

Gov. Pritzker Announces \$111 Million In Back To Business Grants Distributed To Support Small Businesses

January 21 2022 9:36 AM



CHICAGO – Governor JB Pritzker and the Illinois Department of Commerce and Economic Opportunity (DCEO) today announced that more than \$111 million in relief funds have been distributed to businesses – a key milestone to accelerate small business recovery through the <u>Back to Business (B2B) program</u>. Since the program's first round of grantees last September, 2,913 grants totaling more than \$111 million have been provided to small businesses in over 300 cities across the state, with almost eighty

percent of awards delivered to businesses in disproportionately impacted communities and hard-hit industries.

Businesses will continue to be notified of their application status throughout the next few weeks until all the funds are exhausted. A list of grantees can be found <u>here</u>.

"The men and women of the General Assembly worked with me to craft the Back to Business program. It's \$250 million in grants to help small businesses rehire staff, cover operating costs, and afford additional customer safety precautions. These are not loans, so businesses getting help won't owe a cent back to the state," said Governor JB Pritzker. "I'm proud to announce that as of today, \$111 million of those grants are already out the door, reaching nearly 3,000 businesses in over 300 cities, towns, and communities across Illinois."

"These grants are successfully helping the small businesses that are cornerstones in our communities sustain and grow," said Lt. Governor Juliana Stratton. "Our administration is fully committed to stepping up for small businesses, providing them the resources needed to continue being a pathway of opportunity for entrepreneurs and jobs throughout Illinois."

In total, the B2B grant program will award \$250 million in American Rescue Plan Act (ARPA) dollars to help small businesses rehire staff, cover operating costs, and afford additional customer safety precautions. Grants will continue to be awarded to applicants on a rolling basis until the full \$250 million is allocated. The awarded dollars will range in size from \$5,000 to \$150,000, based on the losses each business experienced during the pandemic.

"Small businesses are the backbone of our economy and under Governor Pritzker's leadership DCEO is committed to helping those most impacted by the COVID-19 pandemic through our Back to Business grant program," said DCEO Acting Director Sylvia I. Garcia. "As of this week, we have provided nearly 3,000 small businesses with grants to cover their operating losses due to the pandemic. We will continue to process applications on a rolling basis until all funds are awarded, delivering recovery dollars as quickly as possible to communities across Illinois and reinvigorating our economy."

The latest wave of B2B grants prioritizes businesses most in need of support due to the pandemic, including hard hit sectors such as hotels, restaurants, arts and cultural organizations, barbershops and salons, dry cleaners, and fitness centers. It also makes allocations for disproportionately impacted areas (DIAs) and businesses who applied for Business Interruption Grants in 2021 but did not receive funding. On average, recipients of B2B grants experienced revenue declines of 41 percent throughout the pandemic.

The breakdown of the grants made thus far includes:

- 43 percent to businesses which applied to the Business Interruption Grant (BIG) program last year but did not receive funding.
- 79 percent to businesses in disproportionately impacted areas (DIAs), or low-income zip codes that experienced high rates of COVID-19.
- 71 percent to hard-hit industries, including restaurants and taverns, hotels, arts organizations, and salons.
- Grants have primarily gone to the smallest businesses:
- 62 percent going to businesses with revenue under \$500,000 in 2019
- 79 percent going to businesses with revenue under \$1 million

Of the B2B grants deployed thus far, more than half of grants have gone to businesses owned by people of color. This includes 25 percent of grants to Asian American or Pacific Islander-owned businesses, 17 percent to Black-owned businesses, and 13 percent to Latinx-owned businesses. This builds upon BIG award grants, approximately 40 percent of which were given to businesses owned by people of color.

"During the pandemic, I got creative and innovative and adjusted my business operations in order to continue to provide the community the coffee and food they love," said Trez Pugh, owner of Sip & Savor in the Bronzeville neighborhood of Chicago. "Receiving the B2B grant allowed me to continue to pay my employees and assist the business in inventory purchases to sustain operations.

"Every single day, Gov. Pritzker is working to help small business owners recover from the pandemic" said State Representative Lamont J. Robinson (D-Chicago). "I'm proud that with the Back to Business program we are reaching the small business owners struggling the most. As a small business owner in Bronzeville- Bronzeville needs this, as do so many communities across Illinois."

"Businesses have struggled all throughout the COVID-19 pandemic, and many continue to do so" said State Rep. Barbara Hernandez (D-Aurora). "I look at the businesses in my district that have received awards and I see small restaurants, family-owned businesses, and businesses that have not received any help at all. Thank you, Governor Pritzker, for helping those that need it most."

"I am pleased to see that so many businesses are receiving a boost to help them flourish through the ongoing pandemic," said State Senator Mattie Hunter, Majority Caucus

Chair (D-Chicago). "Over 100 businesses in the 3rd District have been awarded Back to Business grants, including coffee shops like Sip and Savor, which brings the community together one beverage at a time."

"As we reach this milestone with the Back to Business grant, I'm reminded how important it is that this program be inclusive" said State Senator Patrick Joyce, (D-Essex). "When I see the diversity of awardees in my district: rural, suburban, minority owned, mid-sized and small, I know we are doing something right."

"I am elated that 89 businesses in my district took advantage of the Back to Business grant opportunity totaling over \$1.7 million," said State Senator Napoleon Harris, III (D-Harvey). "Local businesses are taking advantage of opportunities to bounce back from the COVID-19 pandemic while uplifting the community. These programs send a message to every business that Illinois has their back."

To ensure B2B grants reach businesses most in need, DCEO launched a community navigator program that leveraged the support of over 100 trusted, local organizations to connect with businesses owned by people of color in hard-hit areas, rural communities, and other hard-to-reach populations. In addition to releasing a new, easy-to-use applicant portal, the program worked to remove other barriers to application - including providing language support, assistance gathering documents, and guidance while completing the application. To date, DCEO, partners in the state legislature, community navigators, and Small Business Development Centers (SBDCs) have conducted outreach to a total of 120,000 unique businesses and hosted more than 500 events to provide information and application assistance.

The application window for this program closed on October 13, 2021. Businesses who applied before the deadline can use the program's online portal to track their application status in real-time.

"We are very thankful for the B2B grant we received, the grant has helped our business weather this pandemic storm, to provide our customers with service, and our employees their jobs," said Tim Kavanaugh Owner Kavanaugh's Hilltop Bar and Grill in Rock Island.

"What a wonderful opportunity to have the support of the Back to Business grant to continue our mission, inspiring the creative spirit through education, exhibitions, and events," said Melissa McDonough-Borden, Executive Director Edwardsville Arts Center.

Since the onset of the pandemic, the Pritzker administration has focused on deploying assistance to Illinois' hardest-hit businesses and communities, with DCEO providing over \$1 billion in relief across the state in fiscal year 2021. B2B builds on the success of

2021's Business Interruption Grant (BIG) emergency relief program, which provided \$290 million to more than 9,000 small businesses in 98 counties statewide. The largest of its kind economic support program at the time, the BIG program also provided more than 4,000 childcare business provider grants.

B2B is part of Governor Pritzker's continued commitment to support comprehensive and equitable economic recovery, leveraging \$1.5 billion in federal ARPA funds during the fiscal year 2022 to invest in childcare providers, bars and restaurants, entertainment venues, hotels, beauty salons, laundry services, arts organizations and other hard-hit small businesses across the state.

In addition to the administration's business relief efforts, funds have been invested in programs to support working families and their communities, including:

- \$44 million in combined workforce training and youth employment efforts in under resourced communities;
- Providing three months of childcare to unemployed parents looking to return to the workforce;
- And, \$45 million to revitalize the infrastructure of main streets and commercial corridors across the state.

For more information on the B2B program, please visit DCEO's website.