

FILED
OFFICE OF THE CITY CLERK
OAKLAND

Approved as to Form and
Legality


Deputy City Attorney

2010 MAY 13 PM 6:33

OAKLAND CITY COUNCIL

RESOLUTION No. 82777 - C.M.S.

REVISED

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO PROVIDE A HUD SECTION 108 LOAN TO MCKINNEY GRIFF, INC., DBA MERRITT BAKERY & RESTAURANT ("MERRITT BAKERY") IN AN AMOUNT NOT TO EXCEED \$150,000 TO PRESERVE APPROXIMATELY 55 JOBS MAINTAINED AT MERRITT BAKERY, AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE LOAN TERMS WITHOUT RETURNING TO COUNCIL

WHEREAS, the City of Oakland is committed to retaining small businesses that create job for Oakland residents; and

WHEREAS, McKinney Griff, Inc., the principals of Merritt Bakery & Restaurant ("Merritt Bakery"), are experienced business owners who need financial assistance to support the business operating cash flow and retention of 55 employees; and

WHEREAS, Merritt Bakery has received two Redevelopment Agency loans in the amount of \$162,000 and \$46,000 as interim debt financing to assist with the retention of jobs and liquidating outstanding debts; and

WHEREAS, Merritt Bakery is located at 203 East 18th Street, at 2nd Avenue in Oakland, California and the restaurant is widely viewed as a landmark, community asset with nearly 60 years of service to the City of Oakland and the Lake Merritt Community; and

WHEREAS, a surplus of HUD Regular Section 108 loan repayment funds have been identified and upon approval will be appropriated to fund the proposed loan in the amount of \$150,000 from Fund No. 2108 (Community Development Block Grant (CDBG), Organization 88949 (CDBG), Account No. 78811 (Carryforward), Project No. G296310, Program No. YS11 and which will be requested to move to a spendable Fund No. 2108 (Community Development Block Grant (CDBG), Organization 88579 (Commercial Lending), Account No. 58311 (Loan Expenditures), Project No. G296310, Program SC04 (Commercial Lending); now, therefore, be it;

RESOLVED: That the City Council hereby authorizes a HUD Section 108 loan funded from surplus HUD Section 108 loan repayment funds in an amount not exceed \$150,000, to Merritt Bakery to be used for working capital; and be it

FURTHER RESOLVED: That the City Council hereby authorizes the City Administrator to establish the terms of this loan without returning to Council, and authorizes the City Administrator to negotiate and execute loan documents in connection with the loan; and be it

FURTHER RESOLVED: That the making of a loan shall be contingent upon and subject to such appropriate terms and conditions as the City Administrator, or his designee may determine; and be it

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

IN COUNCIL, OAKLAND, CALIFORNIA, MAY 18 2010, 20

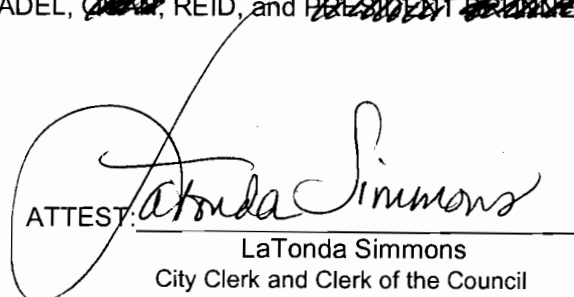
PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, DE LA FUENTE, KAPLAN, ~~KERNIGHAN~~, NADEL, ~~QUAN~~, REID, and ~~PRESIDENT BRUNNER~~ - 5

NOES - Kernighan, Brunner - 1

ABSENT - 0

ABSTENTION - Quan - 1

ATTEST: 
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California