

Keynote Address

"Walking Together"

Prepared Text with Graphics

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Thank you, Christine, for such a warm introduction.

And thank you all for coming. How wonderful to look out at this full room. I'm delighted you're here, and I'm excited for the next few days together.

I want to talk today about togetherness—about **Walking Together**. This room *wholeheartedly* reflects this notion.

But before I do, a few acknowledgments...

First, to our generous supporters,



I join Donna Fabiani in gratitude for your sponsorship of this amazing gathering.

And, Donna, thank *you*! Your work to organize this conference is inspiring... it is phenomenal. Brava!

To the remarkable group of dedicated individuals that is OFN's Board... Would Board members please stand so that we can give you our sincere thanks with a round of applause.



And OFN's staff, in you, I'm reminded of Margaret Mead's quote: "...a small group of thoughtful, committed citizens can change the world... indeed it is the only thing that ever has." This team tackles so much every day. My deepest thanks!

Some of you know my immigrant roots. My father is from Ghana, and I have strong ties to the country.

There's a Ghanaian proverb "Sankofa"...



It's illustrated as a bird arching backward, with its beak touching its back.

My father tells me there isn't a perfectly succinct English translation for Sankofa. But roughly stated it's "the way forward begins with going back".... But as with any proverb there's nuance. Within the meaning is the idea that it's never too late to amend what needs amending... to complete what's unfinished... to learn from history and carry the lessons into the present and to the future.

So in the spirit of Sankofa, I'm going to look back briefly.

We are here together in large part because of Mark Pinsky and before him Martin Trimble and Chuck Matthei. In 1985, Chuck held the first CDFI conference with 47 loan funds that managed \$27 million dollars. Since then, our network has originated \$48 billion in financing in rural, urban, and Native America. All this growth was possible because Chuck, Martin, and Mark persevered. They were unrelenting advocates of capitalism for good...

And I am excited to pick up the mantle, to be at the OFN Conference for the first time as your President and CEO.

Many of you have been at this work for a long time — I've seen your scars and celebrated your triumphs! Those of you who are newer to your careers or the industry: Welcome! You've joined a tremendous community that walks together toward social, economic, and political justice.

A lot of what you will hear me say today won't be radical. That's not my purpose.



Rather, we are at the beginning of an invigorating few days during what is arguably a troublesome period in our country's history. And I believe it is worth taking some time to reflect on the power of CDFIs and our collective network...To remind ourselves what we are capable of when we walk together, and how and *why* we must continue to do so...

Our work is hard.

Vast racial and economic gaps divide this country.

The needs are stark, the levels of poverty are terribly painful.

Amid distress, CDFIs are a true treasure.

Let me tell you about how I came to this work... where my perspective on CDFIs and walking together was shaped... and how being at this podium in this role is a natural culmination of all I've worked for and championed.

I began my career as a commercial banker at Citi. I discounted cash flows for companies. I used an HP 12C calculator — all of you old bankers get it, there's nothing like that calculator. It was the slide ruler of its day.

But commercial banking wasn't my heart. The immigrant daughter in me was too aware that my time on earth must be spent going back and bringing everyone along. And commercial banking, while important and powerful, wasn't fulfilling this drive in me...

So I left Citi for the Ford Foundation, where I started in rural economic development.... Here, I fell in love with CDFIs. That was when I first met legends of our field — Martin Eakes, Connie Evans, Mary Houghton, Mary Matthews, Elsie Meeks, Ron Phillips, and Mark Pinsky. I found my tribe.

They understood the mammoth task of changing poor communities takes money, it takes debt. As bankers, they knew how to make a loan, knew how to money back, but they were doing it in service of their communities. This was where I wanted to be, with people who had HP 12Cs but used them for social and economic change.

After Ford, I developed strategies to help low- and middle-income families build personal savings at the Aspen Institute, and I advocated in front of business and policy leaders for CDFI innovation in areas of consumer finance.

Then as Under Secretary for Rural Development at the USDA, I invested in rural housing, infrastructure, and businesses, and CDFIs were my go-to for connecting USDA capital to communities.

Now, here I am, leading our network.



I come to this work believing deeply that when we walk together, our network is a force to be reckoned with.

Walking together is a hallmark of our field.

Walking in unison we find our common humanity.

Side by side, our combined strength moves mountains.

We are all here — *together* — because we share a common interest, a mission, to help everyone thrive. Public and private, for profit and nonprofit, loan funds and credit unions, banks and venture funds... ours is a big BIG tent. Walking together we've created unique solutions to what many believe are insurmountable problems unworthy of taking on.

A few examples of walking together...

One of my favorite programs at the USDA was the Community Facilities Relending Program. The USDA tweaked the rules of one of its direct lending programs so that other institutions could relend its funds. Same affordable, patient capital program, same rules, same legislation, but instead of lending directly to an essential community facility, the USDA lends to another entity, such as a CDFI, and that entity will have time to make loans in very high poverty or persistently poor rural areas.

The program invested \$401 million of 40-year money into 26 organizations – among them FAHE, Citizen Potawatomi Community Development Corporation, Rural Community Assistance Corporation, and Kentucky Highlands Investment Corporation.

Bank of America stepped up to become one of the program's key partners with \$100 million of guarantees. The bank is bravely walking together with the U.S. government and CDFIs to fill major gaps in rural America.

I'll also give you a beautiful recent illustration of a CDFI/Bank solution. A few months ago, I visited Low Income Investment Fund — or LIIF. Nancy Andrews took me on a tour of a LIIF funded project in San Francisco's Potrero neighborhood.

Potrero is currently a 38-acre isolated public housing development in a city with one of the country's largest wealth gaps. Affordable housing developer BRIDGE Housing, also a CDFI, is working with Potrero residents to transform the development into a mixed-income community with housing and programs for all ages. They've started Zumba... and community meetings... and multilingual workshops. When completed, there will also be retail stores, a rec center, day care and preschool services.



Nancy and I joined residents on their daily wellness walks.



We walked together with them through the neighborhood that will become Potrero Terrace & Annex. The sense of community was palpable! Their route took us to the community garden, where an older gentleman who didn't speak much English picked a strawberry and put it in my hand. It was perfect!

This, *this* is community!

And it is happening partly because LIIF recognized that to truly transform highly distressed areas we must bust siloes and offer flexibility in financing. Projects like Potrero need capital that can accommodate more than construction. They need money for community essentials, like vegetable gardens and public parks and child care.

So LIIF partnered with JPMorgan Chase to create a product called "Equity with a Twist" — or EQT — to provide the long-term, flexible, and affordable money that developers like BRIDGE Housing need to succeed. And, today, EQT investments are nurturing this vibrant Potrero community, as well as communities in Cincinnati and New Orleans.

During the rest of the Conference, you will hear about many more creative alliances like these, but for right now let's talk about where we need to focus once the Conference is over.

Over the past six months, I visited or met with OFN Members in multiple states. (And I'll visit many more of you in the next year.)

I've heard you loud and clear that OFN's job is to bring Money, Strength, and Voice to its Members. Whatever your CDFI's size, you joined our Membership because you want to do more and be more. You are looking for that force multiplier effect.

And I understand that creating this effect is my responsibility and my privilege.



I've also spent a great deal of time speaking with OFN partners, funders, and investors.

One thing became crystal clear in dialogues with mainstream power houses and other thought leaders: CDFIs are a vital part of this great country's financial infrastructure.

We are needed.

We fit — *Our place in the American market is essential.*

We have not outgrown our value.

This is a wonderful confirmation and validation of what we've known for so long.

... But we still have so much more to do.

While it's premature for me to make big promises or announce major policy or capital initiatives right now, I do want to look ahead to upcoming priorities for our network and industry.

We are in D.C. so it seems appropriate this afternoon to focus on federal policy priorities.

In the next year, it is going to be essential that we walk together toward three ends:

First: We must walk together to protect the CDFI Fund and tap into other sources of federal funds.

We need to protect the agency that most understands us — The CDFI Fund. Over 20 years, CDFI Fund money has been critical to our growth, and we are not done with it. We have our place in law and in budget. We have federal legislation that names us — C.D.F.Is. — certifies us, and bakes us in.... We need to protect and defend it!

But at the same time, we need to tap into other flows of federal money.

As Under Secretary, I championed federal policy that drives important work in *all* 50 states. I believe there are opportunities here for CDFIs. As you know, the federal government's rate of borrowing is very low, and with it you often have time on your side — Overseeing the community facilities program, I was responsible for 40-year debt, which is one of the rarest kinds of money. — I believe CDFIs need to keep exploring all of these opportunities.

We must also advocate for the industry's interests in areas other than the CDFI Fund that could impact us or the people we serve.

Right now, there's CRA conversation going on at Treasury...



A tax bill on the horizon could affect affordable housing and other aspects of our industry.

And our rural CDFIs will be interested in a potential farm bill.

We'll be keeping an eye on this broad landscape and will bring you into the walk.

Second: We must walk together to amplify the industry's voice.

You've been incredible in introducing CDFIs to the new Congress. This is great!



Your efforts are making inroads. CDFIs have allies on both sides of the aisle... *and* we need to make more.

... How beautiful it is that we can come to these discussions from a position of strength, with the message that CDFIs are worthy investments and that *for every \$1 in CDFI Fund FA Awards, CDFIs generate \$12 in financing...* And better yet, we have real life on-the-ground stories that *show* how much this capital has done for rural and urban and Native communities in *ALL* 50 states.

Leverage these messages into a call to action. Encourage your members of Congress to *Use CDFIs. Trust us. Through us, put money and solutions into communities.*

Our voices are vital! *Together* we can amplify them exponentially.

Third: We must walk together in partnership.

Whatever we do as an industry, we must do with others.

We will be more successful in pulling off policy victories for the people we serve if we join with leaders in areas in which we work — affordable housing, small business, healthcare, technology, broadband, consumer finance.



It is time for us to embrace partnership and link arms with other change agents that make communities thrive. The more we walk together, the better we can champion and innovate for people, places, and federal funds.

Here at OFN I will be working closely with our sister organizations like the CDFI Coalition, the Federation of Community Development Credit Unions, the Association for Enterprise Opportunity, the Native CDFI Network, Community the Development Bankers Association, and the Community Development Venture Capital Alliance... Ours will be a lasting and far-reaching effort that I know will benefit all of us... Don't miss our Closing Plenary on Thursday. Representatives from many of these organizations will join me to discuss how far CDFIs have come and how far we can go.

This call to partnership extends outside of policy advocacy. Our industry needs new money and new investors. When Wells Fargo and the MacArthur Foundation started the NEXT Awards for Opportunity Finance, they transformed the field. Now it is time for a next generation of investors to join us.

So.... Why walk together?

Everyone in this room is competent in your own Market — I'll never know Mississippi like Bill Bynum does — but poverty creates immense, deep, *deep* holes. Our work can be overwhelming... and lonely. This is why we walk together. Even if it's just to say:

I get it.

I understand.

Hold on!

In 30 years, CDFIs have done amazing work. Yet we know there are massive amounts of work left to do.

What keeps us from getting weary — from *giving into weariness* — is that we are not alone. We inspire each other. We hold each other up, in small and large ways...

During Hurricane Harvey, 13 employees from OFN Members LiftFund, LISC, and PeopleFund experienced personal losses — some lost everything. Our network quickly extended a collective hand when individuals reached into their own pockets to help their colleagues.

This is just one intimate response to Harvey from our network. As we know from past storms, CDFIs will also be part of the herculean effort to rebuild businesses, housing, and communities hit by Harvey, Irma, Maria, and other storms on the horizon. You will pour capital and heart into an area long after the first responders are gone... And we will support you.



I want to end by sharing a story from my life of what walking together means to me. It goes back to strawberries.



My parents believed everyone should do a difficult, messy job to learn the value of a dollar — that's how we do it in Oregon. For 5 or 6 weeks every summer, my brother, sister, and I picked strawberries. We boarded a bus early in the morning and spent the day picking berries and hauling flats. As the season went on, the berries grew smaller, fewer, and more difficult to reach — we were paid by number of flats and it became harder and harder to fill them. My brother knew that my hands would get cold in the mornings so he stopped his work every now and then to warm them... to help me keep picking. And the "berry boss" came by a few times here and there to pick with us. She'd throw a few berries into our flats.

When people do things like this — warm your hands, throw berries into your flat — it makes it easier to keep going... The impossible seems possible again...

This is why we walk together!

In closing, I want to go back to Sankofa.

I've been given a great honor to lead this network 30 years into its history.

Scanning the room right now, what stands out for me is how far we've walked together... and how much is ahead.

In a moment, we'll celebrate the Ned Gramlich Lifetime Achievement Award and honor pillars of our industry and where we've been. The two incredible recipients helped our industry grow... We are here today in part because of the lives they lived.

Now, look to your left and to your right to see the people who are going to walk forward with us to do the next work.

This beautiful duality of honoring the past while moving into the future gives me joy and hope.

Thank you!

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