

**CLERK'S FILE COPY**

(R-94-223)

RESOLUTION NUMBER R- 282628

ADOPTED ON SEP 13 1993

WHEREAS, the City and County of San Diego have supported the Reinvestment Task Force since its establishment in 1977; and

WHEREAS, the City-County Reinvestment Task Force has, since that time, monitored lending practices and developed reinvestment strategies for San Diego; and

WHEREAS, City Council Policy No. 900-09, adopted on April 4, 1991, calls for each lender doing business in the City to develop and implement a San Diego-specific community reinvestment program consistent with provisions of the Community Reinvestment Act; and

WHEREAS, a Community Credit Needs Assessment, conducted in 1992 on behalf of The City of San Diego by David Paul Rosen and Associates, reports significant demand for credit by small businesses, including minority and women owned firms, as well as affordable housing; and

WHEREAS, the Reinvestment Task Force has a lead role in developing community reinvestment plans with lending institutions and then monitoring lender performance to assure credit is made available consistent with provisions of the Community Reinvestment Act; and

WHEREAS, City, Housing Commission, and County of San Diego staff have, along with Task Force members, reviewed Task Force performance and have made recommendations regarding its mission, structure, and operations that will enable the Task Force to

continue its work in a manner that effectively responds to changing economic and social conditions within the City of San Diego; NOW, THEREFORE,

BE IT RESOLVED, that the City Council of The City of San Diego hereby endorses continuation of, and expresses intent to participate in, the Reinvestment Task Force to pursue its mission "to spur private and public financing of affordable housing and economic development activities in those areas suffering from disinvestment," and hereby informs the Board of Supervisors of its intention.

BE IT FURTHER RESOLVED, that the City-County Reinvestment Task Force shall be comprised of fifteen voting members from the following designated categories: 1) a member of the City Council of San Diego who shall serve as Co-Chair; 2) a member of the County of San Diego Board of Supervisors who shall serve as Co-Chair; and the following representatives to be appointed by the Co-Chairs: 3) one representative from each of five lenders (some of which are larger lenders in the area); 4) five representatives of community housing, economic development and small business organizations; and 5) one representative of cities from each of three regions of the County: one designated from North County cities, one designated from East County cities, and one designated from South County cities.

BE IT FURTHER RESOLVED, that duties of the City-County Reinvestment Task Force shall include: 1) serving in an advisory capacity to the City and County of San Diego; 2) monitoring and reporting lender performance; 3) marketing and public information; and 4) new program development.

BE IT FURTHER RESOLVED, that the Task Force shall adopt operating procedures to address its membership term of appointments, administration, and liaison function as specified in Housing Commission Report No. 93-241 CC, on file in the City Clerk's office as Document No. RR-282628.

BE IT FURTHER RESOLVED, that the Reinvestment Task Force may conduct hearings on issues and practices of banks operating in San Diego County.


BE IT FURTHER RESOLVED, that the Reinvestment Task Force shall establish annual goals and objectives consistent with its mission and approved by the City and County.

BE IT FURTHER RESOLVED, that the Reinvestment Task Force shall report its activities and accomplishments to the City Council on an annual basis.

BE IT FURTHER RESOLVED, that Resolution No. 219283, approved by the City Council on September 7, 1977, is hereby superseded by this action.

APPROVED: JOHN W. WITT, City Attorney

By

  
Harold O. Valderhaug  
Chief Deputy City Attorney

HOV:ps  
08/12/93  
Or.Dept:Hsg.Comm.  
R-94-223  
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<b>REQUEST FOR COUNCIL ACTION</b> CITY OF SAN DIEGO		1. CERTIFICATE NUMBER:																																																																																					
TO: CITY ATTORNEY	2. FROM (ORIGINATOR) <b>Housing Commission</b>	3. DATE <b>July 27, 1993</b>																																																																																					
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## REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

DATE: August 16, 1993 Report No. 93-241CC  
ATTENTION: Council Docket of September 13, 1993  
FROM: Severo Esquivel, Deputy City Manager  
SUBJECT: City-County Reinvestment Task Force

### SUMMARY

Issue - Should the City Council approve the proposed mission, goals, operating procedures, and membership categories of the City-County Reinvestment Task Force which are included in Attachment 1?

Recommendation - It is so recommended.

Fiscal Impact - None with this action. The cost of operating the City-County Reinvestment Task Force during FY94 will not exceed \$80,000 (with the Housing Commission and County each contributing half of the funds), for a five-year total of support for the Task Force that will not exceed \$352,540.

Affordable Housing Impact - The Task Force is responsible for monitoring bank performance regarding home mortgage lending by geographic area and Community Reinvestment Act (CRA) requirements, as well as linking lenders with local project sponsors. A continuation of these and related activities can affect the availability of loans and charitable contributions to support affordable housing activities.

Previous Related Action(s) - On **May 20, 1993**, the City-County Reinvestment Task Force approved the proposed mission, goals, and operating procedures which comprise its FY94 scope of services. On **June 14, 1993**, the Housing Commission approved Reinvestment Task Force funding for FY94, endorsed the proposed mission, goals, and operating procedures of the Reinvestment Task Force, and forwarded the issue of Task Force restructuring to City Council for consideration. On **February 16, 1993** and

*P* 282628

**June 15, 1993**, the Board of Supervisors approved the proposed mission, goals, and operating procedures of the Task Force.

### DISCUSSION

The City-County Reinvestment Task Force was formally established in 1977. After nearly fifteen years of service, the Task Force membership believed that it was time to re-evaluate its mission and goals which had remained in place its inception. In 1992, the Reinvestment Task Force members worked together to develop a restructuring plan (Attachment 2) so that it could better meet the demands of a changing environment. Shortly thereafter, Housing Commission, City, and County of San Diego staff worked together with Task Force members to review Task Force performance and develop recommendations regarding its mission, structure, and operations. It is recommended that the Task Force be re-established as a fifteen member body with duties that include: serving in an advisory capacity to the City and County, monitoring and reporting lender performance, marketing and public information, and new program development.

New provisions increase Task Force membership, establish that the Reinvestment Director will be selected by the Task Force with agreement of the principle funding agencies, institute a reporting relationship between the Reinvestment Director and a management subcommittee comprised of the City Manager and County Chief Administrative Officer or their designees, and authorize establishment of a schedule of fees to recover the cost of providing specific services to lenders or loan applicants. The Housing Commission contracts with the Reinvestment Director on behalf of the City-County Reinvestment Task Force since the Task Force is not empowered to establish contractual relationships. These provisions were approved by the City-County Reinvestment Task Force at their meeting of May 20, 1993, endorsed by the Housing Commission at its meeting of June 14, 1993, and approved by the Board of Supervisors on February 16 and June 15, 1993.

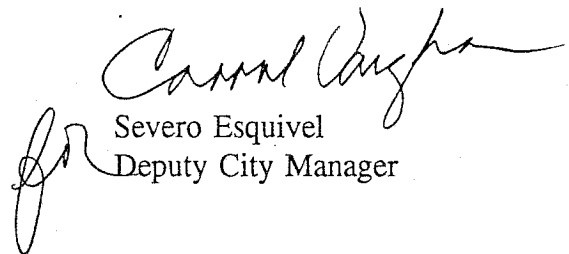
Approval of the staff recommendation will endorse the Reinvestment Task Force's proposed mission, goals, operating procedures, and membership categories, and enable the Task Force Co-Chairs to proceed to appoint individuals to newly approved membership slots.

Submitted by:



Elizabeth Morris  
Deputy Executive Director

Approved by:



Severo Esquivel  
Deputy City Manager

City Council Docket of September 13, 1993  
City-County Reinvestment Task Force  
Page 3

Attachments:

1. Reinvestment Task Force Scope of Services
2. Reinvestment Task Force Restructuring Plan

MIKELMAN 525-3606





# SAN DIEGO HOUSING COMMISSION REPORT

#162

## REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

DATE: August 16, 1993 Report No. 93-241CC

ATTENTION: Council Docket of September 13, 1993

FROM: Severo Esquivel, Deputy City Manager

SUBJECT: City-County Reinvestment Task Force

DOCUMENT NO. RR-282628

FILED SEP 13 1993

OFFICE OF THE CITY CLERK  
SAN DIEGO, CALIFORNIA

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Recommendation - It is so recommended.

Fiscal Impact - None with this action. The cost of operating the City-County Reinvestment Task Force during FY94 will not exceed \$80,000 (with the Housing Commission and County each contributing half of the funds), for a five-year total of support for the Task Force that will not exceed \$352,540.

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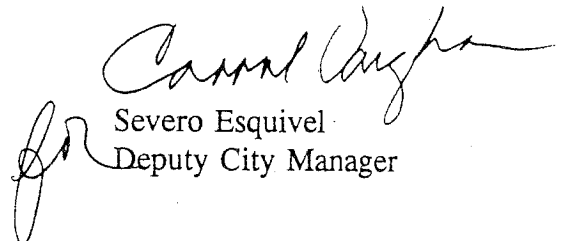
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Submitted by:



Elizabeth Morris  
Deputy Executive Director

Approved by:



Severo Esquivel  
Deputy City Manager

City Council Docket of September 13, 1993  
City-County Reinvestment Task Force  
Page 3

Attachments:

1. Reinvestment Task Force Scope of Services
2. Reinvestment Task Force Restructuring Plan

MIKELMAN 525-3606

## 200. SCOPE OF SERVICES

When and as directed by the Commission, the Contractor shall perform specialized services in support of the City-County Reinvestment Task Force to include, but not be limited to the following:

- A. **Proposed Mission Statement:** To spur private and public financing of affordable housing and economic development activities in those areas suffering from disinvestment. In pursuit of its mission, the Task Force will, in Fiscal Year 1993-94, accomplish those tasks listed below.

### I. PROVIDE RECOMMENDATIONS TO THE CITY AND COUNTY

The Task Force shall serve in an advisory capacity to the City and County of San Diego.

### II. ADOPT OPERATING PROCEDURES

The Task Force shall adopt operating procedures to guide its administration.

### III. MONITOR AND REPORT LENDER PERFORMANCE

The Task Force, or a committee thereof, shall work with community, local government, and lender representatives to:

- A. Establish San Diego specific Community Reinvestment Act (CRA) plans with three (3) lenders active in the local market based, in part, on market share and proportion of local deposits held;
- B. Monitor CRA plan performance by lenders on a quarterly basis, and annually analyze lender data reported pursuant to provisions of the Home Mortgage Disclosure Act (HMDA);
- C. Report status of monitoring efforts to the City and County on a quarterly basis; and
- D. Modify San Diego specific CRA plans based on ongoing lender performance and changing market conditions.

### IV. MARKETING AND PUBLIC INFORMATION

The Task Force shall develop and implement a marketing/public information plan that includes, but is not limited to:

- A. Production of at least one informational brochure;

- B. Production and distribution of at least six press releases;
- C. Production and maintenance of a directory of local housing and community development organizations;
- D. Distribution of RTF newsletter on no less than a quarterly basis to interested government, community, and lending industry representatives; and
- E. Organization of, and participation in, CRA related events such as neighborhood reinvestment seminars and lender fairs.

Within the parameters of City and County policy, the Task Force shall advocate for affordable housing and economic development programs on behalf of those not adequately served.

## **V. NEW PROGRAM DEVELOPMENT**

The Task Force, or a committee thereof, shall investigate at least one new housing or economic development initiative, and forward recommendations for implementation to the City and County.

## **B. CITY/COUNTY REINVESTMENT TASK FORCE PROPOSED OPERATING PROCEDURES (subject of future Task Force action)**

### **I. MEMBERSHIP**

- A. The Task Force shall be comprised of up to fifteen voting members from the following designated categories:
  - 1) a member of the City Council of San Diego who shall serve as Co-Chair;
  - 2) a member of the County of San Diego Board of Supervisors who shall serve as Co-Chair;
  - 3) a representative from each of five lenders (some of which are larger lenders in the area);
  - 4) five representatives of community housing, economic development and small business organizations; and
  - 5) one representative of cities from each of three regions of the County: one designated from North County cities, one designated from East County cities, and one designated from South County cities.



B. Members shall be appointed as follows:

- 1) The Mayor shall appoint and the Council shall confirm the member of the City Council designated as Reinvestment Task Force Co-Chair;
- 2) The County of San Diego Board of Supervisors shall designate a boardmember as Co-Chair;
- 3) The Co-Chairs shall designate cities in specified regions of the County each of which may appoint one Task Force member.
- 4) The Co-Chairs shall appoint the remaining members of the Task Force.

C. Members shall be appointed to serve terms of up to three years in duration.

D. An annual membership fee shall be paid by designated cities that appoint Task Force members. The fee amount shall be determined by the principle funding entities.

## **II. ADMINISTRATION**

A. The Task Force shall meet a minimum of ten (10) times during the calendar year.

B. Committee meetings shall be scheduled as directed by the Task Force.

C. The Task Force shall select a Reinvestment Director, with agreement of the principle funding agencies, to:

1. Provide staff support for Task Force and related meetings;
2. Prepare meeting minutes and agenda;
3. Provide written progress reports to the City and County (and other funding entities, if any) on a quarterly basis; and
4. Carry out Task Force program activities.

D. The Reinvestment Director shall report to a management subcommittee comprised of the San Diego City Manager and the County of San Diego Chief Administrative Officer or their designees.

### III. COMMUNITY/GOVERNMENT/INDUSTRY LIAISON

- A. The Task Force shall provide a forum for dialogue among government, community, and industry representatives in order to clearly define needs and facilitate affordable housing and economic development and efforts throughout the City and County.
- B. The Task Force shall serve as a "Clearing House" or contact point, where Task Force members and staff will be available to consult with those seeking credit for CRA eligible purposes and those lenders seeking to implement CRA significant lending programs. The role of the Task Force in these instances would be to refer the inquiring party to the lender or "developer" most likely to have the loan program or project that would match their need.
- C. The Task Force shall assist banks in identifying unmet community credit needs and reinvestment opportunities.
- D. The Task Force may establish a schedule of fees to recover costs for specific services rendered to lenders or loan applicants.

## **CITY-COUNTY REINVESTMENT TASK FORCE RESTRUCTURING PLAN**

### **BACKGROUND**

The Task Force was established by joint City and County resolution in 1977. Its first two years were spent in a negotiated analysis of lending patterns. A document was produced which laid out a series of recommendations on how to most effectively address disinvestment. Essentially the recommendations focused on creating and maintaining a lender monitoring mechanism and second developing programs and policies to assist in revitalizing deteriorated neighborhoods. From 1977 to 1985 the Task Force was funded exclusively by the County of San Diego.

In 1984, the Task Force went unfunded for one year. It was reconstituted and funded by the City of San Diego in 1985. It formalized its monitoring functions by publishing an annual analysis of Home Mortgage Disclosure Data and ranking lender performance. Out of this analysis came specific programs designed to establish means for facilitating reinvestment.

Concurrent with deregulation of lenders on a national level, an increased number of lender merger's began to occur in 1988. Performance data was utilized initially on a statewide level to encourage lending institutions to develop reinvestment plans in conjunction with local community and economic development organizations and local government. Many of the plans have been formulated in the context of lender mergers. Recent focus has been on formulating San Diego specific reinvestment plans.

By and large the local reinvestment plans have been focused on directing lender efforts toward an emerging housing and economic infrastructure, much of which has been created by the Reinvestment Task Force over the past fifteen years. The Task Force, since 1989, has been funded jointly by County Housing and Community Development and the City Housing Commission.

The Task Force has utilized the direction provided by its founding documents and has accomplished many things in moving toward eradicating disinvestment. They include:

- Analyze and map home mortgage lending activity for all lenders regulated by federal regulatory agencies on an annual basis from 1983-1992.
- Develop law (SB-1556) to require lenders not regulated by federal agencies to provide data on where they make loans (by census tract). Passed in 1986.
- Assisted in formation of reinvestment monitoring activities in City of San Diego, Chula Vista, Escondido and Oceanside.
- Assisted in organization and incorporation of five community based non-profit community development corporations in low-income neighborhoods. Agencies are involved in implementing affordable housing and economic development programs.

- Assisted in formation and funding of non-profit training and financing programs for affordable housing and small business through solicitation of over \$1 million in contributions.
- Assisted in formation of affordable housing loan pools who have loaned over \$75 million for housing projects in San Diego County.
- Worked with statewide lenders to establish specific loan commitment programs for San Diego County worth over \$100 million in housing and small business loans annually.
- Assisted in linkage with lender and other foundations in formation of corporate giving policies which have generated over \$1.2 million in grants to community housing and economic development organizations.

### FINDINGS OF TASK FORCE RESTRUCTURING SUB-COMMITTEE

A sub-committee of current Task Force members and relevant government agencies met on several occasions. The initial meetings served to generate very broad ideas about future Task Force activities and structure.

The large group of possibilities were narrowed by the sub-committee to define a broad statement of purpose and a list of specific activities to be implemented by the Task Force over the next three years.

#### Purpose

The overall purposes of the City-County Reinvestment Task Force are the establishment of a regional infrastructure and strategies to facilitate the reinvestment of lender and public funds toward the revitalization of communities experiencing disinvestment. In addition, it is the purpose of the Task Force to develop and implement methods for monitoring lenders' policies and practices.

#### Activities

- 1) The Task Force is to serve as a catalyst for creating non-traditional lending programs; to act in a proactive manner and to facilitate the formation of partnerships among participating entities.
- 2) The Task Force should implement marketing efforts regarding its activities and regarding CRA programs. These could include presentations to groups, informational brochures, news letters, community lending fair, etc.
- 3) The Task Force should continue to function in monitoring and compliance role with local, statewide and regional lenders through the formation of a permanent sub-committee which would serve to develop, monitor and evaluate lender CRA plans and performance.

- 4) The Task Force should work with City and County governments, and community organizations to insure on-going input into lender CRA plans.
- 5) The Task Force should serve to foster and broker (a clearinghouse function) new housing and economic development initiatives, some of which would include:
  - . Small Business Incubator
  - . Housing Purchase and Rehabilitation
  - . Neighborhood Development Bank
  - . County Housing and Economic Development Trust Fund
- 6) The Task Force should work to provide a link between government agencies, community organizations and lenders in efforts to define and facilitate affordable housing and economic development efforts on a County-wide basis.
- 7) The Task Force should serve as a clearinghouse for small business lending programs operating in the County.
- 8) The Task Force should assist in implementing various credit needs assessments.
- 9) The Task Force should facilitate reviews of land use and zoning patterns which discourage investment and pursue land use which encourages reinvestment.
- 10) The Task Force will broker the formation of special circumstance funding efforts among communities experiencing disinvestment.

### PROPOSED STRUCTURE

It is proposed that the Task Force be restructured by joint City and County resolution to incorporate the following structure:

- Task Force will continue to be chaired by a member of the County Board of Supervisors and a member of the City of San Diego City Council who will be appointed annually by the respective governments.
- The Board of Supervisors and City Council will appoint ten additional members to the Task Force.
- The ten appointees will be appointed to represent the following segments of the public:
  - . Five lenders not less than two of which are San Diego based and others whose appointments consider total market share.
  - . Five members from community housing, economic development/or small business organizations.



- Terms of appointment will be for two years.
- One sub-committee with members appointed by the Task Force will be established to formulate and monitor lender San Diego specific reinvestment plans.
- One sub-committee with members appointed by the Task Force will be established to develop strategies for reinvestment for/with local government agencies, community organizations and lending institutions.
- Task Force will meet monthly.
- In absence of Co-Chair, a member of Task Force will be designated to chair the Task Force.

### IMPACT ANALYSIS

Government funds allocated to the Reinvestment Task Force generate a significantly leveraged return. The leveraged return comes from lenders implementing Community Reinvestment Act programs that have either been created or endorsed by the Reinvestment Task Force in San Diego County. Through localized regulatory enforcement and coordination between lenders, community and government, a comprehensive strategy can be implemented which addresses the problem of disinvestment in lower income neighborhoods.

By identifying neighborhoods and programs/projects and assisting lenders in forming lending programs which are supportive of those neighborhoods, reinvestment occurs. Reinvestment is beneficial to the lenders in fulfilling CRA obligations. It is beneficial to government because it brings additional funds to problems which historically have been addressed only with government funds. It is beneficial to the public because it provides loans for home ownership, affordable rental housing and capital for small business development. This capital would not be made available in the way that it is without intervention by the City-County Reinvestment Task Force.

Over the past three years, the County of San Diego has granted \$70,000 in funding plus \$30,000 of in-kind space and administrative services to the Reinvestment Task Force. The San Diego Housing Commission has provided a total of \$70,000 as well. During that time, over \$1 million has been made in charitable contributions to housing and economic development organizations by various lenders. More than \$55 million has been loaned at reduced interest rates for housing for low-income persons. More than \$15 million has been loaned for small business owners through special bank programs.

Recently, through the initiative of the Board of Supervisors and the San Diego City Council, lenders have been requested to formulate San Diego specific CRA plans. These plans represent a method for establishing uniform standards of comparison and measurements of lender performance in relation to overall size. With the formation of additional plans, it is estimated that CRA activities will increase. Plans developed with Wells Fargo and the Bank of America anticipate the lending of over \$125 million for home and business loans in San Diego County.

## COMMUNITY REINVESTMENT INFRASTRUCTURE

"Reinvestment Infrastructure" refers to a system for generating new funds or capital for reinvestment. The term reinvestment in this context refers to the return of private capital into neighborhoods from which capital has been withdrawn. The capital drain can be directly traced to lender policies. It can also be traced to government policies. The cause of these policies is not at issue. What is at issue is the presence or absence of a level of capital expenditure which is necessary to keep a neighborhood liveable. The absence is justification for a reinvestment strategy. The strategy must define a method for generating new capital or redirecting existing capital.

The attached chart is intended to illustrate (1) an infrastructure to generate reinvestment capital; and (2) an infrastructure to expend and generate appropriate products with that capital.

Reinvestment capital is primarily in loan form, versus grant form. It is provided through creation of specially designed loan products. For example, home loans with reduced interest rates, down payments and method for appealing rejections, marketed in neighborhoods which are mostly absentee owned. Through the formation of CRA plans, under the sanction of City and County governments, lenders are encouraged to develop reinvestment products which address local deficiencies. Loan products become means for revitalizing neighborhoods. Another example are small business loan products. For example, SBA loans guaranteed by the federal government (80%) must be made by banks. The majority of lenders do not make SBA loans. Through lender agreements City and County governments can provide impetus to SBA lending. Further, same local redevelopment agencies have secured hundreds of thousands of dollars in grants for small business loan pools in San Diego.

The formation of lender CRA plans which are specific to San Diego can also be complemented or coordinated with government financed revitalization efforts. Heretofore, the coordination of these two sources of capital has not occurred at significant levels. Frequently lenders intentionally lend outside of redevelopment or revitalization areas. Leveraging of public investment cannot occur without lender involvement.

Capital formation efforts by the Reinvestment Task Force and its proposed new structure will involve both lenders and government. That chart provides illustration of what has been done in the past to generate capital (\*) and what is proposed for the future (\*\*).

On the lower half of the chart there is a description of methods for expending the capital and producing products. The RTF, over the past five years, has been involved in the formation of programs and agencies to produce affordable housing and provide loans to emerging small business.

The chart illustrates the existing entities (\*) and the proposed (\*\*). These organizations are intended to be complementary and non-duplicative. They represent a very effective service delivery mechanism. They are strategic to both government and lender efforts. They are, for the most part, participation in Task Force efforts. This reinvestment infrastructure represents a district

methodology for addressing economic development needs on a regional level. Obviously, its primary focus involves the distribution of capital in a coordinated, collaborative manner. Much of it is occurring now. The proposed Task Force restructuring and budget represent an interest at enhancing the effort.

COUNTY  
COMMUNITY REINVESTMENT  
INFRASTRUCTURE

REINVESTMENT  
CAPITAL  
FORMATION  
MECHANISMS

HOUSING

ECONOMIC DEVELOPMENT

Bank CRA Plans

- \* Bank of America
- \* Wells Fargo
- \*\* All Banks Doing Business in County.

Government Housing Subsidy

- \* City CDBG
- \* City Housing Trust Fund
- \*\* County Housing & Economic Development Trust Fund
- \*\* Pension Funds

Bank CRA Plans

- \* Bank of America
- \* Wells Fargo
- \*\* All Banks Doing Business in County.

Government Economic Development Subsidy

- \* Redevelopment
- \* City/County CDBG
- \*\* County Housing & Economic Development Trust Fund
- \*\* Public Bonds
- \*\* Pension Funds

IMPLEMENTING  
PROGRAMS  
AND STRATEGIES

HOUSING

ECONOMIC DEVELOPMENT

- \* Public Housing Agencies
- \* Local Initiative Support Group
- \* Community Based Community Development Corporations
- \* Housing Development Non-Profits (e.g., NHS, HOI, Interfaith, etc).
- \* Private Affordable Housing Developers
- \*\* Neighborhood Development Bank

- \* Redevelopment Agencies
- \* San Diego Small Bank CDC
- \* SEDC Small Business Loan Fund
- \* Southern California Development Corporation
- \* Certified Development Corporation
- \* Small Business Innovation Center
- \*\* Small Business Clearing House
- \*\* County Regional Economic Development Structure
- \*\* Strengthen Small Business CDC
- \*\* Increased SBA Lending

- \* existing
- \*\* proposed

The attached budget is proposed and is subject to the availability of funding from the stated sources. It is a budget which is related to the increase in services projected for the Task Force. It is essentially a planning document.

## BUDGET ANALYSIS

The proposed modification of the Task Force structure is intended to occur over a period of three years. The major structural changes are the formation of two permanent sub-committees: One focussed on lender agreement development and monitoring, and the second focussed on the formation of government and community program and financing for reinvestment activities (partnership formation). Initially (1992-93), the sub-committee will be staffed by the current director. As the agreements increase and monitoring expands, a staff position will be needed. Projections are for that to occur in 1993-94.

The second sub-committee would be appointed and formed in 1993-94. It would most likely consist of many of the lenders who have formed agreements with the City and the County. It will include many of the government agencies who will need to become partners in many of the reinvestment programs needed to implement a comprehensive strategy. In addition, it will need additional office support staff.

There is an assumption that government or free office space will be provided with clerical assistance.

The largest non-personnel costs are computer reports on lending patterns for individual lenders by geographical sub-division on an annual basis.

The proposed sources for funding the Task Force are intended to become more diverse. Funded by the City and County since its inception, the role of the RTF has expanded to assist and provide direct benefit to other entities. These include the lenders themselves and other cities in the County. Efforts would be made to secure direct financial support from these entities. In addition, the Task Force performs some services for which fees may be charged, specifically small business loan fees.



# PROPOSED REINVESTMENT TASK FORCE

## BUDGET

	1992-93	1993-94	1994-95
<u>PERSONNEL</u>			
* Director	\$ 55,000	\$ 56,650	\$ 58,349
* Sub-Committee Coordinator	0	35,000	36,051
* Office Assistant	0	25,000	25,750
* (In-Kind) Clerical Assistant	12,400	12,400	12,400
Benefits	<u>9,350</u>	<u>20,680</u>	<u>21,301</u>
Subtotal	\$ 76,750	\$ 149,730	\$ 153,851
<u>NON-PERSONNEL</u>			
Office Rental (in kind)	\$ 6,000	\$ 6,000	\$ 12,000
Consultants	5,000	5,000	5,000
Legal			
Computer			
Travel	2,500	3,000	3,000
Office Supplies	2,500	2,500	2,500
Office Equipment	<u>2,500</u>	<u>3,500</u>	<u>2,000</u>
Subtotal	12,500	14,000	12,500
TOTAL	\$ 95,250	\$ 169,730	\$ 178,351

### BUDGET SOURCES

	1992-93	1993-94	1994-95
City of San Diego (EDD, HC, Redev., etc.)	\$ 41,850	\$ 64,330	\$ 50,000
County of San Diego (HCD, General Fund, etc.)	35,000	49,000	30,000
Fees	0	10,000	15,000
Lender Contributions	0	28,000	30,000
Other Cities	0	0	28,951
In-Kind Services (County)	18,400	12,400	24,400
Total	\$ 95,250	\$ 169,730	\$ 178,351