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**MAYOR LORI LIGHTFOOT SEEKING APPROPRIATION AUTHORITY FOR CARES ACT
FUNDING IN RESPONSE TO COVID-19**

*City seeks to direct federal funding to support neighborhood programs in communities
disproportionately impacted by global pandemic*

CHICAGO – Mayor Lori E. Lightfoot today joined City Budget Director Susie Park, City Chief Finance Officer Jennie Huang Bennett and City Comptroller Reshma Soni to announce that the City will be seeking authority from the City Council Committee on Budget and Government Operations to appropriate \$1.13 billion in Coronavirus Aid, Relief, and Economic Security (CARES) Act grant funding. The appropriation will provide critical supports for residents throughout Chicago who are struggling from the impacts of the COVID-19 global pandemic, including persons experiencing homelessness as well as homeowners and renters, small businesses and those in need of additional mental health resources among others.

“The COVID-19 pandemic has had a tremendous impact on residents throughout the city, and it has caused even greater, disproportionate damage to the many communities that are already struggling from historic disinvestment,” said Mayor Lightfoot. “The federal support from the CARES Act provides needed resources for services and programs to assist those who have been most severely impacted by the coronavirus, and while this funding is a good start, more help is needed as we rebuild our city from the damage caused by the virus.”

According to federal guidance, the CARES Act grant funding must be directed to COVID-related eligible costs, which includes both immediate health expenses in addition to programs that provide services that many residents desperately need as a result of the indirect economic and social impacts of COVID-19. The plan set forth by City officials appropriates funding to build on public health and community investments and initiatives the Lightfoot Administration has already implemented to support neighborhoods throughout the city. These initiatives include fines and fees reforms, INVEST South/West, the Solutions Toward Ending Poverty (STEP) framework and more. The funding appropriation comes as the City recently entered the third phase of its reopening framework which allowed for many businesses to restart their operations and bring employees back to work in accordance with public health guidance.

“The City is thankful to have additional federal funding support to offset the costs we have incurred in response to the COVID-19 pandemic,” said Budget Director Susie Park. “These



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grants will have a huge impact not only in helping the City to pay for the necessary health response, but with the approval from the Budget Committee, it will also help the City to allocate resources into the neighborhoods that have been disproportionately impacted by the pandemic.”

CARES Act grants total \$1,130,724,000, and proposed appropriations include funding for:

- Airport Assistance: \$376,744,000
- Public Health Response: \$189,346,000
- Homeless Services: \$39,602,270
- Small Business Assistance: \$35,000,000
- Housing Assistance: \$16,500,000
- Community Healthcare Infrastructure: \$11,000,000
- Workforce Assistance: \$10,000,000
- Violence Prevention: \$10,000,000
- Mental Health: \$10,000,000
- Senior Assistance: \$10,505,420
- Food Assistance: \$4,510,501
- Broadband Initiative: \$5,000,000
- Housing for Persons Living with HIV/AIDS: \$1,539,000
- Human Services: \$259,270
- Domestic Violence: \$207,000
- COVID-19 Direct Response: \$410,510,539

“As we look ahead, we are cognizant of the long-standing implications COVID-19 will have on the City’s finances both now and into the future,” said the City’s Chief Financial Officer, Jennie Bennett. “As with all City decisions made during the response to the COVID-19 pandemic, we kept in mind the areas that were most impacted by the virus and are actively working to direct funding dollars where they are needed most.”

The CARES Act appropriations come on the heels of the City’s announcement of an estimated \$700 million 2020 budget shortfall. The decline in City revenues come from a combination of economically sensitive areas including the amusement tax, hotel tax, parking tax and restaurant tax. Losses from March and April alone reached \$175 million and projections show similar losses from May, in large part due to the State mandated Stay at Home order. In order to close the shortfall, the City will use \$100 million in refinancing savings while seeking further savings and efficiencies by looking within departments and reprioritizing hires for 2020.

Since the initial outbreak of the COVID-19 pandemic, the Lightfoot Administration has taken many steps to help residents who are struggling due to the financial pressures presented by the crisis, including a temporary suspension on some ticketing enforcements and creating the Small Business Resiliency Fund. The City has also closely monitored its expenditures related to COVID-19 and worked with federal and state agencies to determine what may qualify for federal reimbursement. For more information about the City’s response to COVID-19 please visit [Chicago.gov/coronavirus](https://chicago.gov/coronavirus).



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