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Investment Connection: Reflecting on Results and Looking to the Future

Teresa Cheeks Wilson , Neelu Panth

Yvonne Sparks, assistant vice president of community development at the St. Louis Fed, welcomes attendees to the St. Louis Investment Connection event.

The Investment Connection (IC) program, started by the Kansas City Fed, is a strategy used to bring community and economic development organizations, financial institutions and other funders together to build impactful relationships and find innovative ways to meet community needs within low- to moderate-income (LMI) communities. The process for hosting a live IC event begins with selecting a location for the event, determining whether the event will be topic-specific or broad, releasing a request for proposals (RFP), reviewing and selecting proposals that are eligible under the Community Reinvestment Act (CRA), and leading an event that gives community development organizations an opportunity to present their proposals to financial institutions and other funders. Though funding is a critical part of the event, community development organizations are also provided opportunities to connect with community organizations with similar missions and highlight the needs facing LMI communities.

The Federal Reserve Bank of St. Louis launched its inaugural IC live event in 2017 in Memphis, Tenn. Since the inaugural event, the St. Louis Fed has hosted five additional live IC events in Springfield, Mo.; Memphis; Little Rock, Ark.; St. Louis; and Louisville, Ky.

Results

Seventy-five organizations have responded to the RFPs. Of those, 40 presented proposals to over 230 bankers and other funders. Projects addressed an array of community development needs (see table below). The majority of the projects focused on neighborhood revitalization and stabilization. Others addressed small-business, economic and workforce development, community facilities, and affordable housing. Organizations have made 169 documented connections. To date, banks, community development financial institutions (CDFIs) and foundations have committed $1,142,500 in grants (25 percent), loans (14 percent) and investments (61 percent) for IC projects. In some instances, organizations received additional financial and programmatic support from banks beyond the scope of requests proposed at the IC.

Event Location and Date	No. of Projects Pitched	Type of Projects Pitched	Total No. of Connections Made Between Funders & IC Presenters
Memphis, Tenn., November 2017	8	Affordable housing; financial access, capability and empowerment; neighborhood revitalization and stabilization; small-business development/technical assistance; workforce development	58
Springfield, Mo., May 2018	6	Affordable housing; financial access, capability and empowerment; workforce development; small-business development/technical assistance	49
Memphis, Tenn., July 2018	5	Affordable housing; financial access, capability and empowerment; neighborhood revitalization and stabilization; small-business development/technical assistance; workforce development	12
Little Rock, Ark., July 2018	4	Affordable housing; community facilities/services; financial access, capability and empowerment; neighborhood revitalization and stabilization; workforce development	8
St. Louis, September 2018	10	Affordable housing; financial access, capability and empowerment; neighborhood revitalization and stabilization	30
Louisville, Ky., October 2018	8	Affordable housing; community facilities/services; financial access, capability and empowerment; neighborhood revitalization and stabilization; small-business development/technical assistance; workforce development	11

> “My experience with Investment Connection involved my initially listening from afar and taking things in during the presentations and the first few speed round meetings at the breakout session. However, once I met with a few groups that had a mission that aligned with ours [affordable housing], I became actively engaged in discussions and made several connections with folks with whom I wanted to follow up after the event. This led to my having an initial discussion with Tabernacle CDC [Community Development Corporation]. After hearing about what they had already done and how they’d financed their projects, I shared how Gateway CDFI could help them expand and accelerate their plans. Within a couple of months, we closed on a loan that would provide Tabernacle CDC with the funds to redevelop five multifamily rental properties in the Jeff-Vander-Lou neighborhood in north St. Louis, and I can see there’s potential for us to support more of their projects in the future.” — *Jaycee Green, Gateway CDFI, St. Louis*

Lessons Learned

The St. Louis Fed conducted a year-end survey in 2018 to collect feedback from community development organizations, bankers and other funders who participated in the IC program. Here are some results:

- A majority of the participants said IC events enhanced their understanding of the CRA and its role in community development.
- Ninety percent of participants were extremely satisfied, very satisfied or satisfied with the quality and execution of the application and review process, events and opportunities provided for making meaningful connections.
- Organizations, bankers and funders said IC events created a platform for them to network with one another and provided opportunities to partner.
- Bankers and funders expressed interest in seeing more organizations pitch for loans and investments other than grants.
- Organizations highlighted the need for technical assistance in preparing for IC proposals and presentations.

Investment Connection, 2019

The St. Louis Fed has directed its focus toward more-robust outreach and training to better prepare organizations, bankers and other funders for the 2019 IC program, and its goals and expected outcomes. The outreach efforts will include community scans/asset mapping, on-the-ground partnership building, and conversations to understand community development needs, strengths and opportunities. These outreach efforts help form training and IC processes and structures.

The St. Louis Fed will host IC events in St. Louis and all three of its branch cities in 2019. Below are live IC event dates:

- Memphis, Tenn.: May 21, 2019
- Little Rock, Ark.: July 24, 2019
- Columbia, Mo.: September 24, 2019
- St. Louis: Oct. 17, 2019
- Louisville, Ky.: Nov. 14, 2019

Teresa Cheeks Wilson and Neelu Panth are community development advisors focusing on the Community Reinvestment Act (CRA) at the Federal Reserve Bank of St. Louis.

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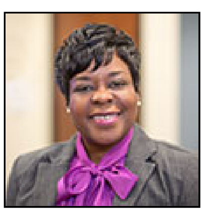

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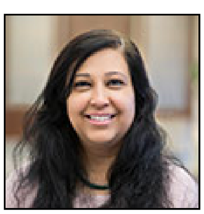

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A Checkerboard, Not a Melting Pot: Racial and Educational Diversity in the Eighth District

William R. Emmons , Ana Hernández Kent , Lowell R. Ricketts

The United States is going through a time of demographic change. The country as a whole is becoming less white, and "majority minority" is now a common term given census projections that the country will become "minority white" by 2045.[1]

Research from the St. Louis Fed's Center for Household Financial Stability mirrors these findings and dives deeper. One recent essay, titled "The Bigger They Are, The Harder They Fall: The Decline of the White Working Class,"[2] looked into population, income and wealth share changes for groups defined not only by race/ethnicity but also by education.

We focused our findings on the white working class – non-Hispanic whites[3] with less than a four-year college degree – for three reasons. First, this group is the largest by far[4] and consequently has considerable influence in terms of consumption patterns and as a voting bloc. Second, the outcomes of white nongrads (i.e., less than a four-year college degree) have diverged from that of otherwise similar groups (e.g., white grads and minority nongrads). Finally, the decline of the white working class has been a popular topic over the past few years. Dozens of academic and nonacademic works alike – such as J.D. Vance's *Hillbilly Elegy*, Nancy Isenberg's *White Trash*, and Justin Gest's *The New Minority* – have attempted to document and explain the weakening of the white working class and the consequences for the United States as a whole.

Our work has found that the white working class is indeed stressed. Over nearly a 30-year period (1989-2016), white nongrads lost ground in terms of both financial and nonfinancial indicators of well-being.[5] Importantly, their share of all families fell from a numerical majority (55 percent) to a plurality (42 percent). Thus, while the white working class still makes up the largest share of families, it is no longer the majority.

The financial decline of the white working class was even more rapid than the population decline, with share of income falling 18 percentage points (from 45 to 27 percent) and share of wealth deteriorating even more steeply with a 23-percentage-point drop (from 45 to 22 percent). These losses translated into other groups' gains, most notably for the white college-educated group. Other indicators of well-being (homeownership, marriage or cohabitation, and self-reported good-health rates) dropped as well.

It's difficult for a group to experience a fall while watching other groups rise. This type of relative deprivation[6] (as opposed to absolute deprivation[7]) may help explain the psychological distress related to the deaths-of-despair narrative[8] that is affecting the white working class, as well as the decline in the marriage/cohabitation rate and self-reported good-health rate.

The Majority White Working Class Eighth District

At the national level, the tale of the white working class is one of weakening strength. However, white nongrads are not distributed equally around the country. The effects of their decline might be felt more acutely in areas where large portions of the population are whites without a four-year college degree, such as in the Eighth District.[9]

The Eighth Federal Reserve District[10] is composed of 339 counties from seven different states: portions of Missouri, Illinois, Indiana, Kentucky, Tennessee and Mississippi, and all of Arkansas. In the vast majority (316) of those counties, the largest racial group is non-Hispanic white. In the remaining 23, the largest racial group is non-Hispanic black. (See Table 1.) The Eighth District as a whole is less diverse than the U.S. (61.5 percent white), as three in four people are white. However, nearly half (164) of the counties are over 90 percent white, illustrating geographical racial stratification. For example, nine out of the 10 most diverse (i.e., nonwhite) counties are located in the Mississippi Delta region.

Table 1

Top Five White and Nonwhite Counties in the Eighth District by Percentage

Largest White Percentage	Largest Nonwhite Percentage
Hamilton County, Ill. (98.9%)	Holmes County, Miss. (84.4%
Douglas County, Mo. (98.0%)	Tunica County, Miss. (80.5%)
Osage County, Mo. (97.5%)	Humphreys County, Miss. (78.7%)
Scotland County, Mo. (97.5%)	Coahoma County, Miss. (78.4%)
Schuyler County, Mo. (97.3%)	Leflore County, Miss. (77.1%)

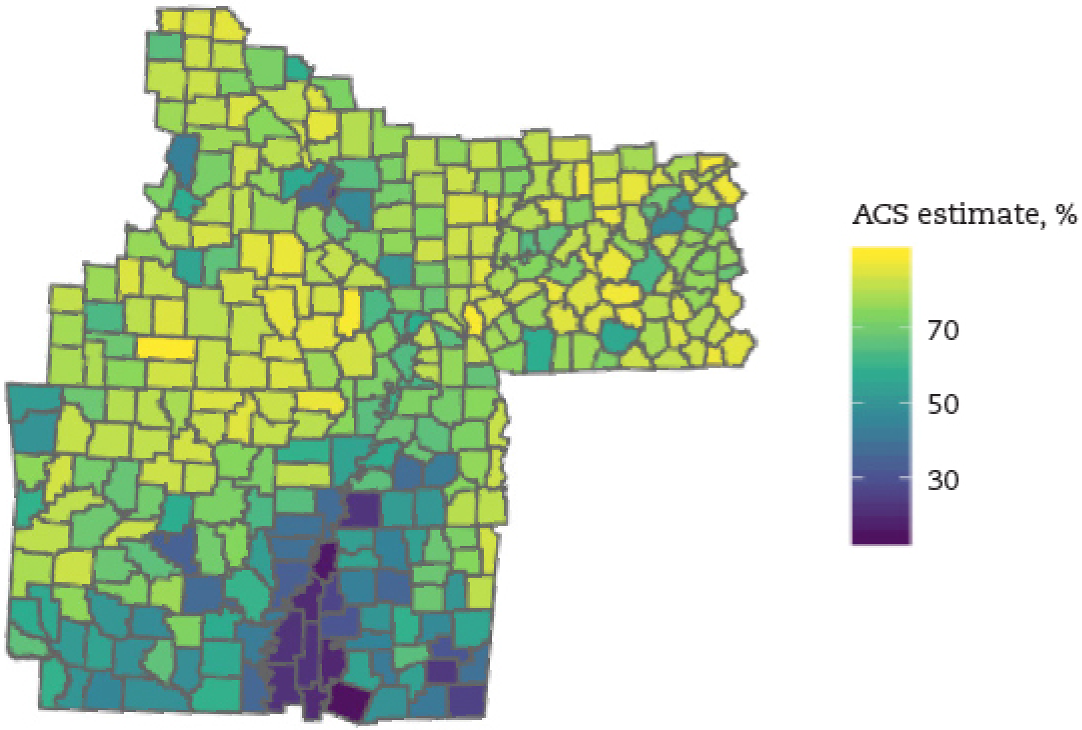
SOURCE: 2013-2017 American Community Survey dataset, authors' calculations.

The Eighth District is also less educated than the country as a whole.[11] Looking at those aged 25 or older,[12] 24.2 percent are four-year college grads, 30.2 percent have some college experience (but not a four-year degree), 32.6 percent are high school graduates or have a GED, and 13.0 percent have less than a high school education. The counties with the largest percentages of college graduates are home to universities (e.g., Boone County, Mo., with the University of Missouri, at 45.9 percent grads; Oktibbeha County, Miss., with Mississippi State University, at 42.6 percent; and Lafayette County, Miss., with the University of Mississippi, at 41.9 percent), are suburbs of large cities (Oldham County, Ky., a suburb of Louisville, at 40.4 percent), or both (Washington University in St. Louis, in St. Louis County, at 42.8 percent).

The Eighth District is both whiter and less educated than the U.S. as a whole; additionally, a larger percentage of its population is white working class (58.7 versus 43.2 percent in the U.S.). The rest of the Eighth District is split roughly evenly between white grads (20.2 percent) and everyone else (21.1 percent). Figure 1 shows the percentage of the population that is white working class by county. The white working class is a larger share of the population than that of the U.S. in over 90 percent of the counties in the Eighth District, and in 295 counties, the white working class forms a numerical majority (i.e., over 50 percent) and not just a plurality.

Figure 1

White Working Class in the Eighth District



SOURCE: 2013-2017 American Community Survey. Data acquired with the R tidycensus package.

These findings highlight the ubiquity of the white working class in the Eighth District. Monitoring the trends of this group's financial and nonfinancial measures of well-being may help us better understand the challenges it faces.

William Emmons, Ana Kent and Lowell Ricketts serve as the lead economist, policy analyst and lead analyst, respectively, at the St. Louis Fed's Center for Household Financial Stability.

Endnotes

1. See www.brookings.edu/blog/the-avenue/2018/03/14/the-us-will-become-minority-white-in-2045-census-projects/.
2. Emmons, William R.; Kent, Ana. H.; and Ricketts, Lowell, R. "The Bigger They Are, The Harder They Fall: The Decline of the White Working Class." The Demographics of Wealth 2018 Series, Federal Reserve Bank of St. Louis, September 2018, Essay No. 3.
3. Hereafter referred to as whites.
4. White nongrads make up 42.1 percent of families (defined by the race/ethnicity and education of the family head) and 43.2 percent of individuals 25 and older.
5. Emmons, Kent and Ricketts, in 2018, used the 2016 (latest) Federal Reserve Board's Survey of Consumer Finances, a triennial survey considered to be the gold standard in household income and wealth data.

6. Guimond, Serge; and Dambrun, Michaël. “When Prosperity Breeds Intergroup Hostility: The Effects of Relative Deprivation and Relative Gratification on Prejudice.” Personality and Social Psychology Bulletin, 2002, Vol. 28, No. 7, pp. 900-12.
7. While the white working class has declined in terms of population, income and wealth shares, it is important to remember that it still has a much larger share of income and wealth than minority groups. Racial income and wealth gaps also remain quite staggering (see Emmons, Kent and Ricketts, 2018).
8. Case, Anne; and Deaton, Angus. “Rising Morbidity and Mortality in Midlife among White Non-Hispanic Americans in the 21st Century.” Proceedings of the National Academy of Sciences, 2015, Vol. 112, No. 49, pp. 15078-83.
9. Geographic information is not available for public research purposes within the Survey of Consumer Finances. Therefore, we cannot explore the financial and nonfinancial outcomes observed for the nation within the Eighth District.
10. The following analyses use the five-year 2013-2017 American Community Survey dataset.
11. In the U.S., of those aged 25 or older, 30.9 percent are four-year college grads, 29.1 percent have some college experience (but not a four-year degree), 27.3 percent are high school graduates or have a GED, and 12.7 percent have less than a high school education.
12. Calculations that include education restrict the sample to individuals aged 25 and older to allow time to complete a four-year degree.

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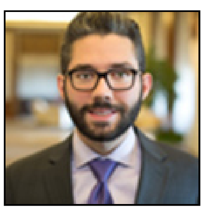
Ana Hernández Kent is the senior researcher for the Institute for Economic Equity at the Federal Reserve Bank of St. Louis. Her research interests include economic disparities and opportunity, class and racial biases, and the relationship between psychological factors and the household balance sheet. Read more about Ana’s research.



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Lowell R. Ricketts is the data scientist for the Institute for Economic Equity at the Federal Reserve Bank of St. Louis. His research has covered topics including the racial wealth divide, growth in consumer debt, and the uneven financial returns on college educations. Read more about Lowell’s research.

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CRA: An Examiner's Perspective
Interpreting Performance Context: Affordable Housing

Douglas Yarwood

This article is part of a series on Community Reinvestment Act (CRA) best practices from an examiner's perspective. Although this column focuses on CRA best practices for financial institutions, the content may provide insights for community development organizations working with financial institutions to meet credit and community development needs. As a disclaimer, this series is meant only to represent best practices; financial institutions should consider the information presented in context of the requirements or guidance of their primary regulators and their own business needs.

Performance context includes qualitative and quantitative information gathered by examination staff as part of CRA evaluations of all regulated banks. This information is essential for regulators, bankers, community groups and the public to adequately understand CRA performance. Throughout a bank's CRA evaluation, examiners rely on performance context to evaluate the bank's level of responsiveness to community credit needs through its retail lending and CRA community development loans, investments and services. Examiners also use performance context in the bank's written CRA Performance Evaluation to orient stakeholders to the unique credit needs of low- and moderate-income (LMI) borrowers and geographies, small businesses and small farms, and middle-income distressed and underserved groups and disaster areas.

Quantitative data are used as performance context to describe the bank's assessment areas (AAs) and subsequently to provide perspective on bank performance throughout the Performance Evaluation. Data from the U.S. Census Bureau, U.S. Department of Labor, Federal Financial Institutions Examination Council and other sources introduce stakeholders to key factors affecting community needs, such as family population, median family incomes, unemployment, poverty rates, median housing values and gross rents. While this information is presented at the overall AA level, it is also displayed by county to illustrate significant differences or similarities.

Through the use of quantitative information, stakeholders can begin to understand the needs of communities in assessment areas and whether there are challenges and opportunities that banks may face in meeting those needs.

Although quantitative information provides stakeholders a numerical reference point, qualitative information refines the discussion to smaller-community levels, such as neighborhoods, quadrants or zones.

One source for qualitative information is conversations that examiners conduct with community members. Examiners utilize information gathered from these discussions to provide stakeholders a focused depiction of the credit needs of AA communities.

For example, a commonly noted need is affordable housing for LMI individuals and in LMI geographies. Context sourced from these conversations can be used to assess the level of opportunity the bank has for meeting these needs through mortgage products or CRA affordable housing activities. Specifically, a community discussion may reveal that the economy of a community is growing and has low unemployment but many families continue to struggle to transition to homeownership because area wages are not keeping pace with the area's cost of living.

The discussion may also indicate the importance of asset building and homeownership counseling in the area. Identification of a bank's partnership with organizations providing these services may positively influence a bank's responsiveness to affordable housing credit needs. These partnerships could be in the form of loans, investments or services provided to the organizations.

Qualitative information from these conversations could also be useful to the stakeholders' understanding of responsiveness to area LMI renters, especially subsets of LMI renters living in poverty or those who have low fixed incomes. For example, a community discussion may indicate there are geographies within the AA in need of new affordable housing developments to replace older stock no longer habitable or energy efficient. The discussion may also demonstrate that the community needs more senior housing to meet a growing elder LMI population. Information from these discussions may lead examiners to consider that offering investments and loans to organizations working to improve housing availability for these subsets may be a better response than other CRA affordable housing activities.

In summary, performance context is a connective thread that runs through the evaluation process. Both quantitative and qualitative performance context is used to identify the needs of an assessment area and opportunities to meet these needs. In turn, examiners use the information to assist in the evaluation of bank performance and the responsiveness of its activities to the needs of its AAs.

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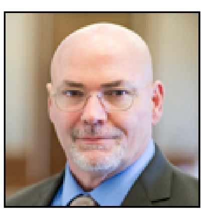

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Banking on Arkansas' Women: Business Ownership as a Vehicle for Economic Mobility

Anna Beth Gorman

To move the needle, to be strategic in their work, many organizations focus on certain areas of intervention to improve the lives of their clients. At the Women's Foundation of Arkansas, we have become laser-focused on economic and educational equity for women and girls. Equity is different from equality. The work of equity means ensuring that every person has access to available resources and opportunities that will lead to better outcomes. Historically, women and girls have been barred from, discouraged to participate in or denied access to economic and educational opportunities. The focus of our work is to disrupt those inequities in Arkansas.

But to disrupt, we must first understand what the inequities are, and where there exists an opportunity to move the needle. The work of overcoming inequity is a long game. Think about it like this: Racial and economic inequalities are the by-products of the span of our country's history. So, it is unrealistic to imagine that just by applying an equity framework, we will be successful in dismantling a well-established system of inequity. But where to start?

In early 2017, our organization started the conversation about the economic status of women in our state. While small in population size, our state is geographically and resource-diverse. If we were to understand how to move the needle for women's economic security, we needed to understand the circumstances of women in Arkansas. As a rural Southern state, Arkansas routinely shows up in the bottom of national reports on the status of women. Yet, we know that economic status looks different based on where women live, their levels of education and the color of their skin. In 2018, our organization commissioned a report, Economic Indicators for Women in Arkansas: State, Region, and County. We intended to use this research as a guide in our work to address and solve economic inequities that exist in our state, and we also hoped this report would attract other stakeholders in their pursuits to strengthen the status of women and girls.

We organized our economic indicators under two broad categories: poverty and opportunity, and employment and earnings. Our report looks at indicators from three levels: state, region and county. Where we could, and based on available data, we looked at the difference in these categories for women and men, and race/ethnicity. We hoped this report would provide a data-driven framework for better understanding the individual circumstances of women and the communities in which they live.

This report not only provided us a nuanced look at women's economic circumstances within our state, it highlighted some trends that are worthy of future investigation and collaborative work. To begin, this report confirmed what national reports were already telling us: The rate of living in poverty in Arkansas for women-headed households with children under 18 is higher than the national average, at 46.8 percent, compared to 39.7 percent nationwide. When we added a geographic lens, we could see higher concentrations of women-headed households with children living in poverty in the Arkansas Delta. In educational attainment, our women are significantly behind the national average of bachelor degree attainment – more than 7 percentage points – with the state average of 22.2 percent, compared to 30.5 percent nationally. Looking from the state view of women's earning potential compared to men's, we did not discover anything unusual; the state's gender pay gap reflects closely the national gender pay gap. But it was unsettling to see such significant earning disparity between women of color and white males in the southwest and southeast parts of our state.

Significant to our desire to lean in and make an impact was the economic indicator of business ownership. The highest percentage of women-owned businesses are found in the eastern part of the state. Of the 16 counties with the highest percentage of women-owned businesses, 12 are in eastern Arkansas. Moreover, men of every racial/ethnic background are more likely to own businesses than women of the same background, with one exception – of all businesses owned by black individuals, black women own 60 percent.

This interesting finding from our report has led us down a new and exciting road. In 2019 we have dedicated time and resources to understanding more of this trend and to partnering with stakeholders inside and outside the state who are also working in the space of business ownership or entrepreneurship. Of particular interest to our work are support and services that can advance black women business owners. In the first quarter of 2019, we have used our grant-making arm to support an event featuring black women business owners and women at various stages in their entrepreneurial journeys. We followed this event with a collaborative convening of several stakeholders, including the Federal Reserve Bank of St. Louis, aiming to put a spotlight on the growth and impact of black women-owned small businesses. This spring, we are working to create a "StoryCorps" type of narrative to complement our research and highlight women business owners who are leading their communities. Our future goal is to create a collective impact model that supports women business owners in our identified counties.

We are leveraging what we now know from our own research about the particular circumstances of women business owners in Arkansas. Our report shows us where they are, and it shows us trends that exist in our state. The work ahead is to continue to build our institutional knowledge around the particular needs and motivations of black women entrepreneurs, so that we might support economic mobility not only for them, but also for their children and their communities.

Anna Beth Gorman is the executive director of Women's Foundation of Arkansas.

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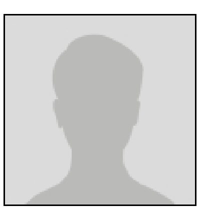

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CDAC Spotlight
Leveraging the Earned Income Tax Credit and Community Partnerships

Brittany Sims

The Louisville Asset Building Coalition (LABC) is a small nonprofit organization in Louisville, Ky. The organization leads a community effort to promote economic mobility and to improve lives through Volunteer Income Tax Assistance (VITA) and connections to asset-building activities that move low- to moderate-income (LMI) families from financial uncertainty to financial security.

The organization's focus remains on those who are claiming the earned income tax credit (EITC), which is a refundable tax credit that increases the income of LMI working families. The primary purpose of this credit is to aid employed workers in achieving and maintaining their independence from welfare by making work more attractive and to raise the standard of living for low-wage earners.

The EITC, with its ability to lift families out of poverty, has many long-term advantages for the young children in these families. Research has found that increased household income not only improves a child's immediate educational outcomes but also is associated with his or her further education and higher earnings in adulthood.[1] The research also indicates that raising income can lead to improved health for parents – in turn, helping them to better support their children's learning.

Upon claiming the EITC and other valuable tax credits, along with being able to avoid having to pay someone to prepare and file their tax returns, low-income taxpayers are better prepared to meet life's most basic needs and pay for things such as housing, groceries and transportation. Knowing that these refunds are spent locally is an added benefit for the communities in which these individuals and families live and work.

Free federal and state tax preparation is the core service provided, but LABC also links clients to partners that help them meet other needs. Tax time is seen as an important first-touch point for other financial empowerment and asset-building programming. During the 2018-19 tax season, we participated in a Consumer Financial Protection Bureau tax-time saving cohort. This program provided education materials, and training and technical assistance to approximately 75 VITA programs across the country that were interested in promoting saving education and opportunities for saving at tax sites. Tax time offers a unique opportunity for many consumers to save because the majority of tax filers receive a lump-sum refund. While many households use this income to reduce debt and maintain current financial obligations, there are opportunities for also establishing small nest eggs for financial goals that at other times during the year may only be aspirations. Many tax filers mentally set aside money for savings at tax time but are not offered or may not be aware of the opportunity to save while filing their tax returns. Consumers that had existing savings accounts were able to split their refunds into two separate accounts, and consumers that did not have savings accounts were provided with the option to purchase savings bonds and were given resources that would connect them to the Bank On program in Louisville, which focuses on providing low-cost transaction accounts to those previously unbanked and underbanked.

In 2017, our organization strengthened our partnership with the Louisville Metro Government's Office of Resilience and Community Services. The goal of this partnership is to more effectively reach our target audience of LMI individuals and families, and to create synergy with the department's Office of Financial Empowerment. The department in which we reside is both the social services arm of city government and Louisville's Community Action Agency. This agency's work encompasses numerous customer-based social services for Louisville residents with the intent to serve the needs of low-income and vulnerable populations in a holistic way. We are interested in using our partnership to build bridges with other outcomes – such as improved health – for individuals and families in Louisville. The city's 2017 Health Equity Report recommended that to improve health equity, the city needs to ensure more opportunities for wealth-building, education and employment in our community for those needing it most. We are positioned to partner with Louisville Metro's Office of Financial Empowerment to address the root causes of health inequity by promoting financial access and inclusion, and household stability through the VITA program.

Our organization measures our impact by looking at the financial health and stability of our community and its residents. We do this by evaluating the overall economic impact that tax credits bring to the local community, and the more personal impact that our services have on each individual and family we serve. We also look at how effectively we are able to connect our work with the larger financial empowerment strategy in the city that is focused on how to help people build stability and wealth.

For more information about the Louisville Asset Building Coalition and the services that we offer, you can visit www.labcservices.org.

CDAC Member Spotlight

Brittany Sims is the program director for the Louisville Asset Building Coalition. She manages Louisville's Volunteer Income Tax Assistance program and looks for new ways to connect VITA with the broader financial empowerment movement in the city. Prior to joining LABC, Sims worked at the University of Louisville and as a fellow in the Lexington, Ky., mayor's office. She will be relocating to Richmond, Va., in the summer of 2019, where she hopes to continue her community development work. Sims is a member of the Community Development Advisory Council (CDAC) for the Federal Reserve Bank of St. Louis.

CDAC members are experts in community and economic development and financial education. They complement the information developed through outreach by the District's Community Development staff and suggest ways the Bank might support local efforts. A list of current members is available at www.stlouisfed.org/community-development.

Endnotes

1. See the Center on Budget and Policy Priorities' EITC and Child Tax Credit Promote Work, Reduce Poverty, and Support Children's Development, Research Finds. Updated October 1, 2015, https://www.cbpp.org/sites/default/files/atoms/files/6-26-12tax.pdf.

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Calendar

June 2019

18-19

Small Business Finance Forum
Chicago, Ill.
Sponsor: Operation Finance Network
Visit: ofn.org/sbff

19-21

Policy Summit 2019: Connecting People & Places to Opportunity
Cincinnati, Ohio
Sponsors: Federal Reserve banks of Cleveland, Philadelphia, St. Louis, Chicago and Minneapolis
Visit: www.clevelandfed.org/newsroom-and-events/events/2019/policy-summit.aspx

24-26

Mississippi Housing and Community Development Conference
Vicksburg, Miss.
Administrator: Mississippi Housing Partnership
Contact: Tim Collins at timcollins11@comcast.net

July 2019

14-17

The Community Development Society's 50th Anniversary and Annual International Conference
Columbia, Mo.
Administrator: The Community Development Society
Visit: www.comm-dev.org/networking/past-conferences/2019-conference

23

Access to Capital for Black Women Business Owners
Clarksdale, Miss.

Sponsor: Federal Reserve Bank of St. Louis
Contact: Lisa Locke at lisa.locke@stls.frb.org

24 **Investment Connection**
Little Rock, Ark.
Sponsor: Federal Reserve Bank of St. Louis
Contact: Teresa Cheeks Wilson at teresa.cheeks.wilson@stls.frb.org

August 2019

4-6 **Southern Economic Development Council Annual Conference**
New Orleans, La.
Administrator: Southern Economic Development Council
Visit: www.sedc.org/events/2019-sedc-annual-conference

27 **Community Development Corporation Summit**
St. Louis, Mo.
Sponsor: Federal Reserve Bank of St. Louis
Contact: Faith Weekly at faith.e.weekly@stls.frb.org

BRIDGES | SPRING 2019
https://www.stlouisfed.org/publications/bridges/spring-2019/resources

Resources

New Fed Report: Job Opportunities for Workers Without a College Degree

A new Fed report finds that opportunity employment — jobs that don't require a four-year college degree and that typically pay above the national annual median wage (adjusted for regional price levels) — accounts for 21.6% of total employment in 121 of the nation's largest metro areas.

The **Opportunity Occupations study** (PDF) from the Federal Reserve banks of Philadelphia and Cleveland also finds that:

- The share of opportunity employment ranges from a high of 34% in Toledo, Ohio, to a low of 14.6% in Washington, D.C., in the areas analyzed.
- The types of jobs available, the level of education that employers require for job openings, and the cost of living influence how much opportunity employment there is in each region.
- The largest opportunity occupations nationwide range from health care to the skilled trades to office work.
- Some of the largest opportunity occupations, including a number in health care and the skilled trades, could experience above-average growth through 2026 and are not considered to be at significant risk of automation.

These jobs are prospects for the more than two-thirds of U.S. adults age 25 years and older without a bachelor's degree, although many of the jobs do require some training beyond high school.

Some potential solutions for increasing local opportunities for these workers? Prioritizing economic development in certain industries, expanding post–high school training programs, and rethinking the level of education that employers require and the ways they assess skills.

Strengthening Workforce Development in Rural Areas

Given the common workforce challenges rural areas face — such as a declining share of working-age individuals and greater distances to major centers of employment — what are opportunities for workforce development investments that address both labor demand and supply in these areas?

A special topic brief, released through the Investing in America's Workforce initiative, seeks to answer that question. Based on roundtable discussions with community leaders in rural areas throughout the country, the brief explores the challenges and opportunities in building stronger rural economies.

Read the brief: **Strengthening Workforce Development in Rural Areas** (PDF).