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The Federal Reserve Bank of St. Louis’ Community Development Outlook Survey (CDOS) collects original data that informs and guides the long-term programming of the St. Louis Fed’s Community Development staff and informs community development practitioners about trends and outlooks that affect low- and moderate-income (LMI) communities in the Eighth Federal Reserve District. The survey is an annual opinion poll that was sent to 2,702 community stakeholders in the seven states that comprise the Eighth District. Responses were received from 377 of those stakeholders between June 10 and June 30, 2014. The overall survey response rate was 14.0 percent. Please note that percentages have been rounded and may not equal 100 percent.

A variety of community stakeholders were invited to participate in the CDOS, including community and economic development organizations, educational institutions (K-12 and colleges), financial institutions, government agencies, nonprofits, public officials, and other community organizations. The number and type of questions that a respondent received depended on their self-identified type of organization. Responses were grouped into organizational categories (e.g., nonprofits, community and economic development organizations, financial institutions), as well as metropolitan and rural categories.
Compared with six months ago, general economic conditions of the LMI communities you serve are:

<table>
<thead>
<tr>
<th>All states comprising the Eighth District</th>
<th>Improving</th>
<th>Staying the same</th>
<th>Declining</th>
</tr>
</thead>
<tbody>
<tr>
<td>All states comprising the Eighth District</td>
<td>18.7%</td>
<td>64.3%</td>
<td>17.0%</td>
</tr>
<tr>
<td>Arkansas</td>
<td>17.8%</td>
<td>57.5%</td>
<td>24.7%</td>
</tr>
<tr>
<td>Illinois</td>
<td>20.0%</td>
<td>62.9%</td>
<td>17.1%</td>
</tr>
<tr>
<td>Indiana</td>
<td>45.0%</td>
<td>55.0%</td>
<td></td>
</tr>
<tr>
<td>Kentucky</td>
<td>17.5%</td>
<td>69.8%</td>
<td>12.7%</td>
</tr>
<tr>
<td>Mississippi</td>
<td>16.0%</td>
<td>68.0%</td>
<td>16.0%</td>
</tr>
<tr>
<td>Missouri</td>
<td>13.8%</td>
<td>68.1%</td>
<td>18.1%</td>
</tr>
<tr>
<td>Tennessee</td>
<td>21.6%</td>
<td>62.2%</td>
<td>16.2%</td>
</tr>
</tbody>
</table>
Compared with 2013, fewer survey respondents indicate that the well-being of LMI individuals and their ability to meet basic needs are improving (17.5 percent in 2013; 10.7 percent in 2014) and more note that conditions are staying the same (62 percent in 2013; 69.2 percent in 2014).

The three- to five-year outlook for LMI people and households is less optimistic than in 2013, when 45.1 percent of survey respondents expressed that conditions would be better.
What issues are having the greatest negative impact on LMI households and communities? Please rank top three, with 1 being the issue having the greatest negative impact.

People are stuck in generational poverty.”
– Respondent, Nonprofit Sector (Ky. – Rural)

Automation of routine jobs is limiting job opportunities for low-skilled workers.”
– Respondent, Government Sector (Ill. – Metropolitan)

Generational poverty was added as a survey option in 2014 due to qualitative responses in 2013. Among all respondents (19.9 percent) and rural respondents (18.6 percent), it ranks as the second-greatest issue having negative impact; for metropolitan respondents (21.2 percent), it is the greatest issue having negative impact.
### If funding were not a concern, what one best action could an organization or community take to improve the outlook for LMI individuals?

*Our workforce development programs need work. Our workforce lacks basic job skills, including soft skills and entry level technical skills.*

– Respondent, Community and Economic Development Sector (Ind. – Metropolitan)

*Many programs and policies that focus on business attraction are not realistic for our areas. We’re in need of holistic approaches that tackle issues systemically and open the door for more jobs and opportunities.*

– Respondent, Education Sector (Mo. – Rural)

### Which one of the following assets is most important in helping to increase the financial stability of LMI households?

*Education is a way out of poverty.*

– Respondent, Education Sector (Ark. – Rural)
Respondents throughout the survey highlighted the importance of generational poverty and its impact on LMI individuals and communities. Among the issues having the greatest negative impact on LMI populations in 2014, generational poverty ranked second overall (19.9 percent of all respondents), first among metropolitan respondents (21.2 percent), and second (18.6 percent)—just behind job availability—among rural respondents. When asked about the greatest challenge for the next generation, 24.8 percent of respondents put generational poverty at the top of the list, above job availability (21.2 percent).

Respondents throughout the survey highlighted the importance of generational poverty and its impact on LMI populations in 2014, generational poverty ranked second overall (19.9 percent of all respondents), first among metropolitan respondents (21.2 percent), and second (18.6 percent)—just behind job availability—among rural respondents. When asked about the greatest challenge for the next generation, 24.8 percent of respondents put generational poverty at the top of the list, above job availability (21.2 percent).

The concentration of poverty creates a stigma that harms our community’s ability to move forward, grow business, and create opportunities that can counter the issues related to income inequality.”

– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

Educational systems are having difficulty overcoming generational poverty (disadvantages and attitudes); consequently, we have virtually no workforce with the necessary skills to get ahead. We need remedies for this.”

– Respondent, Other Sector (Miss. – Rural)
What specific challenges or opportunities are affecting your organizations or LMI community?

Challenges

“Declining funding.”
– Respondent, Government Sector (Mo. – Metropolitan)

“Limited ‘underbanked’ programs.”
– Respondent, Financial Institutions Sector (Mo. – Rural)

“Poor education choices available to LMI populations.”
– Respondent, Financial Institutions Sector (Mo. – Metropolitan)

“Increasing numbers of older residents.”
– Respondent, Government Sector (Tenn. – Metropolitan)

“Community Development Block Grants (CDBG) funds are decreasing, no assistance available for the elderly or LMI to repair or rehab housing. In older parts of town, the people are getting older and less funds are available to help keep up property; housing is going to cheap rental units.”
– Respondent, Government Sector (Ark. – Metropolitan)

“Federal regulation makes our ability to provide financial services and education increasingly more costly and more complicated to offer. Regulation will stifle our ability to provide service in unbanked/underbanked areas.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Lack of transportation, higher costs of transportation, low-paying jobs that do not pay enough to pay rent and utilities.”
– Respondent, Nonprofit Sector (Ill. – Rural)

“Job availability and the skills needed to draw those jobs to the area.”
– Respondent, Government Sector (Ark. – Rural)

“Our LMI populations struggle to save.”
– Respondent, Education Sector (Mo. – Rural)

“Affordable housing is becoming a bigger challenge.”
– Respondent, Nonprofit Sector (Ky. – Metropolitan)

“Convergence of aging baby boomers with multigenerational poverty.”
– Respondent, Government Sector (Mo. – Metropolitan)

“Population decline and loss of jobs.”
– Respondent, Government Sector (Mo. – Rural)

“Aging community infrastructure, dwindling financial resources.”
– Respondent, Education Sector (Mo. – Rural)

“Our transit system does not do a good job of connecting workers to jobs.”
– Respondent, Nonprofit Sector (Tenn. – Metropolitan)

“LMI community is affected by existing debts when applying for bank financing.”
– Respondent, Financial Institutions Sector (Ky. – Metropolitan)

“Loss of grant funds is limiting the type and amount of assistance we can provide to help stabilize families.”
– Respondent, Nonprofit Sector (Mo. – Metropolitan)

“Lack of funding to assist LMI community.”
– Respondent, Government Sector (Ark. – Metropolitan)

“We have failed to invest in infrastructure in LMI communities. As a result, we have seen a continued decline in the economic vitality and the livability of the communities.”
– Respondent, Financial Institutions Sector, (Ky. – Metropolitan)

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Opportunities

“We can attract jobs that produce higher-paying jobs for our community.”
– Respondent, Government Sector (Tenn. – Metropolitan)

“Empowering LMI through education and innovative policy changes.”
– Respondent, Nonprofit Sector (Miss. – Rural)

“We could use a more effective educational and job training system.”
– Respondent, Education Sector (Ark. – Metropolitan)

“Increase the availability of loans for small businesses.”
– Respondent, Community and Economic Development Sector (Tenn. – Rural)

“Education reform is beginning to improve the educational prospects for the neighborhood children.”
– Respondent, Nonprofit Sector (Tenn. – Metropolitan)

“Workforce development programs hold great promise.”
– Respondent, Government Sector (Tenn. – Rural)

“Increased awareness of the Community Reinvestment Act.”
– Respondent, Financial Institutions Sector (Mo. – Metropolitan)

“Programs for youth.”
– Respondent, Education Sector (Ind. – Metropolitan)

“Expanding business sales and jobs through exporting is an opportunity.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Access to capital to improve people, property, and organizational efficiencies.”
– Respondent, Nonprofit Sector (Mo. – Rural)

“Matching job skills with market skill demands.”
– Respondent, Financial Institutions Sector (Ind. – Metropolitan)

“Teaching people how to be responsible for their finances and giving them the tools to do that.”
– Respondent, Financial Institutions Sector (Ill. – Rural)

“Increased willingness by organizations to collaborate while serving LMI communities, and increased awareness of local governments to be strategic with funding and planning.”
– Respondent, Other Sector (Mo. – Metropolitan)

“Jobs, jobs and jobs.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“Bringing people and municipal government officials together.”
– Respondent, Community and Economic Development Sector (Mo. – Rural)

“The collaboration of community agencies to meet the needs of LMI families in a more holistic manner; not just concentrating on housing, education, or access to capital, but looking at family and community trends, and trying to tackle them head-on.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)
Over the past six months, how would you describe the demand by LMI individuals and households for the services your organization offers?

70.3% Increasing
28.1% Staying the same
1.6% Decreasing

Over the past six months, how would you describe your organization’s ability to provide direct assistance to the LMI community?

23.4% Increasing
53.1% Staying the same
23.4% Decreasing

Over the past six months, have your funding sources:

10.9% Increased
45.3% Stayed the same
43.8% Decreased

More nonprofit respondents indicate that their ability to provide direct assistance has remained unchanged over the last six months (53.1 percent compared with 31.1 percent in 2013) and fewer respondents note that their ability to provide direct assistance has decreased (23.4 percent compared with 37.8 percent in 2013). Similarly, more nonprofit respondents indicate that their funding sources have remained unchanged (45.3 percent compared with 24.4 percent in 2013) and fewer respondents note that their funding sources have decreased (43.8 percent compared with 57.8 percent in 2013).
12. What is the greatest barrier your organization encounters in increasing the economic stability of LMI households and communities?

- 50.8% Instability or insufficiency of funding sources
- 20.6% Current economic climate
- 7.9% Leadership issues at city, state or federal level
- 7.9% Regulatory or other stipulations that may be burdensome
- 6.3% Other
- 4.8% Lack of staff or knowledge to implement projects/programs
- 1.6% Competition from other organizations

13. To what degree is your organization collaborating with others to deliver programs or services?

- 85.9% My organization has collaborated with other organizations to deliver multiple projects, programs or services within the past year.
- 9.4% My organization has collaborated with another to deliver one project, program or service within the past year.
- 4.7% My organization has not collaborated with any other organization to deliver projects, programs or services in the past year.
Over the past six months, how would you describe the demand for loans for community and/or economic development projects in the LMI communities your institution serves?

### Responses by Area

<table>
<thead>
<tr>
<th>Area</th>
<th>Increasing</th>
<th>Staying the same</th>
<th>Decreasing</th>
<th>Unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metropolitan</td>
<td>37.2%</td>
<td>48.8%</td>
<td>9.3%</td>
<td>4.7%</td>
</tr>
<tr>
<td>Rural</td>
<td>20.7%</td>
<td>36.2%</td>
<td>31.0%</td>
<td>12.1%</td>
</tr>
</tbody>
</table>

The demand for loans for community and/or economic development projects in LMI communities is unchanged according to 41.6 percent of financial institution respondents (compared with 51.6 percent in 2013). Additionally, in 2014 27.7 percent of respondents believe demand is increasing, compared with 21.0 percent in 2013. Fewer financial institution respondents indicate decreasing demand (21.8 percent in 2014 compared with 24.2 percent in 2013). The change in loan demand in LMI areas is not the same among differing geographies. In metropolitan areas, 37.2 percent of financial institution respondents indicate increasing loan demand, while only 9.3 percent indicate decreased demand. In contrast, 31.0 percent of rural financial institution respondents indicate decreased loan demand, while 20.7 percent report increasing demand.
How would you characterize the current access to credit?

<table>
<thead>
<tr>
<th>Excellent</th>
<th>Good</th>
<th>Marginal</th>
<th>Fair</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.0%</td>
<td>50.5</td>
<td>5.0</td>
<td>39.6</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Responses by Area

Metropolitan areas

<table>
<thead>
<tr>
<th>Excellent</th>
<th>Good</th>
<th>Marginal</th>
<th>Fair</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.7%</td>
<td>48.8</td>
<td>11.6</td>
<td>32.6</td>
<td>2.3</td>
</tr>
</tbody>
</table>

Rural areas

<table>
<thead>
<tr>
<th>Excellent</th>
<th>Good</th>
<th>Marginal</th>
<th>Fair</th>
<th>Poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.4%</td>
<td>51.7</td>
<td>0%</td>
<td>44.8</td>
<td>0%</td>
</tr>
</tbody>
</table>

Do you find it a challenge to meet requirements of the Community Reinvestment Act in your communities?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>28.7%</td>
<td>51.5</td>
<td>19.8</td>
</tr>
</tbody>
</table>

Responses by Area

Metropolitan areas

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.2%</td>
<td>53.5</td>
<td>16.3</td>
</tr>
</tbody>
</table>

Rural areas

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Uncertain</th>
</tr>
</thead>
<tbody>
<tr>
<td>27.6%</td>
<td>50.0</td>
<td>22.4</td>
</tr>
</tbody>
</table>

In 2013, 73.0 percent of rural financial institution respondents indicated that it was not challenging to meet the requirements of the Community Reinvestment Act (CRA). But in 2014, only 50.0 percent of respondents indicate that it is not challenging to meet CRA requirements.

Why did you answer this way?

“We analyze our community and serve its needs.”
– Respondent, Financial Institutions Sector (Ark. – Rural)

“It is challenging to find creditworthy LMI borrowers, but we’ve worked hard to find community partners to help in this effort.”
– Respondent, Financial Institutions Sector (Ill. – Metropolitan)

“Meeting the requirements for the CRA isn’t the challenge. Properly documenting them is.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

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"Most people who qualify for a mortgage are looking to move out of LMI areas, so actually making loans in LMI areas is very difficult."
– Respondent, Financial Institutions Sector (Ill. – Rural)

“As a community bank with limited geographic focus, we can find the opportunities to meet our appetite.”
– Respondent, Financial Institutions Sector (Ind. – Metropolitan)

“We have a strategy of directly engaging in the LMI communities. We do outreach and education in LMI communities and for nonprofits serving LMI individuals and families. Because we take a feet-on-the-street approach, we uncover opportunities.”
– Respondent, Financial Institutions Sector (Ky. – Metropolitan)

“Opportunities are available; banks just need to be aware of them. Competition for these opportunities is high, however.”
– Respondent, Financial Institutions Sector (Mo. – Metropolitan)

“We invest in our community because we want to, not because of the regulation.”
– Respondent, Financial Institutions Sector (Ky. – Metropolitan)

“We have been able to meet our CRA requirements. It takes some work, but under current guidance it is not overly burdensome.”
– Respondent, Financial Institutions Sector (Ind. – Metropolitan)

“CRA ‘requirements’ are easily attained through partnership.”
– Respondent, Financial Institutions Sector (Mo. – Metropolitan)

Indicate the measure to which you agree or disagree with the following statements. (1 = completely disagree; 5 = completely agree)

<table>
<thead>
<tr>
<th>Statement</th>
<th>Completely disagree</th>
<th>Completely agree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulation is burdensome</td>
<td></td>
<td>Average response: 4.29</td>
</tr>
<tr>
<td>Many members of the LMI community are unbanked and have no banking relationship.</td>
<td></td>
<td>3.62</td>
</tr>
<tr>
<td>There is significant competition from alternative forms of financing/lending.</td>
<td></td>
<td>3.28</td>
</tr>
<tr>
<td>It is difficult to find creditworthy LMI borrowers.</td>
<td></td>
<td>3.23</td>
</tr>
<tr>
<td>Loans in LMI communities are risky.</td>
<td></td>
<td>3.14</td>
</tr>
<tr>
<td>Lending standards are too tight.</td>
<td></td>
<td>2.82</td>
</tr>
<tr>
<td>Our institution is not presented with an adequate amount of opportunity by the LMI community (small-business loans, community projects, etc.) to have impact.</td>
<td></td>
<td>2.66</td>
</tr>
<tr>
<td>Loans in LMI communities are not large enough to warrant underwriting loans.</td>
<td></td>
<td>2.39</td>
</tr>
</tbody>
</table>
What types of LMI financial products or services is your institution offering or planning to offer? Check all that apply.

Note: Each value for products or services is out of a possible 100 percent.

- **56.6%** Financial education/credit counseling
- **45.5%** Technological innovations to improve access and delivery
- **40.4%** Low-cost small-dollar loans
- **29.3%** Prepaid debit or credit cards
- **18.2%** Alternative forms of credit scoring (e.g., electric bills, cable bills, etc.)
- **16.1%** Forgivable or low overdraft fees
- **14.1%** Individual Development Accounts (IDAs)
- **13.1%** None
- **11.1%** Other
- **10.1%** Second-chance or low-cost/free checking accounts
Over the past six months, how would you describe the interest for commercial real estate in the LMI communities you serve?

- 28.6% Increasing
- 38.1% Staying the same
- 13.1% Decreasing
- 20.2% Unknown

In the LMI areas you serve, do you receive more interest about potential relocation from:

- 26.2% Start-ups/entrepreneurs
- 10.7% Mid-sized businesses (100-499 employees)
- 10.7% Sole proprietors
- 14.3% No additional interest
- 15.5% Small businesses (up to 99 employees)
- 22.6% Unknown
- 0% Large businesses (500+ employees)
A majority of respondents predict that job growth will hold steady or increase in the next six months. Pertaining to job growth in LMI areas, 40.5 percent of respondents expect an increase in the next six months, compared with 36.1 percent in 2013. In addition, the number of respondents who believe there will be a decrease in jobs has diminished from 19.7 percent in 2013 to 7.1 percent currently. Overall, 44.0 percent of respondents believe that the job and business outlook will remain unchanged in LMI areas, in contrast to 36.1 percent in 2013. Although the positive trend for the job outlook continues to trend upward, job availability remains the top issue having the most negative impact on LMI individuals, according to 24.8 percent of respondents (see Question 4).
What is needed for communities to take advantage of economic globalization?

“Education, broadband access in rural areas, and funding for startup businesses.”
– Respondent, Community and Economic Development Sector (Ark. – Rural)

“Better highway connection to interstates.”
– Respondent, Education Sector (Ind. – Rural)

“Regional networks, better broadband access.”
– Respondent, Education Sector (Ky. – Rural)

“Improved education for all, regardless of income and tax base.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Easy access to information about global opportunities.”
– Respondent, Education Sector (Mo. – Metropolitan)

“Enhanced technology skills and increased attention from state government in entrepreneurship in LMI communities.”
– Respondent, Education Sector (Ark. – Metropolitan)

“Job skills training, transportation for jobs, access to education, and assistance for small business in creating global markets.”
– Respondent, Education Sector (Mo. – Rural)

“Viable education and skill development programs to increase sustainable infrastructure construction.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“We need more small- and medium-sized local businesses, farms, and startups that truly create jobs within the community and recirculate wealth within it, instead of attracting global companies that send wealth and jobs elsewhere.”
– Respondent, Education Sector (Ky. – Rural)

– Respondent, Community and Economic Development Sector (Tenn. – Rural)

“Assistance with student loan debt.”
– Respondent, Education Sector (Mo. – Metropolitan)

“Apprenticeships, internships, and employment for youth.”
– Respondent, Education Sector (Mo. – Metropolitan)

“Awareness of economic opportunities and access to capital.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Local government does not have the capacity to fix the problems it faces.”
– Respondent, Education Sector (Ill. – Metropolitan)

“We must expand the conversation and capacity building of entrepreneurs to be inclusive of minorities, we must end economic racism, and we must support youth entrepreneurship and the use of technology.”
– Respondent, Community and Economic Development Sector (Ark. – Rural)
24. Which of these basic needs is most difficult for metropolitan LMI households to adequately access? Rank up to three with 1 being the most difficult.

- Shelter: 22.6%
- Transportation: 16.5%
- Education: 37.2%
- Health care: 12.8%
- Food: 6.1%
- Utilities: 4.9%
- Clothing: 0%

25. Which one of the following offers the best opportunity to improve the LMI population in America’s metropolitan areas?

- Better education: 32.3%
- More affordable housing: 7.8%
- Lowering crime rates: 6.0%
- Enhanced financial literacy capability: 11.4%
- Redevelopment to attract jobs and businesses: 22.2%
- Improved access to affordable health care: 1.8%
- Improved financial access/banking services: 1.2%
- Improved access to technology: 0.6%
- Increase collaboration through public/private partnerships or collective action networks: 6.0%
- Other: 9.0%
- Unknown: 1.2%
Over the past six months, has there been any loss of funding in your area that has affected your ability to help the LMI community?

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>21.7%</td>
<td>Yes, significant loss of funding</td>
</tr>
<tr>
<td>33.1%</td>
<td>Yes, slight loss of funding</td>
</tr>
<tr>
<td>24.7%</td>
<td>No loss of funding</td>
</tr>
<tr>
<td>20.5%</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

How does this loss of funding impact the quality of life for LMI individuals in your metropolitan community?

“Every dollar lost negatively impacts the quality of life for LMI individuals. Things like supplemental nutrition assistance, housing choice vouchers, utility assistance funds, Pell grants, etc., are critical tools that these individuals must have access to if they are to improve their financial outlook and family’s well-being.”
– Respondent, Other Sector (Mo. – Metropolitan)

“Resources that disappear hurt LMI individuals’ chances of improving their way of life and make it more difficult to advance.”
– Respondent, Nonprofit Sector (Tenn. – Metropolitan)

“Clients are forced to contact multiple agencies in order to get financial aid for one need. This results in clients never getting stabilized but being on a constant merry-go-round month to month, trying to stop eviction, utility disconnects.”
– Respondent, Nonprofit Sector (Mo. – Metropolitan)

“Less resources available to educate and train; need for more affordable housing and emergency housing.”
– Respondent, Nonprofit Sector (Ill. – Metropolitan)

“No ability to ramp up the local economy, no new housing starts, etc.”
– Respondent, Community and Economic Development Sector (Tenn. – Metropolitan)

“The cut in SNAP and unemployment benefits to long-term unemployed is impacting LMI folks in a real and meaningful way. Food pantries are now essential for many families to balance their tight budgets and still be able to eat.”
– Respondent, Financial Institutions Sector (Ky. – Metropolitan)

“Fewer units of affordable housing produced. Families are still in substandard housing and move a lot, impacting education, etc.”
– Respondent, Financial Institutions Sector (Mo. – Metropolitan)

“It has forced the closing of an effective nonprofit in the community.”
– Respondent, Government Sector (Ky. – Metropolitan)

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How would you assess the current ability of an LMI individual or household in your metropolitan area to progress to a better economic situation?

<table>
<thead>
<tr>
<th>Very probable</th>
<th>Possible</th>
<th>Not very probable</th>
<th>Impossible</th>
<th>Unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.7%</td>
<td>56.8</td>
<td>32.7</td>
<td>1.9</td>
<td>4.9</td>
</tr>
</tbody>
</table>

“It impacts the attractiveness for individuals to stay in our state; it impacts access to community assistance programs, summer and after-school programs (youth camps, internships)—all services on which LMI have relied for many years.”
– Respondent, Government Sector (Ark. – Metropolitan)

What is the greatest asset of living in your metropolitan community?

“We have amazing social services throughout the city, which gives LMI populations the support that they need to make ends meet in many cases.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Greater economic diversity than in micropolitan or rural communities.”
– Respondent, Education Sector (Ark. – Metropolitan)

“Convenience of services, public transportation.”
– Respondent, Government Sector (Mo. – Metropolitan)

“Woven fabric of community service entities.”
– Respondent, Government Sector (Mo. – Metropolitan)

“Density—potential of synergies.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Job opportunities.”
– Respondent, Community and Economic Development Sector (Ill. – Metropolitan)

“Rail, highway and green space.”
– Respondent, Government Sector (Mo. – Metropolitan)

“Better access to transportation, jobs, education, community services, etc., than in rural areas.”
– Respondent, Nonprofit Sector (Tenn. – Metropolitan)

“The greatest asset of living in a metropolitan community is having access to educational institutions and workforce development programs. If LMI learn to be flexible, they can find great resources to jobs and education in the surrounding metropolitan areas.”
– Respondent, Education Sector (Ill. – Metropolitan)

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What is the greatest liability of living in your metropolitan community?

“Cost of housing and property taxes for those who own their homes.”
– Respondent, Government Sector (Tenn. – Metropolitan)

“Resources are not available on a equal basis.”
– Respondent, Education Sector (Mo. – Metropolitan)

“Car dependency. Places should be more walkable and public transport needs continued improvement.”
– Respondent, Government Sector (Ark. – Metropolitan)

“The ill effects associated with generational poverty (cutting across education, job skills, public safety, stressing social safety nets, etc.).”
– Respondent, Education Sector (Ind. – Metropolitan)

“The chances of LMI falling through the cracks, since in smaller communities everyone knows everyone and the community at large may be more willing to assist.”
– Respondent, Financial Institutions Sector (Ind. – Metropolitan)

“Crime, subpar public educational opportunities, lack of sufficient training programs for the job markets of tomorrow.”
– Respondent, Nonprofit Sector (Mo. – Metropolitan)

“The greatest liability of living in a metropolitan community is very dense areas with high crime and the perception of crime.”
– Respondent, Government Sector (Tenn. – Metropolitan)

“Sprawl, transportation difficulties, and resulting segregation and crime that recapitulates generational poverty.”
– Respondent, Education Sector (Ark. – Metropolitan)

“Areas of pocket poverty, which also equates to less community services and issues of crime/safety.”
– Respondent, Nonprofit Sector (Mo. – Metropolitan)

“Housing is more expensive; decent rental units are out of reach for many impoverished people.”
– Respondent, Nonprofit Sector (Mo. – Metropolitan)

“There is often greater competition for resources and it can be more difficult to garner the attention of the community’s leaders.”
– Respondent, Nonprofit Sector (Ky. – Metropolitan)

“Isolation, complicated benefit/resource structure, public transportation that does not align with LMI living patterns and places of employment.”
– Respondent, Financial Institutions Sector (Ark. – Metropolitan)

“Political fragmentation and lack of cohesiveness on a mass scale toward the ideal of ‘true change.’”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Homeless population is growing.”
– Respondent, Nonprofit Sector (Ky. – Metropolitan)

“Quantity of demand, limited jobs and affordable housing.”
– Respondent, Nonprofit Sector (Tenn. – Metropolitan)

“Predatory lenders and lack of good-quality education.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“Poor public school educational quality for low-income residents who are clustered in low-performing districts. Need more school choice and higher quality options for families.”
– Respondent, Education Sector (Mo. – Metropolitan)

“Pollution and crime levels are elevated while educational attainment is low in lower-income urban areas.”
– Respondent, Government Sector (Ill. – Metropolitan)
“The greatest liability of living in a metropolitan community is the lack of jobs and skilled laborers. Peer influence that breeds mediocrity and acceptance of fate.”
– Respondent, Nonprofit Sector (Tenn. – Metropolitan)

“Numbers of individuals and families to reach out to is much greater than the communities can keep up with.”
– Respondent, Nonprofit Sector (Ill. – Metropolitan)

“Access to affordable housing, both owner-occupied and rental.”
– Respondent, Government Sector (Ark. – Metropolitan)

“Jobs are away from the population center and our transportation system should work to go where the jobs are.”
– Respondent, Government Sector (Tenn. – Metropolitan)

“Crime, lack of resources (jobs), flight of middle class.”
– Respondent, Education Sector (Ill. – Metropolitan)

“The isolation and frustration one sees and feels when your community is left out from the benefits of urban life.”
– Respondent, Government Sector (Ky. – Metropolitan)

“Hopelessness from generational poverty.”
– Respondent, Nonprofit Sector (Mo. – Metropolitan)

“Competition for resources like jobs and housing.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)

“High crime and the lack of a vision to mitigate it.”
– Respondent, Community and Economic Development Sector (Mo. – Metropolitan)
30 Which of these basic needs is most difficult for rural LMI households to adequately access? Rank up to three with 1 being the most difficult.

- Transportation: 19.8
- Shelter: 13.0
- Food: 8.6
- Health care: 22.8
- Utilities: 7.4
- Education: 28.4%
- Clothing: 0%
- Transportation: 13.0
- Shelter: 19.8
- Health care: 22.8
- Utilities: 7.4
- Food: 8.6
- Education: 28.4%
- Clothing: 0%

31 Which one of the following offers the best opportunity to improve the LMI population in rural America?

- Improved access to affordable health care: 32.9%
- Redevelopment to attract jobs and businesses: 9.1%
- Enhanced financial literacy/capability: 9.1%
- More affordable housing: 6.7%
- Increased collaboration through public/private partnerships or collective action networks: 4.9%
- Lowering crime rates: 3.7%
- Other: 1.8%
- Improved financial access/banking services: 1.8%
- Improved access to technology: 1.2%
- Unknown: 1.8%
Over the past six months, has there been any loss of funding in your area that has affected your ability to help the LMI community?

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.2%</td>
<td>Yes, significant loss of funding</td>
</tr>
<tr>
<td>35.4%</td>
<td>Yes, slight loss of funding</td>
</tr>
<tr>
<td>31.7%</td>
<td>No loss of funding</td>
</tr>
<tr>
<td>20.7%</td>
<td>Unknown</td>
</tr>
</tbody>
</table>

How does this loss of funding impact the quality of life for LMI individuals in your rural community?

“Failing infrastructure, increased cost of basic services.”
– Respondent, Government Sector (Mo. – Rural)

“It is hard to grow and be an innovative community without the funds available. Innovation and being a proactive community drive success.”
– Respondent, Community and Economic Development Sector (Ark. – Rural)

“Less opportunities to improve lives.”
– Respondent, Financial Institutions Sector (Ark. – Rural)

“Lack of mental health services and affordable housing in the area has kept families in survival mode, struggling to pay rent and/or utilities. This has caused an increase in domestic violence and other mental health and substance abuse needs, with fewer resources.”
– Respondent, Nonprofit Sector (Ill. – Rural)

“Lack of access to microloans and education to operate small startup businesses decreases employment opportunities.”
– Respondent, Financial Institutions Sector (Miss. – Rural)

“Reduction in funds to assist individuals to pay utility bills impacts the ability of other core needs being met.”
– Respondent, Other Sector (Miss. – Rural)

“Reduces the assistance available for homeownership for low- and very-low-income families and business development.”
– Respondent, Government Sector (Mo. – Rural)

“Reduces our ability to offer programs to this population as more focus is required on generating other sources of income, such as fee-based programs; limits time and energy for thinking strategically about systems approach.”
– Respondent, Education Sector (Mo. – Rural)

“Decreases some of the projects that would better our community.”
– Respondent, Government Sector (Ky. – Rural)

“Cuts to programs like SNAP require individuals to take income from savings and use them for food, limiting their upward mobility.”
– Respondent, Financial Institutions Sector (Ind. – Rural)

“Residents are just making do.”
– Respondent, Community and Economic Development Sector (Mo. – Rural)

“Unable to deliver vital services to sustain/improve the quality of life in the community.”
– Respondent, Nonprofit Sector (Tenn. – Rural)

“Loss of funding results in LMI individuals not being allowed to get the resources developed in order to get them back on their feet and able to contribute to society.”
– Respondent, Nonprofit Sector (Ky. – Rural)

“Decreases the amount of programs and services we can offer.”
– Respondent, Education Sector (Ky. – Rural)

“We are unable to provide as much coverage to rural areas to assist in business advancement.”
– Respondent, Community and Economic Development Sector (Ind. – Rural)

“Reduces LMI population access to basic services, let alone those services that increase their employment prospects.”
– Respondent, Education Sector (Ill. – Rural)

“Lay-offs in education at all levels.”
– Respondent, Education Sector (Ill. – Rural)

“Small cities losing funding slows the work on projects (parks, sidewalks, streets...). In some cases, the towns have to increase sales tax in order to maintain normal day-to-day projects, which impacts fixed-income people on a financial level.”
– Respondent, Other Sector (Ark. – Rural)

“Services are limited. We are not able to hire staff and those on payroll have to wait days after payday because funds are not enough to make payroll. Also paying payroll taxes has been difficult.”
– Respondent, Nonprofit Sector (Tenn. – Rural)

“HOME program has fallen by 50 percent over the last 5 years. Fewer households receive assistance buying homes.”
– Respondent, Financial Institutions Sector (Miss. – Rural)
How would you assess the current ability of an LMI individual or household in your area to progress to a better economic situation?

<table>
<thead>
<tr>
<th>Very probable</th>
<th>Possible</th>
<th>Not very probable</th>
<th>Impossible</th>
<th>Unknown</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.9%</td>
<td>57.1%</td>
<td>36.0%</td>
<td>0.6%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

“In most cases we have personal relationships with many LMI households, which allows us to make credit available to those who are ‘borderline’ in creditworthiness.”
– Respondent, Financial Institutions Sector (Mo. – Rural)

“Quality of life.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“The human network; everyone is connected within a couple of degrees.”
– Respondent, Education Sector (Mo. – Rural)

“Ability to direct community-wide focus on an issue.”
– Respondent, Community and Economic Development Sector (Ind. – Rural)

“The ability to collaborate with other organizations to promote goals.”
– Respondent, Financial Institutions Sector (Miss. – Rural)

“The smallness of the communities allows individuals and institutions to know of difficulties particular to those in the community and to assist in whatever way possible.”
– Respondent, Other Sector (Miss. – Rural)

“Social networks between individuals and between organizations—not a lot of duplication in services; lower cost of living.”
– Respondent, Education Sector (Mo. – Rural)

“In small communities such as ours, with local ownership of the financial institution, the lenders know the economics of the community and the citizens. They are better at developing repayment abilities with the individuals.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“Generally a more connected community and quality of the natural environment.”
– Respondent, Education Sector (Mo. – Rural)

“Lower crime rates, friendly people, sense of community.”
– Respondent, Education Sector (Mo. – Rural)

“What is the greatest asset of living in your rural community?

“There is a feeling, whether you think it is good or bad, of knowing your neighbor. Of a closeness in a community between everyone. Of feeling safer and letting your kids run free and play outside and knowing they’re safe. But even this is not what it used to be 20+ years ago.”
– Respondent, Nonprofit Sector (Ky. – Rural)

“Social connections.”
– Respondent, Community and Economic Development Sector (Ark. – Rural)

“Wonderful quality of life for those who like the rural lifestyle. Slower pace of life. Living closer to nature, with recreational opportunities based on access to natural settings.”
– Respondent, Education Sector (Ill. – Rural)

“Sense of community and support, at its best.”
– Respondent, Nonprofit Sector (Miss. – Rural)

“Rural communities can promote a sense of community when they are functional and economically viable. They can be wonderful places to raise families and to learn about working in the community.”
– Respondent, Government Sector (Ark. – Rural)

“We are more aware of the needs of our LMI population and can help direct them to sources that can address their needs.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“Reasonable cost of living partnered with a quality lifestyle.”
– Respondent, Financial Institutions Sector (Ill. – Rural)

“Knowing your neighbors.”
– Respondent, Financial Institutions Sector (Mo. – Rural)

“You know most everyone in the area, and crime rate is relatively low.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“Lower crime, sense of community, many natural resources.”
– Respondent, Education Sector (Ill. – Rural)

What is the greatest liability of living in your rural community?

“Low crime, low cost of living, helping communities, friendliness of people, the ability to be outdoors in a beautiful environment.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“Lack of critical mass of people to amortize large capital intensive investments.”
– Respondent, Community and Economic Development Sector (Ark. – Rural)

“Minimal opportunity for personal economic advancement.”
– Respondent, Nonprofit Sector (Ill. – Rural)

“Access to employment, particularly when the only plant in town shuts down.”
– Respondent, Government Sector (Ind. – Rural)

“Substandard education, limited transportation and jobs.”
– Respondent, Financial Institutions Sector (Miss. – Rural)

“Lack of amenities to attract new business.”
– Respondent, Financial Institutions Sector (Tenn. – Rural)

“Lack of available employment, at an adequate wage.”
– Respondent, Financial Institutions Sector (Ill. – Rural)

“In a rural community…one of the biggest concerns is transportation infrastructure. If you do get a better job, transportation needs are huge.”
– Respondent, Education Sector (Ark. – Rural)

“Too many rural communities find themselves in trouble because of the dependence on one or two big industries. Losing those can cause untold hardship on a community and its citizens.”
– Respondent, Government Sector (Ark. – Rural)

“Isolation from opportunities.”
– Respondent, Nonprofit Sector (Miss. – Rural)

“We are often our own worst enemies in rural communities (e.g., not a great emphasis on education; not enough drive to self-improve; lack of stable marriages and families; no desire to experience the world beyond/ no resources to do so.”
– Respondent, Financial Institutions Sector (Ark. – Rural)

“In Southern Illinois, employment opportunities have been scarce for decades. This has led to the outmigration of our most talented and well-educated young people, causing population decreases of our best and brightest.”
– Respondent, Education Sector (Ill. – Rural)

“Low crime, loss of job creation in the rural area feeds the exodus of educated youth from most, if not all, rural areas.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“Rural communities near larger communities are losing a lot of their customer base. People will travel farther to shop, eat and recreate. If the citizens of rural areas were educated about the importance of shopping local, that might help.”
– Respondent, Other Sector (Ark. – Rural)

“Opportunities. Choices. Good-paying jobs and adequate housing.”
– Respondent, Nonprofit Sector (Ky. – Rural)

“No industries, very little job opportunities, limited healthcare services.”
– Respondent, Financial Institutions Sector (Ky. – Rural)

“Lack of transportation, broadband connection, cultural activities, moderately priced housing.”
– Respondent, Education Sector (Ind. – Rural)

“Rural communities lack the greater number of options to help them be successful that metropolitan areas have. There are fewer shelters, food sources, affordable rentals, longer distances to job or services made difficult by higher gas prices and lack of bus systems or other low-cost transportation to get to jobs or education programs. In the southern Illinois rural area, living ‘paycheck to paycheck’ is the rule rather than the exception.”
– Respondent, Nonprofit Sector (Ill. – Rural)

“Lack of numbers creates higher unit cost of most essential items and services, including government services, and lack of numbers prohibits any real economic thrust from any segment of the local economy other than transfer payments.”
– Respondent, Other Sector (Miss. – Rural)

“It is difficult to access public services without well-functioning transportation.”
– Respondent, Education Sector (Mo. – Rural)

“Competition.”
– Respondent, Financial Institutions Sector (Ky. – Rural)
“Rural connectedness can create a climate that does not encourage/reward creativity and taking risks for entrepreneurial endeavors. Systems to support such are more limited. Limited education opportunities locally and often limited opportunities for economic advancement.”
– Respondent, Education Sector (Mo. – Rural)