



Community Pulse

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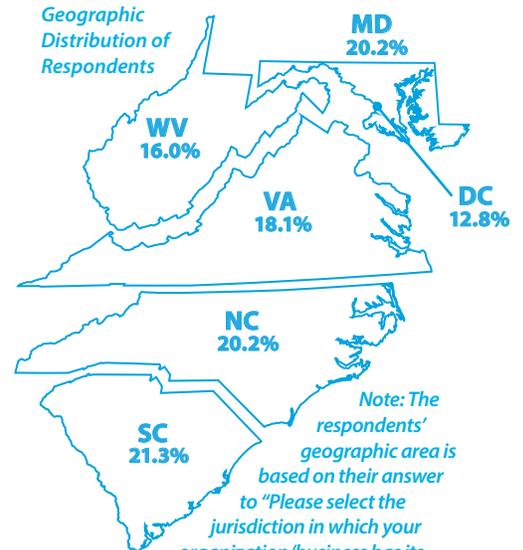
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Every spring and fall, the Federal Reserve Bank of Richmond surveys representatives of the Fifth District's numerous and highly diverse communities. The purpose of the survey is to identify the most pressing current and emerging issues in our District.

This issue of Community Pulse presents the findings from our fall 2013 survey. We received 94 responses to the survey. The respondents represent a broad cross section of community perspectives across Maryland, North Carolina, South Carolina, Virginia, West Virginia and the District of Columbia.

Geographic Distribution of Respondents



Note: The respondents' geographic area is based on their answer to "Please select the jurisdiction in which your organization/business has its primary location." Respondents were allowed to select more than one jurisdiction so the percentages do not add up to 100.

The views expressed in this report are those of the survey respondents and do not necessarily reflect the views of the Federal Reserve Bank of Richmond or the Federal Reserve System.

Current Issues

Respondents were asked to identify the top three current issues having the most significant impact on the welfare of their communities.

Availability of Jobs Locally

Availability of jobs locally was the top current issue in the Fifth District, receiving more than 14 percent of total votes. Among job-related concerns, respondents commented on the need for developing a qualified workforce and educating young people to be prepared for the jobs of the future.

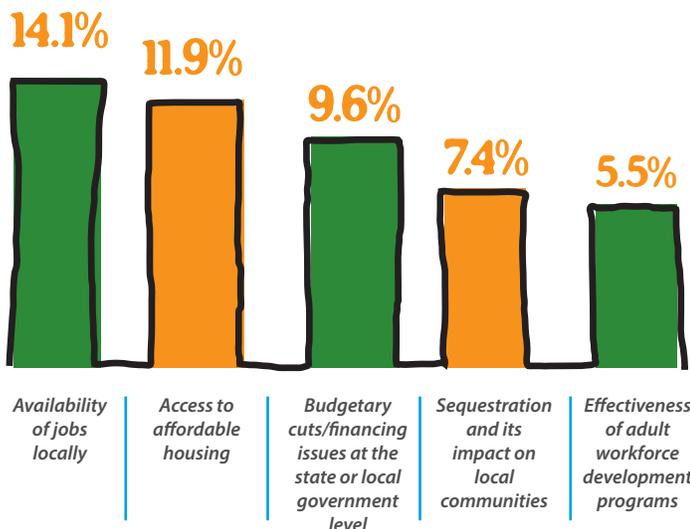
State, local and federal deficits have resulted in reduction of resources to local communities which are already struggling to meet the needs of citizens with regard to affordable housing, education and health care.

- A West Virginia local government representative

Job readiness seems to have a major impact on community health indicators. The lack of adequate paying jobs and the inability of many workers to have adequate preparedness skills keep many communities from being able to thrive.

- A Maryland regional bank representative

Employment, affordable housing and budgetary issues at the state or local government level are the top current issues in the Fifth District.



Note: The figure only shows the percentage of total votes received by the top five issues, so the percentages do not add up to 100.

Access to Affordable Housing

Access to affordable housing received close to 12 percent of total votes, making it the second most frequently cited current issue. More than half of the respondents who commented on housing also brought up employment as a correlated issue and mentioned that jobs with adequate pay could help in making housing affordable in their communities.

Cuts to federal and state funding are driving up problems with all other issues. Resources to offer affordable housing are reduced as demand continues to increase and localities are even further constrained to effectively plan and develop going forward.

- A District of Columbia representative of a national housing organization

Budgetary Cuts and Financing Issues at the State or Local Government Level

The issue of budgetary cuts and financing issues at the state or local government level came in third with more than 9 percent of the votes. Respondents were concerned that cuts would adversely impact the provision of critical community services.

Emerging Issues

Respondents were asked to identify the top three emerging issues having the most significant impact on the welfare of their communities a year from now.

Access to Affordable Housing

Access to affordable housing was voted the top emerging issue with more than 11 percent of total votes. Some respondents connected this issue with a lack of investment in housing, while others mentioned that in some areas, such as Washington, D.C., housing was becoming harder to afford due to high unemployment and underemployment.

Availability of Jobs Locally ties with Budgetary Cuts and Financing Issues at the State or Local Government Level

Availability of local jobs and budgetary cuts at the state or local government level were tied for second place among emerging issues, each receiving close to 10 percent of total votes. Some respondents mentioned that the availability of jobs locally is an especially big concern in rural communities. Several respondents expected to see the effects of funding cuts to programs and services due to sequestration in the coming year.

Implications of the Affordable Care Act for Households and Businesses ties with Sequestration and Its Impact on Local Communities

Two issues were tied for third place among emerging issues in our District: implications of the Affordable Care Act for households and businesses and sequestration and its impact on local communities. Each received more than seven percent of the total votes.

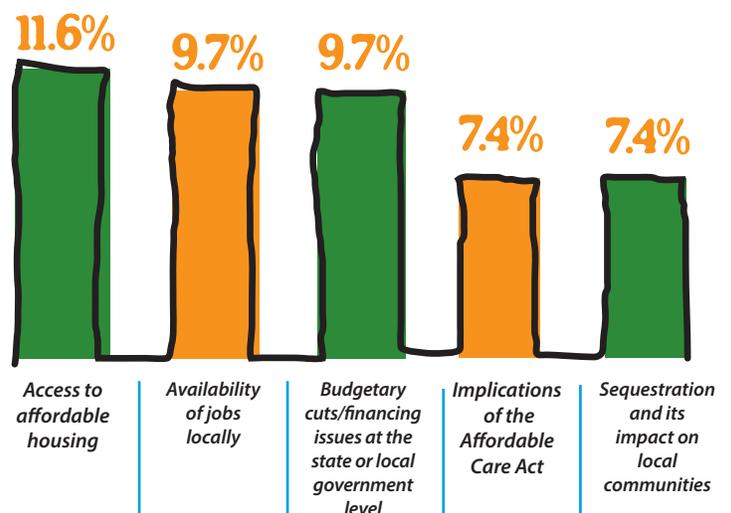
The lack of investment and financing for housing will lead to less availability of affordable housing, continued vacancies in abandoned properties, weak nonprofit infrastructure, loss of local government staff due to lost income and stress from overwork and increased scrutiny.

- A North Carolina federal government agency representative

Certain data suggests that there are jobs available, however, those individuals seeking jobs do not possess the right skill sets or are not job ready. This situation has been recognized by some nonprofits in my markets ... and they are responding with a program for youth and veterans. Some unemployed persons prefer to remain in rural areas or areas of high unemployment rather than relocate to where jobs are available. Naturally, this is a personal choice, but not without economic consequences.

- A North Carolina regional bank representative

Affordable housing, employment, budgetary/financing issues at the state or local government level and the Affordable Care Act are the top emerging issues in the Fifth District.



Note: The figure only shows the percentage of total votes received by the top five issues, so the percentages do not add up to 100.

Survey Methodology

The purpose of the Federal Reserve Bank of Richmond's Community Pulse survey is to identify the most significant current and emerging community development issues in the Fifth District's numerous, highly diverse communities. The survey is administered twice a year to a panel of participants representing the community development field in the Fifth District. The participants are chosen based on a predefined set of criteria that best represents the community development industry in our District. The fall 2013 survey was administered online in August.

The survey consists of 12 questions. When identifying top current and emerging issues, respondents can select from a predefined list of issues as well as write in their own suggestions. The list of issues is revised for each round based on the results of the previous round and input from Community Development Department staff members.

To participate in future surveys or offer feedback, contact Lisa Hearl at Lisa.Hearl@rich.frb.org

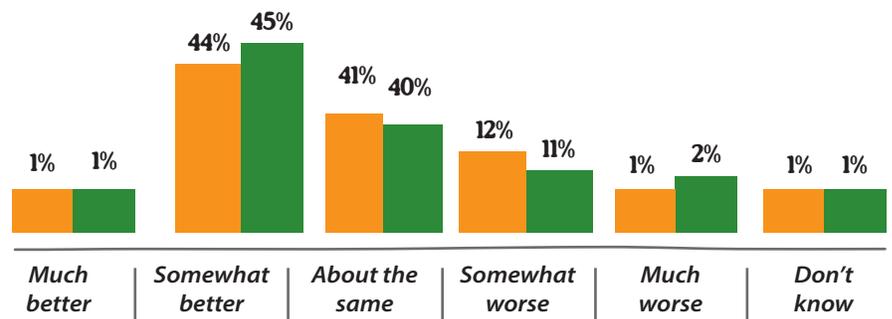


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Economic Prospects

Respondents were asked whether they thought general economic conditions in their community six months from now would be better than they are now, about the same or worse. There was little change in sentiment between spring and fall, with 85 percent of respondents expecting conditions to be about the same or somewhat better.

■ Fall 2013 ■ Spring 2013



Most Frequently Cited

Among the comments provided by the respondents, these were the most commonly used words:

