



FOR IMMEDIATE RELEASE

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President Preckwinkle Launches Fund to Help Small Businesses and Independent Contractors Recover from COVID-19

COOK COUNTY — Today Cook County Board President Toni Preckwinkle signed [Executive Order 2020-9](#) to create the Community Recovery Initiative, which creates an emergency relief fund for businesses and 1099 workers in suburban Cook County. Cook County will seed an initial \$10 million for the fund, which will grant loans to gig workers and small businesses to weather the COVID-19 pandemic. The creation of this fund comes days after President Preckwinkle announced the County's new technical assistance network with the American Business Immigration Coalition, the Illinois Restaurant Association, and the National Partnership for New Americans to help suburban small businesses and contract workers quickly and successfully access \$377 billion in new small business loans created as part of the CARES Act recently passed by Congress. Together with the technical assistance and outreach, this fund comprises part of the comprehensive [Cook County Community Recovery Initiative](#).

"Unprecedented problems call for unprecedented solutions," said President Preckwinkle. "Small businesses and entrepreneurs are at the heart of the towns and villages throughout Cook County, and my administration will do all it can to support them through this dark time. This virus may dictate our present, but it will not write our future."

The new fund created by Cook County's Bureau of Economic Development will offer one-time, zero-interest loans to suburban Cook County small businesses with up to 25 employees and to suburban Cook County residents who make more than half their income in 1099 contract employment. The loans will be up to \$20,000 for small businesses and \$10,000 for individuals, and the fund will be administered by the Chicago Community Loan Fund (CCLF) with the support of several community lenders who will distribute the funds.

"The Chicago Community Loan Fund is proud to be working in partnership with the County and its lending partners to get this crucial program up and running as quickly as possible," said Calvin L. Holmes, President of CCLF. "The COVID-19 global pandemic is hurting small businesses and contract workers in suburban Cook County, and this effort is designed to get money out quickly and offer a lifeline during these unprecedented times."

The County's Community Recovery Initiative arrives at a pivotal moment for suburban Cook County's economy. Many small businesses say they cannot access the emergency small business and independent contractor financial support that was part of the federal stimulus law for multiple reasons. For example, the parameters of the Payroll Protection Program define a small business as one with fewer than 500 employees. Businesses of this size are much more likely to have the resources to quickly apply for the money, as well as pre-existing relationships with the large banks who control access to the loan program.

As a result, most of the suburban "mom and pop" businesses and business owners without a sterling credit history lack access to the federal funds, acutely impacting the viability of small businesses, especially in lower-income and diverse communities. The County's new relief fund and federal loan outreach and access initiative are uniquely positioned to respond to these barriers.

"Small business resources including philanthropic dollars are often targeted to small businesses within large urban cities, such as Chicago. At large, small businesses beyond the city limits often lack access to much of the same," said Erica King, President of Chicago Neighborhood Initiatives Micro Finance Group (CNIMFG). "In these unprecedented times, it is imperative that resources are made available across all impacted communities. I am excited that CNIMFG can be a part of solutions that focus on providing innovative and thoughtful relief options to businesses located in greater Cook County."

"COVID-19 has severely affected the business of both my salon, and my manufacturing plant here in Cook County," said Stephanie Luster, owner of Sophia Brandon Salon in Olympia Fields. "As we pivot to adjust to the temporary realities that we are facing right now, survival as a small business and supporting the contractors that work with me in my salon is my priority. This new relief support from Cook County will be a bridge to help us stay in business and remain vital."

"This effort by Cook County is very important to workers in the gig economy. Due to the overuse and misuse of misclassification of employees as 1099 independent contractors, we have hundreds of thousands of workers across our economy operating without a safety net. This program will be a lifeline for the recipients," said Susan Hurley, Executive Director of Chicago Jobs With Justice.

The County plans to open up applications for the Community Recovery Fund by mid-April. To learn more and sign up for updates when the application opens, please visit www.cookcountyil.gov/recovery.

Download an [overview of the initiative](#).

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