CDFIs Making History Interview

Anna Hamilton
Strategic Initiatives Director, South Carolina Community Loan Fund

Dave Glaser, Chief Executive Officer of Montana CDC, conducted this interview on September 4, 2014.

Dave: I'm Dave, I'm on the OFN board, and also with Montana Community Development Corporation.

Dave: You're participating in the Citi Leadership Program?

Anna: I am, yes.

Dave: Which—there are three groups of emerging leaders. Which group are you in?

Anna: There's the emerging leader group, the mid-career, and then the executive group, and I'm in the emerging group.

Dave: Excellent.

Anna: Which...I think it was people that had less than three years in the CDFI industry, I think was the cut-off.

Dave: Okay. How did you come to the CDFI industry? How did you learn about it?

Anna: I learned about the CDFI industry when South Carolina Community Loan Fund, which is the company that I work for, was being created, but at that time—and this was about ten years ago - it was being created as the Charleston Housing Trust. It was going to be dedicated solely to serving the city of Charleston, and to being an affordable housing financier for that very specific area, geographic area. A woman that I was working with at the time was one the founding board, when it started, just as an idea. It was born out of the mayor's council on homelessness and affordable housing, and so I sort of followed the evolution of the organization, and when what was then...the name changed again to Lowcountry Housing Trust and when Lowcountry Housing Trust went through its CDFI status, I remember my co-workers saying to me, "We're applying to be a CDFI," and I said, "What does that mean?"
She went on to tell me about the opportunities that it would create for the organization, that we would be able to access additional sources of capital. It would bring about bank investments...that the organization would really be able to have a more concrete way to sustain itself, than by just relying on being a line item in a budget, and maybe even having to go back and fight for that line every year. Which wasn’t appealing to anyone at that time.

Dave: Right.

Anna: I stayed in touch with the organization, and always kept my eye on them at the time I was doing a lot of work in affordable housing, and substandard housing issues. Just always kept my eye on the organization, and was so impressed by what the organization was doing, and just assumed that was a reflection of what the entire industry was like. Then once I was lucky enough to be able to come on board at South Carolina Community Loan Fund, as we’re known today, I realized how right I was, that it was a reflection of how powerful the industry is. Even more so than I could’ve imagined. That's how I got involved in the industry.

Dave: That's fun. Before ten years ago, were you working in another field?

Anna: I started working at a non-profit affordable housing developer that was developing LITHC deals.

Dave: Okay.

Anna: That was my very first job out of college.

Dave: Nice.

Anna: I always had a interest in the community development field, and I think one thing that being exposed to the CDFI industry did was it showed me how really vast and expansive that field can be, but also how effective it can be.

Dave: Yeah, I'll never forget my first OFN Conference was in Albuquerque, and we worked for a little CDFI in Montana, right, sort of the state that's far away from the crowds and the country. I walked in the room, and they were like 800 people in there, and they were all doing the same thing we were doing. I had no idea before I walked in that room, just how expansive and dedicated the people in this industry are. It was an overwhelming and wonderful experience.
Anna: Yeah, and I think innovative too, is one thing that really has impressed me about the CDFI industry. That it is a group of people who are willing to get outside of the box, and look at problems from—or social issues, or economic challenges, or however you want to express that—but look at the dynamics of these communities from a different aspect. Be willing to, number one, do something about it, but number two, get really innovative and be able to be responsive and agile in that responsiveness. That to me is so impressive.

Dave: Yeah, really, it is. I'm curious, when you wake up in the morning, and you're getting ready to come in to work, and we all have busy lives ... what fires you up to walk in that door every morning? About CDFI work.

Anna: I think what gets me fired up to come to work every morning is knowing that, although I don't necessarily see the direct result of the work that I do, all day, every day, I feel like I am chipping away at a larger social change. Every single day, when I come to work, and I feel like I'm very fortunate to be able to get that feeling every morning. I feel like a lot of people may not necessarily have that. To them a job is just a job, but I take this work really personally, because I think it's so important. I think it's so effective, and it works, and I've seen the impact firsthand that it has on communities.

Dave: Yeah. When you're thinking about where the CDFI industry is headed, what the future looks like, what vision or what do you see 30 years down the road that will guide and drive this industry to further achieve even greater heights of mission? And impact?

Anna: I think we're going to have to continue to be responsive. We're going to have to continue to be agile. Things in our world happen so quickly now. Information travels faster, people move around more, and we need to look at how quickly people can move and be mobile on the income spectrum, and I feel like that gap continues to widen while things around it happen so quickly, and I think CDFIs are perfectly poised to address that, to address that widening gap, by staying mobile, by staying agile, and by being responsive to the needs of the community that we serve. We're going to have to work smarter, we are going to have to really become technologically savvy, we're going to have to think of new and creative ways to tell our story, to articulate our impacts.

There's a whole new world of investing going on, with crowdfunding, and all of the things that social media, and this internet presence has
brought about, and we need to be on that, looking at that, and looking at how that's going to change the financing system, and the lending system, and how do we stay on top of that, and really make sure that we stay a player in all that, to make sure capital's getting to communities that are either not served, underserved, or mis-served by the traditional financing system.

Dave: Yeah, so responsiveness to an ever changing group of people and sectors that we are responsible to, is that what...?

Anna: I think so, yes. I think responsiveness, but I think a strategic responsiveness, so I think staying really grounded in our mission. That we're here to get capital to flow to where it would not normally flow if not for CDFIs, and to fill in some of those gaps, and I think those gaps are getting larger. Being able to be creative about how we get and allocate resources, being creative about how we tell our story. Being creative about some of the products that we're able to offer these communities. All of those things are, and will remain really important, but I think just the idea that things now, it feels like, happens so fast, and change happens so fast, and information moves so fast. We need to be equally as mobile and agile in our responses to these things.

Dave: Yeah.

Anna: With intention, and purpose in that response.

Dave: What's the most inspiring thing that you've come across in your three years working for the CDFI you work for? The one story, or one thing that lights you up, when you think about it? Whether it be a story of a borrower, or colleague, or whatever.

Anna: We ran across a borrower recently whose credit got very damaged during the Great Recession, and rather than let that run their business in to the ground—and they really had sacrificed their personal credit to keep their business afloat—and the business, it's a good business, the business is making money, but it happens to be a woodworking business, and so they just took a beating during the Great Recession when there was no construction happening. It's a young couple, and they own a couple of rental properties, personally, and rather than losing those properties, and letting them fall into disrepair, they used their resources, they used their talents, they used their skills, and they made improvements to those properties, because they're woodworkers, so they re-did the kitchens, they re-did the bathrooms,
and they did things to add value to their assets, even while times were so tough.

And they’re now out, they’ve weathered the storm, and they’ve come to us for a loan to expand their business, their business is doing really well, and I think there are probably countless stories like that from around the country of people who did the best that they could when times were tough. They could never get, at this point, a loan from a regular bank, just because of the damage that happened to their credit, but they were able to come to us, we worked with them, we gave them a good bit of technical assistance, we will continue to work with them, and their business will be able to expand. They didn't have to lose their business, and now their business is able to grow.

Dave: Nice.

Anna: I think that's exciting.

Dave: Yeah, it is. Anything else you want to add?

Anna: I don't think so.

Dave: I really appreciate you giving so much thought to the questions that we sent. It's fun for me, and for the staff at OFN to hear all of these stories, from all across the country. It's pretty amazing, I love this project.

Anna: Yeah, I think it's a good reminder of why we do what we do. It's good to have the time to sit back and reflect on this, because we are really lucky to be doing what we do.