

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

RESOLUTION:

- (1) ACCEPTING AND APPROPRIATING FIVE-HUNDRED AND FIFTY THOUSAND DOLLARS (\$550,000) AWARDED TO THE CITY OF OAKLAND BY THE U.S. DEPARTMENT OF COMMERCE'S ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) FOR THE PURPOSE OF FUNDING THE CITY'S SMALL BUSINESS REVOLVING LOAN FUND FOR ZERO PERCENT (0%) INTEREST LOANS MADE BY JUNE 30, 2022 IN AN AMOUNT NOT TO EXCEED ONE HUNDRED THOUSAND DOLLARS (\$100,000) EACH; AND**

- (2) AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND AWARD A PROFESSIONAL SERVICES AGREEMENT WITH PACIFIC COMMUNITY VENTURES IN AN AMOUNT NOT TO EXCEED EIGHTY THOUSAND DOLLARS (\$80,000) FOR A ONE YEAR TERM TO ADMINISTER THE CITY'S SMALL BUSINESS REVOLVING LOAN FUND PURSUANT TO A COMPETITIVE PROCESS**

WHEREAS, in 1988, the City of Oakland developed a revolving loan fund (RLF) utilizing a grant from the U.S. Department of Commerce's Economic Development Administration (EDA) and Community Development Block Grant (CDBG) funding; and

WHEREAS, the City's RLF has remained dormant over the past several years given funding availability and staffing support, and there is an existing RLF fund balance of \$200,000; and

WHEREAS, in response to the COVID-19 pandemic, the Federal government through the Coronavirus Aid, Relief, and Economic Security (CARES) Act disbursement to the U.S. Department of Commerce's Economic Development Administration, made available a \$550,000 non-competitive revolving loan fund recapitalization grant to the City's existing EDA RLF program; and

WHEREAS, Oakland Municipal Code (OMC) section 2.07.020 requires City Council approval of all grant awards made from money or funds donated, given or granted to the City from any public or private source regardless of the amount of grant award; and

WHEREAS, OMC section 2.04.051.A. requires that the City conduct a competitive Request for Qualifications/Proposals (RFQ/P) selection process for the award of professional contracts that exceed Fifty Thousand Dollars (\$50,000) and are exempt from bidding under OMC section 2.04.050.1.1; and

WHEREAS, on August 20, 2021, the City issued a competitive RFP for a contract with a community development financial institution (CDFI) to provide loan packaging, business financial support, and technical assistance for small business lending; and

WHEREAS, Pacific Community Ventures (PCV), an Oakland based 501(c)(3) nonprofit social enterprise and CDFI, was selected based on the comprehensiveness of their services, their competitive administrative fees, and active lending in Oakland with a focus on small businesses lending and financial services since 2002; and

WHEREAS, the current RLF program provides for a minimum 4% interest rate, and the EDA RLF program administrator has temporarily approved the City's request for a 0% interest rate for loans that are made by June 30, 2022; now, therefore, be it

RESOLVED: That the City accept and appropriate Five-Hundred and Fifty Thousand Dollars (\$550,000) awarded to the City of Oakland by the U.S. Department of Commerce's Economic Development Administration for the purpose of funding the City's small business revolving loan fund for a total RLF fund balance of Seven Hundred and Fifty Thousand Dollars (\$750,000) for Zero Percent (0%) interest loans made by June 30, 2022 in an amount not to exceed One Hundred Thousand Dollars (\$100,000) each, and any remaining loans made after June 30, 2022 shall be subject to the current RLF program's minimum 4% interest rate; and be it

FURTHER RESOLVED: That the City Administrator is authorized to negotiate and award a professional services agreement with PCV in an amount not to exceed Eighty Thousand Dollars (\$80,000) to administer the City's small business revolving loan fund pursuant to a competitive process for a one year term with one two-year option to renew depending upon performance and renewed funding; and be it

FURTHER RESOLVED: That the EDA grant funds will be deposited in the Department of Commerce Fund (2104), Economic Development (85411), Project (TBD), Federal Grant: Miscellaneous (46129); and be it

FURTHER RESOLVED: That prior to execution, all contracts and grant agreements shall be reviewed and approved as to form and legality by the City Attorney, and executed copies shall be filed with the City Clerk; and be it

FURTHER RESOLVED: That this Resolution shall take effect immediately upon its passage.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - FIFE, GALLO, KALB, KAPLAN, REID, TAYLOR, THAO AND
PRESIDENT FORTUNATO BAS

NOES –

ABSENT –

ABSTENTION –

ATTEST: _____

ASHA REED
City Clerk and Clerk of the Council of the
City of Oakland, California