



“OPPORTUNITY”

*Final Prepared Text
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*At "On the Road to Scale: What's Now? What's New? What's Next?"
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Thank you, Ruth, for that warm and generous introduction.

I also want to thank all of you—our conference participants—for making the effort to be here with us. You have traveled far and taken time from your busy schedules to help all of us figure out how to move forward.

I want to say a special thanks to the delegation of conference participants from the United Kingdom, representing the Community Development Finance Association. You have traveled very far! The cdfa is our UK counterpart supporting community development finance there. I have had the pleasure and honor of working with the cdfa for five or six years now.

Finally, I want to wish a happy birthday to my Uncle Henry, who is here today as my guest. Henry is 86 years old today, and that is remarkable for at least two reasons.

First, Henry has been a commercial real estate developer for perhaps 60 years and he is still at it. From the first time my wife met Henry, more than 20 years ago, he has been saying that he's just going to do one more deal and then retire for good. But for commercial real estate developers there always seems to be one more deal too good to pass up.

I would only wish for all the rest of us that we can still be doing what we love to do when we turn 86.

Henry's 86th birthday is remarkable for a second reason, as well—my mother, Henry's younger sister, is nowhere near as old as that!

Henry has been a friend, an advisor, and a guide around Los Angeles. Thank you for being here today.

I am glad you asked about my *fitness*, Ruth. Perhaps some of you remember that last year I reported that my Doctor had told me I was fat—okay, he said “obese”—and that if I continued to *grow* and did not *change*, I would *die* sooner than I have to. I am pleased to report that my doctor is satisfied with my progress.

In fact, I’m glad you asked about my fitness rather than my weight. My weight is good—better than last year—but my fitness is better. Last year, I couldn’t run around the block. Now I can run several miles. Last year, I was lifting weights but not making a lot of progress. This year, I made a lot of progress. In fact, I am competing with my 14-year old son to bench press my weight before he can bench press his. I think I am going to win because he’s 6’1”, still growing, and starting to fill out—I call it my “Denominator Strategy.”

But something new came up when I went to see another doctor in my physician’s office a couple of weeks ago, Ruth. This doctor is a sports medicine specialist, and I went to see him about an old rotator cuff injury. That checked out fine.

This doctor is a team doctor for two Philadelphia professional sports teams—the Eagles and the Flyers—and we got into a pretty “manly” discussion about weightlifting, pecs, delts, lat pulls, bench presses, military presses, and the like.

“So what’s with your wrist,” he asked, noticing my brace.

I told him I woke up in pain maybe six weeks earlier for no apparent reason. He fiddled around and said, “It’s **DeQuervain’s** Tendonitis.”

Then he looked at me and said, “You don’t look left-handed.”

“I’m not,” I said.

It turns out that this particular injury is almost always a result of racket sports. But I don’t play racket sports anymore, and if I did I wouldn’t play them left-handed.

He scratched his head and ran through a list of unlikely but possible causes. “It’s got to be one of those things,” he said. “The only other thing that could cause it is...”—he hesitated to say it—“is knitting.”

“I knit!” I said. In fact, I had just started again this summer after about 15 years. I was teaching my daughter and we each had knit a scarf. It was right about the time my wrist started to hurt...

“You knit?!” He almost didn’t believe me, but I could sense the manly feeling rushing from the room.

So, Ruth, I’m doing pretty well, thank you. With rest and therapy, my wrist and thumb are healing. The bad news this year is that my knitting career is over.

This conference is called “On the Road to Scale: What’s Now? What’s New? What’s Next?”

But “On the Road to Scale” is not just our conference theme. It is the long, strange trip we are on as we try to find the best course to a world where all people have the resources and opportunity to act in the best interests of their communities, themselves, and future generations.

That is the vision this organization has aspired to since our Members formed it more than 20 years ago and that we formally adopted almost a decade ago. The journey since 1985 has been challenging and rewarding. We have traveled in the comfort of good friends, and I am pleased to be back with so many of you now to remind ourselves why we are on this trip together.

It is important that we meet each year, always with new friends as well as old ones, to rededicate ourselves to the core purpose that drew us into the field in the first place—to align capital with social, economic, and political justice. Twenty years ago we managed \$27 million; today we manage more than \$12 billion, but our purpose has remained and will remain constant. It is our “North Star.”

Since we met a year ago, the road to scale has taken us from Chicago to Los Angeles. I am eager to hear where you have been, what you have done, and what you have learned.

I am going to reflect today on our travels together. And I am going to tell you about a trip I took earlier this year that had a profound effect on how I think about my job, our work together, and our field. I want to try to explain why I do this work and, in the process, dig deep into what I believe is the common vein that unites all of us.

In part, we are together this week to remind ourselves what it means to be partners in *this* mission-driven network. Sometimes the value of a network is nebulous; sometimes, as with the hurricanes that struck the Gulf Coast, our network is a lifeline.

The morning after Hurricane Katrina hit New Orleans, Bill Bynum of the Enterprise Corporation of the Delta and I talked about how our network could help him and other CDFIs in the region. I asked him what he needed and sent out an e-mail to our network. Your response was overwhelming. Many of you circulated ECD’s appeal across your networks.

This was one of those times when the value of our network could not be captured in dollars and cents alone. Bill called me a few days later to say that, “The support ECD received from the NCCA network let us know that we were not alone. It gave us the strength we needed to respond.”

That is what being partners in a network is all about.

One thing we learned on the road we traveled through the Gulf Coast this Fall is that our government, at its best, is not now prepared for the forces of devastation that nature—or hatred, for that matter—can bring. We learned as a nation that decades of policy decisions by *both* Democrats and Republicans have left us exposed to risks we, as a nation, have ignored because often it is easier to pray for the future than it is to pay for what we want, need, and expect.

Did anyone else here wonder, watching parts of New Orleans flood, whether the eroded levees might be a metaphor for decades of policies that put political self-interests before the public good?

I am talking here not only about quality affordable housing, asset-building strategies, jobs, and community facilities. I am also thinking of crime, schools, and the environment.

America's memory can be short.

So let us hope, and pray, that what Martin Luther King, Jr., called the "better angels among us" will lead this nation to recognize that our gleaming city on a hill cannot long survive if it is resting on a weak and neglected foundation.

As we traveled the road to scale from Chicago to Los Angeles, we have faced our share of distractions. Early in 2005, the White House put up a shiny billboard that promised "Stronger American communities, Exit Hard Right." The big sign promoted, "Strengthening America's Communities," but if you followed the signs *off* the road to scale you found out that that route was nothing more than a rutty dirt path leading to a shack with no indoor plumbing and no electricity.

We have been down that road and we are *not* going back down it anymore.

If you think I am making partisan charges here, let me assure you I am an equal opportunity offender. Most of us have partisan inclinations, but there is no partisan litmus test for success in this field. In our work we are and will remain bipartisan—we are pragmatic idealists.

When the White House announced SACI—the speciously named "Strengthening America's Communities Initiative"—NCCA criticized it publicly as "popcorn policy": a kernel of truth surrounded by a lot of hot air. It was easy to swipe away the hot air but, if we are brutally honest with ourselves, we need to spend more time cracking that kernel of truth. We have to face the fact that some community development strategies work better than others, and some really don't work at all. We need to document and champion the things that do.

For all the work we have done over the past 20 or 30 or 40 years defending a growing number of anti-poverty and community development programs, and waiting downstream for a trickle of funding, other people have been building dams upstream that have diverted the flow of funding to other purposes altogether.

I refuse to start on the defensive anymore when someone powerful asks why we should invest in CDFIs when our nation should be sharply increasing our investments in CDFIs ... Or why we need CRA at all when we should be expanding CRA to cover ALL financial institutions that rely on taxpayer subsidy ... Or why we need a strong mission test for New Market Tax Credits or why we need anti-predatory lending laws with teeth and bite.

We need to re-take the offensive on policy so we can solve this "dam" problem.

And we have the opportunity to do that. Last year in Chicago just two days after the 2004 elections, I stood before you and tried to tell you—because so many of you asked me to do so—the "good news" for community development finance coming out of those elections. It was a stretch. So I told you the one thing that gave me strength—that we were together at a difficult time and that we would be able to come together to speak with a unified voice.

This year—right now—I am proud to stand before you and tell you that in 2005 you defeated the proposed Strengthening America's Communities Initiative; that you succeeded in maintaining level funding for the CDFI Fund while so many other vital programs were getting cut; and that you protected the essence of the Community Reinvestment Act against an all-out assault by a small group of banking policy extremists. As I said in Chicago, *you* are the good news!

Now we have a little momentum that we can build on but also an enormous effort ahead of us. Remember the little engine that could? Good, because our work this year is not done.

At NCCA this year, we have tried to explain that the road to scale is not a road that only large CDFIs with lots of net worth can travel; that it is a road for subcompact CDFIs and hybrid CDFIs, as well. We have worked hard to find a role or set of roles that NCCA can play that will help strengthen the systems and platform that will make it possible for most, if not all, of you to take advantage of new opportunities. The details of the strategy we first laid out two years ago are now taking shape.

All told, the road to scale has been long and it has been difficult and tiring at times—and we really are just starting down the road ...

But it has been *right*. We are on the *right* road, heading in the *right* direction, traveling with the *right* people.

And so this conference gives us the opportunity to remind ourselves that sometimes we have to travel far down a road to understand that the things we value most may be closer than we know.

I want to tell you about a two-hour trip I took one evening earlier this year. That night I traveled back more than a hundred years to Russia, forward to New York and Hartford, Connecticut, through Elkhart, Indiana, and across the terrain of my childhood in Levittown, Pennsylvania.

On a personal level, it is the story of how I came to this job and what keeps me in it. On a professional level, it is a story about why I work for justice. And on a business level, it is about the enduring power of principles and values.

As it happens, the trip started and ended in Los Angeles when I went to pay a call on a new business colleague.

He came into the room energetically, greeted me warmly, and sat knee-to-knee with me.

"I have read your speeches and your strategic plan," he said without introduction, "and I can see that you are passionate about justice. Where did that come from?"

I barely knew the guy, and I was unsure what to say. But I thought back to the NCCA Board retreat we held outside Chicago in 2003, when we talked about justice as our core purpose. That discussion produced the passion that fueled NCCA's strategic plan.

Bill Bynum talked about growing up in the town of Bynum, NC, which was named after the white family that had once owned Bill's family. Elsie Meeks told us about life as a Native American woman in a white world. We heard about gender discrimination and bias against gays and lesbians.

I knew I had to answer the question.

I talked about some of the things my parents had done—fought to integrate public schools in Elkhart, Indiana, in the shadow of the Ku Klux Klan in the early 1950's, before Brown vs. Board of Education; helped integrate Levittown, Pennsylvania, which was built using race-restricted deeds

and where I grew up; helped organize and lead a multiracial parent's group in Levittown when race-related riots shut down the high school in the late 1960's.

At Chanukah last year, over flickering candles, I asked my parents to tell my kids about their work for justice. They didn't seem to know what I was talking about.

With prodding, they started to remember. For an hour or more, they told us their stories of justice and action. My kids ate the stories up and re-told them to their friends and their teachers.

I talked about my mother's parents—Henry's parents (Henry's mother, Emma, worked for Margaret Sanger teaching immigrant women on the Lower East Side of Manhattan about birth control)—and my father's mother, and about their families.

But mostly I talked about my father's father—we called him Shroyal from his Yiddish name.

I have heard many stories about Shroyal, but no two tellings were ever quite the same. This is in keeping with the Jewish tradition that holds that if you ask five Jews to explain what just happened you will get ten different versions. Buried in Shroyal's story is something invaluable that I carry with me today

When Shroyal was very young, maybe 5 or 6, he watched the Tsar's henchmen, the Cossacks, murder his father. My great-grandfather was the town Rabbi. He had learned that the Cossacks were coming, so he told everyone in the shtetl to hide. He would talk to the Cossacks, he had said, and God would protect him, the people, and the Torah. He was wrong.

My grandfather devoted—and risked—his young life working against the Tsar. He became a labor organizer. At least twice he was sent to Siberia. Each time he escaped and returned to his work. Eventually, he left Russia sometime before 1910 and came to the U.S.

He made his way to Hartford, CT, where he continued organizing. Soon he got himself fired—and blacklisted—from every manufacturing plant in Hartford. With a young family to feed, he found a new line of business. With a loan from a relative and—according to one version of the story, capital from the Hebrew Free Loan Society—he opened a grocery store in downtown Hartford that he ran for 40 years. During those years, his entire extended family—save for a single nephew—died at the hands of the Nazis.

But Shroyal never lost his sense of purpose or his spirit of justice. He passed it on to his kids and his grandkids.

"It's *deyn* America" he said in his stunted mix of English and Yiddish—it's *your* America.

It's *deyn* America.... To me, it was an elegant but simple statement of responsibility for the future. It was, for many years, the foundation for my personal and professional aspirations. It was a reason to work for justice. In a very personal way, it was my covenant with my grandfather and with my heritage.

Today I am blessed to work at a job that allows me to live out my heart's aspirations. *Almost every day I remind myself, "It's deyn America,"* because what I took from Shroyal's belief in justice and responsibility and opportunity is at the heart of the values that I take to work with me every day.

When I walked out of that meeting into the cool Los Angeles Spring air, I stood across the street on the corner of Figueroa and 6th and decided to tell you my story today in the hope that you will

tell me ... or your family ... or the person sitting next to you ... how you came to work for justice. In this room are 600 stories that deserve to be told and heard. My favorite nonfiction writer, Joan Didion, once wrote that, "We tell ourselves stories in order to live." Stories organize our experiences and pass them on. Stories are how we give meaning to life and take meaning from it.

And Joel ben Izzy, our resident storyteller, has taught me and many of you that passing along a story is like passing along a treasure. Joel also teaches that in stories no one ever dies because they live on in your memory and, if you are fortunate, in your heart.

So it was with Shroyal.

There is a belief among Jews—and I imagine among others—that you have three names in your life: the one you get at birth, the Hebrew one you get at your naming ceremony, and the one you make for yourself in life. Shroyal, it turns out, had a fourth name.

Soon before he died Shroyal was walking with my aunt in downtown Hartford. An old woman started yelling at them. "Reznick!" she called "Reznick! Is that you, Reznick?" My grandfather kept walking. My aunt wondered if the woman was crazy or confused. The woman kept calling to him. "Reznick? Reznick, is that you?"

He stopped. He greeted the woman by name. They talked, in Yiddish.

When they were done, Shroyal told my aunt that they had known each other 60 years earlier, when he was organizing and she was working at the Singer sewing machine manufacturing plant in Hartford.

"Why was she calling you Reznick?" my aunt asked.

Shroyal was silent as they walked another half a block. "That was my name. In Russia."

When Shroyal got to Ellis Island, the guards there could make no sense of my grandfather but they could see from his papers that he came from Pinsk. On the spot, they renamed my family, as they renamed perhaps millions of other immigrants. But they could not change my grandfather's principles, beliefs, and values. Changing my family name did not change my family's legacy.

Call me Pinsky or Reznick, but the reason I do what I do will not change.

So it is with NCCA. Tomorrow at the NCCA Annual Membership Meeting we will discuss whether to change NCCA's name. We have come to believe that changing our name to "Opportunity Finance Network" can produce real, tangible benefits for all of us. But it will not change who we are or why we do what we do. That remains steady, constant, and true. We believe the proposed name better represents what is at the core of our work than our current name.

Over the past few years, NCCA has come to the conclusion that one of the things that we have to change is how people outside the community development finance industry—roughly 99.9% of the U.S. population—perceive us and our work. We make it more difficult than it has to be for many people who matter to us to see us in a positive light. (Ask Uncle Henry.) As a result, most of us spend scarce resources overcoming barriers that we put in our own way.

If we are going to build the high-impact, high-volume financing system that our strategy promises, we need to build a broader base of understanding and support among our allies and a wider circle of people and institutions than we work with today.

NCCA has spent a lot of time and energy in the past year mucking around in the story of “community development”—trying to understand where it came from, what it means, and what values anchor it. We wanted to know what was at its essence—what would never change about it—and what *might* change.

That work grew from a request we heard from the *industry*—from you—that we needed a new brand and better messaging—some of you have called it “Craving category”.

Perhaps that craving explains, in part, why the industry has seen so many organizational name changes leading the way *ahead of the name change that we are proposing*—in just the past year, the Virginia Community Development Loan Fund became Capital Source; the Austin Community Development Corporation became PeopleFund; and the Vermont Community Credit Union became the Opportunity Credit Union. Did you know that just 10% of our membership today uses “community development” in their names?

We talked and listened to many of you ... to our investors and funders ... some of *your* investors and funders ... *prospective* investors and funders ... policy makers, and a small, randomly selected group of people who knew nothing about us. We hired strategic communications professionals who asked questions that dug deeper, questions that we had ignored or avoided or misunderstood for... well, forever.

For the past year, we focused on the values and principles embedded in our core purpose of aligning capital with social, economic, and political justice.

For many of us—and certainly for most of the people who dreamed up this organization in 1985—we are carrying forward the spirit, the values, and the work of the civil rights movement. Martin Luther King talked about the three legs on the stool of justice—social, economic, and political justice; we talk about aligning capital with social, economic, and political justice.

Dr. King and thousands of others fought for social justice—the elimination of Jim Crow laws—and helped pass the Civil Rights Act of 1964.

They fought for political justice and pushed the nation into approving the Voting Rights Act of 1965. That fight also led directly to the keystone of the War on Poverty, the Economic Opportunity Act of 1965. More than any other law, the Economic Opportunity Act of 1965 defined what we later came to call community development.

As the civil rights movement focussed more on economic justice, Dr. King died in Memphis fighting for decent wages for the city’s all-black sanitation department.

A few years later, the community development finance field as we know it sprouted. From that small start we have become a \$12 billion industry of loan funds, credit unions, venture funds, and banks—mission-driven financial institutions dedicated to the belief that capital must serve a purpose beyond profit and determined to prove that mission-driven finance is not only possible but preferable.

During the past year we learned that a wide array of people outside our industry—a much wider circle than we expected—like very much what you do and what you achieve: our purpose *and* our results. And over and over we heard one word—the same word—from people who DO know us and those who do not to describe the essence of what we do. That word is “Opportunity.” The common vein linking our diverse financing strategies is that we all create opportunities and provide resources to help people act in the best interests of their communities, themselves, and future generations.

I have long thought of our work as a limb on the tree of civil rights; recently, I have come to understand that that tree’s roots flourish in the fundamentally just soil of opportunity. When you dig deep in the rich loam of justice, you keep coming up with handfuls of opportunity.

Dr. King said it in the build-up to his famous “I have a Dream” refrain on the steps of the Lincoln Memorial in August 1964:

...[W]e refuse to believe that the bank of justice is bankrupt. We refuse to believe that there are insufficient funds in the great vaults of opportunity of this nation. ... Now is the time to open the doors of opportunity to all of God’s children....

President Kennedy said it soon before his death:


The heart of the question is whether all Americans are to be afforded equal rights and equal opportunities....

Lyndon Johnson, who won the major laws that codified the civil rights movement and gave birth to the community development field, said it many times. The Declaration of Independence, Johnson said, is, “...a promise to every citizen that he shall share in the dignity of man. This dignity... really rests on his right to be treated as a man equal in opportunity to all others.”

The gender bias in Johnson’s words also calls out the fact that opportunity was the cornerstone of the women’s justice movement in the U.S. of the mid-19th century. It is central to the writings and speeches of great leaders such as Susan B. Anthony, Sojourner Truth, Elizabeth Cady Stanton, and Lucy Stone.

And opportunity motivated Nelson Mandela. At his 1964 sentencing hearing—just months before Dr. King’s most famous speech—Mandela told the court—and the world:

During my lifetime I have dedicated my life to this struggle of the African people. I have fought against white domination, and I have fought against black domination. I have cherished the ideal of a democratic and free society in which all persons live together in harmony with equal opportunities. It is an idea which I hope to live for, and to see realized. But my lord, if needs be, it is an ideal for which I am prepared to die.

 Opportunity has been the touchstone of NCCA’s vision for close to a decade. Opportunity is the bedrock principle behind our core purpose and the driving force behind our work. I didn’t understand that a year ago in Chicago; Now, I do.

As an individual and as a professional, I believe I am a child of the civil rights movement. I came of age in the community development era, with pride. Like each of you, I bring to our work a

personal legacy that is rooted in a unique culture and history. Together, along with thousands of others, we have built a field, a movement, and an industry.

We inherited the values and lessons of the civil rights movement and the justice movements that came before and that followed after. We share a common purpose based on a complex blend of heritages. We have woven our histories together into a network of mission-driven financial institutions. We are gathered together to consider over three days where we will go next.

As adults, we have marshaled resources for community development. We have shepherded capital for economic justice. We have become civic leaders and financial specialists. We are community organizers, financial engineers, political advocates, good citizens, good friends, good children, and good parents. We take less than we could and we give more than we knew we had.

We are children of civil rights and justice movements through history, and we have learned our lessons well.

The question I am asking today, then, is simply this: If we are respectful heirs of the civil rights movement, how can we be *responsible parents* to a new generation of justice?

I am blessed to have a job that allows me to work with you to try to help move the flywheel of justice forward perhaps a few revolutions.

I want to leave my children and grandchildren, and your children and grandchildren, and future generations that I do not know, with the promise of opportunity as the fertile soil for justice, as my family did for me. My great-grandfather died to protect freedom of religion. Shroyal risked his life and safety to fight tyranny. My parents risked their safety and lives—and their children's—to integrate schools and foster racial harmony and justice.

I ... have the *opportunity* to work with you ... to create opportunities that history, hatred, and injustice have too long denied.

That is why I do what I do.

If we are a movement born of the civil rights movement—if we are *respectful heirs* of Dr. King and Fannie Lou Hamer, of quiet heroes such as Bob Moses and Medgar Evers, and of martyrs such as Chaney, Schwerner, and Goodman ...

If we draw our strength from the courage and vision of Cesar Chavez...

... if we are *resourceful* descendants of Sojourner Truth and Elizabeth Cady Stanton and Lucy Stone,

... if we are *responsible keepers* of the heroic gift of Nelson Mandela,

... And, *perhaps most important*, if we seek to join the nameless and faceless millions of others who risked blood, sweat, and tears, who risked social persecution and economic hardship and

political isolation—and who risked their lives—so that our global society might become more just than when they entered it—

... if we are dedicated to fulfilling even a small piece of the promise of that movement,

... let us aspire to be parents to a new generation of justice, rooted in opportunity...

Let us use what time and resources we have—*let us make the most of our opportunities*—to build the America we have always envisioned ... where *all* people have the resources and opportunities to act in the best interests of their communities, themselves, and future generations.

Thank you and God bless you. It's deyn America.