

# Cook County Community Recovery Initiative

Bureau of Economic Development  
Cook County Economic Development Advisory Committee  
April 16, 2020



**Toni Preckwinkle**  
President, Cook County Board of  
Commissioners



# Agenda



1. Welcome and Meeting Format – Howard Males, Chair, EDAC
2. Rollcall
3. Toni Preckwinkle, President, Cook County Board of Commissioners
4. Overview of Cook County Community Recovery Initiative, Xochitl Flores
5. Brief Discussion



# Cook County Community Recovery Initiative



## President Preckwinkle's Remarks



# Cook County Community Recovery Initiative



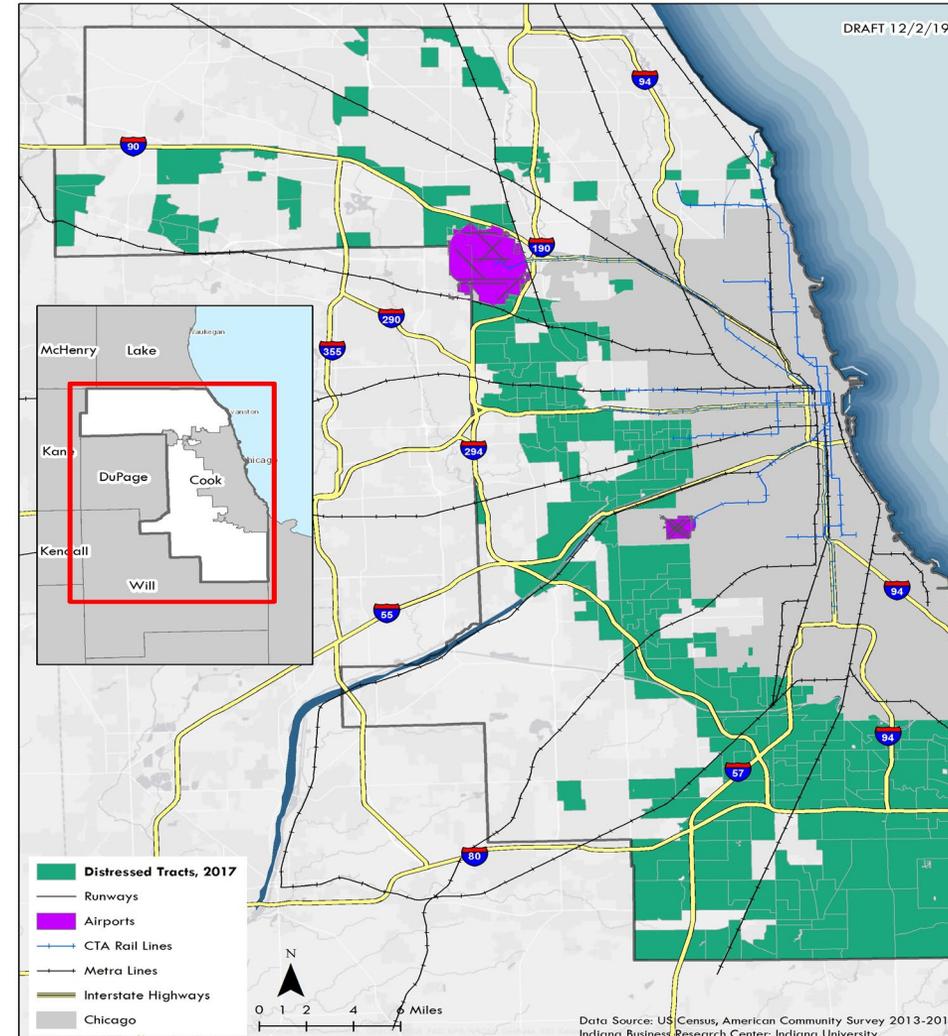
## Objectives:

- Assist businesses and residents understand the programs and resources available
- Build local capacity in communities to support small businesses and community development
- Ensure access for all communities and businesses to critical federal and local resources
- Target underserved and under-resourced communities

# Suburbanization of Poverty



- Cook County continues to see increasing levels of poverty in suburban Cook, consistent with national trends.
- **Drivers of this trend:**
  - Increased housing costs in city
  - Relocation of jobs, especially lower-wage jobs, to suburban locations.
- Metropolitan Planning Council **found a 54-percent increase in suburban poverty between 2010 and 2016 in suburban Cook.**



# Distribution of Federal Resources

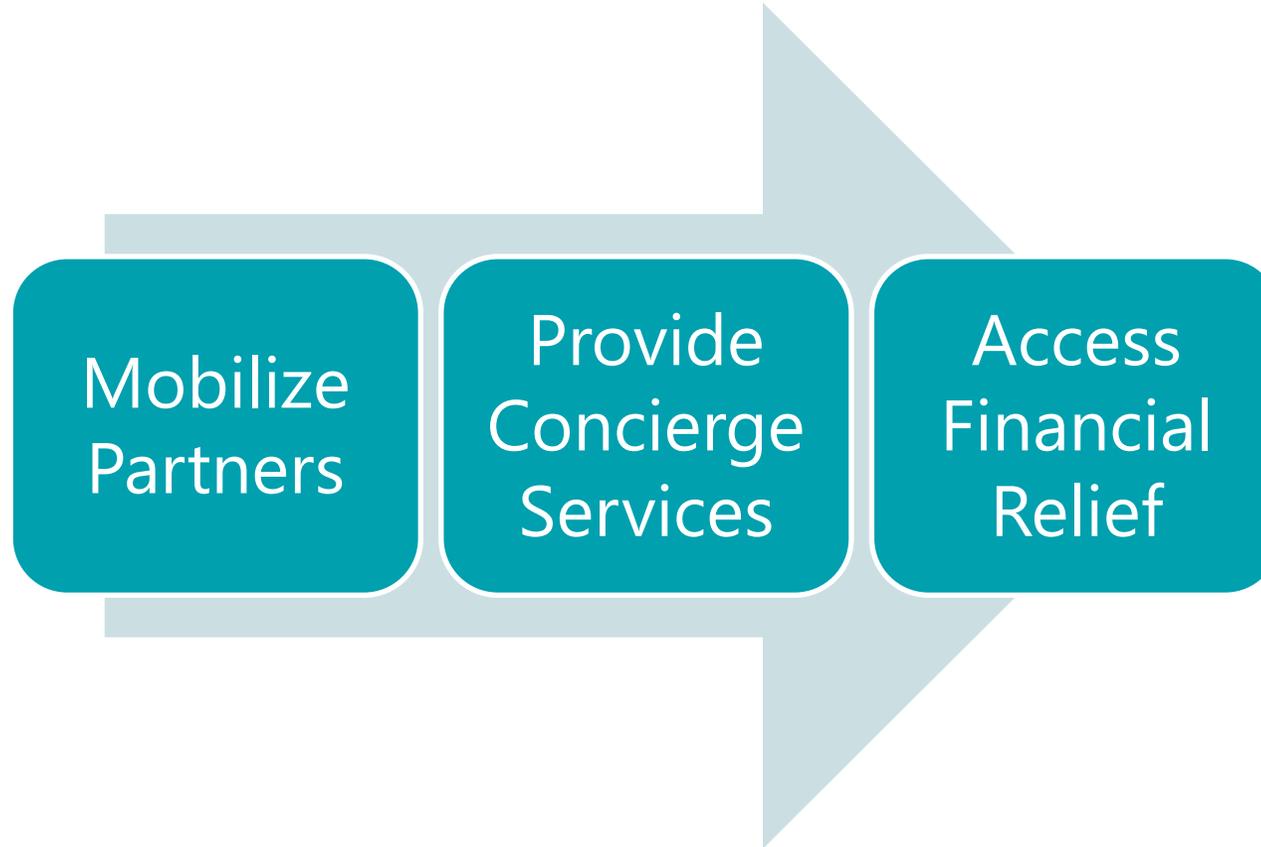


- Current federal funding formula does not account for the increasing levels of suburban poverty.
- Cook County and entitlement communities will have a total of **\$33.6M CDBG** funding across suburban Cook, in comparison to **\$126M** for the City of Chicago.

Entity	2020 CDBG Allocation	CARES CDBG	Total CDBG
Cook County Government	\$10.9 M	\$6.4 M	<b>\$17.3 M</b>
Suburban Entitlement Communities	\$10.3 M	\$6.0 M	<b>\$16.3 M</b>
City of Chicago	\$79.5 M	\$46.8 M	<b>\$126.3M</b>



# Cook County Community Recovery Initiative



*An integrated network to support and rebuild suburban Cook County businesses and independent contractors*

# Provide Concierge Services

## Small Business



- I don't understand the PPP guidelines, what key information applies to **my business**?
- What documents do I need to **prepare a loan package**?

## Independent Contractor



- What is the **maximum loan size** I can apply for?
- My credit card provider denied my application, what **other lenders** can I go to?

## Nonprofit Organization



- Which loan(s) is my organization **eligible for**?
- How do I keep all my **employees on payroll**?

### Cook County **Technical Assistance Network**



- ✓ **Business Counseling**
- ✓ **Eligibility Verification**
- ✓ **Funding Access**
- ✓ **Latest Guidelines**
- ✓ **Loan Packaging**
- ✓ **Process Guidance**

## Reach out today!

American Business Immigrant Coalition  
Chicago Community Loan Fund  
Illinois Restaurant Association  
Partnership for New Americans

# Cook County Community Recovery Initiative



## Initial response to urgent needs:

- Surveyed our CDBG/ESG recipients to understand needs, leading to an early focus on suburban homeless system
- Reallocated \$154,000 of CDBG/ESG immediately to support shelter agencies
- System has largely shifted to a hotel-based model in the short-term
- Efforts underway to create additional congregate shelter capacity where feasible and move homeless individuals into housing
- Consideration of need for suburban permanent shelter space and new housing options
- Coordinate with the Chicago Community COVID-19 Response Fund, led by The Chicago Community Trust and United Way

# Cook County Community Recovery Initiative



## Housing:

**Need and potential for additional housing assistance through CDBG/ESG/HOME for most vulnerable households**

- Rental assistance?
  - Mortgage assistance?
  - Utility assistance?
- 
- How to structure and target such a program with limited resources?

## **Collaboration with City of Chicago regarding:**

- Eviction moratoria and what comes after the moratoria
- Messaging to residents about what they need to do related to rent or mortgage (Are they covered by moratoria? Who to contact?)
- Joint lobbying for additional federal assistance

***Seeking EDAC's input regarding prioritization of these resources***

# Cook County Community Recovery Initiative



## What's in the CARES Stimulus Package?

New HUD resources and more expected:

- CDBG - \$6.4 million
- ESG - \$3.0 million
- Additional discretionary CDBG and ESG funding likely to follow in 60-90 days
- New funds more flexible than usual and faster timelines.
- County has identified \$5-\$6 million of current CDBG resources to reprogram for COVID-19 response (includes \$4.2 million due to a partnership with the County's Department of Transportation and Highways to cover many 2020 CDBG infrastructure projects)

***Seeking EDAC's input regarding prioritization of these resources***

# Federal: SBA Paycheck Protection Program (CARES Act)



<p><b>\$349</b> BILLION AVAILABLE</p>	<p><b>&lt;500</b> EMPLOYEES</p>	<p><b>2.5x</b> MONTHLY PAYROLL</p>	<p><b>SBA</b> APPROVED- LENDERS</p>
<p><b>Available Funding</b></p> <ul style="list-style-type: none"><li>• Small Business Administration (SBA) 7(a) loan program</li><li>• Incentivized to maintain payroll during COVID-19</li><li>• <a href="#">Frequently Asked Questions</a></li></ul>	<p><b>Eligibility Criteria</b></p> <ul style="list-style-type: none"><li>• Any business that meets <a href="#">SBA size standard</a></li><li>• <a href="#">Who can apply?</a> Small Businesses, Non-profits, Independent Contractors, and more</li></ul>	<p><b>Loan Terms</b></p> <ul style="list-style-type: none"><li>• Size: Up to \$10 Million</li><li>• 1% interest rate</li><li>• Deferred for 6 months, due in 24 months</li><li>• Loan amount can <b>fully forgiven</b> if &gt;75% used on payroll expenses</li></ul>	<p><b>How to Apply</b></p> <ul style="list-style-type: none"><li>• First come, first serve</li><li>• Find a <a href="#">lender</a></li><li>• Get Cook County <a href="#">technical assistance</a></li></ul>

Demand will exceed supply. Fund expected to be quickly. Additional \$250B funding expected in CARES 2.0.



# Cook County Community Recovery Fund



<p><b>\$10 M</b></p> <p>County seeded with Corporate and CDBG</p> <p>Seeking additional funds</p>	<p><b>Eligibility</b></p> <p>Suburban businesses</p> <p>&lt; than 25 employees</p> <p>&lt; than \$3 MM in revenue</p> <p>Small businesses, and independent contractors</p>	<p><b>Loan Terms</b></p> <ul style="list-style-type: none"><li>• Up to \$20 K (small businesses)</li><li>• Up to \$10 K (independent contractors)</li><li>• Term: Up to 5 years</li><li>• Interest Rate: 0%</li></ul>	<p><b>CDFIs and Lenders</b></p> <p>CCLF is Program Administrators</p> <p>Additional network of local not-for-profit lenders are partners</p>
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# Cook County Community Recovery Initiative



## Response:

- 4742 companies
- 35% from Chicago
- 87% noted lost revenue is > than 50%
- 45% self-employed
- 31% < than 5 employees

**76%**

***Demand will exceed supply.  
How do to ensure equitable  
distribution of loans?***

- CDBG eligibility?
- First come first served?
- Set asides?
- Other?



# Cook County Community Recovery Initiative



**Bureau will mobilize sub-committees to seek EDAC's input regarding long-term recovery strategy development:**

- Prioritization of resources
- Program design and implementation
- Talent development, upskilling and apprenticeships
- Expanded small business services and program
- Manufacturing supply chain
- MORE



# Helpful Links



## COVID-19 Resources

- [Centers for Disease Control](#)
- [Chicago COVID-19 Resources](#)
- [Cook County Community Recovery Initiative](#)
- [Cook County Department of Public Health](#)
- [Cook County's Response and Resources](#)
- [Illinois COVID-19 Resources](#)
- [Resources for the Business Community](#)



# Thank You.

Thoughts? Ideas? Send them our way!

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