



CITY-COUNTY REINVESTMENT TASK FORCE



**San Diego Reinvestment Task Force
Special Meeting Minutes of
Thursday, February 14, 2013 at 2:00 PM
1122 Broadway Suite 300,
4th Floor Meeting Room
Downtown, San Diego**

ATTENDANCE

Present were Ron Roberts, Marti Emerald, Judy Forrester, Peter Villegas, Kathy Patoff, Kristy Gregg, Wendell French, Vino Pajanor, Murtaza Baxamusa Mitch Thompson and Manny Aguilar. Joe Horiye was absent.

10 CALL TO ORDER

Co-Chair Emerald called the meeting to order at 2:05 p.m.

20 COMMITTEE MEMBER COMMENTS

Board member, Manny Aguilar, commended RTF staff on the success of the recently held Smart Money Summit. He stated it was well organized and a high quality event. He requested that staff consider other outreach efforts for next year's event in order to boost attendance.

Co-Chair Emerald also stated that the event was a success and mentioned that both she and Supervisor Roberts had attended. She encouraged members of the public to attend the upcoming Smart Taxes event being held on Saturday, February 23rd at the Jacob's Center.

Board member, Kathy Patoff requested that the next agenda include a discussion item on the docket to provide further clarification from both Co-Chairs surrounding their objectives for the RTF and also to allow for Board Member comments and suggestions. Ms. Emerald agreed and requested that staff save a place for the discussion on next month's docket.

Ms. Emerald provided some clarification surrounding the interim status of her role as Co-Chair but assured the Board that she would continue the initiatives started by her predecessor and was anxious to be a part of the RTF's upcoming activities.

Co-Chair Roberts stated it had been a while since he had been an active member of the Board and agreed with the need for the discussion item.

30 REPORT FROM STAFF

Mirta Schloss, RTF Program Director provided the Board with a report on the recently held 2013 Smart Money Summit. Ms. Schloss reported a total of 210 households pre-registered for the

event and 173 families received services from 100 volunteers throughout the City and County. Ms. Schloss stated that the Board would receive copies of the 2013 Smart Money report along with a detailed event budget.

Finally, Ms. Schloss introduced Jennifer Adams-Brooks, Executive Vice President and Chief of Staff, San Diego Housing Commission who provided the Board with a brief welcome.

40 APPROVAL OF THE MINUTES

MOTION BY BOARD MEMBER AGUILAR TO APPROVE THE REINVESTMENT TASK FORCE REGULAR BOARD MEETING MINUTES OF JUNE 21, 2012, JULY 19, 2012, SEPTEMBER 20, 2012 AND NOVEMBER 15, 2012. SECONDED BY BOARD MEMBER GREGG AND CARRIED BY A UNANIMOUS VOTE OF 11-0 WITH BOARD MEMBER HORIYE ABSENT.

100 Ratification of Application and Execution of Contract to County of San Diego for Community Development Block Grant (CDBG) Funds for Fiscal Year 2013-2014

Mirta Schloss, RTF Program Director answered questions from the Board regarding the use of potential funds received and explained the circumstances surrounding the grant application deadline which resulted in the needed request for ratification.

MOTION BY CO-CHAIR ROBERTS TO APPROVE THE FOLLOWING ACTION: THAT THE REINVESTMENT TASK FORCE RATIFY THE AUTHORIZATION OF THE RTF PROGRAM DIRECTOR TO SUBMIT AND EXECUTE A GRANT APPLICATION IN THE AMOUNT OF \$54,080 TO THE COUNTY OF SAN DIEGO FOR CDBG FUNDS. SECONDED BY BOARD MEMBER AGUILAR AND CARRIED BY A UNANIMOUS VOTE OF 11-0 WITH BOARD MEMBER HORIYE ABSENT.

101 RTF 2013 Board Meeting Schedule

Co-Chair Roberts requested an amendment to the schedule in order to accommodate his schedule during the month of March.

Board Member Villegas stated the importance of accommodating the schedules of both Board Chairs in order to maximize the effectiveness of the RTF Board's regional impact.

MOTION BY BOARD MEMBER VILLEGAS TO APPROVE THE FOLLOWING ACTION AS AMENDED: THAT THE REINVESTMENT TASK FORCE BOARD APPROVE THE 2013 MEETING SCHEDULE THAT INCLUDES NINE SCHEDULED MEETINGS TO BE HELD AT THE SAN DIEGO CITY ADMINISTRATION BUILDING AND TO INCLUDE A CHANGE IN DATE FROM MARCH 21, 2013 TO MARCH 14, 2013 FOR THE REGULAR BOARD MEETING SCHEDULED DURING THE MONTH OF MARCH. SECONDED BY BOARD MEMBER FRENCH AND CARRIED BY A UNANIMOUS VOTE OF 11-0 WITH BOARD MEMBER HORIYE ABSENT.

102 San Diego Home Mortgage Disclosure Act (HMDA) Analysis Presentation

**Informational item only. No action taken.*

John Taylor, President and CEO of the National Community Reinvestment Coalition, presented an analysis of lending data for the San Diego City-County Reinvestment Task Force. The presentation examined how well lenders served minority and low- and moderate-income neighborhoods in San Diego – namely, it looked at which lenders were making a proportionate number of loans to credit-worthy families and small businesses throughout the city.

Mr. Taylor stated that minority neighborhoods in the San Diego metropolitan area received a reasonable amount of loans.

He stated that Bank of America, JPMorgan Chase and Wells Fargo performed relatively well in low-moderate income neighborhoods. JPMorgan Chase was the leading institution in providing loans for women and Union Bank did very well in Small Business lending.

Mr. Taylor stressed that this information was based on Home Mortgage and Small Business lending data only of the five financial institutions on the RTF Board.

Board Member Baxamusa asked how multi-family residential housing was considered for this type of reporting. Mr. Taylor responded stating that the information included in his report was specific to loans provided to individuals and families. He stated that National Reinvestment Coalition staff member Josh Silver would be best able to provide the response to his question and that he would defer to him upon his return to the east coast.

Mr. Baxamusa also asked if “points” were deducted for foreclosures and stated that if loans were originated but removed that information should be weighed in the balance of what is being reported. Finally, Mr. Baxamusa asked how community development donations and projects were accounted in bank performance. Mr. Taylor answered stating that the performance data presented was only designed to report on Home Mortgage and Small Business lending not overall bank community reinvestment and performance.

Ms. Emerald asked Mr. Taylor if Josh Silver would be able to provide some more information regarding overall bank performance.

Ms. Forrester addressed Bank of America’s low small business lending numbers by stating that they acknowledge that they needed improvement. Therefore, last year they brought in over thirty small business lenders to San Diego and have a small business representative in each one of their banking centers with over twenty in the market. She stated that next year’s numbers should increase considerably based on their improvement plan.

Ms. Gregg addressed US Banks HMDA numbers and stated they expect the numbers to shift considerably in a more favorable direction based on their corrective plans.

Michael Thompson, Senior Vice President Community Lending and Industry Relations, Union Bank addressed the Union Bank numbers reflected in the report. Mr. Thompson stated that Union Bank has traditionally been a "jumbo lender" and is not been an FHA lender. He informed the Board of their plan put into effect in mid-2011 that has begun to take shape. The plan was designed to expand their portfolio to allow for more low-moderate income clients.

Board Member Thompson stated he felt there was too much focus on HMDA data. He wanted to see more focus on the availability of multifamily housing pricing and small business lending. Mr. Taylor responded stating that he disagreed with Mr. Thompson's analysis of "over emphasis" on HMDA data and questioned the methodology behind his comments.

Board Member Pajanor stated his concern from the homebuyer advocacy perspective. He requested additional data to focus on the percentage of purchases that were made by investors in San Diego County. He stated his concerns surrounding investor based purchases over homebuyer focused transactions and the ultimate effect on the County as a whole. Mr. Pajanor requested possible data to show any trends within the City-County that would reflect San Diego as a homeowner based community or a landlord based environment.

Board Member Villegas reiterated that the data presented was from 2011, when most lenders were at the peak of trying to keep families in their homes. He stated that he expected to see numbers change considerably for the 2012 reporting period. He also stated that it was important to include Fannie Mae and Freddie Mac in the discussion surrounding the purchase and sale of REOs.

Co-Chair Roberts and Mr. Taylor engaged in further discussion surrounding the correlation between investor purchased properties and homebuyer purchased properties and its negative impact on property value and prices.

103 Update: Implementation of the Responsible Banking Ordinance and Community Reinvestment Plans

**Informational item only. No action taken.*

Co-Chair Emerald provided the San Diego City-County Reinvestment Task Force Board with an update regarding the implementation of the Responsible Banking Ordinance and the Community Reinvestment Plans Template. Due to recent legislative changes, the deadline for Plan submittal was extended to March 21, 2013.

Mr. Villegas asked who on the City Council would continue the momentum regarding the Ordinance in lieu of Council President Young's resignation. Ms. Emerald responded stating her office would be working with the Mayor on this initiative. They also discussed the difference in the roles and responsibilities of the RTF Board and the Reinvestment Review Committee.

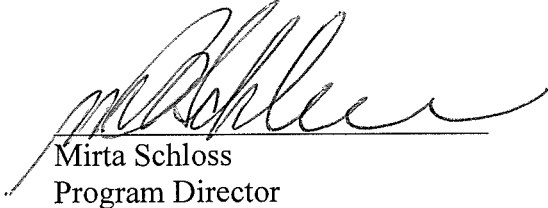
ADJOURNMENT:

Reinvestment Task Force
Special Meeting Minutes
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Richard Gentry, President & CEO San Diego Housing Commission (SDHC) thanked the Reinvestment Task Force for allowing SDHC to host its meeting and stated he was happy to continue to support the work of the Task Force through SDHC's participation on the City's behalf.

Co-Chair Emerald adjourned the meeting at 3:28 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Mirta Schloss", written over a horizontal line.

Mirta Schloss
Program Director
Reinvestment Task Force