



CHICAGO SMALL BUSINESS RESILIENCY FUND

WHAT IS THE RESILIENCY FUND?



Mayor Lightfoot has announced a new **\$100M economic relief package** to support Chicago's small businesses that are experiencing a temporary loss of revenue as a result of the COVID-19 outbreak. The **Chicago Small Business Resiliency Loan Fund** is a partnership with the City, the Chicago Community Catalyst Fund, and other private sponsors.

The new fund will provide **no- or low-interest loans** to severely impacted small businesses over the coming months, targeting historically under-resourced communities with an emphasis on minimizing hardship for those businesses and their employees. The package is **designed to provide much-needed cash flow relief for neighborhood entrepreneurs.**

More than **half of Americans work at or own a small business**. According to a recent study, the average Chicago small business has only **28 days of cash** on hand, and in many of Chicago's South and West Side neighborhoods, liquidity is even tighter. The creation of an emergency loan fund will provide **critical support for businesses**, their employees, and the families that depend on the vitality of the local neighborhood economy.

 resiliency.fund@cityofchicago.org

 www.chicago.gov/coronavirus

HOW DOES THE FUND WORK?



The Fund is seeded through \$25M from the **City of Chicago**, \$50M from the **Chicago Community Catalyst Fund**, \$10M through **Goldman Sachs Urban Investment Group**, \$1M from **Fifth Third**, \$250K from **Clayco** and \$15M from other sources.

Philanthropic institutions or corporations interested in providing additional funds should send their information to email address below.

Loan applications will be administered through our Community Development Financial Institution (CDFI) partners, **beginning on March 31, 2020**.

The loan terms will follow the guidelines below:

- 1) **Repayment Term:** Low-interest loans for a term of up to 5 years
- 2) **Loan Amount:** Up to \$50K
- 3) **Loan Proceeds:** Proceeds are required to be used for working capital

Eligibility requirements include:

- Suffered more than 25% revenue decrease due to COVID-19
- Employ fewer than 50 employees and gross revenues of less than \$3M in 2019
- Provide a City business address or City business license
- No pre-existing tax liens or legal judgments

Additional information can be found at the City's website.