

RESOLUTION NO. 2024-_____

A RESOLUTION OF THE LODI CITY COUNCIL AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH CALIFORNIA CAPITAL SMALL BUSINESS FINANCIAL DEVELOPMENT CORPORATION, A CALIFORNIA PUBLIC BENEFIT NONPROFIT CORPORATION, DBA CALIFORNIA CAPITAL FINANCIAL DEVELOPMENT CORPORATION, FOR UNDERWRITING AND ADMINISTRATION OF THE LODI HOMETOWN MICROLOAN PROGRAM

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WHEREAS, the Lodi City Council has adopted economic development strategic initiative No. 2B to develop greater economic development opportunities for Lodi entrepreneurs and businesses; and

WHEREAS, the Lodi City Council expressed interest in the development of a Lodi Hometown Microloan Program to help create conditions of economic growth for persons and small businesses with ten or fewer employees and who have experienced barriers to traditional lending; and

WHEREAS, microlending is distinct from traditional lending in that it involves smaller loan amounts, shorter terms, less stringent underwriting requirements, and greater loan monitoring; and

WHEREAS, microloans are usually funded through a network of nonprofit, community-based organizations and are meant to provide funding to women, low-income, veteran, and minority entrepreneurs and small business owners who are unable to readily access capital in other ways; and

WHEREAS, the Lodi City Council recognizes that providing loan capital, buying down interest rates, and paying loan fees to a nonprofit microlender will create affordable, low-interest-rate loans and reduced fees to benefitting Lodi-based businesses; and

WHEREAS, over eighty percent of Lodi businesses have ten or fewer employees, and they would be able to utilize a microloan program; and

WHEREAS, on November 15, 2023 by Resolution No. 2023-253, the Lodi City Council authorized the City Manager to execute a Professional Services Agreement with California Capital Small Business Financial Development Corporation for underwriting and administration of the Lodi Hometown Microloan Program for a one-year term, which is set to expire on November 30, 2024; and

WHEREAS, the Lodi City Council authorized the expenditure in an amount not to exceed \$450,000 from Account Number 36510102.75028 on November 15, 2023 by Resolution No. 2023-253 to fund the Hometown Microloan Program.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute an Amendment to the Professional Services Agreement with California Capital Small Business Financial Development Corporation, a California public benefit nonprofit corporation, dba California Capital Financial Development Corporation, for underwriting and administration of the Lodi Hometown Microloan Program extending the term to November 30, 2028, with an option to extend the agreement an additional two years upon approval of both parties; and

BE IT FURTHER RESOLVED, pursuant to Section 6.3q of the City Council Protocol Manual (adopted 11/6/19, Resolution No. 2019-223), the City Attorney is hereby authorized to make minor revisions to the above-referenced document(s) that do not alter the compensation or term, and to make clerical corrections as necessary.

Dated: November 20, 2024

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I hereby certify that Resolution No. 2024-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 20, 2024 by the following votes:

AYES: COUNCIL MEMBERS –
NOES: COUNCIL MEMBERS –
ABSENT: COUNCIL MEMBERS –
ABSTAIN: COUNCIL MEMBERS –

OLIVIA NASHED
City Clerk

2024-_____