

Illinois Announces More than \$90 Million Emergency Assistance for Small Businesses

On March 25, 2020, Illinois Governor J.B. Pritzker announced delay in the state income tax filing deadline to July 15, aligning with the new federal deadline. Illinois tax refunds for those filing ahead of the new deadline will continue to be processed.

Governor Pritzker also announced a \$14 million Hospitality Emergency Grant Program for small businesses in need of additional capital. The Illinois Department of Commerce & Economic Opportunity (DCEO) will take online applications from eligible businesses. Eligible businesses include, bars and restaurants with a valid license to serve food or liquor and who generated revenues of less than \$1 million in 2019 and hotels, motels, and other lodging establishments with a valid business license and who generated less than \$8 million in 2019. Bars and restaurants can use the funds to support: a) working capital for rent, payroll, and other accounts payable; b) job training for such new practices related to take out, delivery, and sanitation; c) technology enabling new operations; and d) other costs to implement that technology. Eligible hotels, motels, and other lodging establishments can use the funds as working capital to support the retention of employees.

Applications can be submitted now and will be accepted until 5:00 p.m. on April 1. Winners will be chosen via a lottery so there is no benefit to submitting an application first, so long as a valid, complete application is received by the April 1 deadline. Eligible bars and restaurants that generated less than \$500,000 in annual revenue last year will be eligible for up to \$10,000; those that generated between \$500,000 and \$1 million in annual revenue last year will be eligible for up to \$25,000; and eligible hotels, motels, and lodgings that generated less than \$8 million in annual revenue last year will be eligible for up to \$50,000. Businesses who timely apply will be notified on April 4 if they have received an award and DCEO will strive to make the funds available within two days of receiving the necessary bank information from the businesses who are awarded the funds.

Additionally, DCEO and the Illinois Department of Financial and Professional Regulation (IDFPR) are establishing \$60 million Illinois Small Business Emergency Loan Fund to offer small businesses low interest loans of up to \$50,000. Businesses located outside of the city of Chicago with fewer than 50 workers 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 a below market interest rate for the remainder of a five-year loan term. Interested businesses will be able to submit an "interest form" online starting March 27 and eligible businesses will be invited to submit a full application beginning on April 1. Decisions will be attempted to be made within 10 days and funds available two business days of receiving bank information from the business. Loans can be used to support working capital.

A similar program being offered through the City of Chicago for small businesses located within the city of Chicago was previously announced by Mayor Lori Lightfoot. The Chicago Small Business Resiliency Fund is a \$100 million program that will help provide small businesses with emergency cash flow. The fund is seeded through \$25 million from the City of Chicago, \$50 million from the Chicago Community Catalyst Fund, \$10 million through Goldman Sachs Urban Investment Group, \$1 million from Fifth Third, \$250,000 from Clayco, and \$15 million from other sources. Loan applications will be administered through our Community Development Financial Institution (CDFI) partners. Applications for the Chicago Small Business Resiliency Fund will begin to be accepted on March 31, 2020. Philanthropic institutions or corporations interested in contributing to this fund are encouraged to submit information to resiliency.fund@cityofchicago.org.

For small businesses in downstate and rural counties across Illinois, Governor Pritzker announced a new \$20 million program to support small businesses, providing grants of up to \$25,000 to small



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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.

Illinois will also defer sales tax payments for more than 24,000 small and medium-sized bars and restaurants. Further, small businesses from every county in Illinois are eligible to apply for low-interest coronavirus disaster assistance loans of up to \$2million from the U.S. Small Business Administration.

Any businesses needing assistance navigating these new measures or who have questions about whether or to what extent these measures apply to your business, please feel free to contact us.