

Milwaukee Zipcode 53208

Neighborhood Indicators of Employment and Economic Well-Being of Families, Barriers to Employment, and Untapped Opportunities



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Milwaukee Neighborhood Indicators Reports were initiated by the University of Wisconsin-Milwaukee Employment and Training Institute and its government and foundation partners to provide independent, timely and ongoing assessment tools to measure short-term and long-term progress toward improving economic and employment well-being of families in central city Milwaukee neighborhoods. The indicators track changes by neighborhood since 1993, prior to beginning of state and federal welfare reform. Community agencies assisted in identifying key areas of concern. City, county and state agencies cooperate in securing databases needed for the analysis

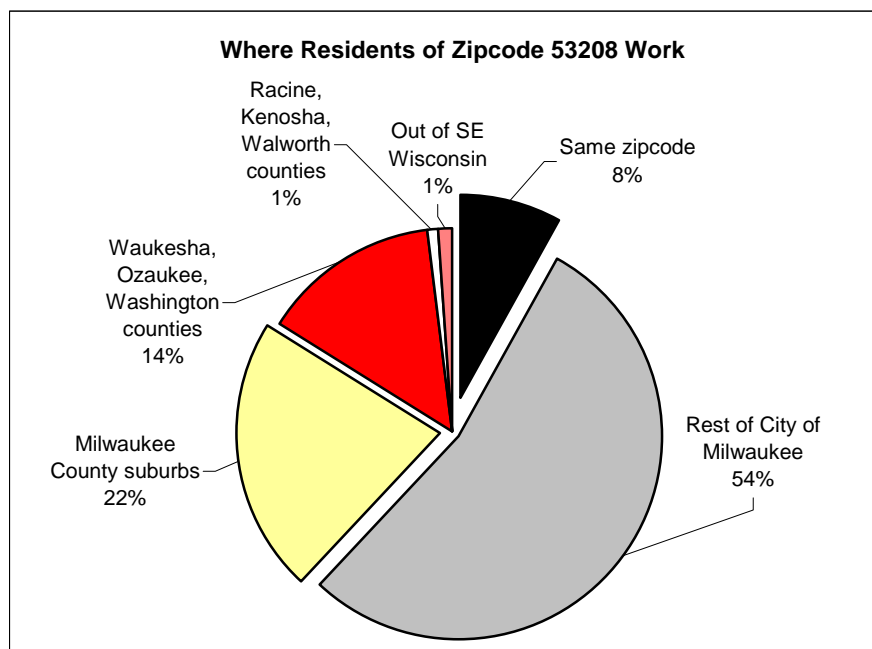
This report assesses employment, economic and welfare changes in ZIP code 53208 based on thirteen years of institutional data. Recently released Census 2000 transportation planning databases are used to provide a first-time analysis by race of jobs located within each central city neighborhood. State-of-the-art purchasing power and retail sales leakage analyses developed by the Employment and Training Institute help communities and neighborhood-based businesses assess the spending power of each central city zipcode. The 2004 income tax analyses (based on state tax returns filed in 2005) provide income data that is five years more current than the 1999 incomes reported by the 2000 Census.

The 53208 zipcode study is one in a series of neighborhood indicators reports for central city neighborhoods. Additional data on each zipcode and census tract in Milwaukee (and throughout the U.S.) is available on the Institute's UWM website at www.eti.uwm.edu.

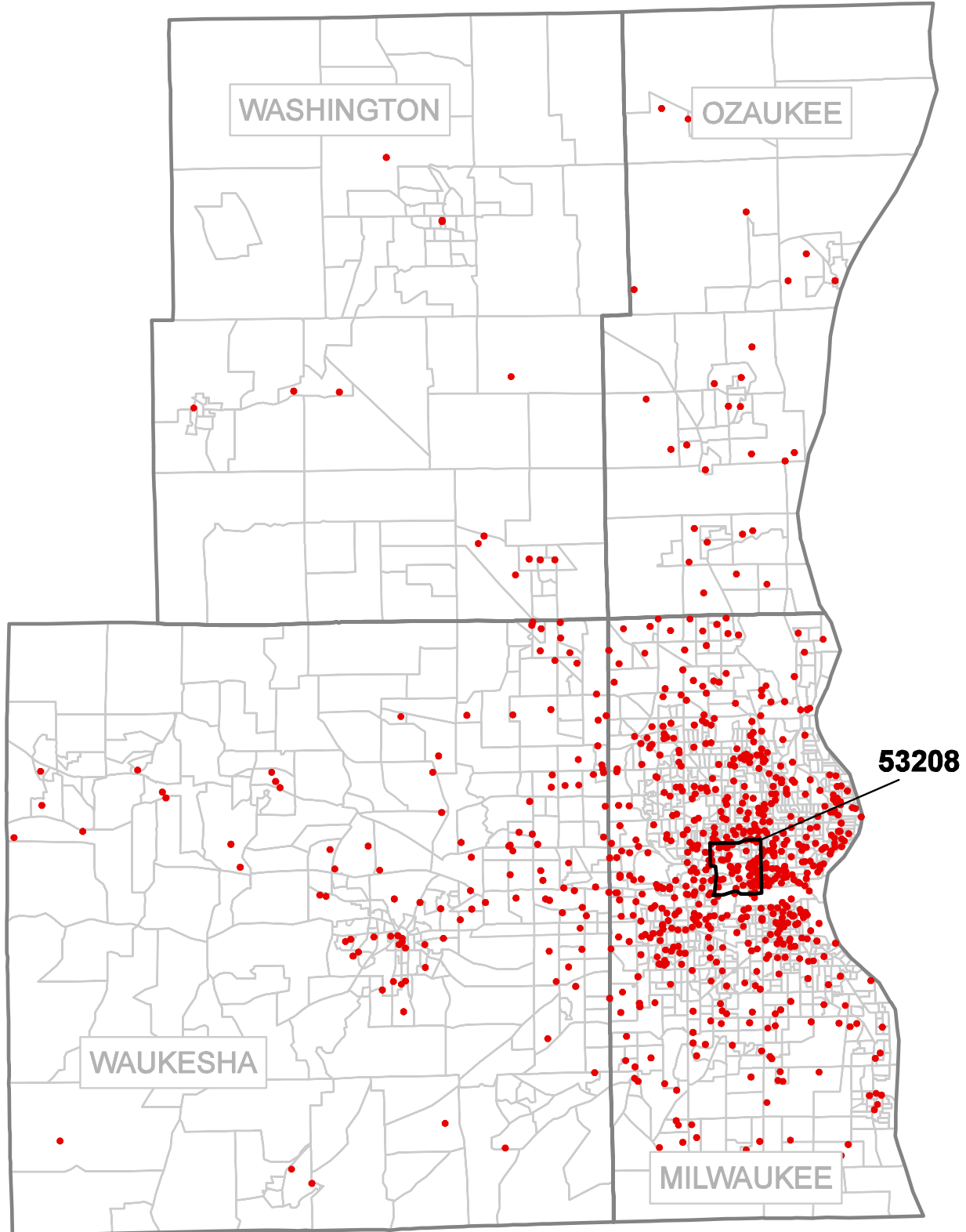
Findings for Zipcode 53208

Workforce Issues

1. **An estimated 42% of employed families in zipcode 53208 have income earnings below the poverty level**, according to 2004 state tax returns for working age families with dependents. The federal and state earned income tax credits helped raise about 555 of these families out of poverty, but still left at least 1,416 families (or 30% of the 4,742 working age tax filers with dependents) with income below poverty. The very low federal standards considered family's annual income to be below poverty in 2004 if it was below \$12,490 for a 2-person family, below \$15,670 for a 3-person family, and below \$18,850 for 4 persons.
2. **For most residents of zipcode 53208, the labor market is very limited. According to the Census 2000 transportation files, 84% of 53208 residents work in Milwaukee County**, including 62% of 53208 residents who are employed at jobsites within the City of Milwaukee. About 14% of residents have jobs in Waukesha, Ozaukee and Washington (WOW) counties, and almost none have found work in Racine, Kenosha and Walworth counties. Leveraging greater employment for minority workers in Milwaukee County and nearby jobsites in the WOW counties remains a top priority. The map below shows the jobsites where most residents of zipcode 53208 were employed at the time of the 2000 Census.

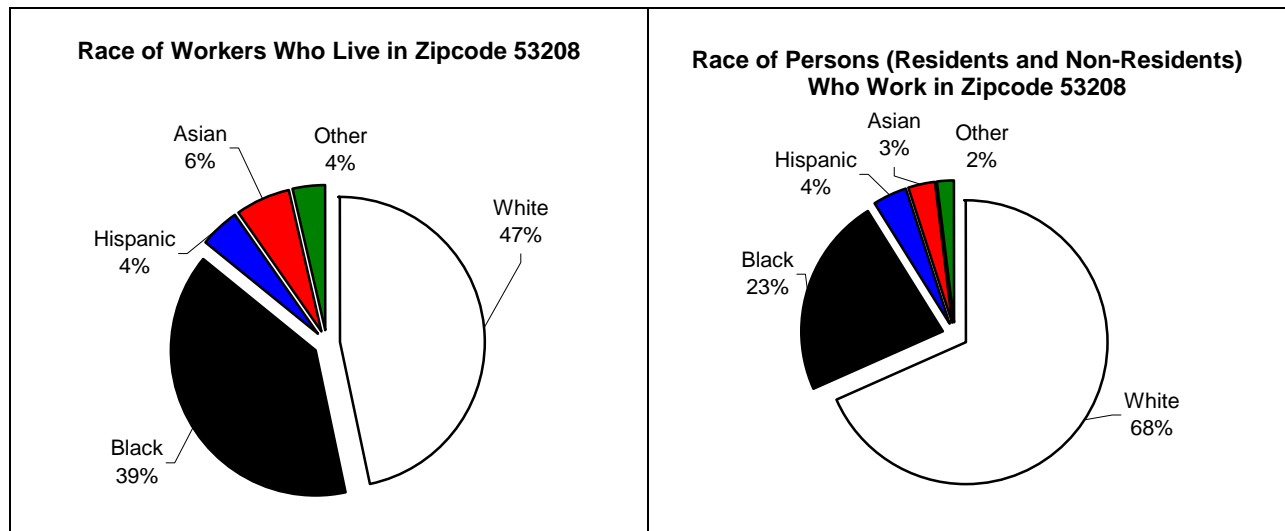


Where People Work Who Live in Zipcode 53208



Source: U.S. Census 2000 Transportation Planning Package data files (1 dot = 5 workers)
Analysis by Employment and Training Institute, University of Wisconsin-Milwaukee.

3. **Workforce/Job Gaps:** Zipcode 53208 is a mixed race community both in the composition of its resident workforce and in the workforce employed at jobsites in the zipcode. According to recently released 2000 Census transportation data files, whites make up 47% of the resident workforce, but white workers hold 68% of jobs with employers (public, private and non-profit) in the 53208 neighborhood. On the other hand, **African Americans make up 39% of the resident workforce in the zipcode, but African American workers hold only 23% of jobs at worksites in 53208. Hispanics comprise 4% of the resident workforce and also make up 4% of persons employed at zipcode 53208 jobsites. Asians make up 6% of the resident workforce and 4% of persons employed at jobsites in the zipcode.**



Increased efforts to (1) utilize and enforce residential preference ordinances targeted to neighborhoods with higher poverty rates, (2) monitor affirmative action provisions for federal and state contractors, (3) support disadvantaged and emerging businesses, and (4) improve access of minorities to apprenticeship and other job training programs could help address the significant racial job gaps in this and other central city Milwaukee neighborhoods.

Addressing Barriers to Employment

4. This neighborhood has benefited from a dramatic increase in licensed child care facilities since the state expanded its Wisconsin Shares Program offering subsidized child care for “W-2” participants and “working poor” families. **The total capacity for full-time child care with state licensed providers has more than tripled, from 547 slots in March 1996 to 2,058 slots in August 2005.** In

all, 71% of the slots are in group centers and 29% are in licensed family care. The zipcode has seen a dramatic rise in family child care centers.

5. Given the need for most residents to find jobs outside their neighborhood, policies using the driver's license to collect fines for non-driving offenses continue to restrict workers' access to jobs in outlying areas. In 2005, **the zipcode area showed 4 times as many driver's license suspension orders for failure to pay fines (4,334 suspensions) as suspension orders for traffic violations, driving while intoxicated, and drug convictions combined (1,059 suspensions)**. On the positive side, the 4,334 "failure to pay" suspension orders are down from an all-time high of 6,157 in 2003. The large number of residents without a valid driver's license remains an ongoing impediment to employment.

Untapped Opportunities

6. **Economic assets** of the immediate neighborhood include its high population density, high concentration of wage earners, and the purchasing power of residents. **Local residents spend an estimated \$103 million annually for 16 categories of consumer expenditures**. This translates into \$26.3 million of spending per square mile, well above the average spending in many affluent suburban neighborhoods. Tapping into this purchasing power could improve the economic health of the immediate neighborhood.
7. Because of the absence of retail establishments, this zipcode shows a very large **retail sales leakage**. It is estimated that less than half (48%) of residents' retail expenditures (for 15 categories of purchases) are captured by local retail establishments, while **an estimated \$46.3 million is leaving the 53208 neighborhood annually when residents buy their goods at other locations**.
8. Contrary to popular misconceptions about the inner city, most (86%) of single family houses in zipcode 53208 are owner-occupied. Over half (57%) of duplexes are owner-occupied, up from 53% in 2000.
9. **Home owners in zipcode 53208 have seen marked increases in the value of their houses in the last five years**. From 2000 to 2005, the average value of a 4-bedroom house increased 80%, while the prior 7-year period (1993-2000) showed a slower 59% increase. The value of duplexes rose 91% from 2000-2005. This compares to only a 42% increase in the prior seven years. Given the stagnant income earnings of families in this zipcode and the predominance of single-parent families, **housing**

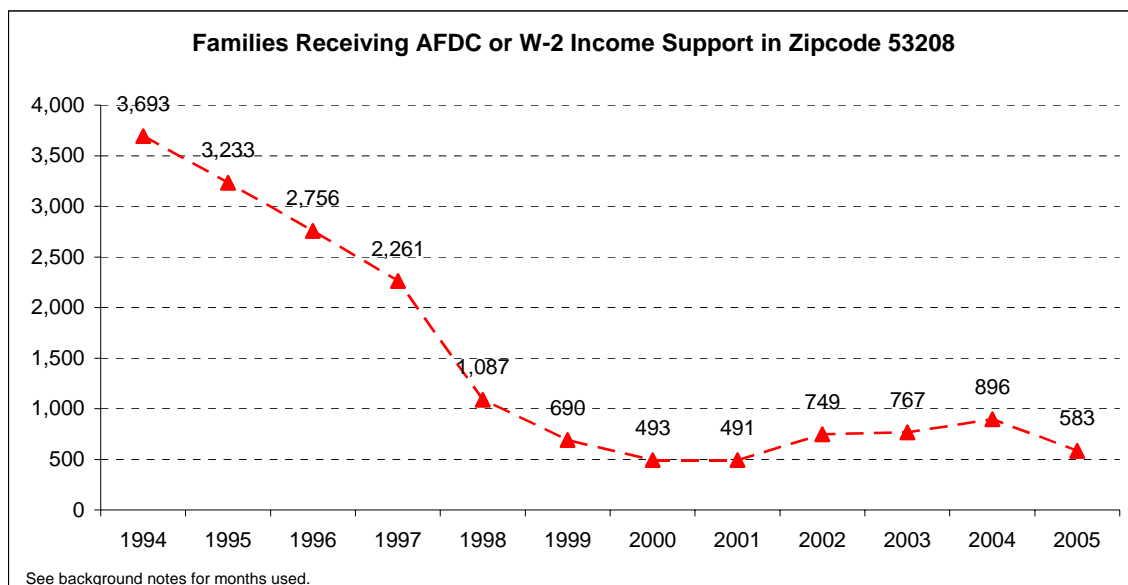
prices appear to be rising above the capacity of local families to purchase houses in the neighborhood.

Income Growth/Stagnation

10. **Total earnings of zipcode 53208 residents have stagnated since the 2000 Census.** The total adjusted gross income of working age tax filers increased by less than 1% between 2000 and 2004. When inflation is considered, the real income earnings of residents dropped by 5.9%. Most of the central city neighborhoods, including zipcode 53208, have had decreases in real income since the 2000 Census.

11. Federal and Wisconsin tax credits (EIC) provide significant support for lower-income employed families in zipcode 53208. **The earned income tax credits have more than doubled, from \$4.1 million in 1993 to \$10.7 million in the 2004 tax year.** For the 2004 tax year for tax filers in the \$15,000 to \$24,999 income range, 91% of single parent tax filers and 84% of married filers with dependents claimed the EIC.

12. In spite of the low earnings of single parent families, very few families in zipcode 53208 receive public assistance income support under “W-2,” the replacement for AFDC in Wisconsin. Under AFDC employed families could receive income supplements if their earnings were low. In 2005, “W-2” payment cases were at one-sixth the AFDC levels of the mid-1990s in zipcode 53208.



Job Gaps in Zipcode 53208

2000 Census CTPP Files

As part of an innovative approach to central city economic development, the Employment and Training Institute has used the Census Transportation Planning Package databases (CTPP 2000) to examine not only where local residents work but also to profile who comes into each neighborhood for jobs. This first-time analysis of **employment by jobsite** uses place-of-work data (from household responses to the Census long-form questionnaire provided to 1 in 6 U.S. households) released in 2004 and 2005. **One job is reported for each worker** (the job where they worked the most hours). Since job totals show only the primary job of each worker, they understate the total number of jobs in area companies, particularly for employers with part-time work. This approach, however, allows a one-to-one match between available workers and primary jobs.

Where Residents Work

The 2000 Census transportation files reported a total of 14,955 residents of zipcode 53208 (ages 16 and above) employed at the time of the 2000 Census.

- Most residents commute to jobs outside the zipcode. Only about 8% of residents worked in the 53208 zipcode area, while 92% traveled to jobs outside the zipcode.

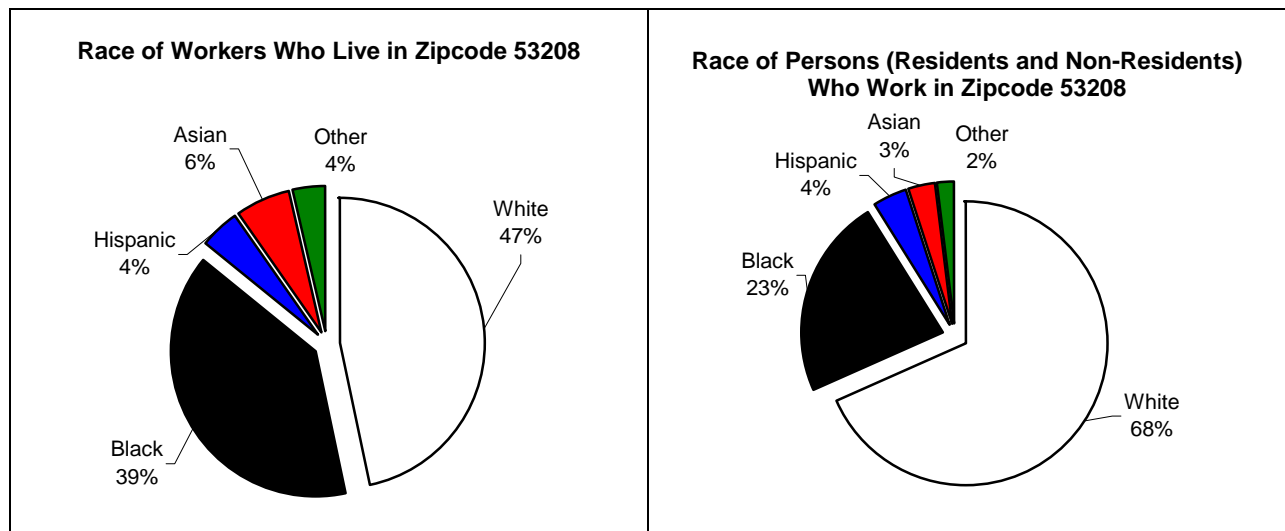
- The labor market for many 53208 **residents** is limited to Milwaukee County. The majority of residents (62%) worked in the City of Milwaukee and 84% work within Milwaukee County. Another 14% of workers were employed in Waukesha, Washington and Ozaukee counties. The other three counties (Racine, Kenosha and Walworth) of the “Milwaukee Region” provided employment to only 1% of 53208 resident workers, and another 1% worked outside of southeastern Wisconsin.

Who Works for 53208 Employers

The Census 2000 files showed 13,115 persons (residents and non-residents) whose primary job was located at a worksite in zipcode 53208. This included employment with private companies, governmental and school units, non-profits, and self-employment.

- Ninety-one percent of persons working at jobsites within zipcode 53208 came from outside the neighborhood, and 9% were from the 53208 zipcode.
- Workers coming into the central city to work showed a much broader labor market than outgoing central city workers. One fourth (24%) of the workers came from outside Milwaukee County, including 20% from the WOW (Waukesha, Ozaukee and Washington) counties. The three southern counties (Racine, Kenosha and Walworth) of the “Milwaukee Region” provided 2% of the workers coming into 53208 for jobs – the same percentage as workers coming into the neighborhood from outside of the Southeast Wisconsin area.

Zipcode 53208 is a mixed race community both in the composition of its resident workforce and in the workforce employed at jobsites in the zipcode.



- Whites comprise 47% of the resident workforce, but white workers hold 68% of jobs with employers (public, private and non-profit) with jobsites in 53208. On

the other hand, African Americans make up 39% of the resident workforce in this zipcode, but African American workers hold only 23% of jobs in zipcode 53208. Hispanics comprise 4% of the resident workforce and Hispanics made up 4% of persons employed at zipcode jobsites. Asians made up 6% of the resident workforce, and Asians comprised 3% of persons employed at jobsites in the zipcode.

- African American workers held 19% of jobs in private companies located in the zipcode. For non-profits, they held 28% of the jobs at neighborhood worksites.
- African Americans made up 41% of the 289 workers employed at state government jobsites, 34% of the 158 workers employed at federal government jobsites, and 31% of the 2,635 workers employed at local government jobsites (including schools) located in zipcode 53208. Asians made up 11% of the self-employed population. Hispanics showed their highest employment rates in state government, where they held 6.6% of jobs at worksites in 53208.

Characteristics of Those Who Work at Jobsites in Zipcode 53208

(Includes Jobs Held by Residents and Non-Residents)						
Type of Employer	White	Black	Hispanic	Asian	Other	Total Workers
Total workers	8,940	3,015	516	378	260	13,115
Private for-profit	71.7%	18.6%	4.7%	2.8%	1.9%	7,765
Private not-for-profit	63.5%	27.8%	4.2%	0.3%	3.1%	1,445
Local government	63.8%	30.6%	2.2%	1.9%	1.3%	2,635
State government	46.4%	41.2%	6.6%	3.5%	1.4%	289
Federal government	58.9%	34.2%	0.0%	0.0%	6.3%	158
Self-employed not incorporated	63.8%	19.2%	1.2%	11.7%	1.7%	802
Unpaid family workers	44.4%	55.6%	0.0%	0.0%	0.0%	18
Source: Census Transportation Planning Package (CTPP2000) data on place-of-work based on responses to the 2000 Census long-form questionnaire. Only 1 job is reported for each worker 16 and older and cell values are rounded. Totals may vary in place-of-work tables due to rounding techniques used by the U.S. Census Bureau. See methodology for definitions of race/ethnicity. Drill Downs were prepared by the University of Wisconsin-Milwaukee Employment and Training Institute, 2005.						

- A majority (59%) of persons employed at 53208 jobsites worked for private companies, with manufacturing firms as the leading industry type. Another 23% worked for local, state, and federal governments; 11% worked for non-profit agencies.

The tables below show the breakdown of jobs in zipcode 53208 by occupational groupings of workers.

- Among the largest occupational areas, African Americans comprised 26% of the workers in office and administrative support and 26% in education and library work, compared to only 16% of production workers at 53208 jobsites.
- The highest percentages of employment of African Americans at 53208 jobsites were for personal care services (where they comprised 52% of workers) and building and grounds cleaning/maintenance (where they were 39%).
- Hispanics showed their highest rates of employment as community and social services workers (11%) and as production workers (10%).
- Asian workers showed their highest rates of employment as personal care service workers (10% of the total) and food preparation and service (also 10% of total workers).

Current initiatives by the NAACP Milwaukee Branch and a coalition of other organizations are focusing on **access of minorities to jobs in construction**.

- At the time of the Census, 470 persons were engaged in construction work (including self-employment) at 53208 jobsites. White workers held 81% of these jobs (or 379 jobs) and African Americans held 18% (83 jobs).
- When the occupations of 53208 **residents** were analyzed (regardless of whether they worked inside or outside of the neighborhood), 392 residents reported occupations in construction, including 265 whites, 88 African Americans, 10 Asians, and 29 others (e.g., Native Americans and persons of 2 or more races).

Additional tables showing differences by transportation to work, type of industry, salary/wages, gender, and age are available for each neighborhood at the Employment and Training Institute's interactive drilldown website (at www.eti.uwm.edu).

Occupations of People Who Work at Jobsites in Zipcode 53208

(Including Jobs Held by Residents and Non-Residents)						
Total	White	Black	Hispanic	Asian	Other	Occupational Grouping
13,109	8,940	3,015	516	378	260	Total Occupation
1,860	1,258	482	50	30	40	Education, training, library
1,768	1,197	454	58	19	40	Office, administrative support
1,644	1,253	312	14	45	20	Management
1,185	807	193	118	28	39	Production
920	641	191	40	24	24	Sales, related
602	379	112	49	44	18	Transportation, material moving
546	378	144	4	10	10	Business, financial operations
470	379	83	4	0	4	Construction, excavation
455	208	183	49	0	15	Community, social service
438	341	53	10	26	8	Healthcare practitioners, technicians
434	196	143	40	43	12	Food preparation, serving related
384	332	28	24	0	0	Installation, maintenance, repairs
381	130	198	14	39	0	Personal care, service
362	310	32	0	20	0	Computer, mathematical
296	268	14	10	4	0	Arts, design, entertainment, sports, media
287	207	72	0	0	8	Protective service
271	229	14	4	24	0	Engineering, architecture
270	125	104	8	4	29	Building + grounds cleaning/maintenance
186	158	0	4	24	0	Life, physical, social science
163	44	119	0	0	0	Healthcare support
Total	White	Black	Hispanic	Asians	Other	Groupings with Over 200 Employed
13,109	68.2%	23.0%	3.9%	2.9%	2.0%	Total Occupation
1,860	67.6%	25.9%	2.7%	1.6%	2.2%	Education, training, library
1,768	67.7%	25.7%	3.3%	1.1%	2.3%	Office, administrative support
1,644	76.2%	19.0%	0.9%	2.7%	1.2%	Management
1,185	68.1%	16.3%	10.0%	2.4%	3.3%	Production
920	69.7%	20.8%	4.3%	2.6%	2.6%	Sales, related
602	63.0%	18.6%	8.1%	7.3%	3.0%	Transportation, material moving
546	69.2%	26.4%	0.7%	1.8%	1.8%	Business, financial operations
470	80.6%	17.7%	0.9%	0.0%	0.9%	Construction, excavation
455	45.7%	40.2%	10.8%	0.0%	3.3%	Community, social service
438	77.9%	12.1%	2.3%	5.9%	1.8%	Healthcare practitioners, technicians
434	45.2%	32.9%	9.2%	9.9%	2.8%	Food preparation, serving related
384	86.5%	7.3%	6.3%	0.0%	0.0%	Installation, maintenance, repairs
381	34.1%	52.0%	3.7%	10.2%	0.0%	Personal care, service
362	85.6%	8.8%	0.0%	5.5%	0.0%	Computer, mathematical
296	90.5%	4.7%	3.4%	1.4%	0.0%	Arts, design, entertainment, sports, media
287	72.1%	25.1%	0.0%	0.0%	2.8%	Protective service
271	84.5%	5.2%	1.5%	8.9%	0.0%	Engineering, architecture
270	46.3%	38.5%	3.0%	1.5%	10.7%	Building + grounds cleaning/maintenance

Source: Census Transportation Planning Package (CTPP2000) data on place-of-work based on responses to the 2000 Census long-form questionnaire. Only 1 job is reported for each worker and cell values are rounded. See methodology for definitions of race/ethnicity and occupations. Drill Downs were prepared by the University of Wisconsin-Milwaukee Employment and Training Institute, 2005.

Purchasing Power Assets and Retail Business Potential

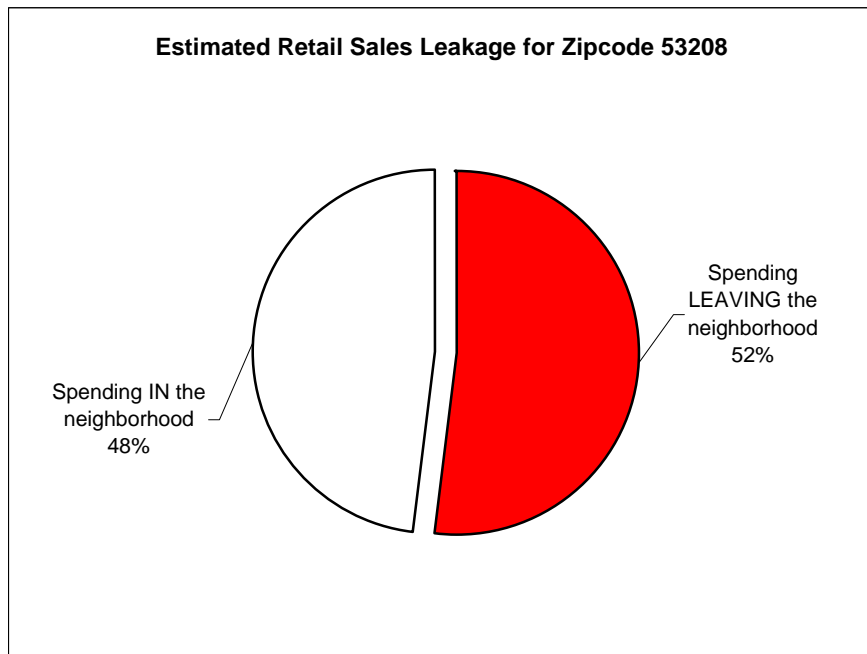
Economic assets of central city Milwaukee neighborhoods include their population density, high concentrations of wage earners, and the purchasing power of residents. Retail spending was estimated for neighborhood residents based on five types of households at five income levels, using Consumer Expenditure Survey data on spending patterns for each of these 25 household/income categories.

- An analysis of the estimated spending of resident households in zipcode 53208 showed over \$103 million in annual spending for 16 major retail expenditure areas.
- This translates into \$26.3 million of spending per square mile, well above the average spending in many suburban and exurban neighborhoods.

Purchasing Power Profile for Residents of the Milwaukee 53208 Neighborhood		
Land Area in Square Miles: 3.92		
Consumer Expenditure Category	Est. Annual Expenditures	Expenditures Per Square Mile
Food at home	\$43,475,814	\$11,090,769
Food away from home	\$13,984,238	\$3,567,408
Apparel and related services	\$14,004,820	\$3,572,658
Television equipment, tapes, disks	\$6,209,035	\$1,583,938
Audio equipment, CDs, tapes	\$1,593,376	\$406,473
Household textiles	\$823,610	\$210,105
Furniture	\$3,607,747	\$920,344
Floor coverings	\$321,198	\$81,938
Major appliances	\$1,822,497	\$464,923
Small appliances and housewares	\$562,346	\$143,456
Computer hardware and software	\$1,671,788	\$426,477
Miscellaneous household equipment	\$2,640,211	\$673,523
Non-prescription drugs and supplies	\$2,857,417	\$728,933
Housekeeping supplies	\$5,257,531	\$1,341,207
Personal products	\$3,392,368	\$865,400
Home repair commodities	\$902,699	\$230,280
Total for 16 categories	\$103,126,695	\$26,307,830
Source: University of Wisconsin-Milwaukee Employment and Training Institute, 2004. The analysis is based on 2002 Bureau of Labor Statistics Consumer Expenditure Surveys and 2000 U.S. Census data. See www.eti.uwm.edu .		

To determine the extent to which existing retail businesses are capturing retail spending of local residents, consumer expenditure estimates were reviewed for 15 categories of consumer expenditures and compared to the retail sales estimated to result from numbers of retail employees in the neighborhood. All of the expenditures in the ETI Purchasing Power Profile shown above are included except for food-away-from-home (which is not included in the North American Industry Classification System, NAICS, retail sector).

- Given the absence of retail establishments within zipcode 53208, this zipcode showed a significant retail sales leakage. It is estimated that less than half (48%, or \$42.8 million) of residents' retail expenditures for the 15 categories was captured by local retail establishments, while the neighborhood is showing a net loss of 52% of its retail expenditures.
- **The neighborhood showed a net retail sales leakage of \$46,355,000. These are the estimated dollars leaving the neighborhoods when residents buy their goods at other locations.**

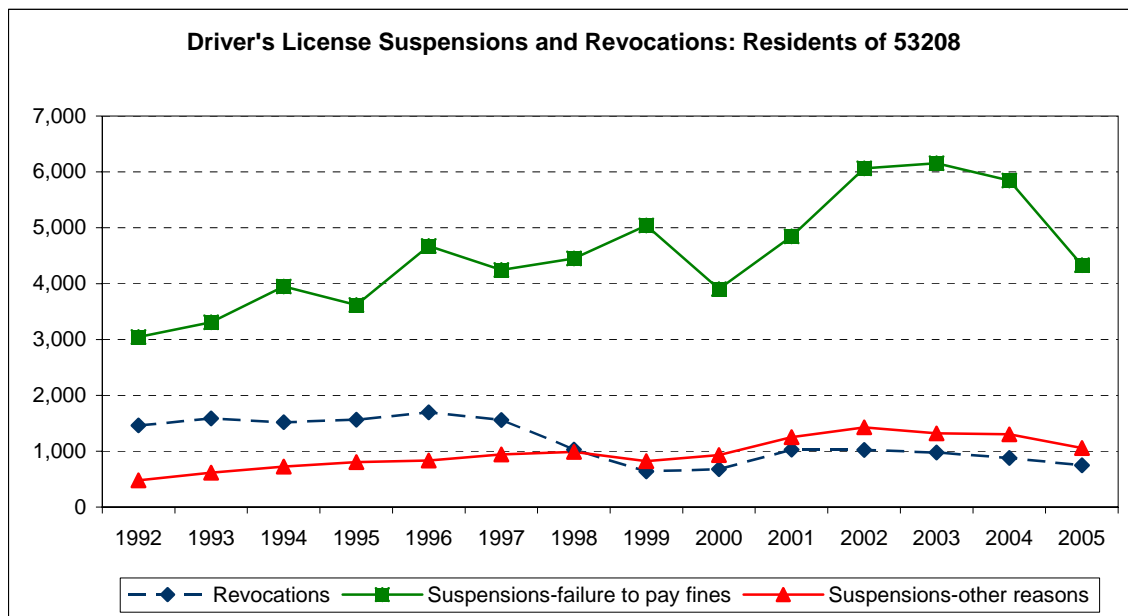


Transportation Barriers: Driver's License Suspensions

1993-2005

State department of transportation files on licensed drivers, license suspensions, and revocations were analyzed since greater employment opportunities are available to workers with private transportation. The large number of residents without a valid driver's license remains an ongoing impediment to employment.

- Failure to pay fines and civil forfeitures was the most common reason for driver's license suspensions. In 2005, suspension orders issued for failure to pay fines or forfeitures totaled 4,334 for residents of zipcode 53208. These "failure to pay" suspension orders are down from an all-time high of 6,157 orders in 2003.
- The zipcode area showed 4 times as many suspensions for failure to pay fines (4,334) as for suspension orders for traffic violations, driving while intoxicated, and drug convictions combined (1,059).
- License revocations totaled 746 in 2005, down from over a thousand a year in 2001 and in 2002.

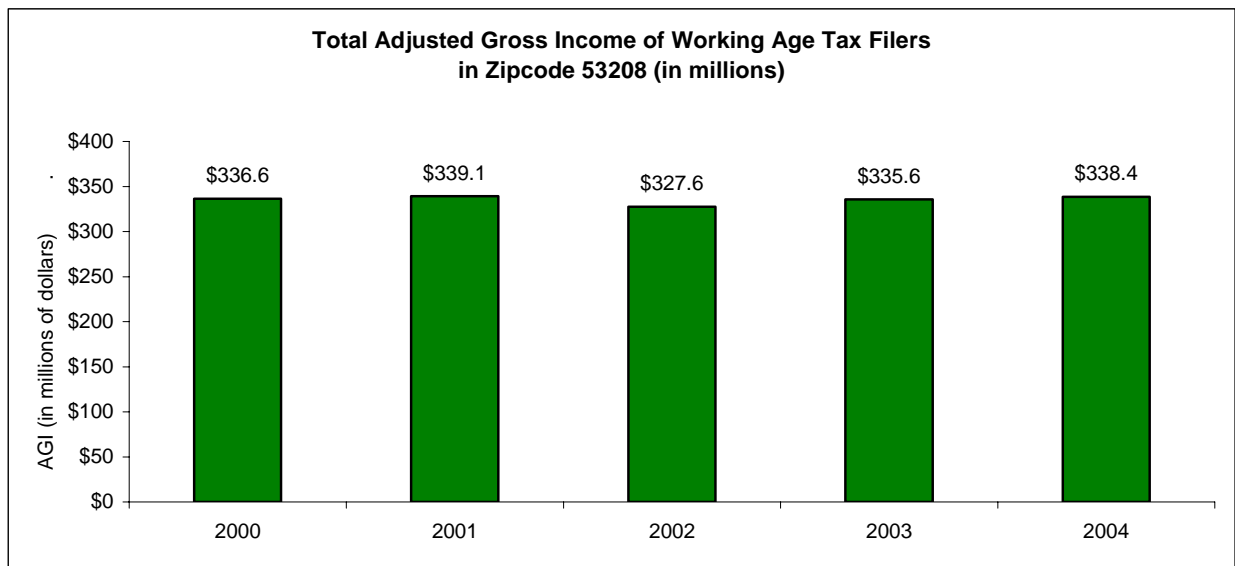


Family Income and Workforce Growth

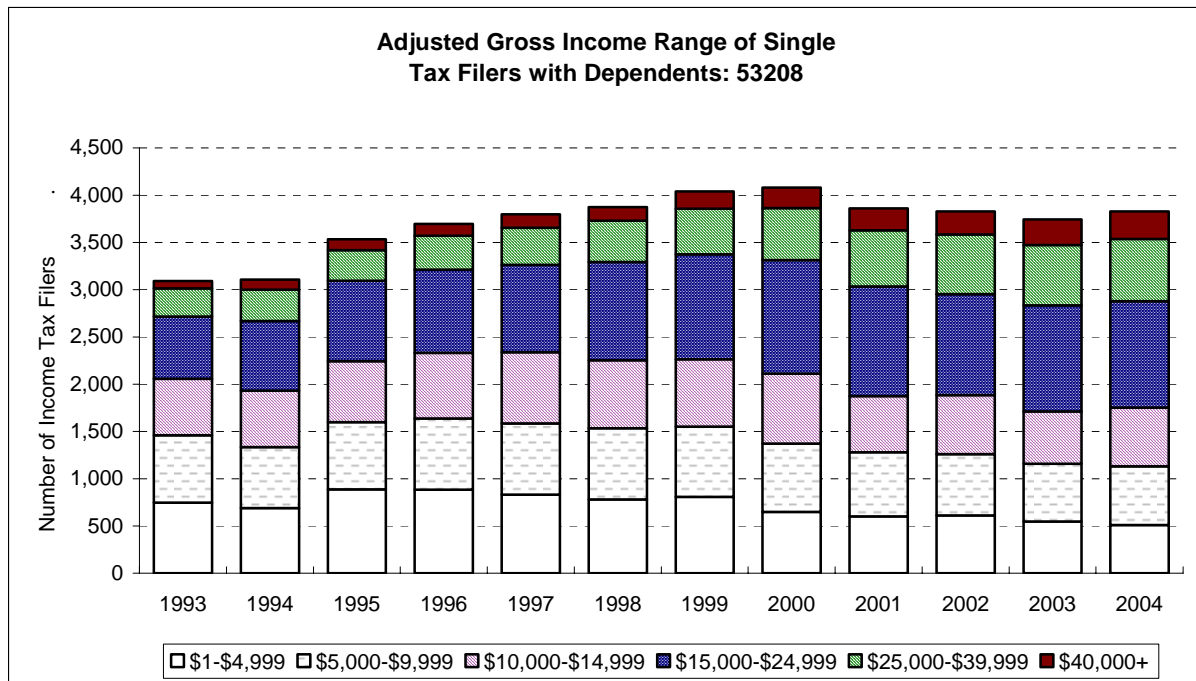
1993-2004

Wisconsin Department of Revenue income tax data were used to determine the total adjusted gross income (AGI) and number of married and single income tax filers by ranges of income. This analysis describes changes in income of working age (i.e., non-elderly) tax filers over the past five years and trends in income earnings of single and married filers with dependents since 1993. The 2004 income data is based on tax returns filed in 2005. See “Background Notes” for a description of data sources, definitions, and limitations of the tax data used.

- The economic downturn showed different impacts by neighborhood. This neighborhood has shown less than 1% income growth from 2000 to 2004. In the 2000 tax year, the adjusted gross income of working age tax filers totaled \$336.6 million. In the 2004 tax year, adjusted gross income for working age filers totaled \$338.4 million. During this same time period, the cost of living, as measured by the Consumer Price Index for the Milwaukee-Racine area, increased by 6.9%. **When inflation is considered, the real income earnings of residents in zipcode 53208 decreased by 5.9%.**



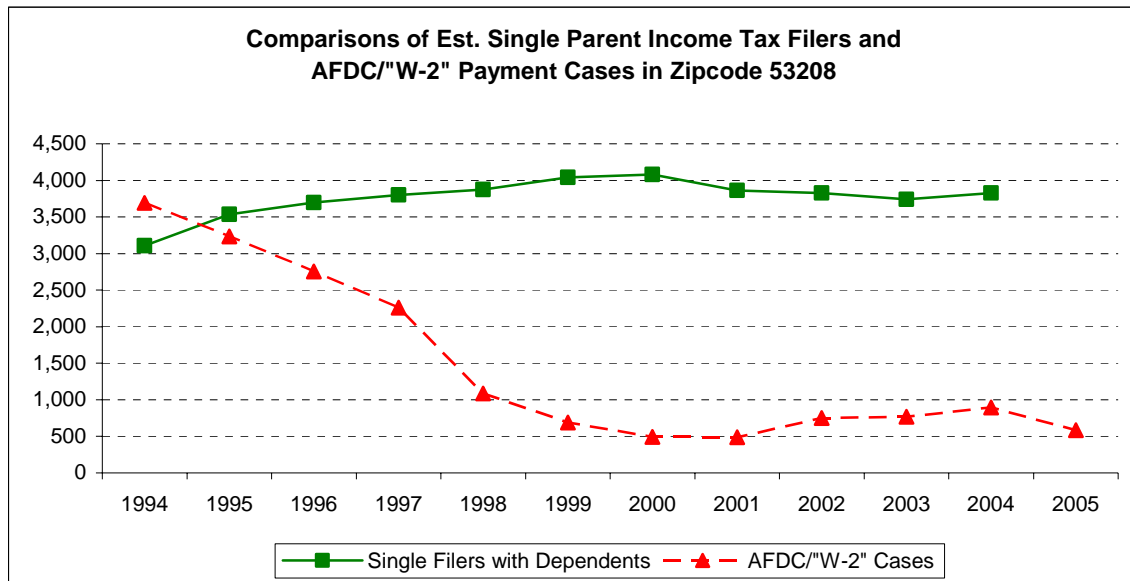
- The number of **working age tax filers** (single and married) decreased by 9%, from 11,973 in 2000 to 10,904 in 2004.
- The total number of **single tax filers with dependents** peaked in the 2000 tax year (at 4,081 parents) and has declined by 6% since that year.
- Analysis of the 3,828 single tax filers (with dependents) in 2004 by their income category suggested that a large number of single parents in zipcode 53208 remain only marginally employed. In 2004, a total of 511 single filers with dependents (13% of the total) reported AGI below \$5,000, and another 622 filers (16%) reported income below \$10,000. Only 25% of single parent filers earned \$25,000 or more.



Note: Earnings categories are not adjusted for inflation. The cost of living increased by 26.8% from 1993 to 2004.

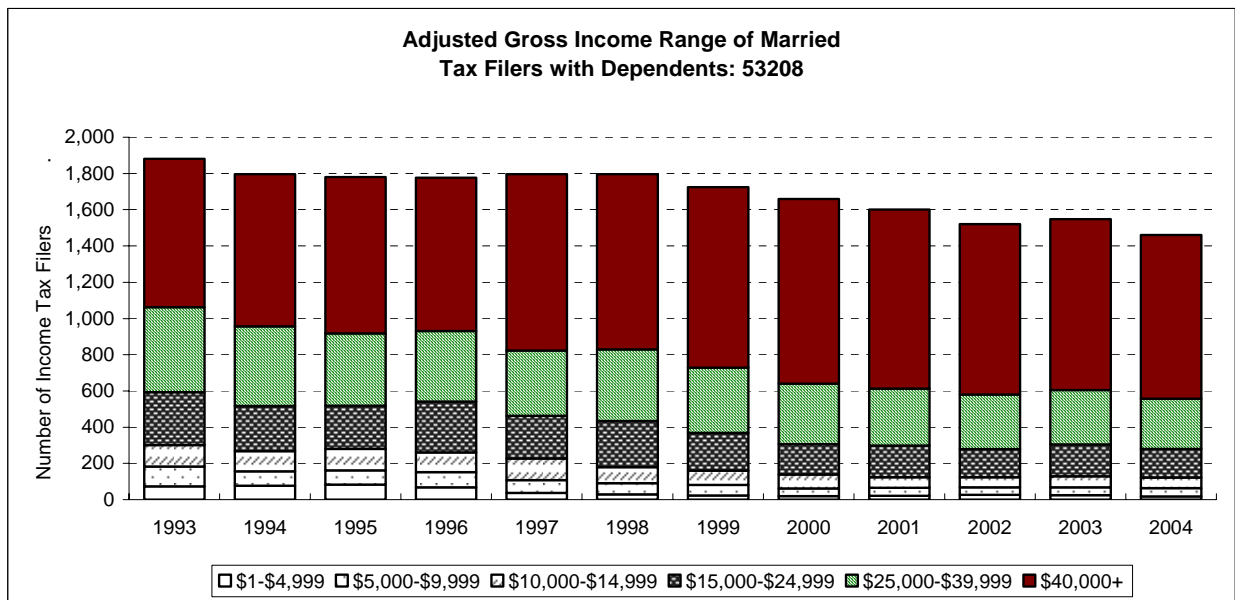
The growth in single tax filers with dependents was compared to changes in AFDC and “W-2” welfare caseloads in zipcode 53208 to help gauge whether employment had replaced welfare for single parents in the neighborhood and to determine the effect of the economy on both employment and welfare receipt.

- The increase in single parent filers began prior to the imposition of state welfare work requirements, as Milwaukee benefited from a thriving national and local economy and increased demand for workers. Single parents continued to enter the labor force when “Pay for Performance” and “W-2” welfare requirements were implemented in the county.
- Welfare records showed a decrease of 2,797 AFDC/“W-2” payment cases from 1994 to 2004, compared to only a 721 increase in single income tax filers with dependents.
- As noted in prior indicators reports, some parents may have left the neighborhood, not filed tax returns, or their children have grown up, but the data suggest that a number of families formerly on welfare have not moved into the mainstream economy and other parents have subsistence total earnings.



Since 1993 the number of **married income tax filers with dependents** in zipcode 53208 has seen a 22% decline. That decline may be resulting from families with grown children no longer qualifying for IRS dependency status, married families leaving the neighborhood, a decline in marriages, dissolution of marriages by death or divorce, or a combination of factors.

- The 1,460 married couples with dependents in 2004 – although far fewer in number – were more likely to have family-supporting incomes than the single heads of households in 2004. Most (81%) had income at or above \$25,000, and 62% had income of \$40,000 or more, when income from all jobs is considered.



Note: Earnings categories are not adjusted for inflation. The cost of living increased by 26.8% from 1993 to 2004.

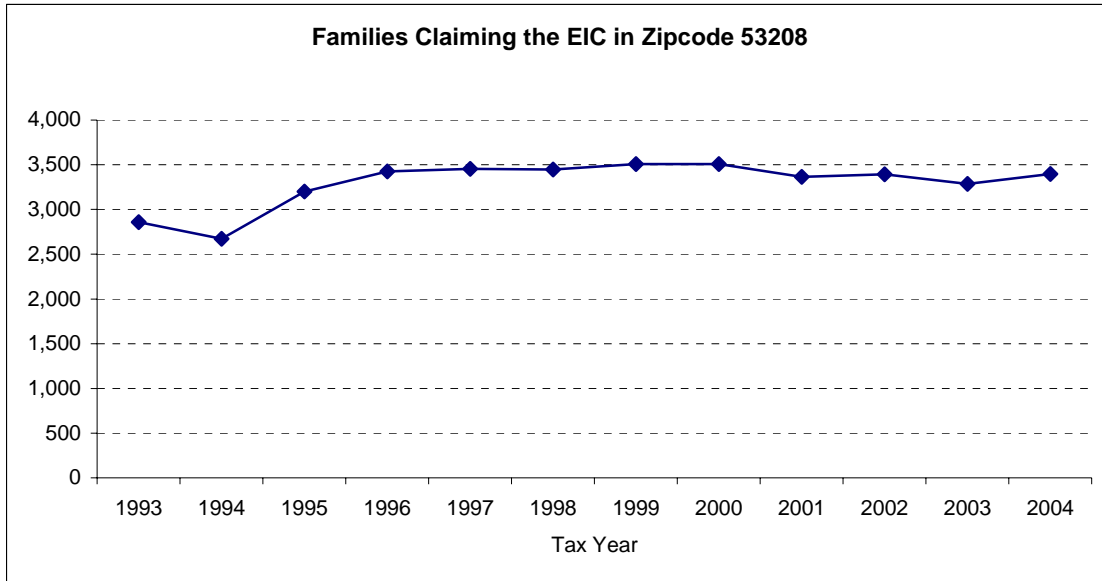
Earned Income Tax Credits

1993-2004

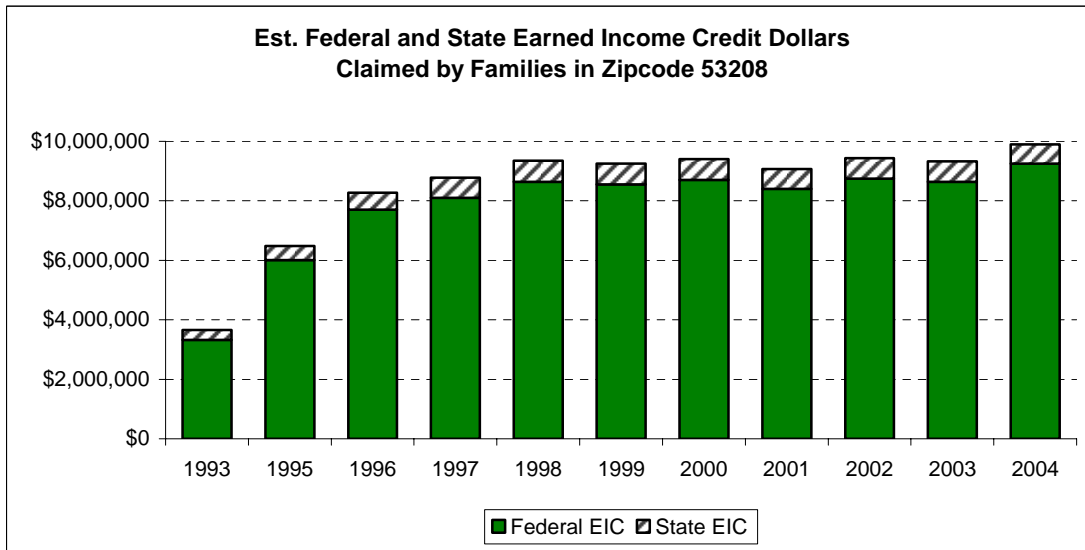
State and federal earned income tax credits offer a substantial boost to working families at the lower end of the wage scale. The earned income tax credit (EIC) offers a tax benefit to help reduce the payroll and social security tax burdens and to supplement wages for low and moderate income working families and single persons. Wisconsin has been a leader in providing a state credit in addition to the federal credit. For those working family tax filers who claim the state credit, Wisconsin adds 4% to the federal credit for families with one qualifying child, 14% to the federal credit for families with two qualifying children, and 43% to the federal credit for families with three or more qualifying children.

An analysis of earned income tax credits received by families in the 53208 zipcode showed the importance of the credits to working families at lower income levels. Wisconsin Department of Revenue data was analyzed for tax filers with dependent children who received the Wisconsin earned income tax credit. Federal EIC payments were estimated based on Wisconsin usage ratios.

- The number of families receiving earned income tax credits rose 19% from 2,859 in 1993 to 3,398 in the 2004 tax year (i.e., taxes filed in 2005 based on earnings in 2004).



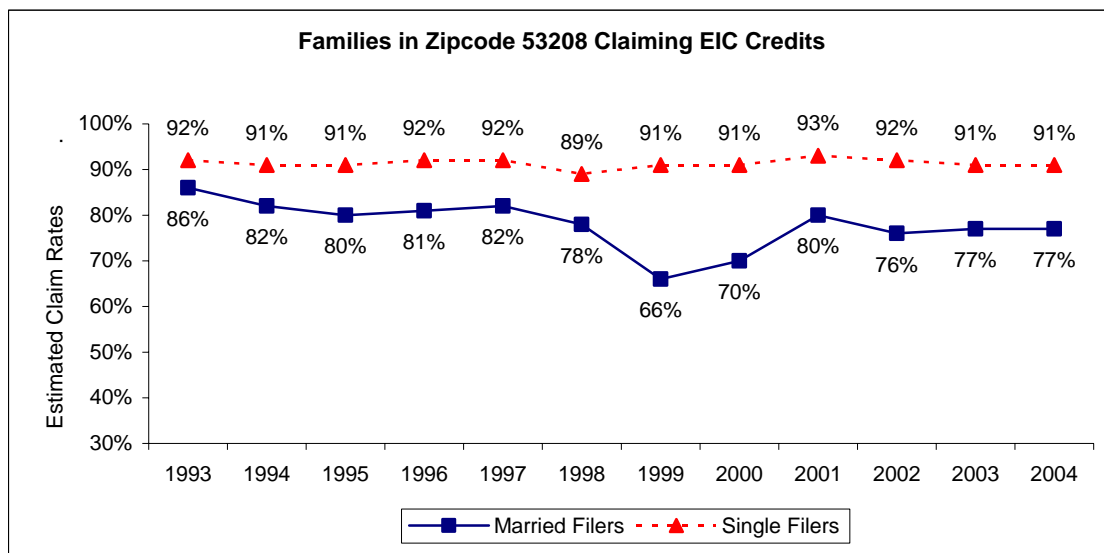
- The amount of the combined federal and state earned income tax credits more than doubled from \$4.1 million in 1993 to \$10.7 million in the 2004 tax year. The total credits in 2004 were at their highest level to date.



- In 2004, single parents received 87% of the credits claimed in zipcode 53208. Single parents comprised 72% of tax filers with dependents.

The Employment and Training Institute estimated claim rates for the EIC based on the number of claims for filers with dependents and with adjusted gross income (AGI) between \$5,000 and \$14,999. With a few exceptions, nearly all of these families may be eligible for the EIC if their dependents are living at home and are relatives.

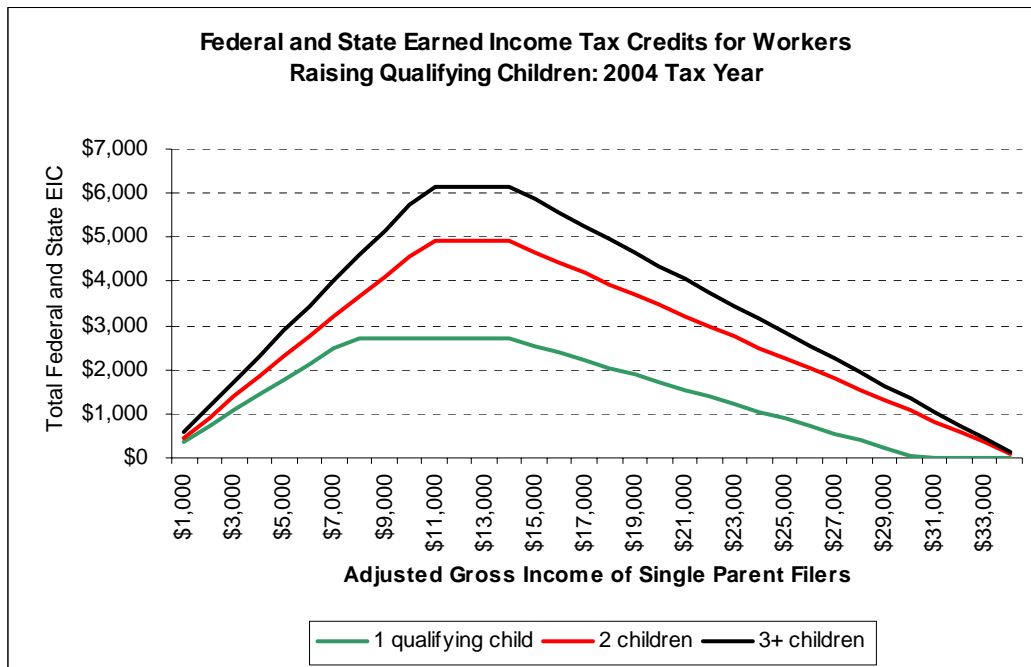
- Single parent tax filers showed higher claim rates than married filers. For filers with dependents, 91% of single filers with \$5,000 to \$14,999 in adjusted gross income – the range with the highest potential EIC claims – claimed the credit in 2004, as did 77% of married filers in that income range.



- For 2004 tax filers in the \$15,000 to \$24,999 income ranges, EIC claim rates were 91% for single parents and 84% for married parents.

The formula for calculating the federal earned income tax credit in 2004 provided the highest payments to families with 1 child when their income was \$7,650 to \$14,050 (\$15,050 for married filers) and to families with 2 or more children when their income was \$10,750 to \$14,050 (\$15,050 for married filers). Given that entry-level jobs in the Milwaukee area since October 2003 have averaged over \$8.00 an hour, this formula tends to provide higher support for families in part-time or part-year work rather than full-time, year-round employment.

For the 2004 tax year families with one qualifying dependent were eligible for the earned income credit if their income was below \$30,300 (for an unmarried filer) or \$31,338 for married filers in the 2004 tax year. Families with two or more qualifying dependents are eligible for the credit if their income was below \$34,450 for unmarried filers or \$35,458 for married filers in 2004. Federal earned income credits, but not Wisconsin credits, are also available for workers without dependent children if aged 25-64 and earning less than \$11,490 (if single) or \$12,490 (if married) in 2004.

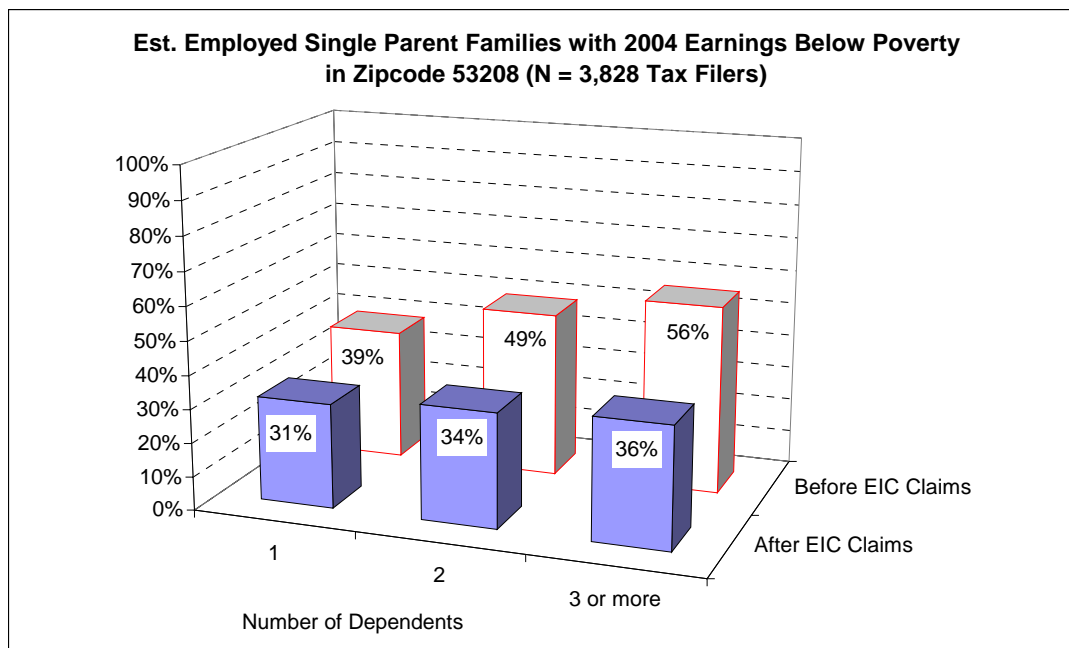


Working Families with Income Below Poverty

1994-2004

Federal poverty guidelines, adjusted gross income ranges for single and married tax filers with dependents, and EIC credit claims were used to estimate the number of employed families with AGI below the poverty level. The poverty guidelines provide the federal government's estimate of the bare minimum required by families to meet their basic needs and are used to determine eligibility for federal support programs. In 2004, the federal government set these guidelines at \$12,490 for a two-person family, \$15,670 for three persons, and \$3,180 for each additional person in the family. These very low standards were used to determine the number of family tax filers showing income below the poverty line.

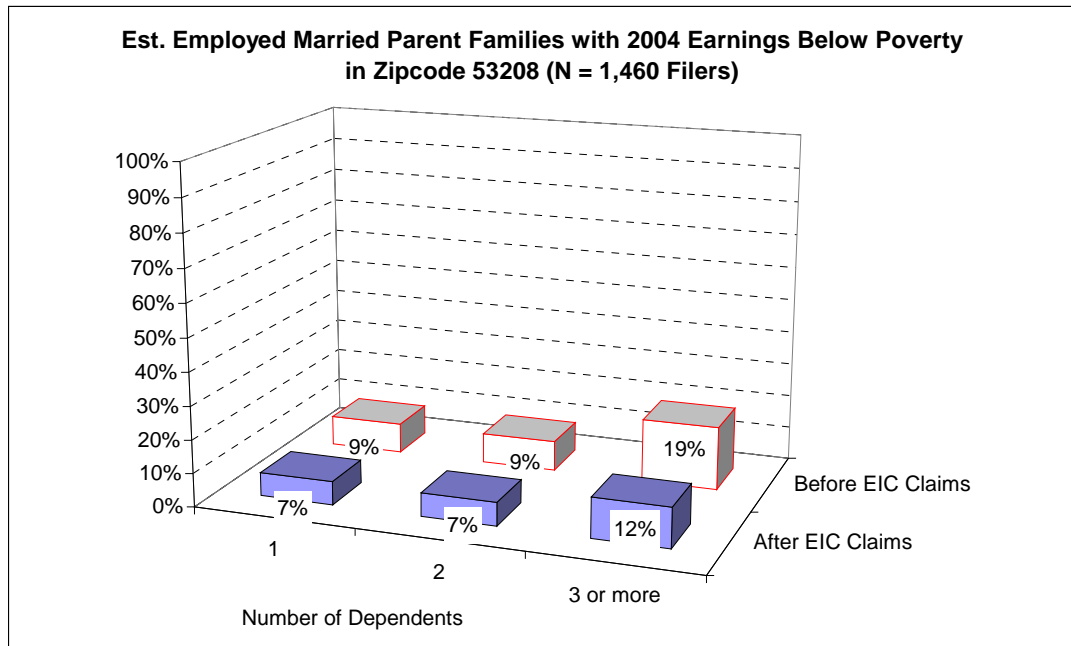
- For **single parent families with dependents**, in zipcode 53208 in tax year 2004 about 39% of single tax filers with one dependent showed adjusted gross income (AGI) below the poverty level (\$12,490 for two persons). About half (49%) of single filers with 2 dependents showed AGI below (\$15,670 for three persons), and 56% (or more) of filers with three or more dependents had income below poverty.



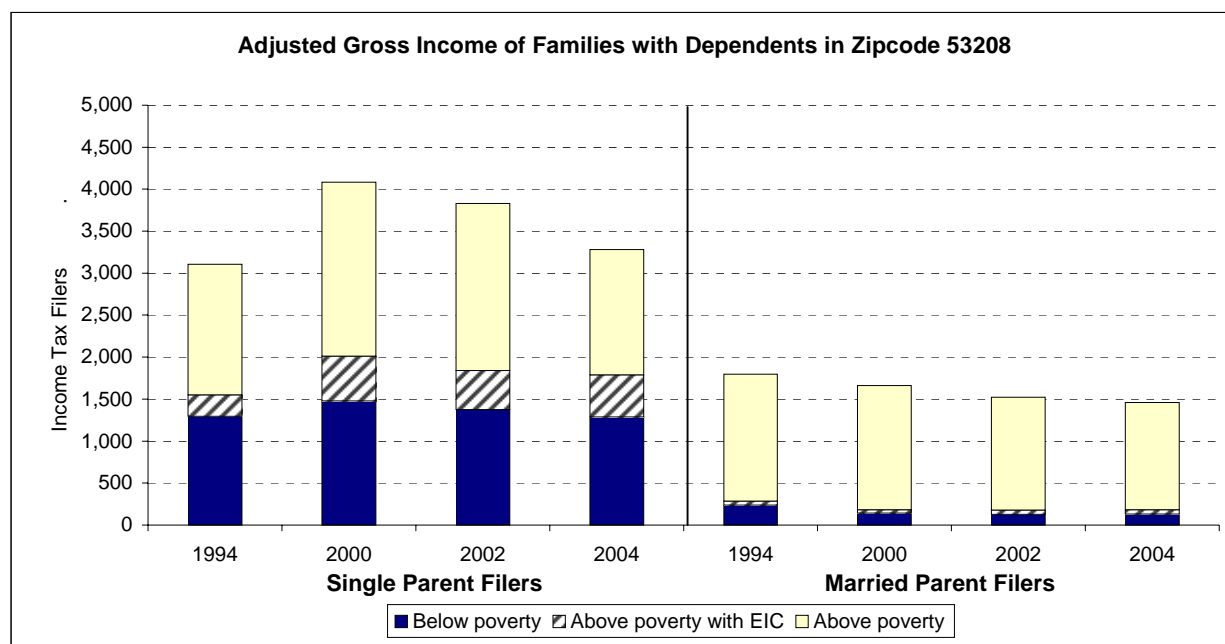
- When the number of filers claiming the state and federal earned income credit (EIC) was considered, the percentage of single parent families living in poverty was

reduced to about 31% of filers with one dependent and 36% (or more) of filers with three or more dependents.

- State Department of Revenue data showed only 1,460 **married tax filers with dependents** out of the 5,288 income tax filers with dependents in 2004. More employed parents showed adjusted gross incomes above the poverty level.
- About 9% of married tax filers with one dependent showed adjusted gross income below the poverty level. About 9% of married filers with two dependents reported AGI below the poverty level, as did 19% (or more) of married filers with 3 or more dependents.
- Federal and state EIC claims brought the poverty rates for married filers down to 7% for filers with one dependent and for filers with two dependents.
- In zipcode 53208, married filers with three or more dependents showed 12% (or more) of families still living in poverty even with EIC claims.



- In total, the earned income tax credit (EIC) helped lift the income of about 503 single parent families above the poverty level, leaving an estimated 1,286 single tax filers with dependents (34% of the single parent total) still below the poverty level based on their adjusted gross income and family size.
- For married filers, EIC claims helped raise about 52 families out of poverty leaving 130 married filers with dependents (9% of the married parent total) still in poverty.

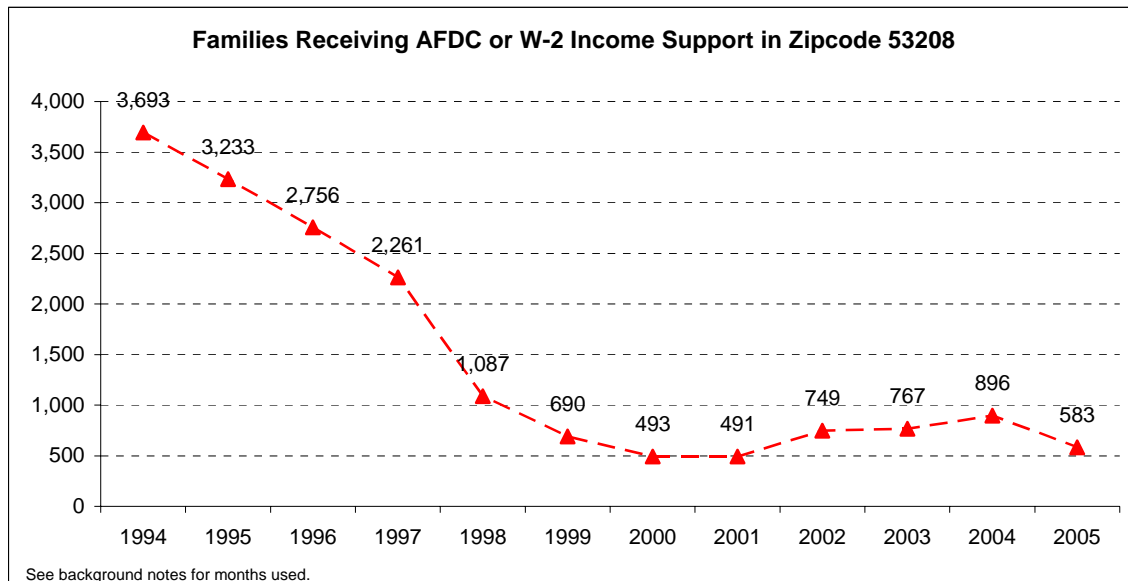


- The challenges of securing and maintaining full-time, year-round employment are particularly difficult for lower-income single parents. Half of single income tax filers (with dependents) with income estimated to be below the poverty level for their family size appeared to be employed less than 70% time (based on minimum wage rates of \$5.15 an hour in 2004), and a third appeared to be have employment less than half time or less than half-year.

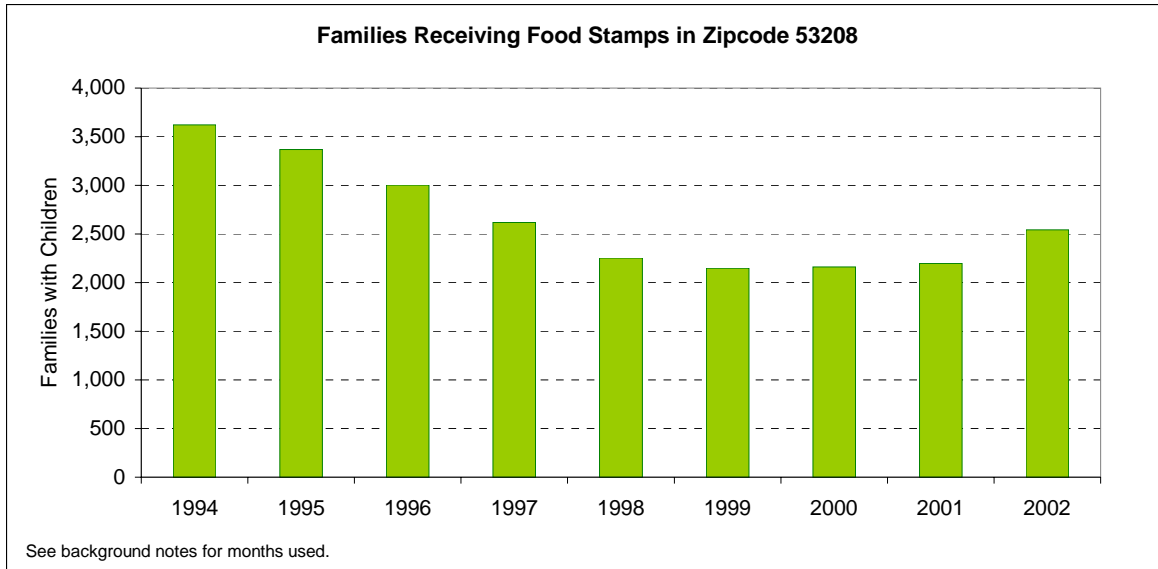
Families Receiving Public Assistance 1994-2005

Public assistance case records were analyzed for families receiving AFDC/"W-2" income support, food stamps, and medical coverage.

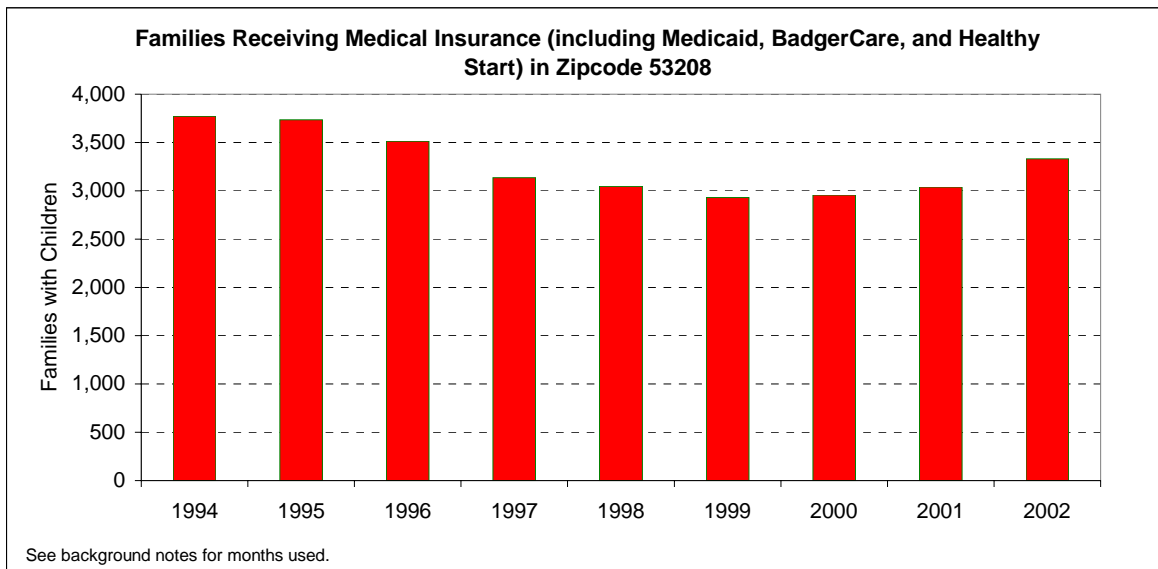
- The number of families in zipcode 53208 receiving **income support** (AFDC or "Wisconsin Works," i.e. "W-2," cases) dropped 87%, from 3,693 in March 1994 to 491 in June 2001. Caseloads rose again to 896 "W-2" payment cases in July 2004 and then were reduced to 583 cases by July 2005.
- The number of families receiving income support in 2005 was is 84% below the AFDC levels 11 years earlier.



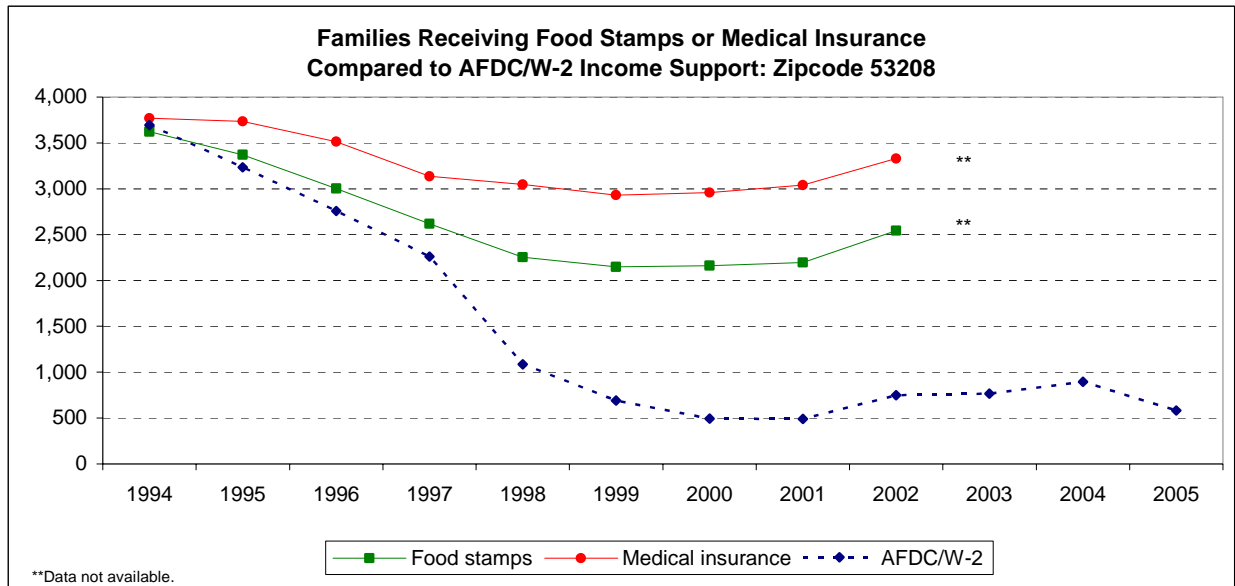
- The families with children in zipcode 53208 have also showed sharp declines in the numbers receiving **food stamps** although these declines were not nearly as steep as the AFDC/W-2 drops. The number of families receiving food stamps dropped from 3,623 in March 1994 to 2,148 in February 1999, or a 40% decline.
- The number of families enrolled in the food stamp program had increased to 2,543 in 2002, with an increase of 347 families between 2001 and 2002. Enrollments in 2002 were 30% below the 1994 levels.



- The number of families (with children) in zipcode 53208 covered by medical assistance, including Medicaid, BadgerCare and Healthy Start, dropped from 3,770 in March 1994 to 2,932 in February 1999, or 22%.
- Numbers increased between 1999 and 2002 to 3,330, or 12% below 1994 levels.



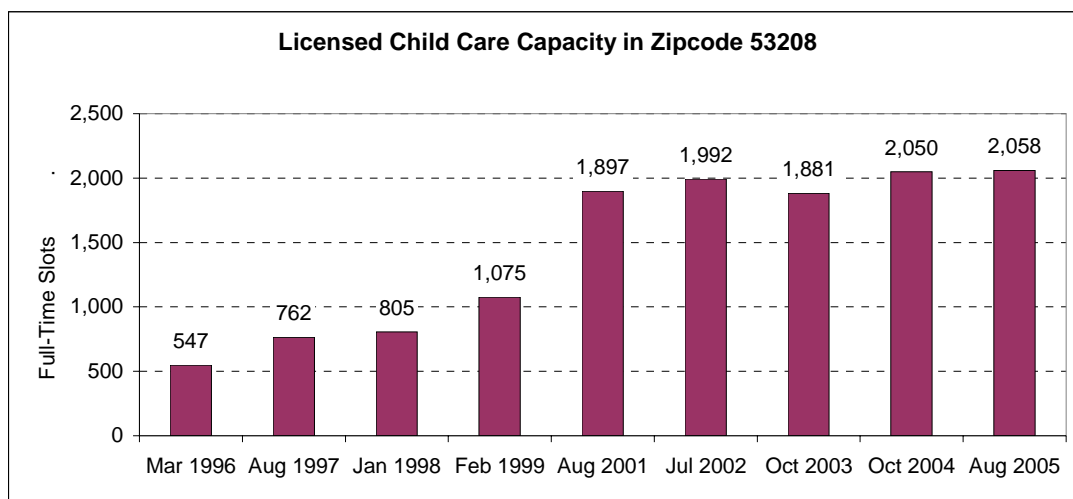
- When trends in the numbers of families (with children) receiving income support are compared to those receiving medical assistance and food stamps, the data show many more families in zipcode 53208 using medical insurance and food stamps than receiving income support.



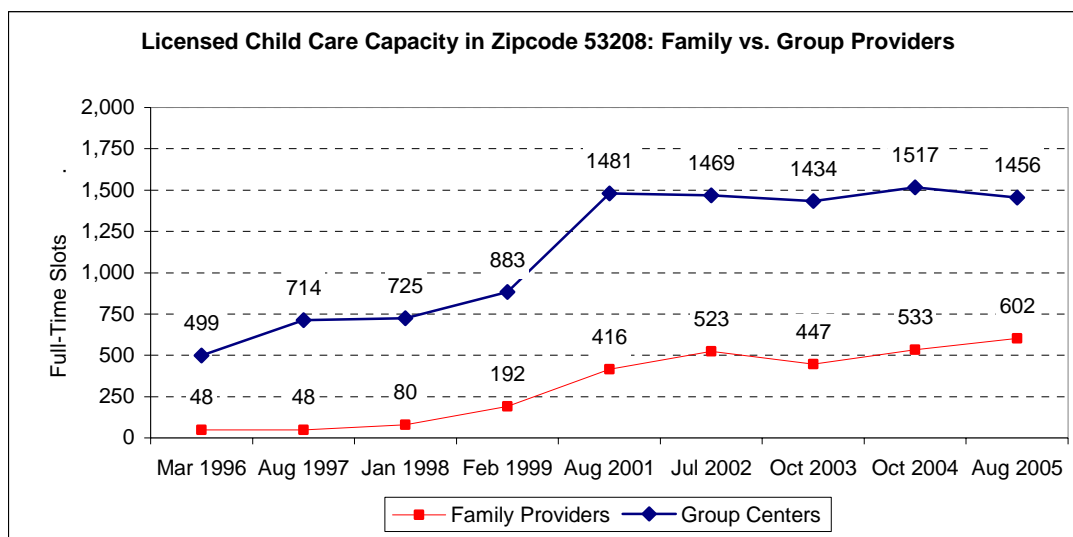
Child Care Availability and Subsidies 1993-2005

Central city neighborhoods showed substantial increases in state-licensed child care facilities since the state expanded its Wisconsin Shares Program, offering subsidized care for children of “W-2” participants and “working poor” families. The state Department of Health and Family Services licenses child care facilities. Capacity of licensed child care was examined for family and group centers operating full-time, year-round.

- The capacity for children in full-time care with licensed providers more than tripled, from 547 slots for full-time care in March 1996 to 2,058 slots in August 2005.

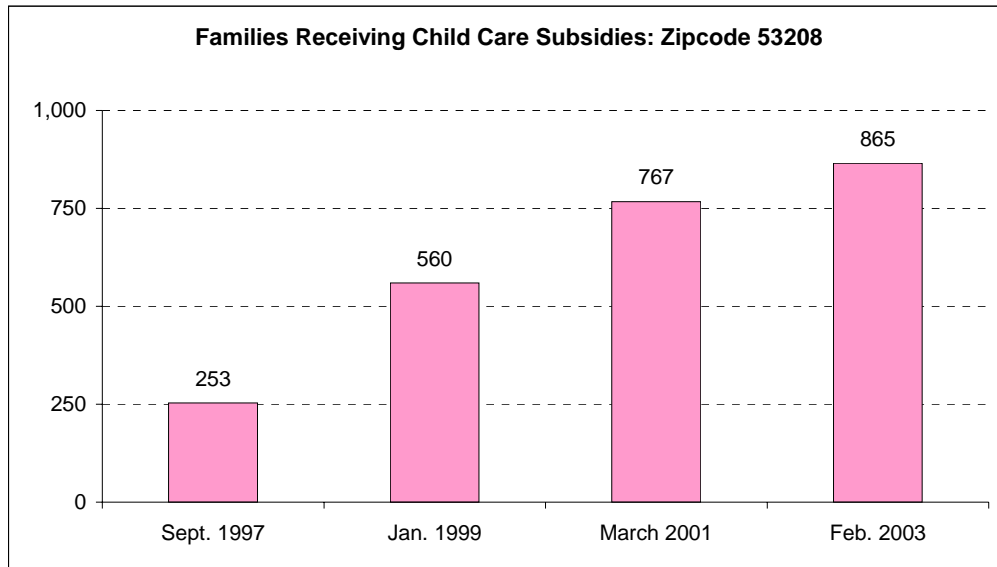


- In all, 71% of the licensed slots were in group centers and 29% in licensed family care. The zipcode has seen a dramatic rise in family child care centers.

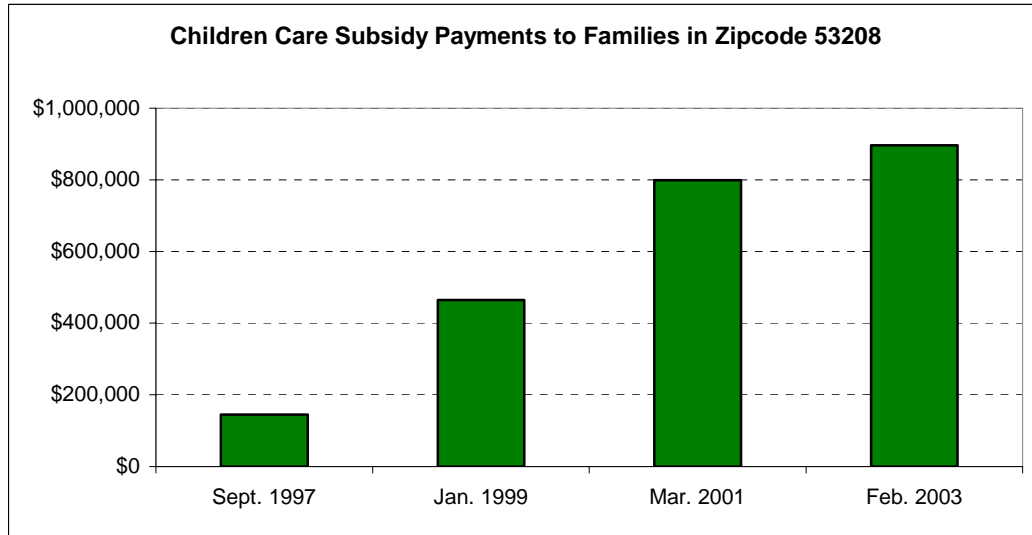


Subsidized child care payments were tracked for the Wisconsin Shares Program, that offers federal and state child care support under TANF (the Temporary Assistance to Needy Families) and CCDBG (Child Care Development Block Grant) monies. The program subsidizes qualified day care for children and W-2 participants and for children in “working poor” families. Families with income up to 185% of the poverty level are eligible for Wisconsin Shares child care subsidies, and families may continue to receive assistance until their income exceeds 200% of poverty.

- The child care subsidy program offers a more generous financial benefit to working families than the earned income tax credit although the number of families receiving child care subsidies was considerably lower than the number claiming the EIC.
- The number of families in zipcode 53208 receiving child care support more than tripled from 253 in September 1997 to 865 in February 2003.



- Total four-week payments for families rose from \$144,352 in September 1997 (or \$571 per family) to \$895,926 in February 2003 (or \$1,035 per family).



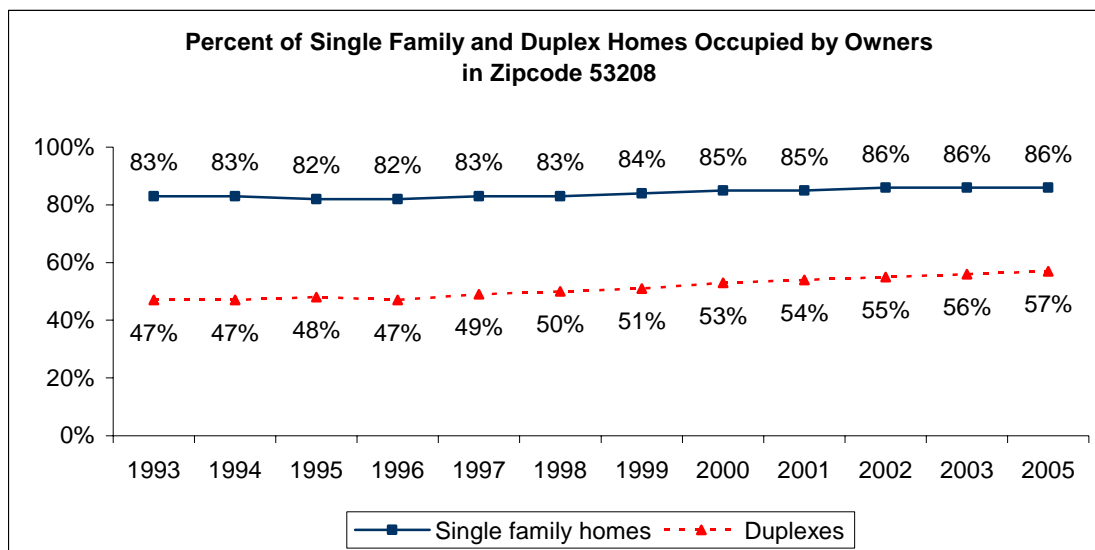
- Most of the Wisconsin Shares subsidies for care of children in zipcode 53208 went to licensed providers. In February 2003, over half (55%) of total payments went to state licensed group centers, and another 33% to licensed family centers.

Home Ownership Rates and Housing Values

1993-2005

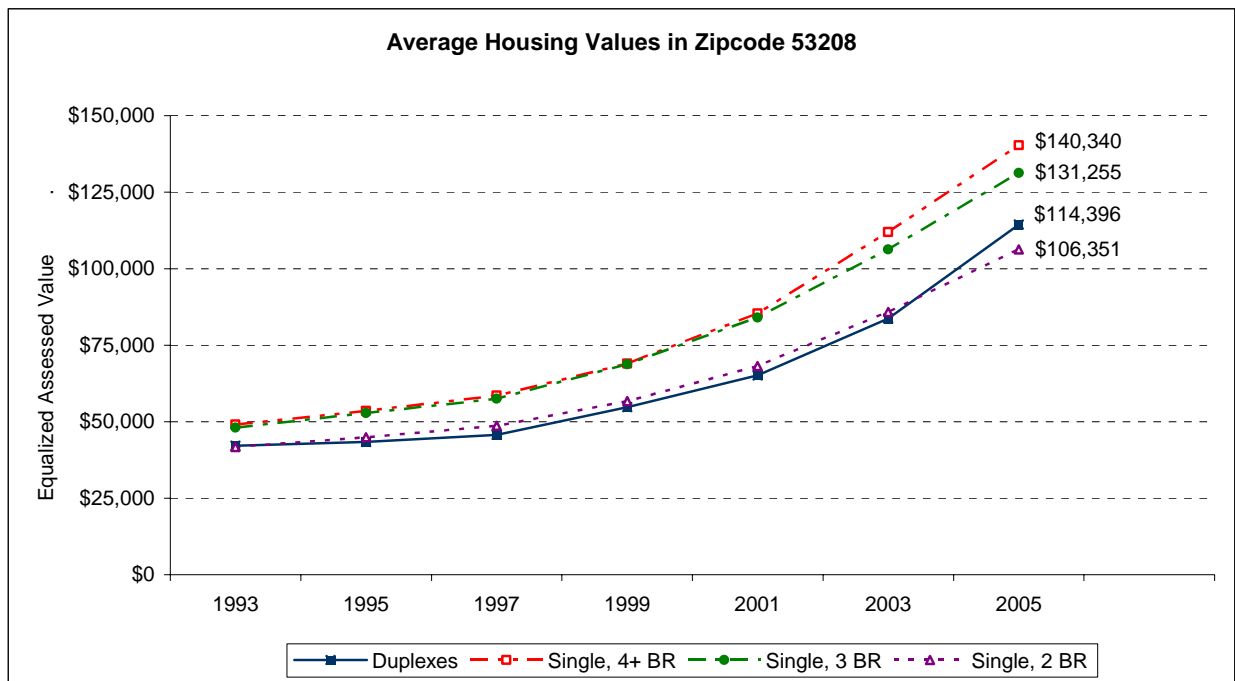
Neighborhood housing data were tracked using City of Milwaukee property files.

- Contrary to popular misconceptions about the inner city, the majority of houses in zipcode 53208 are owner-occupied. The home ownership rate for single family houses was 86% in 2005 and has remained fairly constant since 2000.
- Over half of duplexes are also owner-occupied. The home ownership rates for duplexes have steadily increased, to 57% in 2005.



Housing prices rose steadily in this neighborhood during the 2000s, increasing the assets of current home owners but limiting the ability of renters to buy homes.

- From 2000 to 2005, the average value of a 3 bedroom house in zipcode 53208 increased 70%, from \$77,409 in 2000 to \$131,255 in 2005.
- The average market value of houses with 4 or more bedrooms increased 80% from \$78,086 in 2000 to \$140,340 in 2005. The prior seven-year period (1993-2000) showed increases of 59%.
- **Duplexes showed the highest price increases.** From 2000 to 2005, the average value of duplexes in zipcode 53208 rose 91%, from \$59,876 in 2000 to \$114,396 in 2005. This compares to only a 42% increase for the seven-year period from 1993-2000.
- **Given the stagnant income earnings of families in this zipcode and the predominance of single-parent families, housing prices appear to be rising above the capacity of local families in zipcode 53208 to afford them.**

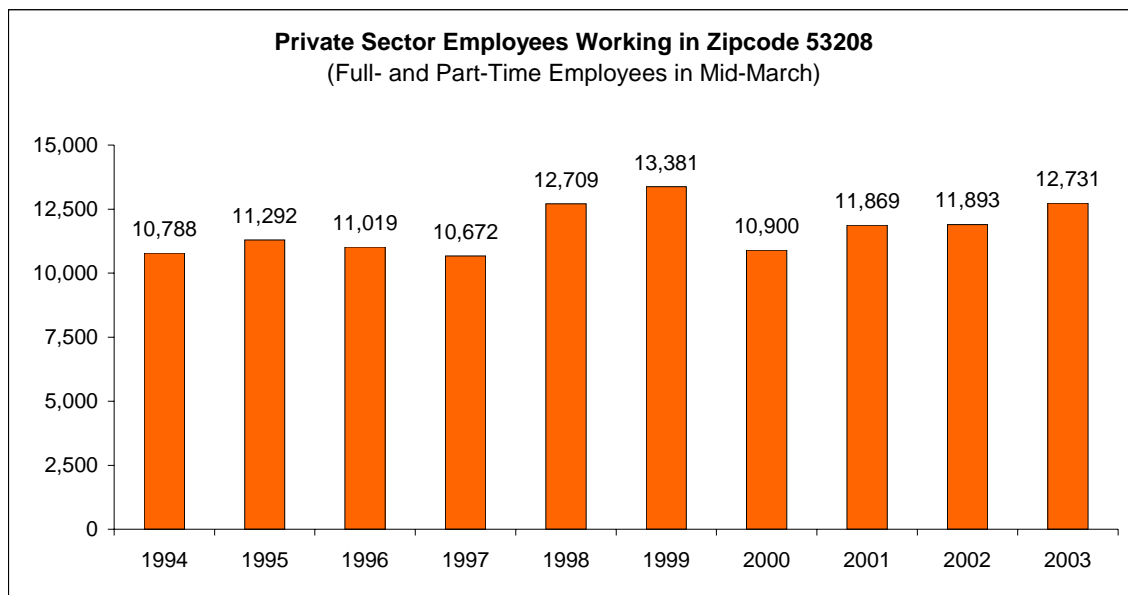


Business Activity in the Neighborhood 1993-2005

Data used to measure business activity in zipcode 53208 includes U.S. Census Bureau data on business patterns (including number of number of employees, first quarter payroll, annual payroll for private companies, and number of establishments) and City of Milwaukee records on the value of taxable business property in the zipcode.

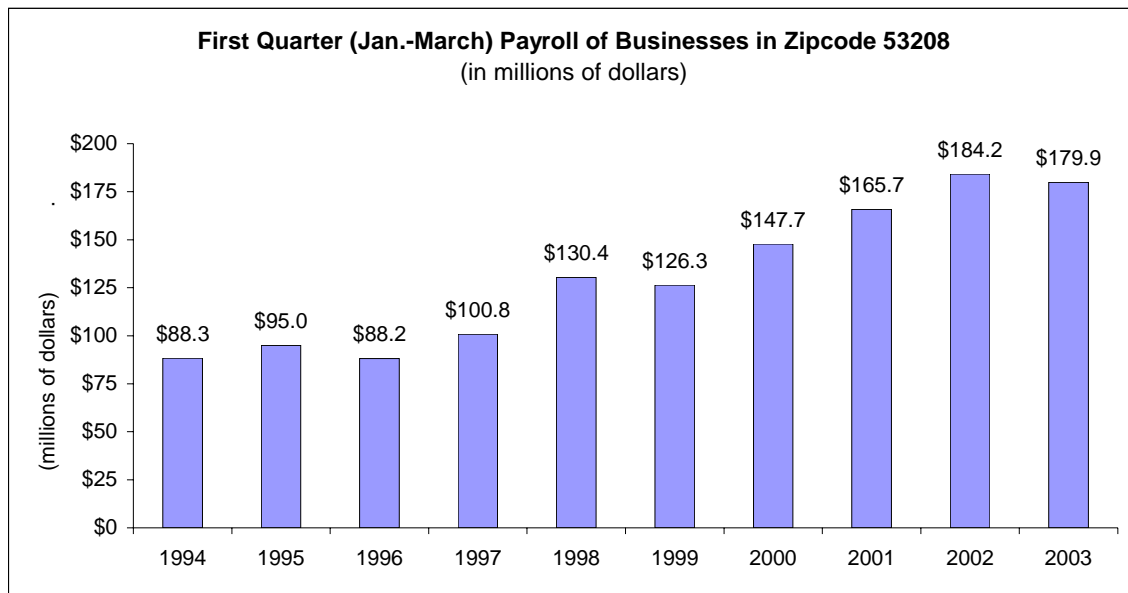
The U.S. Census Bureau ZIP Code Business Patterns reports the number of businesses, payroll and number of full-time and part-time employees.

- The number of **workers employed in private businesses** located in zipcode 53208 increased from 10,788 in 1994 to a high of 13,381 in 1999.
- After a downturn in 2000, the number of workers continued to rise up to 12,731 in 2003.



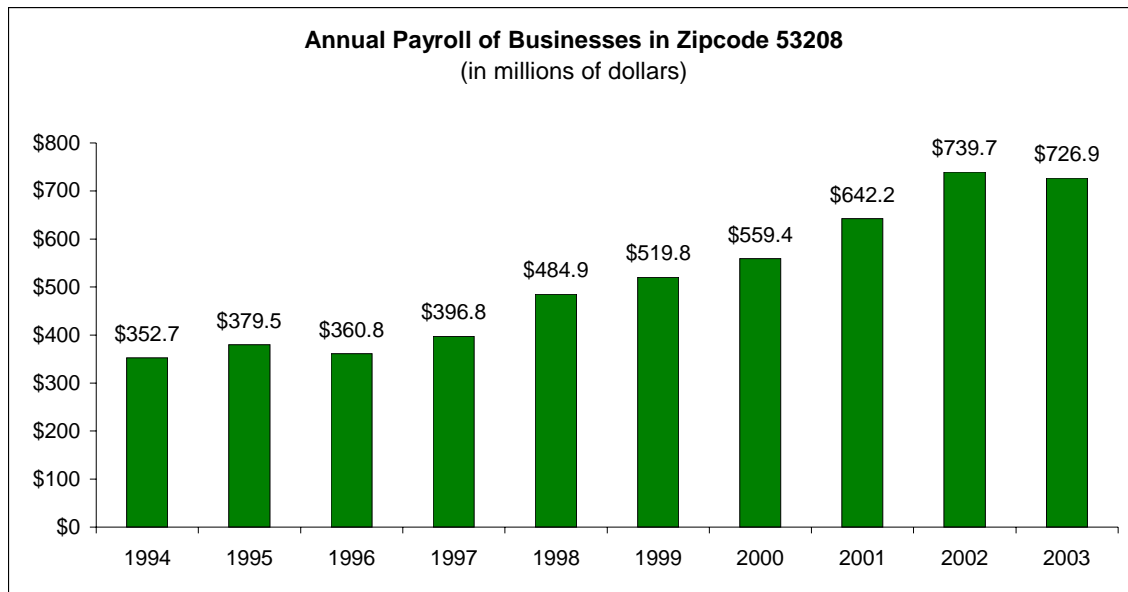
The Census Bureau ZIP Code Business Patterns reports **First Quarter payrolls** for all private establishments located in the zipcode (regardless of the residence of the workers). Payroll is reported before deductions for social security, income tax, insurance, etc.

- Quarterly payrolls rose from \$88.3 million in First Quarter (i.e., January – March) 1994 to \$165.7 million in First Quarter 2001.
- After reaching a high of \$184.2 million in 2002, First Quarter payroll in 2003 dropped to \$179.9 million.



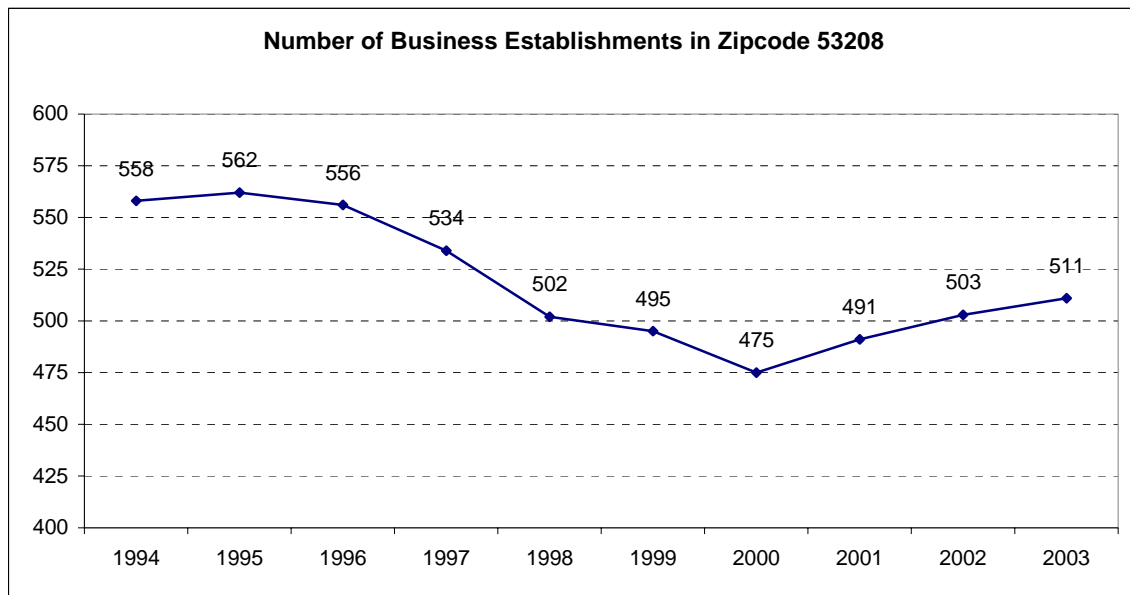
The ZIP Code Business Patterns reports total **annual payroll**, including salaries, wages, commissions, bonuses, sick-leave pay, in-kind payments for meals and lodging, and reported tips. Total are before deductions for social security, taxes, union dues, etc.

- Annual payrolls for private establishments located in zipcode 53208 rose from \$352.7 million in 1994 to \$739.7 million in 2002.
- Payrolls increased steadily from 1996 through 2002, and then showed a \$12.8 million drop in 2003.



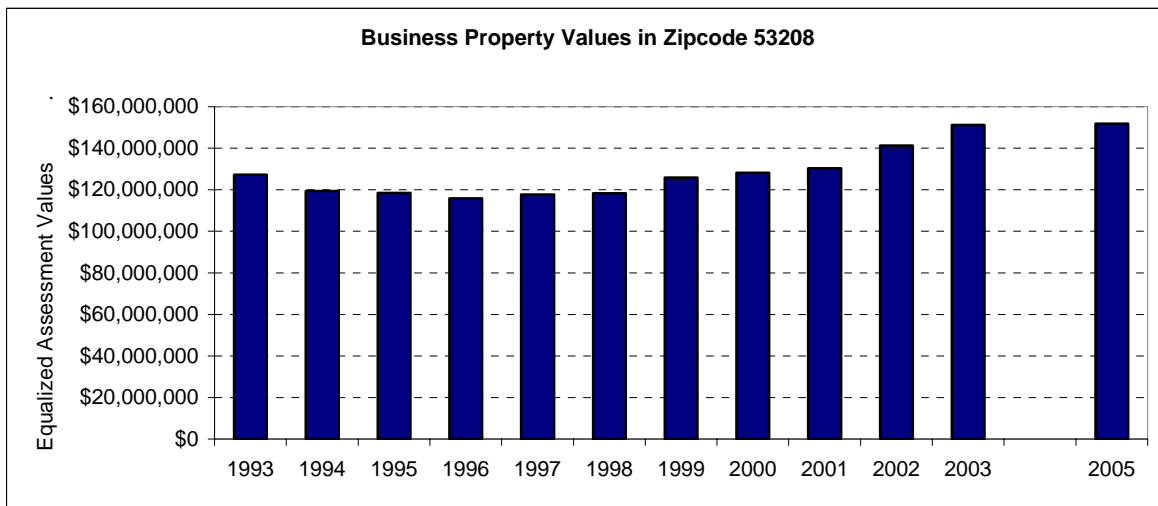
The ZIP Code Business Patterns also report **number of establishments** by location. Establishments are defined as single physical locations where business is conducted or services or industrial operations are performed. Individual companies may have several establishments in a community – each counted separately. Changes in the number of establishments reflect gains or losses of businesses, and shifts from smaller to larger businesses (or vice versa).

- In zipcode 53208 while payrolls increased, the number of establishments went from 558 in 1994 to a low of 475 in 2000, then rising to 511 in 2003.



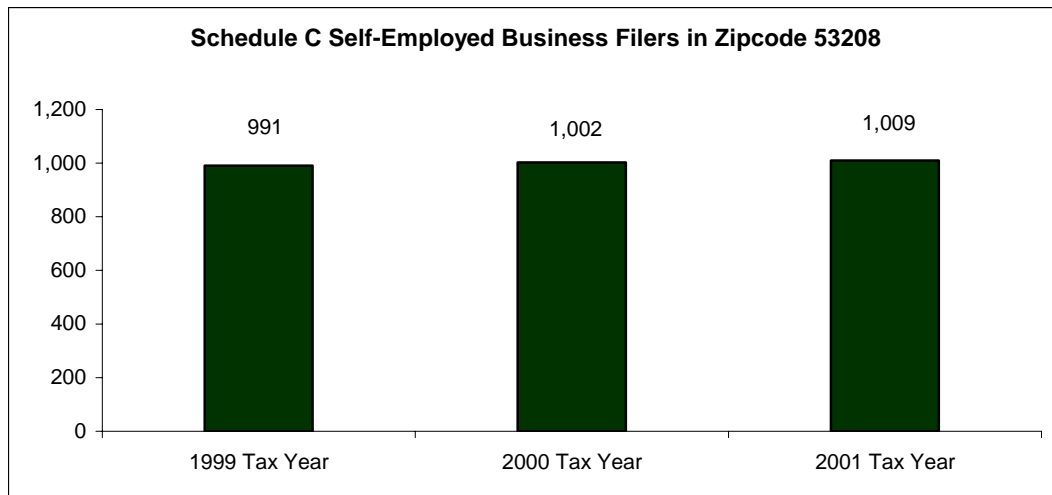
City of Milwaukee property records on **equalized tax assessment of business property** provide another measure of business activity and were analyzed for a twelve-year period. These records showed continuing growth of business property values. The records are somewhat limited, however, since Wisconsin has exempted manufacturing and equipment property from taxation and the full value of manufacturing properties are no longer assessed by the city or state.

- The equalized tax assessments of business, non-residential properties in zipcode 53208 increased by 19% from \$127.2 million in 1993 to \$151.8 million in 2005.



For three years the U.S. Internal Revenue Service reported income tax statistics by zip code, including the number of individual income tax filers who completed Schedule C Profit or Loss from Business forms. These include **self-employed individuals** who are sole proprietors (who own unincorporated businesses) or statutory employees.

- In zipcode 53208, 1,009 individuals filed Schedule C forms for 2001 tax year.
- The number of filers completing Schedule C remained similar over the three tax years from 1999 to 2001.



Background Notes

The Milwaukee Neighborhood Indicators Reports are based on thirteen years of institutional data, including state income tax filings, property tax records, welfare administrative records, county child care payments, state child care licensing reports, city crime reports, and federal census records.

“**Adjusted gross income**” includes income from wages, salaries, tips, taxable interest, dividends, alimony, business income, capital gains income, rental income, etc. and excludes certain business losses, capital gains losses, alimony payments, etc. See state and federal tax forms for definitions of adjustments made to calculate Adjusted Gross Income. Income tax data have several advantages as neighborhood indicators: they are available annually and they provide more comprehensive listings of income than may be volunteered for the U.S. Census long form or survey research projects. They miss, however, income of persons not filing taxes, “earnings” from the underground economy, and the cash value of food stamps, medical assistance, and child care subsidies. Also, they are subject to the vagaries of the income tax code and may understate income for persons with rental properties, self-employment expenses, tax-deferred annuities, etc.

The income tax returns analyzed in this report are for **working age tax filers**, excluding dependents (teenagers, students and others) claimed on another adult’s tax return and senior citizens claiming the elderly credit or elderly exemption. In tax year 2000, the elderly credit was replaced by an elderly exemption. Because filers can now be more effectively identified as elderly, the year 2000 through year 2004 working age files include a slightly different, and smaller, population than the files for previous years. Consequently, calculations of working age tax filers and total AGI for the 1993 to 1999 period may differ from those in 2000-2004 due to the elderly credit/exemption changes.

The **earned income tax credit** offers a tax benefit to help reduce the tax burden and to supplement wages for low and moderate income working families and single persons. For family tax filers who claim the credit, Wisconsin adds 4% to the federal credit for families with one qualifying child, adds 14% to the federal credit for families with two qualifying children, and adds 43% to the federal credit for families with three or more qualifying children. Together the federal and state credits could total from \$3 to \$6,149 for the 2004 tax year.

The **poverty estimates** understate poverty for larger families with more than three dependents and for families who are contributing to the support of other family members, and they do not include federal food stamps and child care subsidy benefits, SSI payments, child support, other financial contributions to the care of family and non-reported income sources.

“**W-2**” cases for the zipcode do not include families receiving public assistance support under the “Kinship Care” program for relatives caring for minor children or the “Caretaker Supplement” program for eligible parents receiving Supplemental Security Income (SSI). AFDC/W-2 caseloads are reported for the following months: March 1994, December 1995, September 1996, June 1997, April 1998, February 1999, April 2000, June 2001, July 2002, July 2002, July 2003, July 2004, and July 2005.

The U.S. Census 2000 Census Transportation Planning Package (CTPP 2000) data used four **racial categories** in reporting its data tables: white alone, black or African American alone, Asian alone, and all other (including persons reported as 2 or more races, Native Hawaiian or Pacific Islander, American Indian or Alaska Native, or other race). Workers were also identified as (1) Hispanic or Latino, and (2) not Hispanic or Latino. For this report, all workers identified as “Hispanic or Latino” are included in that category. The four categories of race listed above were used for persons who were not identified as Hispanic or Latino.

The **estimates of workers in the CTPP 2000** tabulations have been rounded by the Census Bureau for each reported cell. Values from 1 through 7 were rounded to 4. Values of 8 or greater were rounded to the nearest multiple of 5, unless the estimate already ended in 5 or 0, in which case it was not changed. As a result, estimates derived from these files may not be identical to comparable figures contained in other census products. The greater the number of records from these files that are summed for comparison purposes, the more rounding errors there may be and the greater the difference between the estimates from different sources may be.

