CDFIs Making History Interview

Moises Loza
Executive Director, Housing Assistance Council, and Former Board Chair, OFN

Mark Pinsky, President & CEO of OFN, conducted this interview on July 15, 2014.

Moises: Hi, Mark. How are you? It's been a while.

Mark: I know. It's been really a long time. I've noticed that one of the things in my world at least is that as our Membership has grown and our world has gotten bigger, is that I don't get to see my friends very much anymore.

Moises: Well, you know, as I was remembering that I needed to make this call, one of the things that came to mind is the evolution, of not just OFN, but of the whole CDFI network, and I think part of that evolution is that you get into new worlds and new circles, and the people you used to hang out with get further and further away.

Mark: I think that's right. That's right.

I'm just wondering, as we wrote in the letter, whether there was a single, or maybe there's more than one event, or incident, or idea, or something that really strikes you as standing out over the last thirty years or so, around CDFIs.

Moises: Sure, sure. I started out by talking about the evolution of... Let me call it the CDFI network.

It's interesting, I remember when I first got involved with OFN—what was of course named differently at the time—there was a big discussion, which I had difficulty, sort of, grasping at the time. But the big discussion was: are we a movement or are we an industry.

Anyway, the way I refer to the organizations around the country that we work with is the network, so I may use that interchangeably just to, sort of, not get into those discussions about what we label this great group of organizations we have around the country.

Mark: That sounds right.
Moises:

In thinking about the e-mail I got, there was supposed to be an event or something that happened, and of course there is a number of them. There can't be just one. There're memories and there're many things that make up this national group that's come so far and evolved so well.

There is, in trying to think about... I do remember, and again I don't remember exactly when it happened, but I was on the Board of Directors. And I recall that one of the discussions we had on the Board, and one of the things about the Board at the time, which I imagine still goes on, is the really rich discussions that we used to have. We used to raise issues, raise really important things very relevant to this whole CDFI group.

We had a discussion once about the Membership, and trying to redefine, because we were always defining who the Membership of—at the time—The National Association of Community [Development] Loan Funds, now OFN, and how do we determine who's in or who's out, or who we want the membership to be, what do we want it to look like. There was a good deal of discussion about metrics and other things that are very important, but what I do recall is that we really came down with a very strong emphasis on the mission of the organization.

What distinguishes the work that CDFIs do and other lenders do, obviously, is that it's lending, it's developing capital, developing community, but always very much mission-driven. Even though we've seen an evolution of the network of CDFI world, even though we've seen changes and all other things happening, it seems to me that one of the things that's remained constant, is that mission. There's a compassion in the work we do, there's an understanding of communities that CDFIs serve, and all of that comes from the mission of the organizations, and so, despite the evolution I think that's been the thing that's constant.

That's what I remember about that particular discussion. And I think it was in Dubuque, though I can't say that for sure where this discussion took place, and as I say, the board was very engaged and there were many, many thoughts and many perspectives, which of course makes for a good discussion. Ultimately, amongst other things, the agreement was the organizations that join as members, the organizations that we want as members, and the membership that we want in this organization have to be mission-driven. They have to have that perspective that's so important, that serves those communities that nobody else will serve.
That's really what drives, I think, a lot of the work we do. The level of sophistication of the CDFIs varies, obviously, and the level of work they do and the kind of work they do varies, but what binds all of them together in my mind is that mission.

Mark: That conversation about mission, and what brings and holds Membership together at OFN, and what role mission plays in that is something... Just about every Board has had that conversation as long as I've been around, which is getting to be a long time.

One thing I wonder about, Moises was that you had served in government before you came in... Before you came to HAC [Housing Assistance Council], and before there was really even this thing we call CDFIs, right?

Moises: Yes.

Mark: Going back to that idea of evolution, I'm just wondering about your perspective about what that looks like to you in retrospect. Having served in government, having tried to figure out how to make government work, and then along comes this thing called the CDFI Fund. It's changed a lot for our industry, at least. I just wonder if you have any thoughts on that.

Moises: If I understand your question correctly, the Housing Assistance Council was around before the CDFI label ever came into being, and I think that way early in the creation of the organization, at least the founding members of my organization, the Housing Assistance Council, recognized the importance of capital in community development. I think that, when I served in government before and in, maybe pre-CDFI era, whatever that is, the thinking about approaching and improving a community—both in location, geography, and people community—was seen, sort of, as, I think, from different perspectives.

There's talk about technical assistance, which is important. There's talk about training, which is important. There's talk about organizing, which is important. All those things play into, kind of, a broader strategy to develop communities, to develop people. But somehow in many of those discussions, and processes, and programs, the capital part was always missing.

When I first got involved in this network of the kind of work that we're involved in, it had a lot to do with civil rights. It had a lot to do with people being acknowledged and recognized as human beings. That
was important, and I think even though that struggle continues in different forms, the next phase, the next important part of developing a community is economic security as well.

Having doors open to you, having opportunities available to you are important, but development in the truest sense where you really become independent, where you really develop not just physically but in other ways, has to involve capital in some sort of way. Economic security, which is very much a part of development of a community, requires capital, requires that that be part of the total package that has to be delivered, and I think that's what the CDFI industry has, kind of, made clear, and I think it proves it all the time.

The introduction of funds, of capital, whether it's loans, or guarantees, or other forms of support, all made clear that until that becomes part of the total equation, we really aren't getting to the ultimate development of community.

So, I'm not sure if that's what you were asking me, maybe I went in another direction...

Mark: That's great.

Moises: That continued development is where I see OFN and the CDFI network going in the future. As people, I think, become more comfortable mixing with different ethnic groups, where as people begin to understand more the different cultures, and begin to assimilate or integrate, more so than we've done before, the next phase is that economic development, that economic security. CDFI has laid, I think, some really wonderful foundations for that, and I think the next ten, twenty, thirty years is really a further development of that aspect of developing community.

Mark: I love it, Moises. I appreciate it a lot. As I listen to you I just think about the scope of history you've seen, and one of the things that we're going to be talking about in Denver is the generation that's going to take over from all of us doesn't see civil rights in the same way that you do, and I do, and the connection... It's still rooted in mission, there's still something there, but it's different.

Keeping those things connected seem to me to be one of the great challenges we all have, as we like to say, seasoned leaders, you know, old people. Not you, just me. As we look at this, how do we allow room for people to find their own expression of what community
development finance is, and community development is, but to make sure that ultimately, sort of, the inequities and the injustices that we're trying to deal with aren't lost in the mix.

So, as I listen to you, I'm just, I'm very moved.

Moises: It's interesting, Mark, because I know that as I'm sort of reminiscing here a bit, even though we want to talk about the future. But it was obvious to me, as I was growing up as a Hispanic in a community that had railroad tracks and divisions of people and things like that, is that involvement in the political process was so important. And eventually we felt very good about people of color getting elected to public office. What a transformation, what a victory. But then it was obvious, if we really looked carefully, that hey, wait a minute, we're getting into positions of power but economically we don't have any power.

Money still rules in many ways. One of the things that I think we all see that needs some reform is the way that money has so much influence on elected officials, or getting elected, or both.

While we had an important piece and we saw progress in an important piece of the development of community, it was obvious that another important piece was missing. And I think that we began... We realized that, I think, we realized that some time ago, and as time goes on I think it's time to continue to strengthen that aspect of development of the community.

Mark: I think that says it, Moises. That was incredibly powerful and eloquent, and I think it's something that... You know, you think it, I think it in my own way, other people think it, and I think everybody thinks it in some way. But to articulate it, and so that people can feel connected to that idea, is so powerful, and I'm grateful to you for your leadership and your vision on that.

I don't have more questions for you. We're trying to keep this brief because you have an organization to run, and all that sort of stuff. Is there anything else you wanted to say?

Moises: No. I think it's been really enriching to at least observe and in some cases be part of this growing movement. It's been really very educational and a real growth to be part of OFN and this development, and I think things are going to keep looking better, expanding, and we're going to continue to see the improvement we're all looking for in the process, and look forward to that.
Mark: Thank you. I think that's ... I hope that's true and I think it's only true if we all find constantly new ways to work together and work together better. That's our strength, right?

Moises: I agree. I agree.