

Milwaukee Zipcode 53212

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

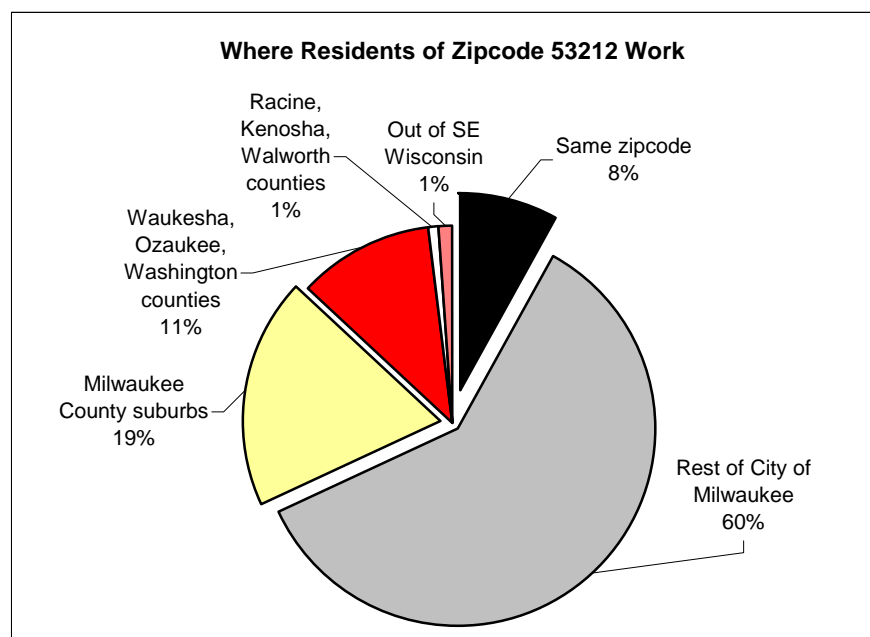
This report assesses employment, economic and welfare changes in ZIP code 53212 based on thirteen years of institutional data. Recently released Census 2000 transportation planning databases are used to provide a first-time analysis by race of jobs located within each central city neighborhood. State-of-the-art 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 53212 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.

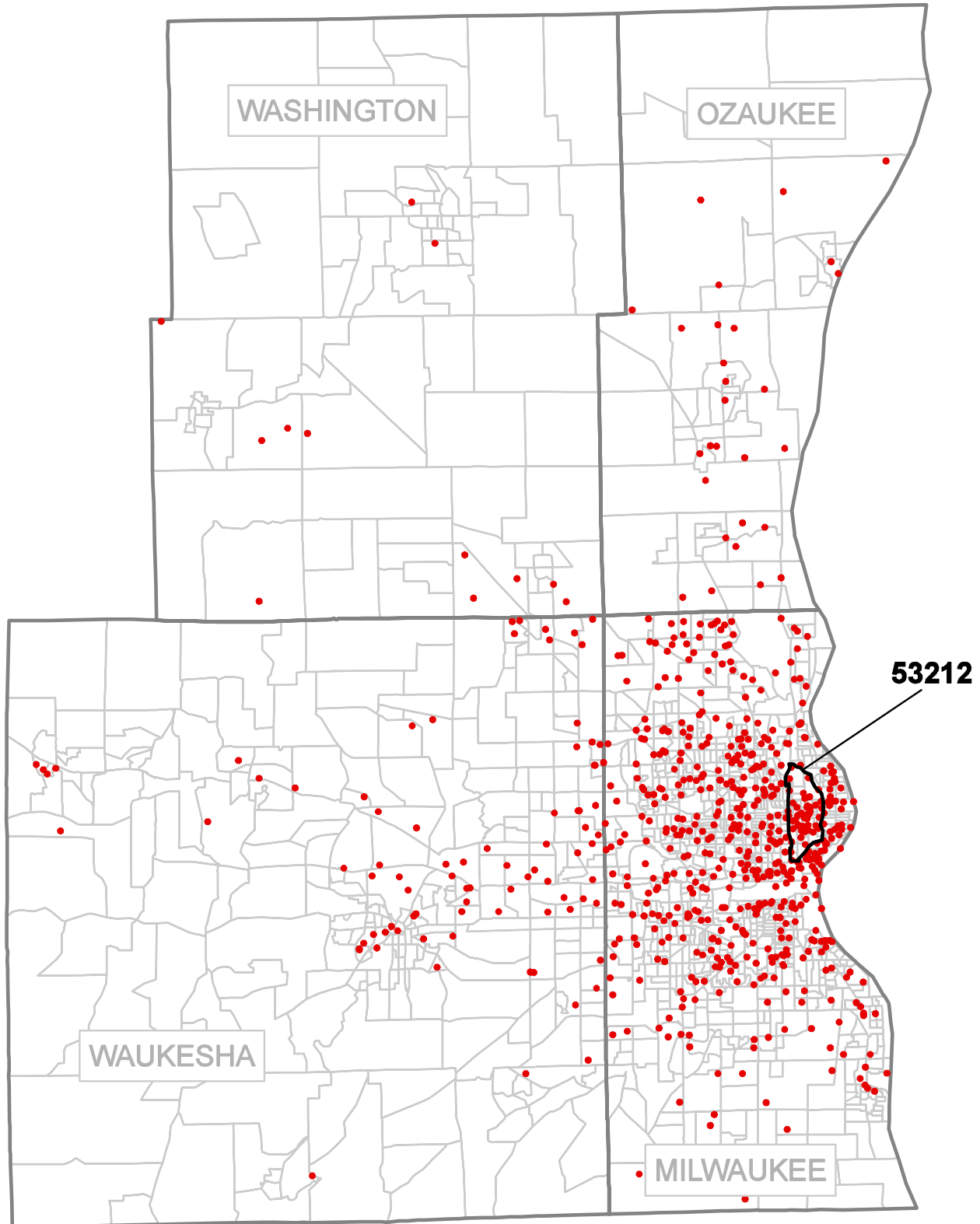
Findings for Zipcode 53212

Workforce Issues

1. **An estimated 44% of employed families in zipcode 53212 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 472 of these families out of poverty, but still left about 1,428 families (or 33% of the 4,328 tax filers with dependents) with income below poverty. The very low federal standards consider a family's annual income to be below poverty if it is 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 53212, the labor market is very limited. According to the Census 2000 transportation files, 87% of 53212 residents work in Milwaukee County**, including 63% of 53212 residents who are employed at jobsites within the City of Milwaukee. About 11% of residents have jobs in Waukesha, Ozaukee and Washington (WOW) counties, and almost no residents 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 53212 were employed at the time of the 2000 Census.

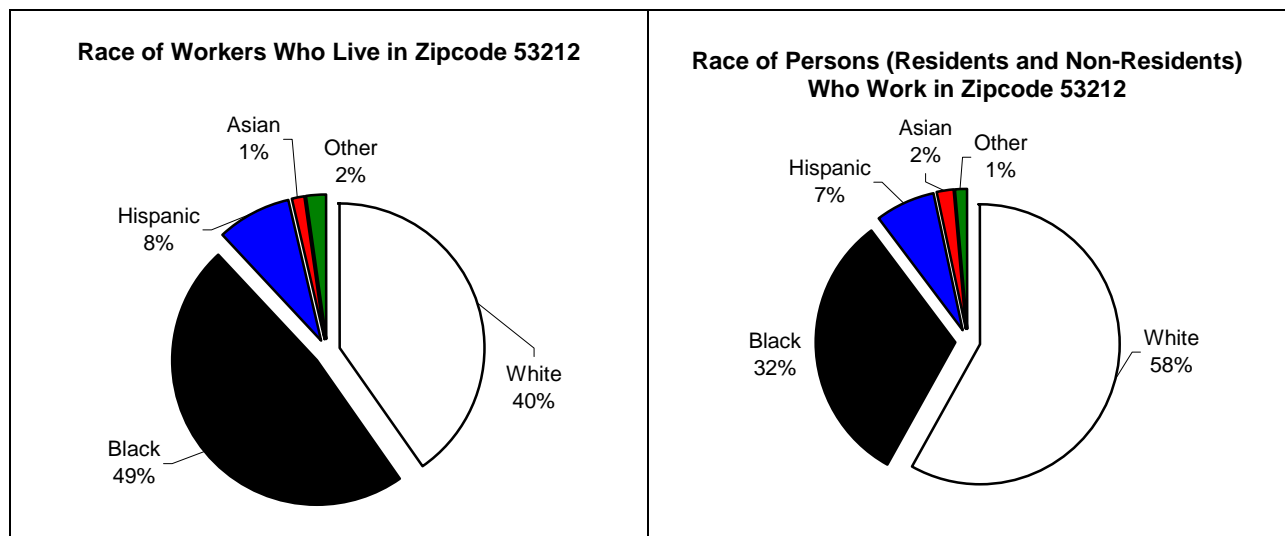


Where People Work Who Live in Zipcode 53212



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:** This zipcode is a racially mixed community, both in the composition of its resident workforce and in the race/ethnicity of persons employed at jobsites located within the zipcode. According to recently released 2000 Census transportation data files, whites make up 40% of the resident workforce, and white workers hold 58% of jobs with employers (public, private and non-profit) in the 53212 neighborhood. On the other hand, **African Americans make up 49% of the resident workforce in the zipcode, but African American workers hold only 32% of jobs at worksites in 53212. Hispanics comprise 8% of the resident workforce and Hispanics hold 7% of jobs at worksites in zipcode 53212.**



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. 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 (4,452 suspensions) as suspension orders for traffic violations, driving while intoxicated, and drug convictions combined (1,075 suspensions). On the positive side, the 4,452

“failure to pay” suspension orders are down from an all-time high of 6,291 in 2003. The large number of residents without a valid driver’s license remains an ongoing impediment to employment.

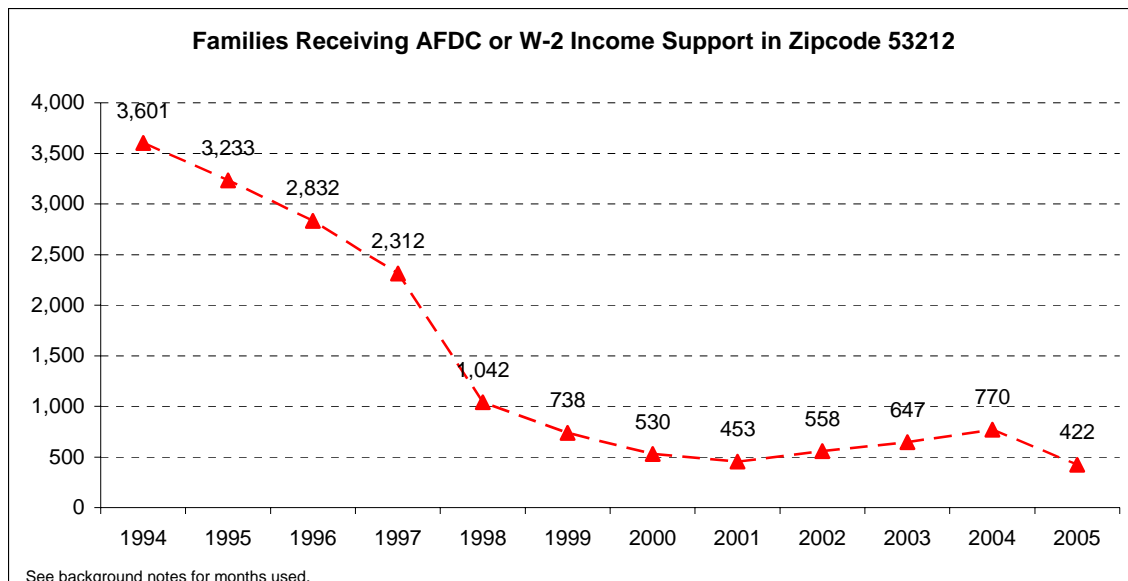
5. The neighborhood has benefited from a dramatic increase in licensed child care facilities since the state expanded its Wisconsin Shares Program offering subsidized child care for “W-2” participants and “working poor” families. **The total capacity for full-time child care with state licensed providers has more than doubled, from 882 slots in March 1996 to 2,013 slots in August 2005.** Eighty-five percent of the licensed slots are in group centers and 15% in licensed family care.

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 \$88 million annually for 16 categories of consumer expenditures.** This translates into \$31.7 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 only half of residents’ retail expenditures (for 15 categories of purchases) are captured by local retail establishments, while **an estimated \$38 million is leaving the 53212 neighborhood annually when residents buy their goods at other locations.**
8. Contrary to popular misconceptions about the inner city, **the majority of single family houses in zipcode 53212 are owner-occupied.** In 2005, the home ownership rates for single family houses was 73%, up from 71% in 2002. About half (51%) of duplexes are owner-occupied.
9. **Home owners in zipcode 53212 have seen marked increases in the value of their houses in the last five years.** From 2000 to 2005, the average value of a 3-bedroom house increased 109%, compared to a slower 52% rate for the seven years from 1993-2000. For houses with 4 or more bedrooms, the average market value more than doubled from 2000 to 2005. Duplex property showed the highest price increases, rising from a \$46,361 average value in 2000 to a \$103,718 average value in 2005. Given the 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 53212 residents have increased since the 2000 Census.** The total adjusted gross income of working age tax filers increased by 13.7% between 2000 and 2004. When inflation is considered, the real income earnings of residents showed a 6.4% increase. This neighborhood showed the most positive increase in income among the nine central city zipcodes in Milwaukee's Community Development Block Grant area.
11. Federal and Wisconsin tax credits (EIC) provide significant support for lower-income employed families in zipcode 53212. The **earned income tax credits have more than doubled, from \$3.9 million in 1993 to \$9.6 million in the 2004 tax year.** For the 2004 tax year, 91% of income-eligible single parent tax filers and 85% of married parent filers with dependents claimed the EIC. These claim rates are among the highest in the county.
12. In spite of the low earnings of single parent families, very few families in zipcode 53212 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 their lowest level to date in zipcode 53212.



Job Gaps in Zipcode 53212

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 11,990 residents of zipcode 53212 (ages 16 and above) employed at the time of the 2000 Census.

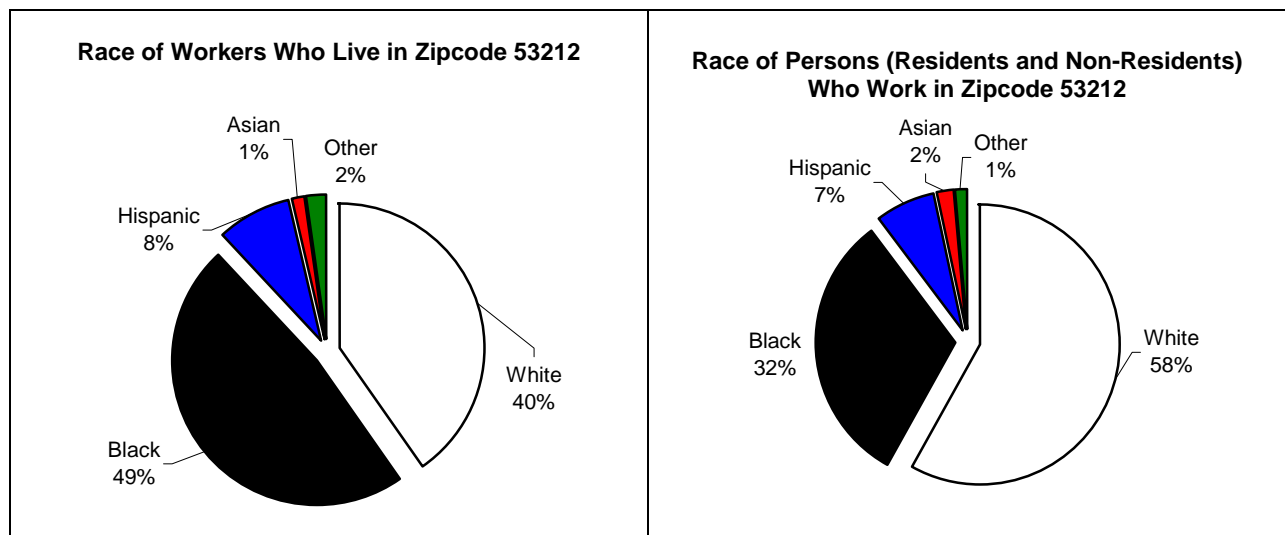
- Most residents commute to jobs outside the zipcode. Only about 8% of residents worked in the 53212 zipcode area, while 92% traveled to jobs outside the zipcode.
- The labor market for most 53212 **residents** is limited to Milwaukee County. The majority of residents (68%) worked in the City of Milwaukee and nearly all (87%) work within Milwaukee County. Another 11% 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 53212 resident workers, and 1% work outside of southeastern Wisconsin.

Who Works for 53212 Employers

The Census 2000 files showed 11,119 persons (residents and non-residents) whose primary job was located at a worksite in zipcode 53212. 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 53212 came from outside the neighborhood.
- Workers coming into the central city to work showed a broader labor market than outgoing central city workers. Eighteen percent of the workers came from outside Milwaukee County, including 14% 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 53212 for jobs – the same percentage as workers coming into the neighborhood from outside of the Southeast Wisconsin area.

This zipcode is a racially mixed community, both in the composition of its resident workforce and in the race/ethnicity of persons employed at jobsites in the zipcode.



- Whites comprise 40% of the resident workforce, and white workers hold 58% of jobs with employers (public, private and non-profit) with jobsites in 53212. On the other hand, African Americans make up 49% of the resident workforce in this zipcode, but African American workers hold only 32% of jobs in zipcode 53212. Hispanics comprise 8% of the resident workforce and hold 7% of jobs at worksites in zipcode 53212.
- African American workers held 30% of the jobs for private companies located in the 53212 neighborhood. For non-profits, they held 50% of the jobs at neighborhood worksites.
- African Americans made up 32% of the 615 workers employed at state government jobsites, 30% of the 159 workers employed at federal government jobsites, and 28% of the 1,505 workers employed at local government jobsites (including schools) located in zipcode 53212. Hispanics showed their highest rates of employment working for local and federal governments. Asians showed their highest rates of employment in the self-employment category.

Characteristics of Those Who Work at Jobsites in Zipcode 53212

(Includes Jobs Held by Residents and Non-Residents)						
Type of Employer	White	Black	Hispanic	Asian	Other	Total Workers
Total workers	2,614	1,674	274	57	157	11,105
Private for-profit	59.7%	29.7%	7.6%	1.7%	1.3%	7,105
Private not-for-profit	42.7%	49.7%	4.1%	0.4%	2.6%	1,073
Local government	59.3%	28.4%	9.8%	0.9%	1.3%	1,505
State government	59.0%	32.4%	4.1%	4.1%	0.0%	615
Federal government	55.3%	30.2%	8.8%	0.0%	0.0%	159
Self-employed not incorporated	54.2%	31.1%	4.8%	6.7%	0.0%	624
Unpaid family workers	84.8%	0.0%	0.0%	0.0%	30.3%	33

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 (64%) of workers employed at 53212 jobsites worked for private companies, with manufacturing firms as the leading industry type. Another 21% worked for local, state, and federal governments, and 9% worked for non-profit agencies. A relatively small number of workers (6%) reported self-employment as their primary job.

The tables below show the breakdown of jobs in zipcode 53212 by occupational groupings of workers.

- Among the largest occupational areas, African Americans comprised 60% of personal care service workers, 50% of food preparation and service workers, 43% of building and grounds cleaning/maintenance workers, and 41% of production workers for jobs at 53212 worksites.
- Hispanics showed their highest rates of employment as production workers (where they comprised 14% of the workers) and transportation and materials moving jobs (where they also made up 14% of the workers).
- Asians showed their highest rates of employment in business and financial operations, as personal care workers, in building and grounds cleaning/maintenance.

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, 329 persons were engaged in construction work (including self-employment) at jobsites in zipcode 53212. White workers held 78% of these jobs (or 258 jobs), African Americans held 13% of the jobs (43 jobs), and Hispanics held 8% of the jobs (28 jobs).
- When the occupations of 53212 **residents** were analyzed (regardless of whether they worked inside or outside of the neighborhood), the Census reported 363 residents with occupations in construction. These included 238 whites, 93 African Americans, and 32 Hispanics.

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 53212

(Including Jobs Held by Residents and Non-Residents)						
Total	White	Black	Hispanic	Asian	Other	Occupational Grouping
11,119	6,414	3,540	803	207	155	Total Occupation
1,557	903	497	107	14	36	Office, administrative support
1,192	487	493	172	36	4	Production
1,042	773	273	18	4	14	Management
1,032	560	370	44	34	24	Sales, related
782	387	294	73	24	4	Education, training, library
729	387	246	77	4	15	Community, social service
718	338	267	99	4	10	Transportation, material moving
487	364	90	8	25	0	Business, financial operations
471	347	92	20	4	8	Installation, maintenance, repairs
392	286	90	4	9	4	Healthcare practitioners, technicians
387	353	30	0	4	0	Arts, design, entertainment, sports, media
332	239	89	4	0	0	Protective service
329	258	43	28	0	0	Construction, excavation
316	113	161	38	0	4	Food preparation, serving related
249	107	108	24	10	0	Building, grounds cleaning, maintenance
208	159	45	4	0	0	Computer, mathematical
205	48	123	14	10	10	Personal care, service
194	46	134	10	0	4	Healthcare support
153	109	25	15	4	0	Engineering, architecture
122	89	25	0	4	4	Life, physical, social science
Total	White	Black	Hispanic	Asians	Other	Groupings with Over 200 Employed
11,119	57.7%	31.8%	7.2%	1.9%	1.4%	Total Occupation
1,557	58.0%	31.9%	6.9%	0.9%	2.3%	Office, administrative support
1,192	40.9%	41.4%	14.4%	3.0%	0.3%	Production
1,042	74.2%	26.2%	1.7%	0.4%	1.3%	Management
1,032	54.3%	35.9%	4.3%	3.3%	2.3%	Sales, related
782	49.5%	37.6%	9.3%	3.1%	0.5%	Education, training, library
729	53.1%	33.7%	10.6%	0.5%	2.1%	Community, social service
718	47.1%	37.2%	13.8%	0.6%	1.4%	Transportation, material moving
487	74.7%	18.5%	1.6%	5.1%	0.0%	Business, financial operations
471	73.7%	19.5%	4.2%	0.8%	1.7%	Installation, maintenance, repairs
392	73.0%	23.0%	1.0%	2.3%	1.0%	Healthcare practitioners, technicians
387	91.2%	7.8%	0.0%	1.0%	0.0%	Arts, design, entertainment, sports, media
332	72.0%	26.8%	1.2%	0.0%	0.0%	Protective service
329	78.4%	13.1%	8.5%	0.0%	0.0%	Construction, excavation
316	35.8%	50.9%	12.0%	0.0%	1.3%	Food preparation, serving related
249	43.0%	43.4%	9.6%	4.0%	0.0%	Building, grounds cleaning, maintenance
208	76.4%	21.6%	1.9%	0.0%	0.0%	Computer, mathematical
205	23.4%	60.0%	6.8%	4.9%	4.9%	Personal care, service

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.

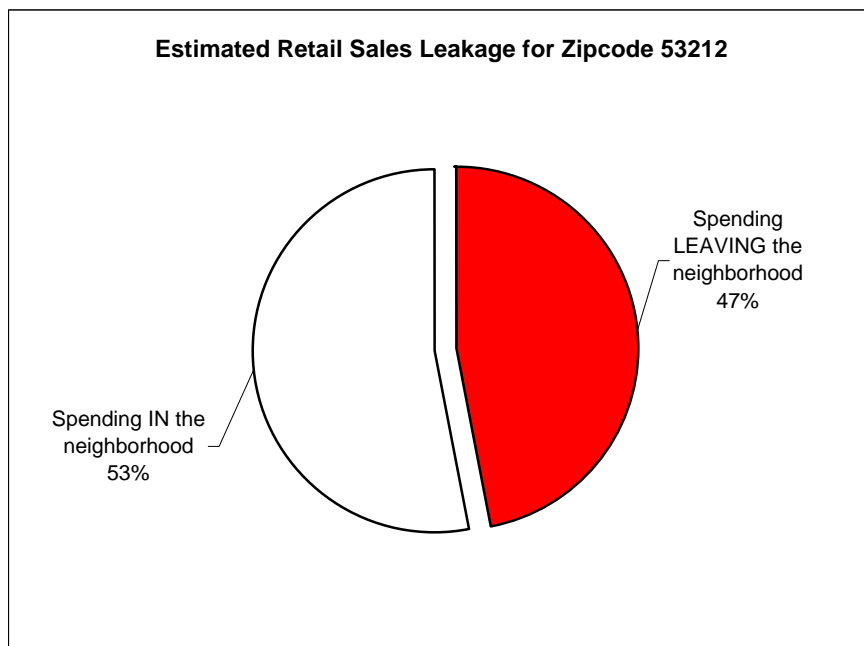
- An analysis of the estimated spending of resident households in zipcode 53212 showed over \$88.8 million in annual spending for 16 major retail expenditure areas.
- This translates into \$21.7 million of spending per square mile, well above the average spending in many suburban and exurban neighborhoods.

Purchasing Power Profile for Residents of the Milwaukee 53212 Neighborhood		
Land Area in Square Miles: 4.09		
Consumer Expenditure Category	Est. Annual Expenditures	Expenditures Per Square Mile
Food at home	\$38,093,595	\$9,313,837
Food away from home	\$11,915,753	\$2,913,387
Apparel and related services	\$11,861,073	\$2,900,018
Television equipment, tapes, disks	\$5,418,415	\$1,324,796
Audio equipment, CDs, tapes	\$1,338,182	\$327,184
Household textiles	\$686,246	\$167,786
Furniture	\$2,981,639	\$729,007
Floor coverings	\$261,275	\$63,881
Major appliances	\$1,544,564	\$377,644
Small appliances and housewares	\$474,651	\$116,052
Computer hardware and software	\$1,392,229	\$340,398
Miscellaneous household equipment	\$2,176,876	\$532,244
Non-prescription drugs and supplies	\$2,537,030	\$620,301
Housekeeping supplies	\$4,463,399	\$1,091,296
Personal products	\$2,959,841	\$723,678
Home repair commodities	\$722,117	\$176,557
Total for 16 categories	\$88,826,885	\$21,718,065

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 53212, this zipcode showed a substantial retail sales leakage. It is estimated that 47% (or \$40.8 million) of residents' retail spending for the 15 categories was captured by local retail establishments, while the neighborhood is showing a net loss of 53% of its retail expenditures.
- **The neighborhood showed a retail sales leakage of \$36,084,000. These are the estimated dollars leaving the neighborhoods when residents buy their goods at other locations.**

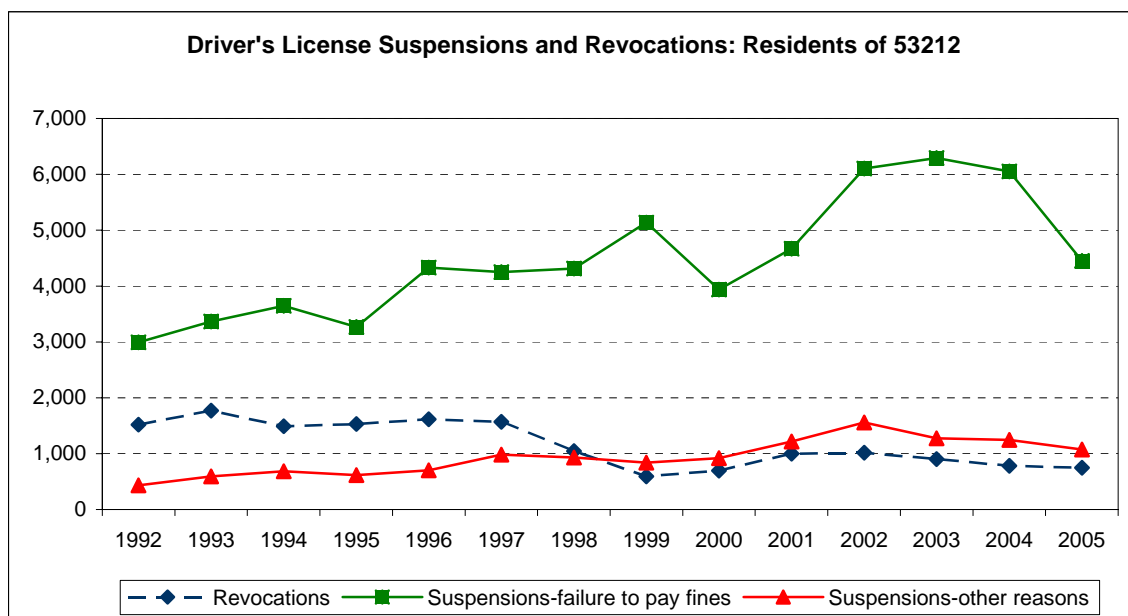


Transportation Barriers: Driver's License Suspensions

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 4,452 for residents of zipcode 53212. These "failure to pay" suspension orders are down from an all-time high of 6,291 orders in 2003.
- The zipcode area showed 4 times as many suspensions for failure to pay fines (4,452) as for suspension orders for traffic violations, driving while intoxicated, and drug convictions combined (1,075).
- License revocations totaled 748 in 2005, down from over 1,000 in 2002.

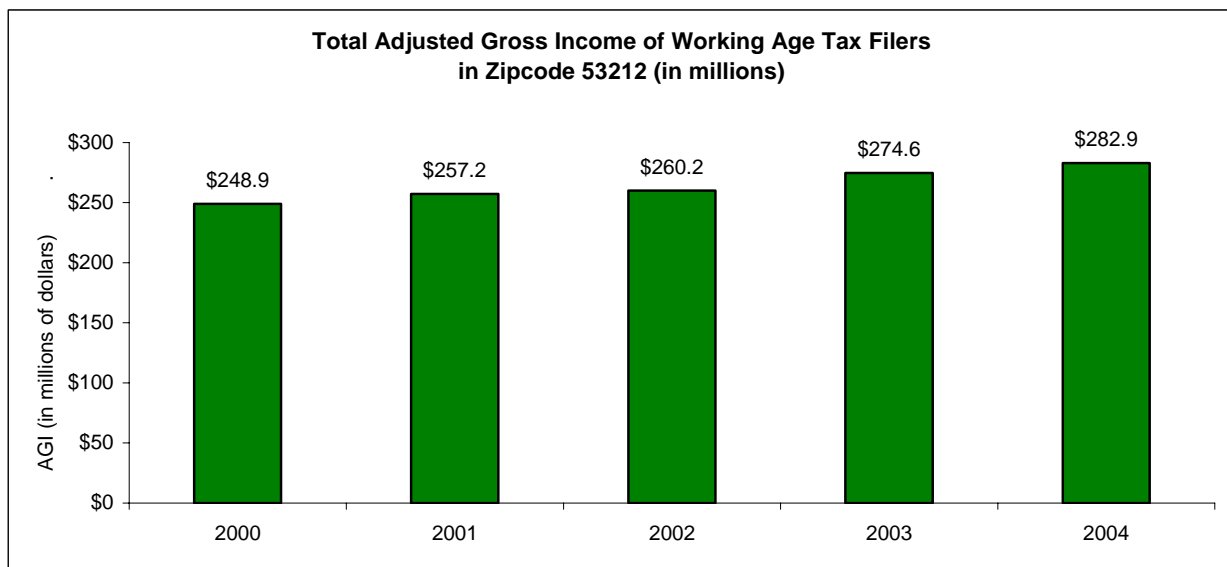


Family Income and Workforce Growth

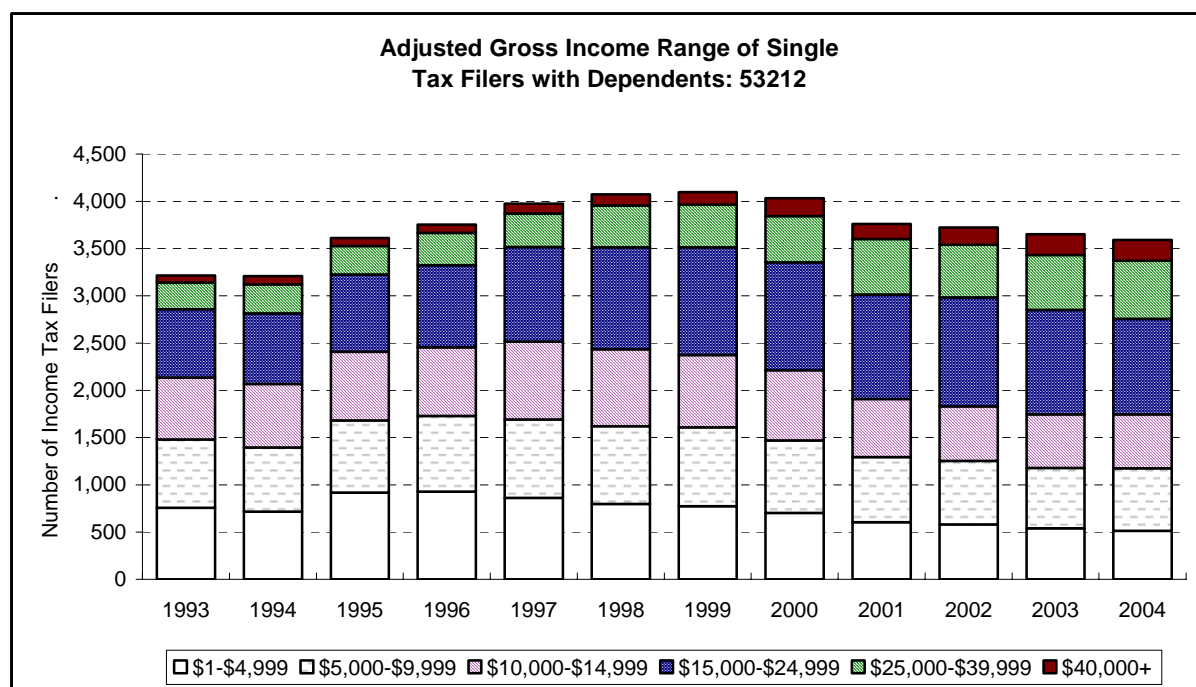
1993-2004

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 increases in income since 2000. In zipcode 53212, the total adjusted gross income of working age tax filers rose by 13.7% between 2000 and 2004, going from \$248.9 million to \$282.9 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 53212 increased by about 3%.**
- The zipcode showed the highest growth in income of the nine CDBG (Community Development Block Grant) zipcodes analyzed.



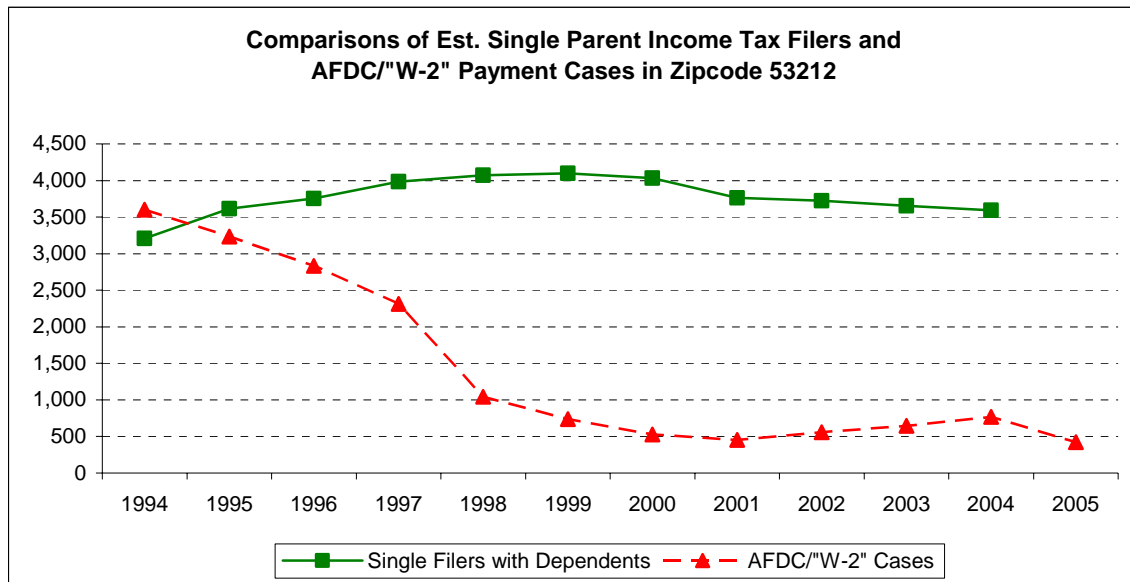
- While the total income reported for the neighborhood increased, the number of **working age tax filers** (single and married) decreased by 4.2%, from 10,935 in 2000 to 10,473 in the 2004 tax year (i.e., taxes filed in 2005 based on earnings in 2004).
- The total number of **single tax filers with dependents** has been declining since 1999.
- Analysis of the 3,590 single tax filers (with dependents) in 2004 by their income category suggested that a large number of single parents in zipcode 53212 remain only marginally employed. In 2004, a total of 512 single filers with dependents (14% of the total) reported AGI below \$5,000, and another 664 filers (18%) reported income below \$10,000. Only 23% 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.

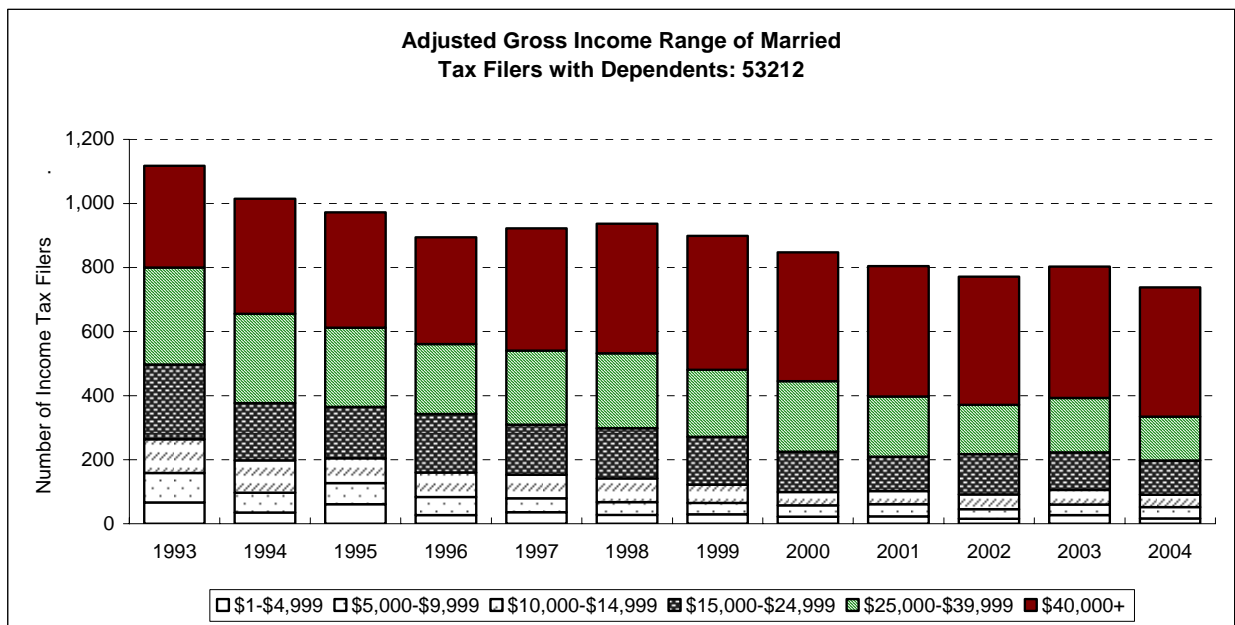
The growth in single tax filers with dependents was compared to changes in AFDC and “W-2” welfare caseloads in zipcode 53212 to help gauge whether employment had replaced welfare for single parents in the neighborhood and to determine the effect of the economy on both employment and welfare receipt.

- 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. The number of single filers with dependents has been decreasing in this zipcode, however, since 2000.
- Welfare records showed a decrease of 2,831 AFDC/“W-2” payment cases from 1994 to 2004, compared to only a 382 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. In this zipcode, the number of single filers with dependents has been declining since 1999.



Since 1993 the number of **married income tax filers with dependents** in zipcode 53212 – smaller to begin with – has seen a 34 percent 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 738 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. Almost three-fourths (73%) had income at or above \$25,000, and 55% had income of \$40,000 or more, when income from all jobs is considered.



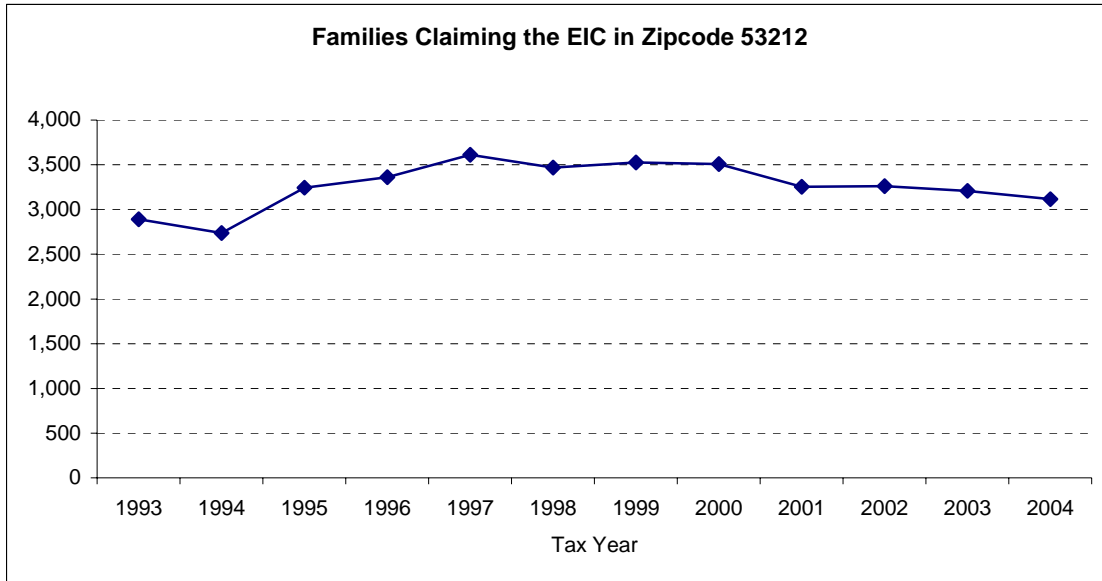
Note: Earnings categories are not adjusted for inflation. The cost of living increased by 26.8% from 1993 to 2004.

Earned Income Tax Credits 1993-2004

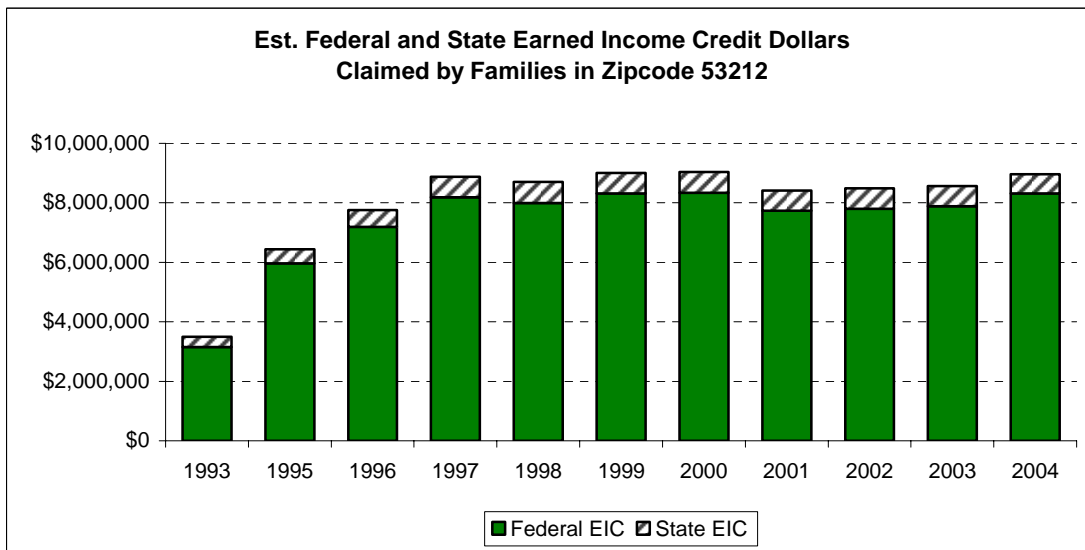
State and federal earned income tax credits offer a substantial boost to working families at the lower end of the wage scale. The earned income tax credit (EIC) offers a tax benefit to help reduce the payroll and social security tax burdens and to supplement wages for low and moderate income working 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 53212 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 7.7% from 2,892 in 1993 to 3,115 in the 2004 tax year (i.e., taxes filed in 2005 based on earnings in 2004).
- The number of families receiving the credit is down 11% from the number filing claims from 1999, when 3,526 families received EIC payments.



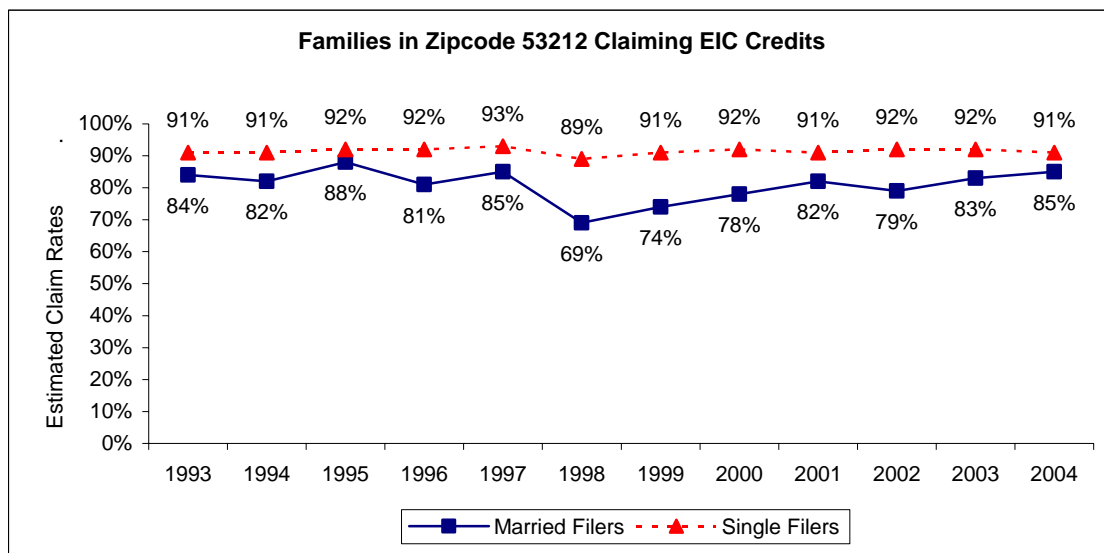
- The amount of the combined federal and state earned income tax credits more than doubled from \$3.9 million in 1993 to \$9.6 million in the 2004 tax year. The total credits reached a peak in 2000 at \$9.75 million.



- In 2004, single parents received 92% of the credits claimed in zipcode 53212. Single parents comprised 83% 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.

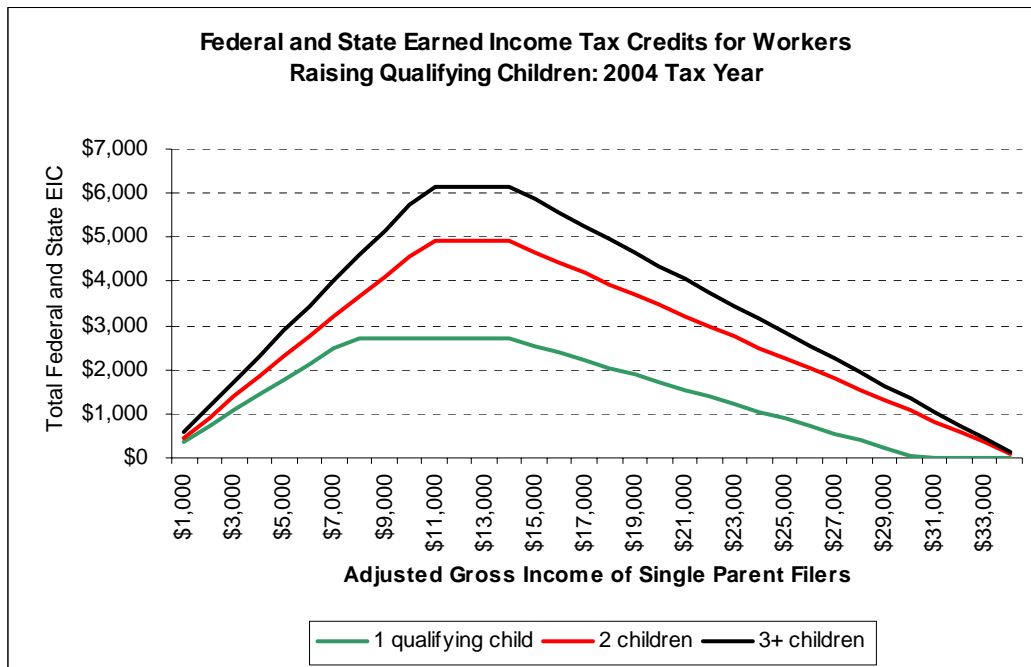
- Single parent tax filers showed higher claim rates than married filers. For filers with dependents, 91% of single filers with \$5,000 to \$14,999 in adjusted gross income – the range with the highest potential EIC claims – claimed the credit in 2004, compared to 85% of married filers in that income range.



- For 2004 tax filers in the \$15,000 to \$24,999 income ranges in 2004 EIC claim rates were similarly high for single parents (91%), but lower for married parents (75%).

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.

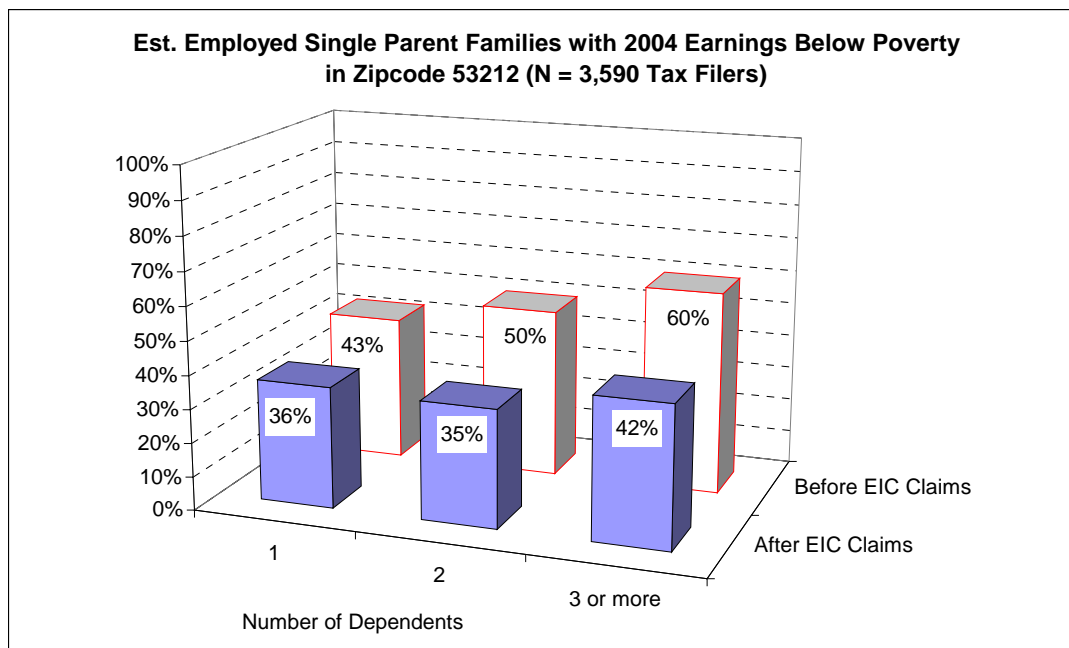


Working Families with Income Below Poverty

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.

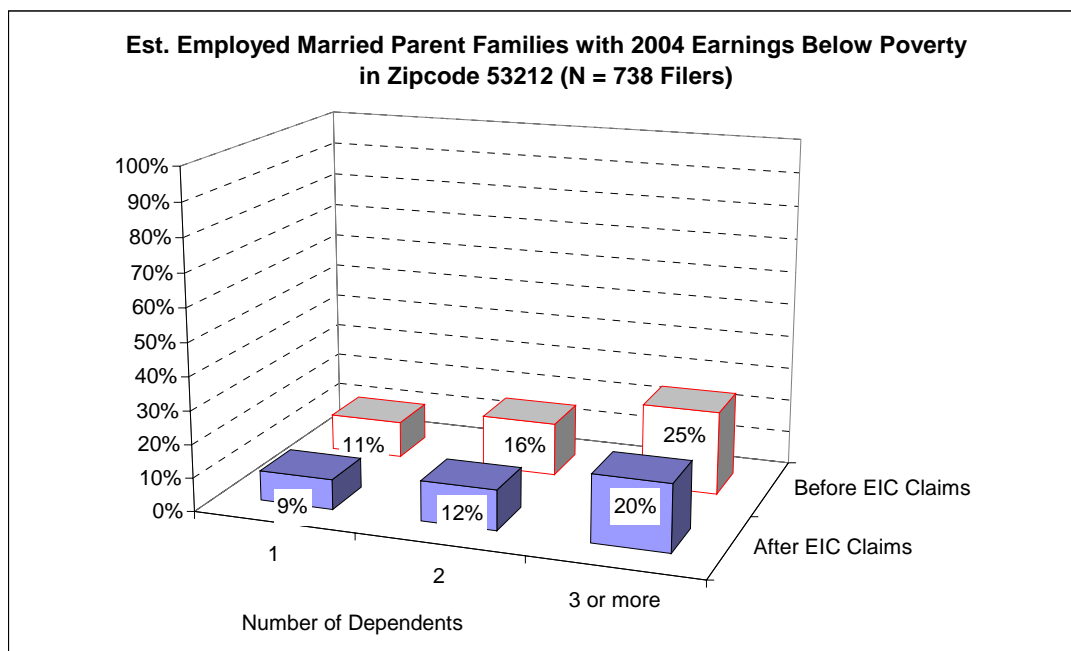
- For **single parent families with dependents**, in zipcode 53212 in tax year 2004 about 43% of single tax filers with one dependent showed adjusted gross income (AGI) below the poverty level (\$12,490 for two persons). Half of single filers with 2 dependents showed AGI below (\$15,670 for three persons) and 60% (or more) of filers with three or more dependents had income below poverty.



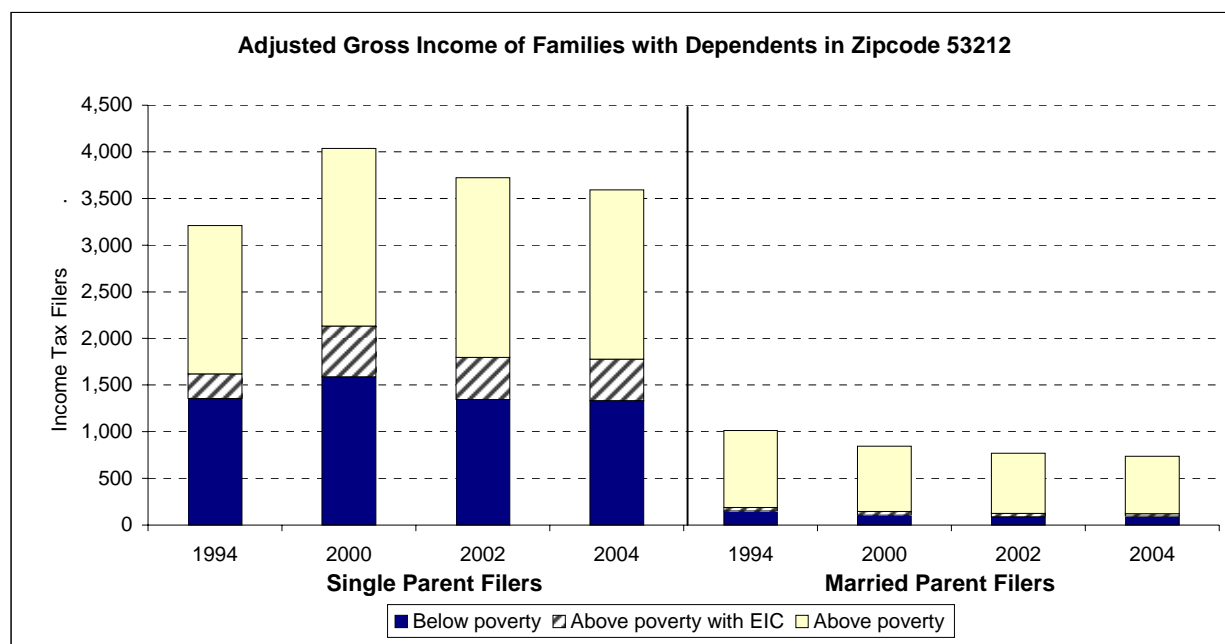
- When the number of filers claiming the state and federal earned income credit (EIC) was considered, the percentage of single parent families living in poverty was

reduced to about 36% of filers with one dependent and 42% (or more) of filers with three or more dependents.

- State Department of Revenue data showed only 738 **married tax filers with dependents** out of the 4,328 income tax filers with dependents in 2004. More employed parents showed adjusted gross incomes above the poverty level.
- About 11% of married tax filers with one dependent showed adjusted gross income below the poverty level. About 16% of married filers with two dependents reported AGI below the poverty level, as did 25% (or more) of married filers with 3 or more dependents.
- Federal and state EIC claims brought the poverty rates for married filers down to 9% for filers with one dependent and 12% for filers with two dependents.
- In zipcode 53212, married filers with three or more dependents showed 20% (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 445 single parent families above the poverty level, leaving an estimated 1,332 single tax filers with dependents (37% 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 25 families out of poverty leaving 96 married filers with dependents (13% of the married parent total) still in poverty.

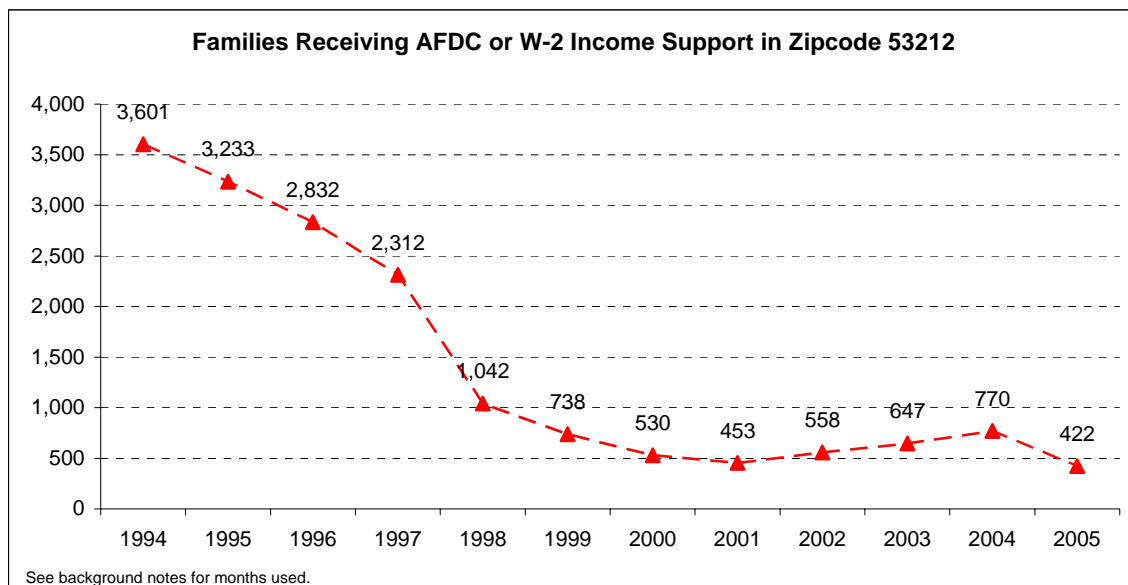


- The challenges of securing and maintaining full-time, year-round employment are particularly difficult for lower-income single parents. Nearly half (46%) of single income tax filers (with dependents) with income estimated to be below the poverty level for their family size appeared to be employed less than 70% time (based on minimum wage rates of \$5.15 an hour in 2004), and about a third appeared to be have employment less than half time or less than half-year.

Families Receiving Public Assistance 1994-2005

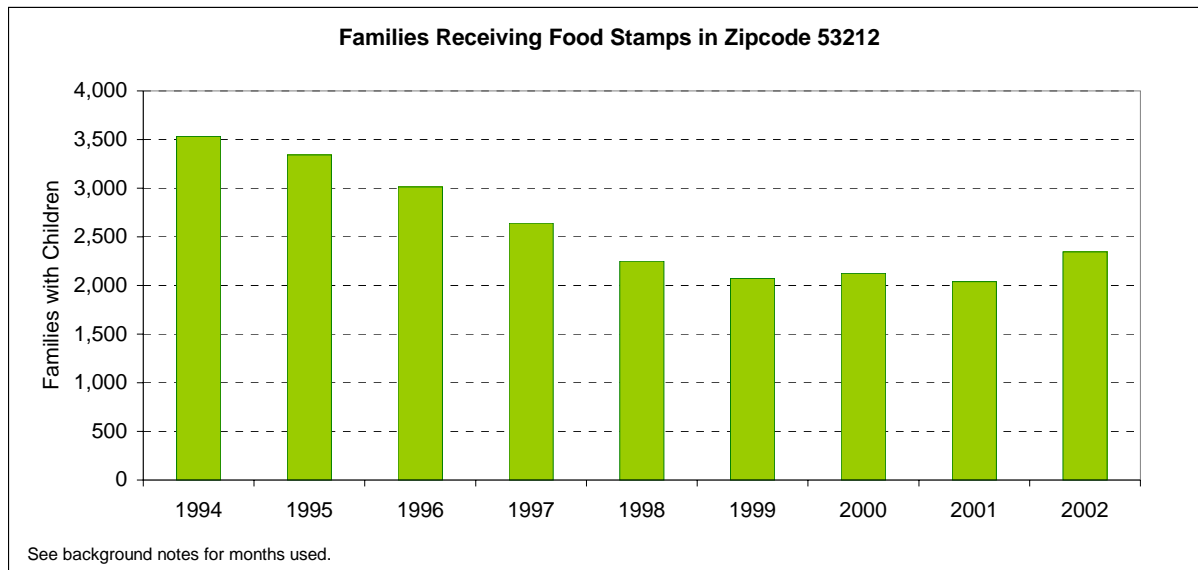
Public assistance case records were analyzed for families receiving AFDC/"W-2" income support, food stamps, and medical coverage.

- The number of families in zipcode 53212 receiving **income support** (AFDC or "Wisconsin Works," i.e. "W-2," cases) dropped 87%, from 3,601 in March 1994 to 453 in June 2001. Caseloads rose again to 770 "W-2" payment cases in July 2004. By July 2005, "W-2" payment cases were at their lowest point (422 families) for the months measured.
- The number of families receiving income support in July 2005 was 88% below the levels 11 years earlier.

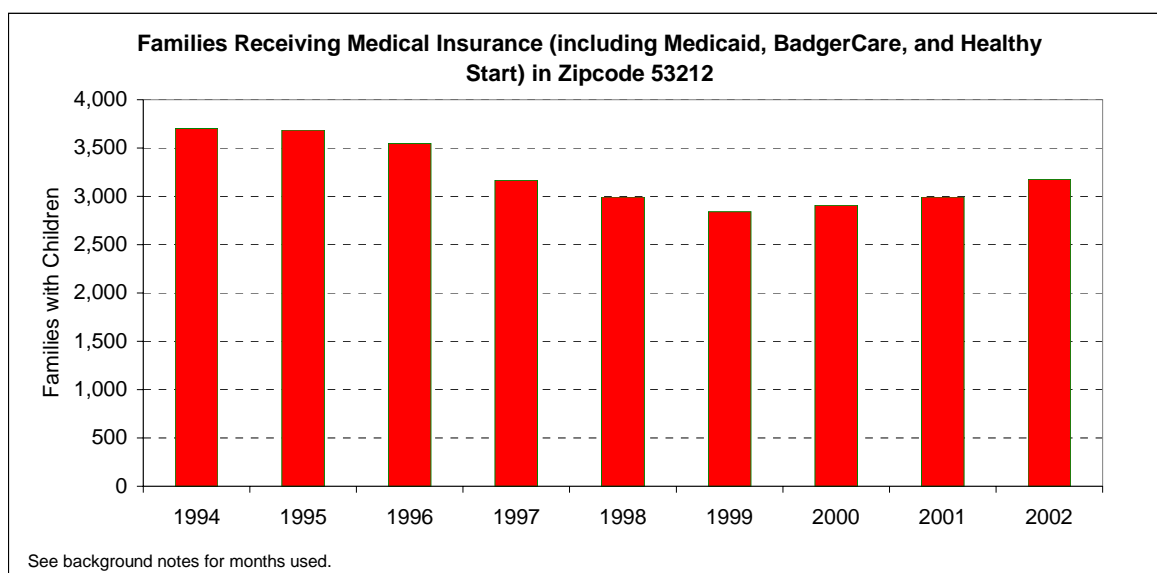


- The families with children in zipcode 53212 have also showed sharp declines in the numbers receiving **food stamps** although these declines were not nearly as steep as the AFDC/W-2 drops. The number of families receiving food stamps dropped from 3,532 in March 1994 to 2,072 in February 1999, or a 41 percent decline.

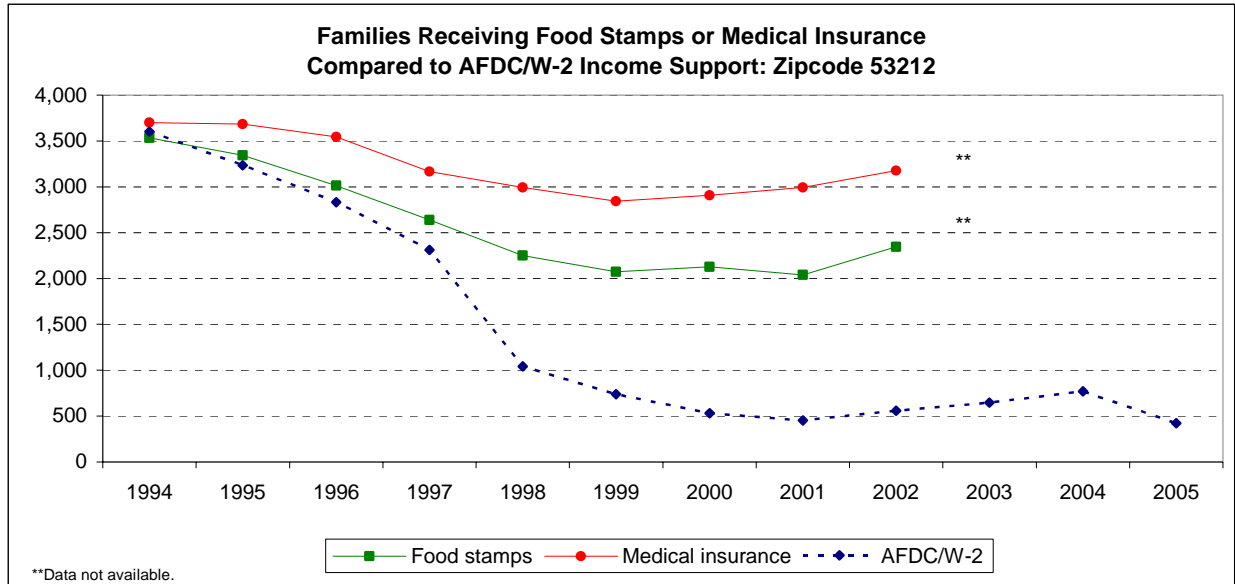
- The number of families enrolled in the food stamp program had increased to 2,344 in 2002, with an increase of 304 families between 2001 and 2002. Enrollments in 2002 remained 34 percent below the 1994 levels.



- The number of families (with children) in zipcode 53212 covered by medical assistance, including Medicaid, BadgerCare and Healthy Start, dropped from 3,702 in March 1994 to 2,842 in February 1999, or 23 percent.
- Numbers increased between 1999 and 2002 to 3,176, or 14 percent below 1994 levels.



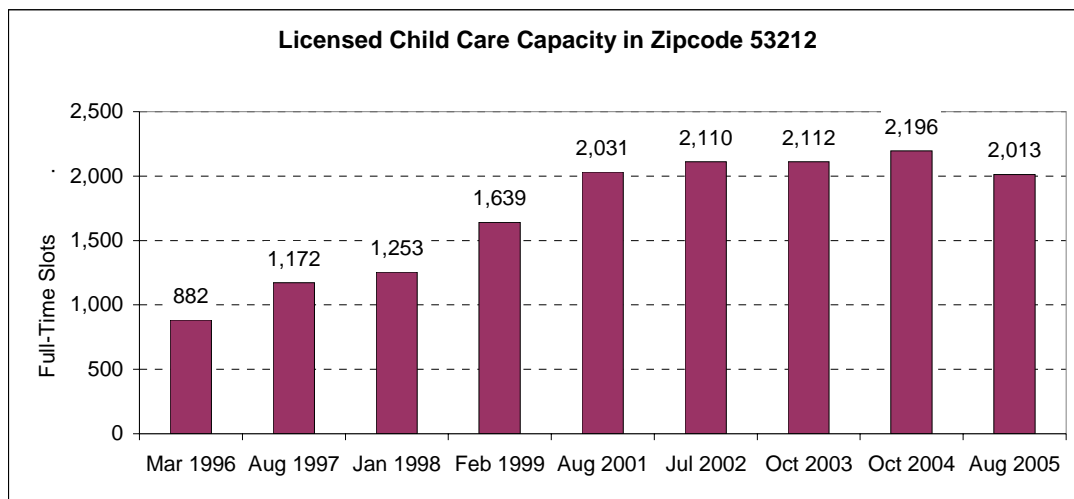
- When trends in the numbers of families (with children) receiving income support are compared to those receiving medical assistance and food stamps, the data show many more families in zipcode 53212 using medical insurance and food stamps than receiving income support.



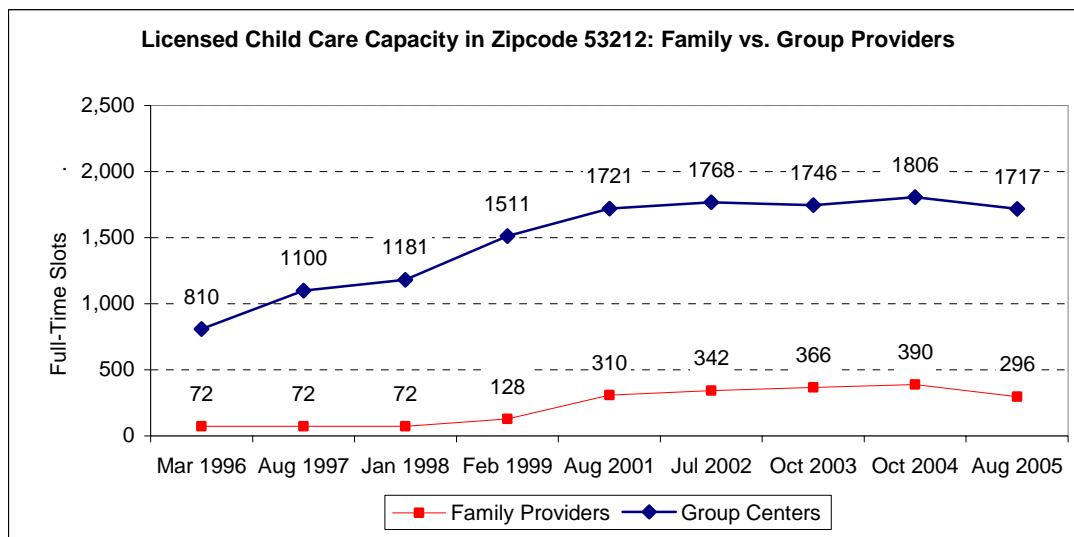
Child Care Availability and Subsidies 1993-2005

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 doubled, from 882 slots for full-time care in March 1996 to 2,013 slots in August 2005.

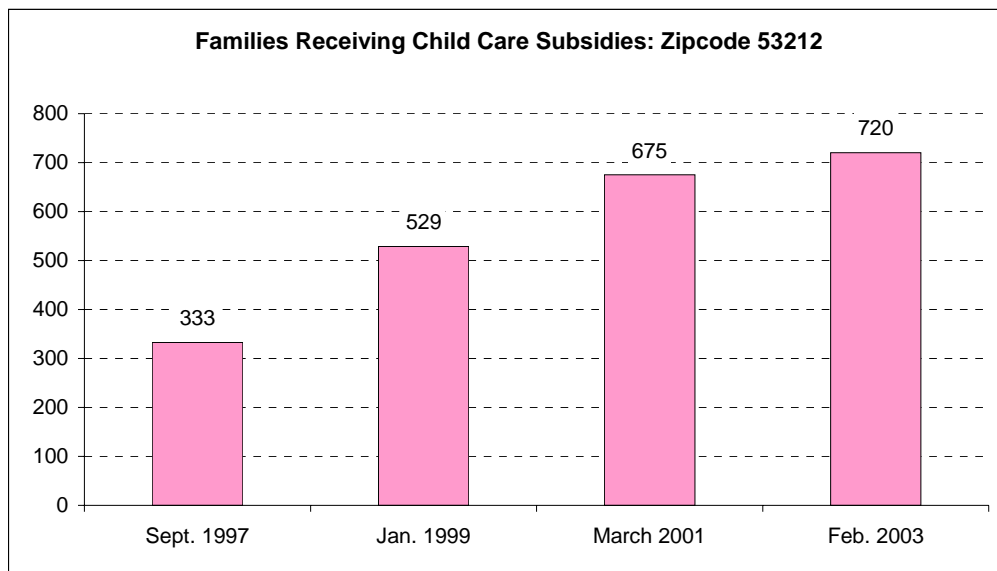


- Eighty-five percent of the licensed slots are in group centers, and 15% are in licensed family care.

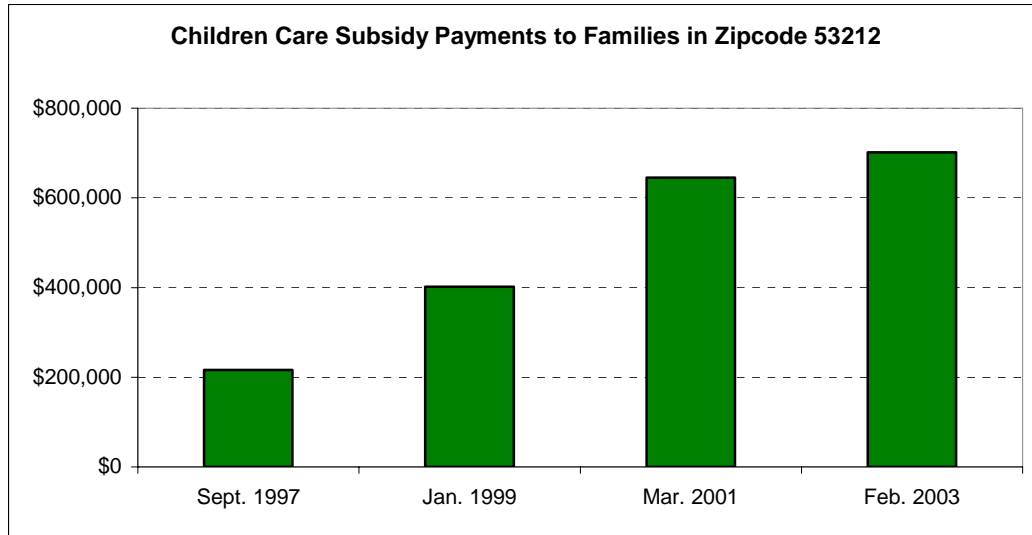


Subsidized child care payments were tracked for the Wisconsin Shares Program, that offers federal and state child care support under TANF (the Temporary Assistance to Needy Families) and CCDBG (Child Care Development Block Grant) monies. The program subsidizes qualified day care for children and W-2 participants and for children in “working poor” families. Families with income up to 185 percent of the poverty level are eligible for Wisconsin Shares child care subsidies, and families may continue to receive assistance until their income exceeds 200 percent 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 53212 receiving child care support more than doubled from 333 in September 1997 to 720 in February 2003.



- Total four-week payments for families rose from \$215,937 in September 1997 (or \$648 per family) to \$701,792 in February 2003 (or \$975 per family).



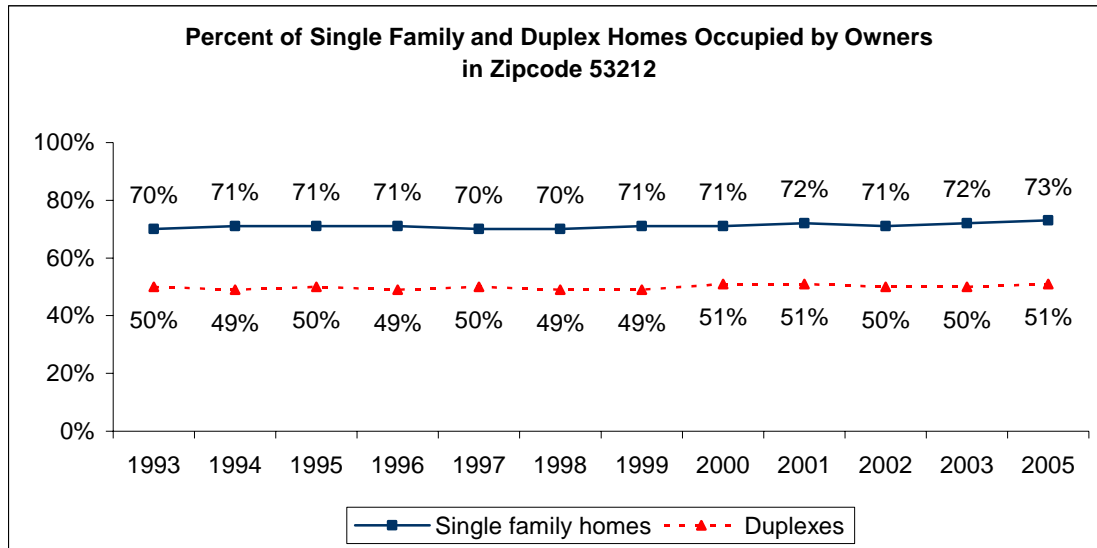
- Most of the Wisconsin Shares subsidies for care of children in zip code 53212 went to licensed providers. In February 2003, 63 percent of total payments went to state licensed group centers, and another 24 percent to licensed family centers.

Home Ownership Rates and Housing Values

1993-2005

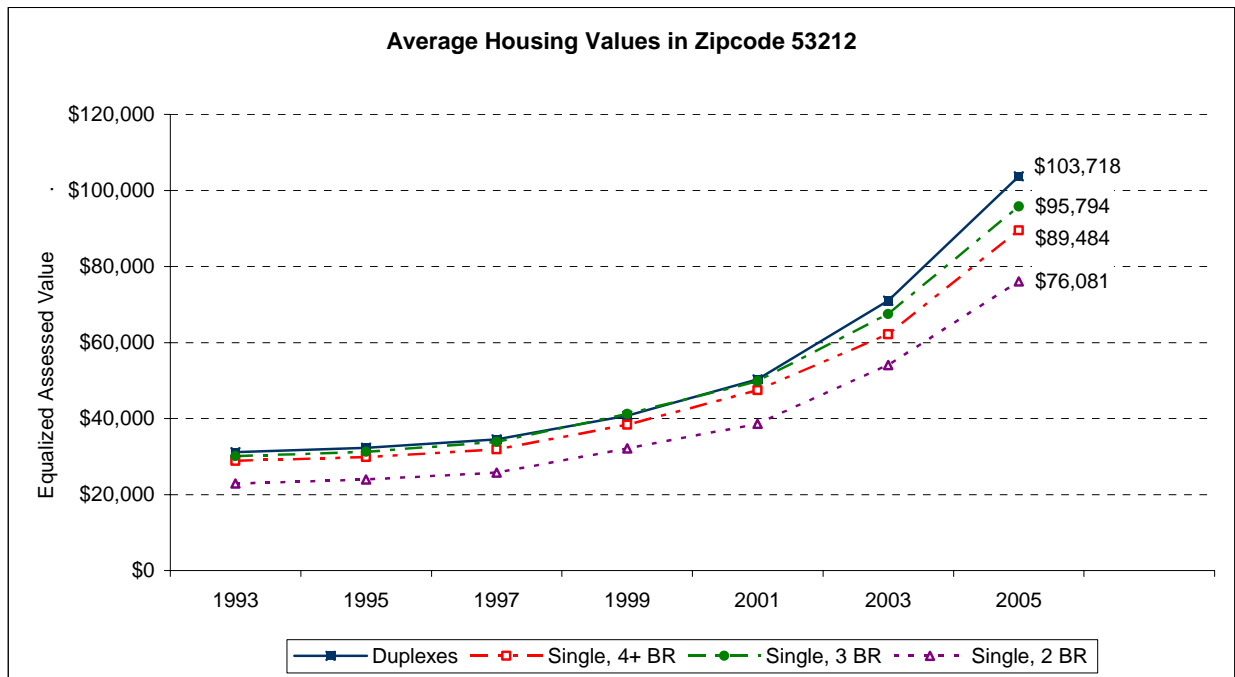
Neighborhood housing data were tracked using City of Milwaukee property files.

- Contrary to popular misconceptions about the inner city, the majority of houses in zipcode 53212 are owner-occupied. The home ownership rate for single family houses was 73% in 2005 and has shown slight increases since 2002.
- The home ownership rate for duplexes is slightly over half (51%).



Housing prices rose markedly in central city neighborhoods 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 53212 increased 109%, from \$45,761 in 2000 to \$95,794 in 2005. This compares to a 52% increase for the seven-year period from 1993-2000.
- The average market value of houses with 4 or more bedrooms also more than doubled from \$43,068 in 2000 to \$89,484 in 2005. The prior seven-year period showed increases of 49%.
- **Duplexes showed the highest percentage price increases.** From 2000 to 2005, the average value of duplexes in zipcode 53212 rose 124%, from \$46,361 in 2000 to \$103,718 in 2005. This is a faster rate than the 49% increase seen for the seven-year period from 1993-2000.
- **Given the income levels 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 53212 to afford them.**

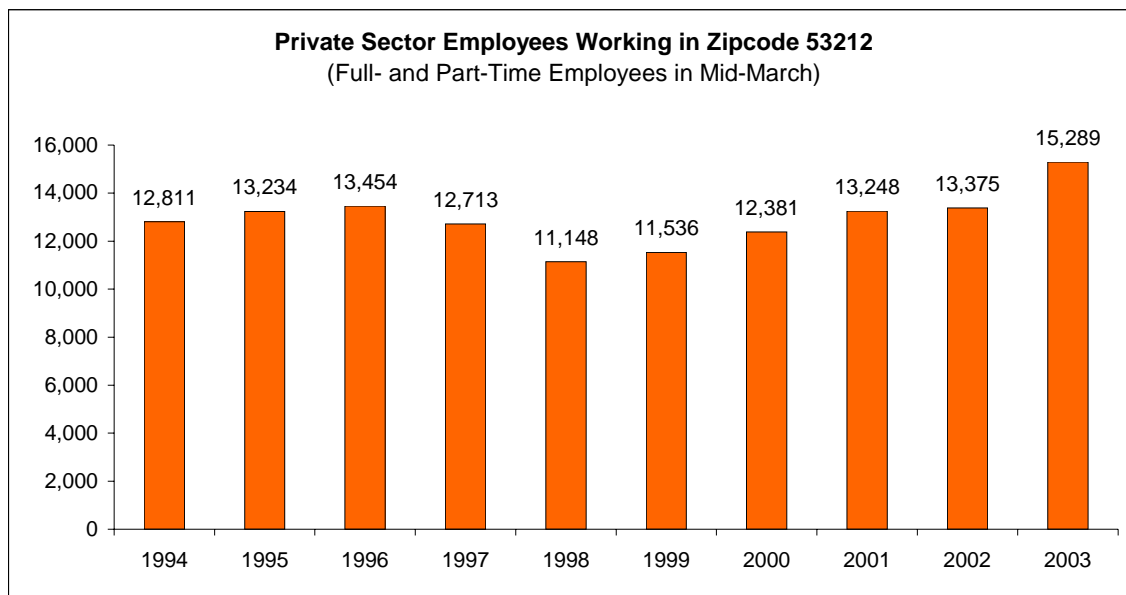


Business Activity in the Neighborhood 1993-2005

Sources of data used to measure business activity in zipcode 53212 include 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.

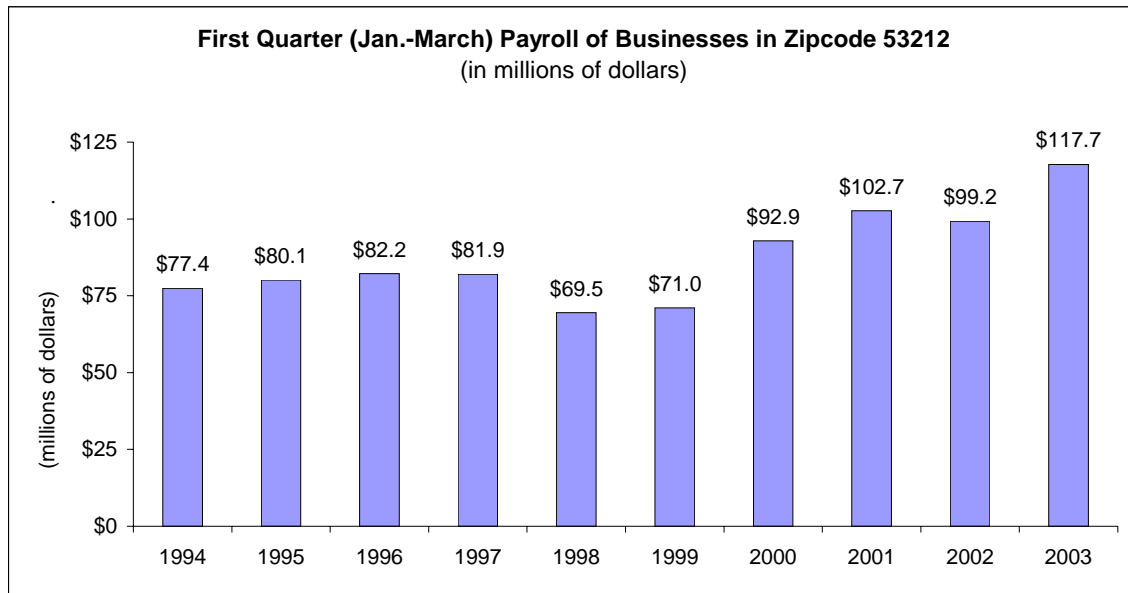
The U.S. Census Bureau ZIP Code Business Patterns reports the number of businesses, payroll and number of full-time and part-time employees.

- The number of **workers employed in private businesses** located in zipcode 53212 increased from 12,811 in 1994 to 13,454 in 1996. Then after 2 years of decline, the number of employees rose to a 10-year high of 15,289 in 2003.
- The provide sector workforce showed a 14% increase from 2003 to 2003.



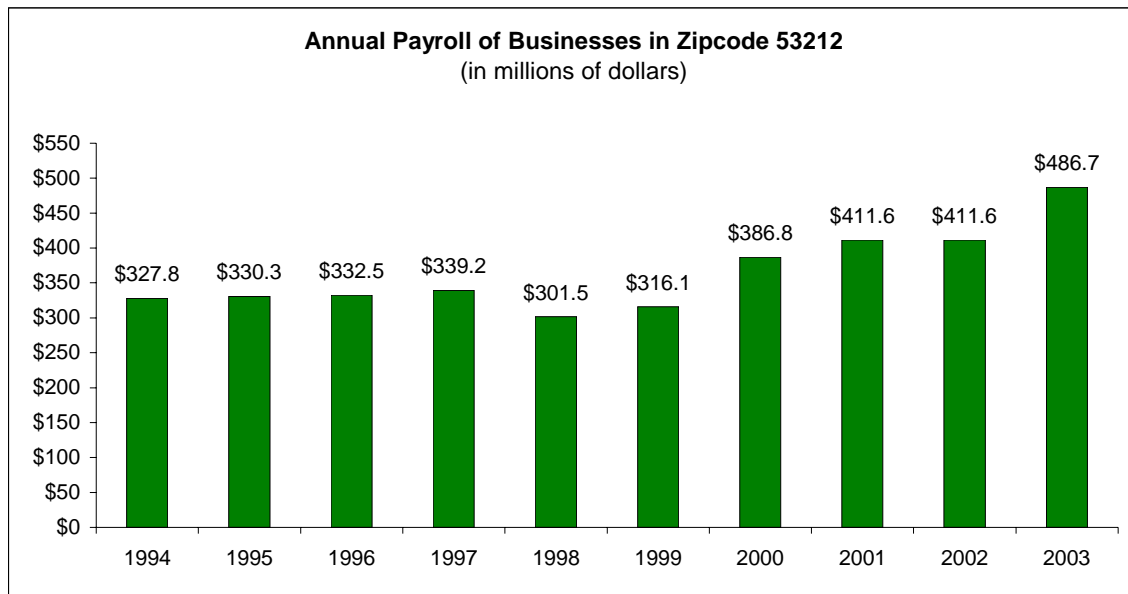
The Census Bureau ZIP Code Business Patterns reports **First Quarter payrolls** for all private establishments located in the zipcode (regardless of the residence of the workers). Payroll is reported before deductions for social security, income tax, insurance, etc.

- Quarterly payrolls rose from \$77.4 million in First Quarter (i.e., January – March) 1994 to \$102.7 million in First Quarter 2001 and then dropped slightly in 2002.
- The First Quarter 2003 payroll was at a 10-year high of \$117.7 million.



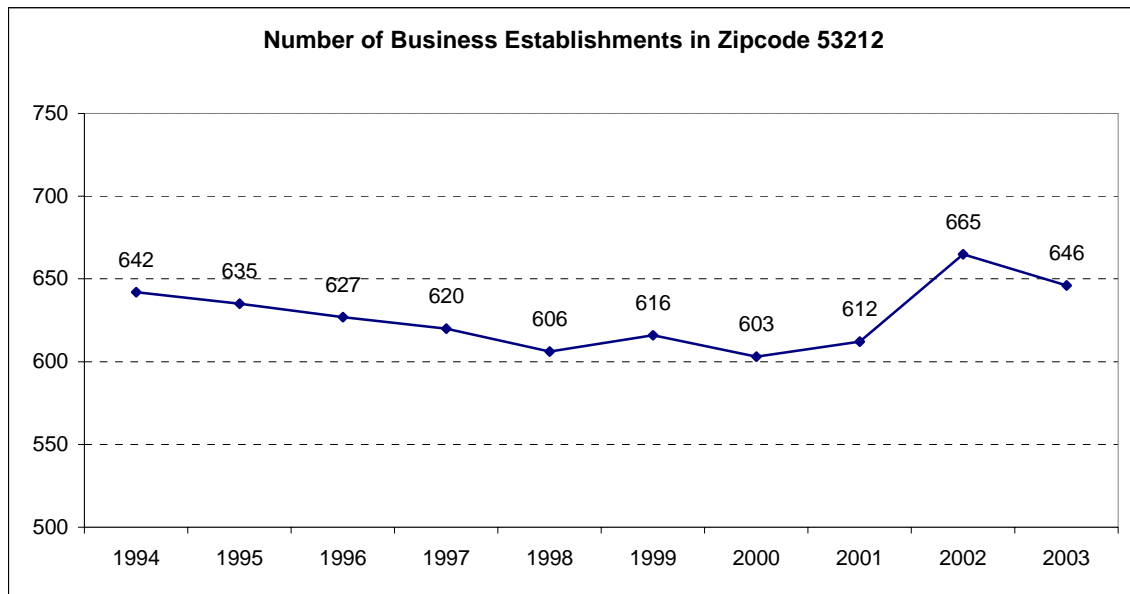
The ZIP Code Business Patterns reports total **annual payroll**, including salaries, wages, commissions, bonuses, sick-leave pay, in-kind payments for meals and lodging, and reported tips. Total are before deductions for social security, taxes, union dues, etc.

- Annual payrolls for private establishments located in zipcode 53212 rose from \$327.8 million in 1994 to \$411.6 million in 2001 and in 2002. Annual payrolls jumped to \$486.7 million in 2003.
- Between 1999 and 2003, payrolls increased by \$170.6 million.



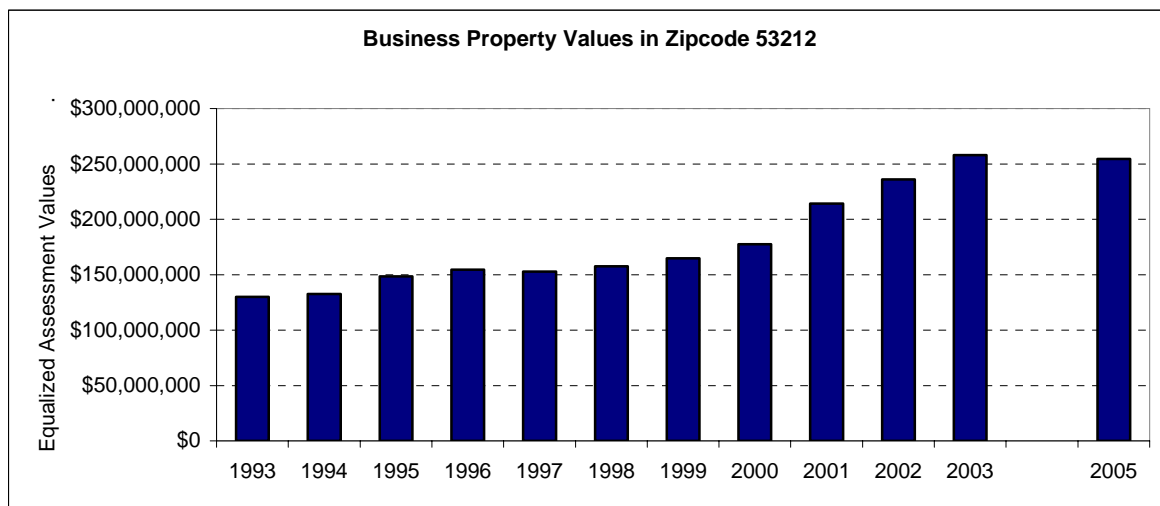
The ZIP Code Business Patterns also report **number of establishments** by location. Establishments are defined as single physical locations where business is conducted or services or industrial operations are performed. Individual companies may have several establishments in a community – each counted 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 53212 the number of establishments declined from 642 in 1994 to 603 in 2000. In 2002, the number of establishments had jumped to 665, and then in 2003 it dropped to 646.
- While total businesses declined by 39 from 1994 to 2000, there was an increase of 43 by 2003 – back to the 1994 levels.



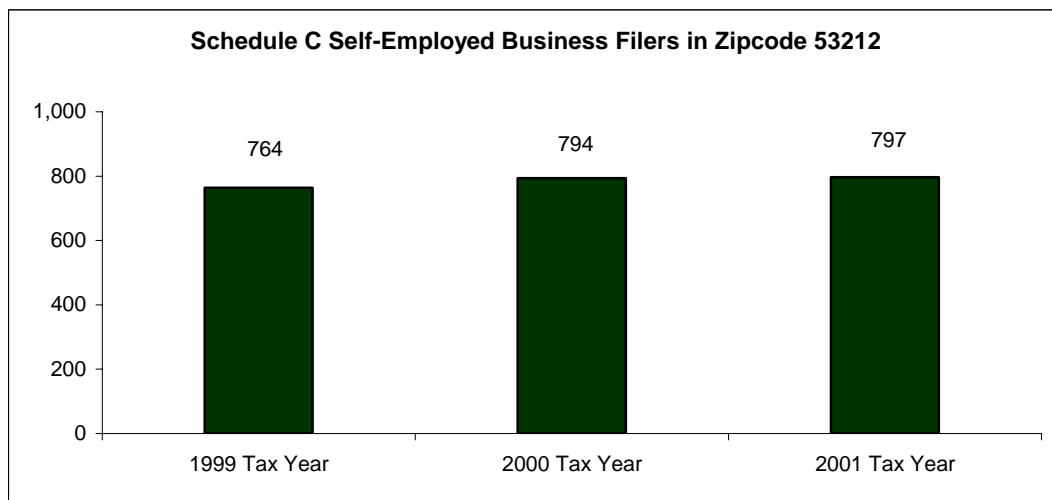
City of Milwaukee property records on **equalized tax assessment of business property** provide another measure of business activity and were analyzed for a twelve-year period. These records showed continuing growth of business property values. The records are somewhat limited, however, since Wisconsin 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 53212 almost doubled from \$130 million in 1993 to \$254.6 million in 2005.
- Business property values dropped 1.3% between 2003 and 2005 after earlier increases.



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 53212, 797 individuals filed Schedule C forms for 2001 tax year.
- The number of filers completing Schedule C rose 4% over 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 percent to the federal credit for families with one qualifying child, adds 14 percent to the federal credit for families with two qualifying children, and adds 43 percent 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.

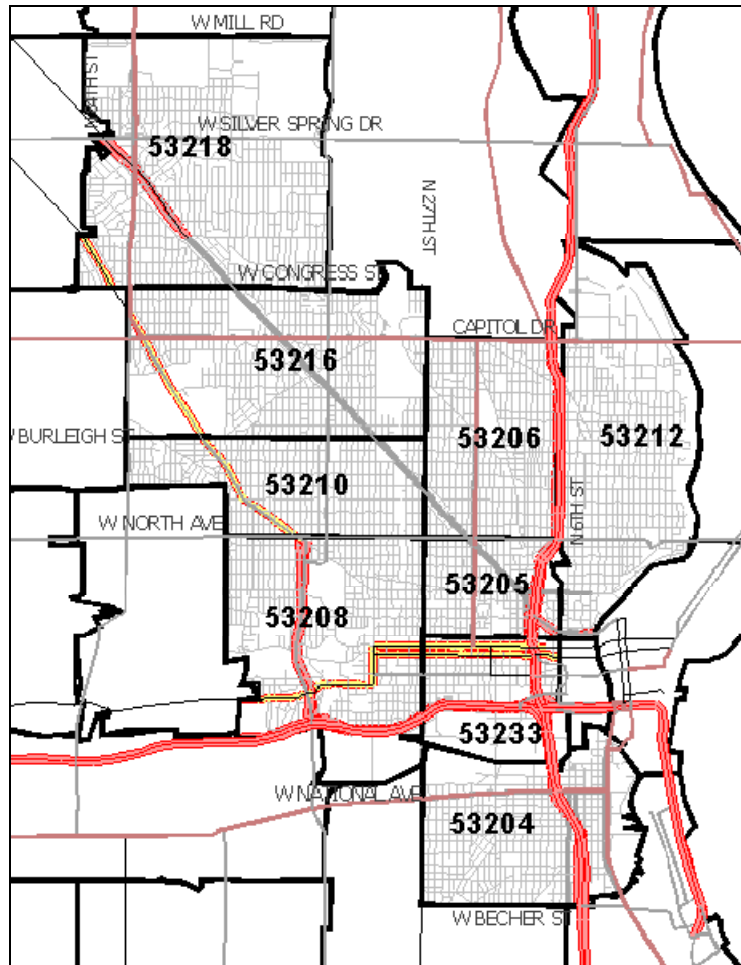
The U.S. Census 2000 Census Transportation Planning Package (CTPP 2000) data used four **racial categories** in reporting its data tables: white alone, black or African American alone, Asian alone, and all other (including persons reported as 2 or more races, Native Hawaiian or Pacific Islander, American 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.

Counts of workers at-work obtained from CTPP 2000 will differ from other employment data sources. The number of workers shown in CTPP Part 2 will be approximately 91 to 93 percent of the number of jobs counted by establishment inventories. There are several reasons for differences between worker counts and total jobs. Census 2000 counts employed persons not individual jobs. For persons with more than one job, characteristics on only the principal job are collected. Nationally, about 6 percent of workers have second jobs. CTPP 2000 reports only those workers who were at work during the reference week (typically the week before the U.S. Census is conducted). Individual responses may vary as to the location of worksites (e.g., a street address vs. intersection bordering several census tracts, the company headquarters vs. a specific worksite). For more detail on methodology and definitions, see the UWM Employment and Training Institute website (www.eti.uwm.edu), the U.S. Census Bureau website (www.census.gov), and the U.S. Department of Transportation Census Transportation Planning Package 2000 website (www.fhwa.dot.gov/ctpp).

The **cost of living**, as measured by the Consumer Price Index for the Milwaukee-Racine area, increased 26.8% from 1993 to 2004 and by 2.8% from 2004 to 2005.

Milwaukee Central City ZIP Codes



For more information, contact Lois Quinn, Senior Scientist, Employment and Training Institute, School of Continuing Education, University of Wisconsin-Milwaukee, 161 W. Wisconsin Avenue, Suite 6000, Milwaukee, WI 53203. Phone: 414-227-3380. Email: eti@uwm.edu. Website: www.uwm.edu/Dept/ETI.