



# More Than \$90 Million in Emergency Assistance Available Statewide for Small Business

March 25 2020 4:36 PM



CHICAGO - In addition, Gov. Pritzker announced a new package of emergency assistance programs for small businesses in need of additional capital, totaling more than \$90 million. Illinois businesses will be able to apply to these programs on the Department of Commerce and Economic Opportunity (DCEO) [website](#).

“Our department is leveraging every resource we have available to support small businesses in these challenging times,” said **Erin Guthrie, Director of the Department of Commerce and Economic Opportunity**. “These funds will provide

small businesses on the brink with much needed working capital to continue making payroll and paying other bills while our administration continues to advocate for additional resources from the federal government.”

## **Illinois Small Business Emergency Loan Fund**

This \$60 million fund will support low-interest loans of up to \$50,000 for small businesses in every industry outside of Chicago.

DCEO and the Illinois Department of Financial and Professional Regulation (IDFPR) are partnering with Accion, the Illinois Bankers Association and the Community Bankers Alliance of Illinois to create this fund. Loans will be supported by a \$30 million loan loss reserve, consisting of \$20 million of DCEO funds and \$10 million in funds secured with the partnership with the Illinois banking community.

Businesses with fewer than 50 employees and less than \$3 million in revenue in 2019 will be eligible to apply. Successful applicants will owe nothing for six months and will then begin making fixed payments at 3% interest for the remainder of a five-year loan term.

Applications will be available on DCEO’s website by Friday, March 27.

DCEO and IDFPR continue to work with other lenders throughout the state to make loans under similar competitive terms available to Illinois residents and welcome other partners to grow the fund.

“Throughout the current crisis, the Illinois Bankers Association has worked closely with our elected officials and agencies to bolster resources for our state’s small businesses,” **said Linda Koch, President and CEO of the Illinois Bankers Association.** “We are excited to work with DCEO to support new capital access options, along with finding new lending partners, to keep Illinois businesses afloat during this unprecedented time.”

“The Community Bankers Association appreciates Governor Pritzker’s efforts to help Illinois small business during this critical time,” **said Kraig Lounsberry, President of the Community Bankers Association of Illinois.** “Illinois community banks should consider this program as another important tool to assist their many small business customers.”

## **Downstate Small Business Stabilization Program**

This new \$20 million program supports 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.

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. The program redeploys Community Development Block Grant funds to support local small businesses.

Applications will be available on DCEO's website by Friday, March 27. The grants will be offered on a rolling basis.

### **Hospitality Emergency Grant Program**

This new \$14 million grant program aims to help small hospitality businesses make ends meet, providing up to \$25,000 to eligible bars and restaurants and up to \$50,000 for eligible hotels.

These grants are available to support working capital – like payroll and rent – job training and technology to support shifts in operations, like increased pick-up and delivery.

Bars and restaurants that generated between \$500,000 and \$1 million in revenue in 2019 are eligible for up to \$25,000, and bars and restaurants that generated less than \$500,000 in revenue in 2019 are eligible for up to \$10,000. Hotels that generated less than \$8 million in revenue in 2019 are eligible for up to \$50,000. The program repurposes job training and tourism promotion funds to provide this emergency grant assistance.

DCEO has partnered with Accion Serving Illinois and Indiana to administer the grant program and distribute grant awards on behalf of DCEO.

Applications are available today on DCEO's website and are due by April 1 at 5 p.m. All valid, eligible applications received within the five-day window will be entered into a lottery, and grant winners will be notified on April 4.

“The Illinois Restaurant Association appreciates DCEO's program to provide immediate relief for the smallest independent restaurants and bars,” **said Sam Toia, President and CEO of the Illinois Restaurant Association.** “These grants will provide aid to the smallest operations in the hospitality segment, and every dollar helps during this time of

crisis. We applaud this effort and will continue to advocate at the federal level for broad-based economic relief for the state's 25,000+ eating and drinking establishments and their employees."

"The tourism and hospitality industry are a significant economic engine, employer, and taxpayer for Illinois," **said Michael Jacobson, President and CEO of the Illinois Hotel & Lodging Association.** "As we go, so goes the state. However, our industry is experiencing an unprecedented economic impact that has sent a ripple effect throughout the economy in recent weeks as a result of COVID-19. On behalf of our hotels and our employees, we appreciate the steps the Governor and DCEO have taken, including those today, to provide immediate relief to hoteliers, more than half of which are small business owners."

"Hospitality businesses throughout Illinois need help, and they need it urgently. We're very thankful that Governor Pritzker has quickly created a grant program to provide cash to business owners trying to survive," **said Brad McConnell, CEO of Accion Serving Illinois and Indiana.** "Accion will distribute these grants quickly and equitably, and will continue to provide our capital and coaching to businesses across many industries throughout the state."

Today's announcement builds on earlier measures to help Illinoisan businesses during these challenging times, including deferring sales tax payments for more than 24,000 small- and medium-sized bars and restaurants and ensuring small businesses from every county are eligible to apply for low-interest coronavirus disaster assistance loans of up to \$2 million from the U.S. Small Business Administration.