



## Illinois Department of Commerce & Economic Opportunity

JB Pritzker, Governor

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### **PRITZKER ADMINISTRATION OPENS APPLICATIONS FOR \$85 MILLION IN NEW GRANTS TO HELP BUSINESSES AND COMMUNITIES RECOVER**

*New equity-driven programs through DCEO to provide a boost for communities and businesses hit hardest during COVID-19 crisis*

CHICAGO – Governor JB Pritzker and the Illinois Department of Commerce and Economic Opportunity (DCEO) today released applications for the latest in a series of grant programs designed to offset the economic impact of COVID-19 for businesses and communities across Illinois. The new Business Interruption Grant (BIG) and the Rebuild Distressed Communities grants total \$85 million and will provide relief for thousands of businesses affected by the ongoing pandemic.

Applications for BIG grants and the Rebuild Distressed Communities NOFO are due on July 7<sup>th</sup>. For more information on eligibility and how to apply, visit [DCEO's website](#).

“This virus has had devastating effects on the health and livelihoods of our residents, and we must take aggressive action to help our families and communities recover,” **said Governor Pritzker**. “As our small businesses reopen their doors, these grant programs will provide critical support to allow them to safely expand their operations. We can not recover without our small businesses leading the way, particularly in communities that have been disproportionately impacted by this virus, and this administration is committed to using all resources at our disposal to help them thrive.”

These programs administered by DCEO are part of over \$900 million in new programs recently announced by Governor Pritzker, with a focus on restoring communities hit hardest by the pandemic. Both programs offer priority for small businesses whose operations were heavily restricted or completely shut down during the pandemic, for those located in disproportionately impacted areas (DIAs), as well as those in communities damaged by recent civil unrest. DIAs are low-income areas that have experienced high rates of COVID-19 cases.

“Small businesses are the backbone of our Illinois economy, which is why the Pritzker administration has continuously taken action to grant critical relief programs the duration of this unprecedented crisis,” **said Acting Director of DCEO, Michael Negron**. “With many businesses all across our state experiencing hardship from COVID-19, DCEO has worked to marshal funding in a way that reaches across all of our diverse community areas, and that assists those who need it the most. With the new BIG program, the state will ensure those businesses most greatly affected are not left behind as we move forward to a safe, phased reopening of our state and economy.”

## **Business Interruption Grants Program (BIG)**

The first round of the new business interruption grants program, known as "BIG," will make \$60 million available for 3,500 businesses that experienced losses or business interruption because they closed or severely restricted their operations as a result of COVID-19. Businesses eligible for BIG include restaurants and bars; barbershops and salons; health and fitness centers; as well as businesses located in DIAs which have had reports of recent property damage due to civil unrest.

Businesses prioritized for this first wave of funding must have experienced extreme hardship, demonstrated by losses in excess of the grant amount since March, caused by following the public health guidance to limit their operations. Businesses must also have been in operation for at least three months prior to March 2020.

Grants will be made available for small businesses in amounts ranging between \$10,000-\$20,000, depending on business type and other eligibility criteria. A full list of criteria as well as the application can be found on DCEO's website. Businesses and community partners can assess their eligibility and gather any documents needed to complete the application before it opens for submission on Friday, June 26<sup>th</sup> at 9:00am. All applications must be submitted by Tuesday, July 7<sup>th</sup> at 5:00pm.

BIG grants give businesses access to funds that will help accelerate reopening or expanding capacity, including assisting with purchase of technology, PPE or other equipment necessary to comply with new public health guidelines related to COVID-19. Funds may be used to help businesses cover the costs payroll, rent, utilities and other working capital during the time businesses have experienced interruptions due to COVID.

All grant categories feature dedicated set asides for businesses located in DIAs, based on a statutory mandate to release a minimum of 30 percent of BIG funds to DIAs throughout Illinois. Disproportionately impacted areas are low-income zip codes that have had a significant number of cases of COVID 19 among residents. For more information on determining eligibility or to see if your business is located in a DIA, visit [DCEO's website](#).

"These dollars are much needed resources that will be infused back into black communities that have been hit the hardest by COVID19 and communities that were hit by looting," **said State Representative Jehan Gordon-Booth**. "These resources are critical to the revitalization and rebuilding necessary for our new normal. The Governor's leadership in providing an equity lens in how these dollars are distributed is a hard pivot from the old ways of doing business and I am here for it."

"With small businesses suffering because of the global health pandemic and recent looting from civil unrest in our country, it is critical that we step up and play a role in saving these mom and pop shops," **said State Representative Chris Welch**. "The Business Interruption Grants and Distressed Capital Program will play a critical role in helping minority owned businesses survive in this climate."

"Working together, Governor Pritzker and the General Assembly made Business Interruption Grants a priority in this year's state budget," **said State Senator Andy Manar**. "Making sure small business owners in all parts of Illinois have access to much needed financial assistance is imperative as we continue to fight the ongoing impact of COVID-19. Small businesses are the backbone of our economy and we should do everything we can to support them."

"To truly set the state on a path toward recovery, we have to extend the aid needed to help our small businesses survive these unprecedented times," **said State Senator Elgie R. Sims Jr.** "Budget negotiations

were more difficult this year. I am pleased that we are providing desperately needed relief to many of the businesses who have been hardest hit, including those who can't reopen until Phase 4 or 5."

"The Governor has shown tremendous leadership throughout this pandemic by not only designing a broad range of programs that support those hit hardest, but by also going a step further to reach those in disproportionately impacted areas like our community," **said State Representative Lisa Hernandez.** "While small and minority-owned businesses already face longer odds for success, these programs will help them gain the footing they need to pull through this crisis."

"This is a critical time for minority communities that have felt the brunt of the COVID-19 crisis, both economically and through disproportionate health resources," **said Senate Majority Leader Kimberly Lightford.** "That's why we made sure to intentionally drive dollars to the Black and Latino communities that have been hit hardest. We want to see our minority businesses survive and thrive beyond this crisis, and I'm proud to work with Governor Pritzker to ensure funds are being spent where they are needed most."

To ensure first round funds are disbursed quickly and carefully, DCEO will involve community-based financial institutions with experience administering grant programs throughout the state, especially in the communities designated as disproportionately impacted areas. Similar to other COVID-19 emergency assistance programs, these CDFIs will review applications and administer funds, with funds targeted for release beginning in mid-July. Eligible businesses will be selected via a lottery process.

"Illinois small business owners are tough, but they need extra help to continue fighting through this pandemic," **said Brad McConnell, CEO of Accion Serving Illinois & Indiana.** "Accion is thankful we are able to partner with the Governor to support the businesses that have been hit the hardest."

This \$60 million funding round represents the first wave of the BIG program, which in total will amount to at least \$540 million in grants for small businesses, \$270 million of which has been set aside for childcare providers. The Department will issue a NOFO at a later date to seek qualified partner(s) in assisting with administering future phases of the BIG program to small businesses. DCEO's grants will complement ongoing efforts by DHS to administer BIG grants earmarked specifically for childcare centers.

"Governor Pritzker's BIG program aims to mitigate the disproportionate impact of COVID-19 on Black and Brown communities, and combat the baked-in inequities of relief programs that have shut out over 80% of minority owned businesses and independent contractors," **said Rebecca Shi, Executive Director, Illinois Business Immigration Coalition.** "IBIC and our 147 members commend the Governor and are ready to roll up our sleeves to assist our entrepreneur of color to not only survive but thrive through this pandemic."

To ensure that businesses are prepared to take advantage of these resources, DCEO will leverage its statewide network of Small Business Development Centers (SBDCs) as well as other community partners to conduct outreach to business owners eligible for BIG assistance. This outreach to small businesses and communities will prioritize ensuring diversity and inclusion of minority owned businesses in this first round of funds, as well as future rounds of funding.

### **Distressed Capital Program**

The second program, Rebuild Distressed Communities, is a \$25 million economic recovery program to support Illinois businesses that have sustained property damage as a result of civil unrest during protest and demonstrations on or after May 25th, 2020. The Distressed Capital Program will reimburse the costs to repair structural damages, including repairs to storefronts and entrances, improving electrical systems, and restoring exterior work.

The Distressed Capital Program will specifically help businesses located in DIAs and will prioritize small businesses, women and minority-owned 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. The Distressed Capital Program also includes provisions to encourage BEP contractors, including minority- and women-owned businesses, are the first in line to do the repair work.

DCEO is issuing a NOFO to identify an administrator or administrators to oversee the provision of funding to reimburse the costs of repairs already undertaken and cover future repairs for eligible businesses damaged as a result of civil unrest. More information about eligibility and documentation required to apply can be found in the NOFO posted on [DCEO's website](#).

BIG and Rebuild Distressed Communities programs build on steady action taken by Governor Pritzker throughout the COVID-19 crisis to support small businesses. With the addition of this first round of BIG and Rebuild Distressed Communities, more than \$150 million in business assistance programs have been announced since March – including the downstate small business stabilization fund, the hospitality grants program, and the Fast Track Public Infrastructure Program. Collectively, these programs have helped provide vital assistance for thousands of unique businesses located in every corner across the state.

DCEO will conduct a series of webinars and outreach to businesses in the coming weeks. For a list of upcoming webinars and to receive regular updates on grants and business assistance programs, please visit [DCEO's website](#) or follow us on social at @IllinoisDCEO.

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