

**TOWN OF WALLINGFORD
WALLINGFORD ARPA APPLICATION REVIEW COMMITTEE
129 Center Street (HUBCAP)
Wallingford, CT 06492**

**Monday, January 31, 2023
6:30 p.m.**

DRAFT RECORD OF VOTES AND MINUTES

The chairman, Mike Brodinsky, called the meeting to order at 6:32 p.m. Those in attendance recited the Pledge of Allegiance. Members in attendance were Carl Bonamico, Mike Brodinsky, Craig Fishbein, Robert Fritz (7:16 pm via Zoom), Mike Glidden, Bob Gross, Jacqueline McNamee, Christopher Regan, Jesse Reynolds, and Amy Walsh.

Recusals: Michael Glidden for the Baran's Kenpo Karate application and Carl Bonamico for the Academy Di Capelli application

Members of the public: applicants Academy Di Capelli and Baran's Kenpo Karate

Mr. Brodinsky reviewed the process. A committee member will open the discussion on an application. We will go around the table twice for comments and discussion. Committee members will score each application using the matrix approved by the Town Council. They will be turned in. Mr. Gross will read each member's total score. Mr. Reynolds will add them up and share the average score. Ms. Walsh will collect the score sheets and the adding machine tape and put them in an envelope for the public record. As a reminder, business applications need a score of 70 or above to be recommended for funding. A score of 69 or below is not recommended.

Baran's Kenpo Karate, LLC

Mr. Brodinsky outlined the application. This is a martial arts instruction business teaching life skills to people of all ages. Regarding the negative impact of COVID, they lost just over 30% of their students and still have not recovered enrollment to pre-COVID levels. The requested grant of \$25,000 would be used to replace specialized mats and for marketing to increase enrollment. They received PPP money. Their financials showed a healthy business in 2019, they took a hit in 2020 and had still not recovered in 2021.

Committee comments on this application included:

- The proposed project will address the negative impact of COVID.
- Clear that COVID contributed to the financial adversity
- Listed how they would use the funds.
- Experienced a substantial decline in revenue due to the pandemic
- The grant will address the negative impact and assist in long-term recovery
- A lot of detail in the documentation
- Timeline not complicated
- They demonstrated the need and that it is not a temporary fix
- Still haven't brought back pre-COVID employees
- Excellent documentation
- PPP helped fill that gap but still has a drop in membership

- Haven't brought back all employees yet
- Clearly meet the requirements
- Business is an asset to the town providing a safe environment for kids

No second-round comments were made. Score sheets were handed in.

Total Scores:

Brodinsky:	86	Gross:	85
Bonamico:	95	McNamee:	95
Fishbein:	75	Regan:	85
Fritz	absent	Reynolds:	97
Glidden:	recuse	Walsh:	100

The average score is 89.75

Archie Moore's Restaurant

Mr. Brodinsky outlined the application. The application is for \$25,000. Based on the submitted financials, gross sales are substantially above pre-pandemic levels. The net is substantially above as well. They received PPP. He reminded the committee that the core criterion is a present or current economic hardship/adversity caused by the pandemic. The proposed use of the grant is to pay down outstanding debt. He noted that the grant conditions say it can't be used for reserves, lost profits, or payments on debt.

Mr. Gross noted that the general purpose of the grant in the documentation provided by the town is for the retention and rehiring of employees, recruitment of new employees, capital building or equipment improvements, unpaid rent, mortgage, and other expenses. Yet the grant conditions say it can't be used for unpaid rent.

Committee comments on this application included:

- Can't see the hardship
- Recovered well from the pandemic
- The application doesn't fit the criteria.
- Can't tell what the debt is.
- No support documentation on how the money will be spent.
- Impressive financials
- Don't see the adverse impact of the pandemic on the business
- Struggle with staff unemployment and financials
- Would have liked more detail
- Application incomplete
- Their hardship may not meet the standards for this grant
- Struggled with the lack of specificity
- Backup is thorough
- No documentation of back rent
- Has the debt been paid since the application was submitted?
- This restaurant was able to take advantage of outdoor dining.
- A lot of vagueness in the application

After the second round comments were made, and score sheets were handed in.

Total Scores:

Brodinsky:	5	Gross:	30
Bonamico:	50	McNamee:	55
Fishbein:	50	Regan:	0
Fritz	absent	Reynolds:	55
Glidden:	30	Walsh:	20

The average score is 32.7

Academy Di Capelli

Mr. Brodinsky noted that while debating how to formulate the grant program, replacing lost revenue was discussed but did not make it into the criteria. Grants to businesses have to be hardship grants with current financial adversity. This is the core criteria and the burden of proof is on the applicant. The first criterion states that financial adversity is present not past. He quoted the criteria on the matrix: 'Score based on the degree to which the pandemic created or contributed to the demonstrated and clearly described financial adversity that the business is experiencing.'

Mr. Brodinsky outlined the application. They are a private occupational trade school providing courses in cosmetology, barbering, and aesthetics. They were forced to close their salon floors and limit the number of students and staff during COVID. Their financial picture seems to be robust pre-COVID. In 2021 they were back to their pre-pandemic numbers, so they have fully recovered. This application asks for \$10,000 to mitigate the cost of purchasing PPE, desks, chairs, and equipment that couldn't be reimbursed through PPP. It sounds like the materials have already been purchased. The funds can't go to reserves, lost profits, or payment of debt.

Committee comments on this application included:

- Not clear where the money will go
- Not convinced of the impact of the pandemic at this point.
- Can't see the hardship
- They received a large amount in PPP
- They could be still purchasing safety and cleaning equipment
- This industry was shut down with no warning.
- Only asking for \$10,000
- Seems to be a legitimate ask
- Demonstrate the hit to the business in 2020
- Have not reduced their staff
- Request seems reasonable
- Would have been nice to have a clear explanation of how the funds would be spent
- The business managed to stay open
- It is a place of teaching
- This seems to be a reimbursement, not to expand the business
- Doesn't seem to be in hardship now
- They utilized the PPP money to retain their staff which was the point.

Rob Fritz joined via Zoom but did not comment or vote on this application.

No second-round comments were made. Score sheets were handed in.

Total Scores:

Brodinsky:	28	Gross:	60
Bonamico:	recuse	McNamee:	75
Fishbein:	70	Regan:	75
Fritz:	absent	Reynolds:	70
Glidden:	70	Walsh:	50

The average score is 62.25

BiolumenEssence

Mr. Brodinsky outlined the application. This is a small owner-operated business that is located off the beaten path. They are trying to establish a business that includes a line of flower essences, aromatherapy sprays, and sourcing and packaging organic essential oils. They have been in the current location for 4 years off and on n various incarnations and capacities. The owner is the only employee. The impact of the pandemic on the business is documented. This is a struggling business. He indicated a problem with proportionality as the \$25,000 request seems to be more than the business has made based on the financials. He noted that we can reduce the grant amount and asked the committee to consider funding them at \$8,000 instead.

Committee comments on this application included:

- Use of funds not well documented
- Included tax returns
- Sympathetic but they were failing before the pandemic.
- Didn't see specifics
- Doesn't show sustainability
- Funding a start-up is not our charge
- Would have appreciated more budget information
- Reducing the amount would not affect my decision
- The reduced grant would not be effective with this business model
- Lack of information
- Research in Concord showed that the business was run out of Cheshire for a couple of years.

Mr. Fritz dropped off the call.

No second-round comments were made. Score sheets were handed in.

Total Scores:

Brodinsky:	55	Gross:	35
Bonamico:	55	McNamee:	50
Fishbein:	20	Regan:	23
Fritz	absent	Reynolds:	60
Glidden:	45	Walsh:	50

The average score is 43.67

Motion to authorize the chair to send a favorable recommendation to the government for Baran’s Kenpo Karate and to send a negative report for Archie Moore’s, Academy Di Capelli, and BiolumenEssence.

Made by: Mr. Glidden

Seconded by: Mr. Reynolds

The motion was withdrawn because Mr. Glidden was recused on one of the applications.

It was agreed to restate the motion and have individual motions for each application.

RESTATED Motion to authorize the chair to send to the Law Department, Mayor’s Office, and Town Council a notice that the following is not recommended for approval: Archie Moore’s Restaurant.

Made by: Mr. Glidden

Seconded by: Mr. Brodinsky

Vote:

Brodinsky:	Yes	Gross:	Yes
Bonamico:	Yes	McNamee:	Yes
Fishbein:	Yes	Regan:	Yes
Robert Fritz	absent	Reynolds:	Yes
Glidden:	Yes	Walsh:	Yes

Ayes: 9

Nays: 0

Recusals: 0

Absent: 1

Motion to authorize the chair to send a notice to the Law Department, Mayor’s Office, and Town Council for the following application is not recommended for approval: Academy Di Capelli.

Made by: Mr. Brodinsky

Seconded by: Mr. Glidden

Vote:

Brodinsky:	Yes	Gross:	Yes
Bonamico:	recuse	McNamee:	Yes
Fishbein:	Yes	Regan:	Yes
Robert Fritz	absent	Reynolds:	Yes
Glidden:	Yes	Walsh:	Yes

Ayes: 8

Nays: 0

Recusals: 1

Absent: 1

Motion to authorize the chair to send a notice to the Law Department, Mayor’s Office, and Town Council that the following application is not recommended for approval: BiolumenEssence.

Made by: Mr. Glidden

Seconded by: Mr. Brodinsky

Vote:

Brodinsky:	Yes	Gross:	Yes
Bonamico:	Yes	McNamee:	Yes
Fishbein:	Yes	Regan:	Yes
Robert Fritz	absent	Reynolds:	Yes
Glidden:	Yes	Walsh:	Yes

Ayes: 9

Nays: 0

Recusals: 0

Absent: 1

Motion to authorize the chair to recommend approval to the Law Department, Mayor’s Office, and Town Council for the following application: Baran’s Kenpo Karate.

Made by: Mr. Fishbein

Seconded by: Mr. Brodinsky

Vote:

Brodinsky:	Yes	Gross:	Yes
Bonamico:	Yes	McNamee:	Yes
Fishbein:	Yes	Regan:	Yes
Robert Fritz	absent	Reynolds:	Yes
Glidden:	recuse	Walsh:	Yes

Ayes: 8

Nays: 0

Recusals: 1

Absent: 1

Discussion on process

Mr. Reynolds asked about the details that should be recorded on the outside of the score sheet envelope and if they should indicate if they were recommended or if someone was recused.

Mr. Fishbein stated that the motions should clearly state ‘approve the grant for x dollar amount for Y application’. Mr. Brodinsky agreed that starting with the next meeting we will add the amount. He asked if the committee wanted to authorize him to go back and add the dollar amounts to tonight’s motions. There was no consensus.

Motion to adjourn at 7:45 pm

Made by: Mr. Glidden

Seconded by: Mr. Fishbein

Respectfully submitted,

Cheryl-Ann Tubby
Recording Secretary