



# REPORT

**DATE:** For the Agenda of June 28, 2002 **Item 100**

**REPORT NO.:** HCR02-062

**SUBJECT:** Continued Support for the City-County Reinvestment Task Force  
(Citywide)

## SUMMARY

**Issue:** Should the Housing Commission continue to partially underwrite the cost of operating the City-County Reinvestment Task Force (RTF) during FY03 by contracting, on behalf of the Task Force, with the Reinvestment Director and a Program Analyst to provide staff support?

**Recommendation:** That the Housing Commission authorize the Chief Executive Officer to execute, with review of General Counsel, contracts that provide up to \$114,934 for the Reinvestment Director and \$49,613 for a Program Analyst to continue activities related to administration of the City-County Reinvestment Task Force from July 1, 2002 to June 30, 2003.

**Fiscal Impact:** These funds are included in the FY03 RTF budget.

**Previous Related Action:** On March 1, 1993 the Housing Commission approved administrative funding to support the RTF in partnership with the County of San Diego and continued that commitment through its annual budget process.

**Future Related Actions:** None.

## BACKGROUND

The Reinvestment Task Force was formed in 1977 by joint resolution of the City Council and the County Board of Supervisors. It is made up of lenders, community organizations and members at large, and is co-chaired by a City Councilmember and a member of the Board of Supervisors. A membership list is included as Attachment 1. Funding for the RTF comes from the City and County; in addition, the RTF secures periodic funding from grants to accomplish research work.



The RTF meets monthly and is staffed by a Director and a Program Analyst. The Housing Commission has been directed by the City Manager to manage the RTF contract and act as fiscal agent, and the County Housing Department provides office space and some support services and supplies. The activities of the RTF are defined by a scope of service and a report is provided annually regarding the fulfillment of the terms of that scope of service.

As a quasi-public committee jointly authorized by the City and County, the RTF's activities and operating guidelines are prescribed by contract. In addition, the RTF is obligated to comply with relevant policies of the City and County related to contracting and financial expenditures.

## **DISCUSSION**

The two primary goals of the RTF are to monitor lending practices and to develop strategies for reinvestment. Existing City and County policies authorize the RTF to intervene in bank mergers and to develop reinvestment plans with lenders in the region. The RTF has worked with ten banks on these agreements and provides the City and County with periodic progress reports.

A key accomplishment during this contract period was the approval of a Reinvestment Master Plan by the City Council and Board of Supervisors. The Plan identifies 15 specific activities to be implemented by the RTF in the upcoming contract year. A three-year business plan and budget was also written and approved. It authorizes the RTF to work with the City and County Treasurers to develop reinvestment programs with financial service contractors doing business with the City and County, and to explore the development of a capital collaborative to provide reinvestment opportunities for underserved areas of San Diego.

The RTF ratified the proposed employment contracts on February 21, 2002. All of the work items in the previous year's contract were successfully fulfilled (see Progress Report, Attachment 2).

For the Agenda of June 28, 2002

HCR02-062

Page 3

**ALTERNATIVE**

Discontinue or reduce funding for the City-County Reinvestment Task Force. This alternative would conflict with City Council direction that the Housing Commission provide partial funding for Task Force operations and require the Task Force to secure alternate funding for operations in FY03.

Respectfully submitted,

Approved by,

**Signature on File with Original Document**

Jim Bliesner  
Reinvestment Director

Elizabeth C. Morris  
Chief Executive Officer

Attachments: 1. RTF Membership  
2. FY2002 Progress Report

Bliesner