

Report to the Restore Illinois Collaborative Commission

February 2022

This report is submitted to the Restore Illinois Collaborative Commission (“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.

DCEO last appeared before the Commission in mid-December to answer questions about Back to Business and local government support. The Department remains available to answer questions from all members of the General Assembly regarding economic recovery programming.

Restore Illinois

Ultimately, the best way to restore the economy is to control the virus. From the beginning of the COVID-19 crisis, 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. Fortunately, we have more and better tools at our disposal to counter the effects of the virus, including life-saving vaccines, than were available when COVID first struck in early 2020.

With statewide COVID-19 hospitalization rates declining faster than any other point in the pandemic, the administration anticipates lifting the state indoor mask requirement in most settings on February 28th. Federal mask requirements, such as those on public transit and other high-risk settings, will continue to apply. Local mitigations may still apply as well. State masking requirements will also remain in effect in all daycare settings and in P-12 schools subject to pending litigation.

Vaccination remains key to ultimately ending the pandemic. 86% of Illinois adults have received at least one COVID-19 vaccine dose and 76% are fully vaccinated. Of Illinois’ total population over 5 years of age, 71% are fully vaccinated.¹ In addition, 3.9 million boosters have been administered.

Children aged 5 and over can receive vaccine at any site that has Pfizer-BioNTech vaccine available. Find the nearest vaccination site at: <https://coronavirus.illinois.gov/vaccines/vaccination-locations.html>. Information on vaccination for children can be found at: <https://dph.illinois.gov/covid19/vaccine/vaccination-for-young-people-faqs.html>.

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

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 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 13th.
- As of early February, DCEO had awarded \$135 million in B2B grants to 3,659 businesses. Applications are still under review and awards will continue to roll out until funds 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.
- Community navigators have assisted more than 147,000 businesses through webinars, one-on-one sessions, phone calls, and texts. DCEO is working with navigators to extend their agreements into next year and expand their capacity to work on federal and state programs for local units of government and small businesses impacted by COVID-19 and focused on economic recovery.
- 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, with Individual awards ranging 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 closed on January 10th. DCEO is now reviewing applications and expects to notify prospective awardees this Spring.

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 included 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 were accepted on a rolling basis. The number of applications received greatly exceeded the funds available, so the application was recently closed. The Department is prioritizing projects most closely aligned to eligibility criteria and grant awards are in process.

Additional Business and Workforce Training Support

Child Care Restoration Grants – IDHS (\$1.6 billion)

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 2021-2022. The continuation of Child Care Restoration Grants is designed to help sustain child care as the economy continues to recover.

- 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, second, and third rounds of funding have been awarded, covering January-March 2021, April-June 2021, and July-September 2021 grant periods. The fourth round of funding was open for applications through December 15, 2021, and grant funds are being awarded for that round now. Potential grantees can apply through their Gateways to Opportunity Registry Director Portal; more information is available on the [Gateways to Opportunity web site](#).
 - 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.
 - In the third round (July-September 2021), \$105 million total in ARPA funds were expended.
 - In the fourth round (October-December 2021), \$51 million total in ARPA funds have been expended to date.
- Additionally, starting October 1, 2021, parents who are unemployed and actively seeking employment or enrollment in an educational program may be eligible for three months of Child Care Assistance. 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. This pandemic relief opportunity will remain available through June 30, 2022.
- 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. Child care 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)

- The State of Illinois has been awarded more than \$8 million in funding from the US Department of Labor over the past 3 years under the Apprenticeship Expansion Program. By leveraging a portion of the WIOA statewide activities funds, it is anticipated that DCEO will award a total of \$10 million in grants to expand registered apprenticeships throughout Illinois.
- Under the 2019-20 Apprenticeship Expansion Program, the state awarded approximately \$5 million to 25 grantees acting as Navigators and Intermediaries with a goal of serving 800 new registered apprentices and developing 30 new registered apprenticeship programs
 - The year to date results include serving more than 500 registered apprentices and pre-apprentices, the establishment of more than 50 new registered apprenticeship programs, and the engagement of more than 1,300 businesses.

- DCEO used \$2 million in USDOL Apprenticeship Expansion funds and \$3 million from the WIOA Statewide Activities funds to support the 2019-20 grants.
- Under the 2021 Apprenticeship Expansion Program, it is anticipated that the state will award approximately \$5 million to grantees with a goal of serving 750-800 new registered apprentices and 40 new registered apprenticeship programs.
 - DCEO will use \$5 million from the USDOL Apprenticeship Expansion Award to target in-demand industries and 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.
 - The grants will support efforts 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 – DCEO (\$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).
- On September 23, 2021 DCEO released \$20 million in a NOFO 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.
- 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.
- The JTED Funding opportunity closed on October 31st, 2021, concluding with 95 applications received from across the state.
- DCEO expects to announce the awards in the very near future. More information is available at <https://www.illinoisworknet.com/>

Rebuild Distressed Communities – DCEO

Rebuild Distressed Communities is an economic recovery program that has awarded \$9.2 million from the Rebuild Illinois capital plan to support businesses and Illinois commercial corridors that sustained property damage during civil unrest that occurred last year.

- The program awarded 84 grants, totaling \$1.8 million, to help impacted small businesses repair damages and rebuild from property damage experienced during civil unrest. Funding helps businesses repair storefronts and entrances, improving electrical systems and restoring exterior work. Applications for this part of the program have closed and funds are being disbursed.
- RDC awarded \$7.5 million in corridor improvement projects for seven community projects focused on boosting economic vitality in commercial corridors across the state. Projects

included funding for corridor enhancements, streetscaping, fiber optic cable enhancement. Projects had to demonstrate that property damage would occur within the same block that experienced property damage, or on contiguous blocks if required for project continuity.

- 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 (\$250 million)

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 was subsequently 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 February 3, 2022, \$233.8 million had been paid to 1,028 local units of government.
- On January 31, 2022 the Local CURE program closed to new requests for reimbursement. The Local CURE support team is actively reviewing more than \$4.5 million in requests which were submitted before the deadline. The Department's goal is to pay out all Local CURE requests for reimbursement by the end of February.
- To see a [list of all communities](#) and their claiming status visit the [Local CURE webpage](#).

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](#).
- Distribution of NEU funds is now complete. The Department has posted a [Closeout Summary](#) which shows that 1,213 of the 1,250 eligible communities in Illinois are participating in the program. Over 97% of eligible NEUs decided to participate, accounting for over 99.9% of the funds. The remaining 0.1% initially allocated to the 37 non-participants was reallocated to participating, eligible NEUs.
- The US Treasury recently released the [final rule](#) for use of Coronavirus State and Local Fiscal Recovery funds and provided this [overview](#) of the rule. The most notable change to the rules

^[1] 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.

impacting Non-Entitlement Units is the establishment of a \$10 million standard allowance for revenue loss. Treasury provides this statement in the overview:

- *Replacing Lost Public Sector Revenue: The final rule offers a standard allowance for revenue loss of \$10 million, allowing recipients to select between a standard amount of revenue loss or complete a full revenue loss calculation. Recipients that select the standard allowance may use that amount – in many cases their full award – for government services, with streamlined reporting requirements.*
- Based on this guidance from Treasury, all Non-Entitlement Units which opted-in for the NEU ARPA funds may claim the funds they received as revenue replacement, then utilize the funds under the umbrella of provision of governments services – see page 9 of the overview.
- **Communities interested in receiving technical assistance or advice on allowable uses of NEU funds from ARPA should visit the [Illinois NEU Webpage](#).**

Housing and Household 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 3rd. 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 (~\$300 million)

On Monday, December 6, the Illinois Housing Development Authority (IHDA) launched a new round of assistance through the Illinois Rental Payment Program (ILRPP). The program provides 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 18 months of emergency rental assistance encompassing up to 15 months of missed rent payments and three months of future rent payments. The coverage period is June 2020 through April 2022. IHDA expects to assist more than 30,000 renters and housing providers with \$297 million in funding from the American Rescue Plan Act of 2021. Program parameters are as follows:

- Household must have experienced a financial hardship, directly or indirectly, due to the pandemic.
- Household income was below 80% of the Area Median Income, adjusted for household size.
- Household is behind on rent and/ or is at risk of experiencing homelessness or housing instability.
- Proof of citizenship is not required. Rental assistance is not a “public charge” benefit.
- Tenants residing in state- or federally-subsidized housing are eligible to apply.
- The portal closed to new applications on Jan. 9, 2022.
- 85,086 applications had been started by either the landlord or tenant.
- There is still time to complete applications, but no new applications can be initiated.

- 33,935 have been fully completed by both parties.

ILRPP Round 1 is now closed for new applications until further notice. All joint applications completed by both the tenant and the landlord are being evaluated for funding and IHDA will contact all applicants upon completion of the review. Notable outcomes from Round 1 include:

- 63,964 Applications approved
- More than \$584 million disbursed (from Consolidated Appropriations Act, 2021 and ARPA)
- Average Assistance = \$9,134 per household
- 56% of Approved Applicants unemployed >90 days
- 64% of Approved Applicants <30% Area Median Income; 87% <50% Area Median Income

Illinois is a leader in delivering rental assistance according to the US Department of the Treasury. Since 2020, the Pritzker Administration has provided over \$800 million in emergency rental assistance to help keep more than 108,500 Illinois seniors, families and others safely housed.

2021 Illinois Emergency Homeowner Assistance Fund (ILHAF) Program (IHDA) – (\$250 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.

- Up to \$30,000 in assistance to homeowners covering a range of expenses.
- Approved payments will be made directly to mortgage lender/servicer, county treasurer or local taxing authority, condominium/co-op/homeowners' association, etc.
- HAF is expected to assist 12,000 homeowners with \$250 million in funding.
- Launching spring 2022, program updates will be posted to illinoishousinghelp.org.

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.
- By the end of December 2021, IDHS providers issued \$35.3 million in rental and utility assistance to 7,653 eligible households.
- Funding is currently available.

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

ARPA funding allowed the State of Illinois to increase overall LIHEAP assistance to \$295 million, with funds available from September 1st, 2021, through May 31st, 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.

- DCEO increased the benefit amount per household with average payment expected to grow 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 is promoting the program now and will gear up for a later statewide marketing campaign to maintain steady uptake throughout the program so all funds can be exhausted.
- Approximately \$190 million of the \$295 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 Household 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 local agencies began issuing benefits in December and have issued \$754,000 in benefits as of the end of January.
- For more information or to apply, go to:

<https://www2.illinois.gov/dceo/CommunityServices/HomeWeatherization/CommunityActionAgencies/Pages/helpIllinoisFamilies.aspx>