

Below are new financing programs have been released by the State of Illinois and the US Small Business Administration. If you have any questions or need assistance filling out your application, please email Noah Postin, KCAP Client Manager, at npostin@galesburg.org.

HOSPITALITY EMERGENCY GRANT PROGRAM

About the program: To help hospitality businesses make ends meet in the midst of the COVID-19 pandemic, DCEO is launching the Hospitality Emergency Grant Program with \$14 million drawn from funds originally budgeted for job training, tourism promotion, and other purposes. Grant funds are available to support working capital like payroll and rent, as well as job training, retraining, and technology to support shifts in operations, like increased pick-up and delivery. Bars and restaurants that generated between \$500K and \$1M in revenue in 2019 are eligible for up to \$25,000, and bars and restaurants that generated less than \$500K in revenue in 2019 are eligible for up to \$10,000. Hotels that generated less than \$8M in revenue in 2019 are eligible for up to \$50,000. A total of \$14 million is available under this program.

Who is eligible?: Bars and restaurants with a valid license to serve food or liquor and who generated revenues of less than \$1 million in 2019. Hotels with a valid license (hotels, motels other lodging establishments) and who generated revenues of less than \$8 million in 2019.

What can the funds be used for?: For bars and restaurants, based on the businesses needs identified in the grant application, funds can be used to support working capital (rent, payroll), job training and technology enabling new operations as well as other costs to implement that technology. For hotels, funds can be used as working capital to support the retention of employees.

TO APPLY: Businesses can go to <https://us.accion.org/news/covid-19-hospitality-business-grant-program/> now to apply. Applications for awards will be accepted until 5:00pm on **April 1st**, and winners will be chosen via a lottery. Accion will notify businesses on April 4th if they have received an award.

ILLINOIS SMALL BUSINESS EMERGENCY LOAN FUND

About the program: DCEO and the Illinois Department of Financial and Professional Regulation (IDFPR) are establishing the Illinois Small Business Emergency Loan Fund to offer small businesses low interest loans of up to \$50,000. 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.

Who is eligible?: Small businesses located outside of the City of Chicago with fewer than 50 workers and less than \$3 million in revenue in 2019 can apply.

What can the funds be used for?: Loans can be used to support working capital.

TO APPLY: Interest forms will be available on Friday, March 27th at <https://www2.illinois.gov/dceo/SmallBizAssistance/Pages/EmergencySBAIntiatives.aspx>. Eligible businesses will be invited to submit a full application beginning on April 1st. Once submitted, a loan decision will be made within about 10 days, and make funds available within two days of receiving bank information from a business.

US SMALL BUSINESS ADMINISTRATION COVID-19 ECONOMIC INJURY DISASTER LOAN

About the program: Borrowers can borrow up to \$25,000 unsecured at a 3.75% interest rate. Businesses with adequate collateral can borrow up to \$2 million. Repayment terms will be worked out on a case-by-case basis.

Who is eligible: All small businesses or nonprofits in Illinois can apply now.

TO APPLY: Go to <https://disasterloan.sba.gov> to fill out the online application.