"If Not Now, When?"

State of the CDFI Industry Address
Prepared Text

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Thank you, Ian.

Ian is wearing two hats today. First, he is representing the Federal Reserve Bank of San Francisco, which is a great ally to CDFIs. Former San Francisco Fed President Janet Yellen could not be here, though I know she wanted to be. We actually lost her twice—first when she left to become Vice-Chair of the Federal Reserve Board of Governors and then, from there, to an important meeting in Basel, Switzerland, where this week she is helping to shape standards for global financial markets for years to come.

Ian's second role is as a participant in and a member of the Advisory Committee of CDFIs v2.0—a new initiative led by emerging industry leaders. Three weeks ago, across the street at the Federal Reserve, 25 emerging leaders came together to articulate the vision of the next generation of CDFI leadership. We had more than 110 outstanding, qualified candidates nominated for this exciting effort, and the quality and passion of the applicant pool gives me great hope for our future. CDFIs v2.0's first product will be a discussion on Friday morning here at the Conference, followed by a vision paper that we plan to issue in early 2011.

Many of those 25 emerging leaders are among you today, as are some of the other 90 outstanding emerging leaders. Can I ask everyone who was nominated and everyone who participated to stand up so that we can see what our future looks like?

Thank you.

There is one more outcome from CDFIs v2.0, and it affects all of you. When that small group of emerging leaders met, on the eve of the National League Championship Series, there was more than a little trash talk between the San Francisco and Philly partisans. I will be the first to tell you, and I should have known better, that Phillies fans did not Fear the Beard.

Bad mistake.

The better team won that series, and my many San Francisco friends have been incredibly gracious about the whole thing.

First off, thanks for the parade welcoming OFN to San Francisco! It feels great to be here.

Second, many of you have warmly suggested that OFN's decision to hold our Conference here brought the Giants an extra measure of good luck and somehow contributed to the World Series win, the team's first in 56 years.

My head knows that that is superstitious nonsense, but my superstitious heart that bleeds for the Phillies wants to believe that you're right. Right now I have a complete set of worthless World Series tickets sitting at home—Section 124, Row 26, Seats 5, 6, 7, and 8. Behind home plate...

Last night, I couldn't sleep, thinking about the power of this Conference. Maybe it IS a good luck charm. Next year, the OFN Conference is booked for the Twin Cities, so you might want to double down on the Twins for the 2011 World Series.

But in 2012 and every year after, the OFN Conference is going to be in Philadelphia, with one exception. With deep respect for the Beard and the Freak, OFN has started negotiating to hold the OFN Conference back here in San Francisco the next time the Giants will win the Series—in 2066.

From the outset, I want to thank the CDFIs and sponsors who made it possible and worthwhile for us to be here this week.

First, please join me in showing our appreciation to all our co-hosts and particularly our Bay Area co-hosts:

- The California Economic Development Lending Initiative
- Low Income Investment Fund
- Northern California Community Loan Fund
- Opportunity Fund
- Pacific Community Ventures

Next, please thank our lead, platinum, sponsor, Bank of America. As you heard this morning, Bank of America's commitment to CDFIs is growing and greening. OFN is pleased to be one of the Bank's partners.

Let's also thank all of our sponsors, and notably our gold and silver sponsors:

- Goldman Sachs' 10,000 Small Businesses, which is sponsoring the Small Business Finance Track
- Wells Fargo, which is sponsoring the NEXT Awards
- Union Bank, which is sponsoring the CARS™ Track
- I want to give special thanks to Citi, sponsor for the second year in a row of OFN's Stabilization and Growth Track, for its leadership role in the creation of the Communities at Work Fund. Communities at Work Fund™ is a new, transformational approach to CDFI capitalization. OFN is proud to be partners with Citi and with The Calvert Foundation, and I am honored that Bob Annibale and Lisa Hall could join us today.

And our silver sponsors:

- BBVA Compass
- Capital One
- HSBC

The common purpose and collaboration that brought together our co-hosts and sponsors to deliver the best conference possible to you reflects the potential of CDFIs and their partners.

None of this would have happened, however, if not for the vision and exceptional leadership of Donna Fabiani, OFN's Executive Vice President for Knowledge Sharing. Thank you, Donna.

Every day I go to work feeling a mix of gratitude and appreciation that I get to work with a most extraordinary group of people—the OFN staff. This year they have worked harder, smarter, and more successfully than ever to make sure that OFN is able and ready to serve its membership in pursuit of our mission and core purpose. 2010 proved without a doubt that they are the source of OFN's strength, resilience, and success.

Last, I need to let you know that the OFN Board has done remarkable work this year. I cannot fully express my appreciation for the extraordinary group of Board Members who have guided OFN through stormy seas and charted the strategic course to lead us forward. They are your Board. Please let them know how you feel.

We have come to San Francisco at an important time to learn from one another, to compare our challenges, to explore our opportunities, and to celebrate our achievements.

While we are here, we are going to discuss—among many topics—the strategy that Opportunity Finance Network's Board, staff, and I have been working on for much of 2010, based largely on ideas, recommendations, and feedback from many of you.

I am excited about the future for CDFIs—in 2011 and over the next 15 years. Do not let one election cycle distract you. We have a strong wind at our backs and powerful oars in the water. We will overcome many challenges. We will seize many opportunities. We will work together in important and satisfying ways.

Most important, we are going to achieve many things we expect to achieve and many more that we cannot yet imagine.

This strategic discussion—like the emerging strategy—is an extension of a conversation we, as the OFN Membership and as the CDFI industry, have been engaged in at least for the past decade. For me, it started at an OFN Board meeting in 2001 in Washington, DC, when we asked ourselves, "Will CDFIs be relevant in 2010?"

In 2003, in New York City, OFN unveiled a transformational strategy rooted in the experiences, vision, and aspirations our Members and other CDFIs shared with us. That strategy was introduced as, "Grow, Change, or Die." Perhaps you have heard of it. A year later, in Chicago, in my annual speech, I told you a story—a TRUE story—about a visit to my doctor, who noted my height and my weight, calculated my body mass index, and told me, with clinical precision, that I was... obese.

"You're going to have to change," he told me. "If you continue to grow like this, you're going to die sooner than you have to."

In that instant, my doctor became the oracle of OFN strategy.

Two months ago, in the midst of OFN strategic planning, just after the OFN Board met in Duluth, Minnesota, to polish the plan we are discussing this week, it came time to see my doctor again. Of course, I wanted to get a clean bill of health, and I did.

But I also wanted to find meaning behind his medicine, the prophecy nestled within his prescription that would clarify my strategic thinking.

I felt anxious going in for my physical. It seemed a little like preparing for a personal CARS™ analysis. For years, I had struggled to get taller, but only in the last year did I accept that I simply had to get leaner. I'm healthier now, and my weight is down. I'm no longer obese. My doctor liked that. All my lab results were good, but my doctor is interested in my overall health and not just my numbers.

"Your family," he said, "is everyone well?"

"Everyone's well now," I said. "My son had a tough spring, but he's better."

"What about your job," he asked? "Stressful?"

How to answer that question?

"Perhaps more stressful over the last few years," I said. "But rewarding and full of promise, too." I explained again what I do.

He told me that the last few years have been bad for many of his patients' health.

And that is when the Oracle re-appeared, asking a question that I did not expect but, at the same time, knew was coming: "What do you think you're doing right?"

You see, that is exactly the question I have been asking more and more often about CDFIs.

What have CDFIs been doing right?

Why is it that CDFIs as a group emerged stronger from the worst economic conditions in more than 70 years? And why did so few fail?

Why were CDFIs—the majority anyway—more disciplined than many other financial institutions about marking down assets early in the crisis?

Why did CDFI borrowers stick with us through tough times?

Why did investors and funders stick with us and, in many instances, increase their investments?

Why are many CDFIs more important than ever in their communities?

What have CDFIs done right?

Why do people who are just now learning about CDFIs question our results? OFN has faced greater skepticism about CDFI performance data than at any time over the last 15 or so years. Why do federal agencies insist that we cannot possibly be doing what we have been doing for 30 years?

What are you doing right?

Why are policy makers more interested in CDFIs than ever before?

The CDFI Fund budget is up 70% in fiscal 2010 over 2009, and Congress is deliberating whether to increase it further for fiscal 2011. Treasury's Community Development Capital Initiative put $570 million of equity into depository CDFIs.

The Capital Magnet Fund round gave a big boost to affordable housing, and CDFIs will have several seats at the table for the very important work that is starting on the future of Fannie Mae, Freddie Mac, and housing finance generally.

The recently enacted Small Business Jobs Act includes $300 million for Equity Equivalent investments in CDFI loan funds lending to small businesses, while the Small Business Administration is exploring ways to open its 7(a) and 504 programs to loan funds.

The Jobs Act also included a bond guarantee program proposed by OFN and championed in Congress by New Jersey Senator Menendez that should make available $1 billion a year in long-term debt with a government guarantee that will keep the cost affordable. By long-term, I mean up to 30 years. By affordable, I mean that if we were issuing bonds today the costs to CDFIs would likely be under 4% for 30 year money.

OFN is making it a top priority to make the bond guarantee program work well for you as quickly as possible.

And many of you know that The First Lady's Healthy Foods Initiative is a bold CDFI-centered program that will enhance the roles you play in your communities.

CDFIs are helping to lead policy solutions in areas as diverse as housing and health care, small business and education, environmental sustainability and foreclosure prevention, economic recovery and healthy foods.

We have come a long way.

Are CDFIs relevant in 2010? I think so.

And if CDFIs will be steadily more relevant in 2015, 2020, and 2025, as the OFN Board and I believe, our job now is to figure out HOW we want to be relevant and WHAT we need to do to make it so.

What lessons emerge from CDFI experience and performance in general—over 30 years—and in particular over the last 3 years? What should the new Consumer Financial Protection Bureau learn from you? And what can you learn from Federal Reserve policy, TARP and the Community Development Capital Initiative, and the mood of a clearly angry and confused electorate?

What will we need to do right?

Why are many longstanding CDFI investors and funders turning to you to deliver solutions, including some in areas where you might not work today, such as consumer financial products and services?

Will policy support CDFIs in ways that advance us, as the CDFI Fund's unique approach has done for 15 years? Or will we get tangled in bureaucracy?

When will mainstream financial markets recover? And what will they look like when they do? Will they return to a familiar form? How will they relate to CDFIs and the opportunity markets you serve?

Where will the next generation of innovations come from? Who will pay for them? And who will lead them?

What are the right things to do?

These are some of the questions that you and your colleagues have been wrestling with, each in your own way and on your own schedule. In OFN's strategy, we have created a framework that will help us to answer our questions together, here and for years to come.

The foundation for that framework—for OFN's strategy—lies not in the data but in our history, in lessons we learned about doing things right.

Much of the earliest money into CDFIs was faith-based, rooted in a commitment to bringing together organized people and organized money. In the 1970s, in a concerted effort to extend the War on Poverty, three national denominations—the Episcopal Church, the Presbyterian Church, and the Roman Catholic Church—invested, I'm told, about $15 million as mission-driven investments in community development. At the time, that meant affordable rental housing. They quickly lost an unacceptable share of their principal.

But they did not give up. They did not conclude, as they might have, that it doesn't work to lend money to poor people. They did the right thing. They decided that they needed partners—expert, specialized, experienced intermediaries who could lend their money responsibly and productively and who would pay them back at the end of the day. That is WHY you came to be here today.

Fortunately for us, they did not find a ready group of expert, experienced lenders who knew how to lend to and invest in low-income people and places. Instead they found a small group of wannabes who thought maybe we could become what the investors wanted and our communities needed us to be. That is HOW you came to be here today.

They placed their capital, and their faith, with us.

That inspired a second, even more powerful act of faith. Orders of Women Religious—primarily nuns—began to invest their retirement funds in CDFIs. This was the early 1980s, when interest rates were in the high-teens and low-twenties and the Sisters were entrusting CDFIs with their retirement money at 2% and 1% and often 0%. For the most part, CDFIs at the time had little or no equity, they were run by community organizers or nonprofit executives or anthropologists but certainly not lenders or experienced managers, and they were doing something that all common sense and common wisdom believed could not be done: lending to poor people, getting repaid, and repaying investors.

Fortunately, we did not understand why equity mattered, we thought that the last thing we wanted was lending experience, and we knew too little about credit to think through the risks of lending where everyone knew it was impossible to lend.

Now, if you plan to borrow from Orders of Women Religious, there are two things you must do right:

- First, you have to do something truly important with the money. Sisters are not interested in purchasing mortgage-backed securities or participating pari passu in bankable deals.

- Second, you don't lose the Sisters' retirement money. They understand fully and even embrace the risks they are taking and the reasons they are taking it. But if you are not willing and able to be a highly disciplined, responsible steward of other people's money with a high likelihood of repayment, please leave the Sisters' money to others.

So much of what CDFIs have become started there and then. In at least three ways, borrowing from faith-based investors was a formative experience—perhaps THE formative experience—for OFN and its Membership:

- The sense of responsibility among Members--one to another--that defines OFN and shapes all that we do emerged from the realization that if one CDFI lost the Sisters' money then they probably were going to reduce their investments in other CDFIs. Faith-based money created strong ethical ties among all of you.

- Our dedication to excellence and justice as core values crystallized in the covenant we made with our faith-based investors to be good stewards of their money and to make an impact benefitting low-income and low-wealth people and places. The Sisters' compelling sense of mission ensured our firm moral foundation.

- Even OFN's core purpose—especially our core purpose—of aligning capital with social, economic, and political justice melds the deep spiritual convictions of faith with the pragmatic idealism of what we do. Our core purpose IS the intersection of the world as it and the world as it should be.

In many faiths, as for some CDFIs, the idea of aligning capital with justice—and particularly with political justice—seems a stretch. But not so in the faith and mission of the Sisters and other religious women who made it possible for us to be here today. Accepting their investments gave us a reason to be that goes beyond transactions.

Each year, OFN awards the Ned Gramlich Lifetime Achievement Award to a colleague who has dedicated her or his work to our core purpose and lived her or his life by our core values. The Award is given in memory of Ned Gramlich, a former Federal Reserve Governor, OFN Board Member, and University of Michigan Dean and Professor.

Today I am pleased to announce that the OFN Board has elected to honor someone who has walked among us for almost 30 years as a friend, a peer, an investor, a board member, and a guiding light... Sister Corinne Florek.

By her actions, by her commitments, and by her faith, Sister Corinne has lived a life dedicated to aligning capital with social, economic, and political justice. She has taught us what it means to do the right things in the right ways.

Tomorrow at lunch, you will have the extraordinary good fortune to hear from Sister Corinne.

She knows better than we might appreciate that this award belongs in tangible ways to so many religious women and so many faith-based investors. We single out Corinne not because she stands alone but because she brings together so many women, so much experience, so much wisdom and knowledge, so much faith, and so much love, all in the pursuit of social, economic, and political justice.

Faith really does work in strange ways. It brought us much of our early capital, it sustained us as we grew and changed, and it anchors us today. Right now, as we face a new set of challenges, is a good time to remember why we do what we do, why we do it the WAY we do it, and what it means to do it right.

Looking back over the past 30 years since the nuns' first entrusted us with their money and their mission, there are three fundamentals of finance that CDFIs got right:

- First, we always knew our borrowers. CDFIs form deep bonds with their borrowers and those bonds ensure that we do what is right and not just what is possible.

- Second, we never pretended that something is what it isn't. Brutal honesty has its place. Inflated asset values is one of the reasons that we are living amid the fallout of a financial market implosion. A blind faith in financial instruments that make no sense is another. A relentless commitment to honesty coupled with faith that we will prevail is not just the best way to do this work, it is the right way.

- Third, we always kept skin in the game. Responsible finance requires lenders to stand with their borrowers in tangible ways.

These are three things we never stopped doing, even when others did.

Strategy and medicine have more in common than you might think. Both ultimately are asking life-and-death questions and both treat even the smallest details as part of larger systems.

My sister Linda, who teaches medicine at the University of Washington, has a wonderful ability to explain how doctors think. Thirteen years ago when I went through a period of uncertainty about whether I had an inconsequential ailment or a potentially fatal disease, she explained why the doctors were telling me it was one thing and not the other.

“The way a doctor would think about it,” she said, “is that unlikely presentations of likely illnesses are more likely than likely presentations of unlikely conditions."

Huh?

"Think of it like this," she explained. "Likely things are more likely than unlikely things."

Ever since, I have thought about many things that way: Likely things are more likely than unlikely things.

And that is how I think about strategy. Strategy is not a science of analyzing what will happen and scripting an algorithmic plan in response. Strategy is a creative process of envisioning what is likely to happen in the future, analyzing how that understanding might shape external and internal factors, and deciding what you want to do to achieve the outcomes you believe are most important. Once you are clear about what you want to achieve, you dedicate everything you have to getting there—or at least to making your outcomes likely.

To me, it is likely that the causes and consequences of the financial market crisis will be the primary factors shaping the future of our communities and our work. What we as a nation do and do not learn likely will shape the rest of our working lives. And the most important thing to understand about the causes of the financial crisis is that there was no "black swan." You know about the black swan? You can prepare for all the risks in the world except the one that is a black swan, because there is no such thing as a black swan. Until one appears.

The black swan explanation is a cheap way out. It says that no one could have seen the crisis coming and, therefore, that no one is really responsible. That's ridiculous and unacceptable.

It turns out some people—apparently a lot of people, such as Ned Gramlich—did see it coming. You can read about them in books like Michael Lewis's The Big Short, which explains how some people got rich off their insights, and Andrew Ross Sorkin's Too Big to Fail, which details what happened when people saw but did not accept what was happening. Soon you can watch them in movies about the crisis.

Or you can look around this room.

You knew something was perilously wrong. You watched the communities you serve and the people you work with get sucked into a black hole of bad products and malicious practices. You saw lax regulatory policy and timid legislative and regulatory officials overlook and deny the truth.

You knew because you were doing the right things and you saw others doing the wrong things.

This is not to say that CDFIs and OFN are responsible for what happened. But it IS to say—and this is where OFN's new strategy leads us—that we should take responsibility for making CDFIs and the CDFI movement consequential and therefore influential enough that we are likely to be able to step up and step in the next time we see a crisis coming, whether it is in our communities or in our nation, or even just a problem that we know how to correct.

That is one of our strategic goals, about influence, the one that says that by 2026 CDFIs will have the standing, resources, and relationships to influence the course of policy, the practices of mainstream financial institutions, and the allocation of resources to and within opportunity communities and markets. And it depends on another goal, performance, that says simply that CDFI performance will continue to improve in many dimensions, including both impact and financial performance.

I can offer no guarantee that we can take on this sort of responsibility if we achieve our goals for influence and performance, but pursuit of those goals makes it more likely that we can. Absent those goals, of course, it is unlikely that we will ever be in position to act. The OFN Board believes we must take it on.

We want CDFIs to become powerful enough to make ourselves heard and to ensure that CDFIs have the resources and agility they need to create good opportunities before bad lenders fill the void.

That would be an outcome of three of our goals:

- Capacity—that CDFIs have reliable, ready, and efficient access to the financial and human resources they need to succeed.

- Policy—that CDFIs will play a unique and favored role in federal policy across a range of policy areas.

- Brand—that CDFIs will be a widely known and respected asset class distinguished by its steady, positive financial performance, economic value, and impact.

We want to be diverse enough as a sector to offer a full array of financial products and services in what will likely be a radically different marketplace with new types of institutions, new opportunities, and new challenges.

We want to be broad enough that no low-income or low-wealth community must go without access to responsible, affordable products and services available from CDFIs or our partners.

These are the objects of three more of our goals:

- Coverage—that low-income and low-wealth people and communities across the United States have access to responsible, affordable financial products and services.

- Membership—that the OFN Membership is inclusive of CDFIs of all types offering a wide range of products and services, that Member CDFIs are constantly seeking to improve their impact, and that OFN is supporting its Members through innovative products and services.

- Leadership—that OFN has earned the backing of a majority of CDFIs and key partners.

This is what it means to be relevant going forward. We do not want to have to say again that we lacked the connections or the voice or the power or the authority to get heard or the products and services or the resources or the will to help. We should not have to accept again—your communities should NEVER have to accept again—that the people who face the greatest challenges of injustice are also expected to carry the heaviest loads on the road to opportunity.

For the last few years, one story has not left my mind. It is a story from Chelm, a town that occupies a special place in the Jewish imagination. It is a town of fools, where each person is more foolish than the next and where everyone is so foolish that they believe they are the smartest people in the world.

When the butcher in Chelm murdered someone, the town elders faced a crisis. You see, Chelm had only one butcher. But the elders soon realized that the town had TWO bakers. So they went to see the second baker to tell him the bad news.

"Baker," they said, "since you are sentenced to death for a crime you did not commit, how would you like to die?

"Since you’re giving me a choice," the baker said, "how about old age?"

And he lives there to this day.

Since 2008—since Bear, Stearns and Lehman Brothers—CDFIs and the entire community development system have been like that baker—our lives in danger for crimes we did not commit. And like the baker, CDFIs are living here still, stronger than ever.

OFN’s strategy plans for a long life. It looks out 15 years both because OFN is confident that CDFIs will be even more relevant and important in 2025 than you are today and because the Board wanted to ensure that OFN's vision of what is possible is not myopic. Anything less than 15 years would under-value the long-term role that CDFIs have played and will play in the stabilization and growth of distressed communities and markets and, as a result, our nation's economy.

In the course of planning, the Board went through an interesting analysis. We assumed that 2010 is the midpoint along a 30 year arc of growth, progress, and production. We asked what the CDFI industry and OFN would be like at year-end 2026 if we simply projected forward 15 years the progress you have made over the last 15 years.

Here's what we learned: At year-end 2025,

- The CDFI sector would hold approximately $435 billion in financing assets, up from just over $30 billion today.
- Aggregate industry-wide CDFI lending and investing in 2026 would be at least $165 billion annually, up from $5 billion in fiscal 2008 and approximately $200 million in fiscal 1994.
- The average CDFI would manage just shy of $275 million resting on net worth of a little more than $41 million. Total net worth dedicated to financing across the industry would be more than $65 billion.

I share those numbers with you for two reasons:

- First, they are fascinating to consider. Fifteen years ago no one in this industry dared believe we would be as strong, diverse, accomplished, and relevant as we are today. So now our challenge is to ask: Are those numbers right? Too high? Too low? Why do you think so?
- Second, The OFN Board asked those questions and the consensus seemed to be that those numbers are likely too low by a significant amount—both because the potential for industry growth is greater than that and because we cannot expect to achieve our strategic goals and be relevant in 2026 at those levels.

But strategy, like medicine, is not just about numbers. It is never just about numbers. For OFN, it is about impact and transformational change. It is about bending the long moral arc of the universe toward justice.

The theme of this Conference is "Capital. Justice. If not now, when?"

We are inspired by the teaching of Hillel, the sage Babylonian-born Rabbi, who said:

> If I am not for myself, who will be for me?
>
> And when I am for myself, what am I?
>
> And if not now, when?

It is not that there will never be another moment of opportunity. It is not that CDFIs will never see another time when policy reaches out to us as it is doing now. It is not that investors will never again recognize the value you add. It is not even that others will fail to step up if we choose to step aside.

It is simply this: CDFIs know how to help and—by how we help and by what we are—to lead.

Your communities are looking to you. Your partners are counting on us. Our policy makers believe in CDFIs. We have done things right. We know what we need to do now and we are beginning to understand what we, as a movement and an industry, are capable of.

We hold capital and justice together because to us they are inseparable. For others they are a paradox. When Nelson Mandela became President of South Africa, he created a Truth & Reconciliation Commission. South Africa needed both truth and reconciliation, he explained, because truth without reconciliation would be unbearable while reconciliation without truth would be unsustainable.

The ability to hold two seemingly opposing ideas together is important to CDFIs, almost definitional. We are intermediaries, aren't we, balancing the interests of investors and borrowers?

We work with one foot in the world of wealth and another in the world of poverty. We are comfortable in both pinstripes and psychedelic paisleys. We believe it is possible to be on both the side of capital and the side of labor, committed to both but beholden to neither.

We blend public and private money in unique ways. We are profitable in our lending but we choose not to maximize profits.

We are both an industry and a movement. We are both advocates for and judges of our customers. We confront the facts before us with brutal honesty yet never cease to be confident that we will prevail.

And so we play a transformational role one transaction at a time.

Working in a world of tensions we help create is not always easy. In fact, it is never easy. But it is right.

Capital.

Justice.

Capital without justice can be destructive. We have lived that.

Justice without capital can limit opportunities. We know that.

Capital and justice together make possible the world we envision where all people have the resources and opportunities to act in the best interests of their communities, themselves, and future generations.

I ask you to join with OFN today in a rebirth of justice, rooted in opportunity. Opportunity is the path to an inclusive prosperity based on one economy, not two. It is the "pursuit of happiness" that our Declaration of Independence promises.

If we are not for ourselves, who will be for us?

I ask you today to join OFN in a resurgent effort to align capital with social, economic, and political justice—not just for our communities but for our nation.

And when we are for ourselves, what are we?

We have just witnessed an ugly political season with results that will challenge us.

We are concerned but we are not afraid. In 2004, one day after the elections, I told you that the good news that day was that we were together in Chicago to chart a course forward. It was not a happy day, but just one year later in Los Angeles we were able to celebrate the defeat of Karl Rove's plans to decimate federal community development programs under the disguise of something called SACI. Its proper name was the Strengthening America's Communities Initiative but inside the Bush White House it was known as the STRANGLING America's Communities Initiative.

OFN and CDFIs led the opposition because no one else did.

We are not afraid.

We have witnessed a financial market meltdown that will, for at least another decade, require CDFIs—or someone else—to fill massive gaps for the people and communities we serve, and millions more in communities we do not yet serve.

Time and again, CDFIs have achieved things that others told us were impossible. In fact, we exist to serve markets that conventional wisdom says do not exist.

CDFIs today are at the welcome if unenviable point of no return—a confluence of external factors and internal gains that make it possible for us to see a path to our mission of ensuring that low-income and low-wealth people have access to affordable, responsible financial products and services.

I believe that there is no other industry, no one else, who can achieve that mission. At the same time, I know that we cannot do it alone.

Responsibility is a uniquely American concept. The word did not exist until it was coined in The Federalist Papers to explain the proposed U.S. Constitution. You can look it up. Its meaning was very specific, although that meaning was not stated plainly until President Lincoln described, "government of the people, by the people, for the people."

Responsibility is a commitment among a general population—one to another—to act in the best interests of the nation as a whole rather than the needs of one interest group or another.

Responsibility is what gets lost in a wealth-sodden electoral system but it shines brightest in the work you do to help people act in the best interests of their communities, themselves, and future generations.

Responsibility means doing the right things for the right reasons in the right ways.

And so I ask you now—most important—to make it your responsibility that we WILL achieve our mission, that we WILL pursue our core purpose, and that we WILL bend the moral arc of the universe toward justice.

This is YOUR time, and you ARE the people we have been waiting for.

If not now, when?

Thank you.