

State of the Central City

Presentation for the Community Relations Committee,
Boys & Girls Clubs of Greater Milwaukee, November 4, 2009

by Lois Quinn, Employment and Training Institute,
University of Wisconsin-Milwaukee.



University of Wisconsin-Milwaukee Employment & Training Institute

Background on the ETI Indicators Research

The indicators research was developed for **local foundations** in 1998 to measure neighborhood need during welfare reform.

The Brookings Institution identified the ETI indicators as an urban research model.

National interest has developed in zip code 53206 as a bellwether for urban poverty.

The screenshot shows the Brookings Institution website interface. At the top, it says "QUALITY, INDEPENDENCE, IMPACT." and "BROOKINGS". The date is "TUESDAY SEPTEMBER 22, 2009". The main article is titled "Tracking the Progress of Welfare Reform Quickly: A Model For Measuring Neighborhood Health and Change" by John Pawasarat and Lois M. Quinn. The article text begins: "Welfare reform research commonly relies on multi-year state and national evaluations and surveys, leaving city officials and practitioners hungry for data on the immediate impact of policy and economic changes on their inner-city neighborhoods. This study describes the Milwaukee neighborhood indicators project, which uses a variety of geographically specific data sources from state, county, and city agencies to provide a more timely set of indicators on the economic health of Milwaukee families and neighborhoods. The research model described in this paper can be replicated in cities across the country." The page also features a sidebar with navigation links like "U.S.", "WORLD", "ECONOMY", and "Programs", and a search bar.



The **City of Milwaukee** used the indicators to identify assets and problems in Community Development Block Grant neighborhoods. The city has promoted “purchasing power profiles” detailing advantages of retail businesses in dense central city neighborhoods.

Purchasing Power Profile: Cesar E. Chavez and National


Milwaukee, Wisconsin

Within a 3-Mile Radius of Chavez & National

- Estimated \$675.1 million spent on retail expenditures annually
 - \$251 million for food at home
 - \$90 million for food away from home
 - \$110 million for apparel and related services
 - \$115 million for entertainment
 - \$84 million for household furnishings and equipment
 - \$25 million for personal care products and services
- 63,408 working age income tax filers with \$1.76 billion of adjusted gross income in 1999
- 16,434 elderly persons
- 97,501 active residential postal deliveries and 9,040 active business deliveries
- 77,491 registered vehicles
- 82,368 licensed drivers



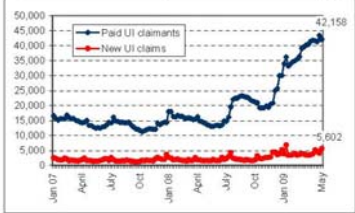
The Milwaukee Area Workforce Investment Board collaborates on monthly drilldowns to track employer and labor force needs.



Milwaukee Drilldown, May 2009

for the Milwaukee Area Workforce Investment Board, Inc.

42,000 Milwaukee County workers receive unemployment compensation; 5,600 more apply



415,455 Milwaukee County residents were reported employed in March 2009 and 43,175 unemployed.

UNEMPLOYMENT INSURANCE CLAIMS
42,158 Milwaukee County workers received unemployment insurance payments for the week ending May 2, 2009 (up by 25,539 since January 2007). Another 5,602 workers filed initial claims for UI. Over half (58%) of new claimants are men, and of these 58% are white, 38% African American, and 3% Latino. For women, 51% of new claimants are African American, 45% white, and 3% Latina.

FIRM CLOSINGS AND LAYOFFS
In April 2009, 2 firms in Milwaukee County (GE Healthcare Monitoring Solutions and T-Shirt International) reported anticipated layoffs to the state for a loss of 273 jobs.

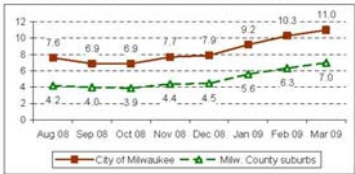
SAFETY NETS FOR MILWAUKEE COUNTY FAMILIES
The number of Milwaukee County residents receiving FoodShares reached 172,671 in March 2009, up by 31,970 from January 2007.

As of March, 161,616 residents were enrolled in BadgerCare Plus with numbers continuing to increase.

W-2 cash assistance cases in March 2009 totaled 4,905, including 4,288 cases with CSJ and transition jobs. The number of families receiving W-2 income support is up by only 365 over January 2007.

14,722 families received Shares child care subsidies in April 2009, up by 1,599 from January 2007. A total of 29,418 children are in care.

City of Milwaukee unemployment hits 11% in March



2,315 construction trade apprentices

Apprenticeships are down in the construction trades, with a total of 2,315 apprentices in 17 committees with workers in the Milwaukee area. Sharp drops were seen for the carpenters, iron workers, and construction craft laborers.

In Spring 2009, 171 (7%) of the apprentices were African American, and 138 (6%) were Hispanic. Females held 3% of the training jobs.

Drilldown Data Sources: Wisconsin departments of Children and Families, Health Services, and Workforce Development. 05/10/09

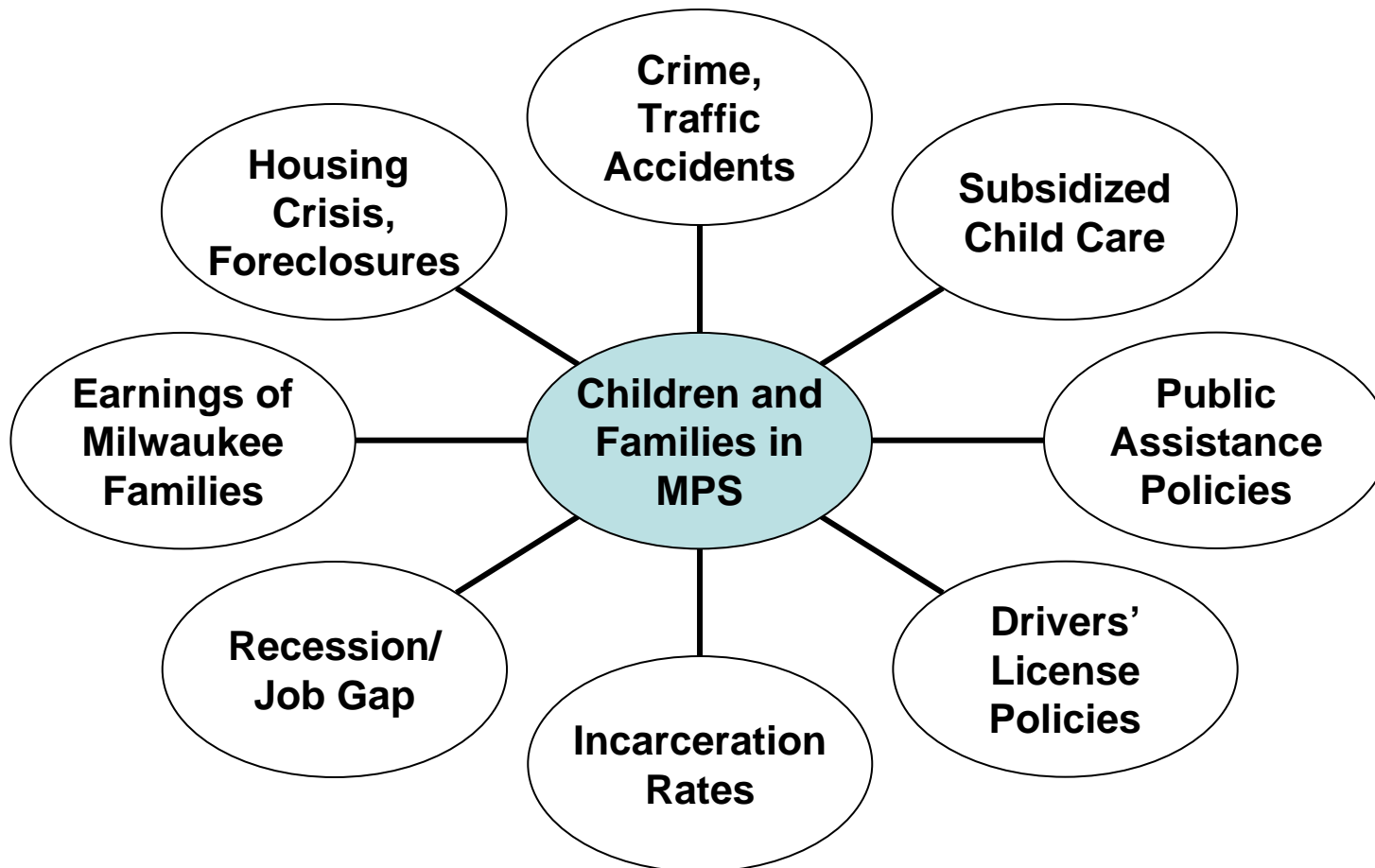
Joint Apprenticeship Committees Serving the Milwaukee Area	Active Construction Trade Apprentices:		
	CY2007	CY2008	Spring 2009
Milwaukee Area Bricklaying	56	50	29
Milwaukee Area Cement Masonry	44	36	19
Milwaukee Area Electrical	239	251	206
Milwaukee Area Ironworking	253	236	164
Milwaukee Area Painting & Decorating	95	77	53
Milwaukee Area Plumbing	230	204	155
Milwaukee Area Sheet Metal	193	202	168
Milwaukee Area Sprinkler Fitting	90	76	56
Milwaukee Area Tile Setters	12	9	3
SE WI Area Carpenters	466	386	294
SE WI Steamfitting	187	193	167
SE WI Construction Craft Laborers	149	120	59
SE Wisconsin Roofing & Waterproofing	118	149	119
Southeastern Glazing	69	60	52
Southern WI Heat & Frost Insulators	67	64	45
Wisconsin Operating Engineers	560	531	490
ABC of WI-Waukesha (non-union)	305	292	236
TOTAL (DWD May 4, 2009 Report)	3,126	2,938	2,315

Prepared by the Employment & Training Institute, University of Wisconsin-Milwaukee and the Milwaukee Area Workforce Investment Board

Milwaukee DWD photo courtesy of Milwaukee Electric Tool Corporation



The 2009 indicators were commissioned by **Milwaukee Public Schools** to identify issues facing Milwaukee children and families and impacting on the classroom.

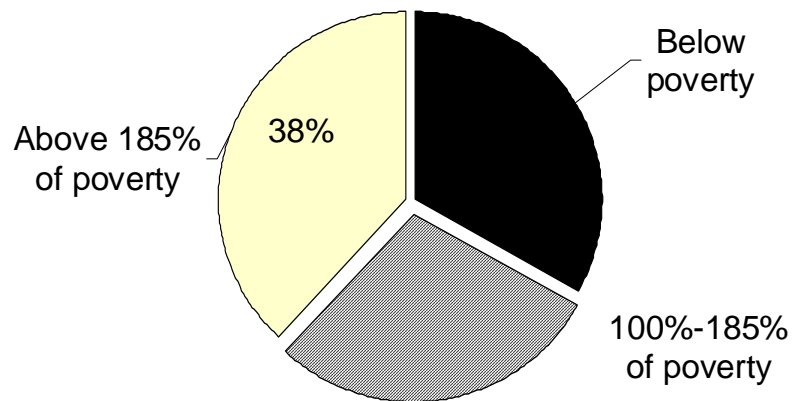


Impact of the Recession

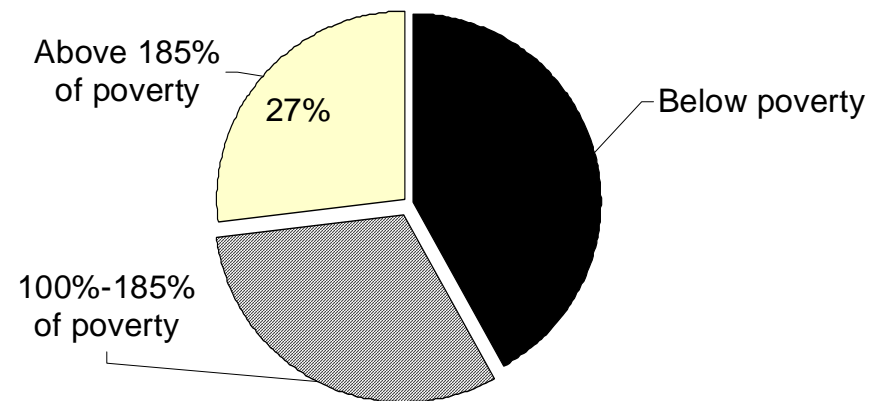
Poverty among working families was a citywide problem ***even before the recession.***

In the predominantly city of Milwaukee zip codes, a majority of non-elderly families (with dependents) had income below or near poverty, according to 2007 state income tax returns.

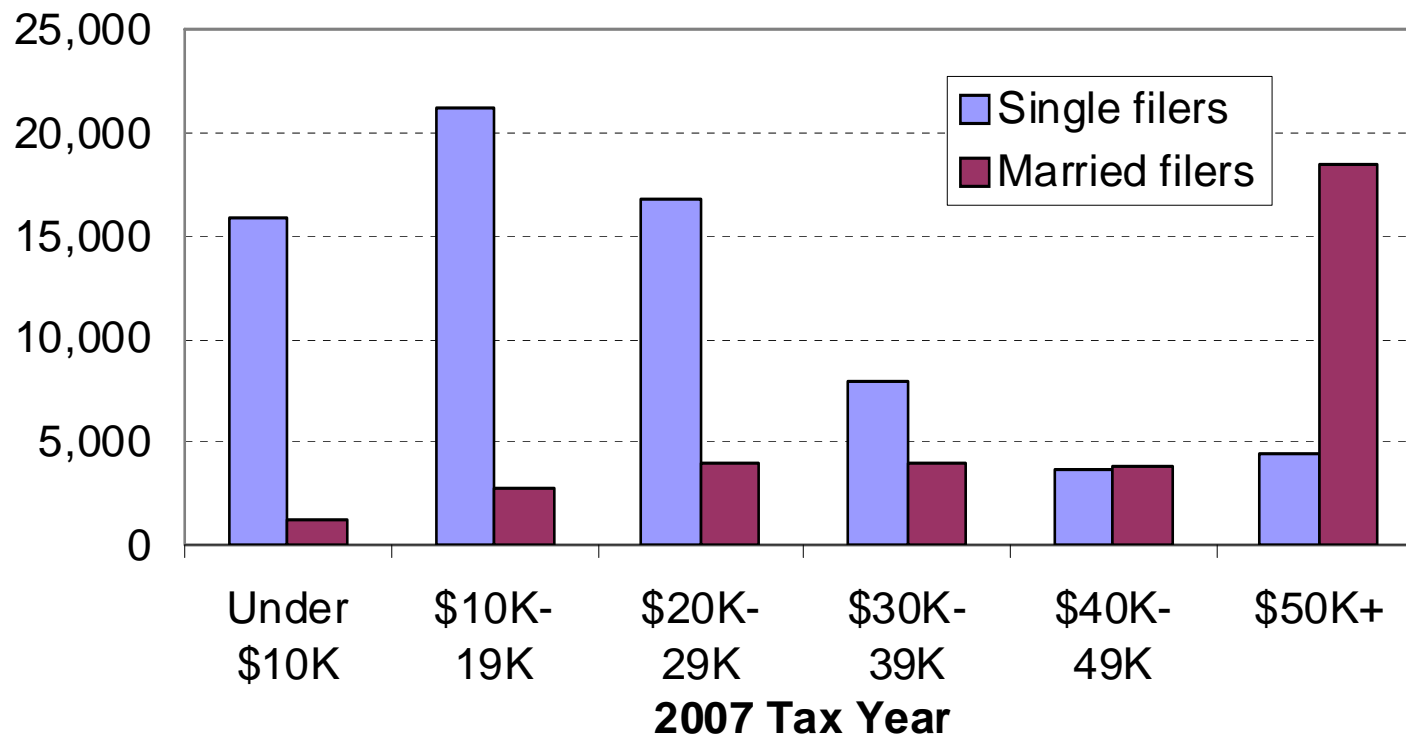
Predominantly City Zip Codes



9 Inner City Zip Codes

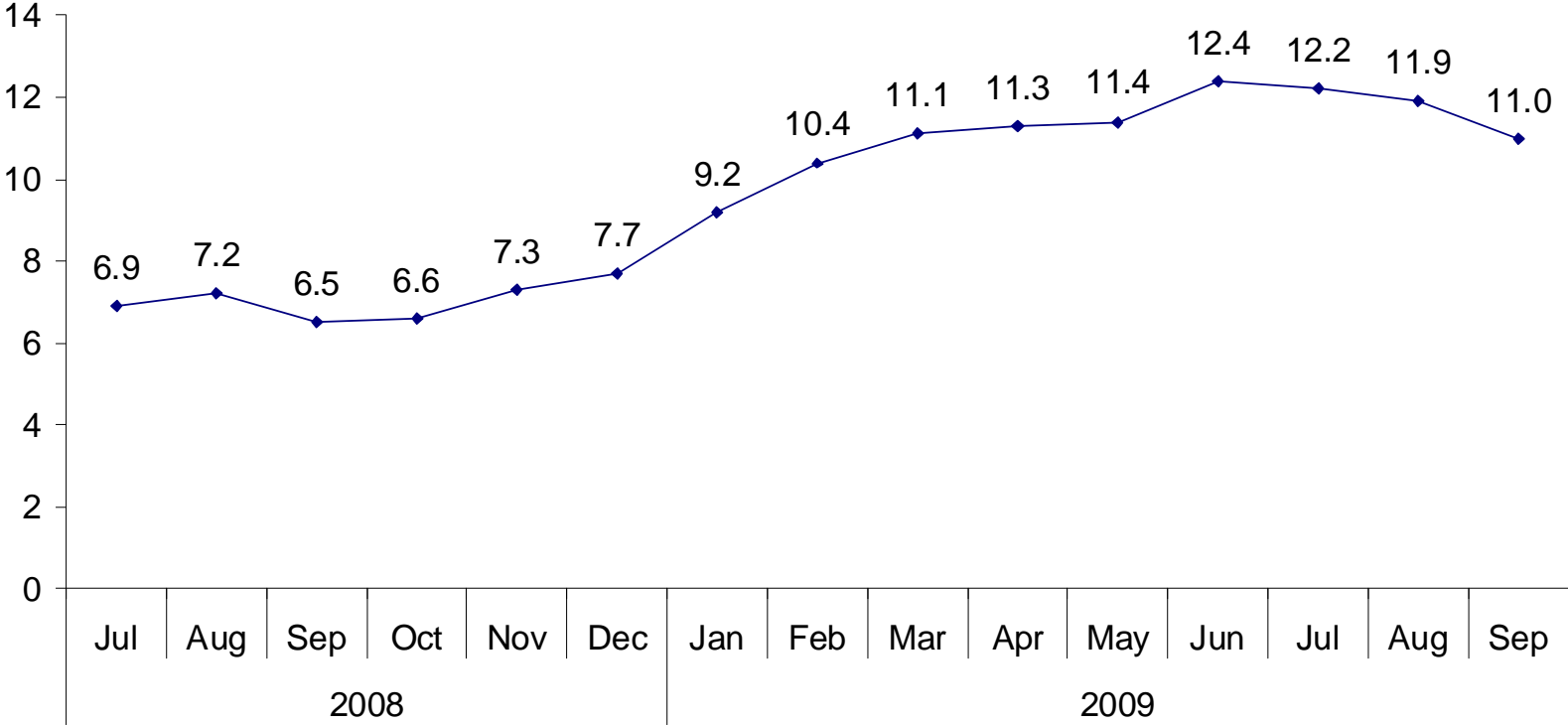


Given their limited income, **single parents** are more likely to live in the city of Milwaukee than in the suburbs and far more likely to live in poverty. In the city zip codes, 15,829 single parents with dependents earned less than \$10,000 in 2007, and another 21,174 earned less than \$20,000.



The economic recession has had devastating effects throughout southeastern Wisconsin, and particularly in Milwaukee. The city of Milwaukee unemployment rate has risen from 6.9% last summer to over 12% in summer of 2009.

Monthly Unemployment Rates: City of Milwaukee



The May 2009 job openings survey conducted by ETI found 25 job seekers for every 1 full-time job opening in the 9 inner city zip codes. **Job losses** hurt the central city more than the rest of the region.

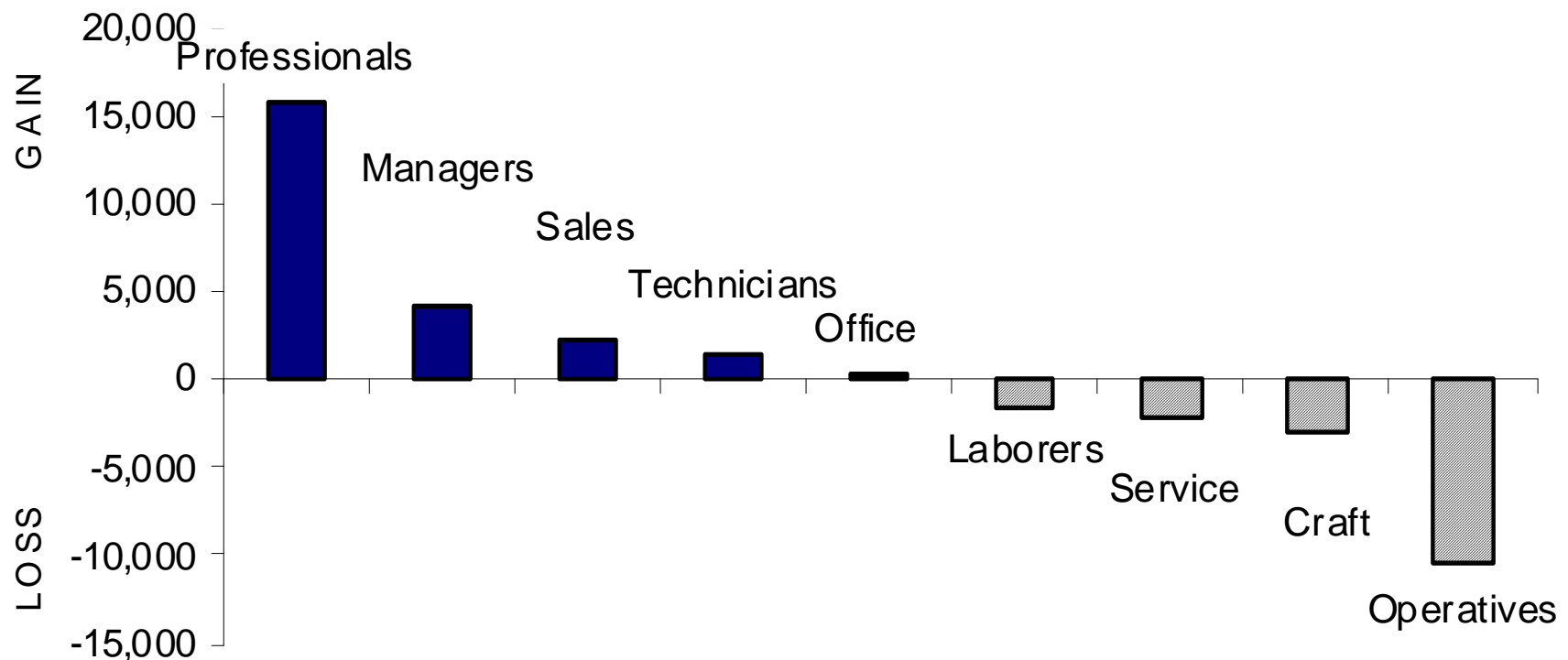
Milwaukee Region	Job Gap
Central city Milwaukee neighborhoods*	25 to 1
Rest of Milwaukee County	9 to 1
Waukesha, Ozaukee, Washington counties	12 to 1
Racine, Kenosha, Walworth counties	19 to 1
TOTAL 7-county region	13 to 1

*Zip codes 53204, 53205, 53206, 53208, 53210, 53212, 53216, 53218 and 53233.

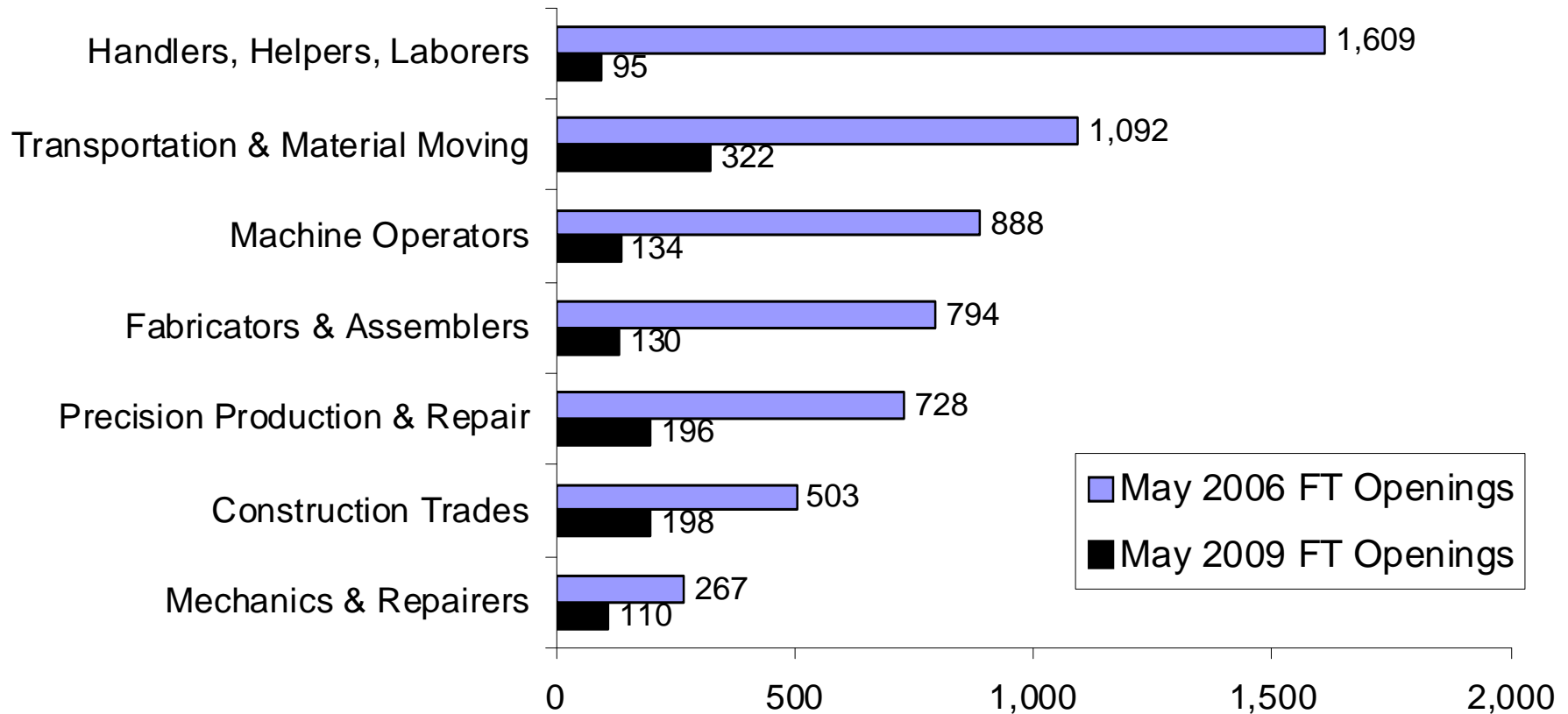


Over the last decade the Milwaukee area labor market has shown a large decline in skilled, semi-skilled and unskilled manual labor work (traditionally male jobs).

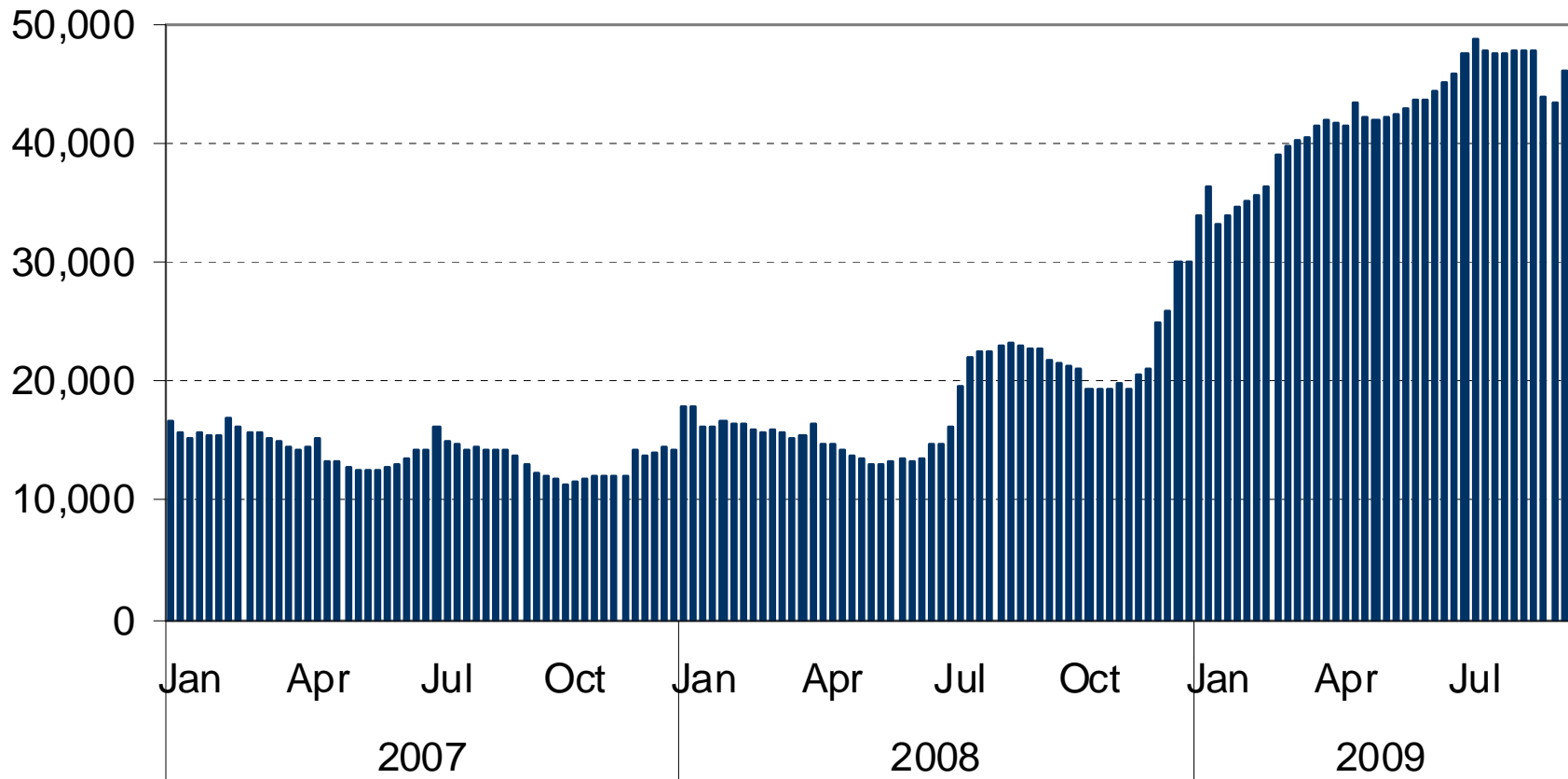
**Job Shifts in Private Companies with 100+ Workers:
1996-2006**



Job demand for **blue collar entry-level** workers took the greatest hits in the May 2009 job openings survey.



Over 45,000 **laid-off workers in Milwaukee County** are receiving weekly unemployment insurance payments.



High Incarceration Rates/ Returning Ex-Offenders

Wisconsin has the second highest incarceration rate of African Americans in the U.S., according to the Department of Justice.

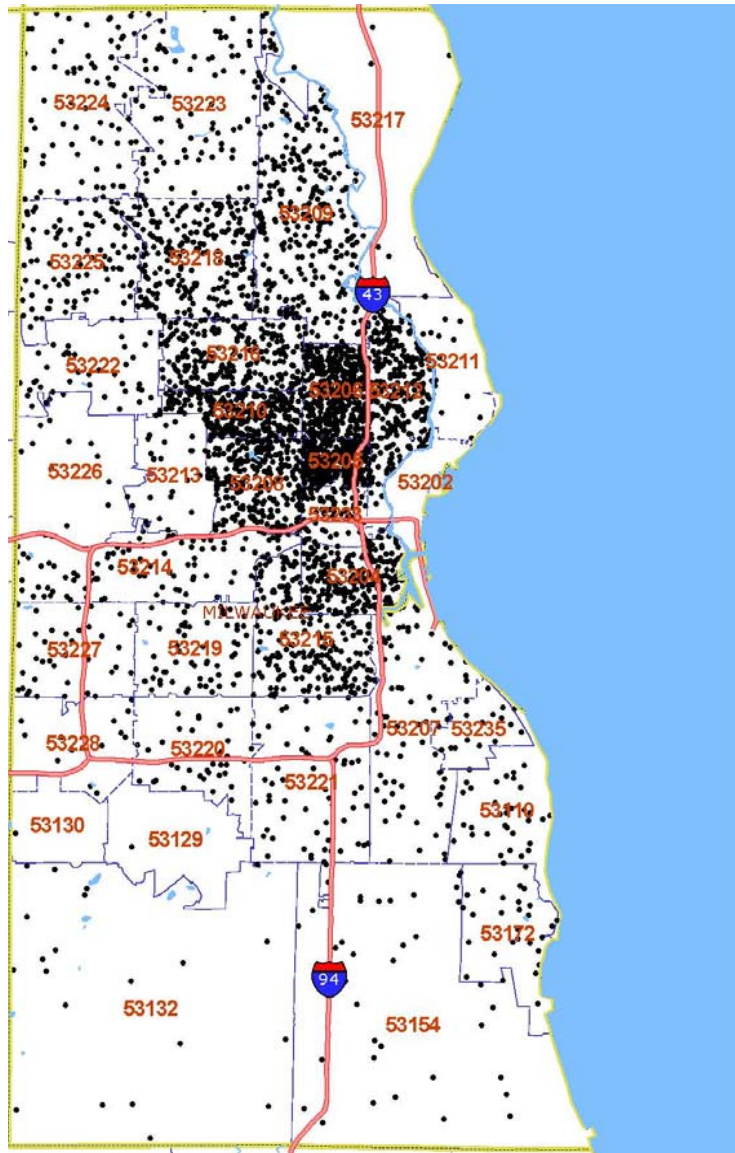
Incarceration Rates Per 100,000 Population: 2005

	United States	Wisconsin	Difference
Whites	412	415	+3
Blacks	2,290	4,416	+2,126

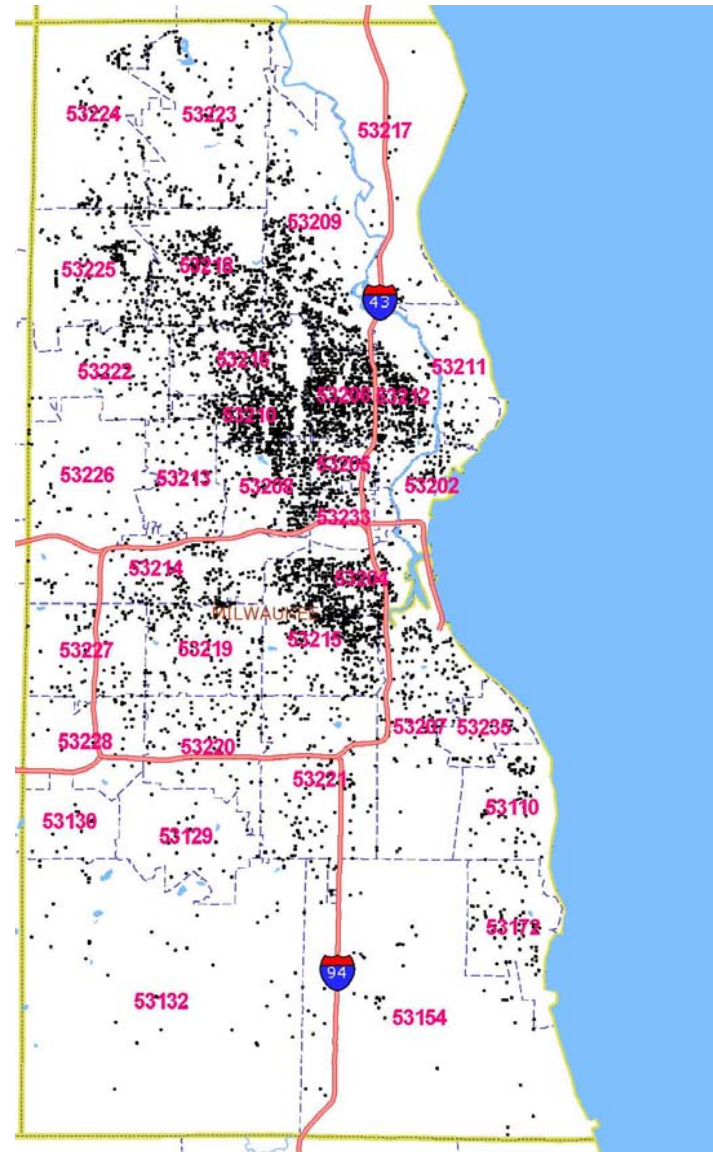
Milwaukee County has 42,046 adults in the state Department of Corrections (DOC) system -- incarcerated, previously incarcerated, or on probation and parole.



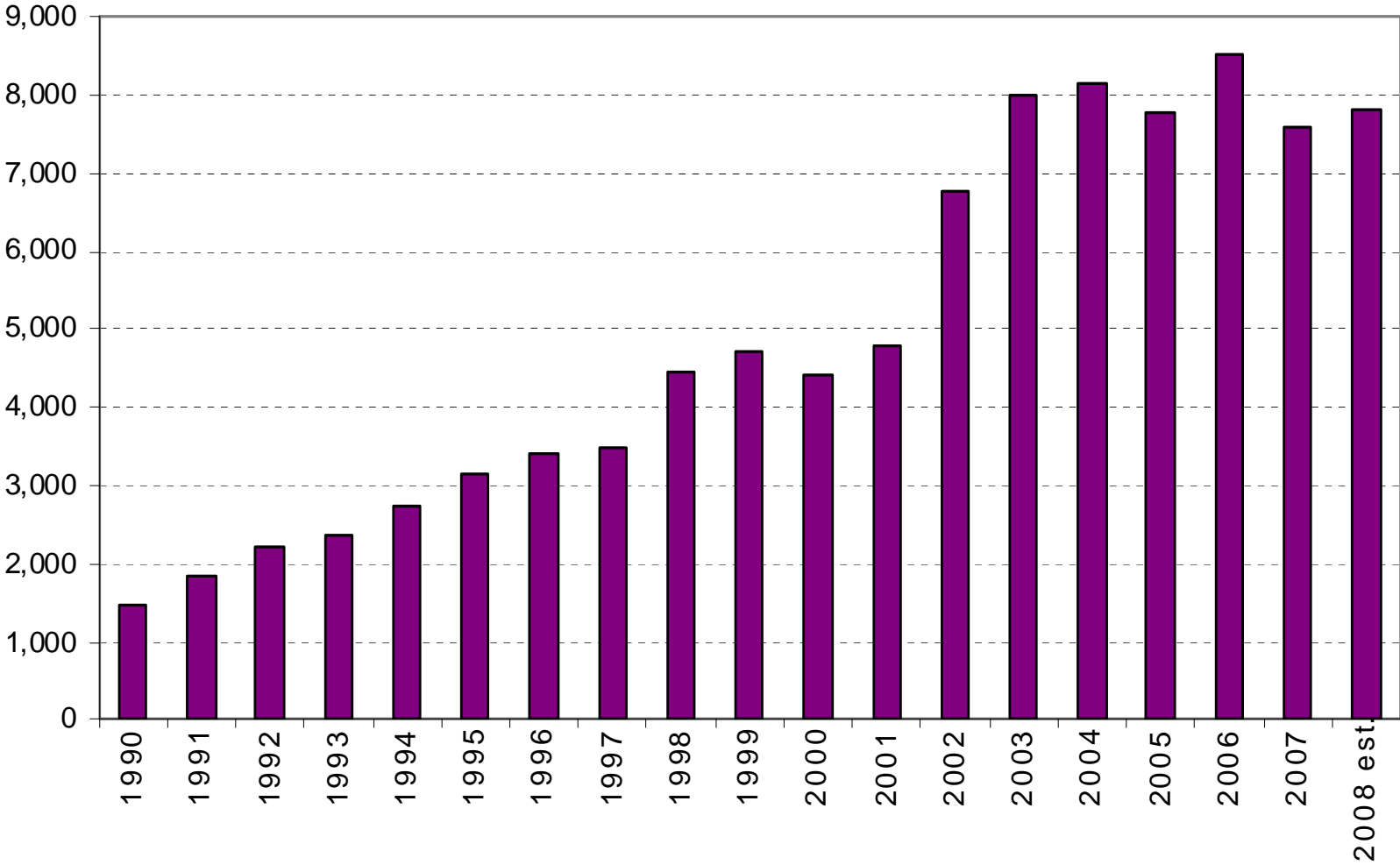
Released Ex-Offenders (1 dot=5)



Adults on Probation and Parole



There has been a sharp increase in Milwaukee County adults admitted to DOC correctional facilities since 2001.



A total of 22,559 adults from the 9 inner city zip codes were in the state corrections system as of June 2008, including:

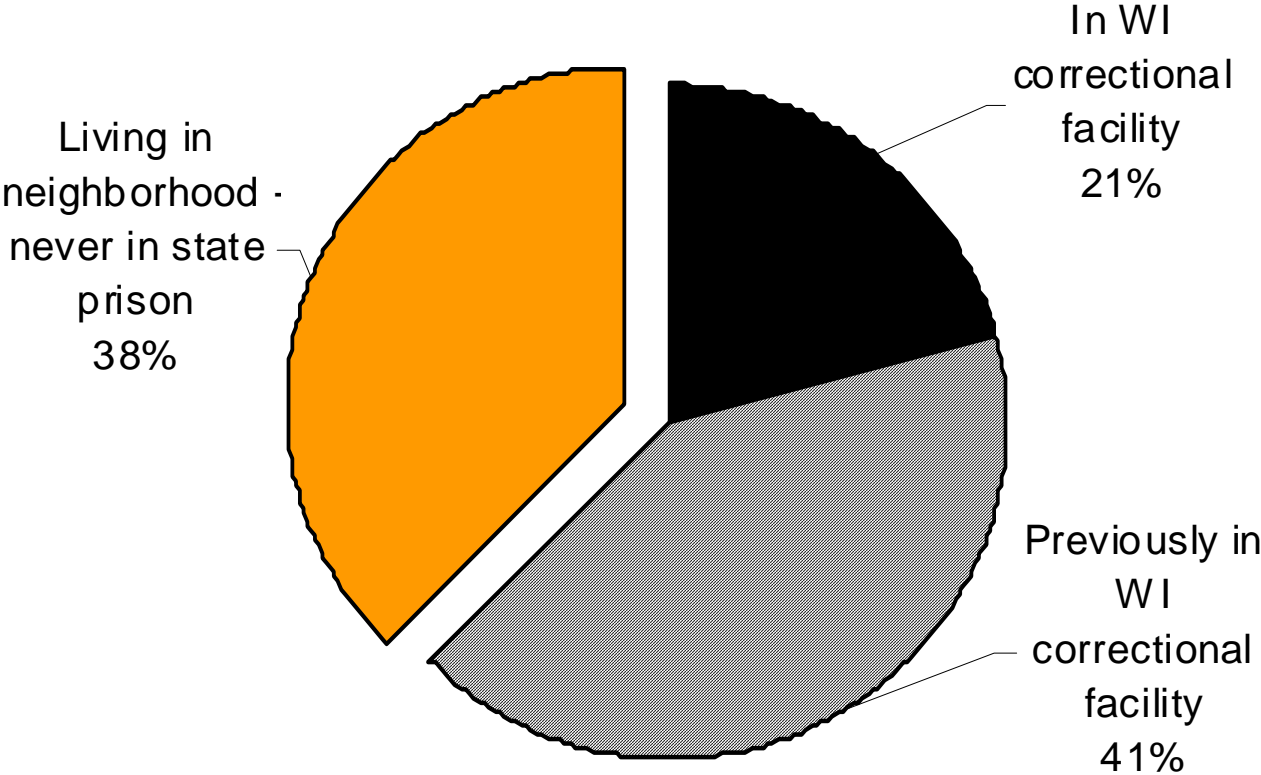
- 5,861 adults incarcerated in state facilities
- 12,541 adults on probation and parole
- 4,157 adults who had previously been incarcerated.

In 5 Milwaukee zip codes (53206, 53205, 53212, 53209 and 53210) over 500 state prisoners are released into the neighborhood each year. Many ex-offenders and current prisoners are parents.

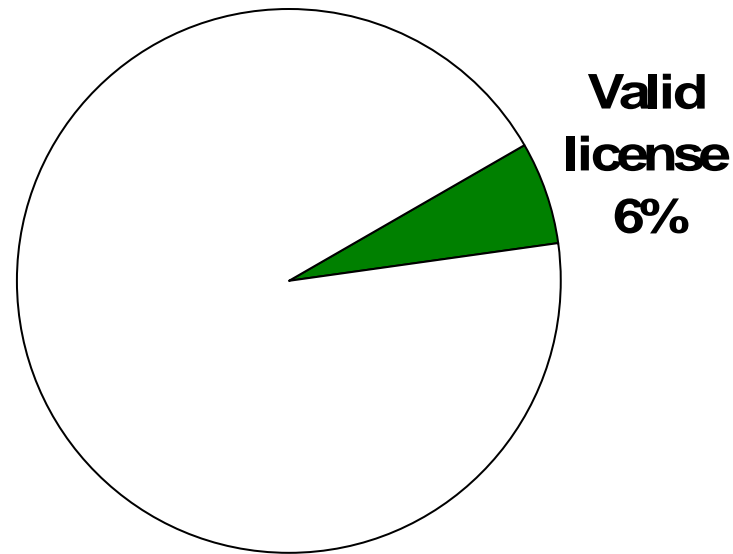


In some of the poorest neighborhoods a **majority** of men of prime working age have been in state prison.

As of June 2006, 62% of men (ages 30-34) in zip code 53206 had been or were incarcerated by the state DOC.



Returning offenders usually lack driver's licenses. Only 6% of Milwaukee County ex-cons have valid driver's licenses that would allow them to legally drive to jobs.



Milwaukee's Housing and Foreclosure Crisis

In 2006 **even before the recession** the Census Bureau estimated that of 51,000 Milwaukee children on food stamps and SSI:

- 48% were in households spending **AT LEAST HALF OF THEIR INCOME** on housing (i.e., rent and utilities).
- 24% were in households spending **MORE THAN 75% OF THEIR INCOME** on housing.

The Census Bureau estimated that one of every 5 Milwaukee **homeowners** with a mortgage was spending over **HALF** of their income on housing in 2006.



Over 60 subprime lenders targeted Milwaukee's inner city neighborhoods. The housing crisis is not over.

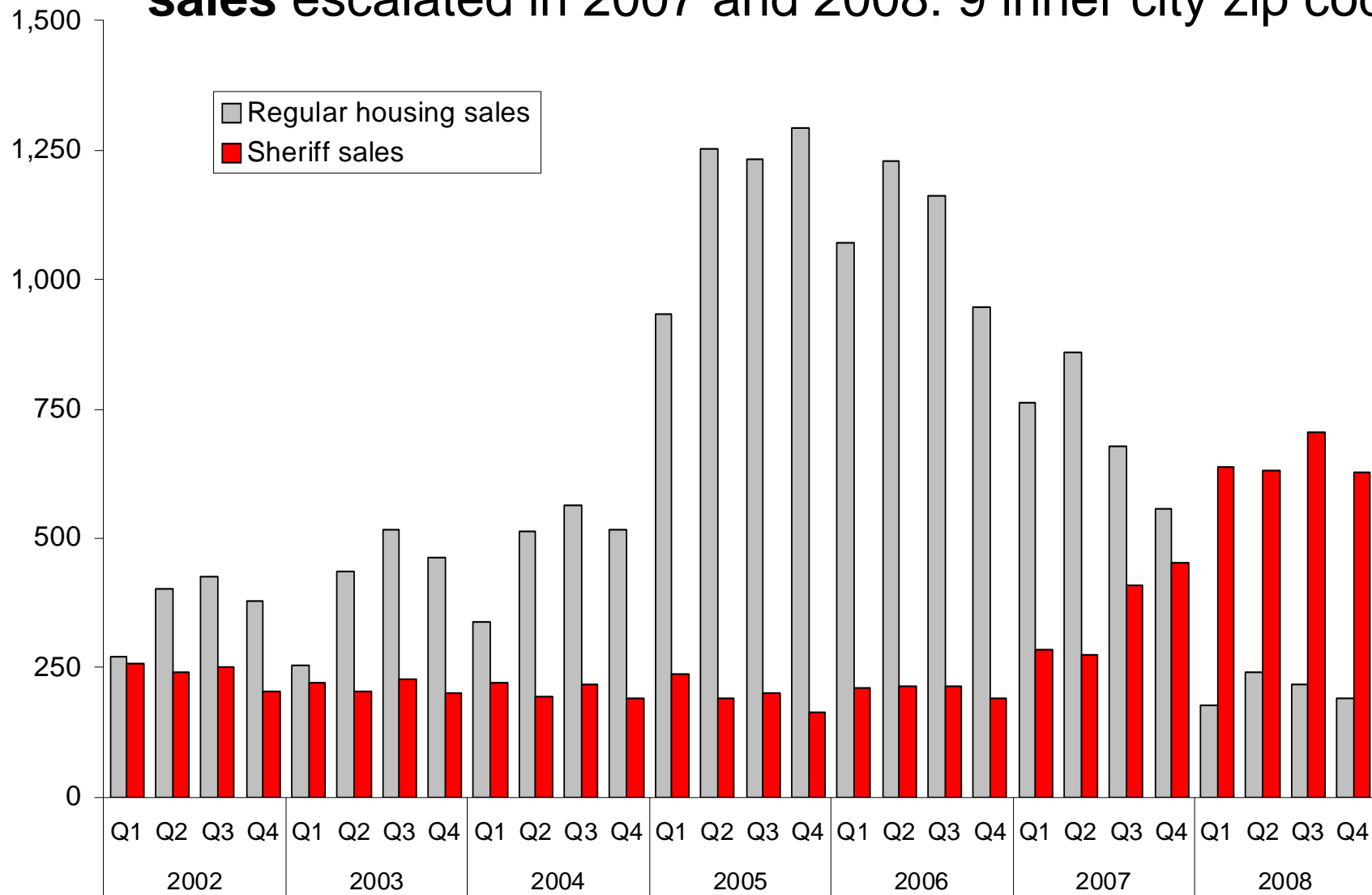
Prior to 2002 relatively few housing sales were recorded in many central city zip codes.

In 2005 and 2006 over 60 mostly out-of-state subprime lenders targeted the inner city for mortgage lending. Families made first-time home purchases and refinanced existing homes.

By 2008, regular housing sales had significantly declined, but sheriff sales of properties in foreclosure have increased dramatically.



Regular housing sales peaked in 2005 and 2006, **sheriff sales** escalated in 2007 and 2008: 9 inner city zip codes



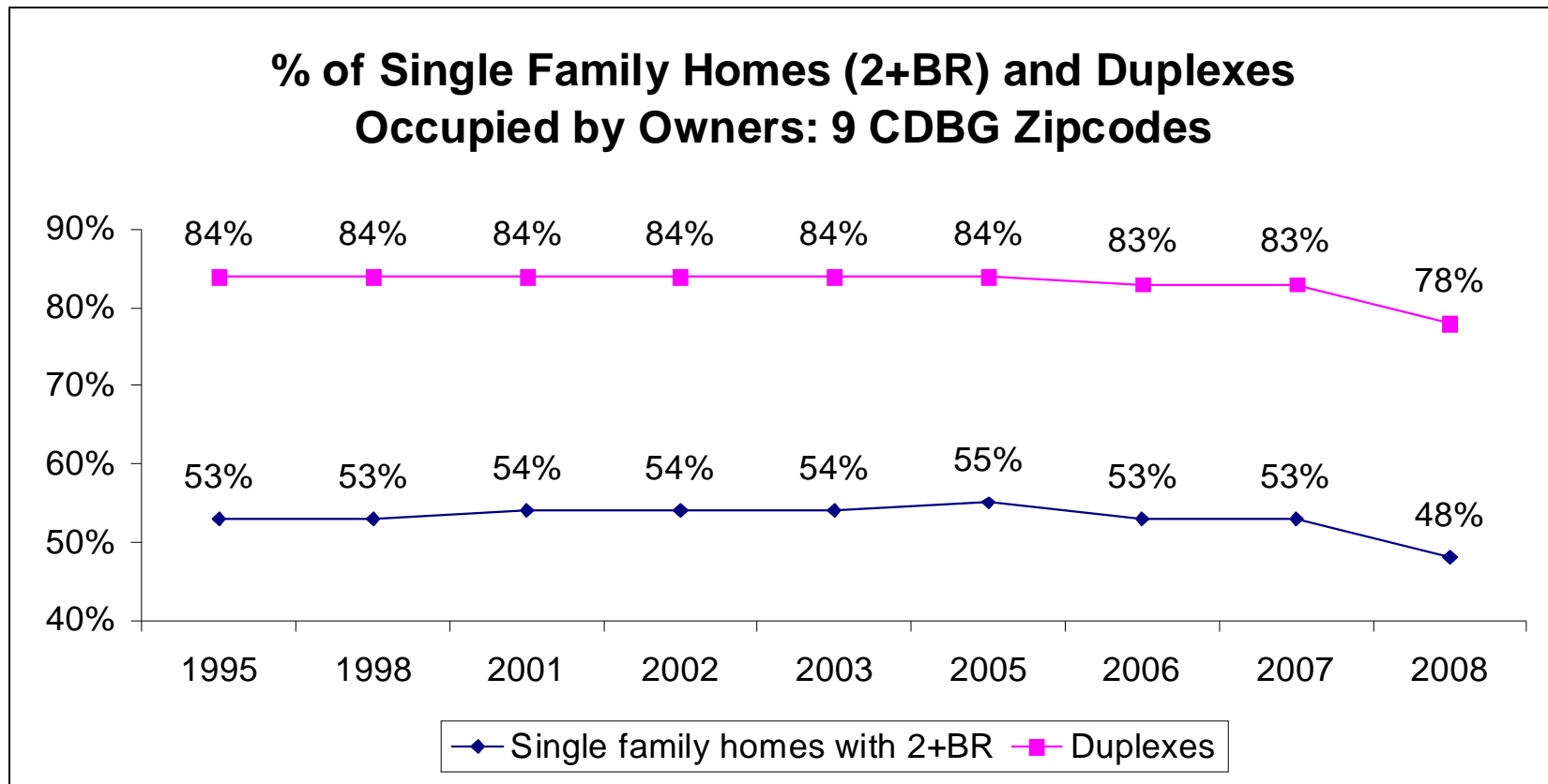
Houses up for sheriff sale can be found on nearly every block in some neighborhoods – often leading to abandoned housing, delayed repairs, vandalism, and tenants displaced.



(## 76th & Villard, Zip code 53218, Jan. 2007-May 2009)



An apparent immediate impact of the housing crisis is a **decline in home ownership** (a long-time strength of Milwaukee's housing stock) in the central city.



Implications for MPS and Youth-Serving Agencies

Student mobility can be expected to continue at high rates given Milwaukee families (both renters and homeowners) unable to meet their mortgage and rent payments and/or displaced by foreclosures.



Concentrations of Poverty among Milwaukee Youth

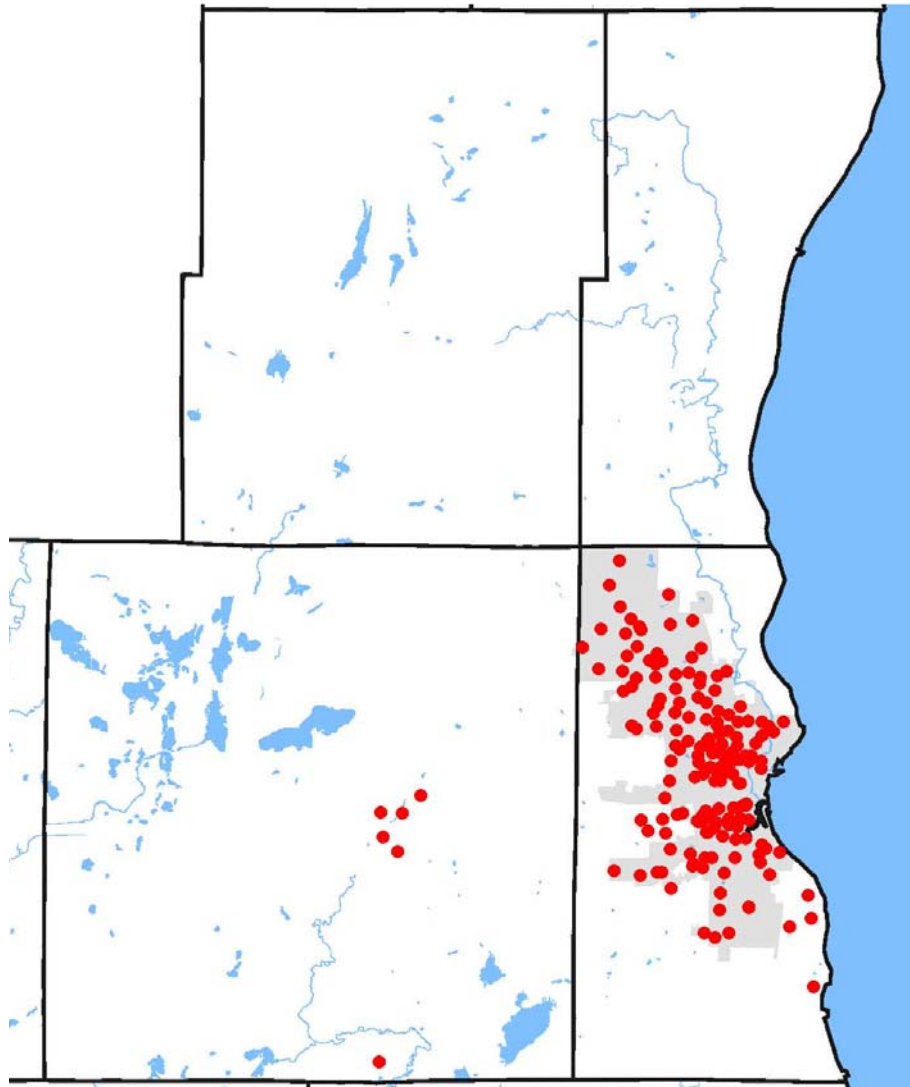
The consequences of the lower earning power of Milwaukee parents can be seen in the MPS classrooms, where a majority of students are poor.

Milwaukee Public Schools now educates 25% of all Wisconsin students (public and private) from low-income families of poverty, but only 3% of middle income children in the state.

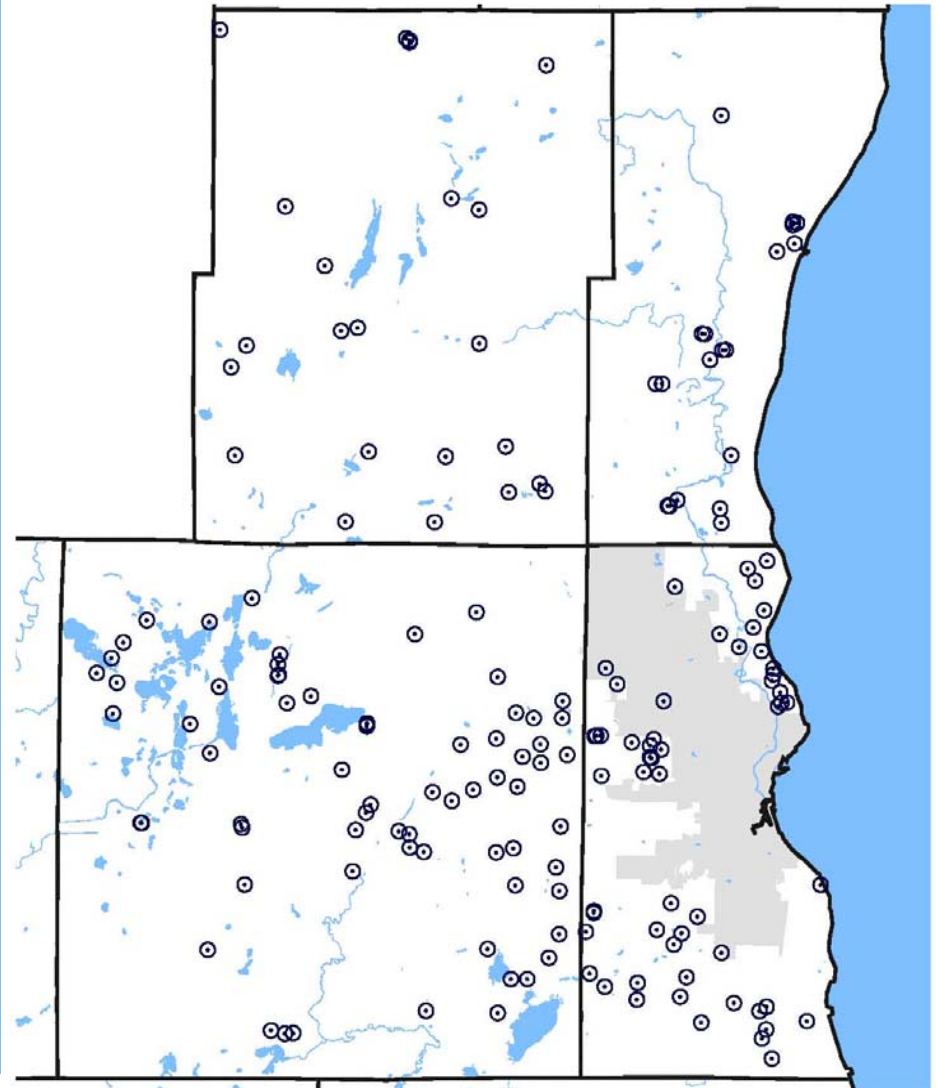
Over the last six years, even as its total enrollment has declined, MPS has enrolled a higher number (and percentage) of poor children.



High-Poverty Public Schools



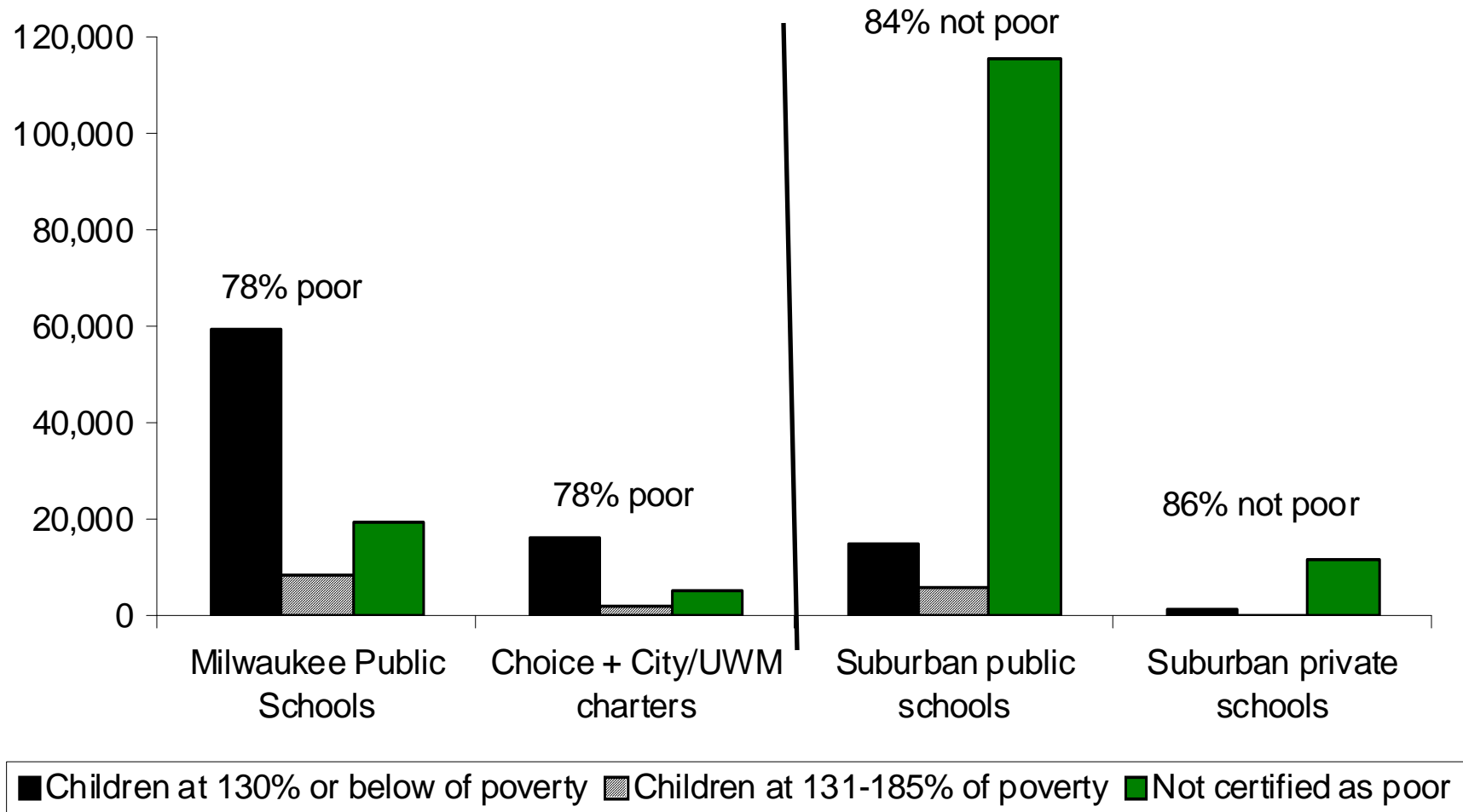
Low-Poverty Public Schools



(2008-09 school year)



Poverty Status of School Children in the 4-County Metro Area



(October 2007)



Child Safety: Crime and Traffic Accidents

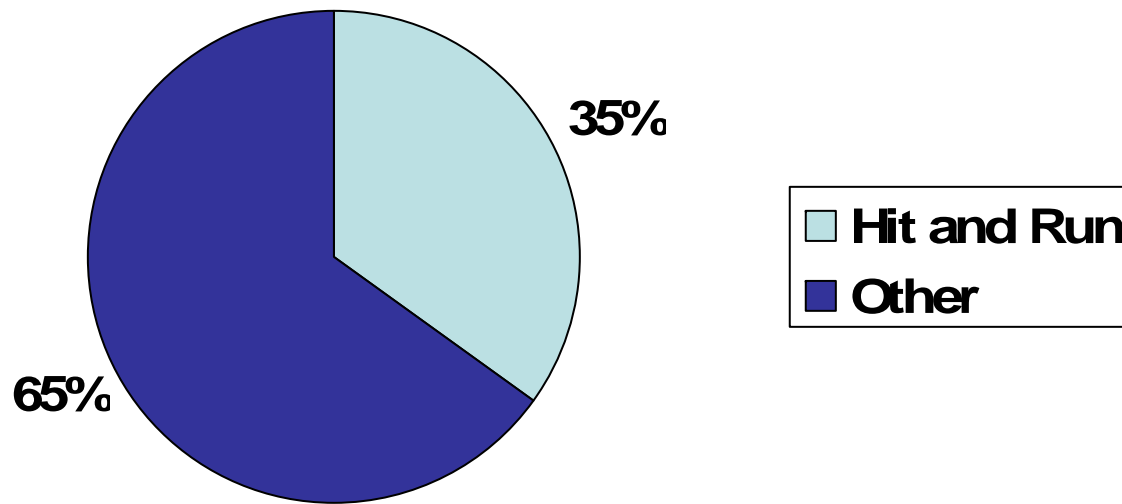
Safety of children is a primary concern in neighborhoods where crime remains at high levels and large numbers of traffic accidents are reported daily.

Even parking for school and community events in high-poverty neighborhoods is an issue, with 4,003 car thefts (or an average of 11 a day) in the 9 inner city zip codes.

Reported in 9 Inner City Zip Codes, 2008	Total
Motor vehicle theft	4,003
Theft of motor vehicle parts/accessories	3,403
Theft from motor vehicle	2,781



Concerns about the safety of children are heightened by the number of **traffic accidents** reported in the inner city (12,438 in 2008). Over a third of the accidents were “**hit and run**” where the driver didn’t stop to aid victims or to report damages.



In zip code 53204, 46% of traffic accidents were “hit and run.”

Driver's License Policies

A critical issue facing central city Milwaukee residents is access to jobs – jobs that are increasingly beyond the county bus lines. Possession of a working vehicle and a valid driver's license are employment assets for securing work.

A series of government policies make it more difficult for low-income residents to secure and maintain a license.

- School-age youth must complete driver's education or commercial driving courses, but state aid for driver's ed has been eliminated.
- School-age high school dropouts are not allowed to obtain licenses.

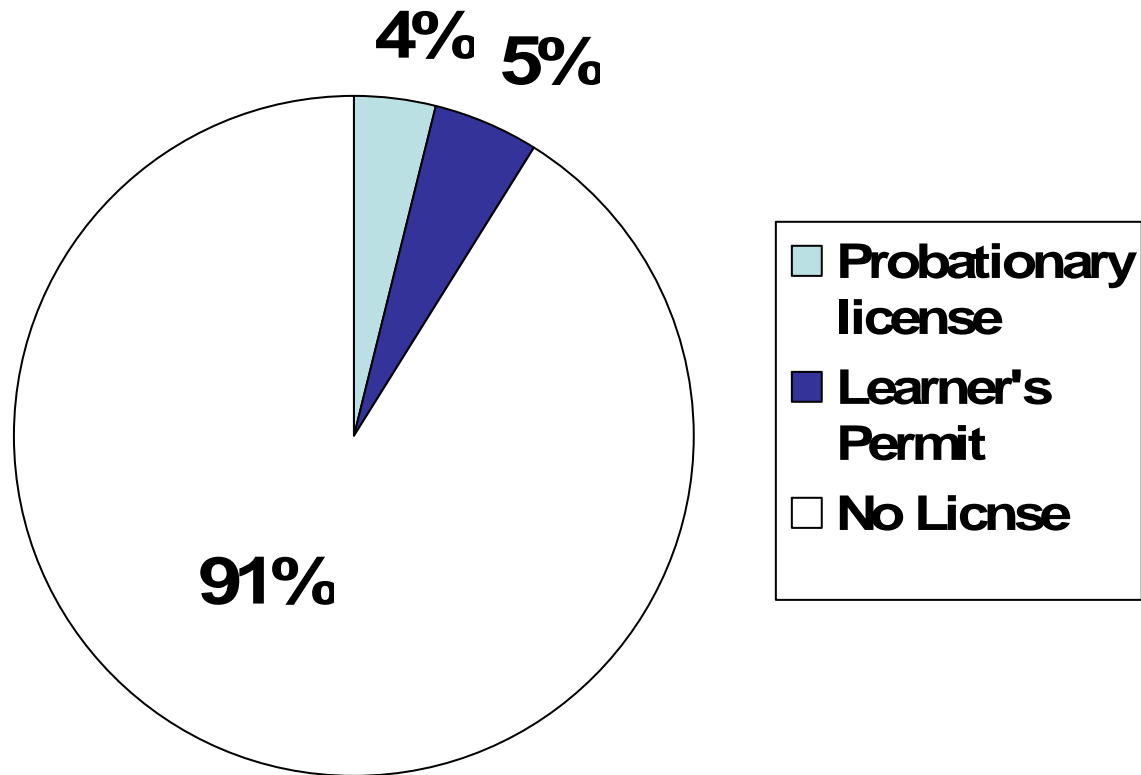


- The municipal courts use the Department of Transportation (DOT) as a collection agency for unpaid fines.
- The city uses the DOT as a collection agency for unpaid parking tickets.
- Minor vehicle infractions observed on older cars (“driving while poor”) may turn into felony violations if the individual is stopped repeatedly while driving with a suspended license.

An estimated 11,855 Milwaukee youth ages 16 and 17 did not have driver’s licenses or learning permits, and over 5,600 of these teens lived in the poorest neighborhoods (as of April 2008).

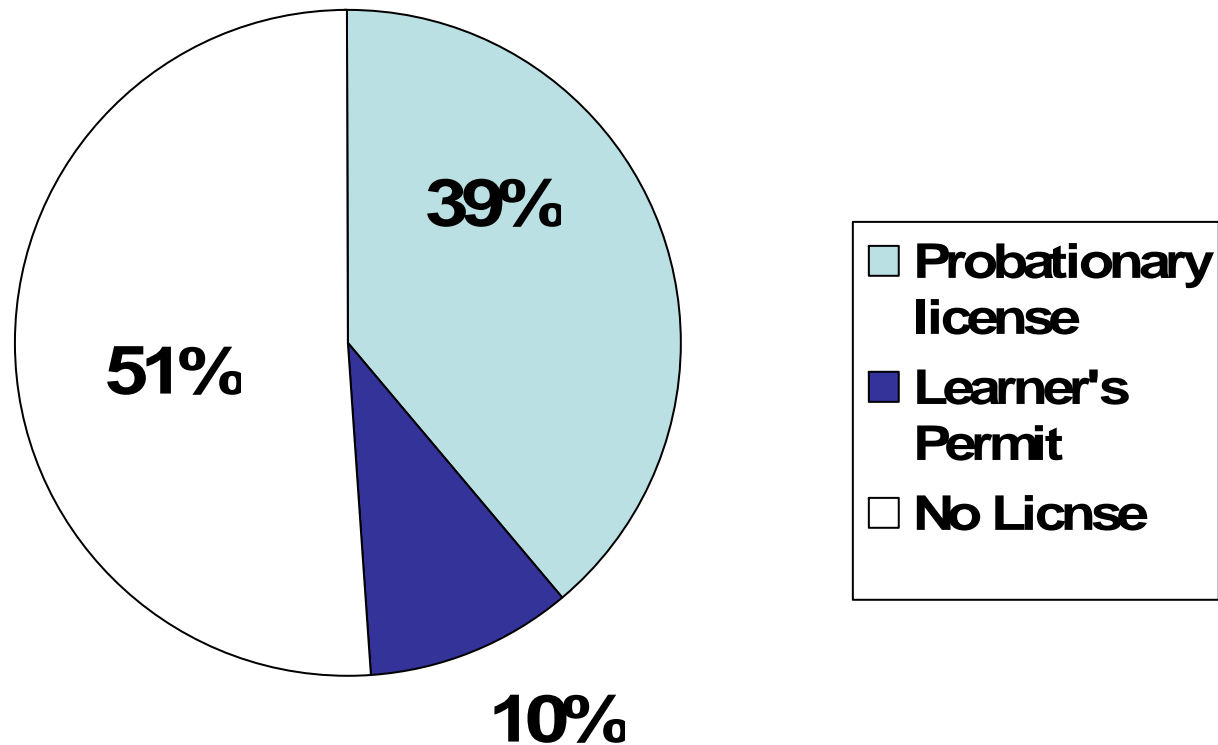


Driver's License Status of 16- and 17-Year Olds in Inner City Milwaukee Neighborhoods



(April 2008)

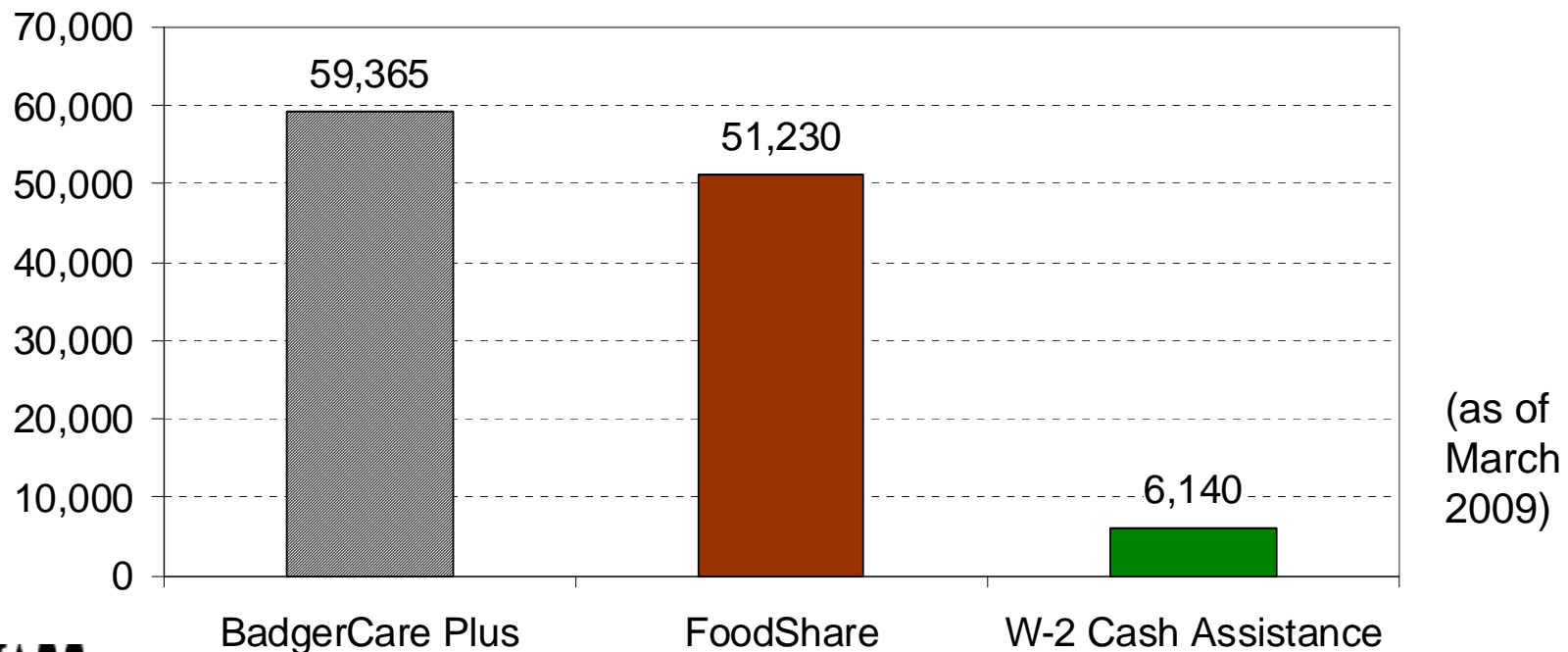
Driver's License Status of 16- and 17-Year Olds in the Milwaukee County Suburbs



(April 2008)

Public Assistance

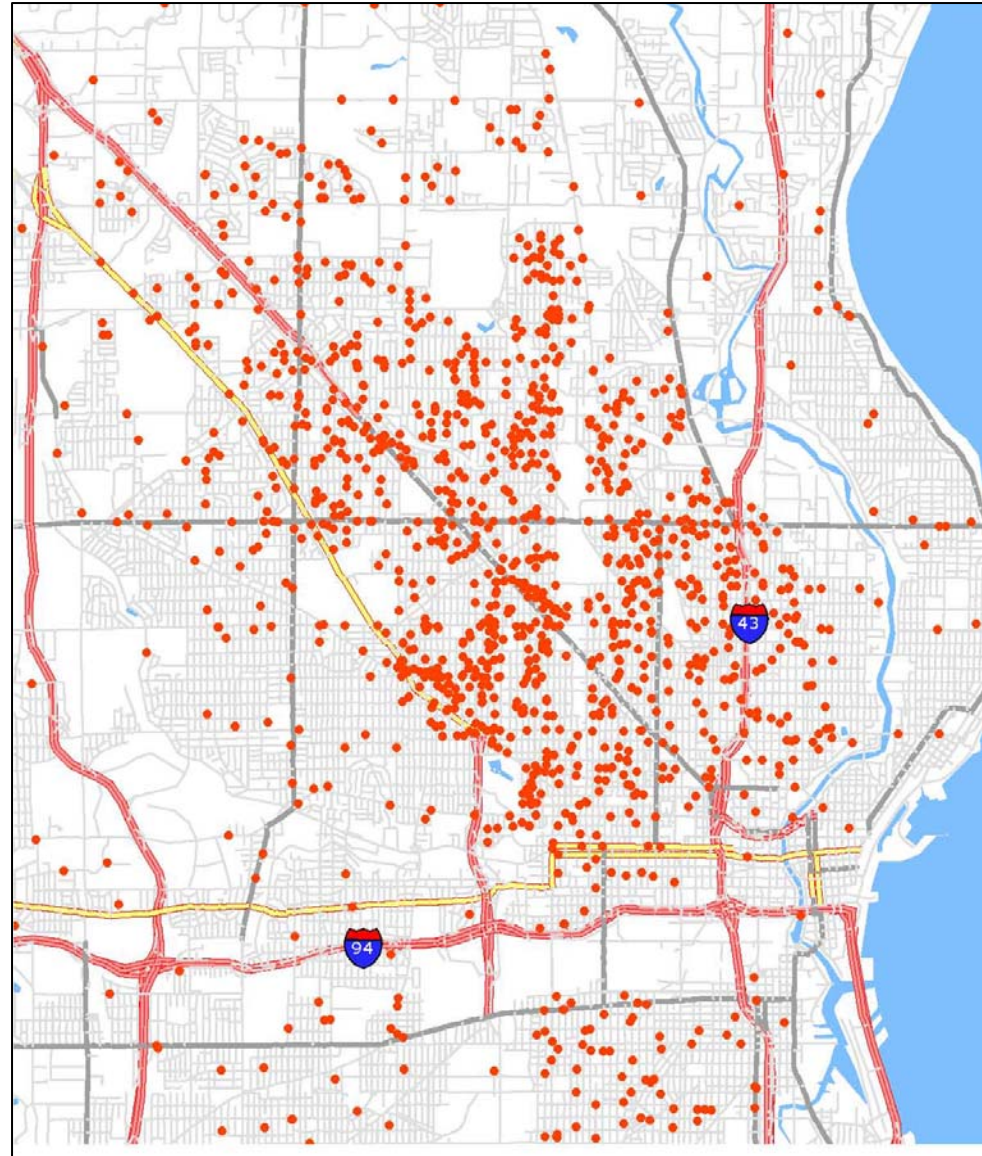
The state is making substantial efforts to increase enrollment of low-income children and families in govt. medical insurance and FoodShare programs. Only 6,140 children, however, are in families receiving W-2 income support in the 9 inner city zip codes.



Licensed **day care capacity** has more than tripled in the central city.

Most child care centers in the inner city draw all or nearly all of their clients from the Wisconsin Shares child care subsidy program.

(Licensed family and group child care centers, April 2009)



Child Care Concerns

Wisconsin Shares child care subsidies averaged \$7,040 per child (\$8,800 including overhead appropriations) in 2008-09.

There is little oversight of expenditures or data required on:

- ✓ expected educational and developmental outcomes
- ✓ coordination with school enrollment
- ✓ wages paid to child care staff and administrators
- ✓ qualifications of staff (“lead teacher”=only 80 hrs training)
- ✓ curricula and planned activities
- ✓ transportation safety and costs.



For more information, see the Employment and Training Institute website at www.eti.uwm.edu.

