



Current Conditions of Low- and Moderate-Income Communities

To gain insight into the conditions of low- and moderate-income (LMI) communities in the seven states it serves, the Federal Reserve Bank of St. Louis regularly surveys those who work with this population: community and economic development organizations, schools and colleges, financial institutions, government agencies, nonprofits, other community organizations and public officials. This sample of questions and answers comes from the latest survey, taken by 734 people in the fall of 2017.

To see the complete survey results, go to www.stlouisfed.org/CDOS.

If you have questions about this report or would like to participate in future surveys, please email: communitydevelopment@stls.frb.org.



ALL RESPONDENTS:

61.9%

believe that **general economic conditions** of the LMI communities are **unchanged** compared with one year ago.

36.9%

believe that the status of LMI communities will be **unchanged** in 3–5 years.

Which issues are having the **greatest negative impact** on LMI people?

METROPOLITAN AREAS:



1. Generational poverty
2. Availability of affordable housing
3. Job skills

RURAL AREAS:



1. Generational poverty
2. Availability of affordable housing
3. Job availability

WORKFORCE DEVELOPMENT:

What is the **greatest employment barrier** facing people living in LMI communities?



27.5%
Essential skills (soft skills)



14.7%
Education



11.9%
Adequate wages

SMALL BUSINESS:

What **source of capital** are most of your clients using to start small businesses in LMI areas?



33.6%
Banks and/or credit unions



23.3%
Family and friends



17.5%
Community Development Financial Institutions and/or Microlending Organizations

FINANCIAL INSTITUTIONS:

29.1%

of financial institutions report that demand for loans funding **community and/or economic development projects** is **increasing**.

48.1%

of respondents report that such demand is **unchanged**.

HOUSING AND NEIGHBORHOOD REVITALIZATION:



36.4%
of respondents believe **creditworthiness** is the most significant obstacle for homeownership



31.4%
of respondents believe **vacant and abandoned properties** is the most significant neighborhood challenge

COMMUNITY AND ECONOMIC DEVELOPMENT FINANCE:

What type of project is attracting the **most investment** in LMI areas?



29.2%
Residential real estate



19.3%
Commercial real estate



17.5%
Small business