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FOR IMMEDIATE RELEASE

May 14, 2020

CONTACT:

Mayor's Press Office

312.744.3334

press@cityofchicago.org

MAYOR LIGHTFOOT AND BACP ANNOUNCE \$5,000 GRANTS AWARDED TO NEARLY 1,000 MICROBUSINESSES IMPACTED BY COVID-19 OUTBREAK

City's Microbusiness Recovery Grant Program distributed grants to 959 microbusinesses in targeted community areas; Grants allocated one week after close of application

CHICAGO – Mayor Lori E. Lightfoot and Department of Business Affairs and Consumer Protection (BACP) Commissioner Rosa Escareno today announced that \$5,000 grants have been awarded to nearly 1,000 microbusinesses that have been impacted by the Coronavirus 2019 (COVID-19) outbreak. Through the City's Microbusiness Recovery Grant Program, 959 microbusinesses from across 36 low- and moderate-income community areas have received a grant of \$5,000 just one week after applications closed for the program on Monday, May 4.

This latest measure not only builds on the City's unprecedented \$105 million in COVID-19 relief funding for Chicago businesses but also Mayor Lightfoot's INVEST South/West initiative that's designed to support local businesses on Chicago's South and West Sides by investing \$750 million over three years in neighborhoods that have historically been disinvested in for decades.

"Throughout the unprecedented and urgent COVID-19 crisis, this City has been working each and every day to ensure we fulfill our fundamental obligation to support Chicago's smallest businesses so that they can continue to hire in and build wealth in our neighborhoods," said Mayor Lightfoot. "From family-owned coffee shops to mom-and-pop retail stores, our microbusinesses are the beating heart of our communities and local economy. With the Microbusiness Recovery Grant Program, we are putting much-needed relief into the hands of nearly 1,000 of Chicago's most-impacted local entrepreneurs so that we can reinvigorate communities on our road to recovery."

Launched on April 28, the Chicago Microbusiness Recovery Grant Program was designed for businesses that may not be able to obtain funding through federal and other financing programs. Based on survey responses, over two-thirds of grantees



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have not received any other emergency funding during the COVID-19 outbreak. To be eligible, businesses must have had four or fewer employees, revenues of less than \$250,000 and be located within a low- or moderate-income community area. The grantees were selected from over 4,500 applicants through a lottery system.

“Small and micro businesses operating in low-income areas are the heart of their communities and we know that many of these businesses have been left out of other emergency funding options,” said Rosa Escareno, BACP Commissioner. “It was important to us to build a program that filled those gaps and I am proud of the relief that we have delivered to nearly 1,000 businesses.”

The 959 businesses awarded today are located throughout Chicago in the eligible community areas and represent all types of industries, from coffee shops and general retail to daycares and travel companies. More than 90 percent of the awardees identify as having diverse ownership, including 55 percent women, 45 percent African American and 34 percent Latinx. Additionally, the awarded businesses employ an average of 2 employees and have been in business for an average of over 10 years.

“To say that Chicago’s small businesses have been hurting throughout the COVID-19 crises would be an understatement,” said Emilia DiMenco, President and CEO of Women’s Business Development Center. “While many of our smallest and most vulnerable businesses have had difficulty accessing federal support, the Microbusiness Recovery Grant has provided vital relief to owners who need it the most and we were thrilled to partner with the City on this program.”

The Microbusiness Recovery Grant Program was made possible through philanthropic donations collected by the Chicago Community Trust in collaboration with the One Chicago Fund and additional relief funding. The program was administered by BACP with the support of five community partners: Accion Serving Illinois and Indiana, Chicago Neighborhood Initiatives, the Chicago Urban League, SomerCor and Women’s Business Development Center. The community grant administrators reviewed applications for eligibility and distributed grants starting on Monday, May 11. As of today, all businesses have been notified about their grant application, including those that were not selected.

“I want to thank Mayor Lightfoot for recognizing that neighborhood businesses like ours can act as community anchors for local residents,” said William Ball, owner of Abundance Bakery. “While we are still weathering this storm, it’s supports like these that will give our 29-year-old business the resiliency to get back on our feet and lay the foundation for a strong and speedy recovery.”



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Thanks to the grants provided through the Microbusiness Recovery Grant Program, microbusinesses like Abundance Bakery in Grand Boulevard, Bloom Floral Designs in Belmont Cragin and Herban Produce in East Garfield Park and have been able to receive the emergency funds they need to get through the crisis.

“These grant funds will not only help businesses like ours pay rent, meet payroll and other expenses – it will frankly help us stay afloat through this unprecedented public health crisis,” said Ulises Vargas, owner of Bloom Floral Designs. “I want to thank Mayor Lightfoot and BACP for setting up this program to provide the supports that local businesses like ours need to survive.”

To inform prospective applicants of the funding available through the Microbusiness Recovery Grant Program, BACP held six webinars in multiple languages during the week that the application was open. BACP has also established thirteen Small Business Resource Navigators to provide individualized one-on-one support to help small business owners navigate the funding landscape.

“While our doors may be shut temporarily, it is thanks to the financial support received through this first-of-its-kind grant program that I can make sure to reopen when this crisis is over,” said Alicia Nesbary Moore, co-owner of Herban Produce. “With grants received through the Microbusiness Recovery Program, we can continue serving the East Garfield Park neighborhood for years to come.”

Through the Microbusiness Recovery Grant Program and the Small Business Resiliency Fund, the City of Chicago has dedicated \$105 million to emergency financial relief for small businesses, more than any other municipality in the United States. To date, the Resiliency Fund has approved 316 loans for nearly \$12 million, with another 268 loans totaling \$9.5 million in the final stages of underwriting.

“Mayor Lightfoot’s Microbusiness Recovery Grant Program is a critical lifeline to Chicago’s smallest businesses that are experiencing unprecedented hardship,” said Emma Mitts, 37th Ward Alderman and Chairman of the Committee on License and Consumer Protection. “In less than two weeks, the City established a first-of-its-kind emergency grant program and is now putting those relief funds directly into the hands of our community entrepreneurs.

To further support the business community, the City of Chicago has deferred business tax payments until July 1 and introduced an ordinance to extend business license expiration dates to June 30. This includes restaurant, hotel accommodations, bottled water, checkout bag, ground transportation, parking and amusement taxes. BACP has also created a direct subsidy for wheelchair accessible taxicab drivers by increasing the annual subsidy for vehicle maintenance by \$1,000, increasing the



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driver leasing subsidy from \$15 to \$25/hour. Finally, the City has extended the deferral of the deadline for debt checks for taxicab and TNP drivers to June 1.

“Businesses in my ward and through the city are struggling like never before,” said Pat Dowell, 3rd Ward Alderman and Chairman of the Committee on Budget and Government Operations. “Through the Microbusiness Recovery Grant Program, the City is providing necessary relief to hundreds of business owners that might otherwise be left behind. This program shows that we are truly all in this together.”

BACP continues to host webinars for business owners looking to learn more about resources and supports offered by the City during this difficult time. To learn more and to register for a webinar, please visit chicago.gov/businessworkshops.

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