Milwaukee Zipcode 53233
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 53233 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 53233 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 53233

Workforce Issues

1. **Half (50%) of employed families in zipcode 53233 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 99 of these families out of poverty, but still left about 335 families (or 39% of the 864 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. **Nearly half (45%) of employed residents of zipcode 53233 worked at jobs inside the zipcode.**

   According to the Census 2000 transportation files, 88% of 53233 residents work in Milwaukee County, including 76% of 53233 residents who are employed at jobsites within the City of Milwaukee. About 10% of residents have jobs in Waukesha, Ozaukee and Washington (WOW) counties, and almost no residents have found work in Racine, Kenosha and Walworth counties. The map below shows the jobsites where most residents of zipcode 53233 were employed at the time of the 2000 Census.
Where People Work Who Live in Zipcode 53233

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 racially mixed, both in the composition of its resident workforce and in the race/ethnicity of persons working at jobsites in the neighborhood. According to recently released 2000 Census transportation data files, whites make up 65% of the resident workforce, and white workers hold 70% of jobs with employers (public, private and non-profit) in the 53233 neighborhood. African Americans make up 20% of the resident workforce in the zipcode, and African American workers hold 18% of jobs at worksites in 53233. Hispanics comprise 7% of the resident workforce and hold 8% of jobs in the zipcode. Asians comprise 6% of the resident workforce, but Asians hold only 2% of neighborhood jobs.

![](chart1.png)

### Race of Workers Who Live in Zipcode 53233

- **White:** 65%
- **Black:** 20%
- **Hispanic:** 7%
- **Asian:** 6%
- **Other:** 2%

### Race of Persons (Residents and Non-Residents) Who Work in Zipcode 53233

- **White:** 70%
- **Black:** 18%
- **Hispanic:** 8%
- **Asian:** 2%
- **Other:** 2%

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**Addressing Barriers to Employment**

4. Most central city neighborhood have shown an 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. In zipcode 53233 the **total capacity for full-time child care with state licensed providers went from 528 slots in March 1996 to 716 slots in October 2004. By August 2005, the licensed capacity had dropped to 418 slots,** due to a decrease in licensed group care capacity. In 2005, 90% of the licensed slots were in group centers and 10% were in licensed family care.

5. 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 almost 4 times as**
many driver’s license suspension orders for failure to pay fines (942 suspensions) as suspension orders for traffic violations, driving while intoxicated, and drug convictions combined (239 suspensions). On the positive side, the 942 “failure to pay” suspension orders are down from an all-time high of 1,345 in 2003. The large number of residents without a valid driver’s license remains an ongoing impediment to employment.

Untapped Opportunities

6. Unlike other central city zipcodes, this neighborhood shows a retail trade surplus, given the presence of a large university and its proximity to Milwaukee’s central business district. Local residents spend an estimated $30 million annually for 16 categories of consumer expenditures. This translates into $17 million of spending per square mile.

7. It is estimated that at least $27.1 million in additional retail spending comes into the neighborhood from purchases by college students, in-coming commuters, and other non-resident shoppers. (This estimate is for 15 of the 16 categories of expenditures. Spending surpluses would also be expected in the 16th retail category of spending for food-away-from-home.)

8. In the 53233 neighborhood, only 58% of single family homes were owner-occupied in 2005, the lowest rate for central city zipcodes. The home ownership rate is up from 50% in 2000. The home ownership rate for duplexes is 41%. Most of the residents and students live in apartments and residence halls.

9. For the relatively small number of single family houses and duplexes, properties have shown marked increases in the value in the last five years, compared to the 1990s. From 2000 to 2005, the average value of houses with 4 or more bedrooms increased 169%, from $30,102 in 2000 and $80,965 in 2005. This compares to only a 24% increase between 1993 (when single family houses averaged $24,292 in value) and 2000. The average prices of duplexes rose 165%, from $30,400 in 2000 to $80,572 in 2005. This compares to only a 34% increase for the seven-year period from 1993 to 2000.

Income Growth/Stagnation

10. Total earnings of zipcode 53233 residents have stagnated since the 2000 Census. The total adjusted gross income of working age tax filers decreased by 0.5% between 2000 and 2004. When inflation is considered, the real income earnings of residents dropped by 5.9%.
11. Federal and Wisconsin earned income tax credits (EIC) provide significant support for lower-income employed families in zipcode 53233. The **earned income tax credits have doubled, from $802,365 in 1993 to $1,673,200 in the 2004 tax year.**

12. For 2004 tax year filers in the $5,000 to $14,999 income ranges, 87% of single tax filers with dependents and 70% of married parent filers with dependents claimed the EIC. For 2004 tax year filers in the $15,000 to $24,999 income ranges, 90% of single filers with dependents and 67% of married filers with dependents claimed the EIC.

13. In spite of the low earnings of single parent families, very few families in zipcode 53233 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-fourth the level of AFDC cases in the mid-1990s in zipcode 53233.
Job Gaps in Zipcode 53233
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. Only one job is reported for each worker (the job where the worker spent the most hours at the time of the Census). Since job totals show only the primary job of each worker, they understate the total number of jobs with area employers, particularly for employers with part-time workers. 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 6,614 residents of zipcode 53233 (ages 16 and above) employed at the time of the 2000 Census.

- This zipcode shows a high number of residents working inside the zipcode. For their primary job, 45% of residents worked in the 53233 zipcode area, while 55% traveled to jobs outside the zipcode.

- The labor market for most 53233 residents is limited to Milwaukee County. The majority of residents (76%) worked in the City of Milwaukee and 88% worked within Milwaukee County. Another 10% of workers were employed in Waukesha, Washington and Ozaukee counties. About 2% of residents worked outside of southeastern Wisconsin, and very few worked in the other three counties (Racine, Kenosha and Walworth) of the “Milwaukee Region.”
Who Works for 53233 Employers

The Census 2000 files showed 32,930 persons (residents and non-residents) whose primary job was located at a worksite in zipcode 53233. This included employment with private companies, governmental and school units, non-profits, and self-employment. Major employers include Marquette University, Aurora-Sinai Medical Center, and Milwaukee Area Technical College.

- Ninety-one percent of persons working at jobsites within zipcode 53233 came from outside the neighborhood.

- Workers coming into the central city to work showed a much broader labor market than outgoing central city workers. The majority (81%) came from Milwaukee County, and 19% came from outside Milwaukee County, mostly 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 53233 for jobs, and another 3% came into the neighborhood from outside of the southeastern Wisconsin area.

This zipcode is racially mixed, both in the composition of its resident workforce and in the race/ethnicity of persons working at jobsites in the neighborhood.
Whites comprise 65% of the resident workforce, and white workers hold 70% of jobs with employers (public, private and non-profit) with jobsites in 53233. African Americans make up 20% of the resident workforce in this zipcode, and African American workers hold 18% of jobs in zipcode 53233. Hispanics comprise 7% of the resident workforce and hold 8% of jobs located at 53233 worksites. Asians, however, make up 6% of the resident workforce, but Asians comprise only 2% of the employees working at 53233 jobsites.

African American workers held 17% of the jobs with private companies located in the 53233 neighborhood, and Hispanics held 11% of these jobs. Eighty-two percent of employees at private non-profit establishments were white.

The highest rates of employment for African Americans were at federal government worksites. The highest rates of employment for Hispanics were at non-profit establishment jobsites.

About half (54%) employed at 53233 jobsites worked for private companies, with manufacturing firms as the leading industry type. Another 27% worked for local, state, and federal governments, and 15% worked for non-profit agencies. A relatively small number of workers (3%) reported self-employment as their primary job.
The tables below show the breakdown of jobs in zipcode 53233 by occupational groupings of workers.

- The largest numbers of African Americans employed at worksites in zipcode 53233 were working as office and administrative support staff (1,440 workers), transportation and material moving (556 workers), protective services (459 workers), and production (412 workers). African Americans showed the highest percentages of employment as healthcare support workers, where they comprised 47% of the workers.

- The highest numbers of Hispanics were employed in production (664 workers), office and administrative support (370 workers), and transportation and material moving (365 workers).

- The largest numbers of Asians were employed as healthcare practitioners and technicians (149 workers) and in education and library occupations (122 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, 1,475 persons were engaged in construction work (including self-employment) at jobsites in zipcode 53233. White workers held 76% of these jobs (or 1,129 jobs), African Americans held 10% of the jobs (150 jobs), and Hispanics held 10% of the jobs (142 jobs).

- When the occupations of 53233 residents were analyzed (regardless of whether they worked inside or outside of the neighborhood), the Census reported 97 residents with occupations in construction. These included 48 whites, 45 African Americans, and 4 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 53233

( Including Jobs Held by Residents and Non-Residents)

<table>
<thead>
<tr>
<th>Total</th>
<th>White</th>
<th>Black</th>
<th>Hispanic</th>
<th>Asian</th>
<th>Other</th>
<th>Occupational Grouping</th>
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<td>2,643</td>
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<td>412</td>
<td>664</td>
<td>39</td>
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<td>Production</td>
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<td>2,297</td>
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<td>97</td>
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<td>Management</td>
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<td>2,014</td>
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<td>14</td>
<td>149</td>
<td>53</td>
<td>Healthcare practitioners, technicians</td>
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<td>1,636</td>
<td>1,093</td>
<td>284</td>
<td>120</td>
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<td>65</td>
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<td>1,475</td>
<td>1,129</td>
<td>150</td>
<td>142</td>
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<td>50</td>
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<td>1,343</td>
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<td>340</td>
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<td>10</td>
<td>4</td>
<td>Engineering, architecture</td>
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<table>
<thead>
<tr>
<th>Total</th>
<th>White</th>
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<th>Hispanic</th>
<th>Asians</th>
<th>Other</th>
<th>Groupings with Over 600 Employed</th>
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<tr>
<td>32,928</td>
<td>70.0%</td>
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<td>2.0%</td>
<td>Total Occupation</td>
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<td>6,784</td>
<td>70.3%</td>
<td>21.2%</td>
<td>5.5%</td>
<td>1.3%</td>
<td>1.7%</td>
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<td>2,643</td>
<td>56.5%</td>
<td>15.6%</td>
<td>25.1%</td>
<td>1.5%</td>
<td>1.3%</td>
<td>Production</td>
</tr>
<tr>
<td>2,297</td>
<td>85.1%</td>
<td>9.1%</td>
<td>4.2%</td>
<td>0.7%</td>
<td>0.8%</td>
<td>Management</td>
</tr>
<tr>
<td>2,276</td>
<td>70.5%</td>
<td>20.2%</td>
<td>7.2%</td>
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<td>Protective service</td>
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<td>2,242</td>
<td>80.3%</td>
<td>12.3%</td>
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<td>5.4%</td>
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<td>2,043</td>
<td>51.2%</td>
<td>27.2%</td>
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<td>2.9%</td>
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<td>74.7%</td>
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<td>2.6%</td>
<td>Healthcare practitioners, technicians</td>
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<tr>
<td>1,636</td>
<td>66.8%</td>
<td>17.4%</td>
<td>7.3%</td>
<td>4.5%</td>
<td>4.0%</td>
<td>Sales, related</td>
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<td>1,475</td>
<td>76.5%</td>
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<td>3.6%</td>
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<td>81.4%</td>
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<td>2.4%</td>
<td>Installation, maintenance, repairs</td>
</tr>
<tr>
<td>1,015</td>
<td>78.5%</td>
<td>17.6%</td>
<td>1.9%</td>
<td>0.0%</td>
<td>2.0%</td>
<td>Business, financial operations</td>
</tr>
<tr>
<td>914</td>
<td>86.8%</td>
<td>6.8%</td>
<td>4.4%</td>
<td>0.4%</td>
<td>1.6%</td>
<td>Arts, design, entertainment, sports, media</td>
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<td>888</td>
<td>51.1%</td>
<td>33.1%</td>
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<td>0.9%</td>
<td>0.5%</td>
<td>Building + grounds cleaning/maintenance</td>
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<td>871</td>
<td>55.1%</td>
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<td>4.3%</td>
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<td>3.8%</td>
<td>5.3%</td>
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<td>Computer, mathematical</td>
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<tr>
<td>601</td>
<td>77.4%</td>
<td>14.8%</td>
<td>5.5%</td>
<td>0.0%</td>
<td>2.3%</td>
<td>Community, social service</td>
</tr>
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</table>

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 53233 showed almost $30 million in annual spending for 16 major retail expenditure areas.

- This translates into $17 million of spending per square mile.

<table>
<thead>
<tr>
<th>Consumer Expenditure Category</th>
<th>Est. Annual Expenditures</th>
<th>Expenditures Per Square Mile</th>
</tr>
</thead>
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<td>Food at home</td>
<td>$13,008,870</td>
<td>$7,391,403</td>
</tr>
<tr>
<td>Food away from home</td>
<td>$4,122,616</td>
<td>$2,342,395</td>
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<tr>
<td>Apparel and related services</td>
<td>$3,848,790</td>
<td>$2,186,813</td>
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<td>Television equipment, tapes, disks</td>
<td>$1,933,098</td>
<td>$1,098,351</td>
</tr>
<tr>
<td>Audio equipment, CDs, tapes</td>
<td>$468,876</td>
<td>$266,407</td>
</tr>
<tr>
<td>Household textiles</td>
<td>$225,668</td>
<td>$128,220</td>
</tr>
<tr>
<td>Furniture</td>
<td>$867,660</td>
<td>$492,989</td>
</tr>
<tr>
<td>Floor coverings</td>
<td>$83,000</td>
<td>$47,159</td>
</tr>
<tr>
<td>Major appliances</td>
<td>$503,862</td>
<td>$286,285</td>
</tr>
<tr>
<td>Small appliances and housewares</td>
<td>$159,905</td>
<td>$90,855</td>
</tr>
<tr>
<td>Computer hardware and software</td>
<td>$459,888</td>
<td>$261,300</td>
</tr>
<tr>
<td>Miscellaneous household equipment</td>
<td>$696,773</td>
<td>$395,894</td>
</tr>
<tr>
<td>Non-prescription drugs and supplies</td>
<td>$945,088</td>
<td>$536,982</td>
</tr>
<tr>
<td>Housekeeping supplies</td>
<td>$1,396,120</td>
<td>$793,250</td>
</tr>
<tr>
<td>Personal products</td>
<td>$990,152</td>
<td>$562,586</td>
</tr>
<tr>
<td>Home repair commodities</td>
<td>$203,954</td>
<td>$115,883</td>
</tr>
<tr>
<td><strong>Total for 16 categories</strong></td>
<td><strong>$29,914,320</strong></td>
<td><strong>$16,996,773</strong></td>
</tr>
</tbody>
</table>

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 number of retail establishments within zipcode 53233, its proximity to Milwaukee’s central business district, and the influx of non-resident college students and commuters, this zipcode showed a very large retail sales surplus.** Retail sales in local establishments were estimated at nearly $50 million, almost double the estimated spending by local residents ($25.8 million for 15 categories).
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 942 for residents of zipcode 53233. These “failure to pay” suspension orders are down from an all-time high of 1,345 orders in 2003.

- The zipcode area showed almost 4 times as many suspensions for failure to pay fines (942) as for suspension orders for traffic violations, driving while intoxicated, and drug convictions combined (239).

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. After declines in prior years, this neighborhood showed an increase in 2004. In zipcode 53233, the total adjusted gross income of working age tax filers rose by 0.5% in 2004, compared to 2000, going from $48.4 million to $48.7 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 53233 dropped by 5.9%.

![Total Adjusted Gross Income of Working Age Tax Filers in Zipcode 53233 (in millions)](image-url)
- The number of **working age tax filers** (single and married) decreased by 8%, from 2,663 in 2000 to 2,448 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** is up 28% over 1993.

- Analysis of the 729 single tax filers (with dependents) in 2004 by their income category suggested that a large number of single parents in zipcode 53233 remain only marginally employed. In 2004, a total of 111 single filers with dependents (15% of the total) reported AGI below $5,000, and another 153 filers (21%) reported income below $10,000. Only 17% 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 53233 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 540 AFDC/”W-2” payment cases from 1994 to 2004, compared to only a 188 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 53233 – smaller to begin with – has seen a 21% 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 135 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 half (49%) had income at or above $25,000, and 28% had income of $40,000 or more, when income from all jobs is considered.

![Adjusted Gross Income Range of Married Tax Filers with Dependents: 53233](chart.png)

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 53233 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 25% from 557 in 1993 to 699 in the 2000 tax year.

- By the 2004 tax year (i.e., taxes filed in 2005 based on earnings in 2004), the number of families receiving the credit was down 6% from the number filing claims for the 2000 tax year.
The amount of the combined federal and state earned income tax credits doubled from $802,000 in 1993 to $1.7 million in the 2004 tax year. The total credits reached a peak in 2000 at $1.8 million.

In 2004, single parents received 89% of the credits claimed in zipcode 53233. Single parents comprised 84% 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 relative children.

- Single parent tax filers showed higher claim rates than married filers. For filers with dependents, 87% 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 2002, as did 70% of married filers in that income range.

- The claim rates show wide variation by years for married filers, in part due to the small number of tax filers in this income category.

For 2004 tax filers in the $15,000 to $24,999 income ranges, EIC claim rates were 90% for single filers with dependents and 67% for married filers with dependents.
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 53233 in tax year 2004 about 46% of single tax filers with one dependent showed adjusted gross income (AGI) below the poverty level ($12,490 for two persons). Over half (61%) of single filers with 2 dependents showed AGI below ($15,670 for three persons) and 55% (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 38% of filers with one dependent and 40% (or more) of filers with three or more dependents.

- State Department of Revenue data showed only 135 married tax filers with dependents out of the 864 income tax filers with dependents in 2004. More employed parents showed adjusted gross incomes above the poverty level.

- About 36% of married tax filers with one dependent showed adjusted gross income below the poverty level. About 30% of married filers with two dependents reported AGI below the poverty level, as did 38% (or more) of married filers with 3 or more dependents.

- Federal and state EIC claims brought the poverty rates for married filers down to 29% for filers with one dependent and 21% for filers with two dependents.

- In zipcode 53233, married filers with three or more dependents showed about a third (32% 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 89 single parent families above the poverty level, leaving an estimated 298 single tax filers with dependents (41% 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 41 families out of poverty leaving 110 married filers with dependents (22% 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 total number of families receiving income support in July 2005 was 78% below the levels eleven years earlier.

<table>
<thead>
<tr>
<th>Year</th>
<th>AFDC/W-2 Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>732</td>
</tr>
<tr>
<td>1995</td>
<td>662</td>
</tr>
<tr>
<td>1996</td>
<td>559</td>
</tr>
<tr>
<td>1997</td>
<td>508</td>
</tr>
<tr>
<td>1998</td>
<td>282</td>
</tr>
<tr>
<td>1999</td>
<td>142</td>
</tr>
<tr>
<td>2000</td>
<td>78</td>
</tr>
<tr>
<td>2001</td>
<td>192</td>
</tr>
<tr>
<td>2002</td>
<td>187</td>
</tr>
<tr>
<td>2003</td>
<td>160</td>
</tr>
<tr>
<td>2004</td>
<td>151</td>
</tr>
<tr>
<td>2005</td>
<td>158</td>
</tr>
</tbody>
</table>

The families with children in zipcode 53233 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 739 in March 1994 to 466 in April 2000, or a 37 percent decline.

- The number of families enrolled in the food stamp program had increased to 560 in 2002, with an increase of 65 families between 2001 and 2002. Enrollments in 2002 remained 24 percent below the 1994 levels.
The number of families (with children) in zipcode 53233 covered by medical assistance, including Medicaid, BadgerCare and Healthy Start, dropped from 748 in March 1994 to 625 in April 2000, or 16 percent.

Numbers increased between 2000 and 2002 to 708, or 5 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 53233 using medical insurance and food stamps than receiving income support.

**Data not available.**

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**Families Receiving Food Stamps or Medical Insurance Compared to AFDC/W-2 Income Support: Zipcode 53233**

- **Food stamps**
- **Medical insurance**
- **AFDC/W-2**

**Data not available.**
Child Care Availability and Subsidies
1993-2005

Most 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.

- In zipcode 53233 the capacity for children in full-time care with licensed providers rose from 528 slots for full-time care in March 1996 and up to 716 slots in October 2004, then down to 418 slots by August 2005.

- The drop in the licensed slots was in group care.

![Licensed Child Care Capacity in Zipcode 53233](image1)

![Licensed Child Care Capacity in Zipcode 53233: Family vs. Group Providers](image2)
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 53233 receiving child care support rose from 60 in September 1997 to 231 in February 2003.
Total four-week payments for families rose from $29,961 in September 1997 (or $499 per family) to $209,784 in February 2003 (or $908 per family).

Most of the Wisconsin Shares subsidies for care of children in zipcode 53233 went to licensed providers. In February 2003, 64 percent of total payments went to state licensed group centers, and another 25 percent to licensed family centers.
Home Ownership Rates and Housing Values
1993-2005

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

- In the 53233 neighborhood, only 58% of single family homes are owner-occupied, the lowest rate for central city zipcodes, but up from 50% in 2000.

- The home ownership rate for duplexes was at 41%.
Most of the housing in the neighborhood is apartments. For the relatively small number of single family and duplex structures, housing prices rose markedly during the 2000s, after very slow property value growth in the 1990s.

- The average market value of houses with 4 or more bedrooms increased 169% from $30,102 in 2000 to $80,965 in 2005. The prior seven-year period showed increases of only 24% (from $24,292 in 1993).

- From 2000 to 2005, the average value of duplexes in zipcode 53233 rose 165%, from $30,400 in 2000 to $80,572 in 2005. This compares to only a 34% increase for the seven-year period from 1993-2000.
Business Activity in the Neighborhood
1993-2005

Sources of data used to measure business activity in zipcode 53233 included 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 53233 increased from 16,459 in 1994 to an all-time high of 18,728 in 2003.

- The number of workers employed in business establishments in zipcode 35206 has been increasing over the past 8 years.

![Graph showing private sector employees working in zipcode 53233 from 1994 to 2003](image-url)
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 $93 million in First Quarter (i.e., January – March) 1994 to $144.2 million in First Quarter 2003.

- In this zipcode payrolls have continued to rise since 1999 and showed a $39.3 million increase from 1999 to 2003.
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 53233 rose from $398.4 million in 1994 to $603.8 million in 2003.

- From a low of $317.8 million in 1995, payrolls increased by $286 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 53233 the number of establishments went from 351 in 1994 and down to 325 in 1997. In 2003, a total 335 establishments were reported.
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 53233 increased 35% from $88.7 million in 1993 to $119.7 million in 2005.

- Business property values increased 6.2% between 2003 and 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 53233, 102 individuals filed Schedule C forms for 2001 tax year.
- About 100 filers a year completed Schedule C tax forms 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.


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**

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