

# Report to the Restore Illinois Collaborative Commission

## August 2023

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 no 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. In addition to this report, the Department is available to answer questions from members of the General Assembly regarding economic recovery programming.

### Restore Illinois

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, therapeutics, and at-home testing - than were available when COVID first struck in early 2020. To date, 88.2% of Illinois adults have received at least one COVID-19 vaccine dose and 79.9% are fully vaccinated. Of Illinois’ total population over 5 years of age, 75.3% are fully vaccinated. In addition, 5.3 million boosters have been administered.<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, is a high priority. 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 for Restaurants, Hotels and Creative Arts Businesses -- DCEO (\$175 million in ARPA funding)**

In mid-March, [Governor Pritzker announced](#) \$175 million in additional Back to Business funding to assist small businesses in key sectors hit hardest by COVID-19. These sector-specific programs target restaurants (B2B Restaurants), hotels (B2B Hotels), and businesses or organizations in the creative arts sector (B2B Arts) in accordance with state statutes that established the Restaurant Employment and Stabilization Grant Program (20 ILCS 605/605-1100), Hotel Jobs Recovery Grant Program (20 ILCS 605/605-1095), and the Illinois Creative Recovery Grant program (30 ILCS 709/40), respectively. DCEO’s Community Navigator network was mobilized to conduct outreach and assist eligible businesses to participate in the programs.

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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>

To better manage a high volume of applications in a timely manner, DCEO enlisted the National Community Reinvestment Coalition Community Development Fund (NCRC CDF) to support with application review, provide technical portal support for applicants, manage the development of the application portal, and provide support in processing payments.

- **B2B Restaurants**
  - B2B Restaurants grants are available to an array of eating and drinking establishments with up to 50 employees, including restaurants, taverns, caterers, food trucks, wineries, breweries, and distilleries.
  - Grants to eligible businesses will be determined by revenue declines, as reflected on tax returns for 2020 and 2021, with awards ranging from \$5,000 to \$50,000.
  - Businesses who have already received grants from the Restaurant Revitalization Fund (RRF), BIG, prior rounds of B2B grants, Emergency Hospitality Grants, or over \$10,000 from a local grant program are not eligible. Restaurants who have received prior federal COVID assistance through PPP or EIDL are eligible.
  - On July 31, DCEO issued award notices totaling \$37.9 million to 999 restaurants.
- **B2B Arts**
  - B2B Arts grants are available to independent live venue operators, performing and presenting arts businesses and organizations, arts education businesses and organizations, theaters, museums, and cultural heritage organizations.
  - Grants to eligible businesses will be determined by revenue declines, as reflected on tax returns for 2020 and 2021, with awards ranging from \$5,000 to \$250,000.
  - Grants for businesses that have received prior state relief funding (BIG or B2B) will be based solely on 2021 losses.
  - As of mid-August, reviews of B2B Arts applications are near completion.
- **B2B Hotels**
  - B2B Hotels grants are available to hotels, motels, inns, and lodging sites.
  - Grants amounts will range up to \$1,500 per room.
  - At least 80% of grant amounts must be used for payroll expenses within a year of receiving the grant.
  - On July 31, DCEO issued award notices totaling \$72.2 million to 728 hotels.

For additional information, refer to the [B2B page on DCEO's web site](#).

### **Community Navigators -- DCEO (\$14.6 million)**

- This program launched in July 2021 and represents a significant expansion of DCEO's original community navigator program from 2020. Community Navigators are under grant agreements with DCEO that has been extended until December 31, 2023 to ensure we have adequate support for upcoming COVID relief business grant programs. Additionally, we are increasing the budgets by approximately \$3,200,000 to fund the activities in 2024. The spokes that will continue through the rest of 2024 have been identified and engaged. There are approximately 110 organizations currently participating in the program.
- A separate notice of funding opportunity was issued for an additional Community Navigator to focus solely on the creative arts sector. Arts Alliance of Illinois has been engaged to work

exclusively in the arts sector and provide assistance to other community navigators as well. Their grant has also been extended through FY24.

- The Community Navigator program meets businesses where they are, providing tools and resources to help them apply for programs and connecting them with access to additional business support services including referrals to Small Business Development Centers. With the launch of Back to Business Restaurants, Back to Business Hotels, and Back to Business Arts in late March and the opening of the application portal on April 5th, the Community Navigator network has been very active with business outreach, program presentations and engagement. At the end of July, the award announcements for Back to Business Restaurants and Back to Business Hotels were made. Through both of these programs, grants are being awarded to approximately 1730 applicants.

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

### **Federal Child Care Relief Funds – IDHS (\$1.6 billion)**

Illinois has been awarded \$1.6 billion in federal relief to support childcare through the latest federal relief packages passed by the US Congress (CRRSA and ARPA). Illinois' economic success relies on the adequacy of our childcare 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 and introduction of other programs is designed to help sustain childcare, which is critically important to supporting working families in Illinois.

#### *Child Care Restoration Grants*

- 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.
- All four quarterly 2021 rounds of funding for the Child Care Restoration Grants have been awarded. A fifth round, the Child Care Restoration Grant Extension, for the grant period of January-June 2022, has also been awarded. Payments for awardees of a sixth round, for the grant period of July-December 2022, has started.
  - 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), \$112 million total in ARPA funds were expended.
- In the fifth round (January-June 2022), \$63 million total in ARPA funds were expended.
- In the sixth round (July-December 2022), \$57 million total in ARPA funds were expended.

#### *Initial Activity Search*

- Effective October 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 has been extended through June 30, 2024.

#### *Child Care Workforce Bonus Program*

- IDHS launched a Child Care Workforce Bonus program in October 2021. Through the program, all staff at licensed and license-exempt childcare centers and homes are 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 May 2022.
- In total, \$60 million in ARPA funds were expended as Child Care Workforce Bonuses.

#### *Strengthen and Grow Child Care Grant Program*

- IDHS launched the Strengthen and Grow Child Care Grant Program in January 2022. Licensed childcare centers and licensed family childcare homes are eligible to receive funds, which are larger in size than the most recent Child Care Restoration Grant awards. Programs must have at least 10% of enrollment supported by CCAP and less than 50% of funding supported by other public funding streams, such as Head Start or Preschool for All. Providers will receive awards in advance of the grant period, investing at least half of each award into workforce development.
- Rounds 1-6 of SGCC application have closed.
  - In the first round (February-April 2022), \$40 million in ARPA funds were expended.
  - In the second round (May-July 2022), \$39 million in ARPA funds were expended.
  - In the third round (August-October 2022), \$45 million in ARPA funds were expended.
  - In the fourth round (November-January 2023), \$44 million in ARPA funds were expended.
  - In the fifth round (February-April 2023), \$48 million in ARPA funds have been expended to date.
  - In the sixth round (May-September 2023), the remaining ARPA funds were expended in the first four rounds (76 million).
  - In the sixth round (May-September 2023), CRRSSA funds were expended for rounds five and six (11 million).

- There will not be any more rounds of SGCC in FY23. Applications for the Smart Start Transition Grants, formerly SGCC, will open July 7<sup>th</sup> and the program will formally begin on October 1<sup>st</sup>. CRRSSA and ARPA discretionary funds will be used for the Smart Start Transition Grants.

**USDOL Apprenticeship Expansion – DCEO (\$8 million in federal and state funding)**

- The State of Illinois has been awarded more than \$9.3 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 new 2023 US DOL State Apprenticeship Expansion Formula funding (SAEF), the State of Illinois received \$1.3 million. US DOL’s purpose with this “Base Formula Funding” is to increase states’ ability to serve, improve, and strategically expand the National Apprenticeship system, by supporting State capacity and State planning to create new and expand existing registered apprenticeship programs while also driving system innovation and reform. It is anticipated that this funding opportunity will be the first of a five-year program that also requires the State to develop a comprehensive five-year apprenticeship expansion plan.
- 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.
  - As of December 2022, Illinois has met its goal of expanding apprenticeships in Illinois under this grant. Apprenticeship Illinois Intermediaries and Navigators have expanded Registered Apprenticeships by more than 800.
  - Additional results include the establishment of more than 60 new registered apprenticeships programs and the engagement of nearly 1,500 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, DCEO has awarded funding to 5 Apprenticeship Navigators and 17 Apprenticeship Intermediary projects for a total of \$4.7 million. It is anticipated that the Apprenticeship Navigators will work with more than 650 businesses, and the Apprenticeship Intermediary projects will serve more than 800 registered apprentices. As of December 2022, grantees under this funding source had expanded the number of apprenticeships by about 700.
- 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.
- As of March 31, 2023, there were 17,867 active apprentices enrolled in 431 registered apprenticeship programs in Illinois. During the first quarter of 2023, 1,425 new apprentices joined programs and 878 successfully completed their programs. Over the

same period 26 new registered apprenticeship programs were added along with 18 new occupations.

- Grantee programs are underway; 1,526 clients have been identified, and 1,341 are enrolled in a training program. Of the 1,341 registered, 1,155 are in sectoral job training programs, and 186 are in Barrier Reduction only. Monthly performance and expenditure reports are being sent to the grantees, and desk reviews have started with 34 grantee reviews completed. The reviews have been very beneficial for the organizations. Grant monitoring is tentative scheduled to start in July. More information on workforce recovery programming is available at <https://www.illinoisworknet.com>.

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

- DCEO is utilizing \$50 million from the American Rescue Plan Act (ARPA) to invest in workforce recovery through the reinvigorated Job Training and Economic Development Program (JTED).
- In September 2021, DCEO released \$20 million 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. The JTED program prioritizes services offered in or to individuals that reside in an identified Qualified Census Tract (QCT) or Disproportionality Impacted Area (DIA).
- On May 18, 2022, [the Governor announced](#) 44 grants totaling \$20 Million to serve approximately 2,500 unemployed, under-employed, or under-represented individuals, including youth with one or more barriers to employment. Each grantee had to develop an Equity and Employment plan that demonstrates how the organization addresses systemic barriers to equitable workforce training and quality employment. 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 grants have been obligated and will run from May 2022 through April 2024.
- Grantee programs are underway; 1,941 clients have been identified, and 1,567 are enrolled in a training program. Of the 1,567 registered, 1,357 are in sectoral job training programs, and 210 are in Barrier Reduction only. Monthly performance and expenditure reports are being sent to the grantees, and desk reviews are almost over, with 42 grantee reviews completed. The reviews have been very beneficial for the organizations. Grant monitoring has begun with four reviews completed by 8/3/2023 and 10 planned through 9/8/2023. Additional monitoring visits will be scheduled for the last quarter of 2023 and the first two quarters of 2024. More information on workforce recovery programming is available at <https://www.illinoisworknet.com>

## Housing and Household Assistance

### Illinois Renters (IHDA)

Facing the possibility of an unprecedented wave of evictions during the COVID-19 public health and economic crisis, the need for emergency rental assistance, eviction prevention measures, and other relief was clear and immediate. The state of Illinois quickly launched a holistic response to those needs, utilizing the massive influx of federal dollars from Congress to launch one of the largest rental assistance programs in the country. Since 2020, the Illinois Housing Development Authority (IHDA) has administered three rounds of emergency rental assistance that has provided nearly \$1.02 billion in rental assistance to help 137,372 vulnerable households remain housed.

IHDA continues to fund applications through the Court-Based Rental Assistance Program (CBRAP) to Illinois tenants and landlords across the state (outside of Cook County) who have pending cases in eviction court. The program is only available to litigants in eviction court. Applicants may qualify for up to \$25,000 in emergency rental payments that can include up to 15 months of past-due rent and 3 months of future rent payments to prevent eviction. Information can be found [here](#).

The Asylum Seekers Emergency Rental Assistance (ASERAP) rental assistance program is being administered by IDHS, with program operations assistance from IHDA. This program will be in the form of a one-time grant up to \$15,000. This grant may provide up to three months of rental assistance (plus move-in fee when applicable) for eligible participants, with the option of one three-month renewal, not to exceed six months of rental assistance total, as individuals transition from temporary hotel stays into affordable rental housing.

- Total Applications: 1,333
  - Approved: 1,053
  - Denied: 203
  - Remaining are in review, awaiting landlord participation, etc.
- Approved: 1,053
- Recertifications: 613 applications
- Disbursed: \$10.9MM total
- Slightly fewer than 600 landlords currently participating in ASERAP.

### Illinois Homeowners (IHDA)

For struggling Illinois homeowners, IHDA has initiated three rounds of emergency mortgage assistance that has provided \$330 million to help 22,997 homeowners impacted by the pandemic.

IHDA is still accepting applications through the Illinois Homeowner Assistance Fund (ILHAF) program that provides up to \$60,000 in mortgage assistance to eligible homeowners — paid directly to the servicer, taxing body or other approved entity. Information on ILHAF can be found [here](#).

### 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 or homelessness due to COVID-19.

- The Intake Process for the program ended on March 31, 2023, except for households in Eviction Courts who could be eligible to apply until June 30, 2023.
- At the end of March 2023, IDHS providers issued \$123.3 million in rental and utility assistance to 21,053 eligible households. Those eligible for Emergency Rental Assistance were provided up to 18 months of rental payments to cover up to 15 months of back-rent owed and 3 months of prospective rent.

### **Low Income Home Energy Assistance Program (LIHEAP)**

The 2023 LIHEAP program year ran from September 1, 2022 through May 31, 2023. For the year over 323,000 low-income households received more than \$313 million in LIHEAP assistance.

- The LIHEAP program served 22 percent more clients in the 2023 program year than were served in 2022 program year.

### **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 2021 and have issued more than \$32 million in benefits as of the end of July 2023.
- For more information or to apply, go to:  
<https://www2.illinois.gov/dceo/CommunityServices/HomeWeatherization/CommunityActionAgencies/Pages/helpIllinoisFamilies.aspx>.