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Kiran Jain  
Oakland City Attorney's Office

2013 MAY 16 AM 9:33

## OAKLAND CITY COUNCIL

Resolution No. \_\_\_\_\_ C.M.S.

INTRODUCED BY CITY ATTORNEY BARBARA PARKER AND  
COUNCILMEMBER LIBBY SCHAAF

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**A RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN AGREEMENT WITH KIVA MICROFUNDS, A CALIFORNIA NON-PROFIT PUBLIC BENEFIT CORPORATION ("KIVA") TO IDENTIFY AND RECOMMEND SMALL BUSINESSES IN OAKLAND FOR KIVA ZIP'S MICROLENDING PLATFORM**

**WHEREAS**, the City of Oakland desires to encourage and spur economic development and job creation, and support local businesses in an era of limited financial resources; and

**WHEREAS**, Kiva is an innovative online microfinance platform that has provided over \$400 million in loans to over a million entrepreneurs in over 67 countries around the world since 2005 through its website, Kiva.org; and

**WHEREAS**, these loans, mostly made in the developing world, have been crowdfunded by almost a million individual lenders, who make these loans in increments as small as \$25; and

**WHEREAS**, at the end of 2011, Kiva launched a pilot program called Kiva Zip in the U.S. (and Kenya) to directly connect Kiva lenders to small businesses focused on economic and social need and thereby, spur local economic development and job creation; and

**WHEREAS**, Kiva Zip, with the support of former President Bill Clinton, most recently launched in Little Rock, Arkansas, to increase access to capital for small businesses in this region and facilitate connections between Kiva's crowd of individual lenders and borrowers; and

**WHEREAS**, Kiva Zip relies on "Trustees" to identify and recommend small businesses to the Kiva Zip website where small businesses focused on social and economic need are eligible to raise up to \$5,000 or \$10,000 in crowdfunded capital with below market interest; and

**WHEREAS**, Kiva's program provides that such "Trustees" solely identify and recommend small businesses for the Kiva Zip platform, and do not finance, guaranty or have any fiduciary duty to these small businesses; and

**WHEREAS**, Kiva's program specifies that "Trustees" do not have any contractual obligation with any Kiva lender or borrower, do not hold on to anything of value for anyone's benefit, and have no financial responsibility for any Kiva Zip loans; and

**WHEREAS**, the City of Oakland desires to become a Kiva Zip "Trustee" and facilitate the access of no or low cost capital on the Kiva Zip platform for businesses focused on social and economic need in Oakland; and

**WHEREAS**, there is no direct cost to the City of Oakland in becoming a "Trustee"; and

**WHEREAS**, the City of Oakland may utilize a recognized third party to review and recommend small businesses focused on economic and social need based on criteria established by Kiva, now therefore, be it

**RESOLVED**, the Oakland City Council hereby authorizes the City Administrator to enter into an agreement with Kiva to identify and recommend small businesses in Oakland for the Kiva Zip microlending platform and any other documents that may be necessary to effectuate such an agreement.

IN COUNCIL, OAKLAND, CALIFORNIA, \_\_\_\_\_

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, GALLO, GIBSON McELHANEY, KALB, KAPLAN, SCHAAF, REID and PRESIDENT KERNIGHAN

NOES-

ABSENT-

ABSTENTION-

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