

(O-99-108)

ORDINANCE NUMBER O- 18648 (NEW SERIES)

ADOPTED ON MAY 18 1999

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING THE CITY MANAGER TO EXECUTE A RECOVERABLE GRANT AGREEMENT AND NOTE WITH THE JACOBS CENTER FOR NONPROFIT INNOVATION TO RECAPITALIZE PHASE TWO OF THE EMTEK FUND SMALL BUSINESS REVOLVING LOAN PROGRAM.

WHEREAS, the Council of The City of San Diego on July 27, 1993, approved an Economic Development Strategic Plan; and

WHEREAS, the Plan authorized the City Manager to pursue federal funding for and administer San Diego Adjustment Program activities including a small business loan revolving Seed Capital Fund, which funds were substantially fully committed during 1998; and

WHEREAS, the City Council on February 23, 1998, adopted a resolution authorizing the City Manager to pursue recapitalization of the EmTek Fund Program and committing \$125,000 to match \$125,000 of previously committed County of San Diego funds and directing the City Manager to pursue at least \$750,000 of additional funding from yet to be determined public and/or private sources towards a minimum \$1 million proposed total Phase Two recapitalization; and

WHEREAS, a consortium of banks have agreed to commit up to \$1.25 million of low interest rate recoverable grants to recapitalize Phase Two of the EmTek Fund Program and the Jacobs Center for Nonprofit Innovation has agreed to receive the banks' recoverable grants and provide a corresponding recoverable grant to the City; and

WHEREAS, given the continuing unmet capital need among smaller growth businesses and underserved communities in the San Diego region, it is in the public interest that the City Council authorize the City Manager to execute the contracts required to recapitalize Phase Two of the Program; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

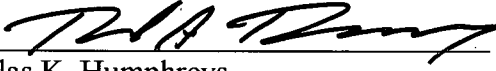
Section 1. The City Council approves the forms of Recoverable Grant Agreement and Note presented to this meeting and on file with the City Clerk as Documents Nos. OO- 18648-1 and OO- 18648-2, respectively, and further authorizes the City Manager, Assistant City Manager, or designee, and the City Clerk or deputy thereof, on or after the effective date hereof, for and in the name and on behalf of the City, to execute, acknowledge, and deliver the Recoverable Grant Agreement and Note in substantially said forms in connection with the recapitalization of the EmTek Fund Program, with such changes therein as such officers and the City Attorney may require or approve, and with the inclusion of such alternative or additional provisions as may be appropriate, such approval to be evidenced conclusively by the execution and delivery thereof.

Section 2. The City Clerk is authorized and directed to cause a digest or a copy of this ordinance to be published at least once in "The San Diego Daily Transcript" within fifteen (15) days after the adoption of this ordinance pursuant to Section 18 of the City Charter.

Section 3. That a full reading of this ordinance is dispensed with prior to its final passage, a written or printed copy having been available to the City Council and the public a day prior to its final passage.

Section 4. This ordinance shall take effect and be in force on the thirtieth day from and after its passage.

APPROVED: CASEY GWINN, City Attorney

for By 
Douglas K. Humphreys
Deputy City Attorney

DKH:lc
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Or.Dept:Eco.Dev.
Aud.Cert:N/A
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