

# Richard Romero: A CEO on a Mission



At age 24, Richard Romero, his mother and his aunt held their right hands up to take the Naturalization Oath of Allegiance to the United States and became American citizens.

Today as the president/CEO of the \$704 million Seattle Metropolitan Credit Union, Romero is on a personal and business mission to help immigrants achieve American citizenship.

On a personal level, Romero knows from his own experience that immigrants face an arduous journey. On a business level, he also knows that the growing population of immigrants who are flocking to the Emerald City for economic prosperity will need financial products and services to achieve their American dream.

More than 22,000 legal permanent residents in Seattle are eligible to naturalize, but more than half of them are low income. The problem is that many of them do not naturalize because they can't afford the individual \$680 application fee, Romero learned after meeting with officials at the Seattle Office of Immigrant and Refugee Affairs. The OIRA assists immigrants with the naturalization process.

Recalling how his family struggled while living in poverty after emigrating from Peru when he was only four, Romero understood the financial challenges of low-income immigrants.

“On the surface, it doesn't sound like a whole lot of money, but when you have a family of two, three or four, then you are talking upwards of close to \$3,000,” Romero said.

So Romero partnered with the OFRA to provide the financial resources for low-income immigrants.

Seattle Metro is one of the few financial institutions in the area that is offering citizenship loans for individuals and families with no application fee, no income verification requirements and a no-interest fee-based option.

“I have to imagine that a financial institution that provides someone to become a U.S. citizen by lending them money, as opposed to not being able to get the money or by getting abused by a payday lender or a check cashing place to get the money, that we're building loyalty with a group of people,” Romero explained.

The Seattle metro area is one of the fastest growing immigrant regions in the nation with more than 631,000 immigrants living in the metropolitan area. Since 1990, its immigrant population has grown by 285%, according to the National Immigration Forum. Today, one in five Seattle residents was born in a foreign nation.



Some highly-skilled or highly-educated immigrants are landing good-paying jobs with high growth technology firms and big companies. What's more, many metro areas like Seattle are welcoming immigrants because they are nearly twice as likely to start a business than native-born Americans, according to the Kaufmann Foundation, an entrepreneurship education organization. In addition, about 25%

of the engineering and technology companies started in the U.S. between 2006 and 2012 had at least one key founder who was an immigrant.

Among financial institutions, the competition is fierce to draw these high-income consumers.

“So you have Amazon, Microsoft, Boeing and technology company employees who are making six-figure salaries and have great credit,” he said. “Everyone is going after them. And unless you have a branch and ATM on every corner, it's pretty hard to compete as a \$700 million credit union in this market. The competition is fierce.”

As one of the oldest credit unions in the city, Seattle Metro was founded in 1933 by city government employees. At that time, they were the underserved. While Seattle Metro continues to serve city employees, it is shifting part of its focus back to the new generation of the underserved, the immigrant population.

“In my job as a CEO, I don't need to go to a luncheon at Amazon to try to attract Amazon employees. They're going to decide where they want to bank, whether it's based on technology, location, or whatever it is,” Romero explained. “With a low-income person, that person has typically been ignored, abused or has been brought up to believe that banks are not good or won't help them. So I have to go the extra mile, and the organization has to go the extra mile to build trust in those communities and be part of those communities.”

Beyond the business perspective for Romero, helping immigrants is also personal. He lived through the challenges as an immigrant from Peru, living in poverty in a one-bedroom apartment with his mother and brother.

Romero said his mother decided to make a new life in America because she believed it provided more opportunities for the family. But the road to prosperity for Romero was rough from the start.

“I know there are a lot of immigrants that have had way worse experiences than we did, but I came as a four-year-old. There were no English as a Second Language classes, at least not at the school I was put in,” he recalled. “I remember my first day of kindergarten, not speaking English, and my mom dropping me off at school, and basically having to learn on my own to understand what the teacher was trying to say. I was scared. The fortunate part is, as a four year old, you pick up the language pretty fast and easy, and I had understanding teachers. Life was hard because I ended up as a stereotypical latchkey kid, and it was just a matter of survival. Getting help with homework that's in English, from a parent whose primary language is Spanish, that doesn't happen, so you kind of fend for yourself.”

While attending college, he was working at K-Mart and later landed a teller's job at Great Western Bank in Chatsworth, Calif. He eventually became an operations coordinator. From there he served as a service quality manager at JP Morgan Chase and broke into the credit union movement as vice president for member services at Telesis Community Credit Union in Chatsworth. After more than four years at Telesis, he joined the Los Angeles Firemen's Credit Union as COO in 2004 and was named president/CEO at Seattle Metro in February 2012.

"I'm at a point in my age and my career where I feel like making an impact on society is an important thing for me and my organization," Romero said. "About two years ago I decided to do things the way we're supposed to do them, in my opinion, which is to serve people that really need to be served, who are ignored. This is one of those steps to fulfilling that and making an impact on people's lives."

In addition to partnering with Seattle's immigration division, the credit union also partnered with the nonprofit group El Centro De La Raza to open a new branch at a retail and housing complex. The organization is constructing 113 units of one-, two- and three-bedroom affordable rental housing for working individuals and families who earn between 30% and 60% of area median income.

Seattle's economic boom is driving up the cost of housing, making it less affordable for working-class and some middle-class people.

"One of the sad things that we are seeing is that the cost of living here is becoming like another San Francisco," Romero said. "Low-income people are getting pushed out of Seattle, north and south, and are unable to afford to live here. To me, those are important things that we need to focus on as a credit union."

Romero said he is in discussions with the city and other nonprofit groups to see how the credit union can facilitate affordable housing.

"I'm on a mission to try to disconnect the thought that low-income people are high-delinquency or high-risk people. To me, it does take a lot of work to go into the low-income and immigrant communities because you have to be invested in them," Romero said. "It's not a matter of saying, 'Hey, I want to put a branch in your neighborhood, come open accounts.' It's a matter of becoming part of their community, being at their events, sponsoring events, being the face of the organization. I think if we focus on doing the right thing, the revenue will come. My focus is trying to make an impact. It's fulfilling. And from a staff perspective, it feels really good doing something that is tangibly impacting society."