP) to provide training and find work for young people aged 16-24 amidst the ongoing COVID-19 pandemic.
- The program funded 30 providers in 10 counties hardest hit by COVID-19 (Cook, Champaign, Lake, Macon, Madison, McLean, Peoria, St. Clair, Stephenson, and Winnebago).
- As of late September, 2,785 young adults in the above counties were provided opportunities to develop workplace skills and gain work experience while exploring potential career pathways.

### **Technical Assistance and Outreach**

Many of those that have been hardest hit by this crisis are also those that may have the most difficulty or least experience accessing government support.

### **Office of Minority Economic Empowerment – DCEO**

- OMEE promotes economic development opportunities for all minority communities across the state through targeted programs, resources, and advocacy.
- From March through late September 2020, OMEE had hosted 179 webinars and workshops with approximately 5,082 attendees on DCEO COVID-19 State and Federal programs, Restore Illinois guidelines, BIG technical assistance, business support, and other assistance as needed.

### **Rapid Response Services for Layoff Aversion and Job Training – DCEO**

- Rapid Response is a proactive, business-focused program to avert layoffs and plant closing through quick coordination of service and the provision of immediate aid to companies and their affected workers.
- When layoffs cannot be averted, laid off workers are connected to job training and placement services.
- Rapid Response teams have worked with 327 businesses since March to provide services to mitigate layoffs that affected approximately 59,600 workers<sup>3</sup>. \$3.5 million in layoff aversion funds have been awarded.

### **Regional Economic Development Outreach (Team RED) – DCEO**

- DCEO has conducted extensive outreach to a wide range of constituencies to ensure businesses are familiar with available programs and assistance. Through September 29, DCEO has conducted COVID-19

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<sup>3</sup> This reflects data corrected since the September RICC report was submitted.

related outreach for at least 9,580 small businesses, 630 local Chambers of Commerce and 806 economic development organizations.

- Team RED has also launched outreach to local units of government regarding CURE program assistance. This outreach includes emails to approximately 6,300 special taxing districts, 1,400 phone calls and webinars for a collective 2,500 attendees.



# APPENDIX 1

## RICC Questions 9.08.20

- 1.) In general, can DCEO be more transparent in their monthly reports? Across the board, can DCEO include how much of each fund, grant program, assistance, etc. has been paid out and how much is left to allocate?

Yes, DCEO will adjust future monthly reports to more clearly provide this sort of real-time information on its key emergency programs. Here is a current state summary of our programs:

**BIG:** In the first round of BIG, DCEO distributed \$49 million to 2,800 businesses spanning more than 400 communities.

The remaining awards will be provided through three different initiatives:

- the Main BIG Program for Small Businesses (\$196 million) – full breakdown in program overview
- the Loan Forgiveness and Phase Out of Illinois Small Business Emergency Loan (ISBEL) Program (\$20 million);
- and the Livestock Production Interruptions. (\$5 million).

**Downstate:** This program awards up to \$25,000 grants for working capital drawn from federal Community Development Block Grant (CDBG) funds and is available to communities that do not receive their own direct appropriation of CDBG funds from the U.S. Department of Housing and Urban Development. To date:

- Roughly \$5.3 million out of \$20 million has been awarded
- More than 250 small businesses in 78 different communities have received grants
- The third and latest release includes 98 new awards.

- 2.) Can DCEO release who has received the grants? If the names can't be released, can DCEO produce a report to show how many grants have been allocated by zip code?

DCEO currently releases grant awardee information. All grant awards are posted on DCEO's website and emailed to legislative offices.

- BIG: [https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/BIG-Round1Awardees\\_09.17.20.pdf](https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/BIG-Round1Awardees_09.17.20.pdf)
- Hospitality: <https://www2.illinois.gov/dceo/SmallBizAssistance/Documents/Hospitality%20Grant%20Awardees%20Full%20List.pdf#search=hospitality>
- Downstate: <https://www2.illinois.gov/dceo/CommunityServices/CommunityInfrastructure/Pages/DSBS-grant-awards.aspx>
- Fast Track: <https://www2.illinois.gov/dceo/CommunityServices/CommunityInfrastructure/Documents/Final%20Funded%20for%20website.pdf>

**3.) In future reports, can DCEO lay out where each of the funds originate (CARES, Federal Funds, Other State Funds, General Revenue Funds)? This will help lawmakers be able to decide on future assistance.**

DCEO will provide this information in future reports.

**4.) For funds or programs that the application date has passed, can a timeline be given on when the money is expected to be awarded?**

Yes, we will include this in future reports. Here is the current status for grant programs.

Rebuild Illinois Public Infrastructure Fast Track – This program was funded by re-appropriating \$25 million from the Rebuild Illinois Public Infrastructure program.

- Eligible applicants included any unit of government in Illinois (local governments, park districts, sanitary sewer districts, school districts, etc.)
- 253 applications were received in two weeks, requesting a total of more than \$477 million.
- Applications were reviewed according to the NOFO on a rolling, first-come, first-qualified basis, and allowing for geographic spread.
- 17 applications were selected, totaling \$24,753,402.65, announced August 19<sup>th</sup>.
- All awarded applicants have received their Notice of State Award Finalist (NOSAF) identifying outstanding grant conditions. Grants will be executed once the grant conditions are met.

Rebuild Illinois Public Infrastructure - \$25,246,597.35 remains available for this grant.

- Eligible applicants are counties, cities, villages, and townships.
- 361 applications were received by the deadline of June 30<sup>th</sup>, and requests total almost \$737 million.
- The NOFO specifies that each application must be scored and the highest scoring applications will be funded, with some flexibility for geographic diversity.
- Given the current workload and the number of applications received, we do not expect to have decisions until January. However, this will allow grantees to complete appropriate bids and other requirements prior to construction season.

Rebuild Illinois Shovel Ready Sites - \$13 million allocated for substantial improvements to an underused site in order to make it 'shovel ready' for future development and investment.

- 62 applications have been received totaling over \$78 million. These applications will be reviewed on rolling, first-come, first-qualified basis, and allowing for geographic spread.
- One grant has been awarded for \$2 million to an urban agriculture project in Chicago.
- Remaining applications are being reviewed until funding is exhausted. Anticipate final grant awards in 30-45 days.

Rebuild Illinois Regional Economic Development - \$16.5 million to provide grants to strengthen local economies and encourage the development of industry clusters.

- 49 applications have been received totaling almost \$74 million in requests.
- Applications will be reviewed on a first-come, first qualified basis, until all funds are exhausted. Anticipate final grant awards near the end of the year.

#### BIG Round 2

- Applications opened on Thursday, September 17<sup>th</sup>.
- Applications will be reviewed on a rolling basis.
- DCEO anticipates that funds will start being awarded within several weeks.
- All BIG funds will be dispersed by calendar year's end.

#### **5.) For funds or programs that haven't started the application process, can a timeline be given on when applications will begin and when money is expected to be awarded?**

DCEO recently announced the Rebuild Distressed Communities program, a \$25 million effort to restore and improve communities that suffered property damage following recent civil unrest. Current status:

- Applications will be open at the end of September
- DCEO anticipates that funds will start being awarded within 30 to 45 days after the application is opened

#### **6.) Has DCEO imposed additional guidelines for CARES money than what is already in place at the federal level? If so, what are those guidelines?**

No. The CARES Act and subsequent Treasury guidance laid out potential uses for direct recipients of CARES Act funds. The General Assembly followed these guidelines in creating an array of programs to provide rental assistance, support local public health departments, provide economic support to businesses, and help local governments meet COVID-related costs.

Under this framework, DCEO was appropriated two distinct programs utilizing the statewide allocation from the Coronavirus Relief Fund (CRF): the \$636M Business Interruption Grant (BIG) program and the \$250M Local Coronavirus Urgent Remediation Emergency (or Local CURE) Support Program.

At present, CRF's nonexclusive uses are:

1. Medical expenses.
2. Public health expenses.
3. Payroll expenses for public safety, public health, etc.
4. Expenses of actions to facilitate compliance with COVID-19-related public health measures.
5. Expenses associated with the provision of economic support.
6. Any other COVID-19-related expenses reasonably necessary to the function of government.

Between the two programs DCEO has followed federal guidance precisely and has offered public assistance through all six nonexclusive uses but split between the two programs.

Through the Local CURE program, DCEO is offering \$250M to local governments (limited to those not located in counties which received a direct CRF allocation) to claim reimbursement for all expenditure groups above. The only limitation is that in order to receive reimbursement for category #5, local governments will need to complete a grant application and apply for the funding opportunity. DCEO will soon post a \$15M notice of funding for local governments to apply for #5. An additional \$15M will be added to those grants late in the year of funds are lapsed from other allocations of the program.

Illinois' approach is, if anything, more comprehensive and accessible than that of our peer states with a large number of municipalities. The \$636M BIG program was appropriated for the exclusive use of category #5 and amounts to the largest program of its kind in the country. Nationwide, states have adopted different approaches to establishing CRF programs. After an analysis of the CRF plans for all 49 states excluding Illinois, DCEO found the following:

- 14 states have established economic support programs at the state-wide level without any allowance for local governments to provide economic support.
- 11 states allow for economic support exclusively through local governments, with no statewide program.
- 16 states allow for a hybrid of statewide and local government economic support programs, with no state undertaking as broad or challenging a program to administer as IML proposes.

Illinois is offering a hybrid when it comes to economic support that reflects a balance between getting funds to businesses directly through the BIG program while supporting local governments that take the steps to set up their own grant programs for businesses. We struck this balance in recognition that Illinois has the most municipalities of any state in the country. Pennsylvania and North Carolina – who have the third- and fourth-most municipalities – are only offering reimbursement for local governments at the county level. Texas – which has the second-most – is not offering a state-level economic support program.

**7.) With the BIG program, how much money is left to allocate? What is the status for the allocation to child-care facilities?**

Due to the over-appropriation of funds, DCEO has budgeted \$540 million for BIG. Of that, \$154 million has been paid out to child care providers and \$49 million has been paid out to other small businesses.

Plans have been made for the remaining \$335 million funds as follows:

- \$116m more for child care providers through Child Care Restoration Grants.
- \$194m for small businesses in a range of industries, as described above.
- \$20m to convert Illinois Small Business Emergency Loan Program to grants.
- \$5m for livestock management facilities.

**8.) For the Downstate Small Business Stabilization Program, when does DCEO expect funds to be released?**

Funds for this program will be distributed on a rolling basis as quickly as we can move recipient local governments through the required GATA steps. Unlike the BIG program where we can provide federal CARES Act funds directly to businesses in one lump sum, the CDBG-funded downstate stabilization program must go to local governments and is subject to some additional GATA requirements. Local governments receiving awards must enter into signed grant agreements with DCEO, verify grant requirements, and work through the e-grants application and award process. These requirements include documentation of costs prior to distribution of funds, though DCEO is able to provide a 25% advance of grant funds. DCEO is also working on some additional program changes to expedite the awarding of funds going forward.

**9.) On the Fast Track Grants, why were they awarded to a limited amount of communities?**

DCEO had \$25 million available for the program and it received 253 applications requesting \$477 million. We have awarded 17 projects a total of \$24,753,402.65 covering all areas of the state.

**10.) Why did DCEO only award \$48.6 million in the first round of the BIG program?**

Awards were made to all who applied that were eligible and provided sufficient documentation to verify their eligibility and ensure compliance with federal and state requirements. To not unfairly penalize businesses that may have had minor errors in documentation, DCEO's grant administrators provided additional time for possibly-eligible applicants to correct documentation. Funds not spent in the first round have been reallocated to the second round of BIG. To ensure that all those funds are awarded, we are opening the program to a much wider range of businesses and have made improvements to the application, outreach, and technical assistance process to improve compliance.

**16.) In the apprenticeship training grants, is DCEO requiring these programs provide a stipend or some kind of paycheck during the training programs? How many, percentage wise, of these programs do not provide a paycheck during the duration of the training?**

Yes, these programs all provide a paycheck. DCEO's programs are required to be registered U.S. Department of Labor Apprenticeship Programs, and the payment of wages during the apprenticeship training period is a federal requirement.

**17.) For the apprentice training programs, is there a job placement or job search component of the program?**

Yes, another requirement of the U.S. Department of Labor is that job placement occur at the start of the apprenticeship. In nearly all cases, apprentices are retained by the employer. When apprentices are not retained, the partner agency helps with placement to another job.

**18.) Legislatively, we should consider whether raising the eligibility on the LIHEAP program from 150% to 200% of the federal poverty level was high enough given the impacts of the COVID pandemic.**

The Federal CARES Act increased eligibility for LIHEAP to 200% of eligibility and increased funding for the LIHEAP program. This year, DCEO will oversee \$256 million in LIHEAP funds, with \$80 million of this from matching state funds and the remainder from federal funds. The state lacks the authority to raise the eligibility threshold for the federal dollars and the CARES Act criteria will expire on September 30, 2022. However, the General Assembly does have the authority to revise criteria for the state portion of these funds.

Should the state act to raise eligibility thresholds for only the state portion of LIHEAP funds, having different levels for two different sources would likely create administrative challenges for our community action agency partners. More importantly, our expectation is that all of the state LIHEAP funds will be spent under the current eligibility guidelines, meaning any increase in that eligibility threshold would result in a program less targeted towards those most in need.

# Restore Illinois Collaborative Commission September 21, 2020





# Overview

- BIG
- Rebuild Distressed Communities
- Local CURE
- Small Business Development Centers
- Downstate Stabilization Program



# BIG Program

In the first round of BIG, DCEO distributed \$49 million to 2,800 businesses spanning more than 400 communities.

To date, DHS has distributed \$154 million in Child Care Restoration Grants to more than 4,600 licensed providers.

Plans have been made for the remaining \$335 million funds as follows:

- \$116m more for child care providers through Child Care Restoration Grants.
- \$194m for small businesses in a range of industries.
- \$20m to convert Illinois Small Business Emergency Loan Program to grants.
- \$5m for livestock management facilities.

# BIG Program

- Applications for Round 2 of BIG opened on September 17<sup>th</sup> and will be received on a rolling basis.
- Eligible businesses include for-profit and nonprofit entities with under \$20 million in annual revenue that experienced losses due to COVID-19.
  - Over half of the remaining funds will be prioritized for businesses in downstate counties (all counties except for Cook, Lake, Will, Kane, and DuPage)
  - \$70 million will go to businesses located in DIAs
  - \$60 million will be set aside for businesses in a set of Acutely Distressed Industries
- DCEO will be hosting a number of technical assistance webinars that will be posted on our website



# Local CURE Update

250 million in CARES Act funding for local units of government outside of direct entitlement counties.

- \$200 million for County and Municipal Governments
- \$15 million for County and Municipality Run Economic Support Programs
- \$12.5 million for Local Health Departments
- \$17.5 million for All Other Units of Local Government (“Allotment C”)

DCEO has received 329 of 1,310 returned certifications from County and Municipal Governments.

- Funds approved or paid - \$1,353,242 (29 local governments)
- Funds drafted or being reviewed - \$7,913,881 (130 local governments)

DCEO awarded \$3,565,537 to 111 other units of local government in the first round for Allotment C


- DCEO is accepting applications on a rolling basis for the second round of Allotment C and has received applications for 22 units of local governments requesting \$3,138,872.





# Rebuild Distressed Communities


Rebuild Distressed Communities is a \$25 million economic recovery program to support economically distressed Illinois businesses and communities that have sustained property damage due to civil unrest on or after May 25th, 2020.

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- The program will reimburse the cost of repairs for structural damages, including repairs to storefronts and entrances, improving electrical systems, and restoring exterior work.
  - Priority will go to small businesses, underinsured or uninsured businesses, businesses that have a high community impact – such as grocery stores – and businesses in communities that have experienced historic disinvestment.
  - DCEO will be providing technical assistance webinars for potential applicants
  - The application will be open at the end of September



# Resources for Business Owners

**Illinois Small Business Development Centers** are located throughout the state and provide information, confidential business guidance, training and other resources to start-up and existing small businesses.

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- 42 community-based locations around the state
  - These state-funded community centers help connect small businesses with information and assistance in applying for state and federal emergency relief programs, including over \$300 million in small business assistance programs launched by DCEO since March.

Businesses can contact the **First Stop Business Information Center** for questions on reopening guidelines, mitigations, and grant programs.

- Toll free helpline 800.252.2923 or email us at [ceo.firststop@illinois.gov](mailto:ceo.firststop@illinois.gov)

# Downstate Small Business Stabilization Program

DSBS awards up to \$25,000 grants for working capital drawn from federal Community Development Block Grant (CDBG) funds and is available to communities that do not receive their own direct appropriation of CDBG funds from the U.S. Department of Housing and Urban Development. To date:

- Roughly \$5.3 million out of \$20 million has been awarded.
- More than 250 small businesses in 78 different communities have received grants.
- The third and latest release includes 98 new awards.



# Thank You!

For additional information or follow-up questions contact:

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**Illinois**  
**Department of Commerce**  
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JB Pritzker, Governor