



COMMUNITY Pulse

Community Development Department
Federal Reserve Bank of Richmond

DECEMBER 2017

Table of Contents

Introduction.....3

Current Issues5

Phrases Word Cloud 16

Significant Concern 17

- Income and Financial Stability
- Education
- Employment Opportunities
- Housing Opportunities
- Health
- Small Business and Entrepreneurship

Looking Ahead24

Community Conditions.....28

Policy Challenges and Regulations.....31

Leading Practices36

Survey Methodology..... 40

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.



Introduction

Every year, the Federal Reserve Bank of Richmond surveys experts who represent 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.

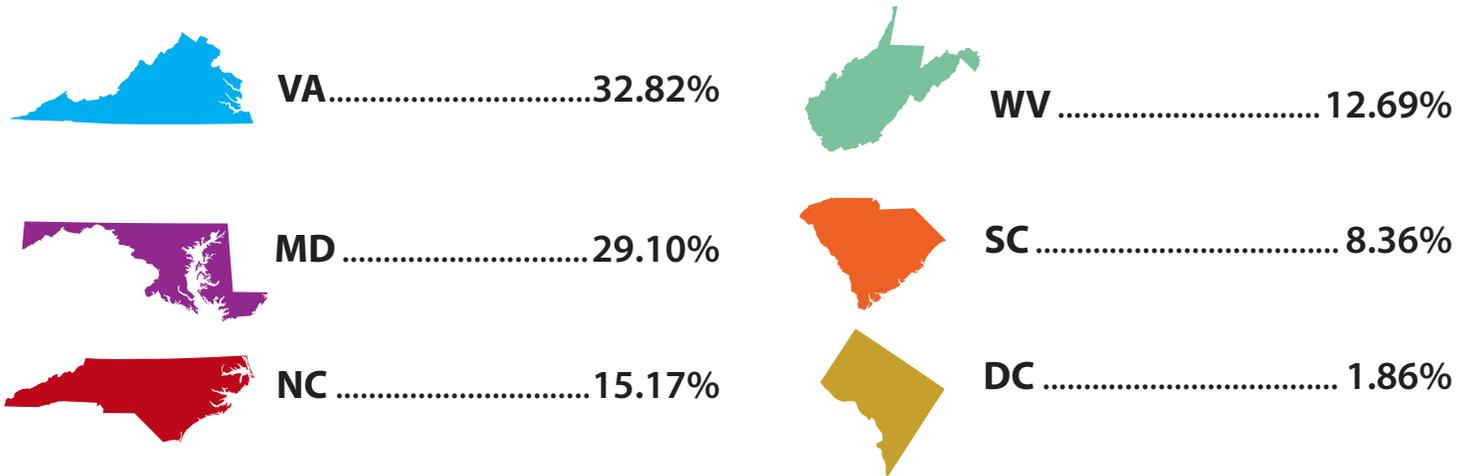
This issue of Community Pulse presents the findings from our 2017 survey. We received 323 responses to the survey. The respondents represent a broad

cross-section of community perspectives across Maryland, North Carolina, South Carolina, Virginia, West Virginia and the District of Columbia.

For the first time, we present survey results by state. There is no break out of results for the District of Columbia because there were fewer than 10 responses from this geography.

Distribution of Respondents

Geography*



Client Type



* The respondent's geographic area is based on their answer to "Please select the jurisdiction in which your organization/business has its primary location."

Best description of your organization

Other (please specify)	25.39%
Local Governing Body.....	13.62%
Philanthropic Organization	6.50%
Academia or Policy Center	6.19%
Community Development Corporation (CDC).....	6.19%
Chamber of Commerce.....	5.26%
Social Services or Public Health Agency.....	5.26%
Local Economic Development Authority.....	4.95%
Community Bank	4.64%
Community Action Agency (CAA).....	3.41%
Community Development Financial Institution.....	3.10%
Local Housing Authority.....	3.10%
Urban/MSA Community Development Non-profit.....	3.10%
Small/Medium Established Company	2.48%
Other Financial Institution	1.24%
Small/Medium Start-Up Company.....	1.24%
State Department of Housing and Community Development Agency	1.24%
Rural Community Development Non-profit	1.24%
Small Business Development Center (SBDC)	0.62%
State Housing Finance Agency.....	0.62%
Law Firm or Public Courts System	0.31%
Public Schools System	0.31%
Credit Union.....	0.00%

Primary issue area you focus on in your work

Economic development, agriculture, or small business	26.63%
Other (please specify)	26.32%
Housing	19.81%
Workforce development, job training, or placement	8.05%
Education	6.50%
Health and wellness	6.19%
Financial education, services, or assistance.....	4.95%
Community reentry, criminal justice, legal services, or public safety	0.93%
Emergency assistance.....	0.62%

Current Issues: Rankings

Amount of and/or access to affordable housing remains the top current issue among respondents.

More than 13 percent of the votes cast for the top current issue having the most significant impact on the welfare of their communities went to **amount of and/or access to affordable housing**. The second and third ranked issues were **skill level of local labor force (soft and/or technical)** and **generational poverty**. In 2016, **access to affordable housing** was the top issue with slightly over 16 percent of the votes. The second and third ranked issues in 2017 were new additions to the list of current issues from which respondents could vote.

Amount of and/or access to affordable housing	13.11%
Skill level of local labor force (soft and/or technical)	10.42%
Generational poverty	9.18%
Availability of local job options	8.05%
Improving the quality of K–12 education	7.22%
Adequate transportation infrastructure including availability and reliability of public transit options (bus, subway, light rail, etc.)	7.12%
Impact of income inequality in local communities	5.88%
Misuse of and addiction to opioids including prescription pain relievers, heroin, and synthetic opioids such as fentanyl	5.57%
Availability of rental housing	4.95%
Access to small business financing	3.51%
Effects of uncertainty in government funding on local communities	3.41%
Leadership gaps in local communities	3.20%
Health care costs	3.10%
Ability to connect to the Internet at broadband speeds	2.89%
Capacity and viability of local non-profits	2.89%
Consumer credit education and repair	2.68%
Other	2.68%
Population loss	2.48%
Provision of quality public early childhood education	1.65%

Note: Based on 323 respondents answering the question: "Based on your experience, please rank the TOP THREE CURRENT issues having the most significant impact on the welfare of the communities you serve TODAY."

Current Issues: Top 5 Rankings by Fifth District State

Amount of and/or access to affordable housing is the top current issue in Maryland, North Carolina and South Carolina.

The top current issue at the state level varies across the states in the Fifth District. **Amount of and/or access to affordable housing** is the top vote getting issue in Maryland, North Carolina and South Carolina. For Virginia, **skill level of local labor force (soft and/or technical)** is the top issue. In West Virginia, the top issue is **misuse of and addiction to opioids including prescription pain relievers, heroin, and synthetic opioids such as fentanyl**. Even though the states do differ on their top overall current issue, we do see certain issues, including **amount of and/or access to affordable housing, skill level of local labor force (soft and/or technical), improving the quality of K–12 education** and **availability of local job options**, appear in the top five ranking for at least four out of the five states in the Fifth District.

Maryland

Amount of and/or access to affordable housing	16.31%
Adequate transportation infrastructure, including availability and reliability of public transit options (bus, subway, light rail, etc.)	9.93%
Impact of income inequality in local communities	9.57%
Skill level of local labor force (soft and/or technical)	8.51%
Improving the quality of K–12 education	7.80%

North Carolina

Amount of and/or access to affordable housing	14.97%
Generational poverty	13.61%
Skill level of local labor force (soft and/or technical)	12.93%
Availability of rental housing	8.16%
Availability of local job options	7.48%
Improving the quality of K–12 education	7.48%

Current Issues: Top 5 Rankings by Fifth District State

Amount of and/or access to affordable housing is the top current issue in Maryland, North Carolina and South Carolina.

South Carolina

Amount of and/or access to affordable housing	18.52%
Skill level of local labor force (soft and/or technical)	12.35%
Availability of rental housing	11.11%
Improving the quality of K–12 education	11.11%
Adequate transportation infrastructure including availability and reliability of public transit options (bus, subway, light rail, etc.)	8.64%
Availability of local job options	6.17%
Impact of income inequality in local communities	6.17%

Virginia

Skill level of local labor force (soft and/or technical)	11.64%
Amount of and/or access to affordable housing	10.38%
Generational poverty	10.06%
Availability of local job options	8.49%
Improving the quality of K–12 education	7.86%

West Virginia

Misuse of and addiction to opioids including prescription pain relievers, heroin, and synthetic opioids such as fentanyl	16.26%
Availability of local job options	13.01%
Generational poverty	11.38%
Skill level of local labor force (soft and/or technical)	7.32%
Amount of and/or access to affordable housing	6.50%
Ability to connect to the Internet at broadband speeds	6.50%
Leadership gaps in local communities	6.50%

Note: The geographic distribution of respondents answering the question — “Based on your experience, please rank the TOP THREE CURRENT issues having the most significant impact on the welfare of the communities you serve TODAY” — is Maryland (94), North Carolina (49), South Carolina (27), Virginia (106) and West Virginia (41).

Current Issues: Rationales — Amount of and/or access to affordable housing

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

"[Q]uality affordable housing will be the Achilles heel of cities in the long-term if not rectified." — Chamber of Commerce (Maryland)

"Affordable housing is needed for people. Right now, low-income housing is being torn down and mixed use communities are rising in its place. Where are the low-income families that were booted out of those original communities to go[?] So many places are turning down housing vouchers. The jobs that some of these families can get a[re] low paying jobs and they can't afford the \$800–\$1,100 rent for the apartments that [are] now in the place of the low-income housing they used to live in. So they move further and further out, which places them on the outskirts of town where there may be no bus services or it takes two buses now to get to work making the commute even longer." — Social Services or Public Health Agency (North Carolina)

"Amount of and/or access to affordable housing — Seemingly in all major metropolitan areas, where the majority of jobs are located, housing is expensive for upper middle class families and completely unaffordable for lower middle families. This causes families to live outside of these areas, have longer and more expensive commutes, and generally experience lower quality of life." — Academia or Policy Center (Virginia)

"We are a booming college town and housing growth and other economic development is rapidly decreasing the availability of affordable housing in areas where transportation is accessible. Growth is impacting existing housing as well where rents are doubling and in some areas tripling. There has also been a tremendous decrease in number of Section 8 units as a result of growth." — Local Governing Body (South Carolina)

"WV has a shortage of affordable quality housing — especially for the elderly and disabled." — Local Housing Authority (West Virginia)

"Families are unable to get ahead due to lack of affordable rental housing, a living wage and transportation. Many families pay more than 65% of their income in housing. Additionally, the wages have been stagnant and with a low availability of affordable housing does not allow families to move up. This is then exasperated by transportation that is not reliable and requires long travels and often does not meet the job schedule for on-time arrival and/or no way to get home depending on your shift." — Other (Maryland)

"The shortage of new homes and the price of new homes has driven the value of existing homes up and beyond the reach of many individuals. Increasingly, more and more homes are being directed at the rental market because of demand for them[,] but the monthly rents are not affordable for a greater percentage of the population. The effect of short-term rentals and Air BnB type rentals is contributing to the increase in rents as it further dries up the available long-term rental supply of houses." — Other (North Carolina)

"The lack of affordable housing has been a struggle. Families with lower income are force[d] to spend over half of their take home pay to cover decent housing. Due to the lack of affordable housing and the income disparity a lot of individuals are force[d] to seek predatory lenders to help bridge the gap in their income or they are going without food and other necessary things to take care of their family." — Other (South Carolina)

Current Issues: Rationales — Amount of and/or access to affordable housing

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

*“Like many communities in our country, we have growth in high-income jobs[,] which creates more service sector jobs. However, the new housing stock that is being develop[ed] is for the high-income earners. The service sector employees are having to search for affordable housing in the surrounding counties[,] which requires them to drive long distances to and from their jobs. Even though their housing cost is less expensive than in the urban area, the cost of maintaining dependable vehicles eats up a larger portion of the income.” — **Social Services or Public Health Agency (North Carolina)***

*“One major disparity is in the rate of home ownership. Less than half of black households in Maryland own the home that they reside in. More than three-fourths of whites are homeowners. Home ownership is an important way for families to build wealth[;] however[,] black Marylanders lag behind for a number of reasons that can be attributed to institutional and systemic barriers.” — **Community Development Financial Institution (Maryland)***

*“Quality housing options at an affordable price are becoming hard to find in Central Virginia. As a region, we are losing existing affordable housing stock as outside investors are acquiring these properties and converting them to market-rate assets. The capacity of the non[-]profit community is modest and does not respond in a commensurate manner with growing demand for affordable housing choices. The for-profit development industry seems to be primarily focused on market rate development. Additionally, as more individuals move back to the urban core, rental as well as home ownership price points continue to rise and put pressure on more modest-income families. If you don’t have housing security at a reasonable cost, then it is difficult to maintain stable employment or to do well in achieving educational success.” — **Community Development Corporation (CDC) (Virginia)***

*“Affordable housing is an issue especially in the urban communities and lack of safe and decent housing is a problem in the rural communities. Stable housing is the foundation for a [family’s] stability.” — **Other Financial Institution (North Carolina)***

*“The Washington DC Metro area is the wealthiest part of the country. However, that growing wealth is continuously displacing the low- and moderate-income communities as neighborhoods gentrify, and more developers see opportunities to create luxury housing that caters to the elite, professional crowd. The same developers don’t have the incentives to build affordable housing, or at the very least set aside affordable housing units in their developments. This also drives out small businesses, who have been in the area for decades, as they try to compete with the big chains and upscale brands that these new, high-priced dwellings demand. Rents and leases go up, as do taxes, and small business owners are left to make ends meet, or to completely shutter their businesses.” — **Community Bank (Virginia)***



Current Issues: Rationales — Skill level of local labor force (soft and/or technical)

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

“Few options exist at the entry level to livable wage jobs. Opportunities exist for high-skill jobs and low-skill jobs. There is a gap in the middle, which would allow workers to gain skills suitable to allow for their advancement into high income/higher job security employment.” — **Local Economic Development Authority (West Virginia)**

“Shortage of skilled workforce in various construction trades, such as electricians, welders, plumbers[,] in addition to disconnects between labor force and job skills needed in 21st Century industry.” — **Local Governing Body (Virginia)**

“Thousands of manufacturing and service sector jobs have been announced over the past twelve months; however, skill sets sometimes do not match the jobs available (or coming) and the candidate pool shrinks further through elimination of those who have failed drug tests.” — **Other (South Carolina)**

“Employers are still in need of workforce with skills matching needs. Systems exist to help close this gap but are underutilized. Filling these jobs will help the region compete more effectively and will help close the gap in economic prosperity and productivity.” — **Other (North Carolina)**

“[T]here are many skilled, middle-class jobs that pay a living wage. However, there are not enough qualified workers to fill those positions. In order to fill those positions, there needs to be more capacity in training and availability of information, particularly with youth.” — **Chamber of Commerce (Maryland)**

“[F]ewer local citizens are able to meet the skill levels required to perform higher level industrial jobs. Public schools and community college are just now catching up.” — **Local Economic Development Authority (North Carolina)**

“Our labor market is currently tight[;] we are experiencing unemployment rates that have not been seen in twenty years. Couple that with the ‘gray tsunami’ and the impending retirements in the next 5 years[,] and we have some concerns. If a new industry were to locate or an existing industry had a significant expansion[,] the labor force could be maxed out. Throw in the fact that there are jobs looking for people (skills gap) and we have the perfect storm brewing.” — **Local Economic Development Authority (South Carolina)**

“Technical skills and the retraining of the workforce when the past employers either reduce or end production are huge challenges that only now are starting to become a priority. The new economy requires a major re-think of our educational and technical training programs for those now in school, and providing avenues for those unable to find a new occupation.” — **Other (Virginia)**

“Need higher wage jobs and the workers to fill those jobs have to attain the skills and maintain a clean drug screen to maintain those jobs.” — **Philanthropic Organization (West Virginia)**

“Jobs and the skills required to get the job is a huge mismatch.” — **Philanthropic Organization (Maryland)**

“Employers in manufacturing and marine related industries report job openings that start at \$30/hour, but a lack of skilled labor pool.” — **Local Governing Body (Virginia)**

Current Issues: Rationales — Skill level of local labor force (soft and/or technical)

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

“On the other hand, the employers who are here are hard pressed to find the skill sets they need to fulfill their workforce from the local residents. There is a lack of soft skills and the public education system doesn’t really work with local employers to try and meet their workforce needs. Young people who grow up here, graduate from high school and proceed to college rarely return to live due to the lack of life sustaining jobs. There are jobs that are vacant, but they rarely pay a living wage. It’s a conundrum.” — **Philanthropic Organization (South Carolina)**

“Demands for low-skilled workers is small in rural Southside Virginia. Most low-income job trainees lack the resources to attend job skills development.” — **Community Action Agency (CAA) (Virginia)**

“We have jobs and people who need or want jobs but their skills don’t match. Generally these are people without a good education who come from families that have not had the advantages of a stable income and have not had the advantages of education.” — **Chamber of Commerce (North Carolina)**

“[T]here is actually a large and growing market in RVA, but our low-income populations don’t have the skills needed to fill these roles. [W]e need to help them develop a skill set so they can fill these vacancies[.]” — **Social Services or Public Health Agency (Virginia)**

“The job skill set should be adjusted so as not to entail high-level critical thinking. It is a must for manufacturing and productive jobs to return to America. Maryland once had a wide variety of production companies, Maryland Cup Company, Sweetheart Cup Company, Westinghouse, Bethlehem Steel, etc., that provided above average pay to families to earn a rather decent living without a college education.” — **Small/Medium Established Company (Maryland)**

“Rural communities [are] where manufacturing was once the major employer. As a result, older workforce lacks the technical skill required for today’s workforce. That lack of skills is a detriment to attracting new businesses to our area.” — **Community Bank (Virginia)**

“South Carolina has done an excellent job of recruiting major employers to the area; however, we lack the skilled labor force that they need for advanced manufacturing and distribution logistics jobs. We are unable to recruit talent from northern states because our pay is lower than they are accustomed to.” — **Small Business Development Center (SBDC) (South Carolina)**

“Within our workforce region, higher skill technical jobs exist but there is a skill mismatch between higher skill jobs that the existing workforce with lower skills.” — **Other (Virginia)**



Current Issues: Rationales — Generational poverty

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

*“Generational poverty is at the core of halting economic mobility of families. The inability of children born into poverty to escape poverty is a measure of a successful society. The US and South Carolina is failing in this area.” — **Other (South Carolina)***

*“Generational poverty (#1 issue) drives both the quality of K–12 (#2) in that the public school system is handicapped by a weak residential property value/revenue base (for school maintenance/equipment/supplies/and programming) and to allow competition for more skilled/qualified teachers[,] and by students who do not have the support (financial and personal), encouragement, role models and other influences needed to encourage their success.” — **Local Economic Development Authority (North Carolina)***

*“Generational poverty — While our state and local governments and non[-]profits have some innovative programs to address poverty, they are almost exclusively treating the side effects of poverty and not the root causes. Our society lacks the solutions or will to do what is necessary to truly reduce generational poverty. Being poor is probably the greatest predictor of bad health, education and other outcomes.” — **Academia or Policy Center (Virginia)***

*“Generational poverty is tied to substance abuse and arises in part from the declining job market across the last 2 decades in the energy sector, specifically coal. No jobs leads to misuse/abuse of drugs and generational poverty[,] and not necessarily sequentially.” — **Academia or Policy Center (West Virginia)***

*“Generational poverty is perpetuated by lack of education and instability of neighborhoods that don’t have affordable housing. Poverty, without hope, is incubator for illness, crime, violence.” — **Other (Maryland)***

*“That said, I claim generational poverty as the top issue throughout Appalachia because it has robbed our people of their sense of agency. The depth of dependency here is a cultural attribute that causes many of the other ‘presenting’ issues listed above.” — **Academia or Policy Center (West Virginia)***

*“Generational poverty is #1 because it has its roots in all the others.” — **Philanthropic Organization (North Carolina)***

*“Generational poverty is a large concern for the areas we serve. The poverty level of areas served by Bank of the James is greater than that of Virginia’s as a whole.” — **Community Bank (Virginia)***

*“Generational poverty limits belief that things could be different as well as role models of how to deal with adversity and the challenges of meeting everyday expenses. There are no funds available for emergency situations.” — **Philanthropic Organization (West Virginia)***

*“All of this connects to generational poverty, in my opinion, and to a need for intervention with families and babies in their earliest days in order to have a long-term fix.” — **Chamber of Commerce (North Carolina)***

Current Issues: Rationales — Generational poverty

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

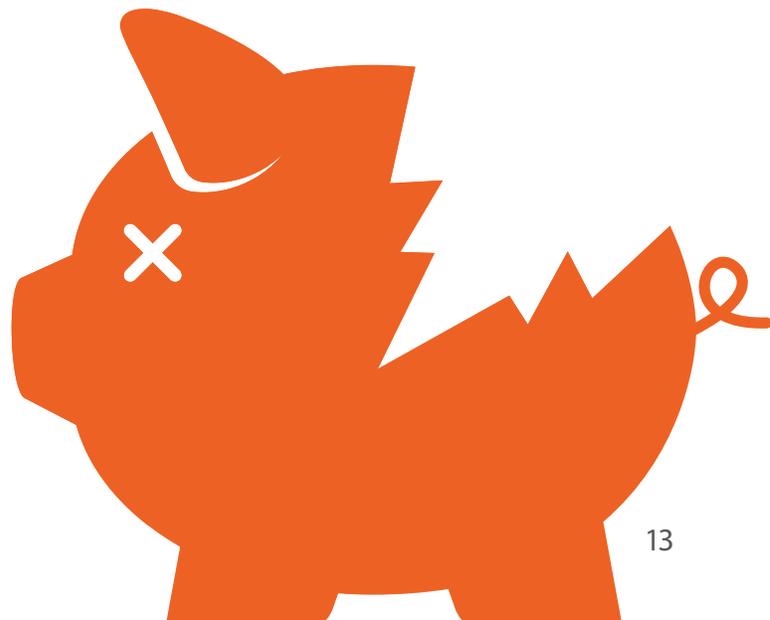
*"We witness a cycle of poverty which has low income and high (relative) expenses at its core. Our experience has been that many individuals in our communities are unemployable, and those that are employable have very limited local options. Residents are forced to choose because quality housing and affordable housing. It's our group's mission to provide quality, affordable housing and we do what we're able. We are only a piece of the solution, though, and until families are able to build generational wealth (housing being historically a good place to start), families are stuck in this cycle." — **Small/Medium Established Company (Maryland)***

*"Generational poverty due to inequitable and unfair policies continue to impact current disparities along lines of education, transportation, workforce development, etc." — **Other (Virginia)***

*"I chose generational poverty second because it also contains the inter-generational effects of adverse childhood experiences, and many of the other social determinants of health. Poverty from this perspective is not only about income or education, but a statement about attitudes toward education and social structures that perpetuate poverty. It includes not only material poverty but also spiritual poverty." — **Social Services or Public Health Agency (West Virginia)***

*"Rural poverty reduction is the most significant issue across our region and rural America. Elected officials of neither political party on both the state and national level are addressing this. There needs to be a focus on rural poverty across our region, starting with the counties of persistent poverty (USDA designation)." — **Community Action Agency (CAA) (North Carolina)***

*"Generational poverty is significantly impacting the manner in which individuals in our region are making critical decisions regarding education, career exploration, safe housing and health/wellbeing." — **Other (Virginia)***



Current Issues: Rationales — Misuse of and addiction to opioids including prescription pain relievers, heroin, and synthetic opioids such as fentanyl

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

"It is critical we, the community and stakeholders, help resolve the critical issues with misuse and addiction to Opioids to save lives in our communities." — State Department of Aging and Rehabilitative Services (Virginia)

"WV leads the nation in overdose deaths and the opioid epidemic has affected everyone — limiting our workforce (caregivers), impacts on families related to abusive situations, etc." — Local Housing Authority (West Virginia)

"We have a high heroin problem in our area." — Non-profit Housing Counseling Agency (Virginia)

"These three issues are interconnected. It is no secret that opioid use has devastated West Virginia, particularly the Southern Coalfields already reeling from an economic collapse in the coal industry and population loss. This is directly correlated with increased health care costs and terrible population health outcomes. Consequently, those increased costs and poor health outcomes sap the ability of local communities, including cities and counties, to provide basic services. These communities are constantly responding to opioid overdoses, related drug crime and other externalities associated with opioid use." — Academia or Policy Center (West Virginia)

"Opioid addiction is a big issue in the state but is not directly the population our agency serves." — State Department of Housing and Community Development Agency (Maryland)

"The area has been ravaged by the opioid epidemic. Huntington has had the unfortunate opportunity to make national news with regards to the drug problems. The problem is compounded with crime rates that are out of the roof." — Medium Acute Inpatient Teaching Hospital (West Virginia)

"Lastly, we were reputed to be the leader in opioid usage in the commonwealth" — Local Governing Body (Virginia)

"Opioid abuse is the public health crisis of a generation. [Consequences] of this epidemic will be impacting the US for a very long time. A lost generation, not unlike that seen in Africa from the AIDS epidemic, with disruption of families. Neonatal Abstinence Syndrome children survivors are just now reaching school age. Loss of economic productivity and the financial burden generated from these issues is almost incomprehensible. Root cause analysis shows generational poverty, adverse childhood experiences and unemployability from the inability to pass a drug test will negatively impact Appalachia in additional economic ways." — Local Health Department (West Virginia)

Current Issues: Rationales — Misuse of and addiction to opioids including prescription pain relievers, heroin, and synthetic opioids such as fentanyl

If you have time, please provide a brief explanation for your rationale in selecting the issues that you ranked as TOP THREE in the question above. The selected quotes below represent explanations written verbatim by respondents.

“Poverty leads to the misuse of prescription drugs, etc. We’re experiencing a true ‘lack of hope’ within many of our citizens, resulting in the misuse of prescription and other drugs.” — **Chamber of Commerce (North Carolina)**

“Opioid crisis and addiction is [having an impact] on everyone in our communities. Number of deaths of young people is skyrocketing. Many are unemployable because they cannot pass drug tests. Lack of treatment facilities and financial resources prevents those willing to engage in recovery from doing so.” — **Philanthropic Organization (West Virginia)**

“They are dying in very high number[s] from the opioid crisis, and nothing our community has done to date seems to impact the numbers. It is devastating us.” — **Community Development Corporation (CDC) (Maryland)**

“Without question, the worst public health problem of my career is the opioid epidemic.” — **Social Services or Public Health Agency (West Virginia)**

“We have limited options for preventing or treating the opioid crisis. We cannot arrest our way out of it, and each day doctors prescribe more and more pain killers unnecessarily.” — **Local Governing Body (Virginia)**

“The opioid epidemic has devastated families and communities statewide, region-wide and nationwide. The primary reason for removal of children due to abuse/neglect is now drug-involved parents/households. This will have negative effects on these children throughout their lifetimes, creating challenges for communities.” — **Professional Association (West Virginia)**



Phrases Word Cloud

The word cloud shows the phrases used by respondents in their response to the question that asked for their rationale in selecting the issues that they ranked as TOP THREE current issues in their communities. The text size corresponds to the number of respondents who used the same phrase. Due to word cloud size constraints, the visual is showing only those phrases that were mentioned by at least six respondents in their answers. For example, there were 15 instances of “health care” among 11 respondents compared to six instances of “job opportunities” among six respondents.



Significant Concern: Income and Financial Stability

What is the most significant concern you have around income and financial stability for low- and moderate-income individuals in your geographic service area?

Very low or no income	48%
Lack of financial savings	13%
Lack of access to financial mainstream or reliance on alternative financial services	12%
Other (please specify)	11%
Significant household debt, including student loan debt	9%
Low consumer credit score	4%
Low or no awareness of Earned Income Tax Credit (EITC) eligibility, free tax preparation services and financial education opportunities	2%
Absence of a financial institution branch in the immediate community (i.e. beyond a deposit taking ATM)	2%

Other:

"Families are living paycheck to paycheck and must make tough choices on what gets paid each month."

"Lack of financial literacy and the understanding of how life choices can impact your potential for financial stability."

"Substandard housing and general housing insecurity[,] which negatively impacts employment, health and educational opportunities for children — the root causes of financial instability."

"There aren't stable jobs that provide enough income, and there aren't enough employment pipelines to help build out the skills people need."



Note: Based on 317 responses to the question: "What is the most significant concern you have around income and financial stability for low- and moderate-income individuals in your geographic service area?"

Significant Concern: Education

What is the most significant concern you have around education for low- and moderate-income individuals in your geographic service area?

Lack of quality K–12 education	23%
Other (please specify)	20%
Lack of access to vocational training or higher education opportunities	17%
Disparities in school funding	14%
Failure to attract and retain high quality teachers and other school staff	14%
Inadequate provision of quality public early childhood education	9%
Poor condition of school facilities	3%

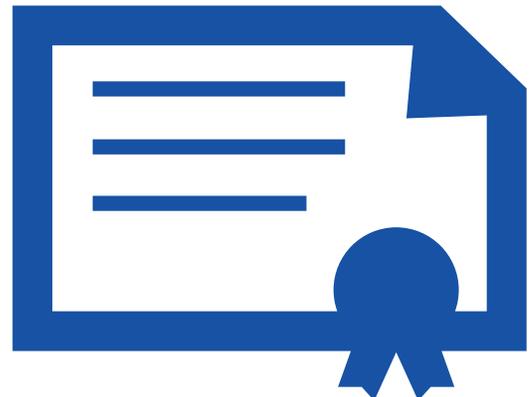
Other:

“Concentrated poverty housing/neighborhoods that leads to concentrated poverty schools. Schools with 90% free and reduced lunch eligible populations are by definition inequitable and will have fewer resources and more challenges.”

“Incorporating approaches that help teachers adopt a growth mindset with children who come from low- and moderate-income families that encourages children to learn and helps balance/offset some of the gaps that start at birth.”

“Lack of understanding in general about the importance of vocational and career-based education so students and parents make decisions based on data versus misperceptions and myths about a university education.”

“Disparities in general, but lack of equitable access to enrichment opportunities (i.e.,] after school, summer, arts).”



Note: Based on 312 responses to the question: “What is the most significant concern you have around education for low- and moderate-income individuals in your geographic service area?”

Significant Concern: Employment Opportunities

What is the most significant concern you have around employment opportunities for low- and moderate-income individuals in your geographic service area?

Available jobs do not match low- and moderate-income residents' skill sets	26%
Jobs tend to be low wage, part-time or seasonal	17%
Lack of support services such as job training, reliable transportation or child care	11%
Too few employment opportunities	9%
Disparities in employment outcomes for specific populations (previously incarcerated, young adults (16–24 year olds), or people with disabilities)	9%
A significant shift in the type of jobs available in recent years due to changes in local industries and employers	7%
Lack of economic diversity in the region (jobs concentrated in just a few industries)	7%
Failure to pass drug tests required for employment	6%
Other (please specify)	5%
Low or no utilization of apprenticeship programs, certifications, etc.	2%

Other:

"High commute times for neighborhoods with high unemployment — means that workers are traveling very far to fill jobs elsewhere AND there are not enough jobs in the neighborhoods themselves."

"[L]ack of career pathways programs that successful[ly] support participants in moving permanently out of poverty in an average of 3–5 years based on their educational and well-being level when they enter a career pathways program. ... Also, programs need to be multi-generational to assist children in improving their educational motivation and skills while supporting caregivers at the same time (see above)."

"Our current workforce has difficulty passing drug tests because quality workers have left the state to find work that pays livable wages. It is difficult for professionals to make a decent income."

"Inadequate understanding of employer needs as well as a lack coordination of transitional services and training to enable low/moderate income candidates to transition and persevere into a living wage career pathway."

Note: Based on 317 responses to the question: "What is the most significant concern you have around employment opportunities for low- and moderate-income individuals in your geographic service area?"



Significant Concern: Housing Opportunities

What is the most significant concern you have around housing opportunities for low- and moderate-income individuals in your geographic service area?

Affordability of housing	33%
Location of available housing stock such as proximity to high performing schools, public transportation or employment centers	18%
Physical condition of available housing stock	16%
Lack of opportunities for low- and moderate-income individuals to enter into homeownership	13%
Shortage of housing stock or availability of units	8%
Other (please specify)	7%
Displacement of low- and moderate-income individuals due to neighborhood change	5%

Other:

"The impact of crime on home values and the physical condition of the housing stock in low-income neighborhoods."

"Fixed Metro Area Fair Market Rent for the value of vouchers is creating severe pressure in moderately priced housing in decent neighborhoods."

"[O]verconcentration of low-income housing. [W]e need to create more socioeconomically diverse communities."

"Home budget management support and employment support that enables individuals and families to access affordable housing and remain in it. Many private landlords are hesitant to rent to anyone who doesn't have the employment to support their rental agreements or are in unstable employment such as construction."



Note: Based on 316 responses to the question: "What is the most significant concern you have around housing opportunities for low- and moderate-income individuals in your geographic service area?"

Significant Concern: Health

What is the most significant concern you have around health for low- and moderate-income individuals in your geographic service area?

Provision, coverage and affordability of health insurance	32%
Prevalence of chronic health conditions, such as diabetes or asthma, related to lifestyle factors and/or living and work environments	23%
Logistical barriers to accessing quality health care such as distance from providers, transportation availability or days/hours that care is provided	12%
Impact of crime and violence on health and well-being in low- and moderate-income communities	10%
Misuse of and addiction to opioids including prescription pain relievers, heroin, and synthetic opioids such as fentanyl	9%
Lack of preventative health care	8%
Other (please specify)	5%
Language or cultural barriers to health care access or provision	0.3%

Other:

"[F]inancial, physical or cognitive lack of access to foods that are healthy and prevent diseases."

"The ER has inappropriately become the only health care available to indigent rather than much more cost-effective free standing clinics."

"Lack of quality mental/behavioral health resources."

"[F]ailure to acknowledge housing and proximity to poison from adjacent businesses for residents."



Note: Based on 301 responses to the question: "What is the most significant concern you have around health for low- and moderate-income individuals in your geographic service area?"

Significant Concern: Small Business and Entrepreneurship

What is the most significant concern you have around small business and entrepreneurship for low- and moderate-income individuals in your geographic service area?

Lack of opportunities for low-income individuals or populations that are uniquely challenged to become entrepreneurs	28%
Lack of business acumen and/or lack of mentorship, training and support services to teach business skills	25%
Ability to attract and retain qualified employees	17%
Coordination issues across the array of small business technical assistance providers, lenders and other support organizations	11%
Reasonably qualified small business owners remain unable to gain loan approval	9%
Other (please specify)	5%
Lack of awareness about the potential risks associated with non-traditional financial options	3%
Absence of a financial institution branch in the immediate community (i.e. beyond a deposit taking ATM)	1%

Other:

"[C]areer pathways counseling and support with long-term entrepreneurial training related to realistic vocational interests."

"Lack of reasonably priced patient capital to support entrepreneurs."

"Many are strapped with student loan debt and cannot obtain necessary financing because of the debt."

"Lack of affordable, dependable, robust infrastructure that supports small businesses, especially broadband."

"Lack of job opportunities to build experience for entrepreneurs to go off on their own."



Note: Based on 295 responses to the question: "What is the most significant concern you have around small business and entrepreneurship for low- and moderate-income individuals in your geographic service area?"

Significant Concern: Top Concern by Subject Area and State

What is the most significant concern you have around [insert subject area] for low- and moderate-income individuals in your geographic service area?

Maryland	North Carolina	South Carolina	Virginia	West Virginia
Income and financial stability				
Very low or no income	Very low or no income	Very low or no income	Very low or no income	Very low or no income
Education				
Lack of quality K–12 education	Disparities in school funding	Other (please specify)	Other (please specify)	Failure to attract and retain high quality teachers and other school staff
Employment opportunities				
Available jobs do not match low- and moderate-income residents' skill sets	Available jobs do not match low- and moderate-income residents' skill sets	Available jobs do not match low- and moderate-income residents' skill sets	Available jobs do not match low- and moderate-income residents' skill sets	Failure to pass drug tests required for employment
Housing opportunities				
Affordability of housing	Affordability of housing	Affordability of housing	Affordability of housing	Physical condition of available housing stock
Health				
Prevalence of chronic health conditions, such as diabetes or asthma, related to lifestyle factors and/or living and work environments	Provision, coverage and affordability of health insurance	Provision, coverage and affordability of health insurance	Provision, coverage and affordability of health insurance	Prevalence of chronic health conditions, such as diabetes or asthma, related to lifestyle factors and/or living and work environments
Small business and entrepreneurship				
Lack of opportunities for low-income individuals or populations that are uniquely challenged to become entrepreneurs	Lack of business acumen and/or lack of mentorship, training and support services to teach business skills	Ability to attract and retain qualified employees	Lack of opportunities for low-income individuals or populations that are uniquely challenged to become entrepreneurs	Ability to attract and retain qualified employees

Note: The geographic distribution of respondents answering the question “What is the most significant concern you have around [insert subject area] for low- and moderate-income individuals in your geographic service area?” is Maryland (85 to 93), North Carolina (45 to 49), South Carolina (26 to 27), Virginia (95 to 104) and West Virginia (39).

Looking Ahead: Positive Impact

Looking ahead, what issue(s) do you see as having a positive impact on the welfare of the communities you serve and why? Be as specific as possible. The selected quotes below represent issues written verbatim by respondents.

"A growing voice for creating new locally controlled capital pools to begin to address deep-rooted issues associated with concentrated poverty and the lack of access to opportunities. There are conversations now that are positioning our community to be less reliant on federal and state resources that look as though they may be declining more significantly in the near term." — **Community Development Corporation (CDC) (Virginia)**

"Collaborations that are developing between high-performing groups and agencies. For instance, in the Raleigh area, Carolina Small Business Development Fund (FKA The Support Center), Wake Tech Community College's Center for Entrepreneurship and the North Raleigh Rotary Club have come together to operate a program called Launch Raleigh that only serves budding entrepreneurs coming from Southeast Raleigh, with small business technical assistance and loan funds. This program gets to the heart of all the challenges facing lower income persons trying to start a business." — **Other Financial Institution (North Carolina)**

"Opportunity to use SNAP E&T program to leverage federal dollars into our community to increase skills of clients so that they may secure jobs that pay a sustainable wage. This is an opportunity to create public/private partnerships to address the skills gap issue facing our community." — **Community Development Corporation (CDC) (South Carolina)**

"More awareness of need to create affordable housing opportunities in higher opportunity areas. Regional housing cooperation beginning via the BMC/Opportunity Collaborative. Success of Baltimore Housing Mobility Programs. Fair Housing settlements requiring development of affordable family housing in job-rich Baltimore County and other higher opportunity areas of the region." — **Public Interest Legal Organization (Maryland)**

"So, the necessity of a transitioning economy itself is what I believe will have the most positive impact on the welfare of the communities I serve. Turning our sights toward family farming and local food economies, cultural and recreational tourism, renewable energy industries and worker cooperatives to retool abandoned factories under local ownership are probably the best opportunities we have. Putting more investment into community land trusts to better manage long-term affordability as well as maintenance (prevent abandonment and dilapidation) is another good opportunity. It's good to see some of the POWER funds going to these types of workforce development and social enterprise initiatives." — **Academia or Policy Center (West Virginia)**

"The converting of the designation of Highway 64 and US HWY 13-17 into an actual interstate (87) connecting Raleigh and the Hampton Roads region will be a game changing event for our area. The designation was important[,] but the completion of the upgrades will make the biggest difference." — **Chamber of Commerce (North Carolina)**

"We anticipate infusing entrepreneurship into all of our WIOA youth career development so that youth can be a part of strengthening the economy in our economically challenged communities" — **Workforce Development Board (Virginia)**

Looking Ahead: Positive Impact

Looking ahead, what issue(s) do you see as having a positive impact on the welfare of the communities you serve and why? Be as specific as possible. The selected quotes below represent issues written verbatim by respondents.

*"More engagement with the business community to commit to second chance employment opportunities for previously incarcerated individuals to reenter the workforce with dignity and respect." — **Social Services or Public Health Agency (North Carolina)***

*"Development of a comprehensive transportation system for rural areas of the county would make a significant impact on the local area. Local transportation is critical to meeting the needs of individuals for access to nutritional foods, health services and employment." — **Community Action Agency (CAA) (Virginia)***

*"In regions that have seen a shift in industry or departure of large employers, we are seeing many take up self-employment by starting their own business. North Carolina has a strong entrepreneurial spirit, and it is not only prevalent in the high-tech, high-growth industries. We see it with 'main street' businesses as well. People are interested in starting and growing their own ventures. The challenge is meeting their enthusiasm and interest with capital and resources to meet their needs." — **Community Development Financial Institution (North Carolina)***

*"We, county leadership, are constantly looking for ways we can better our community. Recently we developed a solution to bring broadband to our rural community. This one act is giving our citizens the opportunity to take classes and learn new skills. It has also made the economic development folks take notice of our county. Helping to bring businesses and[,] we hope in the future[,] stores to our community." — **Local Governing Body (Virginia)***

*"Dual enrollment or 'early college' — ability of high school students to enroll in community college courses while in high school. Across our rural counties, early college (or whatever name localities brand it with) is clearly seen as a major achievement that is making a difference locally." — **Rural Community Development Non-profit (North Carolina)***

*"Single greatest issue for region is diversifying it[s] economic base with more and high paying jobs in the private sector. The state's recently launched Go Virginia initiative has the potential to incentivize the region's localities to leverage their individual strengths to a greater community good." — **Philanthropic Organization (Virginia)***

*"The establishment of a state earned income tax credit in South Carolina. Although it is non-refundable, it represents the beginning of a policy infrastructure that will assist low-wage workers to begin to build assets. The state EITC, coupled with the federal EITC, combined with the right financial counseling and more access to traditional financial institutions will have a positive impact on family wealth building." — **State-wide Trade Association for Community Economic Development (South Carolina)***

*"Our burgeoning arts and culture community is getting national recognition, and is opening communities to more diverse populations. We are seeing better partnerships between business and the creative community — and we could use more." — **Arts/Humanities Support Non-profit (Virginia)***

Looking Ahead: **Negative** Impact

Looking ahead, what issue(s) do you see as having a negative impact on the welfare of the communities you serve and why? Be as specific as possible. The selected quotes below represent issues written verbatim by respondents.

*"[A]vailability and affordability of broadband i[s] [a] limiting factor in too many rural communities. Broadband is the great equalizer of the 21st century, but too many coverage gaps exist and even in places where broadband is available, subscription rates are too low (and that's partially an affordability issue)." — **Rural Community Development Non-profit (North Carolina)***

*"Continued concentration of poverty in communities in the Greater Richmond area. This is spurred by the limited transportation options outside of the City of Richmond, which limits access to job opportunities. The absence of a regional plan to address these issues will perpetuate the widening of the disparities in wealth, educational attainment and health outcomes in our community." — **Academic Medical Center/Health System (Virginia)***

*"Repeal and replacement of the Affordable Care Act. Although South Carolina did not expand Medicaid, the ACA still provides the opportunity for low-wealth residents to access healthcare. Healthcare continues to be a tremendous cost burden on poor families in South Carolina" — **State-wide Trade Association for Community Economic Development (South Carolina)***

*"I worry that resources will not go to community-based, bottom-up initiatives that are seeking creative responses to the economic opportunities noted above. ... I guess what I'm saying is that the way we are funding community and economic development needs to change because the status quo is not only ineffective, but is actually harming the welfare of the communities I serve." — **Academia or Policy Center (West Virginia)***

*"Uncertainty associated with the Federal budget and legislative priorities is particularly troubling for Maryland in light of the economy's strong reliance on Federal spending and employment. Unexpected decisions at the Federal level could have a chilling effect on continued investment and economic performance of the State." — **State Department of Housing and Community Development Agency (Maryland)***

*"Land use issues as they relate to our community being in the Chesapeake Bay watershed is deeply impacting our aquaculture and agriculture concerns. Stormwater regulations and the like are putting onerous services that need to be supplied by the county without monetary compensation on us. We simply cannot afford them and the businesses we do attract find the waiting times for permit issuance and the like too long and decide to build elsewhere." — **Local Governing Body (Virginia)***

*"The rise of online small business lenders is a top concern for small business owners and entrepreneurs. As credit remains tight, these online lenders offer quick funding but at a high cost, as many have exorbitant interest rates, hidden fees and engage in predatory practices. This threatens the viability not only of the businesses financed, but the financial stability of business owners and their families." — **Community Development Financial Institution (North Carolina)***

*"Public safety and opioid abuse are growing threats to the quality of life in our city. New approaches that do not rely primarily on law enforcement and incarceration are needed." — **Urban/MSA Community Development Non-profit (Maryland)***

Looking Ahead: **Negative** Impact

Looking ahead, what issue(s) do you see as having a negative impact on the welfare of the communities you serve and why? Be as specific as possible. The selected quotes below represent issues written verbatim by respondents.

“West Virginia’s political and economic leaders continue to focus on natural resource extraction and associated industries. These industries are important and vital to West Virginia, but there must be a concerted effort to develop economic activity not based on coal mining, oil/natural gas drilling and similar industries. This singular economic development mindset has not improved in recent years, and it may in fact be worsening.” — Academia or Policy Center (West Virginia)

“For affordable housing developers, the increase in construction costs coupled with restraints in tax credit pricing has made it more difficult to develop rental units, especially for those in the lower income brackets — 30% and 50% of AMI. Increasing the 9% LIHTC program would be helpful.” — Community Development Corporation (CDC) (North Carolina)

“Continuation of low-income housing, drug rehab and other half way houses all concentrated in my community condemns the community to a lifetime of unhealthy, crime ridden neighborhoods with poor school districts and poorer outcomes for residents.” — Community Association (Maryland)

“Continued stratification of rural vs. urban areas, i.e. the jobs are in more densely populated areas, and those with opportunities take them and move, leaving, primarily, those who do not have options due to health, age, education, mental capabilities or other issues. [T]his leaves a smaller, less vibrant economy in the rural areas and a higher percentage of the population reliant on some sort of public assistance.” — State Department of Housing and Community Development Agency (Virginia)

“Cost of healthcare[,] including patients not seeking needed care because of associated costs[,] and loss of revenue for sites that see all patients regardless of ability to pay (e.g.[] Federally Qualified Health Centers, emergency departments, critical access hospitals) for which they do not receive adequate reimbursement for the cost of services provided” — Academia or Policy Center (West Virginia)

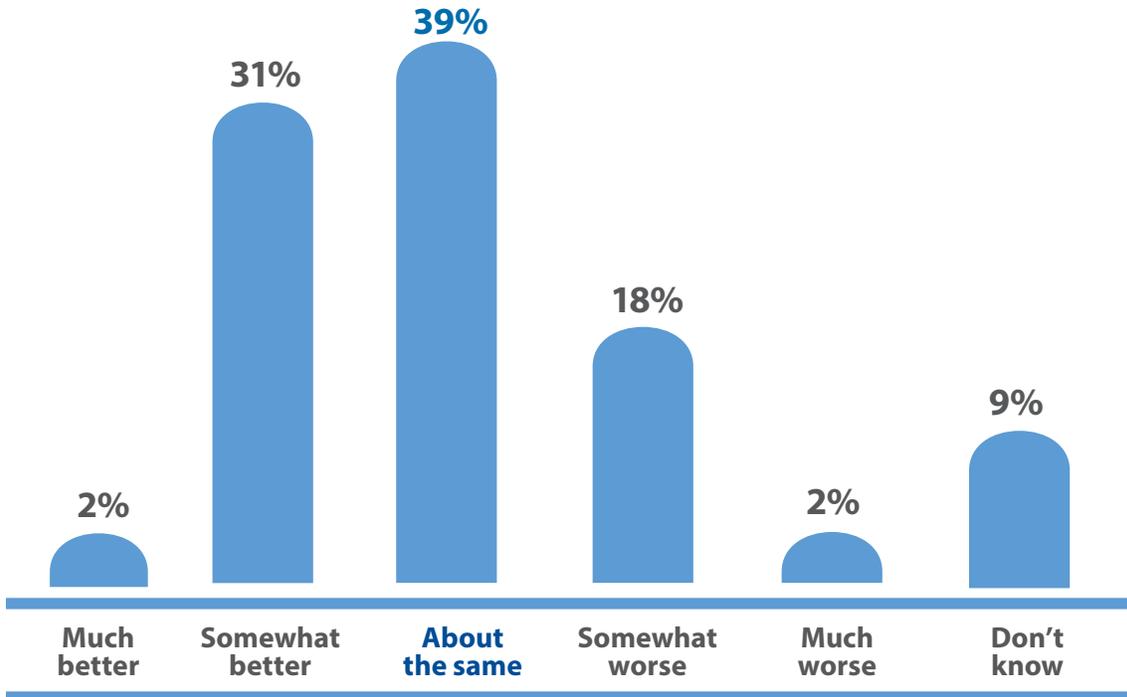
“Lack of populace creates opportunities for gentrification. When people leave due to violence, poorly equipped schools [and] lack of nutritional resource options, it provides opportunities for those with greater means to redevelop those communities in which long-time residents cannot stay.” — Workforce Development Non-profit (Maryland)

“Lack of transportation from our poorest communities to the larger employment centers. Much of our existing industry base is struggling to find a dependable workforce. We think creating easier transportation to those centers could help connect high unemployment neighborhoods with those looking to hire.” — Local Governing Body (South Carolina)

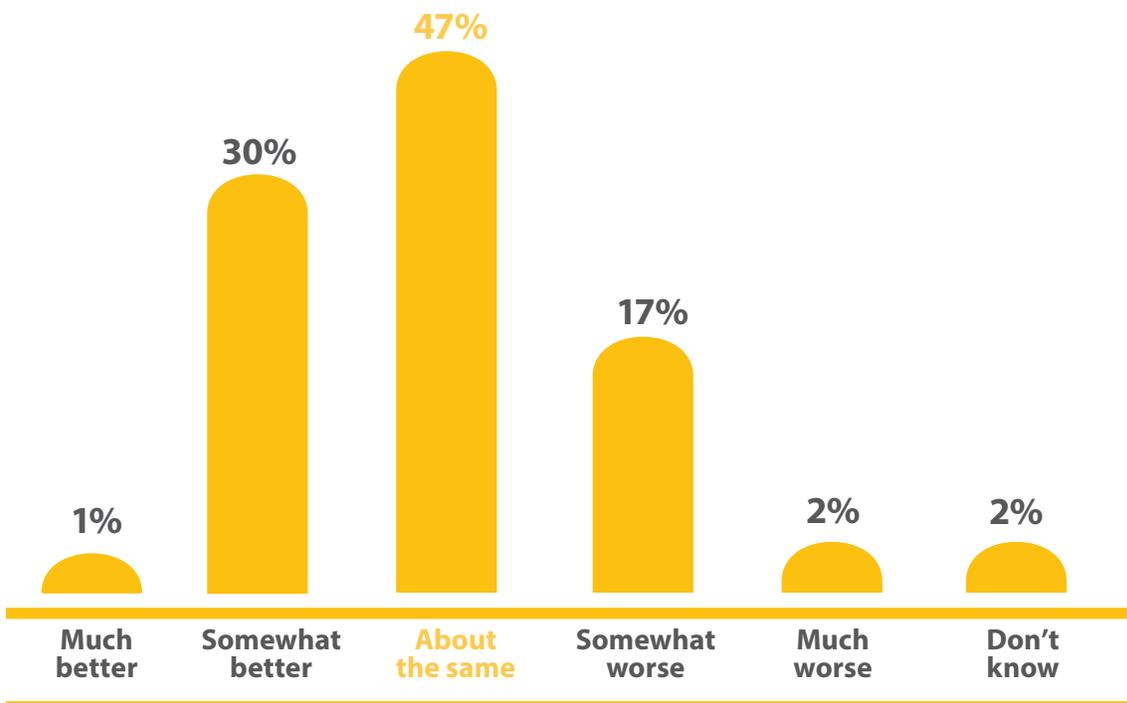
“There are also a number of people who are not accessing services available to them because they are in a compromised immigration position — or are concerned with family members who are and don’t want to have anyone from any organization receiving public funding involved in their lives. [L]egal immigrants and refugees are also impacted. I’m seeing this happen more and more. Whether it’s social services or support for someone with a small business, they’d rather not access services than risk exposing anyone to the possibility of legal entanglement.” — Other (Virginia)

Community Conditions

Do you think that A YEAR FROM NOW **general economic conditions** in your community will be better, about the same or worse than they are currently? (N=315)

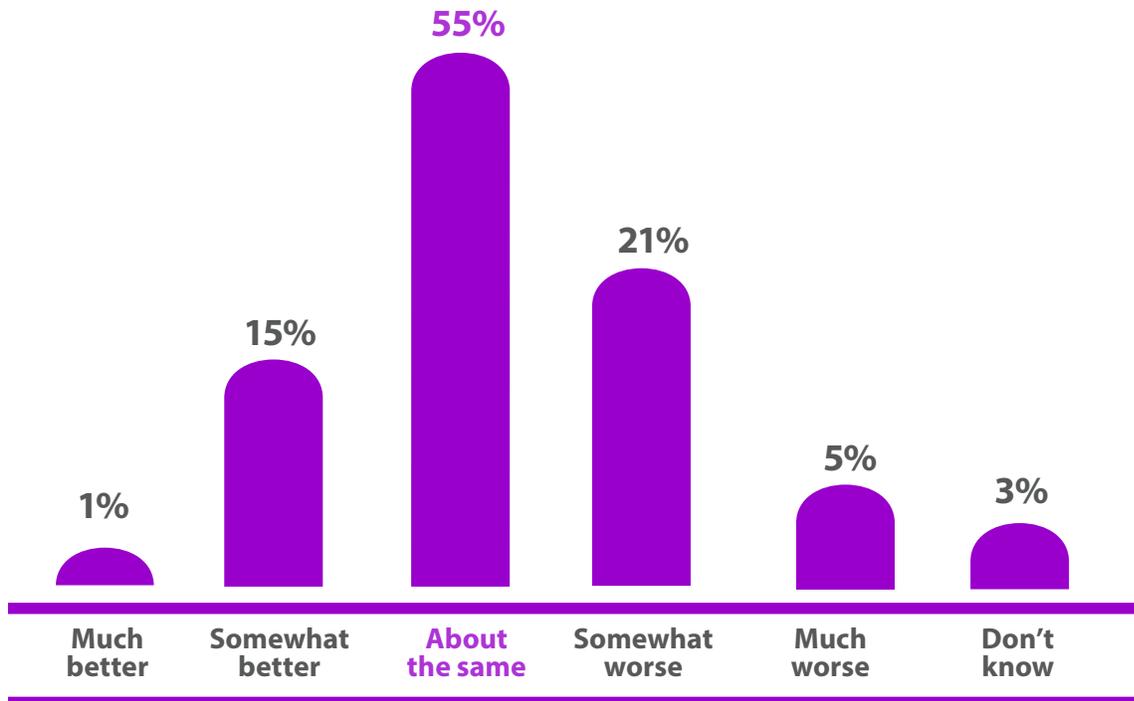


Do you think that A YEAR FROM NOW **local labor market conditions** in your community will be better, about the same or worse than they are currently? "Local labor market conditions" includes the degree of job loss or gain as well as changes to wages for low- and moderate-income earners. (N=299)

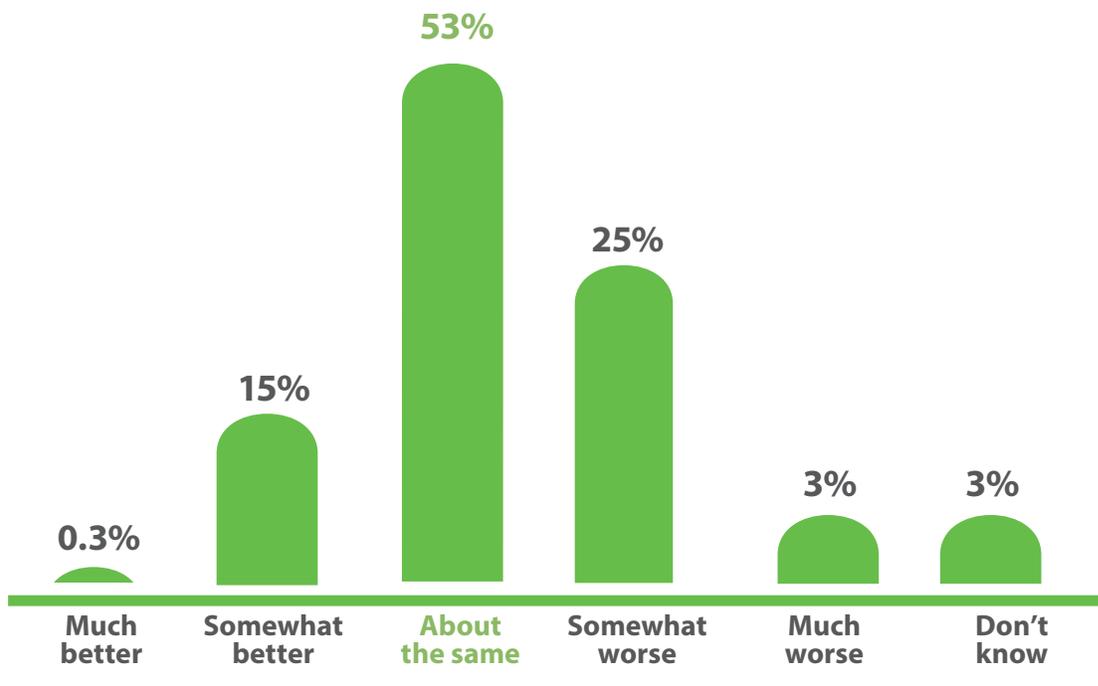


Community Conditions

Do you think that A YEAR FROM NOW **local housing market conditions** in your community will be better, about the same or worse than they are currently? "Local housing market conditions" includes changes in house prices and rental rates as well as any new developments in housing activity for low- and moderate-income communities. (N=298)



Do you think that A YEAR FROM NOW the **financial well-being of constituencies** in your community will be better, about the same or worse than they are currently? "Financial well-being" is defined as the ability to fund basic needs, stay current on debt service, and save and invest for the future. (N=298)



Community Conditions by State

General Economic Conditions

	Much worse	Somewhat worse	About the same	Somewhat better	Much better	Don't know
Maryland	1	19	39	28	1	11
North Carolina	4	24	31	36	4	0
South Carolina	0	11	36	43	0	11
Virginia	1	15	42	31	2	9
West Virginia	3	3	38	23	3	13

Local Labor Market Conditions

	Much worse	Somewhat worse	About the same	Somewhat better	Much better	Don't know
Maryland	1	19	50	26	0	4
North Carolina	7	20	42	31	0	0
South Carolina	0	8	27	58	4	4
Virginia	1	15	49	32	1	2
West Virginia	0	24	58	13	3	3

Local Housing Market Conditions

	Much worse	Somewhat worse	About the same	Somewhat better	Much better	Don't know
Maryland	6	23	50	19	0	2
North Carolina	11	33	38	16	2	0
South Carolina	8	15	58	15	0	4
Virginia	1	15	64	15	1	5
West Virginia	5	19	59	11	3	3

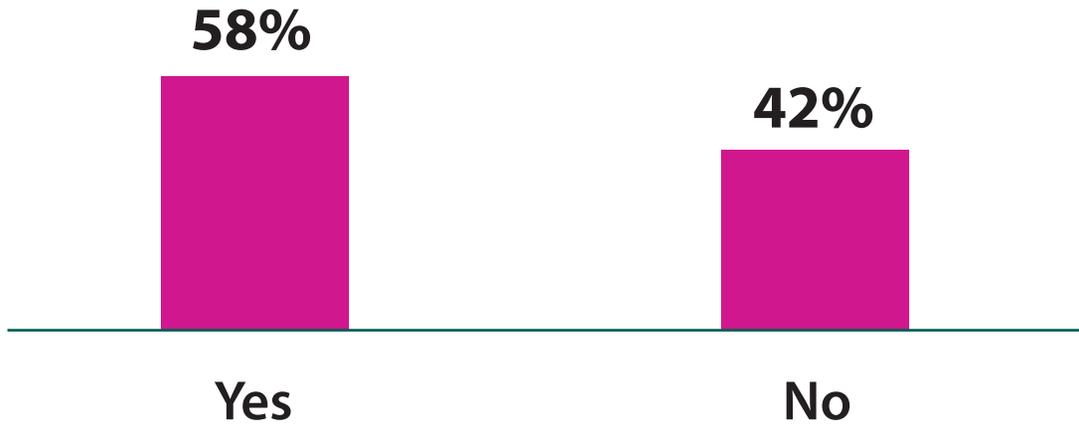
Financial Well-Being of Constituencies

	Much worse	Somewhat worse	About the same	Somewhat better	Much better	Don't know
Maryland	2	24	55	15	0	4
North Carolina	7	23	52	16	0	2
South Carolina	0	12	54	31	0	4
Virginia	2	25	57	12	1	3
West Virginia	8	37	39	13	0	3

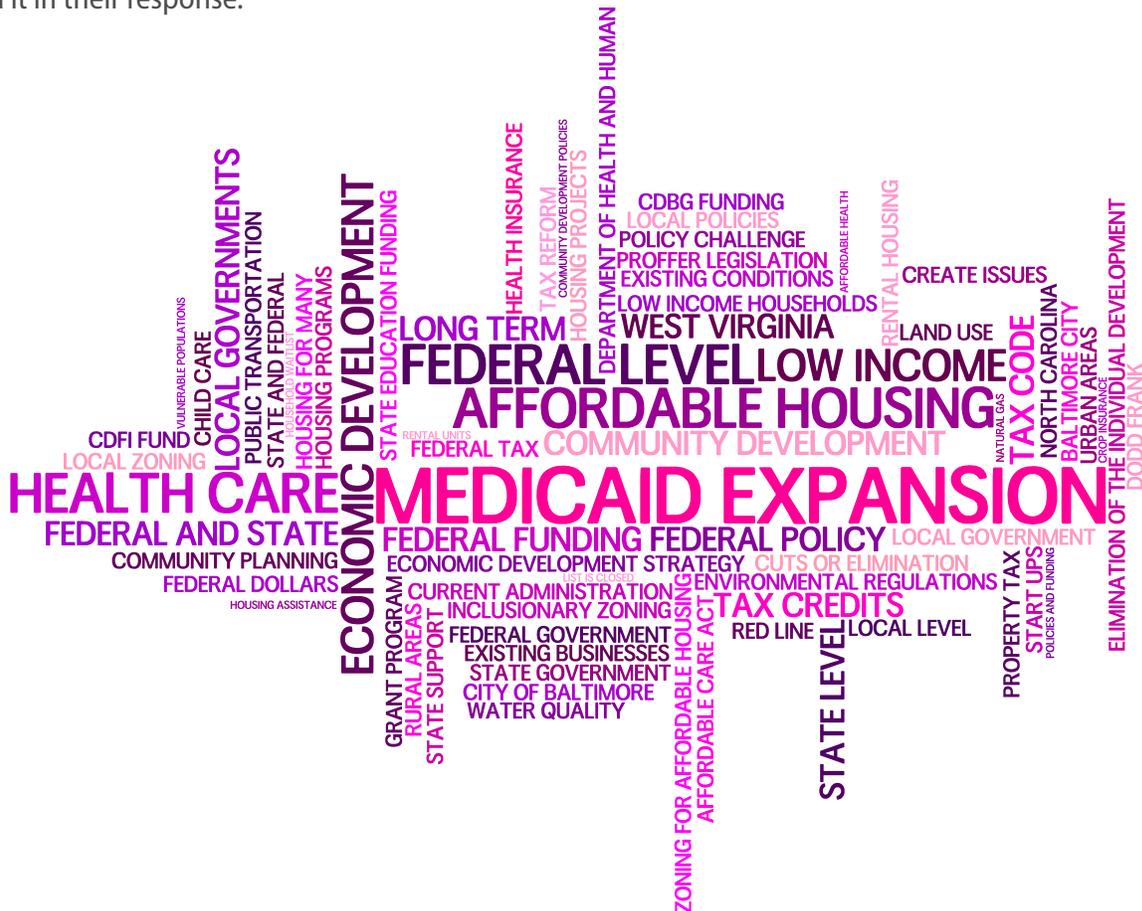
Policy Challenges and Regulations

Are there any **policy challenges** or **regulations** that are preventing you from meeting the needs of your constituencies/clients or fulfilling your mission?

(N=272)



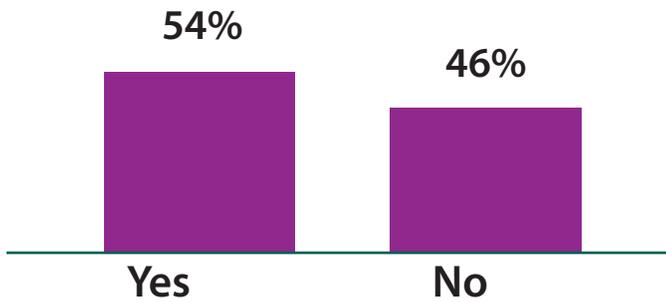
The word cloud below shows the word phrases used by respondents when asked to discuss the specific policy challenges or regulations impacting their line of work. Size of the word corresponds to the number of respondents who used it in their response.



Policy Challenges and Regulations by State

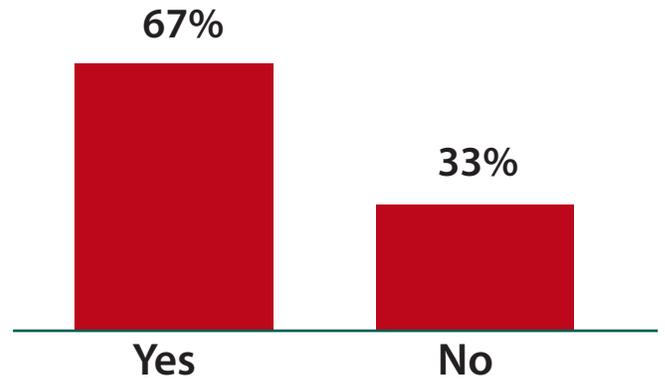
Maryland

(N=74)



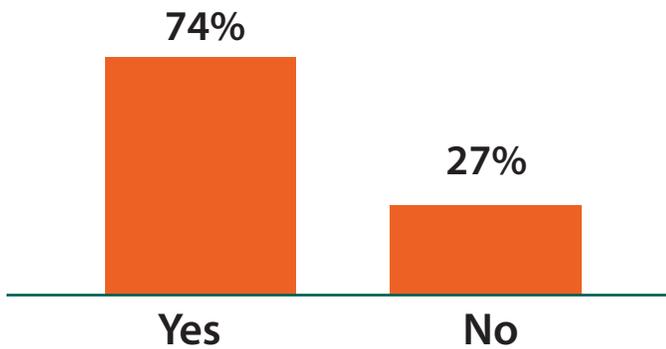
North Carolina

(N=43)



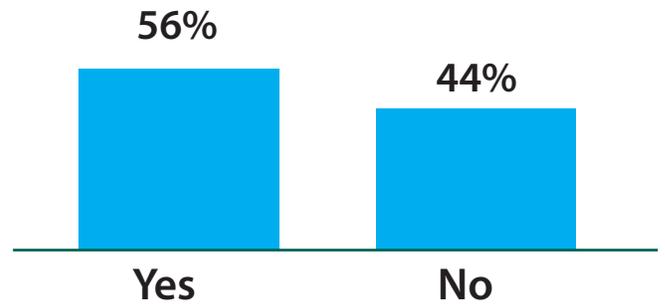
South Carolina

(N=26)



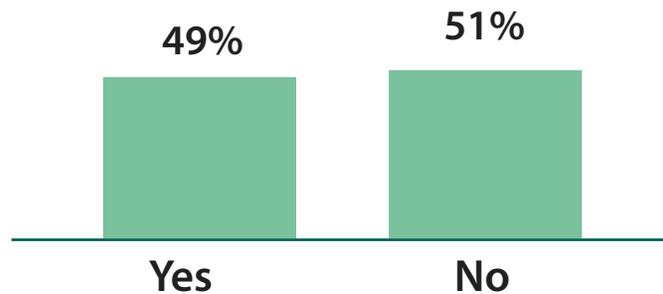
Virginia

(N=90)



West Virginia

(N=35)



Policy Challenges and Regulations: In Their Own Words

The selected quotes below represent policy challenges and regulations written verbatim by respondents.

*“As a private foundation, our board is watching the foundation’s growth relative to the required 5% minimum distribution required under IRS guidelines. There is concern that it gets harder and harder to maintain purchasing power or even survive and grow enough to offset the 5% plus minimal expenses and the inflation rate. The board is serious about its mission in community and its charge to remain in perpetuity. There is interest in seeing a federal discussion of the appropriate required spending level.” — **Philanthropic Organization (Virginia)***

*“Developers indicate that underwriting criteria for mixed use residential infill (re)development constrains their ability to finance these projects. This presents a significant barrier to constructing affordable and accessible housing for many rural and urban communities. In-fill housing also supports lower cost of government services and infrastructure.” — **Council of Governments (North Carolina)***

*“Federal budget reductions would have a major impact on resources for service non[-]profits and the communities they serve; repeal of the Johnson Amendment on non-partisanship of 501c3 organizations would negatively impact the advocacy credibility of the charitable community” — **Non-profit Capacity Building Association (Maryland)***

*“The elimination of the Individual Development Account program, better known as Assets for Independence. IDAs are a match savings about program encouraging the poor to save toward acquiring an accruing asset: Homeownership, entrepreneurship, education. SCACED has successfully operated this program in partnership with the US Department of Health and Human Services. Its elimination is a severe blow to our economic development strategy.” — **State-wide trade association for community economic development (South Carolina)***

*“Protecting water quality is an ongoing challenge in West Virginia and the newest threat comes from hydraulic fracturing and the handling/storage of the by-products[,] which are hauled through our communities, stored in our communities and injected into substrata near tributaries that feed public drinking water supplies. The lack of regulation of these materials at the state and federal level harkens back to the fight to regulate mountain-top strip-mining and study the health impacts of those extraction activities on Appalachian population health.” — **Local Governing Body (West Virginia)***

*“The loss of federal and state dollars has dramatically impacted our rural community partners that now have little or no access to support for infrastructure, services and programs that have formed the safety net for our vulnerable populations. That has resulted in local policies being enacted that further reduce the level of services and support that used to be available to vulnerable populations. For example, public transportation programs have been closed, making family members have to take off from work (and put their jobs at risk) to get seniors to medical appointments. Non[-]profits that used to administer Summer Feeding Programs for young people don’t have paid staff or volunteers that have the time/capacity to handle all the paperwork required by the programs.” — **Rural Community Development Non-profit (Virginia)***

*“I would like to see significant changes to the SBA’s microlending grant program for technical assistance. The requirements for TA are focused to[o] highly on post lending help when many times new businesses need assistance in getting a plan together before going out and searching for funds to start the business.” — **Community Development Financial Institution (Maryland)***

Policy Challenges and Regulations: In Their Own Words

The selected quotes below represent policy challenges and regulations written verbatim by respondents.

*“State policy challenges are that most federal dollars are allocated by state agencies — very few are awarded directly to local governments or organizations. West Virginia could be characterized as having a state-centric policy culture — one that limits agency and autonomy at lower levels, particularly around use of grants-in-aid and taxation. So, the state’s policy priorities limit the options for communities. As an example, this is one reason why there are so few homeownership programs and so many rental housing programs.” — **Academia or Policy Center (West Virginia)***

*“Recent change to proffer legislation by VA legislature has caused localities to become overly cautious about considering residential rezoning proposals. What was originally viewed as a political win by the homebuilders interests has backfired and awaits reform by the legislature.” — **Local Governing Body (Virginia)***

*“We need flexibility in the federal funding we receive, we need funding in federal programs that is driv[en] by changes (increases) in our population, more state funding as well as focus on housing issues and willing partners at a local level to create solutions. We need to be able to tailor the money received in a way that maximizes benefits to our community while setting up both rewards and consequences for families who do well or, conversely, do nothing to help themselves. Everyone needs to be accountable.” — **Local Housing Authority (North Carolina)***

*“We have access to funds in the HOME Partnership program. These are federal funds. Even though we make these funds available as matching funds to help stretch our limited resources, our partners in the business community and development community resist accepting the funds due to all of the federal regulations that come along with it that can delay projects and cause large cost increases. The federal regulations that are the most burdensome are the environmental regulations, but generally the funds just add another layer of bureaucracy, potential for non-compliance, etc.” — **State Housing Finance Agency (South Carolina)***

*“Inclusionary zoning is currently prohibited in NC.” — **Local Governing Body (North Carolina)***

*“We’re concerned that the potential implementation of Small Area Fair Market Rents (SAFMRs) by HUD will have a deleterious effect on housing quality in lower income neighborhoods of Baltimore City. While we understand the intent of the policy, the unintended consequences outweigh the benefits.” — **Small/Medium Established Company (Maryland)***

*“The LIHTC market has taken severe hits with the promise of tax reform. Drastic dips in pricing has killed some deals and hurt others. Shoring up LIHTC, or increasing the overall allocations would be helpful.” — **Community Development Corporation (CDC) (North Carolina)***

*“Water Quality State Revolving Funds can be used creatively to increase affordable housing and also eliminate blight that has toxins, lead and other pollutants that enter the water systems, but interpretation of the language has been inconsistent.” — **State Department of Housing and Community Development Agency (Maryland)***

Policy Challenges and Regulations: In Their Own Words

The selected quotes below represent policy challenges and regulations written verbatim by respondents.

*"There seems to be difficulty for child care programs to participate in state funded child care subsidy programs. These programs help parents to remain employed. When there is no flexibility for a program to address issues that cause a disruption in subsidy status, families ultimately pay the price." — **Other (Virginia)***

*"The uncertain future of the Affordable Care Act makes the health care environment challenging in West Virginia. West Virginia, as a state, relies heavily on the provisions and reforms of the law, such as Medicaid expansion and the requirement to insure those with pre-existing conditions." — **Academia or Policy Center (West Virginia)***

*"Increase the impact of the EITC for young workers with no dependents." — **Statewide Non-profit (Maryland)***

*"Refugee Families come into the countr[y] [and] many [are] not able to read, write or speak the language. They are taking ESL classes and participating in Job Club classes that teach them about the surrounding community and how to search for employment. State policies do not allow for us to count the ESL class time as Job Readiness[,] which would be a countable activity and help counties meet the 90% 2 parent participation rate." — **Social Services or Public Health Agency (North Carolina)***

*"The uncertainty around defunding the CDFI Fund and the delay in enacting Dodd-Frank 1071. Funders are hesitant to work with emerging CDFI's when there is uncertainty hanging over our ongoing certification status. It's also uncertain as to 1071 becoming enacted and what the possible implications could be for expanding strategic partnerships with CDFI's." — **Community Development Financial Institution (Virginia)***

*"Capital requirement that local lenders must maintain has dampened the lending environment." — **Local Economic Development Authority (Maryland)***

Leading Practices

Each respondent had the opportunity to share any new products, programs, partnerships, or strategies that their organization has adopted or developed since August 2016, which have been helpful in addressing community needs. The quotes below are a selection of these thoughts in their own words

*“Art @ Work, the summer mural program for young people enrolled in Baltimore City’s YouthWorks program for five weeks, approximately 80 young people between the ages of 14–21 are hired to work under the direction of professional artists to create highly visible murals throughout the neighborhoods. In addition to creating the murals, Art @ Work participants attend professional development and skill-building workshops led by various local organizations. The goal of Art @ Work is to introduce youth to career opportunities in the arts, offer gainful employment in a positive learning environment and to provide youth with the tools to express themselves through the arts, all while beautifying their community.” — **Arts Council Baltimore City (Maryland)***

*“We also launched a new initiative in the early care and education space using a collective impact model. Dubbed Minus 9 to 5, the initiative engages over 100 stakeholders in such targeted areas as healthy home-healthy children, thriving families, early learning and development, community connections, data and knowledge sharing, and policy and advocacy. Stakeholders include representatives from the provider, higher education, healthcare, medical school, government, and non-profit sectors.” — **Philanthropic Organization (Virginia)***

*“Expanded apprenticeship program in Guilford County and will work to continue expansion of youth apprenticeships and creation of adult apprenticeships with state funding that has been approved for FY 2018—2019. Expanded Opportunity Greensboro Fellows Program in 2nd year and plan to double the participants in 3rd year. Will support and work with Guilford County Schools to reinvent Career and Technical Education so that all students will have access to career pathways. Working on Talent Alignment Strategy that will help align industry needs with education offerings.” — **Chamber of Commerce (North Carolina)***

*“In 2016, SCACED launched Health Insight Initiative, designed to elevate the intersection be[tween] community economic development and health. This initiative has demonstrated the benefits of community development strategies and programs on the social determinants of health. The education process to diverse stakeholders have begun to increase interest and support for a healthy Insight framework in South Carolina. More can be learned about Healthy Insight by going to www.healthyinsight.org.” — **State-wide Trade Association for Community Economic Development (South Carolina)***

*“NCIF partnered with the Hatfield-McCoy Regional Recreation Authority to develop a targeted RLF and TA program to support business development in Hatfield-McCoy trail communities in southern WV. [T]he initiative will address the lodging capacity issue in southern WV and result in job creation in coal impacted communities.” — **Community Development Financial Institution (West Virginia)***

*“The CASH Campaign of Maryland worked with its partners to cap payday loan fees/interest[,] increased the availability of financial coaching[,] launched EARN Savings Account to help residents build the habit of savings and is increasing its training of local organizations to integrate financial capability programs into their services.” — **Statewide Non-profit (Maryland)***

Leading Practices

Each respondent had the opportunity to share any new products, programs, partnerships, or strategies that their organization has adopted or developed since August 2016, which have been helpful in addressing community needs. The quotes below are a selection of these thoughts in their own words

*“The Eastern Shore Innovation Center was opened February 1, 2016. Initially, our primary new business startups have been professional services firms; however, in early 2017 we built a Wet Lab with the help of the Rural Maryland Council, our State Senator and Delegates, and a promising new businessman. The result has been to attract a new Life Sciences business[,] which began operations here in September 2017. We hope that this is the first of many Life Sciences businesses.” — **Local Economic Development Authority (Maryland)***

*“United Way of Southwest Virginia has developed the Ignite program, which connects schools and students with employers through career guidance and work-based learning. The Ignite Program helps middle school and high school students realize their potential and work to be ready to enter and advance in the region’s workplace. By partnering with Ignite, a program of United Way of Southwest Virginia, parents, community partners and employers can join the efforts of the school system to build students’ career education and awareness. In the fall of 2017, the pilot components of the program will be taken to scale to 15% of the state of Virginia — in every middle school and high school in our service area, reaching over 29,000 students in over 80 schools and partnering with dozens of regional employers.” — **Philanthropic Organization (Virginia)***

*“We’ve adopted an alternative land access program that help young and beginning farmers access property to begin their farming businesses. We’ve also employed strategies for farmers that are really about networking and working together, but delivered in production training opportunities.” — **Non-profit – Food and Ag (West Virginia)***

*“We attempted to provide a Pre Kindergarten full-day program during the summer for our resident youth 3–4 year olds. It was very successful but due to lack of funds we had to scale back to a morning (4 hour) program[. However,] for working parents this wasn’t enough time[,] which prevented them from utilizing our “free” service or the parent chose not to work at all. Sometimes they would not send their child to our program. This was unfortunate for the child to prepare them for kindergarten.” — **Local Housing Authority (North Carolina)***

*“We have partnered with a local non-profit to provide automobile financing to individuals who have a job but do not have transportation to the job. The individuals are qualified by the non-profit and the loans are guaranteed by the non-profit as they do not meet our current guidelines. It has been a very popular and meaningful partnership within our community. Win-win for all involved.” — **Community Bank (Virginia)***

*“Maryland New Directions recently created its Commercial Transportation Career (CTC) training model. Assisting low-income resident[s] to learn and be trained in commercial passenger driving. MND has a transportation company partner that will hire the most qualified trainees based on performance. There is a great demand for commercial drivers in the Maryland area and MND is doing its part to close the gap.” — **Workforce Development Non-profit (Maryland)***

Leading Practices

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*“We have worked intensively with several non[-]profit organizations to help them achieve better long-term financial sustainability that will allow them to continue serving their missions long into the future. The program is based on identifying and overcoming serious challenges affecting financial sustainability. The program, called the Non[-]profit Sustainability Challenge, provides extensive professional coaching and multiple opportunities for peer-to-peer support to enhance accountability for driving meaningful outcomes. Results from the two initial classes of this program have been outstanding.” — **Community Development Financial Institution (Virginia)***

*“West Virginia’s current health care system is siloed and unaccustomed to collaboration. That is starting to change because of the Affordable Care Act, other legislation and the advent of collaborative organizations[,] such as West Virginia Partnership for Health Innovation (WVPHI). Due to West Virginia’s poor financial status, state government is unable, by its own account, to lead a value-based health care transition without external support. WVPHI facilitates collaboration among health care insurers, providers and community-based organizations by building consensus and better leveraging scarce resources to achieve common goals. WVPHI is implementing a model that requires gaining the support and trust of all key health care stakeholders, including insurers (i.e., health insurance plans and public programs such as Medicaid and Public Employees Insurance Agency), providers (i.e., physicians, medical practices, hospitals and health systems), purchasers (i.e., employers who purchase health insurance for employees) and organizations representing consumer interests (i.e., AARP and West Virginians for Affordable Health Care). Only after the support and trust of these parties is gained can WVPHI move the state toward a value-based health care system.” — **Academia or Policy Center (West Virginia)***

*“City and adjoining County have implemented a Drug Court as alternative to traditional court system.” — **Local Governing Body (Virginia)***

*“In October 2016, we launched our Latino Program (Programa Empresarial Latino), which is aimed at expanding access to capital and other resources such as business coaching, training and education to the growing Hispanic/Latino population in NC. These services are delivered through dedicated bi-lingual and bi-cultural staff, and through partnerships with other organizations across the state.” — **Community Development Financial Institution (North Carolina)***

*“We are beginning to have conversations with long-time donors to explore the possibility of social impact investing as a new capital tool that will help position our organization to better compete for acquisition of existing affordable housing complexes.” — **Community Development Corporation (CDC) (Virginia)***

*“The Healthy Places for Healthy People program through the EPA and in conjunction with the ARC will help the riverside Cities of Montgomery and Smithers develop plans to address dilapidated buildings in those communities and redevelop in a manner that will help address poor health outcomes while creating and attractive community that will help recruit business and residents to the Upper Kanawha River Valley of Fayette/Kanawha County.” — **Local Governing Body (West Virginia)***



Survey Methodology

The purpose of the Federal Reserve Bank of Richmond's Community Pulse survey is to identify the most significant current and emerging issues in the Fifth District's numerous, highly diverse communities. The survey is administered once 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 the District. The survey was sent to roughly 1,600 community stakeholders. The 2017 survey was administered online from mid-August to early September. Responses were received from 344 individuals, however, only 323 responses contained answers to noncontact information questions.

The 2017 survey instrument consists of 26 questions. When identifying the top current issues, respondents may select from a predefined list of issues or write in their own issues. 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. All open-ended responses to survey questions included in this report are taken verbatim from respondents' written in answers. Any reported percentages have been rounded and may not equal 100 percent. To participate in future surveys or offer feedback, contact Shannon McKay at Shannon.McKay@rich.frb.org.

