

# Report to the Restore Illinois Collaborative Commission

## October 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.

The indoor mask requirements, reinstated in late August due to the delta variant-fueled summer surge, will remain in force until health metrics suggest otherwise. By early October, new infections and new hospitalizations were declining but overall hospitalizations remained elevated and ICU bed availability was limited.

Vaccination remains key to ultimately ending the pandemic. More than 82% of Illinois adults have received at least one COVID-19 vaccine dose and nearly 65% of Illinois adults are fully vaccinated. Of Illinois’ total population, 56% are fully vaccinated.<sup>1</sup>

### 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 is deploying grants to promote recovery for small businesses hit hardest by the COVID-19 pandemic. B2B is a successor to the Business Interruption Grant (BIG) program.
- 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

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<sup>1</sup> Illinois Department of Public Health Vaccination data at: <https://dph.illinois.gov/covid19/vaccine/vaccine-data.html?county=illinois>

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, low-income areas disproportionately impacted by the pandemic. Also targeted with set-aside funding are businesses in the arts, restaurants & bars, hotels, and businesses that applied for but did not receive a BIG grant due to exhaustion of funds.
- Applications were open from August 18th to October 13<sup>th</sup>.
- As of October 13<sup>th</sup>, DCEO had awarded \$36 million in B2B grants to 784 businesses. Applications are still under review and awards will continue to roll out until funds for the program are exhausted.
- The list of awardees and other information on the program is available at the [Back to Business](#) page of the DCEO 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 over 100 Spokes and the DCEO team to provide coverage in hard to reach communities across the state.
- Assistance will continue to 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.
- Through eight weeks of Community Navigator programming, 138,700 businesses have been provided technical assistance through webinars, one-on-one sessions, phone calls, and texts.
- More information, as well as a search tool to find a community navigator near you, is available at the [DCEO website](#).

#### **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 10<sup>th</sup> and will close on January 10<sup>th</sup>.
- To apply or obtain more information, see the [Notice of Funding Opportunity](#) on DCEO's web site.

### **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 range from \$10,000 to \$1 million and require a local match. Applications are being accepted on a rolling basis until funds are depleted. The Department will prioritize projects most closely aligned to eligibility criteria for immediate funding and make additional awards on a quarterly basis. For more information, please see the [Notice of Funding Opportunity](#).
- Nearly 100 applications have been received and one grant has been awarded so far. DCEO expects to make additional awards by the end of October.

## **Additional Business and Workforce Training Support**

### **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 Child Care Restoration Grants began in 2020, using \$290 million in funding from the CARES Act. In this section, we summarize ongoing programming in 2021. The continuation of 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 and second rounds of funding have been awarded, covering the January-March 2021 and April-June 2021 grant periods. The third round of funding has been almost entirely awarded for the July-September 2021 grant period.
  - In the first round (January-March 2021), \$140.6 million total in CRRSA funds were expended.

- In the second round (April-June 2021), \$131 million total in ARPA funds were expended.
- For the third round (July-September 2021), \$99.3 million in ARPA funds have been expended to date.
- The fourth round of funding will open on October 18 and will close in mid-December. 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 or enrollment in an educational program could be determined eligible for three months of Child Care Assistance, provided they meet all other CCAP eligibility requirements. Parents who become employed or enroll in an education program before the end of the three-month period and meet all other CCAP eligibility requirements will be able to maintain their Child Care Assistance through the full 12-month eligibility period.
- In addition, IDHS launched a 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 (\$8 million in federal and state funding)**

- DCEO was recently awarded \$5.9 million from DOL for the Registered Apprenticeship Program (RAP) Expansion. The State contributed an additional \$2.1 million for a total of \$8 million. This funding will be targeted to in-demand industries and will ramp up efforts to recruit diverse apprentice candidates. This program will continue to expand and diversify registered apprenticeships assisting in developing a talent pipeline meeting Illinois' workforce's needs.
- There are currently 25 apprenticeship grantees statewide acting as Navigators and Intermediaries under the 2019 expansion funding. More than 203 Registered Apprentices are being served under this grant and 54 new Registered Apprenticeship programs have been started. To date 1,294 new businesses have been engaged through these apprenticeship programs as a talent pipeline strategy.
- Current grantees include one secondary school district and five community colleges.
- 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.

#### **Job Training and Economic Development Program (\$50 million in ARPA funds)**

- DCEO will utilize \$50 million in funds from The American Rescue Plan Act (ARPA) to invest in workforce recovery through the reinvigorated Job Training and Economic Development Program (JTED).
- A \$20 million NOFO was released on September 23<sup>rd</sup> for employer-driven training approaches that pair education and occupational training with work-based learning to support regional and local economic development for businesses and individuals most impacted by the

COVID-19 pandemic. Applications for this round will close on October 29<sup>th</sup>. DCEO expects to issue another round in spring of 2022.

- Key features include:
  - funding to expand the capacity of the state's workforce system,
  - a priority on accessible equity-driven services to historically underrepresented populations in disadvantaged communities, and
  - flexible funding (barrier reduction funds) that is available for individuals that have emergency costs for basic needs.
- Through the JTED program, eligible entities will connect 1,200-1,500 unemployed, underemployed, and underrepresented individuals (adults and youth) with employers in need of a skilled workforce or for upskilling their existing workers. Participants will receive robust education and training connecting to career pathways, job placement, and support services including barrier reduction funding to address the challenges that prevent them from returning to work.
- More information is available at <https://www.illinoisworknet.com/>

### **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 by early November.
- For more information, see the DCEO web site at:  
<https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/C19DisadvantagedBusGrants-DistressedCapital.aspx>

## **Local Government Support**

### **Local CURE -- DCEO**

Through the Local CURE program, the Department has 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 October 13, 2021, \$223.6 million had been paid to 954 local units of 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](mailto: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.<sup>[1]</sup> See the [full list of eligible municipalities and allotments](#).
- 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.
- As of October 13<sup>th</sup>, DCEO has paid \$369.6 million to 1,147 NEUs.
- 20 NEUs were non-responsive or declined the funding opportunity upon close of the portal on September 30, 2021. By US Treasury rule, funds initially allocated to non-responsive communities will be released to NEUs which have responded. Dollars will go out on a per-capita basis.

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<sup>[1]</sup> Communities with more than 50,000 residents will receive their respective allocations directly from the federal government. Illinois has determined that its minor civil divisions (MCDs) are not eligible for allocations.

## 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, expired on October 3<sup>rd</sup>. 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.

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 \$504 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.
- IHDA has received nearly 99,000 completed ILRPP applications from renters and landlords in all 102 of Illinois' 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 Oct. 8, IHDA has approved 52,921 applications, and paid out more than \$481 million to renters experiencing hardships due to the pandemic.
  - Assistance provided averages \$9,094 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.
  - With 95% ILRPP funds disbursed, Illinois is a leader in delivering rental assistance according to the US Department of the Treasury.
- 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](http://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 (IHDA -- \$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 – pending draft plan approval from Treasury.
- 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 (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 \$4 million in rental and utility assistance to more than 1,300 eligible households.
- Funding is currently available.

### **Low Income Home Energy Assistance Program (LIHEAP) – DCEO (\$265 million across all funding sources)**

ARPA funding allowed the State of Illinois to increase overall LIHEAP assistance to \$265 million, with funds available from September 1<sup>st</sup>, 2021, through May 31<sup>st</sup>, 2022. LIHEAP will enhance the safety net to households facing the health and economic impacts of COVID-19. Benefits will be delivered through local social service agencies.

- Payment per household will be raised from \$750 on average last fiscal year to \$1,000 on average 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.
- Approximately \$30 million of the \$265 million assistance has been provided to date.

- For more info or to apply, go to <https://www2.illinois.gov/dceo/CommunityServices/HomeWeatherization/CommunityActionAgencies/Pages/helpIllinoisFamilies.aspx>

**Low Income Households Water Assistance Program (LIHWAP) – DCEO (\$40 million federal funding)**

The LIHWAP is a temporary, federally funded \$40 million program to help residents avoid disruption of their water service. The funds will be available until exhausted. LIHWAP will be administered by the same local agencies as LIHEAP.

- LIHWAP is a crisis response program that will prioritize benefits to residents who are disconnected -- or in imminent threat of being disconnected -- from water and wastewater service. The grants to the local agencies are currently being processed.
- Proposed Joint Committee on Administrative Rules (JCAR) emergency rules are being finalized for submission. The program will begin on an agency-by-agency basis after both the JCAR and agency grants are in place. DCEO expects most agencies to have an active program by mid-November.
- For more information or to apply, go to: <https://www2.illinois.gov/dceo/CommunityServices/HomeWeatherization/CommunityActionAgencies/Pages/helpIllinoisFamilies.aspx>