

RESOLUTION NO. 2023-_____

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

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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 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, while nonprofit microlenders are mission-based, microlender interest rates and fees must cover the cost of capital and support operating costs; 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 all Lodi businesses have nine or fewer employees, and they would be able to utilize a microloan program.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby authorize the City Manager to execute a Professional Services Agreement with California Capital Small Business Financial Development Corporation, a California public benefit nonprofit corporation, dba California Capital Financial Development Corporation, to implement underwriting and administration of the Hometown Microloan Program; and

BE IT FURTHER RESOLVED that the Lodi City Council does hereby authorize the expenditure in an amount not to exceed \$450,000 from Account Number 36510102.75028.; 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 15, 2023

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I hereby certify that Resolution No. 2023-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held November 15, 2023 by the following votes:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

OLIVIA NASHED
City Clerk

2023-_____