

**COUNTY OF SAN DIEGO, CALIFORNIA**  
**BOARD OF SUPERVISORS POLICY**

**Subject**

County Community Reinvestment Policy

**Policy  
Number**

A-123

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**Purpose**

It is the purpose of this policy that the County encourage lending practices and programs that promote the economic stability and growth of the County of San Diego and meet the credit and banking services needs of all of its neighborhoods and residents.

**Background**

Lending institutions, through their credit practices and the banking services they provide, play an essential role in maintaining healthy businesses and community institutions and promoting savings by and providing jobs and affordable housing for San Diego residents.

Banks are granted a public charter conveying numerous economic benefits for which they must in return serve a public purpose. Federally regulated financial institutions are required to comply with the Federal Community Reinvestment Act of 1977 (CRA). CRA requires that financial institutions act affirmatively to meet their local communities' banking needs as a condition of being granted a charter.

Local government is uniquely able to identify specific community deposit and credit needs and is a major consumer of banking services. The County of San Diego can encourage banking practices and programs which are responsive to community needs and support community-based organizations in establishing positive working relationships with local banks within the context of CRA.

**Policy**

It shall be the policy of the County to encourage each lender doing business within its boundaries to develop and implement a San Diego-specific community reinvestment program consistent with CRA. Such a program may include but need not be limited to the following reinvestment activities.

Affordable single-family and multi-family residential mortgage, new construction and rehabilitation lending, especially to nonprofit organizations and to women, minorities and low- and moderate-income persons;

Consumer lending and checking and deposit services, especially to women, minorities and low-and moderate-income persons and neighborhoods;

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Small business and commercial lending, especially to women, minorities and low-and moderate-income persons and neighborhoods;

Financial participation in County housing, redevelopment, revitalization and economic development projects;

Financial and technical assistance to individuals, community groups and nonprofit organizations involved in housing and economic development activities;

Philanthropic and charitable giving to local nonprofit cultural and social service organizations and community groups involved in housing and economic development; and

Continuation of the full range of banking services to the entire community, notwithstanding mergers, consolidations and acquisitions and other practices pertaining to headquarters office and branch openings and closings.

The lenders should be encouraged to work with the San Diego City-County specific investment plans. The plans will serve to insure coordination and partnership between government agencies, lenders and the community.

Sunset Date

12-31-10

Board Action

5-9-95(6)

03-14-06 (11)

12-09-08 (33)

CAO Reference

1.Chief Financial Officer/Auditor and Controller