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 753 people in the summer of 2016.

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

To be part of the next Community Development Outlook Survey (summer 2017), contact Drew Pack, senior community development specialist at the Bank’s Little Rock Branch, at andrew.a.pack@stls.frb.org or at 501-324-8268.

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**ALL RESPONDENTS:**

- 17.6% believe that **general economic conditions** of the LMI communities are improving compared with one year ago.
- 37.8% believe that the status of LMI communities will be **better** in 3–5 years.

**FINANCIAL INSTITUTIONS:**

- 33.1% of financial institutions report that demand for loans funding community and/or economic development projects is **increasing**.
- 40.2% of rural respondents report that such demand is **decreasing**.

**NONPROFIT ORGANIZATIONS:**

- 71.2% of nonprofits report that demand for their services is **increasing**.
- 43.2% of nonprofits experienced a **decrease** in their funding over the past year.

**COMMUNITY & ECONOMIC DEVELOPMENT ORGANIZATIONS:**

- 25.6% Yes From both existing businesses and startups/entrepreneurs
- 12.0% Yes From existing businesses
- 27.8% No Declining business environment

**METROPOLITAN AREAS:**

- 1. Generational poverty
- 2. Availability of affordable housing
- 3. Education

**RURAL AREAS:**

- 1. Generational poverty
- 2. Job availability
- 3. Job skills

The greatest employment barrier facing people living in LMI communities?

- 18.3% Adequate wages
- 17.8% Essential skills (soft skills)
- 15.5% Education

- 26.6% Job availability
- 18.4% Essential skills (soft skills)
- 12.1% Adequate wages

What is the greatest negative impact on LMI people?

- 1. Generational poverty
- 2. Availability of affordable housing
- 3. Education

- 1. Generational poverty
- 2. Job availability
- 3. Job skills

Help Wanted

Have there been any recent business expansions and job additions in the LMI areas in your community?

- 25.6% Yes From both existing businesses and startups/entrepreneurs
- 12.0% Yes From existing businesses
- 27.8% No Declining business environment

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