



87 READS WAY
NEW CASTLE, DE 19720
(302) 395-5959
nccde.org

OFFICE OF ECONOMIC DEVELOPMENT

CARES Act Task Force Support Small Business Committee Meeting
Meeting Minutes-Wednesday, July 1, 2020
1:00PM Virtual Zoom Webinar

Attendance:

Committee Members Present: Co-Chair Lee Mikles, Co-Chair Tamarra Morris Foulkes (NCC Director of Economic Development), Councilman Sheldon, Ed Capodanno, Desa Burton, Lee Mikles, Nakishia Bailey, Patrick Callahan, DaWayne Sims, Matt Parks, Kurt Foreman, Givvel Marrero, Mike Quaranta, Denita Henderson, Tom Coleman, Jessica Gibson Brokenbaugh (NCC PR Officer), Damian DeStefano, Jason Aviles

Committee Members Absent: Jason Aviles, Sam Latham, Melissa Marchione, Paul Hughes, Kwame Guy, Quinton Johnson, Councilman Cartier, Rob Herrera, Jeff Flynn, Tom Coleman

Others in Attendance: Sanjay Bhatnagar (NCC Department of Law), Bob Wasserbach (NCC Auditor) and members of the public

Proceedings:

- Meeting called to order by Tamarra Foulkes at 1:05PM
- Motion to Approve Minutes from 6/26/2020 by Lee Mikles; Seconded by Councilman Sheldon

Restaurant/Retail/Startup Impact (conversation continued from last meeting)

Jason Aviles: Hospitality industry; needing to adjust to 'new normal'; expensive, payroll etc. Dining space limited: transforming seating space as additional kitchen and catering space; shifting toward catering, curbside dining, delivery. 40% revenue loss. 60-70%; cost of doing business, systems and software cost increase. Customer base. Limited new menu: 2-3 day schedule, vendors are limited. Food distribution/supply has been affected; scheduling; payroll is same all though business has declined; food costs have increased. Prediction of needs.

Givvel Marrero: Cost increase of cleaning supplies; needed supplies and inventory has increased

Lee Mikles: Restaurants are pivoting to the new normal and assessing the costs associated with those changes

Jason Aviles: Opportunities are now available to provide catering etc.; seating and dining experience is not an option for some restaurants. Potential 120% increase in revenue if conversion is successful..

Jessica Brokenbaugh: Nonprofit Support Committee is discussing reimbursement for COVID-19 expenses

Tamarra Foulkes: Ed, please share your thoughts regarding COVID-19 impact on the construction and trades.

Ed Capodano: ABC Members were essential; impact was limited. Supply chain has become an issue; getting materials quickly to complete project within the timeframe of original projection.

Councilman Sheldon: PPE for construction is an additional cost. Extra tools etc. for additional personnel needed due to social distancing.

Ed Capodano: Agrees PPE is an additional cost.

Tamarra Foulkes: Is HELP addressing Voluntarily closing of businesses that remain closed due to social distancing requirements that are not possible?

Damian DeStefano: \$3M to 300 businesses; 50% of the \$3M went to assist restaurants with lease and mortgage costs.

Foulkes: Lee: Idea Evaluation

Lee Mikles: Committee needs to consider: What is the selection criteria; 'Life raft or speed boat' approach? What percentages of the money will go into each bucket? What does success look like? What industries would create opportunities to better position for the future and lasting impact.

Ed Capodano: Creating threshold: Emergency money and long term.

Mike Quaranta: Viability of the business must be considered as a qualification measurement.

Damian DeStefano: Process is dramatically slowed down based on the application requirements

Matt Parks: PPP program are now in a position for forgiveness; data is available

Ed Capodano: Not every business went through the PPP program.

Tamarra Foulkes: Damian: HELP Grant?

Damian DeStefano: How did they pay for expenses prior to 3/2020; quickest option without credit underwriting. Everyone or competitive or targeted? Revenue or size

Mike Quaranta: Consider using preexisting financial statements, personal/business credit score? Targeted. Can we have a financial institution develop criteria, guidelines and requirements? Adding a partner to volunteer. Applications can be set up anonymously.

Matt Parks: Offered to reach out to Discover Bank (his employer) and the Delaware Bankers Association to discuss partnership. Volunteered to Chair the subcommittee to create qualifying criteria.

Motion to make Wednesdays at 1:00PM the standing meeting slot made by Lee Mikles; seconded by Councilman Sheldon

Lee Mikles: Reminded the group to be mindful of FOIA requirements pertaining to groups conversations.

Public Comment:

Sherm, Entrepreneur: PPP program has ended. What happens if restaurants are forced to close again? True Access Capital submits every loan request to a Board of Directors to review. Important to know/consider what the business has

done and footprint in the community. As submitted an economic development stimulus bill...grant based on percentage of sales; creating a formula based on a percentage and not a dollar amount.

Mike Quaranta: Common denominators between other program requirements. How do we make the process faster and more efficient?

Sherm: SBA and Federal Gov. has requirements/audit system in place. Auditability: 941 Tax form...Recently past approvals for SBA?

Bob Wasserbach: Consider adding a CPA to the committee to assist with the requirements and guidelines.

Adjournment:

- Motion to Adjourn made by Lee Mikles; seconded by Councilman Sheldon