

ORDINANCE NO. 8,032-N.S.

REPEAL OF BERKELEY MUNICIPAL CODE CHAPTER 3.72 (LOAN ADMINISTRATION BOARD) TO DISSOLVE THE LOAN ADMINISTRATION BOARD

BE IT ORDAINED by the Council of the City of Berkeley as follows:

Section 1. That Berkeley Municipal Code Chapter 3.72 is hereby repealed in its entirety as follows:

Chapter 3.72 LOAN ADMINISTRATION BOARD**Sections:**

- 3.72.010 Establishment of Loan Administration Board.
- 3.72.020 Membership--Eligibility.
- 3.72.030 Conflict of interest.
- 3.72.040 Exemptions.
- 3.72.050 Terms of appointment and organization.
- 3.72.060 Meetings.
- 3.72.070 Duties and functions.

3.72.010 Establishment of Loan Administration Board.

A Loan Administration Board is hereby established. The board shall consist of nine members selected by the City Council in accordance with the Fair Representation Ordinance, Berkeley Municipal Code Sections 2.04.030 through 2.04.130. (Ord. 5811-NS § 1, 1987)

3.72.020 Membership--Eligibility.

In order to provide community balance, a business and credit orientation, and to facilitate coordination with the City, the Loan Administration Board shall be reflective of the following categories. The intent is that the Loan Administration Board membership have a sufficient business orientation and financial knowledge to make loan decisions.

A. The Loan Administration Board composition will attempt to reflect the proportion of minority and women representation found in the City of Berkeley.

B. At least two out of the nine Loan Administration Board members must be persons who operate a business in Berkeley.

C. In addition at least three out of the nine Loan Administration Board members must be persons who possess knowledge of and reasonable experience with business and/or credit analysis or decisions, or customary lending practices, or representatives of lending institutions (e.g. banks). At least one of these members must be present to constitute a quorum for a loan decision.

D. In addition at least one out of the nine Loan Administration Board members must be a person who possesses knowledge of and reasonable experience with business law. (Ord. 6249-NS § 1 (part), 1994; Ord. 5811-NS § 2, 1987)

3.72.030 Conflict of interest.

~~To prevent the appearance of a conflict of interest, and any conflict of interest, no person or organization which contracts with the City of Berkeley to package and/or process loans shall make application to the Loan Administration Board. In addition, lender representatives shall abstain from consideration and approval of loans that involve clients of their institutions. Applicable provisions of law and City policies regarding conflicts of interest shall govern operation of the Loan Administration Board. (Ord. 6249-NS § 1 (part), 1994; Ord. 5811-NS § 3, 1987)~~

~~3.72.040 Exemptions.~~

~~Members of the Loan Administration Board are hereby exempt from the residency requirements of the Berkeley Municipal Code Section 2.04.140. (Ord. 5811-NS § 4, 1987)~~

~~3.72.050 Terms of appointment and organization.~~

~~Terms of members appointed to the Loan Administration Board shall be as provided in the Berkeley Municipal Code Sections 2.04.070 and 2.04.075.~~

~~Said board shall organize by electing from its members one president, one vice-president and such other officers as may be necessary, who shall hold office for one year and until their successors are elected unless their terms as members of the board sooner expire. (Ord. 5811-NS § 5, 1987)~~

~~3.72.060 Meetings.~~

~~The board shall establish a regular time and place of meeting. All meetings shall be noticed as required by current statutes and the president shall see that minutes for each meeting are recorded, kept and maintained, and that copies thereof are transmitted to staff. (Ord. 5811-NS § 6, 1987)~~

~~3.72.070 Duties and functions.~~

~~The Loan Administration Board (LAB) is responsible for review and approval of business loan applications submitted under the South Berkeley revolving land fund, which is funded by the economic development administration, and which applications are restricted to business operations and property within the South Berkeley Title IX Target Area. In addition the Loan Administration Board may review and approve loan applications submitted under any other business and commercial development loan program to which the City Council delegates review and approval responsibility. (Ord. 6249-NS § 1 (part), 1994; Ord. 5811-NS § 7, 1987)~~

Section 2. Copies of this Ordinance shall be posted for two days prior to its final passage in the display case located near the walkway in front of the Maudelle Shirek Building, 2134 Martin Luther King Jr. Way. City Council shall take final action on this Ordinance within thirty (30) days of its first reading.

Section 3. This Ordinance shall take effect thirty (30) days after its final adoption.

At a regular meeting of the Council of the City of Berkeley held on September 15, 2026, this Ordinance was passed to print and ordered published by posting by the following vote:

Ayes: Bartlett, Blackaby, Humbert, Kesarwani, Lunaparra, O'Keefe, Taplin, Tregub, and Ishii.

Noes: None.

Absent: None.

