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# Zipcode 53206: A Statistical Snapshot of Inner City Distress in Milwaukee: 2000-2012

Marc V. Levine

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***Zipcode 53206:***

***A Statistical Snapshot of Inner City  
Distress in Milwaukee: 2000-2012***

by:

Marc V. Levine  
University of Wisconsin-Milwaukee  
Center for Economic Development  
CED Data Brief  
November 2014

Zipcode 53206 – the neighborhoods bounded by I-43 on the east, 27<sup>th</sup> street on the west, North Avenue to the south, and Capitol Drive to the north—has long been recognized as the epicenter of social and economic disadvantage in the city of Milwaukee. Over the past decade, there have been numerous city and non-profit initiatives in and around the neighborhoods in the zipcode. In the early 2000s, some consultants and researchers made well-publicized assertions that a “market-driven” revival was imminent in inner city neighborhoods like 53206, driven by the alleged “competitive advantages” of such neighborhoods to attract businesses to dense inner city consumer markets supposedly containing vast “hidden purchasing power.”<sup>1</sup>

Manifestly, however, no such inner city revival has taken root in 53206. This data brief provides a series of charts and tables with the most current statistics for the zipcode, drawn from the best data available from various U.S. Census Bureau sources, on some key social and economic indicators. Unfortunately, with just a few exceptions, the trend lines in 53206 continue to point downward. If any area of Milwaukee epitomizes the need for fresh, new departures in economic development policy, it is 53206.

These are the central observations from the charts and tables that follow:

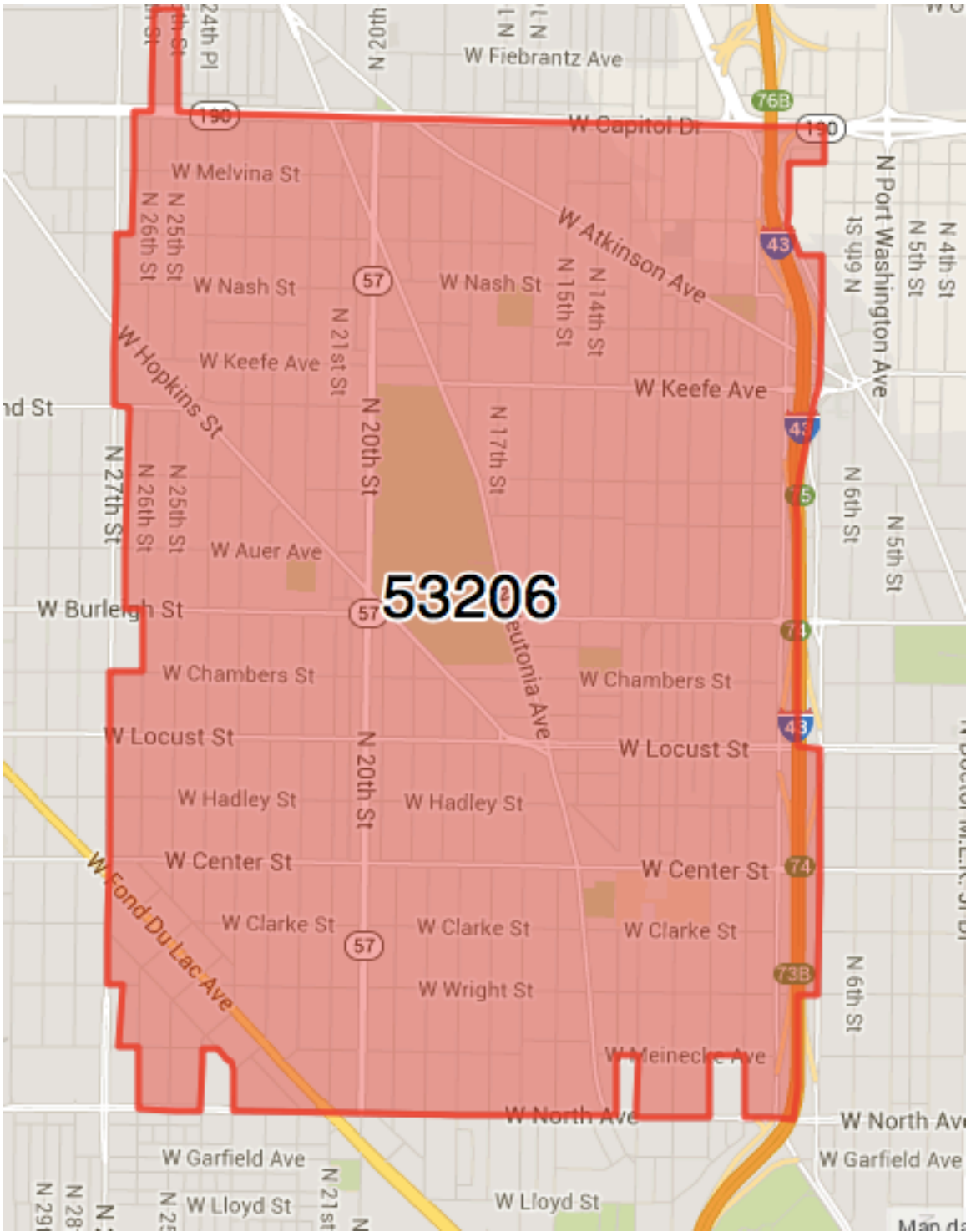
- **Employment:** The employment rate for working-age (20-64) males in 53206 is only 36.3 percent, less than half the metro area average. Moreover, that rate declined significantly between 2000 and 2012. The employment rate for females in 53206 is higher than the male rate, but nonetheless lags well behind the city and regional averages.
- **Journey to Work:** The number of jobs in 53206 declined by 6 percent between 2002 and 2011. The paucity of jobs in the neighborhood means that workers in 53206 have longer commutes than most metro area workers, and rely considerably more on an increasingly hamstrung regional public transportation system.
- **Workplace Composition:** Few residents of 53206 work in the zipcode (only 2.1 percent); the vast majority (56.2 percent) work in the rest of the city of Milwaukee (the largest numbers in zipcodes 53202 and 53233 – downtown and west of downtown). 53206 residents make up only 8.6

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<sup>1</sup> See the seminal article by Michael Porter, “The Competitive Advantage of the Inner City,” *Harvard Business Review* (May-June 1995): 55-71. Porter’s consulting group, “The Initiative for a Competitive Inner City,” was brought to Milwaukee in the early 2000s, bankrolled by foundations and business leaders, to launch a “competitive inner city” initiative here; after just a few years, the initiative collapsed. For a critique of “Porterism” and local variants such as the neighborhood “purchasing power profiles” promoted by Milwaukee city officials in the early 2000s, see Marc V. Levine, *The Economic State of Milwaukee’s Inner City: 1970-2000* (Milwaukee: UWM Center for Economic Development, 2002), pp. 39-44. Access at: <http://www4.uwm.edu/ced/publications/innercity2002.pdf>

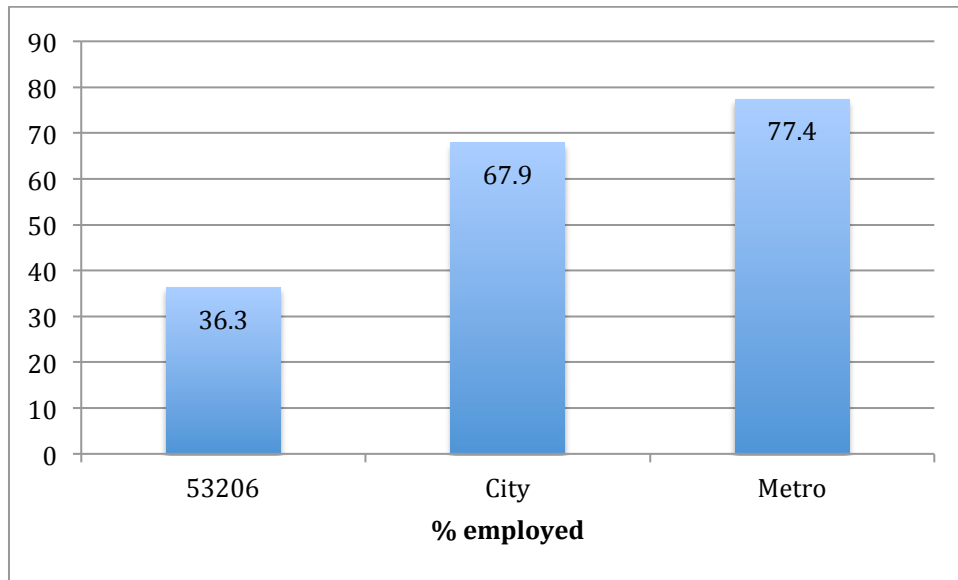
percent of the employees at workplaces in the zipcode; the vast majority (62.7 percent) commute from the rest of the city of Milwaukee.

- **Economic Development:** Far from experiencing a diversified market-driven renaissance, the economy of 53206 is increasingly dominated by health care and social assistance services, especially child day care services. Day care establishments alone make up over one-fifth of all business establishments in 53206, a rate over 11 times higher than the metro area average. 42 percent of all jobs in 53206 are in health care and social assistance, significantly higher than the city or metro area averages.
- **Poverty and Income:** The poverty rate in 53206 stands at 47.7 percent (up from 39.2 in 2000). Two-thirds of the children in 53206 live in poverty. Median household income in 53206, adjusted for inflation, declined by 17 percent between 2000 and 2012, and is just a little over two-fifths as high as the metro area median. Aggregate income in zipcode 53206, the basis of the purchasing power-driven redevelopment fantasies of the early 2000s, declined by 30 percent between 2000 and 2012, in inflation-adjusted dollars
- **Housing:** The rate of vacant housing in 53206 is triple the metro area rate, and two-thirds of renters in the zipcode report high rent burden (paying more than 35% of household income in rent).
- **Educational Attainment:** Adults in 53206 report lower rates of high school graduation and a lower percentage hold college degrees than adults in the metro area. However, the high school diploma and college degree-holding in 53206 did increase markedly between 2000 and 2012.
- **K-12 Schooling:** Schools in 53206 remain hypersegregated; 100 percent of African American children enrolled in the zipcode's schools attend hypersegregated schools. 95.9 percent of the students attending school in 53206 come from "economically disadvantaged" households.



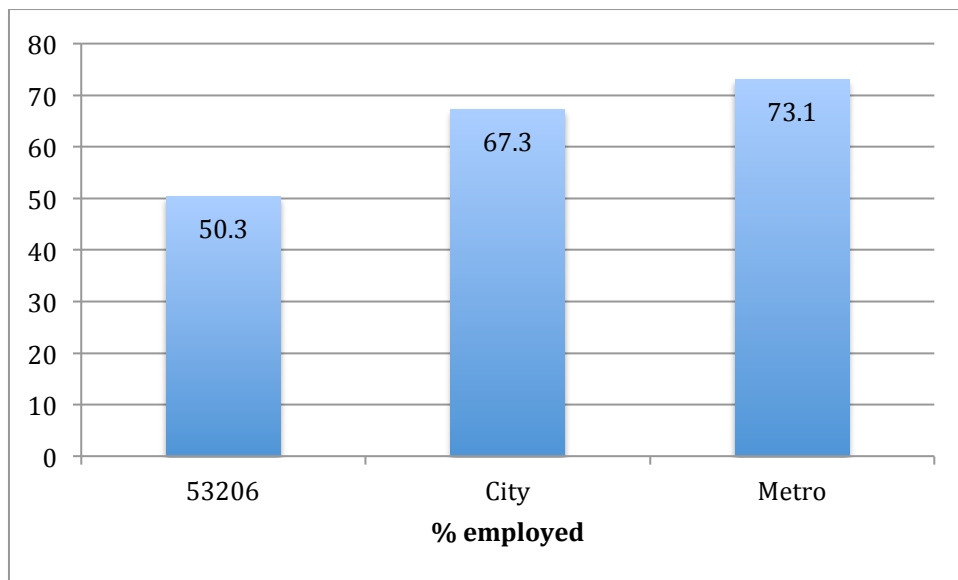
**EMPLOYMENT:** The percentage of employed working-age adults in 53206 significantly trails the city and regional rates, especially among males.

**Male Employment Rates: 2012**  
% of males, ages 20-64, employed



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

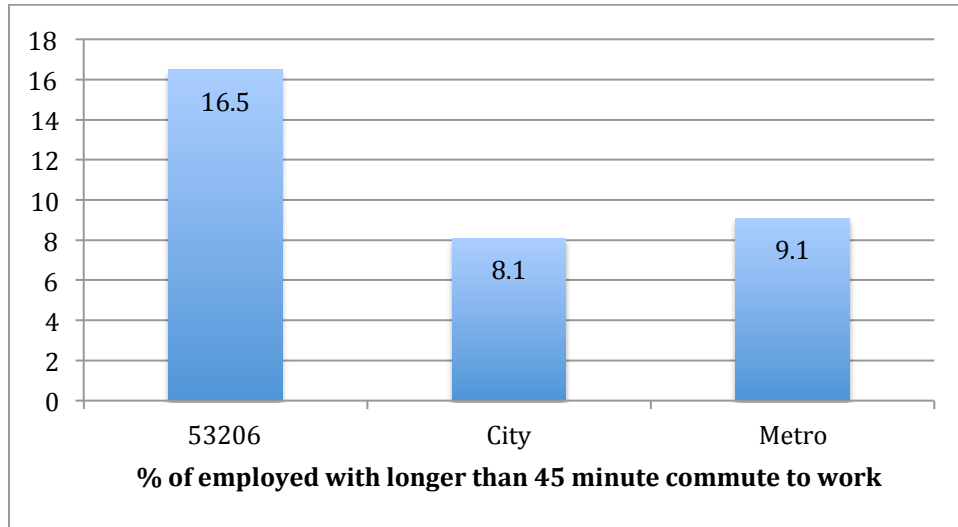
**Female Employment Rates: 2012**  
% of females, ages 20-64, employed



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**JOURNEY TO WORK:** Workers in 53206 are twice as likely as other employees in the city of Milwaukee to have a long commute to work.

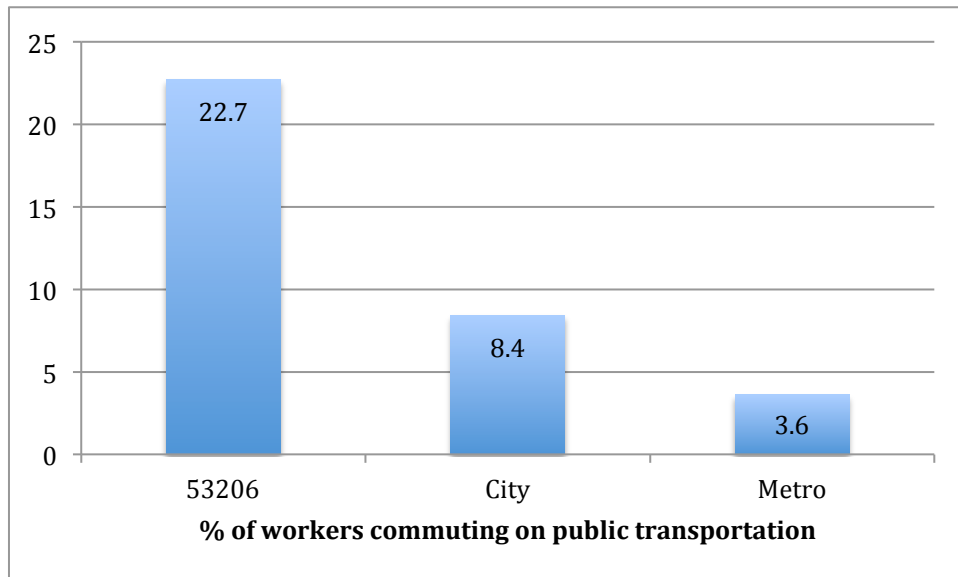
**Percentage of employees commuting more than 45 minutes to their workplace: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**JOURNEY TO WORK:** Workers in 53206 are six times as likely as other employees in metro Milwaukee to use public transportation to commute to work.

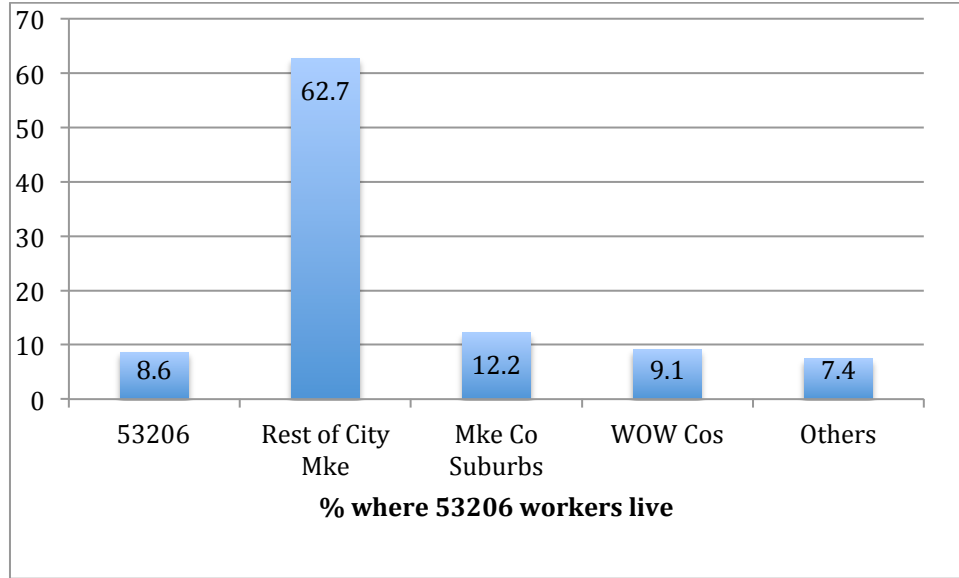
**Percentage of Workers Using Public Transportation To Commute to Work: 2012**



Source: U.S. Census Bureau, American Community Survey

### Where Do Workers in 53206 Live?

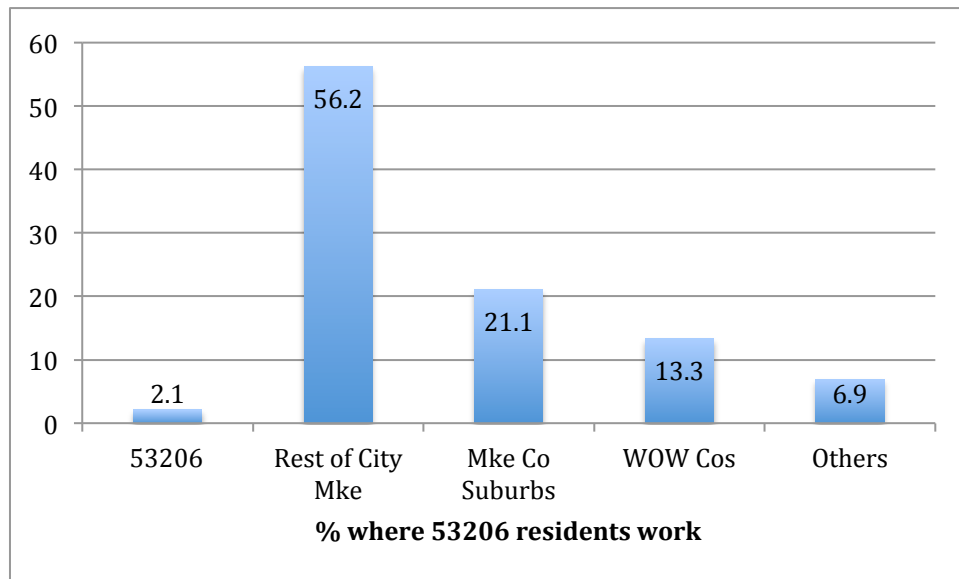
#### Percentage Distribution of 53206 Workforce By Place of Residence: 2011



Source: U.S. Bureau of the Census, Longitudinal Employer-Household Dynamics

### Where Do Residents of 53206 Work?

#### Percentage Distribution of 53206 Residents By Place of Work: 2011

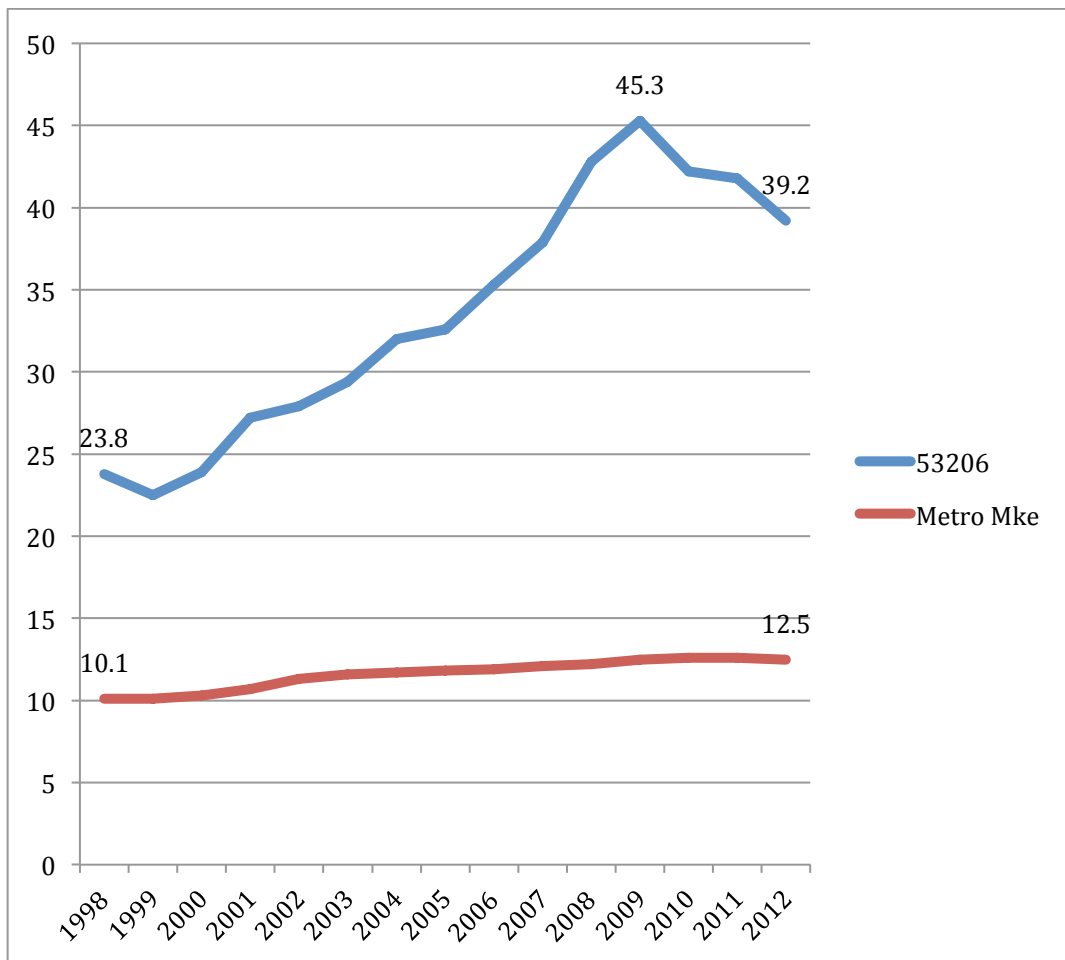


Source: U.S. Bureau of the Census, Longitudinal Employer-Household Dynamics



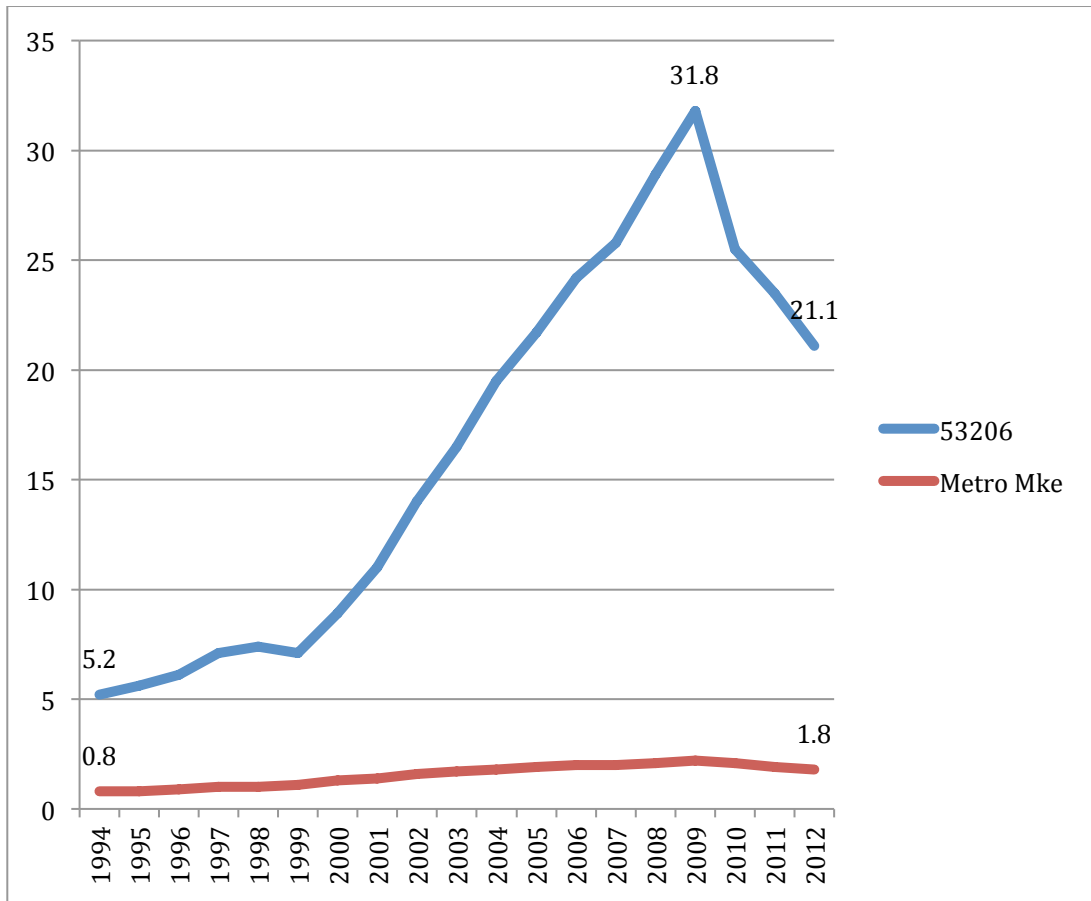
**ECONOMIC DEVELOPMENT:** The economy in 53206 has become increasingly dominated by health care and social assistance services – especially child day care services.

**Health Care and Social Assistance Establishments  
As Percentage of All Establishments:  
53206 and Metro Milwaukee: 1998-2012**



Source: U.S. Census Bureau, County Business Patterns

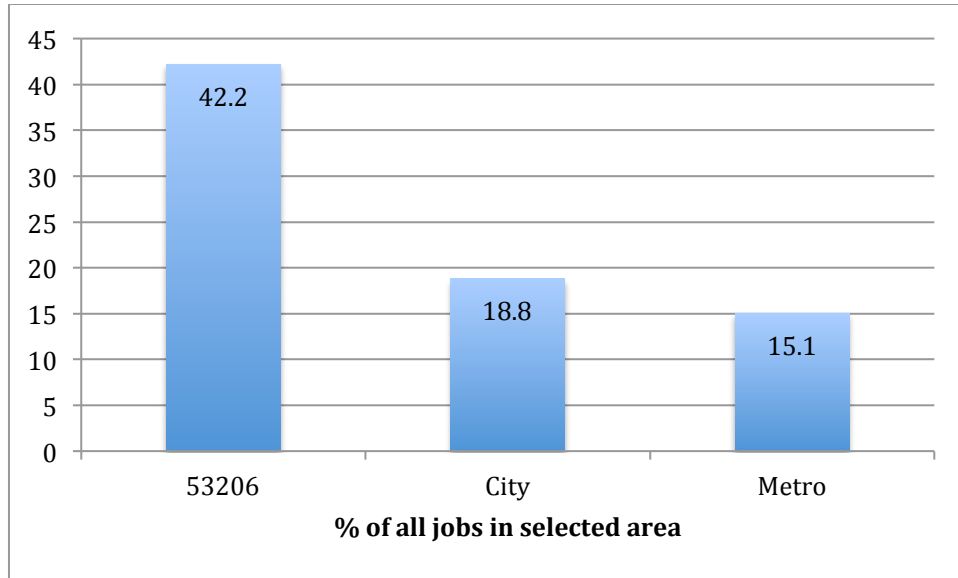
**Child Day Care Services Establishments  
As Percentage of All Establishments:  
53206 and Metro Milwaukee: 1994-2012**



U.S. Census Bureau, County Business Patterns

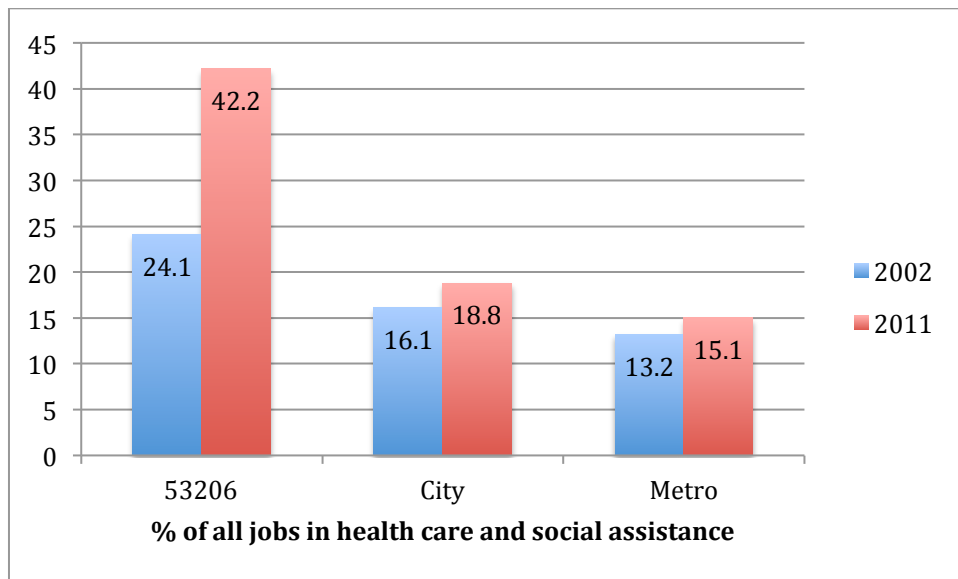
**ECONOMIC DEVELOPMENT:** Reflecting a stagnant private sector in the neighborhood, the most plentiful jobs in workplaces in 53206 are in health care and social assistance services – to a much greater extent than either the city or metropolitan area.

**Percentage of Jobs in Area Workplaces in Health Care And Social Assistance Services: 2011**



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics

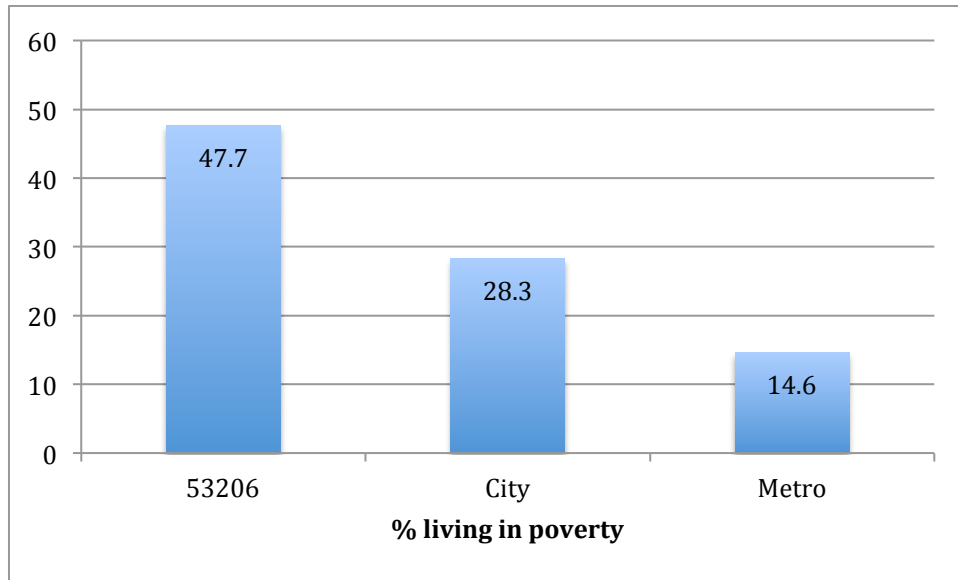
**Growing Percentage of Jobs in 53206 Workplaces in Health Care And Social Assistance Services: 2002-2011**



Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics

**POVERTY:** Almost half the residents of 53206 live below the poverty line.

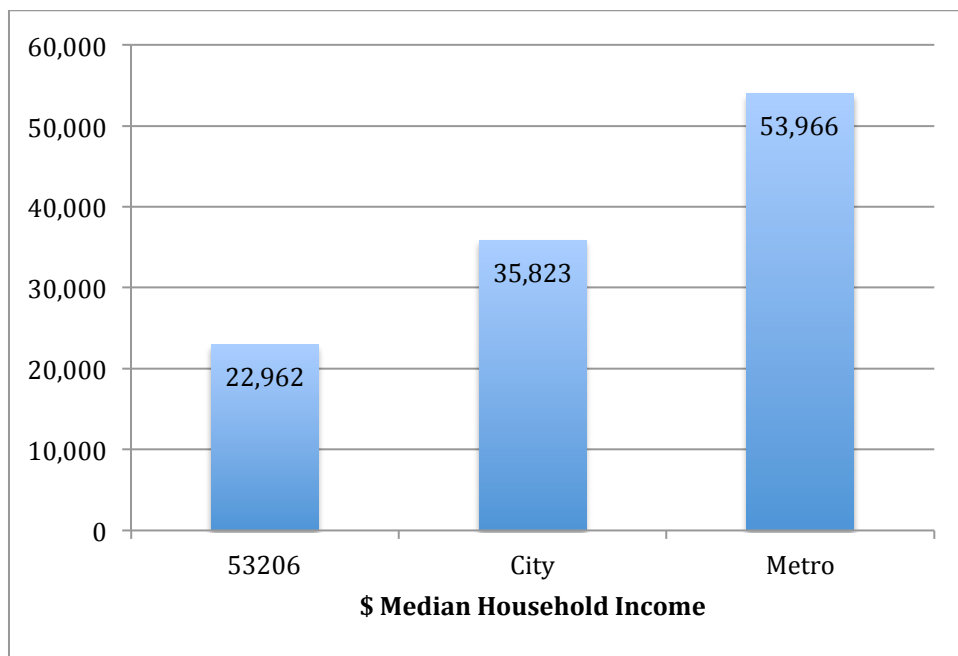
**Poverty Rates in Metro Milwaukee: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**INCOME:** Median household income in 53206 is only 42.5% of the Milwaukee metropolitan area median.

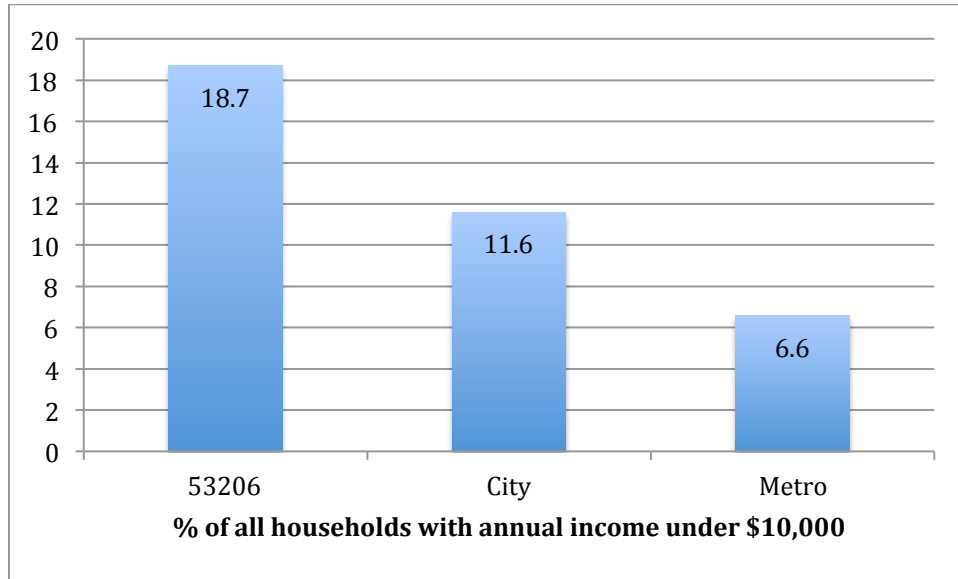
**Household Income in Metro Milwaukee: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**INCOME:** Nearly one in five households in 53206 have annual income under \$10,000.

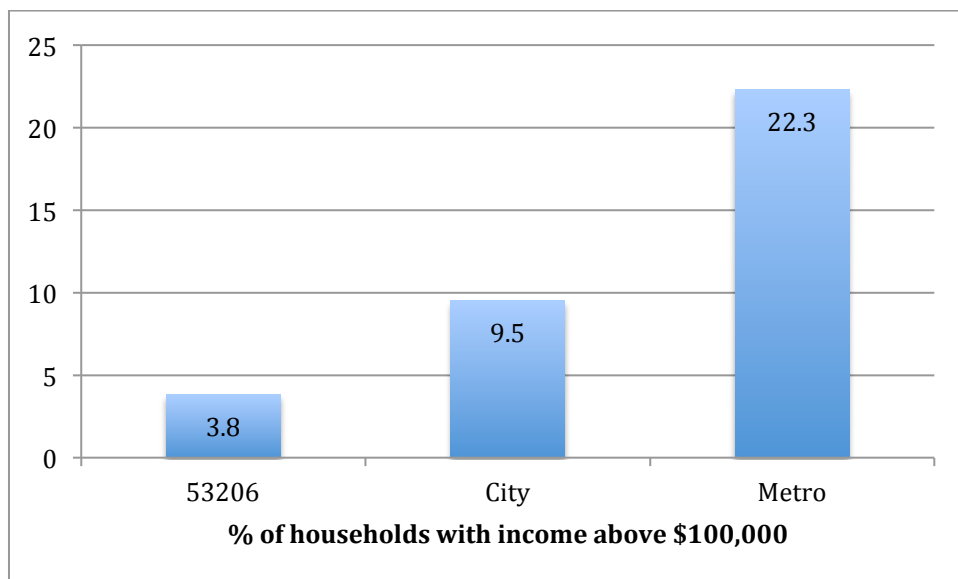
**Percentage of Households With Annual Income Under \$10,000: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**INCOME:** There are few affluent households in 53206.

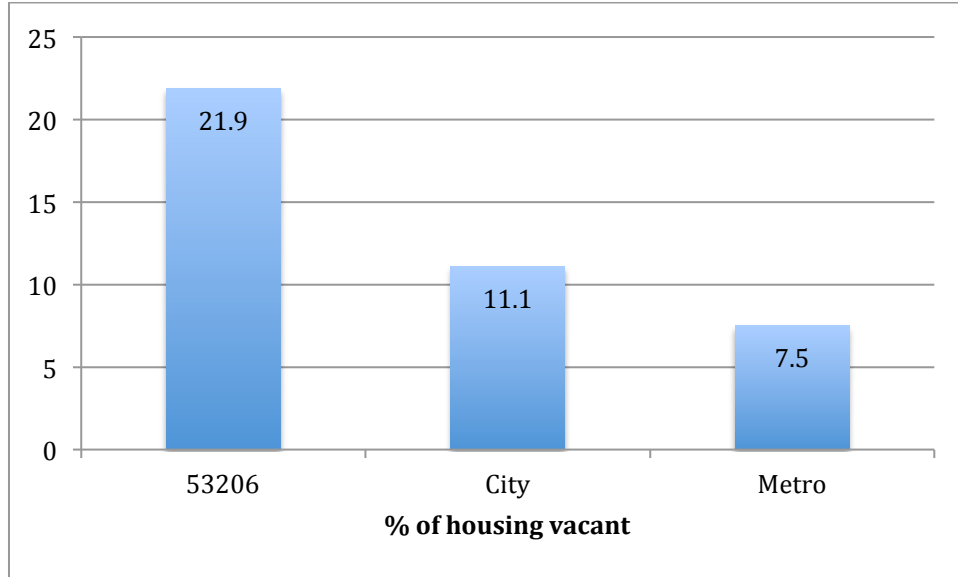
**Percentage of Households With Annual Income Over \$100,000: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**HOUSING:** The rate of housing vacancies in 53206 is triple the metro area rate, and double the city of Milwaukee rate.

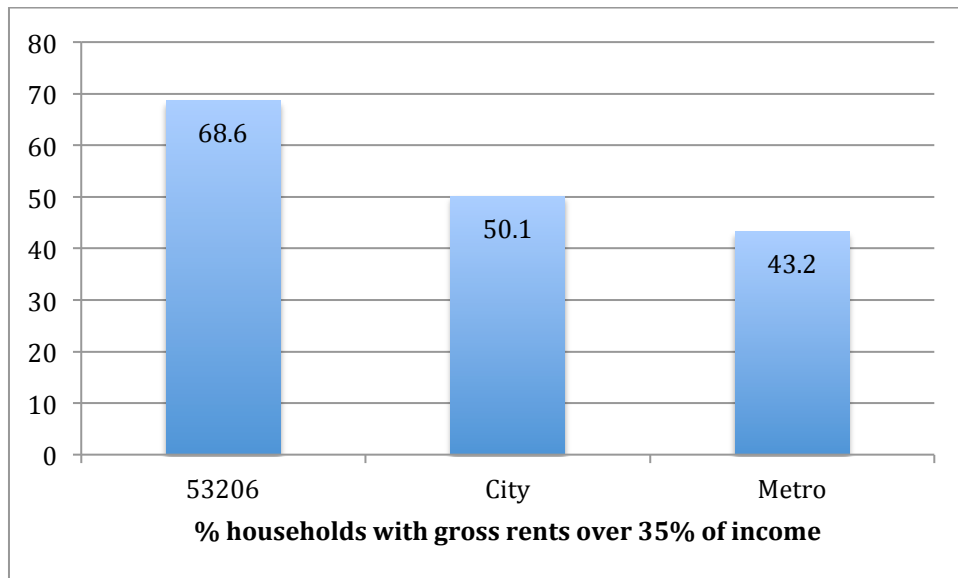
**Percentage of Vacant Housing Units: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**HOUSING:** Two-thirds of residents of 53206 have a high rent burden.

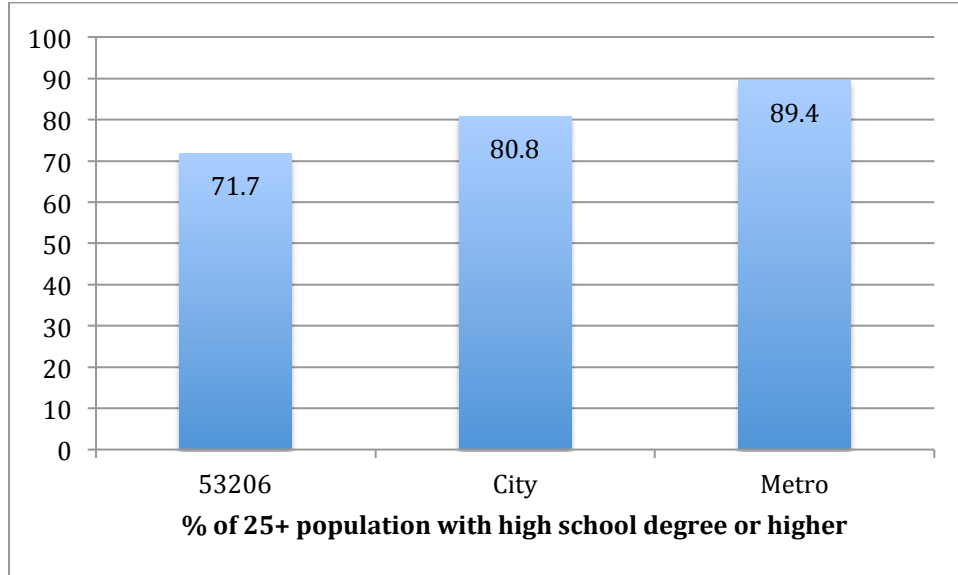
**Percentage of Households With Gross Rent Higher Than 35% of Household Income: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**EDUCATIONAL ATTAINMENT:** A lower percentage of 53206 residents hold high school degrees than in the city and region as a whole.

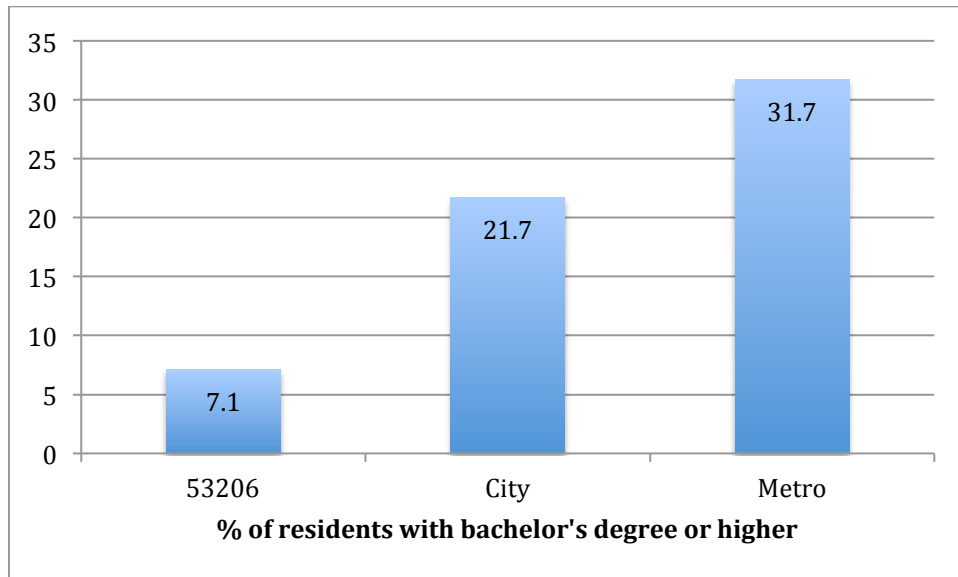
**Percentage of Residents With High School Degree or Higher: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**EDUCATIONAL ATTAINMENT:** A lower percentage of 53206 residents hold bachelor's degrees than in the city and region as a whole.

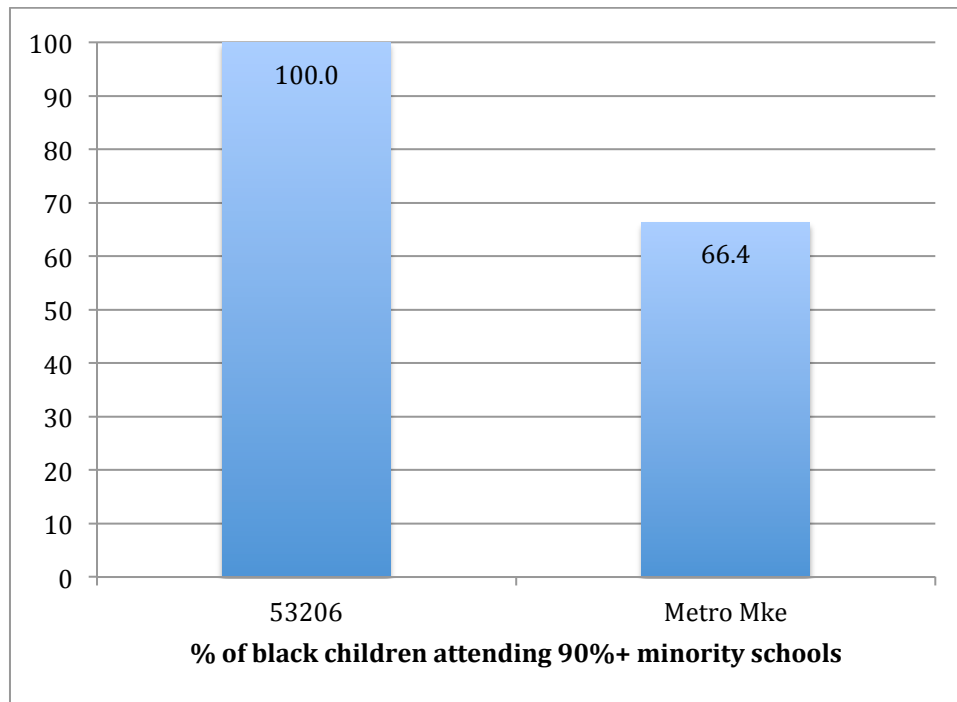
**Percentage of Residents With Bachelor Degree or Higher: 2012**



Source: U.S. Census Bureau, American Community Survey, 2008-12 Data

**SEGREGATED SCHOOLING: African American students going to school in 53206 attend the most hypersegregated schools in Milwaukee**

**Percentage of African American Children in 53206 Attending Hypersegregated K-12 Schools: 2011-2012\***



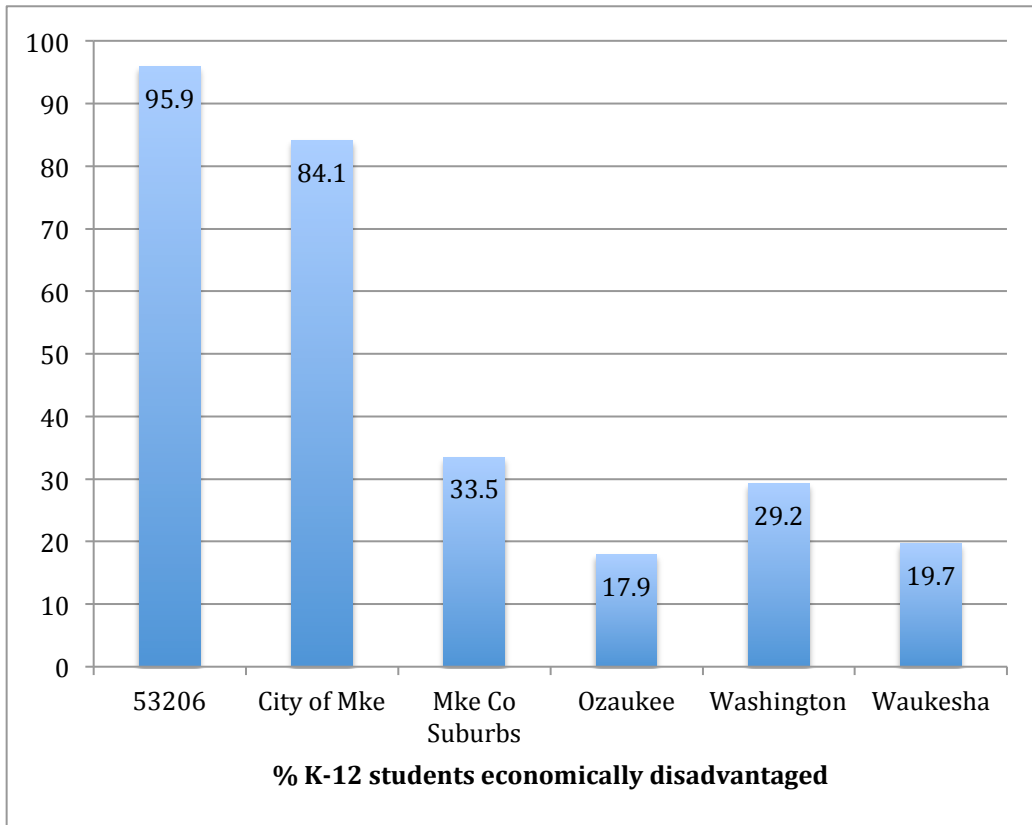
\*Hypersegregated schools are defined as schools with above 90% minority student enrollments. The figures include both public and private schools.

Source: National Center on Educational Statistics



**POVERTY AND SCHOOLING: 53206 schools contain a much higher percentage of economically disadvantaged students than schools throughout metro Milwaukee**

**Percentage of public school students classified as economically disadvantaged in metropolitan Milwaukee schools: 2013-2014**



Source: State of Wisconsin, Department of Public Instruction

**Social and Economic Change in 53206:  
2000-2012**

Indicator	2000	2012	% change
<b>Male Employment Rate (20-64)</b>	47.8	36.3	-24.1%
<b>Female Employment Rate (20-64)</b>	47.4	50.3	+6.1%
<b>Poverty Rate</b>	39.2	47.7	+21.7%
<b>Children Poverty Rate</b>	51.1	66.8	-30.7%
<b>Median Household Income*</b>	\$27,715	\$22,962	-17.1%
<b>Vacant Housing Rate</b>	11.8	21.8	+84.7%
<b>High Rent Burden Rate</b>	41.8	68.6	+64.1%
<b>High School Graduate Rate</b>	57.6	71.7	+25.0%
<b>College Graduate Rate</b>	4.2	7.1	+69.0%
<b>Population**</b>	32,868	28,210	-14.2%
<b>Total Jobs***</b>	2,031	1,907	-6.1%
<b>Total Number of Employed Residents</b>	7,566	7,120	-5.9%
<b>Total Number of Businesses</b>	180	186	+3.3%
<b>Aggregate Income****</b>	\$447.5m	\$311.5m	-30.4%

\*Inflation-adjusted to 2012 dollars

\*\*Population in 2000 and 2010, from census enumeration

\*\*\*Jobs totals from 2002 and 2011, from LEHD data series

\*\*\*\*Inflation-adjusted to 2012 dollars

Sources: Source: U.S. Census Bureau, American Community Survey, 2008-12 Data; U.S. Census Bureau, 2000 Census; U.S. Census Bureau, County Business Patterns; U.S. Census Bureau, Longitudinal Employer-Household Dynamics

