

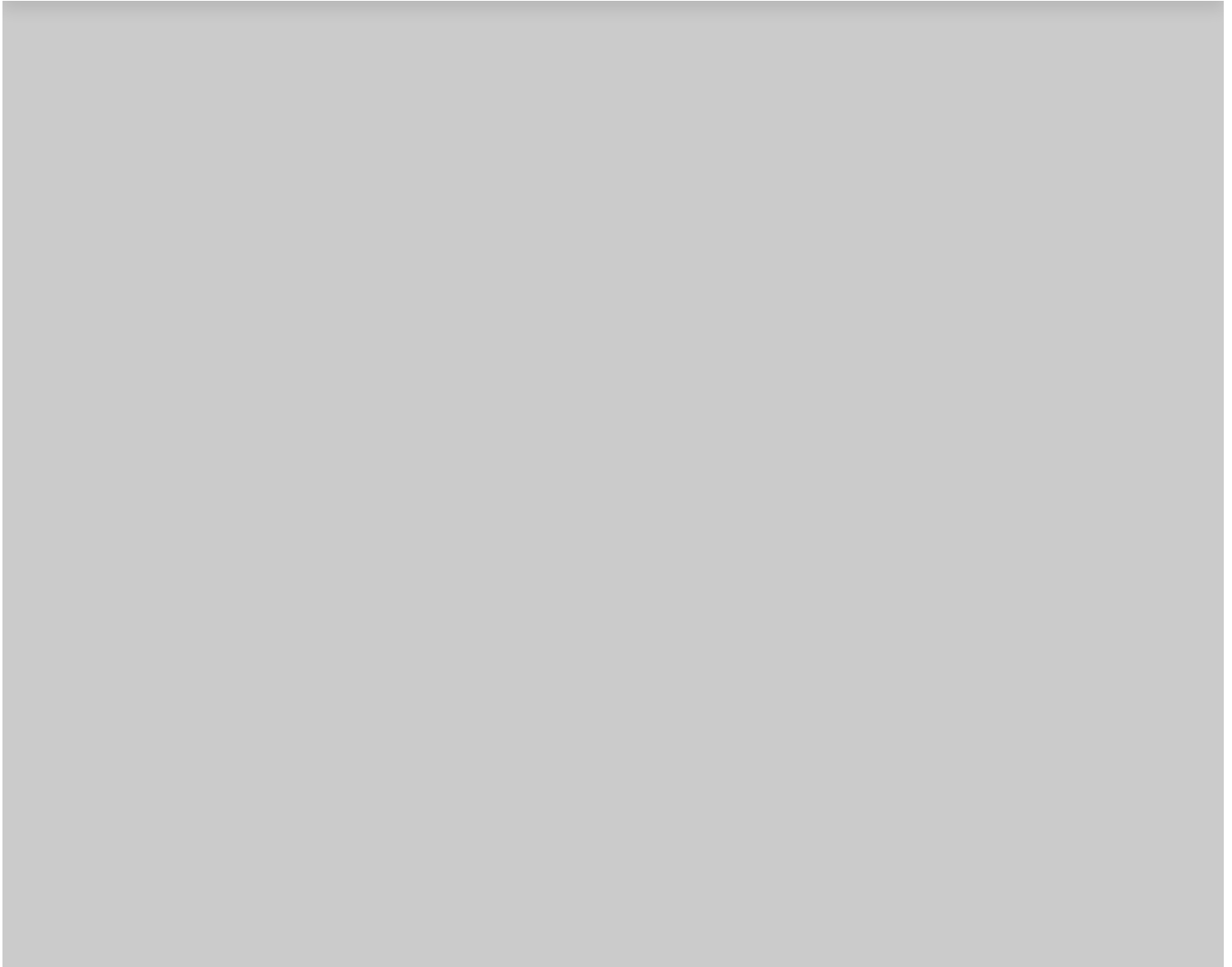


Federal Reserve Bank of Kansas City

DENVER / OKLAHOMA CITY / OMAHA

A search bar with a white border and a dark teal background on the right side containing a white magnifying glass icon.

≡ menu



Exploring the roles of community development bankers in economic transformation

Community development bankers engage community stakeholders. Then they translate complex banking and community efforts into activities that support the bank's business objectives and promote economic mobility, resulting in a shared win.

April 14, 2025 | [Community Banking](#) | [Community Connections](#) |

[Community Development](#)

SUBSCRIBE by: [Marisa Martinez](#)



SHARE



In a recent roundtable at the Federal Reserve Bank of Kansas City, community development bankers from banks large and small shared their thoughts on the local community development landscape. The discussion highlighted two key points: the misconceptions about the role of community development bankers in economic transformation and a shared passion for banking and the community.

In the 1960s and 1970s, Congress passed legislation to promote fair and unbiased lending and investment in underserved communities. This was accomplished through the Home Mortgage Disclosure Act, the Fair Housing Act, and the Equal Credit Opportunity Act, collectively known as "fair lending laws." Alongside these laws, the [Community Reinvestment Act \(CRA\)](#)  plays a pivotal role encouraging banks to meet the credit needs of low- to moderate-income communities, consistent with safe and sound operations.

The CRA serves as a test and sets the framework to validate a bank's community lending, investment, and service practices. It requires banks to provide these services to all segments of their communities, including lower income neighborhoods. This has resulted in many banks using community development strategies to reach these communities rather than waiting for applications to roll in.

At the roundtable, community bankers said some banks know it takes time to build trust in overlooked communities. So, some banks encourage their community development bankers to proactively make connections that foster long-term economic growth and financial empowerment. Community development bankers intentionally engage stakeholders through partnerships with nonprofits, businesses, civic organizations, and other community stakeholders. Then, they translate complex banking and community efforts into activities that support the bank's business objectives and promote economic mobility, resulting in a shared win.

The role of a community development banker can vary depending on the bank's organizational structure

People often misunderstand the role of the community development banker because where the banker is housed differs from bank to bank. Community development roles can be found in a variety of bank departments, including CRA compliance, marketing, and corporate social responsibility. Or, they may serve as sales and relationship managers. Their location in a bank often dictates their primary function.

For example, if the role is housed within a CRA compliance department, the banker might focus on recruiting and tracking CRA-eligible service hours. Other roles, like community/CRA mortgage lenders or small business community lenders, can be located within a line of business and are responsible for sourcing and connecting lending

opportunities within untapped, underinvested areas. Regardless of how these roles are positioned, most community development bankers provide financial education and technical assistance and manage community relationships.

During the roundtable discussion, community bankers expressed the shared weight of their responsibilities serving the bank and the larger community. Additionally, some roundtable participants said others inside and outside of the bank perceive their work as merely promoting the bank's public image in certain areas. This perception may stem from the association of these roles with the CRA and fair lending regulations, which can mistakenly be viewed as unprofitable regulatory duties rather than investments in brand enhancement and business development. Additionally, external organizations may confuse these roles with those of CRA officers, incorrectly viewing them as intermediaries between lenders and banking opportunities.

Fulfilling a passion for banking and community

Many of the roundtable community development bankers have shared life experiences with their customers and come from the same communities the banks are trying to reach. These experiences allow them to transition seamlessly between the community and banking culture to promote a shared purpose. For that reason, roundtable participants all agreed that the work of a community development banker is not just a job, "it's a calling."

Their presence can foster goodwill and a stronger bank brand within communities, community bankers said. And since the need is too big for one person or bank to solve, they become masters of collaboration. When a borrower or customer is ready, these bankers often link arms with other bankers or lenders to help move a deal across the finish line. They talked about the value of partnerships, which enable them to pool resources, share best practices, and coordinate efforts to address complex social and economic challenges, which can turn into opportunities for innovation.

Community development bankers encounter challenges like others. And for what? According to the roundtable of community development bankers, “a shared purpose.” They know their efforts contribute to economic development, economic mobility, and social cohesion. Alongside their community and bank partners, they know they are crucial components in providing access to affordable credit, financial guidance and community resources that uplift individuals and families.

The views expressed are those of the authors and do not necessarily reflect the positions of the Federal Reserve Bank of Kansas City or the Federal Reserve System.

Author



Marisa Martinez

Community Development Advisor

Marisa Martinez serves as a community development advisor for the Federal Reserve Bank of Kansas City. She works out of the Kansas City office. Martinez engages community stakeh...

[Read Bio](#)

Subscribe to Kansas City Fed Updates

Sign up now to get updates when the Kansas City Fed releases new information, research, and analysis.

[view subscriptions page](#)



[ABOUT](#)

[EVENTS](#)

[MONEY MUSEUM](#)

[CAREERS](#)

[CONTACT US](#)

[SUBSCRIBE](#)

[PRIVACY](#)

[DISCLAIMER](#)

[ACCESSIBILITY](#)



FEDERAL RESERVE BANK OF KANSAS CITY

1 MEMORIAL DRIVE

KANSAS CITY, MO 64198

800-333-1010

© 2025 - Federal Reserve Bank of Kansas City