

OFFICE OF THE CITY CLERK
2008 FEB 07 PM 6:44

APPROVED AS TO FORM AND LEGALITY:

D. Lewis

Deputy City Attorney

OAKLAND CITY COUNCIL

RESOLUTION No. 81131 C.M.S.

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO INCREASE THE FUNDING FOR OAKLAND BUSINESS DEVELOPMENT CORPORATION IN AN AMOUNT NOT TO EXCEED \$285,800 OF ECONOMIC DEVELOPMENT INITIATIVE FUNDS (“EDI”) FOR FISCAL YEAR 2007-08, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$558,550; AND IN AN AMOUNT NOT TO EXCEED \$95,800 OF EDI FUNDS FOR FISCAL YEAR 2008-09, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$468,550, FOR COMMERCIAL LOAN UNDERWRITING AND SERVICING

WHEREAS, the City of Oakland has contracted with the Oakland Business Development Corporation (“OBDC”) since 1979, to provide loan services and technical assistance to Oakland businesses; and

WHEREAS, OBDC effectively manages seven loan programs for the City of Oakland at present, and has demonstrated the capacity to lend to small businesses to further the City’s goals of attracting, expanding, and retaining Oakland businesses, thereby creating job opportunities for low-moderate income Oakland residents; and

WHEREAS, OBDC has the proven its ability during the current FY 2007-2009 contract period, to service the City’s commercial loan portfolio, in addition to its own loan portfolio; and

WHEREAS, this contract amendment will leverage the resources and expertise of the Community and Economic Development Agency (“CEDA”) with those of OBDC to more effectively serve Oakland’s businesses and manage the City’s commercial loan portfolio; and

WHEREAS, the increase in lending activity that is expected to result from additional funding for OBDC's contracted loan services will leverage additional private capital and equity investment in Oakland businesses that otherwise may not be invested, create new jobs for Oakland's residents, and add to the City's business license tax base; and

WHEREAS, the effective partnering of resources and expertise with OBDC furthers the City Council's goals of coordinating City services in order to attract and support businesses emphasizing sustainability (particularly the creation and retention of jobs for Oakland's low-moderate income residents), especially in neighborhood commercial areas; and

WHEREAS, OBDC has received an allocation of \$545,000 of CDBG funds for two years (FY's 2007-2009), and the additional monies from the EDI fund of \$285,800 for FY 2007-2008 and \$95,800 for FY 2008-2009 will result in the following:

- FY 2007-2008, \$272,750 from CDBG funds (2108) in addition to \$285,800 from EDI (2105), for a total contract amount of \$558,550;
- FY 2008-2009, \$272,750 from CDBG funds (2108) in addition to \$95,800 from EDI (2105) and \$100,000 or Redevelopment Agency funds, for a total contract amount of \$468,550; and

WHEREAS, the City will modify the loan servicing component of the OBDC contract for FY 2008-2009 and transfer its functions into the Community Economic Development Agency to streamline the loan servicing process currently provided by OBDC; and

WHEREAS, the City Council finds that the Agreement with OBDC is for services of a professional or specialized nature; and

WHEREAS, the Agency finds and determines that the services under this contract will be temporary and performance of the contract shall not result in the loss of employment or salary by any person having permanent status in the competitive service; now, therefore, be it

RESOLVED: That the amount of \$285,800 will be allocated to the OBDC contract for Fiscal Year 2007-08 and \$95,800 will be allocated to the OBDC contract for Fiscal Year 2008-09, from the following sources: Commercial Lending Economic Development Initiative (EDI) Grant Fund (2105), One Stop Small Business Center Org (88579), Grant-Funded Loan Expenditures Account (58311), and HUD EDI Disbursement Project (H66631); and be it

FURTHER RESOLVED: That the City Administrator, or her designee, is authorized to conduct negotiations, execute documents, administer the contract, amend, modify or extend the agreement terms, and take any other actions necessary with respect to the contract amendment consistent with this Resolution and its basic purpose; and be it

FURTHER RESOLVED: That all agreements authorized hereunder shall be approved as to form and legality by the Office of the City Attorney and shall be placed on file in the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, MAR 18 2008, 2008

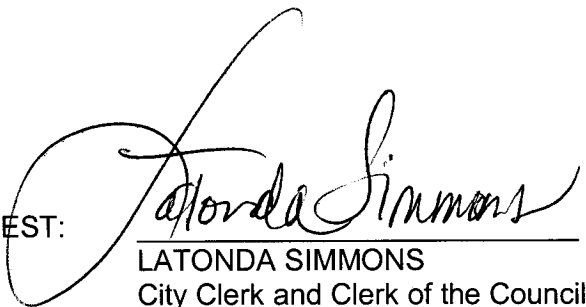
PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID, AND
PRESIDENT DE LA FUENTE 8

NOES- 0

ABSENT- 0

ABSTENTION- 0

ATTEST: 
LATONDA SIMMONS
City Clerk and Clerk of the Council
of the City of Oakland, California