



**CITY OF SAN DIEGO
OFFICE OF COUNCILMAN
ANTHONY YOUNG**

DATE: July 14, 2008

TO: Andrea Tevlin, Independent Budget Analyst

FROM: Councilman Anthony Young, Fourth Council District

SUBJECT: Review of Redevelopment Agencies Budget Practices

As you know, there have been recent media stories regarding the salaries and benefits of the Southeastern Economic Development Corporation's (SEDC) staff and how they were presented and represented to the City Council and the Corporations Board of Directors. News reports also mentioned how salaries and compensation packages were presented and represented to the Centre City Development Corporation's (CCDC) Board of Directors and the City Council.

Based on the information I have heard so far, it is clear to me that this Council needs to have a comprehensive review of how salaries and compensation packages of our redevelopment agencies are developed and agreed upon by their respective Board of Directors. At my request, Macias & Gini is currently conducting a performance audit of SEDC. I, along with the Mayor and the Audit Committee are expecting to receive this performance audit in the next few weeks. The Mayor has requested that the performance audit be expanded to include answers to (9) specific questions he had regarding SEDC's compensation practices. I have also asked that the audit be thorough and comprehensive and conclude as soon as possible.

I am requesting your office review and provide the Council with a report and recommendations on the budget process for SEDC, CCDC, and the Redevelopment Agency particularly as it relates to the process and information provided to boards of directors prior to final approval and forwarding to the City Council; how and who makes decisions on compensation packages; can and should the redevelopment agencies' budget be presented separately to the City Council for review and discussion; and a review of the contracts the City has with SEDC and CCDC.

Your prompt response to this request is appreciated. It is my hope and desire that your office can provide a response in the next two weeks.

Cc: Honorable Mayor Jerry Sanders
Honorable Council Members