



CITY-COUNTY REINVESTMENT TASK FORCE



**Minutes of the Regular Meeting
Thursday, July 17, 2014, 12:00 PM**

**County Administration Center
7th Floor Meeting Room
1600 Pacific Highway, Downtown San Diego**

For information, contact Daisy Crompton, RTF Staff Aide
San Diego Housing Commission
Email: daisyc@sdhc.org
619-578-7168

ATTENDANCE

Present: Stephanie Barrett (representing Bank of America), Murtaza Baxamusa, Gustavo Bidart, Myrtle Cole, Rockette Ewell, Wendell French, Myeisha Gamino (representing Chase Bank), Ed Lopez, Vino Pajanor, Kathy Patoff, Ali Tarzi, Racquel Vasquez.

Absent: Manny Aguilar, Clare Crawford, Ron Roberts, Peter Villegas.

ITEM 1 CALL TO ORDER

Acting Chair Kathy Patoff called the meeting to order at 12:20 p.m. Both chairs were delayed at the Metropolitan Transit System board meeting preceding the RTF meeting.

ITEM 2 PUBLIC COMMENT

There was no public comment.

ITEM 3 TASK FORCE MEMBER COMMENTS

Ali Tarzi invited members to the launch of Community Housing Works' E-ASY ("Easy") Accounts program on July 18 at 10 am in City Heights. Easy Accounts, developed with support from Citibank, is a technology platform designed to help financial coaches work with clients and track their progress toward goals.

Kathy Patoff commented that Union Bank has gone through a significant integration with its parent company, Mitsubishi UFJ Financial Group (MUFG), effective July 1. Union Bank will remain branded as Union Bank. The integration is designed to expand the bank's capital, capacity and future growth in the domestic market.

ITEM 4 STAFF REPORT

Daisy Crompton told members that the CRA data survey they developed was sent to the six largest local banks on July 1 and is due August 30. Over the summer, staff will do preliminary analysis in preparation for receiving the banks' responses. In the next few months, staff will also work with advocates from Asian communities to draft a resolution that urges San Diego financial institutions to expand certain Lunar New Year-related services and staff training.

Ms. Crompton noted that June 30th marked the end of the fiscal year for the Housing Commission (which hosts the RTF), the RTF program budget, and the RTF's Community Development Block Grant (CDBG) contract. Ms. Crompton negotiated a new CDBG contract for FY2014-15 that brings the contract's requirements into better alignment with the RTF's mission and activities.

ITEM 5 APPROVAL OF THE MINUTES

MOTION BY TASK FORCE MEMBER KATHY PATOFF TO APPROVE THE REINVESTMENT TASK FORCE REGULAR MEETING MINUTES OF JUNE 19, 2014. SECONDED BY MEMBER MURTAZA BAXAMUSA AND CARRIED BY A UNANIMOUS VOTE OF 10-0 WITH MEMBERS MANNY AGUILAR, CLARE CRAWFORD, RON ROBERTS AND PETER VILLEGAS ABSENT.

ITEM 6 Informational Update: New Markets Tax Credits

Guest speaker Michael Lengyel, Senior Project Manager at Civic San Diego, updated the RTF on the availability of \$23 million in New Markets Tax Credits for projects in the city's low-income communities. The Community Development Financial Institutions Fund (CDFI Fund), the division of the United States Department of the Treasury tasked with administering the New Markets Tax Credit (NMTC) program, recently awarded Civic \$23 million in the 2013 round of NMTC allocations.

Mr. Lengyel described the purpose of the credits: to attract qualified equity investments from investors who provide financing for high-impact projects in low-income communities. He told the RTF that Civic still has \$18 million in tax credits available and is looking for projects in severely distressed areas meeting three criteria:

1. Poverty rate of at least 30 percent or
2. Median family income of 60 percent or less of that area's median family income or
3. Unemployment 1.5 times the national average (average is 7.9%).

Mr. Lengyel said the Copley-Price YMCA facility in City Heights is a good example of the kind of project that would be eligible. Organizations, developers and entities that have shovel-ready NMTC-eligible projects are encouraged to contact Mr. Lengyel at Civic.

Mr. Lengyel also provided an overview of Civic San Diego, the successor agency to the city's former downtown redevelopment agency, Centre City Development Corporation (CCDC). Civic is a city-owned non-profit public benefit corporation that is the entrepreneurial development partner for targeted urban neighborhoods. It manages the wind down of redevelopment activities and engages in economic development, land use permitting and project management services.

ITEM 6 Informational Update: San Diego Pooled Loan Fund

Wendy Dewitt, Director of Business & Program Development at the San Diego Housing Commission (SDHC), updated the RTF its progress working with Civic San Diego to create a multimillion dollar pooled loan fund. Staff from both agencies have worked on the details of the proposed program for more than a year, and presented an overview of the concept to the RTF in June 2013.

Ms. Dewitt stated that the fund would be raised from banks, foundations and government agencies and would finance affordable housing, urban infill real estate developments, and infrastructure improvements in low income neighborhoods. It would provide San Diego with a significant and innovative new source of lower-cost capital, and help to replace funding that has been lost from the federal government and when California's redevelopment agencies closed.

Questions focused on the size of the fund (\$100 million), where its capital could be deployed (inside the City of San Diego), and other types of possible partner agencies (transit agencies, etc.). The Housing Commission is in the process of hiring an outside consultant with experience setting up similar funds in cities like San Francisco and Denver. Ms. Dewitt expects the consultant to spend next year writing the fund's business plan and raising capital, with the first loans originated sometime in 2016.

ADJOURNMENT

Co-Chair Cole adjourned the meeting at 1:20 p.m.

Respectfully submitted,
Daisy Crompton
Reinvestment Task Force

Next Meeting:
Thursday, September 18th at noon