

Illinois Department of Commerce & Economic Opportunity JB Pritzker, Governor

# Northeast Region Weekly Update January 18, 2021

Happy New Year! DCEO has hit the ground running as we kick off 2021. With the reopening of the Paycheck Protection Program (PPP), we have set up webinars to provide the information out to you. Please see below for that information. Also, we have set up two programmatic webinars in early February. One will focus on the Business Enterprise Program for businesses that are minority owned, woman owned, veteran owned, and/or owned by a person with a disability. The second one will focus on our Advantage Illinois program. See below for more details. As we move into 2021, please remember to wear your mask, wash your hands, and watch your distance. We're All in Illinois!

# **Small Business Administration Paycheck Protection Program**

The <u>U.S. Small Business Administration</u>, in consultation with the U.S. Treasury Department, has re-opened the Paycheck Protection Program (PPP) for new borrowers and certain existing PPP borrowers. This round of the PPP will continue to be processed through participating financial institutions and will be available through March 31, 2021. This round will authorize up to \$284 billion. This round is open to both First Draw PPP Loans and a Second Draw PPP Loan. In general, a First Draw PPP loan is for eligible borrowers who did not receive a PPP loan before the program closed in August 2020. A Second Draw PPP loan is for certain eligible borrowers that previously received a PPP loan and used the full amount of their First Draw PPP loan on authorized expenses, generally have 300 employees or less, and have suffered a 25% reduction in gross receipts.

Key PPP updates include:

- PPP borrowers can set their PPP loan's covered period to be any length between 8 and 24 weeks to best meet their business needs;
- PPP loans will cover additional expenses, including operations expenditures, property damage costs, supplier costs, and worker protection expenditures;
- The Program's eligibility is expanded to include qualifying 501(c)(6)s, housing cooperatives, destination marketing organizations, among other types of organizations;
- The PPP provides greater flexibility for seasonal employees;
- The maximum amount for a First Draw loan is \$10 million and for a Second Draw loan is \$2 million;
- Certain existing PPP borrowers can request to modify their First Draw PPP loan amount;
- Certain existing PPP borrowers are now eligible to apply for a Second Draw PPP loan; and
- In order to be eligible for the Shuttered Venue Operators Grant (SVOG), which is not yet open for applications, applicants must not have received a PPP loan on or after December 27, 2020.

A borrower is generally eligible for a Second Draw PPP loan if the borrower:

- Previously received a First Draw PPP loan and will or has used the full amount only for authorized uses;
- Has no more than 300 employees; and

• Can demonstrate at least a 25% reduction in gross receipts between comparable quarters in 2019 and 2020.

The PPP portal reopened on January 11, 2021. To promote access to capital for minority-, underserved-, veteranand women-owned small business concerns, initially only community financial institutions were able to make First Draw PPP Loans on Monday, January 11, 2021, and Second Draw PPP Loans on Wednesday, January 13, 20201. SBA will be reopening the PPP loan portal to PPP-eligible lenders with \$1 billion or less in assets for First and Second Draw applications on Friday, January 15<sup>th</sup>, 2021 at 9am ET. The portal will fully open on Tuesday, January 19<sup>th</sup>, 2021 to all participating PPP lenders to submit First and Second Draw loan applications to SBA.

DCEO will be hosting webinars to learn more about the PPP. This federal forgivable COVID-19 Relief Loan Program will help Illinois small businesses keep their employees on payroll during this unprecedented time. Upcoming webinars and their registration links are below.

 Date: January 22, 2021

 Time: 10:00 am

 Presenter: Manny Lopez, Northeast Regional Manager of Regional Economic Development, Illinois Department of Commerce and Economic Opportunity

 Registration Link: <a href="https://illinois.webex.com/illinois/onstage/g.php?MTID=eb01739b97eaf73664df45a0b7e990d2b">https://illinois.webex.com/illinois/onstage/g.php?MTID=eb01739b97eaf73664df45a0b7e990d2b</a>

Date: January 22, 2021 Time: 3:30 pm Presenter: Jonathan McGee, Deputy Director of Regional Economic Development, Illinois Department of Commerce and Economic Opportunity Registration Link: https://illinois.webex.com/illinois/onstage/g.php?MTID=e39d298cf474a94e70c0c2d35e35cf1d0

Date: January 27, 2021 Time: 10:00 am Presenter: Adrian Madunic Northwest Manager of Regional Economic Development, Illinois Department of Commerce and Economic Opportunity Registration Link: https://illinois.webex.com/illinois/onstage/g.php?MTID=e85b6900be4491d39838cfd57d967a0e6

Date: January 27, 2021 Time: 2:00 pm Presenter: Aly Grady, Central Regional Manager of Regional Economic Development, Illinois Department of Commerce and Economic Opportunity Registration Link: https://illinois.webex.com/illinois/onstage/g.php?MTID=e3c8bbc79169e3a786be04a5d8f258fc6

Date: January 28, 2021 Time: 2:00 pm Presenters: Austin Grammer, East Central Regional Manager of Regional Economic Development, Illinois Department of Commerce and Economic Opportunity Aly Grady, Central Regional Manager of Regional Economic Development, Illinois Department of Commerce and Economic Opportunity

#### **Registration Link:**

https://illinois.webex.com/illinois/onstage/g.php?MTID=ed8005fa88debb94a96ea12a02e0b0021

Date: January 29, 2021 Time: 10:30 am Presenter: Kim Watson, Senior Account Manager, Regional Economic Development, Illinois Department of Commerce and Economic Opportunity Registration Link: https://illinois.webex.com/illinois/onstage/g.php?MTID=ed7e10b6cc3a057199437b9bd61eeaf13

Password: DCEO2021

# Small Business Administration Shuttered Venue Operators Grant Program

The Shuttered Venue Operators (SVO) Grant program was established by The Economic Aid to Hard-Hit Small Businesses, Non-Profits, and Venues Act, signed into law on December 27, 2020. The program includes \$15 billion in grants to shuttered venues, to be administered by the Small Business Administration's Office of Disaster Assistance.

Eligible applicants may qualify for SVO Grants equal to 45% of their gross earned revenue, with the maximum amount available for a single grant award of \$10 million. \$2 billion is reserved for eligible applications with up to 50 full-time employees. Eligible entities include:

- Live venue operators or promoters
- o Theatrical producers
- Live performing arts organization operators
- o Relevant museum operators, zoos and aquariums who meet specific criteria
- Motion picture theater operators
- o Talent representatives, and
- o Each business entity owned by an eligible entity that also meets the eligibility requirements

This program is not yet open for applications and SBA will continue to issue guidance on this program. There are two requirements of note for this program. First, the business must have been in operation as of Feb. 29, 2020. Second, the venue or promoter <u>must not</u> have received a PPP loan on or after Dec. 27, 2020. To follow updates on this program, please click <u>here</u> to go to the SBA's website.

### Small Business Administration Program: Economic Injury Disaster Loan Program (EIDL)

The SBA is offering low-interest federal disaster loans for working capital to small businesses and non-profit organizations that are suffering substantial economic injury as a result of COVID-19. These loans may be used to pay debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact, and that are not already covered by a Paycheck Protection Program loan. The interest rate is 3.75% for small businesses and 2.75% for non-profits. The first payment is deferred for one year. Applicants must be physically located in the U.S. or designated territory and suffered working capital losses due to the coronavirus pandemic, not due to a downturn in the economy or other reasons. Eligible applicants include the following:

- Businesses with 500 or fewer employees or defined as small per SBA.gov/SizeStandards
- Cooperatives with 500 or fewer employees
- Agricultural enterprises with 500 or fewer employees

- Most private nonprofits
- Faith-based organizations
- Sole proprietorships and independent contractors

The deadline to apply for this program has been extended to December 31, 2021. For more information and the application, please click <u>here</u> to go to the SBA's website.

### **Tier 3 Resurgence Mitigation**

Due to a severe uptick in COVID-19 case counts and community spread, the State of Illinois announced implementation of Tier 3 mitigations effective Friday, November 20, 2020 and **these remain in effect for Region 3 today**. These measures introduce new capacity restrictions and operating guidelines for several industries. This new tier aims to limit gatherings and encourages people to stay home to the greatest extent possible, while permitting some industries to remain open at significantly reduced capacities with proper safety measures in place. All detailed Phase 4 operational guidance remains in effect. Where Phase 4 guidance and Tier 3 Mitigations imply different standards, the more restrictive Tier 3 Mitigations will apply. Tier 3 Mitigations can be found <u>here</u>. FAQs on the Tier 3 mitigation can be found <u>here</u>.

While the entire state moved into Tier 3 Mitigation at the same time, three regions have moved into Tier 2 Mitigation effective today. Those regions are Region 1, Region 2, and Region 5. Please make sure to identify your region. **Region 3 remains in Tier 3 Mitigation.** IDPH will continue to track the metrics by region to determine if mitigations can be relaxed, if additional mitigations are required, or if current mitigation should remain in place. In order for a region to move back to Tier 2 mitigations, a region must experience less than 12% 7-day average test positivity rate for three consecutive days AND greater than 20% available intensive care unit (ICU) and hospital bed availability for three consecutive days AND declining 7-day average COVID hospitalizations for 7 out of the last 10 days. Follow the latest regional metrics at: <a href="https://dph.illinois.gov/regionmetrics">https://dph.illinois.gov/regionmetrics</a>.

### **Upcoming Program Webinars**

#### Business Enterprise Program (BEP)

BEP assists businesses owned by minorities, women and people with disabilities gain access to the State of Illinois procurement process. BEP certification with the State of Illinois can also open the door to opportunities with other public and private entities which are looking for diverse suppliers. I will be hosting a webinar on this program to provide details and outline the registration process on Tuesday, February 2, 2021 at 10:00 am. To register for this session, please click <u>here</u>.

#### Advantage Illinois

Advantage Illinois provides Illinois businesses and entrepreneurs with access to the capital to start new companies and expand existing business. Comprised of programs to spur institutional lending, includes Capital Access Program and Participation Loan Program. I will be hosting a webinar on this program to provide details on Tuesday, February 9, 2021 at 10:00 am. To register for this session, please click <u>here</u>.

### **Following DCEO**

For additional information or questions, you can contact me by phone at 312-497-1823 or by email at <u>joseph.mckeown@illinois.gov</u>. If you have upcoming meetings or events and would like DCEO to participate, please reach out to me. One of our goals is to ensure information about our programs and activities is getting out to the communities and we're happy to participate. We are now working on scheduling workshops for 2021, so please let us know if you are interested in partnering with us to provide program information to your organization and region. If you want to receive updates from the Department, you can fill out this <u>form</u> and you'll be added to our Department contact list. I also encourage you to follow us on our social media channels for real time updates.

#### **Business Interruption Grant Program**

**This program has concluded.** This program has awarded more than \$275 million in nearly 9,000 emergency assistance grants to small businesses in over 600 cities and towns statewide through the Business Interruption Grants (BIG) program. Through this historic program – the largest of its kind in the nation - grants have been made available to a wide range of small businesses— with a focus on the industries and communities hardest hit by the COVID-19 crisis, and with the majority of funding going to smaller and minority-owned businesses. A full list of awards made can be found on <u>DCEO's website</u>.

### **Local CURE Support Program**

Local Coronavirus Urgent Remediation Emergency (Local CURE) Support Program: DCEO is continuing to work with our communities across the state to submit their reimbursable expenses related to COVID-19. It's not too late to submit expenses. The deadline to submit reimbursable costs is January 31, 2021. DCEO has posted information on our website here. The website also has some good Q&A documents that can help with determining if an expense is eligible for reimbursement. Additional guidance has been released on Substantially Dedicated Payroll and Claiming the Costs of Implementing CDC Guidance for Public Employees and within Public Spaces or Facilities. Check out these new documents and other guidance here. If you have not been able to access the portal or have not received the access email, please send a message to our partner, Crowe, at LocalCURE@crowe.com and they will be able to assist you. If you have any questions, please don't hesitate to reach out. You have other questions you can send them to LocalCURE@crowe.com and we will get back to you.

#### The LocalCURE Support Team is now hosting weekly office hours!

Join us on Zoom from 2-2:30pm CST every Friday for open Q&A regarding the LocalCURE program. This is an informal event, so feel free to call in for just a second or stay the whole time. Link: <u>https://crowe.zoom.us/j/99054821252?pwd=bmlUT0JkeHp1M1UrQnRBek5rVTBjQT09</u> Password: 150052

### **Rebuild Distressed Communities Grant Program**

Rebuild Distressed Communities is a \$25 million economic recovery program to support economically distressed Illinois businesses and communities that have sustained property damage due to civil unrest on or after May 25th, 2020. DCEO has partnered with two community organizations, Local Initiative Services Corporation (LISC) and Chicago Neighborhood Initiatives, Inc. (CNI), to operate the program on behalf of DCEO. Applicants can begin submitting applications for **Round 2 on December 21st until January 21st**. Applications will be accepted in rounds until funding is exhausted. The Rebuild Distressed Communities grant program will reimburse the cost of repairs for structural damages, including repairs to storefronts and entrances, improving electrical systems, and restoring exterior work. For work yet to be completed, LISC and CNI will partner with local contractors and pay for them to perform the work. The program will prioritize small businesses, underinsured or uninsured businesses, businesses that have a high community impact – such as grocery stores – and businesses in communities that have experienced historic disinvestment. The program also prioritizes the use of BEP-certified contractors, including minority- and women-owned businesses, to do the repair work. Information on the program may be found at <a href="https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/C19DisadvantagedBusGrants-DistressedCapital.aspx">https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/C19DisadvantagedBusGrants-DistressedCapital.aspx</a> .

# **Downstate Small Business Stabilization Program**

We continue to accept applications under this program. As of November 1, 2020, the Department is expanding the Downstate Small Business Stabilization program to include Essential Businesses that have lost more than 20% in sales in comparison to the same time period in 2019. This program will offer small businesses with at least one employee (not including the owner) and up to 50 employees the opportunity to partner with their local governments to obtain grants of up to \$25,000 for 60 days of working capital. Grant applicants should use the most current Guidebook for this program as well as streamlined the GATA budget form for this program. Both documents can be found on our website <u>here</u>. If you have questions about this program, do not hesitate to reach out to me or to the Office of Community Development grant manager for your county. Applications that have been submitted are under review and we will continue to make announcements.

### **Other DCEO Programs**

### **Broadband Expansion Funding Opportunity**

#### Illinois Connected Communities Grants - \$150,000

A partnership by the Office of Broadband, the Benton Institute for Broadband & Society, and local philanthropic organizations, the Illinois Connected Communities (ICC) program was first launched in the summer of 2020 to help drive community planning and capacity building. A total of \$150,000 in second round state funding, combined with philanthropic dollars that underwrites the cost of expert consultative services, and access to best practice curriculum, will be made available to assist local governments, libraries, schools, and various local organizations with planning and progress around broadband access, adoption, and utilization.

A first round of state grant funding, combined with a philanthropic match, was directed to 12 community-based organizations in July to assist with planning to ensure access, adoption, and utilization of high-speed broadband. This latest round will allow communities to apply for up to \$15,000 in grants that will support community based broadband planning and capacity building. <u>Click here</u> for the NOFO. **Applications are due 1/25/21.** 

#### **Broadband Expansion Capital Funding**

The state is releasing \$50 million in funding for the second round of matching grants through Connect Illinois, the state's \$420 million statewide broadband expansion plan. This availability of additional funding builds on the inaugural round of funding released earlier this year, which supported 28 projects collectively slated to support over 26,000 new or enhanced connections serving every corner of the state. Eligible applicants include internet service providers, rural cooperatives, nonprofits and local governments. Up to \$5 million per project will be available during the second round, and subsequent rounds will follow over the course of the next several years.

The second round of Connect Illinois calls for a nonstate match component requiring companies to dedicate funding that will accelerate the delivery of broadband investments. The application for the second round of funding largely mirrors requirements of the first application – including a 50 percent nonmatch in most cases. To ensure an equal playing field, the administration has instituted an exemption allowing a lower nonstate match for project proposals concerning economically distressed communities. This program change acknowledges the difficulty of connecting the hardest-to-serve areas of Illinois, and the compounding challenges created by the COVID-19 crisis, allowing underserved communities to be competitive when applying for critical infrastructure dollars. In addition to providing universal access to basic broadband for homes, businesses, and community anchor institutions by 2024, the State's broadband plan seeks to improve utilization of broadband for various uses in education, telehealth and economic development. All Connect Illinois projects must meet the minority business participation requirements of the State of Illinois' Business Enterprise Program. <u>Click here</u> for the NOFO. **Applications are due 3/1/2021.** 

# **Get Hired Illinois**

DCEO in conjunction with IDES launched the Get Hired Illinois. This is a new portal designed to connect workers with available job and career training opportunities across the state. Governor Pritzker also announced that beginning in June, Illinois residents will have free access to online workforce development courses via a partnership with Coursera. Residents and employers may access Get Hired at <a href="http://www.illinois.gov/gethired">www.illinois.gov/gethired</a>. This portal blends IDES and DCEO resources to provide a one-stop-shop for both job seekers and employers — providing information on job opportunities as well as unemployment resources. The portal is designed to be user-friendly for job seekers of all levels and backgrounds and allows employers to upload jobs, virtual career fairs and training opportunities. Please check this out whether you are a job seeker or an employer.

# **Manufacturing Training Academies**

Governor JB Pritzker joined the Illinois Department of Commerce and Economic Opportunity (DCEO), the Illinois Community College Board (ICCB) and industry leaders in announcing a first-of-its-kind program to expand manufacturing training opportunities for Illinois residents. Through a \$15 million Notice of Funding Opportunity (NOFO) released this week, Illinois will establish two new innovative Manufacturing Trainings Academies that will expand opportunities for skills training, boost retention of manufacturers in downstate communities, and attract more investment by manufacturing companies throughout Illinois.

Through a competitive NOFO process, DCEO will provide a total of \$15 million for two capital grants to fund the construction of new facilities to house two new Manufacturing Training Academies in downstate Illinois. The NOFO is seeking proposals from community colleges to provide cutting-edge training programs that will equip students for an array of well-paying skilled manufacturing jobs that require specialized training. The Manufacturing Training Academies are part of the economic vision for growth and equity put forward by the Governor's 5-year economic plan, which offers a blueprint for growth among the state's strongest and highest growth potential sectors – including manufacturing. These academies will offer specialized training that's not widely available at downstate community colleges for high-demand manufacturing jobs such as machinery mechanics and computer numerically controlled (CNC) machine operators and programmers. For more information and to see the NOFO, please visit our website <u>here</u>. Applications are due 1/31/21.

# **Other News and Notes:**

# **IL Department of Financial and Professional Regulation**

The Illinois Department of Financial and Professional Regulation wants to ensure that Illinois consumers are aware of COVID-19 relief options that are available to them. IDFPR released an educational one pager for consumers to quickly and easily learn about their federal relief options when it comes to evictions, mortgages, and student loans. Federal deadlines are fast approaching. It is imperative that consumers take action quickly. Please see below and the educational PDF linked here.

#### **Mortgage Deadlines**

- FHFA forbearance must be requested by 1/31/21.
- HUD loan forbearance has been extended to 2/28/21.
- FHFA foreclosure moratorium ends 1/31/21.
- VA foreclosure moratorium ends 2/28/21.
- HUD foreclosure moratorium ends 2/28/21.

#### **Student Loan Deadlines**

• Relief has been extended until 1/31/21. This includes interest being waived on all loans, collections on defaulted loans is halted, and loan payments are suspended.

### **Illinois Department of Transportation**

The Illinois Department of Transportation is hosting free virtual workshops in January as part of its Building Blocks of Success series for firms interested in participating in the Disadvantaged Business Enterprise program strengthening their skills and bidding on state projects. The workshops are open to all, but some are tailored to specific districts/regions of the state.

The workshop dates and topics are:

- Jan. 19: Improving your Credit Score, 10 a.m. to noon
- Jan. 20: DBE Certification through IDOT, 5 to 7 p.m.
- Jan. 21: What Banks Look for LOC, Loans and Equipment Financing, 10 a.m. to noon
- Jan. 22: DBE Certification Workshop, 5 to 7 p.m.
- Jan. 25: The Basic Math for Estimating I, 10 a.m. to noon
- Jan. 27: The Basic Math for Estimating II, 10 a.m. to noon
- Jan. 29: The Basic Math for Estimating III, 10 a.m. to noon

Building Blocks of Success will be conducted through April. Workshop information, including dates and times, will be made available through Eventbrite at <u>bit.ly/DBEworkshops</u>. Advance registration is required. Questions can be directed to the DBE resource center at (312) 939-1100.

### **USDA NIFA Funding Opportunities**

The USDA National Institute of Food and Agriculture (NIFA) has recently announced funding opportunities. The **Beginning Farmer and Rancher Development Program** provides funding to support education, training, outreach, and mentoring programs to enhance the sustainability of the next generation of farmers. **The Gus Schumacher Nutrition Incentive Program** supports projects to increase the purchase of fruits and vegetables among low-income consumers participating in the Supplemental Nutrition Assistance Program (SNAP) by providing incentives at the point of purchase. The program will test strategies that could contribute to our understanding of how best

to increase the purchase of fruits and vegetables by Supplemental Nutrition Assistance Program (SNAP) participants. In addition to other factors, NIFA will give priority to projects that have demonstrated the ability to provide services to underserved communities and/or economically distressed communities, particularly Opportunity Zones. **The Community Food Projects Competitive Grant Program (CFPCGP)** fights food insecurity through developing community food projects that help promote the self-sufficiency of low-income communities. NIFA's Community Food Projects (CFP) intends to solicit applications and fund two types of grants. The types are:

- 1. Community Food Projects (CFP)
- 2. Planning Projects (PP)

CFP supports the development of projects with a one-time infusion of federal dollars to make such projects selfsustaining. CFPs are designed to create community-based food projects with objectives, activities and outcomes that are in alignment with Community Food Projects Competitive Grants Program (CFPCGP) primary goals. Planning Projects complete a plan toward the improvement of community food security in keeping with the primary goals of the CFPCGP. Planning Projects focus on a defined community and describe in detail the activities and outcomes of the project.

Please find additional information regarding the recently announced USDA NIFA Funding Opportunities through these links:

- Beginning Farmer and Rancher Development Program
- <u>Gus Schumacher Nutrition Incentive Program (Food Insecurity Nutrition Incentive Program)</u>
- <u>Community Food Projects Competitive Grants Program</u>

### Hope VI Main Street Grant Opportunity

The US Dept. of Housing and Urban Development has posted a grant opportunity that is designed to provide grants to small communities to assist in the renovation of an historic or traditional central business district, or "Main Street" area, by replacing unused, obsolete, commercial space in buildings with affordable housing units; enhance economic development in Main Street areas; and provide affordable housing in Main Street areas. This opportunity is open to units of local government defined as any city, town, township, village, county, parish, or other general-purpose political subdivision of a state or territory. The local government must 1) have a population of 50,000 or less; 2) not be served by a local or county public housing agency that administers more than 100 physical public housing units within the local government's jurisdiction. Such units exclude Section 8 Housing Choice Voucher subsidized units. **The deadline to apply is January 19, 2021.** The funding opportunity can be found here: <u>FR-6400-N-03</u>.

### State Fire Marshal's Small Equipment Grant Program

The Office of the State Fire Marshal (OSFM) announced the application period is open for the Small Equipment Grant Program. **All interested departments should send an application to OSFM no later than January 29, 2021.** OSFM will award \$3.3 million to eligible fire departments and ambulance services during this application period. The Small Equipment Grant Program was established to provide grants of up to \$26,000 for the purchase of small firefighting and ambulance equipment. This program is an innovative approach to a problem that has long caused difficulties for the fire departments and not-for-profit ambulance services in Illinois, particularly those that have hardships in generating the necessary revenue for small equipment. The purpose is to allow eligible applicants the opportunity to purchase small tools and equipment that they may otherwise not be able to purchase. In addition to firefighting personal protective equipment (PPE), applicants can also apply for personal infection control items such as masks, gowns and gloves this application cycle. Most Illinois fire departments, fire protection districts and

township fire departments are eligible to apply. In addition, stand-alone, not-for-profit ambulance service providers are eligible to apply.

Fire department, fire protection districts and township fire department applicants are required to have participated in the National Fire Incident Reporting System (NFIRS) for a minimum of two years prior to applying. Due to NFIRS undergoing updates at this time, the OSFM will require departments to be current through June 2020 for this grant period.

Additional information including the application can be found here: <u>https://www2.illinois.gov/sites/sfm/lam/FireDepartment/Grants-and-</u> <u>Loans/Pages/default.aspx?fbclid=IwAR2IKJADTq30x027VLZUazoBZVtynRWD91meoygszVGPng61et5NSFhblXc</u>