

CDFIs: Serving the Underserved and Making Missing Markets

June 6, 2025



EPISODE 01

What are CDFIs? (Financial First Responders)

Elise Balboni, Surekha Carpenter, Lisa Cook, Donna Gambrell, Cathi

Kim, Jonathan Kivell, Sadie McKeown, Carlos Naudon, Carmi Recto, Jacob Scott, Christina Travers

A small subset of the U.S. financial system called Community Development Financial Institutions, or CDFIs, supports economic growth at the local level. The industry is comprised of different types of institutions operating in different ways. Each works to achieve a common mission: improving economic outcomes for underserved communities. Research from the New York Fed shows the industry is growing and changing. In this episode we hear from Federal Reserve Governor Lisa Cook, the New York Fed team doing CDFI research, a researcher from the Federal Reserve Bank of Richmond, and CDFI leaders. Our guests speak about the impacts and challenges of mission-driven lending and opportunities to scale this work.



What are CDFIs? (Financial First Responders)

00:00:00

TRANSCRIPT

Surekha Carpenter 00:03

If you've seen one CDFI, you've seen one CDFI, because they are so unique and so diverse across the entire industry.

Jonathan Kivell 00:12

CDFIs have been called financial first responders.

Jacob Scott 00:15

That's ingrained in their ethos is that they want to be able to give those loans that otherwise wouldn't be made.

Carlos Naudon 00:20

We have a saying that we are of the community, for the community and in the community. It goes back to, you know, neighbors helping neighbors, in essence.

Adriana 00:28

We are a hardworking people. We just want to progress.

Nathaniel Kressen 00:32

Welcome to Bank Notes, the podcast from the Federal Reserve Bank of New York. This season, we're going to focus on a small

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BANK NOTES

Banking Culture Reform

The Role of Accountability in Preventing Misconduct
Building Cultures of Curiosity and Learning
Trust, Technology, and the New Workplace
Norms, Mindsets, and Decision-Making

Community Development Financial Institutions (CDFIs)

CDFIs: Serving the Underserved and Making Missing Markets

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Small Business

Small Business

Veterans

Veterans in the Labor Force



economic growth at the local level. The CDFI industry is made up of all different kinds of institutions operating in different ways, and the unique challenges and opportunities within this space offer a glimpse into how a project called Making Missing Markets from the New York Fed might take shape. I'm your host, Nathaniel Kressen, and this is "CDFIs: Serving the Underserved and Making Missing Markets." The views expressed here do not necessarily represent those of the New York Fed or the Federal Reserve System. Episode 1, "What are CDFIs? (Financial First Responders)." CDFIs, or community development financial institutions, is a sector that's made up of all different kinds of institutions, each working in their own way to achieve one common mission: improving economic outcomes for communities who are underserved.

Jacob Scott 1:40

My name is Jake Scott, I'm an analyst here on the community development team at the Federal Reserve Bank of New York.

Carmi Recto 01:44

My name is Carmi Recto. I am a community development specialist.

Jonathan Kivell 01:48

My name is Jonathan Kivell, I'm the director of community investments.

Nathaniel Kressen 01:52

This team released a pair of reports examining the CDFI industry.

Jonathan Kivell 01:55

CDFIs have been called financial first responders. They are institutions that are certified by a sub-agency of the U.S. Treasury called the CDFI Fund. A CDFI can be a bank, it can be a credit union, it can be a loan fund or a venture capital firm. So just having the designation of community development financial institution doesn't signal exactly what type of organization something is.

Carmi Recto 02:22

It's intentionally broad to try and address a lot of disinvestment from all different angles in these underserved communities.

Nathaniel Kressen 02:31

To better understand how CDFIs operate and fit within the broader economy, we're going to use the ocean as an analogy for financial markets. It's calm, it's choppy, it's deep in some places, shallow in others, and folks who want to brave the open waters need some kind of a vessel to carry them. Enter CDFIs, and as Jonathan mentioned, the ways in which they look and float are all different. A CDFI can be a loan fund or a venture capital firm, investing in projects that'll improve the living and working conditions across households in a certain area. A CDFI can also be a member-owned credit union, providing financial services informed by the needs of the surrounding community. A CDFI can also be a community bank serving local credit needs. Many of these CDFI vessels are traversing deep waters. connecting communities on shore



hyper-locally. But no matter the scope, no matter the size, CDFIs are looking to bring greater access to underserved markets. Many times, they are serving as financial vessels helping people and communities get to where they need to go.

CDFIs Provide Capital Where It's Needed

Jacob Scott 03:41

If you want to get ahead in this country, if you want to economically develop, if you want to move up that ladder, you need access to capital. You need access to credit, and CDFIs can kind of provide that capital to communities that otherwise might not get it.

Nathaniel Kressen 03:53

Getting capital into communities can look a number of different ways.

Jonathan Kivell 03:58

From the 1500 CDFIs or around 1500 CDFIs in the country, there is a wide variety of financial services and products that are intended to serve low- and moderate-income communities, anything from checking accounts, personal loans, auto loans, to broader real estate financing, small business financing, some of which has subsidies from other government programs, and some of which does not.

Surekha Carpenter 04:21

There are these gaps, right, like either physical gaps that exist when a bank might not exist in a place, that can happen. But there can also be gaps just in folks being able to access credit.

Nathaniel Kressen 04:34

This is Surekha Carpenter, researcher from the Richmond Federal Reserve and one of the co-authors of the national CDFI survey.

Surekha Carpenter 04:41

I have heard a saying that says if you've seen one CDFI, you've seen one CDFI, because they are so unique and so diverse across the entire industry. We've met with a lot of folks from a lot of different organizations. Some of them are so small. Some of them are like, literally, one to two employees, but they do what they need to connect. Even if they're only serving like five folks a year, that is connecting five more folks to an auto loan or a mortgage.

Nathaniel Kressen 05:12

As Surekha notes there is a powerful connecting force that CDFIs provide. It comes down to connecting underserved communities with capital. And this work builds upon a longstanding legacy, one that stretches back well before the CDFI certification was established.

Access to Capital Issues Have Existed Throughout History

Jacob Scott 05:28

The CDFI fund itself and the CDFI industry itself was formalized in 1994, but essentially what that did is it just codified and formalized kind of this industry of existing institutions that had really been around as early as the mid- to



credit needs of communities that were completely excluded, oftentimes legally excluded, from the finance system. Then in the 1930s, 1940s you started seeing mutual support organizations, these kind of non-profit organizations. In the 60s and 70s, you started seeing these community development corporations. So this kind of hodgepodge industry of organizations, primarily financing entities, that were doing this community development work, and then in 1994 those were formalized with this CDFI certification.

Longstanding Work Now Taking Centerstage

Nathaniel Kressen 06:14

The first of those two reports published out of the New York Fed found that there's been somewhat of a sea change moment happening in the sector over the last five years.

Lisa Cook 06:22

It is encouraging to see that the industry is growing both in terms of number of certified CDFIs and total assets held.

Nathaniel Kressen 06:30

This is Governor Lisa Cook from the Federal Reserve's Board of Governors, speaking at an event at the New York Fed that brought together CDFIs from across the country.

Lisa Cook 06:37

From 2018 to the start of 2023, the number of certified CDFIs rose 40 percent and assets have nearly tripled.

Jacob Scott 06:47

I mean, the industry went from just a few hundred of these institutions that were formally recognized to today, almost 1,500. Just in the last five years, we've seen that the total assets have almost tripled, you know, it's a \$450-billion-dollar industry nowadays.

Nathaniel Kressen 07:00

More institutions means more access to capital.

Jacob Scott 07:03

To the extent that you're measuring success as growth of the industry, getting more of these institutions, doing more loans, doing more financial support, having more assets, there has been a lot of success in growing that industry.

Nathaniel Kressen 07:15

One piece of background: In 2021, Congress passed the Emergency Capital Investment Program, which provided \$9 billion dollars in capital directly to CDFIs and MDIs, which are minority depository institutions. This allowed them to keep lending to underserved markets during the pandemic.

CDFIs Ideally Positioned to Affect Change in LMI Communities

Carmi Recto 07:32

CDFIs were identified as really helpful as we were all sort of coping with this unknown world during the pandemic. And that was demonstrated by all of this public funding funneled through the CDFI industry. Having sort of a dedicated line from those programs demonstrates their visibility and their reputation as an important distribution channel of public



Nathaniel Kressen 08:03

In other words, because CDFIs come in all shapes and sizes and operate with a mission of supporting economic development at the local level, they were ideally positioned to effect change in these areas.

Lisa Cook 08:15

Research from the Federal Reserve Bank of Dallas indicates that mission-driven financial institutions, including CDFIs, provided more Paycheck Protection Program—PPP—loans to borrowers in low- and moderate-income communities and majority-minority communities than their traditional counterparts.

Christina Travers 08:34

Financial institutions aren't structured to meet the demands of low- and moderate-income communities, kind of hence why we exist.

Nathaniel Kressen 08:42

This is Christina Travers, Chief Financial Officer at LISC, the Local Initiative Support Corporation.

CDFIs Take a Flexible Approach

Christina Travers 08:48

We're like a large national nonprofit that also invests in communities. Like, we do grants, but we also do lending and investment for basically anything you can think of, affordable housing, small businesses. Overall, we're just looking for helping communities be places that people can live and work and have small businesses and raise families.

Nathaniel Kressen 09:13

So basically, CDFIs provide all different kinds of services.

Sadie McKeown 09:17

What we look for are the gaps. We're not looking for what works, we're looking for what doesn't work so that we can figure out how we can support it, and bring the resources that the communities need, particularly to the smallest buildings and the smallest businesses, who have the least sophistication to be able to access capital. And that's the theme, is access to capital.

Nathaniel Kressen 09:40

This is Sadie McKeown, the president of Community Preservation Corporation.

Sadie McKeown 09:44

One of the things we talk about at CPC, is we don't say no, we say how? So, even if a deal comes to committee, and it seems like a no, we don't say no initially, we say, "Okay, well how else can we make this work?" If it's a borrower that's particularly illiquid, he doesn't have a lot of cash, maybe we try to help them find a partner that can bring some cash resources, so we can stay in the deal.

Nathaniel Kressen 10:05

What we're hearing is that CDFIs take a nimble, creative, holistic approach to tackling the issues facing underserved



CDFIs Driven by Mission to Solve Persistent Problems

Elise Balboni 10:13

We do work through local partners on the ground and have longstanding relationships with them so there's an element of trust and understanding between partners that makes both want the financing to work out. My name is Elise Balboni and I'm President of Enterprise Community Loan Fund, the CDFI arm of Enterprise Community Partners, one of the largest national nonprofit community development organizations in the country. These impediments have been created over decades, and at Enterprise, we really see home as the launching point and a prerequisite for mobility.

Sadie McKeown 10:48

Housing is foundational to neighborhoods and communities. It's also foundational to people. If you have security in the place that you live, and you don't have to worry about it, you can worry about other things, like "How's my health? Should I get more education?" You have the opportunity to advance in your life because you're not worried about, "Am I going to be here next month?"

Nathaniel Kressen 11:12

CDFIs are driven by their mission, because financial insecurity is a problem that persists.

Elise Balboni 11:18

I'm an optimist and a pessimist. So because I do say, we've been doing this for 50 years, and we haven't solved the problem. So, you know, so to a certain extent, that's kind of depressing. On the other hand, you have to fight the fight and not give up.

Carlos Naudon 11:35

You see studies, most people don't have 500 bucks, that they can, they can draw in an emergency.

Nathaniel Kressen 11:41

This is Carlos Naudon, the CEO of Ponce Bank, a community bank that's also a CDFI operating in the Bronx.

Carlos Naudon 11:48

If you look at a little history the South Bronx was beginning to burn in the 60s. It was being abandoned by everybody from, you know, government to private enterprise to public health services, et cetera. And so the reason the bank was founded was that a group of Puerto Rican, mostly migrants, small business owners and community activists said that in order for the community to survive in the South Bronx, it needed sources of capital and sources of banking. Well, the needs of the community back then are literally the same that they are today. It's shocking to me, in a sense, rewarding too, but it's shocking the number of people that we open accounts for that did not have a bank account before. It is hard to fathom, but it's there. There are banking deserts throughout New York City.

CDFIs Tailor Their Solutions by Listening to the Community

Cathi Kim 12:46



cooperatives, meaning that they are owned by and led by the members.

Nathaniel Kressen 12:55

This is Cathi Kim from Inclusiv, which is both the trade group for CDFI credit unions as well as a CDFI credit union itself.

Cathi Kim 13:02

Each member has one vote, and so it doesn't matter how much you have in your account, and that leads to increased opportunities to develop products that are specifically designed for and responsive to the needs of the communities that they serve.

Carlos Naudon 13:18

We have a lot of folks that don't have credit scores, or have low credit scores, not because there's an unwillingness to pay, but because they don't have credit. And so we look at alternative ways of determining the willingness and ability to repay, and we do a lot of what we call financial mastery. We don't call it financial literacy, as most people do, because you're calling somebody illiterate when they think they need financial literacy. And also, most of our folks live paycheck to paycheck. And let me tell you, it takes a lot of mastery to do that.

CDFIs Also Move the Needle on Systemic Issues

Nathaniel Kressen 13:55

All CDFIs are seeking to foster greater economic opportunity at the community level. Some pair those efforts with moving the needle on other issues.

Sadie McKeown 14:03

We're really trying our best today to drive as much, not just energy efficiency, but decarbonization in housing and electrification.

Nathaniel Kressen 14:11

Community Preservation Corporation started introducing green energy requirements as part of their lending to affordable housing developers.

Sadie McKeown 14:17

Going back to the magic of the first mortgage, we could tell the developers, "If you come to us, we'll give you a little bit of a lower rate, but we want you to do this energy efficiency." Hopefully, that drives deep affordability, because we're again, lowering the amount of the commodity that you're using, and so we're lowering the cost of operating the property, and you're contributing to the solution of reducing carbon and taking carbon out of the atmosphere, and then really making buildings more resilient.

CDFIs' Unique Business Model Has Both Advantages and Drawbacks

Nathaniel Kressen 14:44

Flexibility and responsiveness are themes that we keep hearing emerge about CDFIs.

Elise Balboni 14:49

Because we're working with our partners where they are. each



Jacob Scott 14:57

That's ingrained in their ethos, is that they want to be able to give those loans that otherwise wouldn't be made. Because they have that connection with the community, they're able to make those kinds of marginal loans, but those loans are then hard to sell on the secondary market. Because if I'm just an investor trying to buy up a bunch of loans to make a buck, I don't have that connection in the community necessarily. So I want those traditional financial metrics, and so that's where that tension can arise.

Nathaniel Kressen 15:20

CDFIs' willingness to operate a little differently also introduces an interesting push-pull dynamic. To meet the needs of their specific communities, they originate bespoke, tailor-made products to meet borrowers where they are. However, that can mean that the portfolios of CDFIs are made up of loans that are far from standardized, which can limit their ability to sell those loans in the secondary market.

Carmi Recto 15:41

One way traditional financial institutions can access the secondary market is that they originate a loan to a borrower, and they make it such that the loan is meant to be pooled with other loans that have similar terms. Going back to the CDFI industry, that can be a little bit challenging for a lot of the loans that CDFIs make because at their core they want to be making the loans that don't have the same look and feel.

Jacob Scott 16:09

And just to take a step back, when we're thinking about what is a secondary market, this is a very simplistic analysis but not coming from a background of finance I think it, hopefully, this is a helpful explainer, is like, if I'm a lender, right? Literally, I'm just lending money, \$10 to somebody, and they're going to pay me back in a year, I could just sit and wait for them to pay me back those \$10 in a year, and then I can give those \$10 out again, you know, a year later. Alternatively, I could lend them that money and then sell that loan to an investor, someone else, and then use the proceeds of that sale to lend to someone else, and so it increases the amount of capacity I have to lend. And so, when you think about that in CDFI terms, what that looks like is a CDFI can lend to the community, it can then sell that loan, use the proceeds to then lend again to that community, or to other communities, or to other loan types. It just expands their capacity to lend.

Nathaniel Kressen 16:57

It's common practice for financial institutions to bundle and sell the loans they make. It takes loan assets off the books and brings capital in the door, which covers the costs of operation and allows them to make more loans. CDFIs are no different, they need access to capital. This can come in the form of government lending, grants, philanthropic giving, customer deposits in the case of CDFI banks and credit unions, or loans and investments from banks and other entities—but each of those sources of funds might carry restrictions in terms of how they can be used.



Surekha Carpenter 17:29

A kind of common challenge, regardless of CDFI type, is access to flexible and long-term capital. It might seem straightforward that the lending institution needs lending dollars. They also need to secure rent, and you know, their payroll. These CDFIs are looking for money on good terms because they are turning around and delivering and applying capital on great terms to their clients.

Nathaniel Kressen 18:00

So is it possible to both remain flexible and responsive to community needs and tailor their tailormade approach to what secondary buyers are looking for?

Jonathan Kivell 18:10

Our research has been exploring the possibility that CDFIs think of themselves in a sort of capital markets orientation, to a certain extent, whereby they would originate loans that are relatively standardized and they're doing so at a volume and scale that would allow for those loans to be pooled and then sold into a secondary market.

Jacob Scott 18:36

I think a really big mindset shift, at least for me as we were going through this process, was realizing that this would probably be, at least to start, an additive product. It would not so much be that the loans they're currently making or that currently sit on their books would be securitized and sold. Maybe some might do that, I'm not saying that might never happen. But I think as we've done a lot of work on this, this would be an additional product that they could offer to their communities. So there would be some term sheet of agreed upon terms, agreed upon conditions, that then they could lend on those terms to the communities and then sell those loans. So it would allow them to meet demand that they're not currently able to meet while still separately doing the kind of bespoke or artisanal lending that they're doing right now. So, it wouldn't be instead of what they're currently doing, it would be in addition to what they're currently doing.

Nathaniel Kressen 19:21

Some CDFIs have been exploring how to standardize their products while also serving the needs of their customers. Others have been going the opposite direction.

Donna Gambrell 19:31

So now you have CDFIs that are getting S&P ratings and things like that, which is kind of interesting, on the one hand. On the other hand, you also have CDFIs who are saying, "You know what? We're going to abandon this whole credit score matrix. We're going to get rid of the credit box that banks use and really start with something different and unique and innovative that really does cater to the needs of our audience."

Nathaniel Kressen 19:55

Donna Gambrell is the former head of the CDFI Fund, currently runs Appalachian Community Capital, and serves as the board chair for the Opportunity Finance Network. She's worked long enough in this sector to know that progress can



Donna Gambrell 20:09

So you've got the extremes on both ends, those who are becoming much, much more sophisticated in the finance piece, and then those who are saying, "We're going back, back to our roots, and even further back, beyond our roots, to say, 'What are the real basic ABC building blocks that need to happen to bring somebody on and help them, you know, start and grow a business, or get into a home, or whatever the case may be.'"

Nathaniel Kressen 20:36

Let's take a look at risk. How risky are these loans that CDFIs are making? How is it compared to other sectors?

Jacob Scott 20:43

It's not that they're making these loans that are so risky that they don't pay back, or that the industry is constantly seeing, you know, delinquencies or charge-offs. If you look at the data that is available, there's not, you know, perfect data. It does look like CDFIs, very seldom, very, very rarely fail entirely. Even if sometimes their loans, the borrower might have a little trouble paying them off, they end up, they do end up paying them off. So, it's not necessarily that CDFIs, they're not necessarily charities who are going out there not expecting to make that money back. They do anticipate that the loans will be paid back. It's just that otherwise that loan may not have been made. It doesn't fit the typical borrower profile. It might not fit the typical collateral profile.

Cathi Kim 21:22

The distinction between perceived and actual risk is one that comes up all the time, and one of the things we do at Inclusiv is to look at the data. What we've seen time and time again, from the Great Recession to today, what we found is that the performance, the delinquencies and the net charge-offs for CDFI credit unions is no different than the top 100 largest commercial banks, so they're able to go more deeply into the market, and there is not a notable or statistically significant difference in the losses to the institution. You know, during times of economic uncertainty, financial institutions tend to kind of pull back credit, decrease loan originations, but for us as CDFIs, if anything, what some of our members have shared is like, "No, we got this."

Nathaniel Kressen 22:13

In their role as financial first responders, CDFIs are, indeed, good in a crisis.

Carlos Naudon 22:21

When PPP came around, we discovered that a lot of Uber drivers, Lyft drivers, and taxi drivers couldn't get loans because they didn't have the kind of paperwork that is normally required. And so we started alliances with some not-for-profit organizations and taxi alliances, etc. And I joke that at one point our parking lot looked like LaGuardia Airport. It was all yellow cabs out there. But, you know, we were able to help them. Most of them were not banked, and we were able to help them get PPP loans, and now we have many of those drivers that remain good customers of ours because of that



understood. It goes back to neighbors helping neighbors, in essence.

Conclusion

Nathaniel Kressen 23:17

The work of CDFIs has ripple effects. They offer financial services and opportunities where they're in short supply, and fund projects that uplift communities more broadly. The industry is growing and changing, in some cases becoming more sophisticated in terms of how they do the work they do. And yet the same issues persist for those the work is intending to serve. Carlos's story about the taxi drivers touched on the important roles that trust and understanding play, and it's something we heard echoed across conversations. This episode served as a primer on the institutions within the CDFI sector. The next will focus on the people at the center of this work, on both sides of the desk, lenders and borrowers, because you can't spell CDFIs without "community." Bank Notes is production of the Federal Reserve Bank of New York. Research and resources from this episode, as well as more information about the CDFI sector, can be found at the link in this episode's description.



EPISODE 02

Who are CDFIs? (Neighbors Helping Neighbors)

Elise Balboni, Surekha Carpenter, Claudia

Fernandez, Jesus Flores, Donna Gambrell, Cathi Kim, Jonathan Kivell, Sadie McKeown, Carlos Naudon, Domonic Purviance, Carmi Recto, Lidia Reyes-Vasquez, Jacob Scott, Jean Shepherd, Christina Travers, Arlo Washington, Marco, Adriana

Community Development Financial Institutions can grow out of the communities they serve—a financial version of neighbors helping neighbors. In local and national CDFIs, a sense of personal commitment and connection drives professionals to this work. In this episode, we hear from researchers, borrowers, and lenders about how mission-driven lending, financial inclusion, and technical assistance can transform lives and foster opportunity within historically underserved communities.



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00:00:00

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We have a saying that we are of the community, for the community and in the community. It goes back to, you know, neighbors helping neighbors, in essence.

Adriana 00:28

We are a hardworking people. We just want to progress.

Nathaniel Kressen 00:32

On this season of the Bank Notes podcast, we're focusing on CDFIs, community development financial institutions. Episode One dug into the different kinds of institutions that can be called CDFIs—these include loan funds, venture capital firms, banks, and credit unions—as well as the multitude of ways they bring economic opportunities into historically underserved communities. This episode is going to focus on the people at the center of this work, borrowers and lenders. Because CDFIs can grow out of the communities they serve, this work can sometimes come down to neighbors helping neighbors. Yet even within the national CDFIs, there's a sense of personal commitment and connection that drives practitioners into this work. I'm your host Nathaniel Kressen, and this is "CDFIs: Serving the Underserved and Making Missing Markets." The views expressed here do not necessarily represent those of the New York Fed or the Federal Reserve System. Episode Two: "Who are CDFIs? (Neighbors Helping Neighbors)."

Certain Communities Are Economically Disinvested, Generation after Generation

Arlo Washington 01:40

You know, capital is a lifeblood of the community. If the blood ain't circulating, then you're gonna have some issues. So, the blood has not been circulating for a long time. Why is it that we overlook this economically segregated community? Why is the issue swept under the rug and not talked about?

Nathaniel Kressen 02:03

The 2023 Oscar-nominated short documentary *The Barber of Little Rock* brought new attention to the work of CDFIs.

Speaker 1 02:10

For me when I think about ownership, it's owning my own home so that I'll have something to pass down to my children.

Speaker 2 02:18

Nobody in my family owns anything. So ownership is important to me, because I want to create jobs and opportunities for my boys and my little cousins and my nephews.

Speaker 3 02:31

My oldest is 27 and my youngest is seven, and I think about it a lot. Of course, nothing was passed down to me, and I don't have anything to pass down to them.

Donna Gambrell 02:41

You know, I think about my grandmother, Ammie Koontz, out



such optimism, and so much of that was tied to her daughter, and so much of her daughter's optimism, my mother, was tied to me.

The Work Is Personal for Those Seeking to Amend This

Nathaniel Kressen 03:04

Donna Gambrell of Appalachian Community Capital has carried forward her family's experiences to shape her career.

Donna Gambrell 03:10

My father never had a bank account, ever, and he passed away at 60 years old, never having had any sort of banking relationship. And one of the primary reasons is because I think he was intimidated by banks, and he did not want to have someone tell him, "No, we're not going to give you this account, or not going to give you this credit." And so, I grew up not knowing a lot about money, frankly, and not knowing a lot about balancing checkbooks or credit or anything like that. And it led me into, interestingly enough, a position at the Federal Deposit Insurance Corporation.

Nathaniel Kressen 03:47

CDFIs, in many ways, are making connections, and the work can be deeply personal. Jesus Flores is a loan officer at Brooklyn Cooperative Federal Credit Union, a small but bustling CDFI that sits on Myrtle Avenue, Brooklyn.

Jesus Flores 04:00

Before this, I used to do financial counseling. So, the program for New York City, for the Financial Empowerment Center. I guess I can say this now, because I'm no longer there. But when I actually got hired, I was in, I was in the same space as most of the people I was trying to, I was trying to build credit. I didn't have much credit at all.

Nathaniel Kressen 04:17

Like Donna, like many of the customers that Jesus serves, his understanding of personal finance was shaped by the experiences of his family.

Jesus Flores 04:25

I didn't build credit because my father built credit. I mean, yeah, you go back into early, was it, late 80s, early 90s, it was easy to get a credit card sometimes, and then he racked up a lot of debt, right? It wasn't his debt, but it was friends of, friends of families' debt that, you know, like, "Oh yeah, you know, I don't have a credit card." "I have one. I'll lend you one." And then he too, he went bankrupt, right? Because nobody really told him how finances work. And then he went bankrupt, like, I'm not getting a credit card, it's going to lead to bankruptcy.

Nathaniel Kressen 04:49

After witnessing his father's challenges, Jesus has made it his personal mission to change the economic narrative of his family.

Jesus Flores 04:56

So again, I love solving puzzles. So what I would do when I got into the credit system, understanding how everything worked



the age when you can start building credit, at 14, as an authorized user. So I made her an authorized user on all my cards. Her score was plastered on my, on my cubicle. Like, like, seven something. So I would always tell my clients before they come in, you know, like during the session, it's like, if they could guess the profile of that individual. And most were like, "Oh yeah, that's probably, you know, somebody who's, you know, college educated, you know, probably, you know, like, 30s or whatever." Like, "No, that's my 14-year-old sister that's still in high school." Right? And then they'd be amazed, right? "Look, if you're going to come down, sit down with me, I'm going to tell you how the system works, because I want, I want you to leave out here feeling better."

Nathaniel Kressen 05:46

Across our conversations, this personal connection, and this motivation to build a better system, was highlighted as drawing many into the work of CDFIs. Cathi Kim from Inclusiv was motivated by the gap between the broader recovery coming out of the Great Recession versus the experiences of her family and the community where she grew up.

Cathi Kim 06:04

Seeing the gap between what the different market indices were saying and what the lived experiences, the stories of both my family, my neighbors, the business owners on the Main Street, and just really asking myself the question, "How do we do this better? Are there different ways we can re-envision the economy so that the stories of all of us are being told and represented?"

Nathaniel Kressen 06:28

Carlos Naudon of Ponce Bank answered a call for assistance from local business owners, with whom he shared a background.

Carlos Naudon 06:34

I was the only Latino in the, really, the university at the grad level, and they were a group of Latino business owners that were trying to form a Latino association. And so, they asked the business school for some assistance on, some people who could help them with business plans and things like that. So, I said, "Why not? Let me see." And I really enjoyed helping folks start their businesses and get their capital and flourish. You know, I never lost the desire to do that.

Nathaniel Kressen 07:07

Christina Travers of LISC went halfway around the world and back again to make a difference.

Christina Travers 07:11

I actually thought I was gonna become a marine biologist. It's what I went to school for. And after I graduated from college, I went to the Peace Corps to do fisheries work in Zambia, in Sub-Saharan Africa. And I thought that was my path. But having been there for over two years, I think my priorities had changed. I was kind of trying to think of ways to align the skills I had, which were very analytic, math, and science to



brain works, and how I thought I could gain skills to be helpful in the path that I was looking for.

Donna Gambrell 07:49

I think it's all about, you know, again, old fashioned, you know, I'm taking care of my neighbor. I'm loving my community. I want to see the people that I know and live with every day. I want to see them thrive. I mean, this is what it's all about. And to me, that's a very essential part of what CDFIs do.

Carlos Naudon 08:09

You know, they say a tide lifts all boats, and that's really what we try to do in our community, to create jobs, employ more people in the community, get more money into the community, and it grows. And it actually works.

Financial Exclusion Entrenches Vulnerabilities

Nathaniel Kressen 08:25

CDFIs are working to provide financial products and services to underserved communities. The work is also often focused on delivering financial community assets in disinvested places.

Carlos Naudon 08:36

I was reading a report today of, in Alabama, there are 10,000 Latinos living there and there's a significant crime wave against, targeted against Latino businesses. Why? Because they're not in the banking system. They deal with cash. So they're easy targets. That's a real life example of what happens when you're not in the banking system. You can become a target if you're just relying on cash.

Nathaniel Kressen 09:08

It's not an insignificant percentage of the population who live outside the banking system.

Cathi Kim 09:12

More than a quarter of the residents of this country are either unbanked or underbanked, and we see even more disparate trends when it comes to households earning low incomes and communities of color. Forty percent of Native American communities are either unbanked or underbanked, and what that means to, what that translates to, excuse me, is that they are more vulnerable to predatory financial services, meaning that they're going to turn to a payday lender, a check casher, or a title loan company. There are studies that demonstrate that more than \$200 billion dollars in extractive fees and interests are being taken from households that could least afford it because they are not having their credit needs met by mainstream institutions.

Nathaniel Kressen 09:58

Traditional banks may be limited by regulations in terms of how they lend. And while these regulations exist for a reason—namely, the safety and soundness of the institution—they can also create a gap in services for borrowers who don't meet a certain credit profile. CDFIs exist to fill that gap, and often pair their products with technical assistance so that their



Cathi Kim 10:23

CDFI credit unions and their incredible staff are working with their members every step of the way by not only providing those financial services but also development services, whether it's financial counseling, coaching, first time homeownership programs.

Nathaniel Kressen 10:38

In other words, the work of CDFIs has both long- and short-term benefits. Their knowledge-sharing and guidance can help borrowers build up their credit-worthiness, which will in turn open up greater opportunities. And in the short term, their approach to lending allows them to address some of the vulnerabilities that low- and moderate-income communities are facing. Surekha Carpenter, a researcher at the Federal Reserve Bank of Richmond, highlights one vulnerability in particular: small loans.

Small Loans are Crucial Yet Underserved**Surekha Carpenter** 11:05

So, folks who might not have good credit scores, folks who might be seeking very small loans. There might be these mismatches for larger banks and larger institutions that those large banks might not see that it makes business sense to serve those folks.

Nathaniel Kressen 11:21

CDFIs service small loans within disinvested communities because they can often be sink or swim for the borrowers seeking them.

Jean Shepherd 11:28

My name is Jean Shepherd, and I run a multicultural creative agency-slash-production company in Brooklyn, New York.

Nathaniel Kressen 11:35

Jean Shepherd is one of Jesus' borrowers, and he found Brooklyn Co-Op at a pivotal moment.

Jean Shepherd 11:40

My company had just expanded its services to do events. We had our vendors all set for months in advance, and then one vendor a month and a half out canceled. So, the next vendor that we got needed all the payment ahead of time. So that capital was, it was just a lot for us to handle, and we couldn't actually. We couldn't actually handle it. And so, we were, you know, asking friends and family, and I came here and they found line of credit for me to be able to make that happen.

Nathaniel Kressen 12:13

The sum of the loan in question was not large. It was one vendor's fee for one event. But it allowed Jean to deliver on his promise to a big client, and that client has gone on to hire him again.

Jean Shepherd 12:24

It feels like, like I said before, like you have a partner so you can kind of reach for bigger goals. You can grow with the support of this bank.



Tengo una bodega.

Jesus Flores 12:39

She has a bodega between her and her daughters. It's actually a couple of blocks from the other branch.

Nathaniel Kressen 12:44

Lidia has been taking out small loans with Brooklyn Co-Op for over a decade, building her financial history and credit.

Jesus Flores 12:50

Whether it be for business or for personal, right? It's helped her to get loans when she needed for the business at a low interest rate. So she has an account actually in the traditional bank, right? But she'd rather come over here, because over here she likes how we treat her over here.

CDFI Are Inclusive

Lidia Reyes-Vasquez 13:02

La hamabilidad de los empleados, la cortesia, como los atienden.

Jesus Flores 13:08

Then you have the courtesy, the friendliness, and the attention that we give her.

Lidia Reyes-Vasquez 13:13

Bueno, y para me una comunidad es uno que trabaja en conjunto y una se puede ayudarse y darse la mano uno con otro.

Jesus Flores 13:21

So for her, a community is someone who works jointly together, right? There to kind of help each other out, lift each other up.

Claudia Fernandez 13:28

I saw the impact that I had with people explaining financial concepts in Spanish so they can have a better life and fulfill their dreams, buy a house.

Nathaniel Kressen 13:42

This is Claudia Fernandez, the director of lending at Brooklyn Co-Op.

Claudia Fernandez 13:45

What the credit union does well is, case-by-case, we try to work with the person and try to get the best outcome. And so helping them understand the system and helping them build, that makes me, like, "Okay, we're doing a good thing." They're here.

Nathaniel Kressen 14:11

Claudia introduces us to two of her borrowers, a married couple named Marco and Adriana.

Marco 14:16

About me, I'm a constructor. I'll do painting and remodeling in the apartment or houses. It is beautiful to see how it was before, and how you, when you finish.

Adriana 14:28



say, the same as Marco, after I'm done and leave the job that I'm doing, it's like, "Wow, this is art!" It's like a magic, you know? And I have satisfaction after I'm done with the job.

Nathaniel Kressen 14:53

Adriana and Marco arrived at Brooklyn Co-op because they were seeking to purchase their very first home and had difficulty securing a mortgage elsewhere.

Adriana 15:00

Trust. That's how I feel. That's how I feel here, when we came. They trust us.

Marco 15:05

That's the difference with when we came here, we feel like a family. Yeah, because everybody called you by your name. Marco, Adriana, Claudia. We know everybody, and everybody knows you.

Adriana 15:20

That's true.

Marco 15:21

And I'm pretty sure it's with everybody, not only us.

Adriana 15:24

We are hardworking people. We just want to progress.

Affordable Housing Crisis Impacts Developers as well as Tenants

Nathaniel Kressen 15:29

CDFIs lend to households and also serve the lending needs of affordable housing developers. We heard insights about this market from Elise Balboni of Enterprise.

Elise Balboni 15:38

So, the state of affordable housing is really tough right now, and maybe even tougher than during the Great Recession. The effects of the pandemic, they're still playing out and impacting affordable housing developers on a lot of fronts. There's a combination of the end of rental relief payments with higher interest rates and then historically large increases in insurance costs, which have just been incredibly high. The increased costs in construction are creating gaps in financing, which is slowing down the entire affordable housing cycle.

Nathaniel Kressen 16:13

The Economy Matters podcast from the Federal Reserve Bank of Atlanta released episodes around the trends they're seeing in this space. Here's Domonic Purviance, a researcher out of the Atlanta Fed.

Domonic Purviance 16:23

Overall, nationally, we have remained consistently undersupplied for the past several years. We just don't have enough homes on the market. So, when supply is low, that creates this upward pressure on home prices. So today, if you make the median income, you're going to spend at least 43 percent of your income to afford the median-priced house. And just to put it in perspective, the median-income household makes about \$75,000 a year, nationally. In order to afford the median-priced house, which is about around



\$108,000 a year, and that's 43 percent higher than what the median-income household actually makes.

Nathaniel Kressen 17:11

What we're hearing is that housing is increasingly out of reach for not only underserved populations, but communities across the country. A number of issues like cost, supply, and local conditions are putting stresses on affordability. And yet, CDFIs are not the type to shrink away from a multifaceted problem.

Sadie McKeown 17:31

CDFIs are usually created because there's a problem that needs to be solved.

Nathaniel Kressen 17:36

This is Sadie McKeown, once again, from CPC.

Sadie McKeown 17:38

If it makes money a CDFI doesn't need to do it, right? A bank will do it, an investor will do it. A CDFI needs to get involved to bridge the capital from what works where there's money to be made, to bridge that to deals where they might break even or not make the investors a lot of money, but they're critically important to stabilize neighborhoods and to drive impact.

Conclusion

Nathaniel Kressen 18:01

For CDFIs, we heard it is all about reaching the underserved. Leaders in the industry note that they tailor the way they lend to what will prove most effective in serving the people at the center of this work. They fill gaps, they make opportunities available, and they act as financial partners to folks working to better their own situations. Their approach and knowledge of what works and what doesn't in these communities shows how serving underserved markets can have an impact. The New York Fed is examining a similar approach to filling gaps with its initiative Making Missing Markets. Our third and final episode of this season is going to be dedicated to the Making Missing Markets initiative, which asks the question, how can seemingly unrelated problem-solving efforts be combined to achieve better outcomes? Bank Notes is production of the Federal Reserve Bank of New York. Research and resources from this episode, as well as more information about the CDFI sector, can be found at the link in the episode's description.



EPISODE 03

The Making Missing Markets Initiative

Beth Bafford, Dave Castillo, David Erickson, Otho Kerr, Jonathan

Kivell, Carmi Recto, Jacob Scott, Willa Seldon, John Williams



Community Development team to connect new sources of capital to community needs. In this episode, we hear from New York Fed President John Williams, Community Development leaders, and lenders, investors, and nonprofit leaders on the question: How can seemingly unrelated problem-solving efforts be combined to achieve better outcomes?



The Making Missing Markets Initiative

00:00:00

TRANSCRIPT

Surekha Carpenter 00:03

If you've seen one CDFI, you've seen one CDFI, because they are so unique and so diverse across the entire industry.

Jonathan Kivell 00:12

CDFIs have been called financial first responders.

Jacob Scott 00:15

That's ingrained in their ethos is that they want to be able to give those loans that otherwise wouldn't be made.

Carlos Naudon 00:20

We have a saying that we are of the community, for the community and in the community. It goes back to, you know, neighbors helping neighbors, in essence.

Adriana 00:28

We are a hardworking people. We just want to progress.

Nathaniel Kressen 00:32

Welcome to Bank Notes, the podcast from the Federal Reserve Bank of New York. This is the third and final episode in our season on CDFIs, community development financial institutions, and it's an episode that's both about CDFIs and a cross-sector initiative that's being led by the New York Fed. I'm your host Nathaniel Kressen, and this is "CDFIs: Serving the Underserved and Making Missing Markets." The views expressed here do not necessarily represent those of the New York Fed or the Federal Reserve System. Episode 3: "The Making Missing Markets Initiative." In 2024, the New York Fed published a book in partnership with two of the CDFIs we've heard from this season, titled What's Possible? Investing NOW for Prosperous, Sustainable Neighborhoods. The book contains case studies and calls to action from a variety of practitioners from across sectors, to pose a question: How can seemingly unrelated problem-solving efforts be combined to achieve better outcomes?

Strategic Direction

David Erickson 01:33

So, one of the things we know, one of the things that it's depressing but has a silver lining to it, is that we know that different vulnerabilities overlap in the same places. Some parts of our community are really experiencing just overwhelming obstacles to thriving. But the good news is that each one of those sectors has money and programs associated with it. And so, if you were to layer the different programs on top of each other, you start to get some pretty significant



Nathaniel Kressen 02:11

This is David Erickson, who leads the Community Development department at the New York Fed.

David Erickson 02:15

And if you look at all the money that's available for community development finance, anti-poverty work, climate remediation and climate resilience, and health, particularly health for low-income people, that is trying to find its way to invest into low-income communities in order to make them more viable, that is a great opportunity. Now the obstacle is we don't yet have the business models and the incentives and the mechanisms to make sure that those kinds of new approaches that are multi-sector for multi-problem-solving, we don't have the business models that can kind of really respond to that effectively.

Nathaniel Kressen 02:59

This is what Making Missing Markets is all about. Breaking down silos to connect previously unlinked buyers and sellers to identify opportunities for investment that will create value and wealth in these communities.

Otho Kerr 03:10

We're focused on taking advantage of those levers that we can take advantage of to make the economy work for every segment of society.

Nathaniel Kressen 03:19

This is Otho Kerr, the New York Fed's director of strategic partnerships and impact investing.

Investing with Impact**Otho Kerr** 03:25

When I explain to folks this idea of impact investing, I think of a spectrum. And if you think on one end of the spectrum, there's just donating your money away and giving it to a charity. You expect impact but you don't expect any of that money back. At the other end of the spectrum, you invest for maximum return. You're investing in the stock market hoping for whatever returns you can get, and you're not thinking about what kind of social or environmental impact you may have. And then in between is that sweet spot for impact investors where you can make an investment in something, a project or a company, and hope for a specific kind of social or environmental impact but also get a return on your investment. What it means is that that capital can circulate again and again and be recycled into making more investments into impact and change.

Nathaniel Kressen 04:19

Impact investing runs the full spectrum between financial return and social impact, but it's important that the right systems are in place to channel funds where they need to go.

David Erickson 04:29

An old colleague of mine used to have this phrase that money is like an airplane, but it needs a runway to land on. The first thing you need to do is clear the brush, you know, and then you need to sort of rototill the earth, and then you need to



plane onto the smooth surface. And that all takes a long time. Capital is hard to absorb, and the places that are good at absorbing it are good at absorbing it, and they just keep on taking it, whereas the places where it's hard to invest, it requires a lot of coordination across different groups and sectors to get it ready for that plane to land.

Nathaniel Kressen 05:17

The Making Missing Markets initiative comes down to collaboration between the New York Fed and a set of working groups. These working groups comprised of thought leaders and practitioners from across community development finance, climate resilience, health equity, and other anti-poverty work, each seeking ways to better coordinate public and private investment. Their mission is to blueprint the tarmacs for capital investments around specific issue areas. The issue areas range broadly—from “Rural Innovation Done Right,” to “Investing in Youth Well-Being” to “Secondary Markets in Community Development Finance,” which we touched on earlier this season.

Community Broadband as Example of Making Missing Markets

Otho Kerr 05:51

A few years ago, I was with our president John Williams, in the north country of New York State, and that covers the Adirondacks. And we heard from a variety of local leaders that one of the things that they wished for was high-speed internet broadband in their communities.

Nathaniel Kressen 06:10

One team is tackling how to align market incentives to connect rural communities with high-speed internet. The benefits would extend to tele-education, tele-work, telehealth, the list goes on.

Otho Kerr 06:21

It would allow them, individuals who work in those communities, to access new markets outside of the Adirondacks, so it would create healthier, wealthier communities. That is a classic case of making a missing market, because we believe that there should be a market. There is not an extant market, and so we're trying to figure out who the players are who can be part of that market.

Shifting the Paradigm

Nathaniel Kressen 06:47

On November 14, 2024, the Making Missing Markets Initiative took centerstage as the New York Fed brought together practitioners and thought leaders to talk not only about what's needed, but what's possible. David opened up the conference by talking big picture.

David Erickson 07:02

... to achieve. Now, we are going a little bit over time. I apologize, but my staff has given me the evil eye. But this is, um, I'm going to stop for a second and talk about the history of science, so I apologize to everybody about that. But there's basically, specifically Thomas Kuhn, and he has this idea



rolled around the celestial sphere, right? And that actually worked. You could predict a lot of things. You could predict the seasons, you could figure out when to plant crops. There was real value in that. But the problem was, there was something that didn't match up with the model, which is that the planets would go in all these different directions, right? So "planet" actually means wanderer in Greek. And so they were saying, "Well, you just kind of have to assume that away," because the model otherwise worked. And then Copernicus comes along and says, "Wait a minute, what if we're one of the planets?" And so this Copernican Revolution created a new paradigm, or a paradigm shift. And what I'm sort of suggesting here is that we need a paradigm shift, because we have a country that is wealthy, we have good-hearted people, and we still have poverty. That's our planet. Something is wrong. Something is wrong with how we approach the problem. Something is, we have to think of new ways in order to attack it.

Willa Seldon 08:17

What could this look like if we really saw the world differently and imagined it?

Nathaniel Kressen 08:22

Willa Seldon of The Bridgespan Group collaborated on the strategy for Making Missing Markets, and echoed that true success requires laying the groundwork for new kinds of collaboration.

Willa Seldon 08:32

We need to leap. So what does it mean to leap? To make missing markets and increase capital flows to disinvested, underinvested, and/or never-invested-in communities? It often takes, as we've heard today and seen today, partnering across sectors, bringing all the expertise and tools we have to the table. Building that bridging infrastructure requires intention and investment, starting with building relationships and setting aside intentional time to imagine what's possible.

Beth Bafford 09:01

I picture investments within the global financial markets like a river running through a valley.

Nathaniel Kressen 09:06

Beth Bafford is the CEO of Calvert Capital, a global nonprofit investment firm focused on both social and environmental impact.

Beth Bafford 09:13

Capital flows end up in pools where there's the least resistance downstream. Large established companies, big asset managers, familiar financial products, these are all rational choices. It's where we have the best data, the longest track record, the deepest relationships, the lowest transaction costs. And if we don't recognize this tendency and correct for it, it will be a collective failure to bring water where it doesn't easily flow, where capital-starved communities, projects, and activities stand ready to deliver and benefit, if only given a chance to take a sip.



was put in place because Congress recognized tribes have and continue to have extremely limited access to private capital.

Nathaniel Kressen 10:01

This is Dave Castillo, the CEO of Native Community Capital.

Dave Castillo 10:05

This is the geography we serve. 44 tribes, about 200 communities across two states, and between them only six bank branches. However, in just one neighboring town where folks go for groceries, there are over 50 predatory lenders. It shows what Indian country knows all too well. It reflects a near-market failure, because when conventional lenders abandon a market, predators fill it. So it's true, we're small, but our history, passed on to us by the Ancient Ones, they call on us to be giant slayers. When other giants emerge to damage the more noble outcomes these systems are capable of, in those cases, we are duty bound to stand up, to speak up, and to say, "No. I'll fight to make sure these systems do not provide outsized benefits to only a privileged few."

Making Missing Markets is an Actualization of the New York Fed's Mission

Nathaniel Kressen 11:01

John Williams, president of the New York Fed, closed out the November 14th event by driving home the importance of connecting thriving markets with thriving communities.

John Williams 11:10

In just one afternoon, we learned about climate and health challenges in the South Bronx. We heard about incentivizing private equity to fund population health and about the uniqueness of markets in tribal lands, and we explored the role of secondary markets and CDFIs. But this is only the beginning. Many communities across the country experience a similar set of vulnerabilities, so there's a high correlation between gaps and deficiencies, including those related to climate, health, and economic investment. Fortunately, there are sizable resources available to address these vulnerabilities. In fact, trillions of dollars in government grants and philanthropic efforts are marked specifically for these purposes. Despite the availability of these resources, and the very good work that's being done, there is something missing. What's really missing is a holistic coordination and deployment of resources to get the causes of the vulnerabilities and their interconnections. Now, our mission here at the New York Fed is to make the U.S. economy stronger and the financial system more stable for all segments of society. Our work around missing markets is not an extension of our mission, rather, it's an actualization of it. As we continue to join forces in the future, we will find the missing intersection points that can build a better economy for all.

Nathaniel Kressen 12:30

The New York Fed team who we heard from at the top of this season—Jonathan, Jake, and Carmi—have been focused on what it would take to create a more robust secondary market for CDFIs. According to their research, there's both a need and a demand to make that missing market.



Jacob Scott 12:44

You know, you talk to CDFIs, they say their borrowers could use more loans. You talk to anybody about affordable housing, and there's an acute need for more affordable housing. So, if there could be more low-cost products coming from these CDFIs to help facilitate the development of affordable housing, I don't want to say, "The sky's the limit," but it kind of feels like the sky's the limit. There's definitely demand.

Jonathan Kivell 13:04

What we've been doing is trying to utilize our research skills to write about and understand from a data standpoint, what does this industry look like today? And supplement that with our convenings and try and put people in a room together to have a conversation around these things and what would be useful and what solutions may be out there.

Carmi Recto 13:28

And we always bring it back, though, to the premise that whatever tools are already available out there, is there a way to apply it to the industry but, again, emphasizing, without the industry losing sight of their core mission, which is to continue to serve under-resourced and underserved communities. At the top of this whole series, you know, we've said, "CDFIs have been called financial first responders." And this could just be a tool to strengthen their ability to become that.

Conclusion**Nathaniel Kressen** 14:06

This season, we traversed the ocean with CDFI vessels connecting folks on shore with pools of capital they wouldn't otherwise have access to. We heard from borrowers and lenders who share common backgrounds and seek to uplift their communities. We heard about tackling longstanding issues with creativity, collaboration, and hope. Making Missing Markets takes the ethos of CDFIs and seeks to upscale what works about mission-driven lending. President Williams described the initiative as an actualization of the New York Fed's mission, to build a better economy for all, and encouraged thinking about interconnectedness as the means to prosperity. Bank Notes is production of the Federal Reserve Bank of New York. Research and resources from this episode, as well as more information about the CDFI sector, can be found at the link in this episode's description.

Resources From This Season

- Sizing the CDFI Market: Understanding Industry Growth, Federal Reserve Bank of New York, August 2023
- Examining the Origination and Sale of Loans by Community Development Financial Institutions, Federal Reserve Bank of New York, May 2024
- What Would It Take to Create a More Robust Secondary Market for CDFI Loans? *The Teller Window*, January 2024



February 2025

- Full event recording: Intermediating Impact: Making Missing Markets, November 14, 2024
 - Full event recording: Expanding Access to Capital for CDFIs, May 14, 2024
 - Participate in the 2025 CDFI Survey
 - Research and articles on community development finance, Federal Reserve Bank of Richmond
 - Economy Matters podcast, Federal Reserve Bank of Atlanta
 - Mission-oriented banks in Texas and underserved businesses: lessons from the Paycheck Protection Program, Federal Reserve Bank of Dallas
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