

District Update

CRA Leadership Councils were established to recognize and encourage community reinvestment efforts throughout the 12th District. The Councils, which are affiliated with the local CRA roundtables, actively participate with the San Francisco Fed's Community Affairs staff to identify critical community and economic development needs, and to develop new products and services. In this ongoing feature, we ask Council members to talk about their backgrounds and how they became involved in CRA, their responsibilities, successes and any advice or words of wisdom they would like to share. This time we are pleased to feature, Juan Aguilar of Washington Mutual in Seattle, Florence Franklin of Nordstrom Bank in Phoenix and Keith Land of Farmers & Merchants Bank in Lodi.



JUAN AGUILAR, VICE PRESIDENT & CRA MANAGER
WASHINGTON MUTUAL; SEATTLE, WASHINGTON

I am a native Washingtonian, born in Yakima and raised and educated in Sunnyside, a rural farming community in central Washington. My involvement in banking was preceded by a varied background that included small business ownership of a restaurant, an asparagus/grape farm and two convenience stores. At the same time, I became involved in community activism starting as a community aide with Lyndon Johnson's "War on Poverty-Equal Opportunity Programs." From there, I moved on to state employment with the Departments of Employment Security and Labor & Industries and the Washington Public Power Supply System. Eventually, my public sector experience led me to the private sector, where I worked in human resource management with General Instrument De Jalisco in Guadalajara, Mexico.

In 1989, a study I had the opportunity to prepare and present to Security Pacific Bank (now Key Bank) on the Hispanic Market and how to more effectively outreach to the Hispanic consumer led to my current position. My hope was to be hired as a consultant to the bank and instead I was hired as a "Personal Banker Trainee" that started my eleven-year career as a consumer/commercial lender. Within eleven months I was promoted to branch manager, and by 1992 I was back in the Yakima Valley—where I was born—managing the Zillah, Wash-

ington branch. A very short year later I was promoted to AVP and awarded the Community Lender Award. This recognition brought me to the attention of the bank's corporate CRA manager, who gave me the chance to become the CRA-Community Outreach Officer with responsibility for 34 branches in central and eastern Washington.

In 1997, Washington Mutual Bank offered me a position as their VP-CRA Manager for the Commercial Banking Division (Western Bank) covering the states of Washington, Oregon, Idaho, Utah and more recently, California. Our CRA group has twelve CRA managers whose primary role is affordable housing and related community advocacy. My responsibilities as a CRA officer involved in small business and economic development provide a unique opportunity to work with non-profit organizations and to source out their business/commercial banking needs. It is both challenging and rewarding to educate commercial lenders about the "real" business needs of non-profits—many of whose operating budgets of \$5 to \$100 million make them ideal commercial bank customers.

In my role as a CRA Officer, I was successful in bringing together Washington Mutual and SeaMar, a nonprofit that operates 20 community health centers in western Washington that serve low-to moderate-income indi-

viduals and families—most of whom are Mexican migrant farm workers. SeaMar had located a remodeled assisted living center that they wanted to convert into transitional farm worker housing. The negotiated purchase price was \$1.2 million. SeaMar used its own funds for the down payment and Washington Mutual's Commercial Banking Division financed the balance with a conventional loan. This is the first non-subsidized farm worker housing project of its kind proving again that when banks and nonprofits sit at the table with the willingness to understand each other, they can make deals work. I am very proud to have been involved in this transaction.

Another role I have taken on recently involves working closely with many different Sovereign Tribes to ascertain how to meet their banking needs. Washington Mutual has been very supportive of the Federal Reserve's *Barriers to Sovereign Lending* initiative and the North American Native Bankers Association as they work to form a SBA Small Business Investment Corporation (SBIC) to finance tribally owned community banks in Indian country.

My advice to other CRA officers is to be true to yourself and the letter and intent of the "Community Reinvestment Act", and to provide guidance to your bank and community(s) on how to use CRA to best access each other's resources.



FLORENCE FRANKLIN, VICE PRESIDENT & CRA OFFICER
NORDSTROM BANK; PHOENIX, ARIZONA

My banking career started in 1991 as a management trainee with Wachovia Bank in South Carolina. I had served in the branch system as an assistant branch manager for four years when one day the regional manager came to me with "an offer I couldn't refuse." Wachovia Bank owned a savings bank on Hilton Head Island, Atlantic Savings Bank, and they were in need of a CRA Officer. I served as the CRA Officer for Atlantic Savings Bank from 1995-1997, which became the impetus for continuing in CRA after my husband's job relocated us to Phoenix, AZ. Since 1995, I have served as a CRA officer at three different financial institutions; each institution has been unique and my experiences have all been extremely rewarding.

In November 1999, I came on board with Nordstrom fsb as its vice president of CRA. At the time, we were Nordstrom National Credit Bank—one of the first limited purpose banks to be granted a thrift charter. My function as the CRA officer for Nordstrom fsb has been that of an advisor to senior management and relationship liaison with key community development corporations (CDCs) in the greater Phoenix area. My responsibilities in this regard include, but are not limited to, monitoring lending distribution to low-and moderate-individuals and communities, collecting/reporting CRA data, preparing reports for the

board and senior management, and keeping the public file updated. I have also been involved with the thrift charter approval process as it relates to CRA requirements, as well as the development of the deposit platform and mortgage lending entity.

Nordstrom fsb's CRA program exemplifies belief in the spirit of CRA and allows me the flexibility to focus on why CRA was enacted in the first place—the need for access to capital in low-and moderate-income communities. I serve on the board of the Local Initiatives Support Corporation (LISC), a nonprofit organization that works to help stabilize community-based organizations. In 1999, Nordstrom fsb awarded a \$100,000 donation to LISC to assist their funding efforts to various nonprofits. Being involved with these groups helps keep me focused on the positive impact that CRA has made in many communities. CDCs are taking courageous steps to reclaim their communities. We should also take active steps to assist with the revitalization of these communities as well.

It's important as a CRA officer to keep the big picture in front of you at all times, that is helping to make a real difference in someone's life. By helping to create homeownership for someone who never thought they could own a home or assisting a small business owner who wants to take a

big step and expand his business, you're involved with helping to turn around blighted communities. All of these initiatives can at some point cause some frustrations, but nothing worth doing is ever easy and this is truly a job to love.



**KEITH LAND, COMMUNITY DEVELOPMENT OFFICER
FARMERS & MERCHANT BANK; LODI, CALIFORNIA**

My professional training was in the insurance industry, but I decided to change careers in hopes of doing more for the community in which I live. After retiring from the insurance industry, I wanted to work for a company that is well respected and recognized as a leader in giving back to the community. My first choice was Farmers & Merchants Bank.

The position of community development officer seemed to be designed especially for me. My responsibilities include: developing and maintaining written profiles for the communities the Bank serves, advising management of identified community needs, providing suggestions for new/revised products and services, and participating in community development meetings and outreach efforts. My extensive involvement with myriad programs and organizations throughout Lodi are very complementary to the work that I do and offer a heightened awareness of the area's needs. I currently serve as a member of the Lodi City Council; Board of Director, Lodi Redevelopment Agency; Commissioner, San Joaquin County Parks and Recreation; and Commissioner, San Joaquin County Housing Authority. I am the past President of Lodi Chamber of Commerce, Lodi Boys & Girls Club, Kiwanis Club of Greater Lodi, and past Board of Director for Lodi House (homeless shelter for women with children). I also served as Mayor for the City of Lodi.

I am proud of several CRA programs in which the Bank is playing a leadership role. In particular, to help the aforementioned Lodi House open its doors in a timely fashion, Farmers & Merchants purchased the home and is leasing it to Lodi House, a newly formed nonprofit. Lodi House will receive approximately \$25,000 in CBDG funds to buy down the lease, which is renegotiated as the funds are applied. Lodi House is a desperately needed shelter whose presence will provide a stable environment for women and children, connect them to established city, county, state and federal resources and ultimately enhance the quality of their life by providing structure, education, occupational and spiritual support.

The Bank's participation in the Individual Development and Empowerment Account 2000 (IDEA) program offers a unique opportunity to achieve our investment goals by promoting homeownership opportunities for very low-, low-and moderate-income households. In another program, we have committed \$3.7million in a private placement bond to construct a 56 unit apartment complex in Modesto—Woodstone Apartments. These units are intended for entry-level workers earning 50 to 60 percent of area median income.

Finally, the Bank committed \$350,000 for 2000 to the Sacramento Housing and Redevelopment Agency's (SHRA) Commercial Revitalization Program (CRP).

CRP is a flexible lending program designed to support commercial revitalization throughout targeted areas in Sacramento County. It has already proved so successful in helping to meet credit needs in our assessment area that the Bank will be increasing our future commitment by \$200,000. These are only a partial representation of the innovative projects we participate in to serve the citizens of our community and help improve the quality of life for generations to come.

I would encourage bankers involved with CRA to meet with their local, state and federal officials to help identify their community's needs. I have also found city and county community development officials to be a wealth of information and in touch with the vision for community development of locally elected officials.