

Report to the Restore Illinois Collaborative Commission

September 15, 2021

This report is submitted to the Restore Illinois Collaborative Commission (“RICC” or “Commission”) pursuant 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 regarding the status of current and proposed economic revitalization efforts in response to the COVID-19 crisis. The report to the Commission provides a summary of the Restore Illinois plan and a summary of ongoing recovery efforts, including support for impacted businesses, local communities and units of government, and support for local residents for workforce training and rental assistance.

Restore Illinois

Ultimately, the best way to restore the economy is to control the virus. 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](#). From its beginning, Restore Illinois has relied 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.

As health metrics improved and more of our residents received the COVID-19 vaccine, Illinois continued to operate along a metrics-based path toward the fifth and final phase of the Restore Illinois reopening plan, which commenced on June 11th. This full reopening eliminated all capacity limits on businesses, large-scale events, conventions, amusement parks, and all other venues.

With the recent spread of the delta variant, COVID-19 infection rates across the state have crept up – despite an overall vaccination rate of over 70% (and over 85% for seniors over 65). [Illinois Department of Public Health tracking](#) indicates that all 102 counties were experiencing a high rate of community transmission of the virus in late August. This is placing stress on health care systems statewide just as the school year is starting.

Following guidance from the Centers for Disease Control (CDC), Governor Pritzker [announced on August 4th](#) that masks will be required for students, teachers, and staff at pre-kindergarten-12th grade schools and day cares across the state. The governor announced his intent to require all state employees working in congregate facilities to receive the COVID-19 vaccine. [Under additional mitigations announced on August 26th](#), workers in health care and in k-12 schools are required to be vaccinated or be tested at least weekly for the virus, and masks are once again required in indoor public settings, regardless of vaccination status. These measures are intended to keep the virus under control, protect the integrity of our health care systems, minimize risks to vulnerable residents, and minimize the likelihood of more aggressive mitigations that will hamper the normal functioning of the economy.

Economic Recovery Plan

Implementation of the Economic Recovery Plan, funded through federal American Rescue Plan Act (ARPA) dollars and appropriated by the General Assembly, will be a high priority during Fiscal Year 2022.

Components of the plan support business recovery, workforce development, capital investment, strategic planning, technical support for small businesses, and tourism promotion.

Back to Business Grants -- DCEO (\$250 million)

- The Back to Business (B2B) program will deploy grants to promote recovery for small businesses hit hardest by the COVID-19 pandemic. B2B is a successor to the successful Business Interruption Grant (BIG) program, with a greater emphasis on long-term recovery.
- To be eligible, businesses must have had revenues below \$20 million in 2019 (below \$35 million for hotels) and a reduction in revenue in 2020 due to COVID-19. Priority will be given to businesses in the hardest-hit sectors, business located in Disproportionately Impacted Areas (DIAs), and businesses that have not yet received COVID-related state or federal assistance.
- B2B will maintain a strong emphasis on equity, with at least \$100 million (40%) of the funds going to DIAs, areas disproportionately impacted by the pandemic. Also targeted with set-aside funding are businesses in arts & entertainment, restaurants & bars, hotels, businesses with less than \$5 million in revenue, and businesses that didn't receive a BIG grant due to exhaustion of funds.
- Applications opened on August 18th. Businesses looking to apply or obtain additional information (including a map of the 176 zip codes designated as DIAs and a list of all the priority industries), may refer to the [Backto Business](#) page of the DCEO web site.
- DCEO anticipates that initial B2B grants to the highest-priority applicants will be dispersed in September.

Rebuild Downtowns & Main Streets Capital Grants – DCEO (\$50 million)

- Rebuild Downtowns & Main Streets (RDMS) will provide capital grants to support economic recovery in commercial corridors and downtowns that have experienced disinvestment, particularly in communities hardest-hit by COVID-19.
- Private businesses, nonprofit organizations, and local units of government are eligible to apply. Individual awards will range from \$250,000 to \$3 million. A minimum cash match of 50% of the project cost is required, though this will be waived for local government entities.
- RDMS will be supported by both state capital and ARPA funding. The funding mix will depend on the final projects selected and the consistency of associated expenditures with ARPA guidelines.
- Applications opened on September 10th and will close on January 10th.
- To apply or obtain more information, see the [Notice of Funding Opportunity](#) on DCEO's web site.

Community Navigators -- DCEO (\$9 million)

- The Community Navigator program uses a Hub and Spoke outreach model that leverages 100+ community partners to help small businesses connect with emergency resources during the pandemic by investing in grassroots, community-based organizations that are trusted voices in the communities they are assisting.
- This new investment announced in July represents a significant expansion of DCEO's original community navigator program from last year. The program has increased the number of Hubs

from 4 to 13 who work in tandem with their Spokes and DCEO team to provide coverage in hard to reach communities across the state.

- Assistance will foster efforts to help businesses most in need benefit from ongoing federal relief efforts and future business relief programs to aid in the economic recovery.
- Community Navigators conduct direct outreach to businesses, including webinars, canvassing, door knocking, leveraging existing events, etc.
- The program meets businesses where they are, providing tools and resources to help them apply for programs and assisting them to access to additional business support services (via CPAs, referrals to SBDCs, etc.)
- Community Navigators offer a diverse network, providing services in more than 30 languages.
- More information, as well as a search tool to find a community navigator near you, is available at the [DCEO website](#).

Tourism Attractions & Festivals Grant -- DCEO (\$10 million)

- The Tourism Attraction and Festivals Grant program will help develop new or enhance existing tourism attractions located across the state – including but not limited to museums, events, performances, and festivals. The goal is to attract additional visitors and overnight stays that will bring foot traffic back in communities across Illinois.
- Eligible applicants include units of local government and not-for-profit and for-profit organizations. Funds may be utilized for capital projects, equipment, training, transportation, housing, receptions, entertainment, photography, and interpretive programs.
- Grant amounts will range from \$10,000 to \$1 million and will require a local match. Applications will be accepted on a rolling basis until funds are depleted. The Department will prioritize projects most closely aligned to eligibility criteria for immediate funding and additional awards made on a quarterly basis. For more information, please see the [Notice of Funding Opportunity](#).

Additional Business and Workforce Training Support

Rebuild Distressed Communities – DCEO

Rebuild Distressed Communities is an economic recovery program using funds from the Rebuild Illinois capital plan to strengthen Illinois commercial corridors that sustained property damage because of civil unrest.

- Applications for the small business components of the program -- which provides reimbursement for the cost of repairs and support for new construction for structural damages, including repairs to storefronts and entrances, improving electrical systems, and restoring exterior work – have closed. There were two rounds of applications and funds are being disbursed. This program will provide an estimated total of \$2 million in awards to over 50 businesses to cover the cost of repairs and improvements related to property damage experienced during civil unrest.
- The State of Illinois and its community partners released a Request for Proposals (RFP) for up to \$10 million in corridor improvement projects in commercial corridors where businesses experienced property damage due to civil unrest. The application window is now closed, and applications are currently under review with awards expected to be announced in early fall.

Child Care Restoration Grants – IDHS

Illinois has been awarded \$1.6 billion in federal relief to support child care through the latest federal relief packages passed by the US Congress (CRRSA and ARPA). Maintaining and extending our state's economic recovery relies on the adequacy of our child care system. The continuation of the Child Care Restoration Grants is designed to help sustain child care as the economy continues to reopen.

- Eligible entities include Licensed Child Care Centers, Licensed Family Child Care Homes and Group Family Child Care Homes, and License-Exempt Child Care Centers and Out of School Time (OST) Providers. Eligibility criteria and awards vary across facility types. See the [IDHS web site](#) or [Gateways to Opportunity web site](#) for more information.
- The first round of funding has been awarded for the January-March 2021 grant period; the second round of funding has been partially awarded for the April-June 2021 grant period, with the remainder of this period's grants are to be awarded in the next two weeks.
- In the first round (January-March 2021), \$140.6 million total in CRRSA funds were expended. In the second round (April-June 2021), to date, \$53.1 million in ARPA funds have been expended. Approximately \$76 million more in ARPA funds will be expended shortly to close out the second round.
- The third round of funding opened on August 16th and will close on September 15th. Potential grantees can apply through their Gateways to Opportunity Registry Director Portal; more information is available on the [Gateways to Opportunity web site](#).
- Beginning October 1, 2021, parents who are unemployed and actively seeking employment will be eligible for three months of Child Care Assistance, provided they meet the standard CCAP eligibility requirements. If parents become employed or enroll in an education program before the end of the three-month period and meet all other CCAP eligibility requirements, their eligibility will continue for 12 months in total.
- In addition, DHS will launch the Child Care Workforce Bonus program in October. Through the program, all staff at licensed and license-exempt childcare centers and homes will be eligible to receive up to a \$1,000 bonus, provided they meet all licensing and health and safety requirements. Childcare workers will receive the payment through their employer between October 2021 and March 2022.

USDOL Apprenticeship Expansion

- DCEO was awarded \$5.9 million from DOL for the Registered Apprenticeship Program (RAP) Expansion. The State contributed \$2.1 million for a total of \$8 million. The grant represents the third round of federal apprenticeship expansion funding. This program will continue to expand and diversify registered apprenticeships assisting in developing a talent pipeline meeting Illinois' workforce's needs.
- Funding will be provided for 10-12 navigators and 16-20 intermediary grantees. Intermediaries will develop an industry-aligned curriculum to train participants and navigators will work with employers to match residents to skills training opportunities.
- The State aims to serve an additional 750 apprentices across critical industries, with plans to reach industries heavily impacted by COVID-19. Programming will prioritize low-income individuals, older workers, women, returning citizens, persons with disabilities, veterans, and youth while ensuring programmatic design, recruitment, and retention efforts reflect overarching diversity, equity, and inclusion (DEI) goals.

- Applications to become an intermediary or navigator grantee are due September 15th. For more information, see the [Apprenticeship 2021 Notice of Funding Opportunity](#).

Local Government Support

Local CURE -- DCEO

Through the Local CURE program, the Department has had the authority to cover costs incurred by local governments for emergency COVID-19 related expenses. Initially designed to cover eligible expenses from March 2020 through December 2020, the program has been extended to encompass expenditures through December 31, 2021. All units of local government (as defined by the Illinois Constitution) outside of Cook, Lake, Will, Kane, & DuPage counties are eligible to apply.

- Local CURE can reimburse units of local government for necessary expenditures attributable to the COVID-19 public health emergency. Examples of eligible costs include PPE, COVID-19 related administrative staff time and other public health expenses.
- As of September 13, 2021, \$222.6 million had been paid to 946 local units of government.
- There are 69 local governments, with \$2.2 million under review, that have yet to receive any money from the program. These reviews are generally “stuck”, pending required action by the local government.
- Program participants must submit reimbursement requests through <https://dceocures.powerappsportals.com/>. For additional information, you can review the [Program Manual](#), visit the [Local CURE Reporting Portal FAQs](#), or contact the Local CURE Support Team either through the Portal Help Desk or via email at LocalCURE@crowe.com.

Non-Entitlement Units -- DCEO (\$742 million in ARPA funds)

The American Rescue Plan Act of 2021 (ARPA) appropriated \$19.53 billion to States for distribution to tens of thousands of non-entitlement units of local government (NEUs). Funds can be used to cover revenue losses and the costs of responding to the COVID-19 public health emergency or to its negative economic impacts on households, small businesses, impacted industries, essential workers, and the communities hardest-hit by the crisis. These funds can also be used to invest in building, maintaining, or upgrading water, sewer, and broadband infrastructure.

- Illinois' NEU allocation is \$742 million for more than 1,250 cities, towns and villages serving populations under 50,000.^[1] See the **full [list of eligible municipalities and allotments](#)**. Illinois has determined that its [minor civil divisions \(MCDs\)](#) are not eligible for allocations.
- To assist local governments as they claim their allotments, the State of Illinois has established [The NEU Portal](#). Authorized representatives from each NEU can log into the portal, request their allotment and download all the required Treasury documentation. Allocations to communities are made on a per-capita basis in two payments. The first series of payments began at the end of August and the second will occur in approximately one year.

^[1] Communities with more than 50,000 residents will receive their respective allocations directly from the federal government.

- As of September 10th, \$281.9 million of the \$371 million within the first tranche had been issued to NEUs. NEU requests will continue to be reviewed in the order received and payment will be issued once the NEU portal information has been verified. The state will continue to send payments on a rolling basis.
- **The NEU portal will close September 30th. Per Treasury guidance, NEUs that do not claim their allotments by that time will lose their allotments, which will be distributed to other NEUs as soon as early October. Information on NEU payments can be found on [DCEO's NEU site](#), including the [payment status of specific local governments](#).**

Housing and Humanitarian Assistance

The moratorium on evictions during the COVID-19 health crisis, established and extended by the Governor through a series of Executive Orders, expires on September 15th. The moratorium was enacted and extended to limit the impact of the COVID-19 crisis on housing security and to minimize the spread of the virus. Enforcement of eviction proceedings was allowed to resume at the end of August. Eligible Illinoisans are encouraged to apply for rental payment assistance as needed to stay current on their rent and to stay in their homes. In addition, more Illinois residents will be eligible for assistance in paying energy bills, which will also serve to enhance housing stability for low-income residents affected by the pandemic.

The Illinois Rental Payment Program – IHDA (\$504 million)

The Illinois Housing Development Authority (IHDA) launched the Illinois Rental Payment Program (ILRPP) to provide eligible renters up to \$25,000 paid directly to their housing provider. Assistance will be matched to the tenant's specific need and will cover up to 15 months of emergency rental assistance, including up to 12 months of missed rent payment and three months of future rent payments. The coverage period is June 2020 through August 2021. IHDA expects to assist more than 63,000 renters and housing providers with \$500 million in funding from the Consolidated Appropriations Act, 2021.

- ILRPP is now closed for new applications until further notice. All joint applications completed by both the tenant and the landlord are currently being evaluated for funding and IHDA will contact all applicants upon completion of the review.
 - Landlord-initiated round: May 17 – June 7
 - Tenant-initiated round: June 28 – July 18
- IHDA has received nearly 98,795 completed ILRPP applications from renters and landlords in 100 of Illinois' 102 counties requesting over \$954 million in aid during both the landlord application rounds.
- IHDA has finished reviewing all 70,000 completed Illinois Rental Payment Program applications from the landlord-initiated phase.
 - Through August 25, IHDA has approved 27,117 applications, and paid out more than \$226 million to renters experiencing hardships due to the pandemic.
 - Assistance provided averages \$8,640 per household.
 - 61% of households assisted have experienced unemployment of 90 days or more.
 - 57% of households assisted are in areas with median Income less than 30% of the state average.
 - According to the US Department of the Treasury, Illinois has been a leader in delivering rental assistance, ranking second among states in June and third in July.

- IHDA continues to review applications as quickly as possible and is prioritizing requests from tenants who are unemployed and those with extremely low household incomes.
 - IHDA is currently contacting applicants missing documentation to ensure they can complete their application for processing.
 - IHDA is also working with tenants whose landlords failed to complete their portion of the application, so they have a pathway for assistance.
 - Applicants can check the status of their applications at ilrpp.ihda.org/status.
 - IHDA will launch additional rounds of ILRPP assistance this fall with funding from the American Rescue Plan Act.

2021 Illinois Emergency Homeowner Assistance Fund (HAF) Program (\$200 million)

Funded by the American Rescue Plan Act, HAF will provide funds to eliminate or reduce past due payments and other delinquent amounts, including payments under a forbearance plan, on forward mortgages, reverse mortgages and loans secured by manufactured homes.

- Launching fall 2021.
- HAF Funds will be used to reinstate the borrower in full, up to the maximum grant amount of \$30,000 per homeowner. Payment priority will be as follows:
 - First mortgage (PITI) arrearage;
 - Second mortgage arrearage;
 - First mortgage future/prospective PITI for up to three months, if necessary; and
 - Homeowner's association fees, co-op fees, condominium association fees or common charges, including for lien extinguishment, in full or partial payment until reach \$30,000 maximum grant amount.
- IHDA submitted the development and implementation plan to Treasury on Friday, August 20.

Rental Assistance Program -- IDHS (Funding source: U.S. Treasury Department through the [Emergency Rental Assistance Program](#))

The Rental Assistance Program, offered by IDHS through local community agency partners, is intended to keep families stably housed and prevent high incidents of evictions due to COVID-19.

- Illinois renters may be eligible for assistance if the tenant has experienced financial hardship due to the pandemic, is behind on rent and/or is at risk of experiencing homelessness or housing instability, and qualifies as [low income](#). Proof of citizenship is not required to apply.
- If approved, the applicant may be eligible for up to 15 months of rental payments to cover up to 12 months of back-rent owed and 3 months of prospective rent.
- To apply, residents can visit <https://www.illinoisrentalassistance.org/providers>, find a provider nearby, and contact them. The provider will help residents determine eligibility and will help to submit an application.
- IDHS providers have so far issued nearly \$13 million in rental and utility assistance to more than 4,000 eligible households.
- Funding is currently available.

Low Income Home Energy Assistance Program (LIHEAP) – DCEO (\$295 million across all funding sources)

ARPA funding will allow the State of Illinois will increase overall LIHEAP assistance to \$295 million, with funds available from September 1 through May 31, 2022. LIHEAP will enhance the safety net to households facing the health and economic impacts of COVID-19

- Payment per household will be raised from \$750 on average last fiscal year to \$1,000 this year.
- DCEO will implement new permanent requirements put in place via SB0265 to increase the income threshold and to broaden eligibility for households regardless of immigration status.
- DCEO will gear up for a later statewide marketing campaign to maintain steady uptake throughout the program so all funds can be exhausted.