



CITY-COUNTY REINVESTMENT TASK FORCE



San Diego Reinvestment Task Force
 Thursday, September 17, 2009, 12:00 PM
 202 C Street,
 Twelfth Floor Hearing Room
 San Diego, CA

MINUTES

Item 1: Introductions

Members:	Bob Adelizzi	Public Member (Acting Chair)
	Wendell French	Wells Fargo
	Jim Schmidt	Public Member
	Kathy Patoff	Union Bank
	Lynn Hasting	Public Member
	Tom Ledford	County of San Diego Supervisor's Office
	Mirta Schloss	RTF Administrator
	Venus Molina	Councilman Young's Office
	Gordon Boerner	San Diego National Bank
Members Excused:	Tony Young	Councilmember, District 4
Members Absent:	Ron Roberts	County Supervisor, District 4
	Joe Horiye	LISC
	Murtaza Baxamusa	CPI
	Angela Lucero	Bank of America
	Marco Polo Cortes	Public Member
	Peter Villegas	JP Morgan/Chase
Participants:	Ted Graham	NACA
	Faith O. Espejo	HOC
	Nikki Weil	HOC
	Tanya Dantus	HOC
	Gregorio Estrella	HOC
	Vino Pajanor	HOC
	Oscar Laffaye	SDHC
	Jackie Harris	SDHC
	Joseph Correia	RTF Analyst
	Myrna Pascual	HUD
	Derek Staats	Caring Council

Item 2: Public Comments:

Ted Graham from Neighborhood Assistance Corporation of America (NACA) a nonprofit HUD certified counseling agency, gave a brief presentation regarding an event they will host for free loan modifications. Wells Fargo, Citibank and Bank of America will help people on Sept 24-28 at the LA convention center. It was stressed that this was for Loan modifications not for re-financing. Ted Graham is also the contact for a new project that will help make mortgages more affordable and gave his contact info.

Venus Molina apologized for Councilmember Young's absence due to out of town city business.

Item 3: Minutes

Motion to approve minutes was made by Bob Adelizzi, seconded by Lynn Hasting and approved unanimously.

Item 4: Report from Housing Opportunities Collaborative (HOC) on Smart Money Summit 2009

Presented by HOC's Gregorio Estrella:

Smart Money took place on June 6, 2009 as Home Clinic # 40. This event had two components foreclosure prevention and first time home buyers.

Overview of HOC's Home Clinics:

Review of HOC Home Clinics since its inception in June 2007. HOC has served 5,600 home owners including 3,000 who were individually counseled. 9,400 volunteer hours made it possible.

Trends: Prior to Smart Money 2009 there were nine Home Clinics in ten months. HOC is projected to end 2009 with fifty-nine Home Clinics. Average attendance is sixty-eight per event.

Smart Money Foreclosure Prevention Component Report:

Goal was to help clients to keep their homes. Eligibility requirements included homeowners who were three months or more late on payments, in foreclosure or negotiating a short sale. Some clients were referred to housing counseling agencies or to attorneys for help. HOC worked only with the first mortgage, not on any second mortgages.

Of 58 clients that HOC individually counseled at Smart Money 2009: 58.6% were minorities (a large percentage was Hispanic) and 41.4% Caucasian.

Who are the lenders for the individually counseled clients? Bank of America, Country Wide, City, Chase, Wachovia, Wells Fargo

Post Event Follow-up: HOC later contacted with 40 of the 58 individually counseled clients (69%) and found that:

9 were in loan modification process

6 had completed loan modification

1 filed bankruptcy after the event

1 was foreclosed after the event

1 short sale after the event

12 were invited to attend a subsequent Home Clinic

10 were current

40 total individually counseled

Smart Money First Time Home Buyers Component:

18 attendees received first-time homebuyer information. US Bank and Bank of America participated. Both banks had equal opportunity to service those home buyers. Post event follow-up showed two attendees had consulted a realtor, one was seeking a co-signer, three were working on credit repair, three decided not to buy, and one attendee/renter had purchased a home.

HOC's Vino Pajanon: Communicated that their 50th Home Clinic will be on October 3rd. The Federal Reserve and Fannie Mae will be presenting. HOC is expecting approximately 200 attendees at the workshop.

Q. Venus Molina: (Referencing slide 3 of the presentation) asked about the 2,600 people who did not receive individual counseling.

A. Mr. Estrella: Those were there for informational purposes.

Q. Kathy Patoff asked for any anecdotal profile change to the people coming to the HOC for services.

A. Mr. Pajanon: In 2008 people were more informed and aggressive than in 2007. In 2009 there is more acceptance and understanding. It also depends on the area. Clients from underserved areas look to us for information. In other areas it is more about finding a solution versus blaming.

Q. Joseph Correia: Some banks are modifying a very small percentage of the universe of loans that could be modified. Has this been your experience?

A. Mr. Pajanon: The banks have to do more. But the people have to qualify. Banks are more willing to work when we have a contract with organizations and partners. It also helps when loan officers are there present with their laptops ready to help at the Home Clinics.

Q. Bob Adelizzi: (Referencing page 7 of the presentation) asked why HOC equated the variable and subprime.

A. Mr. Estrella: Just emphasizing that most of the loans HOC sees have variable and high risk components.

Q. Bob Adelizzi: Asked about shadow foreclosure inventory that banks have more foreclosures in the pipeline after a slowdown at the beginning of the year. Do you agree that we have a lot of shadow inventory?

A. Mr. Pajanor: That is true. HOC has seen some homeowners 18 months in default without action by the bank. Some experts think foreclosures will peak in late 2010.

Q. Ms. Molina: A lot of first time homebuyers are competing with investors that are trying to buy in bulk. Is the HOC (or other lenders and partners) doing anything to give the first time home buyer preference or priority to help the first time homebuyers?

A. Mr. Pajanor: Qualified first time homebuyers were being beaten by all cash offers. Recently banks were offering only first look. But some are saying like Fannie Mae that first time homebuyers will be given a 5 to 15-day wait preference. But it doesn't mean they will get it. San Diego may be at receding end of first time homebuyers; currently only 2 ½ months of for sale inventory. We may be going back to be a rental city.

There was a brief discussion on bank loans to investors versus first time homebuyers and the collateral coding requirements of such purchasers.

Item 5: Strategic Plan Sub-Committee Update

Presenter: Lynn Hasting. There was a hand out included in packet. There are mission statement and goals listed. Have plans for professional forecasters who can come and make a presentation to the Task Force. Currently the sub-committee is having a discussion of the reconfiguration of board members and evaluation of prior activity. There was the discussion of the activity of credit unions, S.W.O.T. (Strengths, Weaknesses, Opportunities and Threats) and it was noted that the prior year's changes in the economy may mean that latest HMDA data will be dated and need extrapolation.

Ms. Molina discussed the structure and time of meetings for the Task Force...consider changing time, or date or including lunch since meetings are at noon.

Item 6: Staff Report

Presenter: Mirta Schloss

A report will be provided monthly from the administration staff.

There was the introduction of Joseph Correia as new staff analyst for RTF.

Ms. Schloss briefly discussed the CRA Modernization Act of 2009 bill introduced in March and discussed meeting with Congresswoman Susan Davis to encourage her co-sponsorship. Bob Filner and Barney Frank are co-sponsors.

Kathy Patoff expressed a desire for internal discussion amongst the RTF board members as to what we should be recommending.

Mirta Schloss commented this is merely an information introduction of pending bills. Ms. Schloss noted a meeting with Liana Molina of California Reinvestment Coalition and an interested group who discussed a payday lending study. Next month we will have a presentation from economist Marnie Cox from the San Diego Association of Governments. We will be completing newsletters and posting them on our web site. Please send us any articles etc.

It was asked to be placed on the record that US Bank is invited and included in our meeting.

Bob Adelizzi thanked SDHC, Ms. Schloss and Mr. Correia for all of the work that has been done.

Item 7: Adjournment at 1:15 PM