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Socio-Economic Analysis of Neighborhood Issues Facing Milwaukee Public Schools Students and Their Families

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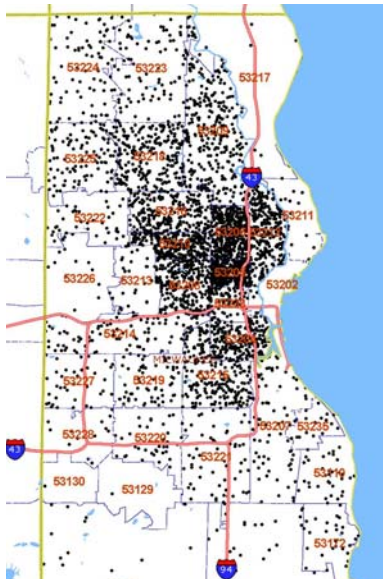
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Socio-Economic Analysis of Neighborhood Issues Facing Milwaukee Public Schools Students and Their Families

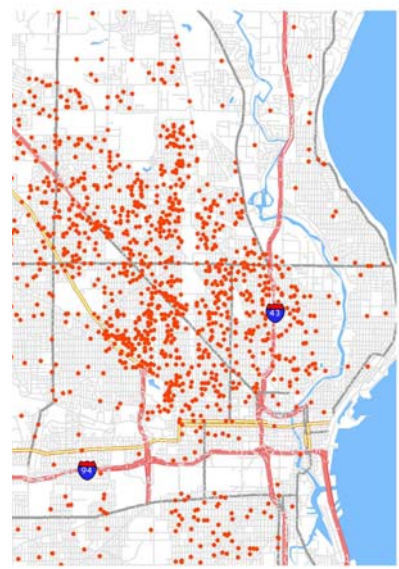
Released Ex-Offenders by Neighborhood



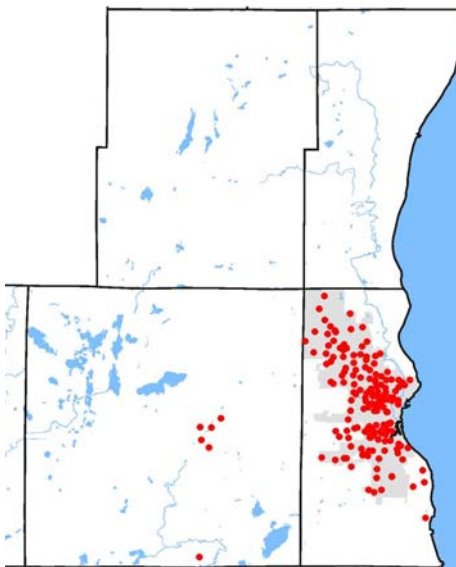
**Houses Up for Sheriff Sale:
Zip Code 53206**



State-Licensed Child Care Centers



**High-Poverty Schools in the
4-County Milwaukee Metro Area**



**Availability of Jobs during
the Recession**

**25 to 1 job gap
in inner city
Milwaukee**

(Job seekers compared to
available full-time jobs,
May 2009)

*Planning document prepared by the
University of Wisconsin-Milwaukee
Employment & Training Institute
2009*

Introduction

As a planning supplement to the annual count of school children in the city of Milwaukee, the University of Wisconsin-Milwaukee Employment and Training Institute assembled institutional and administrative data bases to help provide a socio-economic analysis of neighborhood issues facing Milwaukee Public Schools students and their families. This report provides neighborhood drilldowns on key issues of concern to educators.

Nine Milwaukee zip codes historically targeted for Community Development Block Grant (CDBG) funding because of their concentrations of poverty are analyzed in detail -- 53204, 53205, 53206, 53208, 53210, 53212, 53216, 53218, and 53233.

The zip code drilldowns provided in the appendices explore interrelationships at the neighborhood level between earnings of Milwaukee parents; job availability; the economic recession; expansion of the subsidized child care provider network; state welfare regulations; crime; incarceration and prisoner release rates; traffic dangers; and the housing foreclosure and eviction crises. These factors individually and in combination have profound impacts on the learning environment in the classroom.

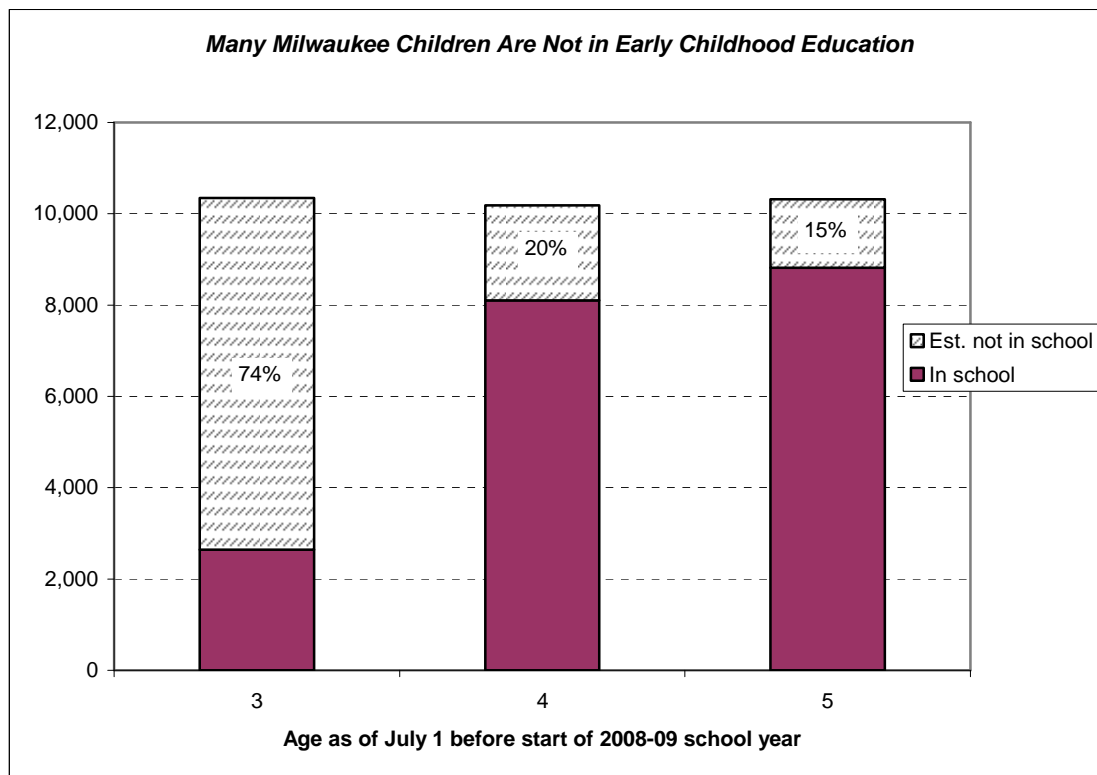
CONTENTS	<u>Page</u>
Child Care Concerns	2
Child Safety: Crime and Traffic Accidents	4
High Incarceration Rates and Numbers of Ex-Offenders	6
Lack of Jobs Available for Inner City Workers	10
The Housing Crisis Hits Home	11
Public Assistance: High Enrollments in FoodShare and BadgerCare Plus, Low Enrollments in W-2	14
Lack of Driver's Licenses for Milwaukee Teens	16
Employed Milwaukee Parents with Income Below or Near Poverty	19
Maps	
<i>Ex-Offenders Released to Milwaukee County</i>	22
<i>Milwaukee County Adults on Probation or Parole</i>	23
<i>One- and Two-Family Houses Put Up for Sheriff Sale: Zip Code 53206</i>	24
<i>One- and Two-Family Houses Put Up for Sheriff Sale: Zip Code 53218</i>	25
<i>State-Licensed Child Care Centers in Central City Milwaukee</i>	26
<i>High-Poverty Schools in the Four-County Milwaukee Metro Area</i>	27
<i>Low-Poverty Schools in the Four-County Milwaukee Metro Area</i>	28
Appendix 1	Socio-Economic Analysis of Zip Code 53204
Appendix 2	Socio-Economic Analysis of Zip Code 53205
Appendix 3	Socio-Economic Analysis of Zip Code 53206
Appendix 4	Socio-Economic Analysis of Zip Code 53208
Appendix 5	Socio-Economic Analysis of Zip Code 53210
Appendix 6	Socio-Economic Analysis of Zip Code 53212
Appendix 7	Socio-Economic Analysis of Zip Code 53216
Appendix 8	Socio-Economic Analysis of Zip Code 53218
Appendix 9	Socio-Economic Analysis of Zip Code 53233

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I. Child Care Concerns

The Wisconsin Shares program offers federal and state support for child care for low-income parents under the federal Child Care and Development Fund (CCDF) and Temporary Assistance for Needy Families (TANF). Each month about 14,400 Milwaukee County families receive public assistance for over 29,000 children in subsidized child care.

1. **A major concern is the number of Shares parents who for a variety of reasons (e.g., the convenience of full-time child care for employed single parents, personal arrangements with private child care providers, financial incentives provided by subsidized providers) may be keeping their children in day care full-time rather than enrolling them in early childhood education in the public or private schools.** According to the 2009 MPS child census:
 - Only about a fourth of Milwaukee 3-year-olds are enrolled in pre-kindergarten schooling.
 - Among 4-year-olds, an estimated 20% of Milwaukee children are not in school.
 - Even among 5-year-olds, about 15% of Milwaukee children may not attend kindergarten.



2. In 2008-09 the average Wisconsin Shares subsidy for Milwaukee County children in full- and part-time child care was \$7,040 per child, or an estimated \$8,800 per child including the approximately 25% state overhead appropriation for administration, training, and support.¹ There is **little oversight of child care expenditures or data available on expected educational and developmental outcomes for children in**

¹ Wisconsin Shares expenditure data are posted by the Wisconsin Department of Children and Families at dcf.wisconsin.gov/childcare/wishares/default.htm.

care, wages paid to child care staff and administrators, qualifications of staff, curricula used, planned activities, or transportation costs. Children entering MPS kindergarten and first grade classes show wide variations in their exposure to early childhood education, social development, and readiness to learn depending on their prior childcare and home care experiences.

Most child care centers in the inner city draw all or nearly all of their clients from the Shares program. Given that public financial support, licensed capacity has increased dramatically since the start of the Wisconsin Shares program.² (See p. 26 map of state-licensed child care centers in the inner city.)

Capacity of State-Licensed Child Care Centers (Family and Group)	53204	53205	53206	53208	53210	53212	53216	53218	53233	Total
March 1996	588	503	611	547	906	882	829	684	528	6,078
February 1999	1,037	691	970	1,075	1,679	1,639	1,626	1,319	481	10,517
October 2003	1,392	1,493	1,602	2,130	2,533	2,371	2,667	2,815	753	17,756
April 2009	1,550	1,466	2,115	2,130	3,269	2,035	3,093	3,475	433	19,566
% Increase Since the End of AFDC	+164%	+191%	+246%	+289%	+261%	+131%	+273%	+408%	-18%	+222%

3. **Wisconsin requires little training for government subsidized child care providers.** “Lead teachers” in licensed group centers must attend only an 80-hour (“seat time”) training class (and take 25 hours of continuing education each year). “Assistant teachers” in group child care centers must attend only a 40-hour child care class (and take 25 hours of continuing education each year). Licensed family child care providers also must only complete a 40-hour training class (and take 15 hours of in-service training each year). Family providers “regularly” certified by the county for government-subsidized child care must attend a 20-hour training class (and take 5 hours of continuing education annually). Provisionally certified providers are not required to complete any training.³
4. **Transportation of young children to and from home, day care and school is a major concern.** Many school children in the Shares program are transported to and from MPS schools in private vans and cars. Deaths have resulted from infants and toddlers left unattended in vans and other vehicles operated by child care providers as part of the Shares “child care package.”
 - Most parents in Milwaukee County receiving Shares subsidies are dependent on their child care provider to transport their children to and from home, day care, and school, as **75% of the parents receiving Shares child care subsidies are not legally licensed to drive**. Only 25% have a valid driver’s license and no suspensions, while nearly half (47%) have suspensions and revocations, and another 28% are unlicensed.

² The Wisconsin Department of Children and Families posts the most recent directory of licensed group and family child care centers on its website at dcf.wisconsin.gov/childcare/licensed/Directories/CC-Directories.HTM.

³ See Milwaukee County “Child Care Providers” at www.county.milwaukee.gov/ChildCare9969/Providers.htm. In sharp contrast, state standards for initial licensing of new public school elementary and secondary school teachers in most cases require completion of a four-year college bachelor’s degree with a major/minor in education and a 2.5 grade point average or higher, successful completion of student teaching, preparation of a portfolio demonstrating competence in Wisconsin teacher standards, passing the Praxis I and Praxis II exams, a criminal background check, and completion of additional college course requirements for each licensing area. See dpi.wi.gov/tepd/p34.html.

- Only half of family child care providers receiving Shares subsidies have a valid driver's license with no suspension orders. The other 49% of the Shares family providers cannot legally drive and should not be transporting children.

II. Child Safety: Crime and Traffic Accidents

Safety is a primary concern for parents living in inner city neighborhoods where crime remains at high levels and large numbers of traffic accidents are reported daily. Children's safety is a factor for parents in their selection of school assignment for their children and in choices of extracurricular, evening, weekend and summer activities for their children. It is a factor for parents, teachers and staff in scheduling both daytime and evening school activities.

5. In the 2008 calendar year, the Milwaukee Police Department reported **30,633 Class A crimes** in 9 central city zip codes, including 2,048 cases of aggravated assault, 4,124 cases of simple assault, 2,214 robberies, and 43 homicides.

Even **parking near schools** is an issue, with 2,781 thefts from motor vehicles, 2,403 thefts of motor vehicle parts and accessories, and 4,003 thefts of the vehicles themselves reported.

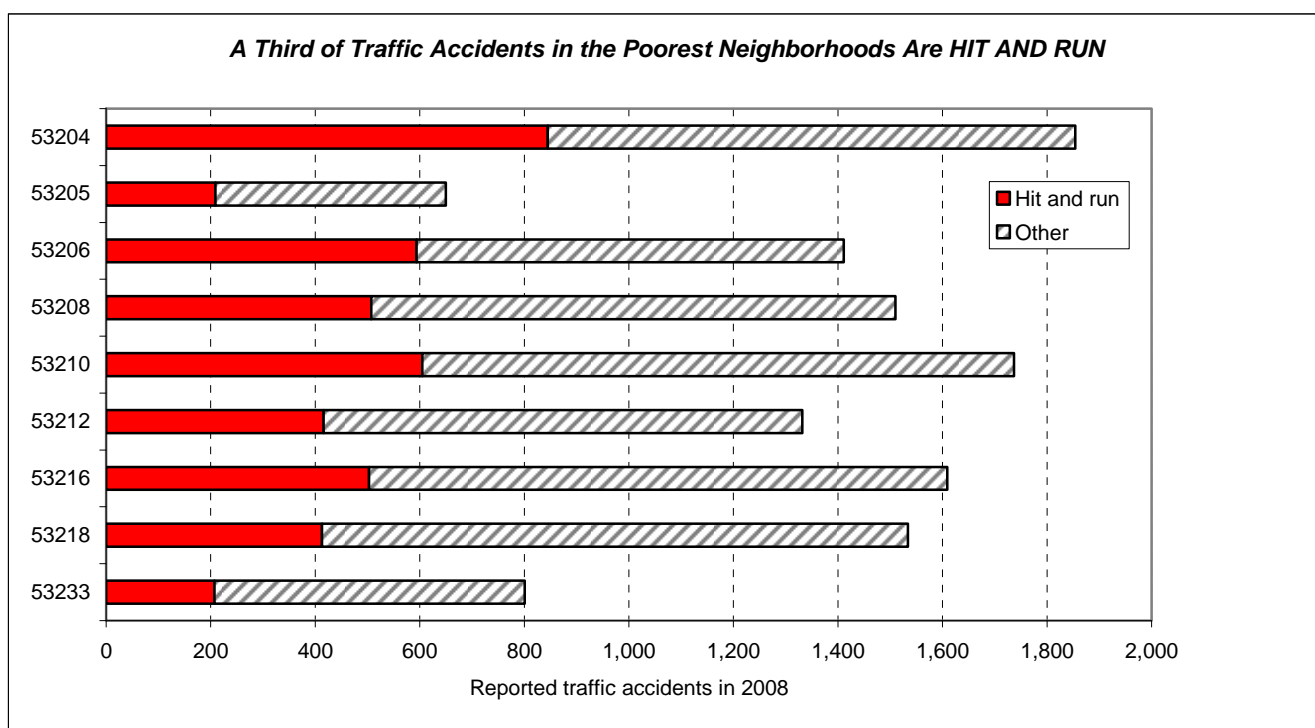
2008 City of Milwaukee Reported Class A Crimes	53204	53205	53206	53208	53210	53212	53216	53218	53233	Total
Destruction/damage/vandalism of property	721	183	531	487	428	527	563	580	152	4,172
Simple assault	525	183	780	479	570	478	419	520	170	4,124
Motor vehicle theft	520	225	498	575	432	530	503	549	171	4,003
Theft of motor vehicle parts/accessories	427	191	493	480	448	446	393	396	129	3,403
Burglary/breaking and entering	381	139	486	402	333	483	525	535	94	3,378
All other larceny	386	138	321	326	326	449	395	340	249	2,930
Theft from motor vehicle	647	131	208	299	200	522	287	258	229	2,781
Robbery	281	103	363	257	276	312	243	275	104	2,214
Aggravated assault	271	103	460	231	286	264	156	203	74	2,048
Shoplifting	67	12	44	31	43	56	49	24	6	332
Theft from building	40	9	16	24	23	28	17	30	21	208
Arson	32	5	51	23	36	20	21	12	6	206
Purse snatching	21	2	20	24	19	25	10	9	11	141
Forcible rape	17	6	23	18	22	15	12	12	5	130
Forcible fondling	26	3	14	14	20	9	14	22	2	124
Forcible sodomy	18	3	14	7	7	8	12	9	4	82
Statutory rape	12	4	9	7	6	9	9	13	3	72
Disorderly conduct	2	3	9	10	5	10	7	2		48
Pocket picking	9	1	4	4	5	10	4	7		44
Homicide	5	1	8	6	8	2	5	4	4	43
Intimidation	2	5	8	2	6	5	3	4	4	39
Kidnapping	2	1	11	1	1	5	2	3	2	28
Sexual assault with an object	5	1	2	3	4		3	5	1	24
All other offenses	1	4	4	3	7	1	1			21
Theft from coin-operated machines		1	1	4	1	4	1	4	1	17
Liquor law violations			2	2		1	3			8
Trespassing	1	2	1	1	1			1	1	8
False pretenses/swindle/confidence game								1	1	2

2008 City of Milwaukee Reported Class A Crimes	53204	53205	53206	53208	53210	53212	53216	53218	53233	Total
Stolen property offenses	1			1						2
Prostitution							1			1
Grand Total	4,420	1,459	4,381	3,721	3,513	4,219	3,658	3,818	1,444	30,633

Source: Milwaukee Police Department, posted on the city of Milwaukee COMPASS website.

6. Concerns about the safety of children are heightened by the number of traffic accidents reported in the inner city. In 2008, **12,438 traffic accidents were reported in 9 CDBG zip codes, and over a third of those accidents were “hit and run”** where the driver did not remain at the scene to aid victims or to report damages.

On the near southside (in zip Code 53204) which includes a sizeable unlicensed immigrant population, **nearly half (46%) of all reported traffic accidents involved “hit and run” drivers.** Likewise in zip code 53206, one of the poorest neighborhoods on the northside, 42% of reported accidents were “hit and run.”



2008 City of Milwaukee Traffic Accidents Reported in 9 Zip Codes ⁴	53204	53205	53206	53208	53210	53212	53216	53218	53233	Total
Hit and run	845	209	594	507	605	416	503	413	207	4,299
Other	1,009	441	817	1,003	1,132	916	1,106	1,121	594	8,139
Total	1,854	650	1,411	1,510	1,737	1,332	1,609	1,534	801	12,438
% Hit and Run	46%	32%	42%	34%	35%	31%	31%	27%	26%	35%

Source: Milwaukee Police Department, posted on the city of Milwaukee COMPASS website.

⁴ The traffic accident data are from the city of Milwaukee COMPASS project. Data for accidents in the first five months of 2008 does not include some accidents where the data was collected in handwritten rather than digital reports.

In the 9 CDBG zip codes in 2008 a total of 5,753 people were injured and 37 were killed in traffic accidents. “Hit and run” accidents accounted for 971 people being injured and 13 being killed.

III. High Incarceration Rates and Numbers of Ex-Offenders

The U.S. Department of Justice reports that Wisconsin has one of the nation’s highest incarceration rates for African Americans, second only to South Dakota among the 50 states.⁵ The prison/ex-offender overlay in Milwaukee neighborhoods has profound implications for Milwaukee Public Schools students. High-overty neighborhoods are rife with hardened criminals, drug violence, and lack of safety for children – night and day. At the same time, many ex-offenders and current prisoners are themselves parents of MPS students – struggling (or not struggling) to support their children financially and emotionally and to reattach to their families.

According to Adam Liptak of the *New York Times*, “The United States has less than 5 percent of the world’s population. But it has almost a quarter of the world’s prisoners. Indeed, the United States leads the world in producing prisoners, a reflection of a relatively recent and now entirely distinctive American approach to crime and punishment. Americans are locked up for crimes – from writing bad checks to using drugs – that would rarely produce prison sentences in other countries. And in particular they are kept incarcerated far longer than prisoners in other nations.” Liptak reports, “Criminologists and legal experts here and abroad point to a tangle of factors to explain America’s extraordinary incarceration rates: higher levels of violent crime, harsher sentencing laws, a legacy of racial turmoil, a special fervor in combating illegal drugs, the American temperament, and the lack of a social safety net. Even democracy plays a role,” according to Liptak, “as judges – many of whom are elected, another American anomaly – yield to populist demands for tough justice.”⁶

7. **The Wisconsin incarceration rate for whites is near the U.S. average while the rate for African Americans is nearly double the national average**, according to data collected on inmates at federal and state prisons and county and city jails. (Two-thirds of Milwaukee County adults incarcerated in state facilities are African Americans.)

Incarceration Rates by Race/Ethnicity: 2005⁷

Racial/ethnic group	Rate of Incarceration per 100,000 Population		Difference per 100,000
	United States	Wisconsin	
White	412	415	+3
Black	2,290	4,416	+2,126
Hispanic	742	not reported	N/A

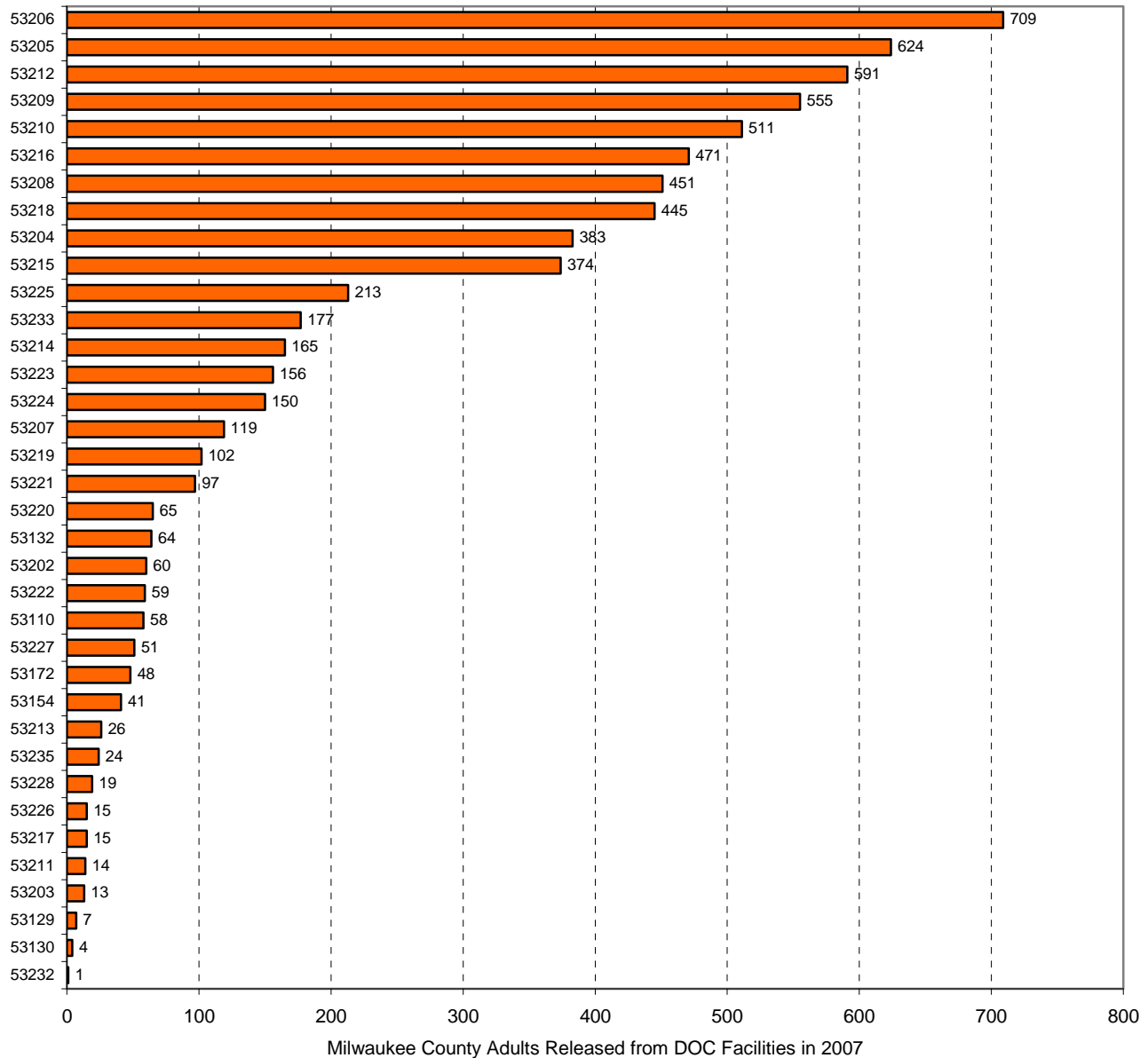
8. **Data from the Wisconsin Department of Corrections show large numbers of ex-offenders released into the neighborhoods where MPS students are most concentrated.** In zip code 53206, one of Milwaukee’s poorest neighborhoods, over 700 ex-offenders are released into the neighborhood each year. In four other zip codes (53205, 53212, 53209 and 53210) over 500 prisoners are released into the neighborhood each year.

⁵ Paige M. Harrison and Allen J. Beck, **Prison and Jail Inmates at Midyear 2005** (U.S. Department of Justice Office of Justice Programs, May 2006), posted at ojp.usdoj.gov/bjs/pub/pdf/pjim05.pdf.

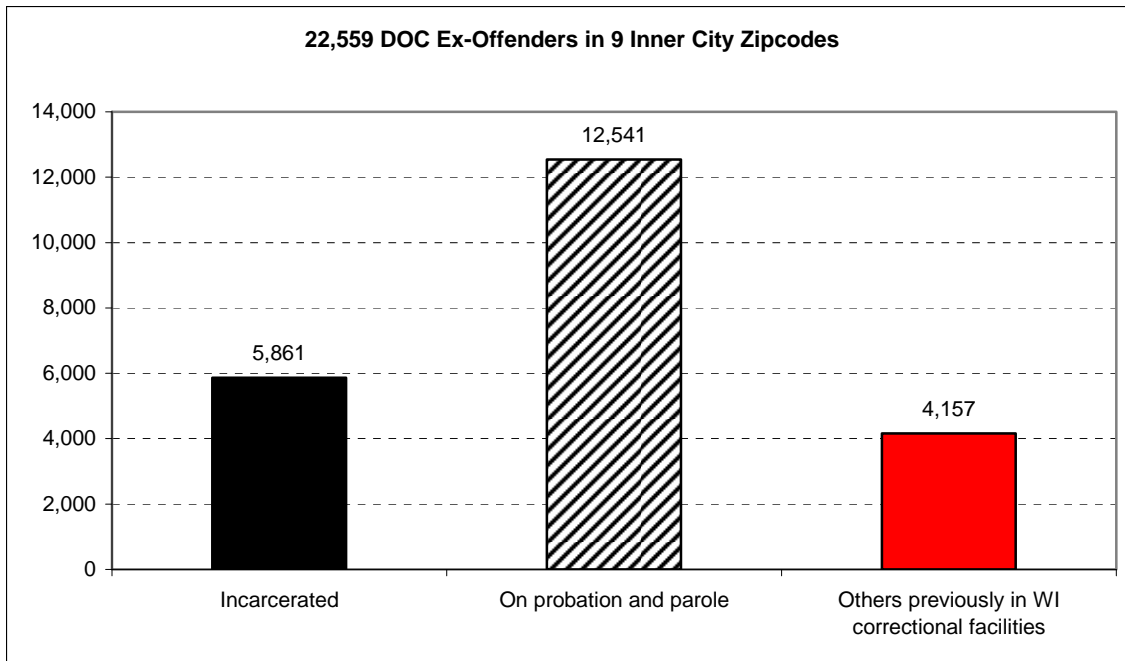
⁶ Adam Liptak, “U.S. prison population dwarfs that of other nations,” *New York Times*, June 23, 2008, posted at www.nytimes.com/2008/04/23/world/americas/23iht-23prison.12253738.html.

⁷ Rates are from the Office of Justice Programs. See Marc Mauer and Ryan S. King, **Uneven Justice: State Rates of Incarceration By Race and Ethnicity** (Washington, D.C.: The Sentencing Project, July 2007), posted at www.sentencingproject.org/Admin/Documents/publications/rd_stateratesofincbyraceandethnicity.pdf.

Hundreds of Ex-Offenders Are Released into Milwaukee Neighborhoods



9. A total of 22,559 adults from the 9 CDBG zip codes were in the state corrections system. There were 5,861 adults incarcerated in state facilities (as of August 2008), 12,541 adults on probation and parole (according to August 2008 and March 2009 data files), and another 4,157 adults who previously were incarcerated (from 1993 to August 2008). The 22,559 total is likely on the low end as no addresses were available for 10% of DOC ex-offenders from Milwaukee County. It is likely at least some of those are living in central city zip codes.



DOC Ex-Offenders: 1993-2009	53204	53205	53206	53208	53210	53212	53216	53218	53233	Total
Incarcerated (as of Aug. 2008)	595	545	1,080	747	812	811	532	576	163	5,861
On probation or parole	1,302	1,838	2,068	1,408	1,457	1,512	1,252	1,310	394	12,541
Others previously in WI correctional facilities	384	522	723	509	501	536	401	446	135	4,157
TOTAL	2,281	2,905	3,871	2,664	2,770	2,859	2,185	2,332	692	22,559

10. **Recidivism rates are very high for men incarcerated in DOC facilities.** A majority (72%) of ex-offenders released into Milwaukee neighborhoods have been incarcerated 2 or more times, and nearly half (49%) have been incarcerated at least 3 times.⁸

⁸ See John Pawasarat, **Barriers to Employment: Prison Time** (University of Wisconsin-Milwaukee Employment and Training Institute, 2007), online at www.eti.uwm.edu/barriers/MilwaukeePrisonStudy.pdf.

Adults Admitted to Wisconsin Department of Corrections Facilities	53204	53205	53206	53208	53210	53212	53216	53218	53233	9 ZIPs
1993	123	190	252	163	139	180	123	121	38	1,329
1994	141	210	267	171	208	234	186	165	53	1,635
1995	181	235	361	212	230	259	184	172	65	1,899
1996	194	283	345	241	242	286	202	209	61	2,063
1997	143	283	389	255	259	255	193	240	69	2,086
1998	258	367	460	313	366	359	275	272	99	2,769
1999	284	394	526	343	392	388	248	253	106	2,934
2000	255	340	444	303	357	358	243	251	103	2,654
2001	280	400	511	325	355	358	277	299	108	2,913
2002	347	593	751	460	511	533	395	396	131	4,117
2003	434	707	815	541	600	628	505	428	177	4,835
2004	468	640	843	537	583	663	456	470	168	4,828
2005	397	569	814	478	546	594	455	407	152	4,412
2006	441	591	833	489	595	672	496	444	162	4,723
2007	382	474	705	442	533	578	463	434	195	4,206
2008 (to June)	214	263	373	224	311	261	192	233	88	2,159
Total (duplicated count)	4,542	6,539	8,689	5,497	6,227	6,606	4,893	4,794	1,775	49,562

- Most ex-offenders return from prison into inner city neighborhoods that have an extremely large gap between job seekers and available full-time work: 25 to 1 in May 2009, and 7 to 1 in May 2006 before the national recession hit. Returning offenders also usually lack driver's licenses that would allow them to legally drive to jobs outside of Milwaukee. **Only 6% of Milwaukee County ex-offenders hold valid driver's licenses when they are released from state DOC facilities.**⁹
- **Felons incarcerated for drug-related convictions face additional problems** securing private and public sector employment and also have limitations placed on their access to federal aid and scholarships to attend vocational education classes, college, and other post-secondary education programs. Thirty percent of the population of African American males recently on probation or parole had a drug conviction, as did 23% of African American females, 12% of white males, and 11% of white females.
- Very **few ex-convicts access government safety net programs** established for low-income individuals and families. In spite of low wages earned by many ex-offenders and intermittent bouts of unemployment, only 6% of the adults released from DOC supervision receive public medical assistance and only 19% receive FoodShare benefits (food stamps). Felons may not be eligible to live in publicly subsidized housing, while others may have their criminal records shared with landlords renting federally-subsidized apartments. Either practice may make it more difficult for offenders to reunite with their families.

⁹ The *Milwaukee Journal Sentinel* editorial board has proposed reforms that the city of Milwaukee and State of Wisconsin could adopt to reduce the number of license and vehicle suspensions related to poverty and failure to pay fines and forfeitures rather than to driving violations. See "Research Update: Addressing Driver's License Issues for Milwaukee Workers" at www.eti.uwm.edu/2007/MJS.htm.

Job openings surveys conducted by the Employment and Training Institute for the Regional Workforce Alliance and the Milwaukee Area Workforce Investment Board have shown devastating effects of the economic recession on the entire Milwaukee region. The 2009 survey collected information from a stratified sample of 3,867 employers who reported on their current job openings as of May 25, 2009, including information on each job's requirements and worksite location. Results were weighted by establishment size and industry to estimate openings for the 7-county area.

11. The spatial mismatch between limited jobs available and large numbers of adults seeking work is most severe in inner city Milwaukee. **The May 2009 employer survey found 25 job seekers for every 1 full-time opening available in the nine zip codes of inner city Milwaukee**, or an estimated 21,288 job seekers and only about 838 available full-time jobs.

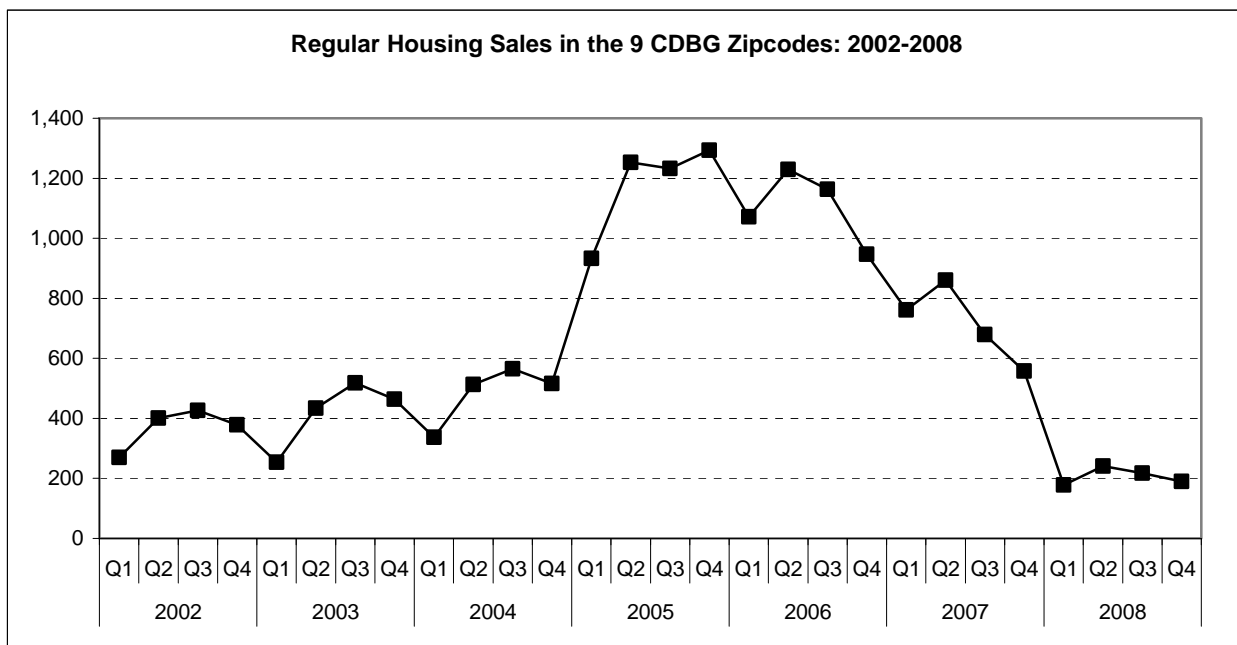
Even before the economic recession central city residents faced severe job shortages. In May 2006, the Employment and Training Institute job vacancies survey found a job gap of 7 to 1 in inner city neighborhoods.



V. The Housing Crisis Hits Home

While an analysis of the mortgage crisis in Milwaukee is beyond the scope of this paper, several data sources indicate that the housing crisis has been extremely severe for Milwaukee families and that the effects are far from over.

12. According to the American Community Survey conducted by the U.S. Census Bureau, an estimated 51,000 children in the city of Milwaukee were on public assistance (including food stamps, welfare and disability) and living in rental units in 2006. **Of these 51,000 low-income Milwaukee children, 24% lived in households paying over 75% of their income for housing, and another 24% lived in households paying 50 – 74% of their income for housing (i.e., rent and utilities).** The Census Bureau further estimated that one of every five homeowners in Milwaukee with a mortgage was spending at least half of their household income on housing.
13. There were over 60 subprime lenders, most from out-of-state, issuing mortgages in Milwaukee's poorest neighborhoods in 2005 and 2006, according to federal Home Mortgage Disclosure Act data. Stimulated by the availability of subprime and refinancing loans (many with low initial interest rates) and escalating housing prices, a flurry of housing sales were seen in 2005, 2006, and the first half of 2007. By 2008 that buying activity had largely ended.

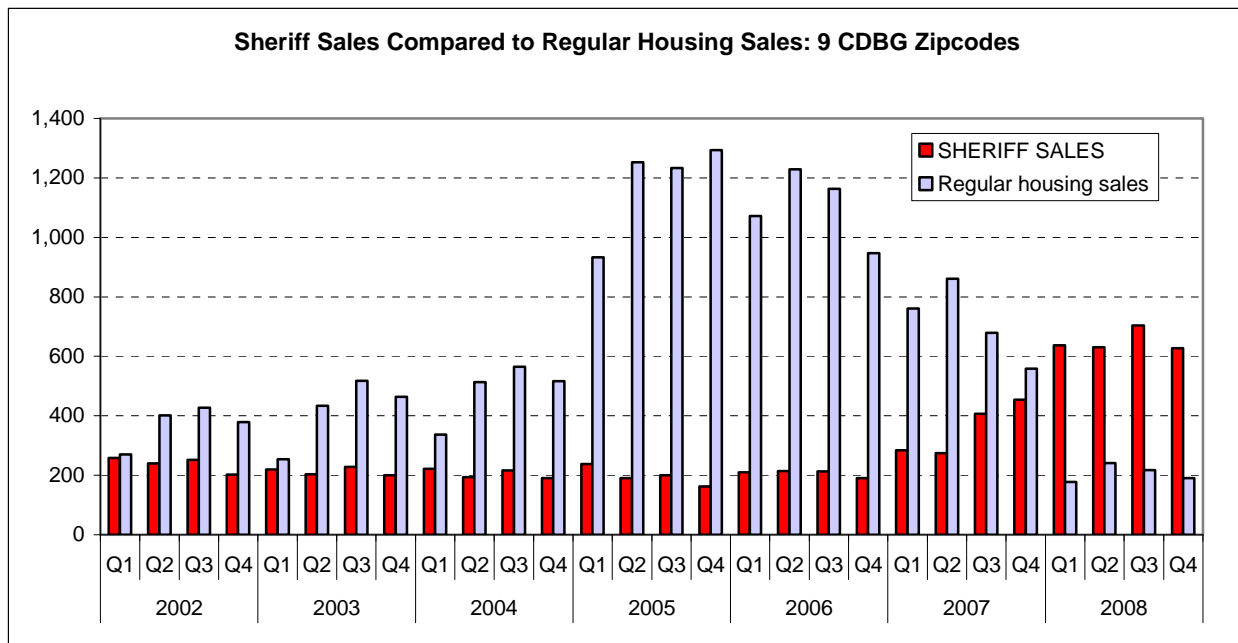


Many home-owning families who secured mortgages during the mid-2000s or refinanced their existing mortgages are now unable to meet their mortgage, insurance, property tax, utilities bill and other housing obligations. Renters, already paying large portions of their income for housing, are caught in the middle of foreclosure actions against property owners and are squeezed by escalating rents due to rising utility bills and disproportionately high property taxes for inner city properties.

The mobility rates seen among MPS families can be expected to continue at high rates, according to locally available data on housing sales and properties going into foreclosure. Each Monday morning the Milwaukee County sheriff holds real estate auctions for houses that have been foreclosed upon for non-payment of mortgages. The foreclosure cases filed with the Milwaukee County circuit courts and reaching

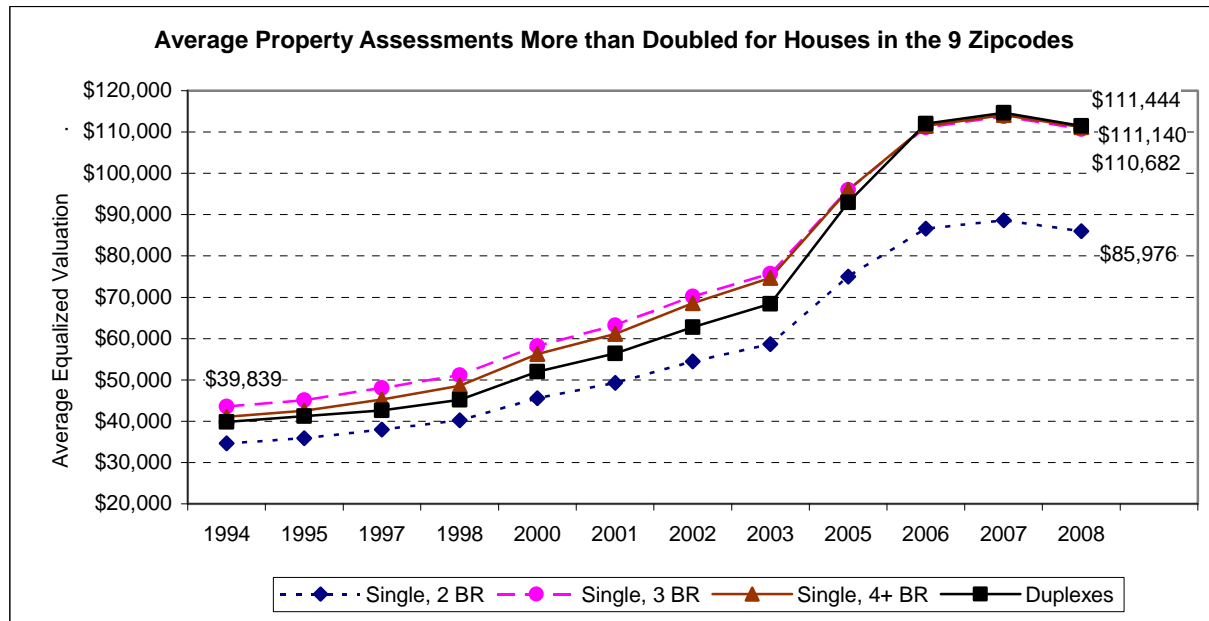
the sheriff for auction sales were analyzed to shed light on the extent to which the national mortgage crisis reached Milwaukee neighborhoods and MPS families. These properties up for auction are often in severe distress: some may have already been abandoned, renters may be displaced or uncertain about who owns the property, repairs are frequently delayed, and vandalism is not uncommon.

14. While regular housing sales in the 9 CDBG zip codes have dropped to pre-2002 levels, **the number of sheriff sales has increased dramatically from 828 in 2006 to 1,419 in 2007, and up to almost 2,600 in 2008. Large numbers of sheriff sales are continuing in 2009.** In many neighborhoods properties put up for sheriff sale can be found on nearly every block. (See maps of recent sheriff's auction sales scheduled in zip codes 53206 and 53218 on pp. 24-25 and maps for other zip codes in the appendices).



One- and 2-Family Houses Scheduled for Milwaukee County Sheriff Sale	53204	53205	53206	53208	53210	53212	53216	53218	53233	9 ZIPs
2002	106	23	160	114	170	89	120	164	6	952
2003	82	14	106	95	138	81	137	191	6	850
2004	60	17	113	73	140	80	158	178	3	822
2005	41	4	153	84	131	78	114	182	3	790
2006	52	13	127	89	136	100	138	169	4	828
2007	83	27	261	148	270	139	229	259	3	1,419
2008	181	67	450	296	465	287	384	453	16	2,599
Total	605	165	1,370	899	1,450	854	1,280	1,596	41	8,260

Based on the large increase in real estate prices fueled by the booming mortgage activity in 2005 through 2007, the city of Milwaukee raised property assessments on single family and duplex housing in the inner city. These assessments further raised housing costs for many residents as the inner city took on an increasing share of total city property tax burden.



Source: City of Milwaukee Master Property file. Property assessments are converted to full value based on reported equalized assessment ratios

15. An apparent immediate impact of the housing crisis was a **drop in home ownership** in the inner city. In some neighborhoods home ownership increased during the mid-2000s only to fall to lower levels by 2008 as families lost their homes through foreclosures and mortgage defaults. In the CDBG zip codes as a whole, home ownership rates for single family houses with 2 or more bedrooms dropped from 84% in 2005 to 78% by 2008. The home ownership rate for duplexes (where the owner lives in one of the units) also dropped, from 55% in 2005 to 48% in 2008.

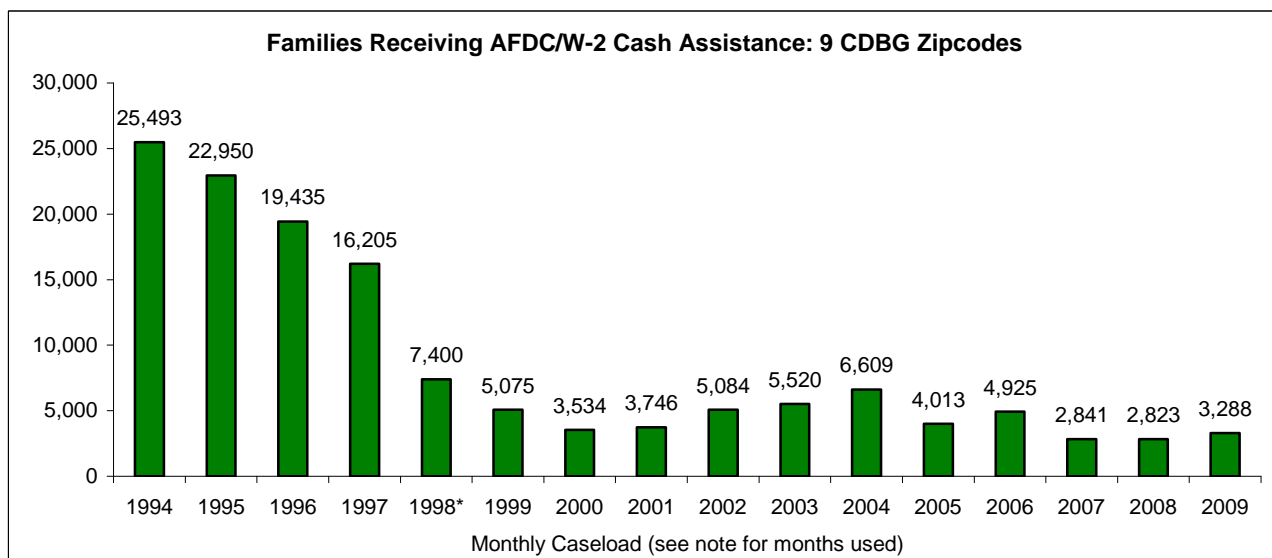
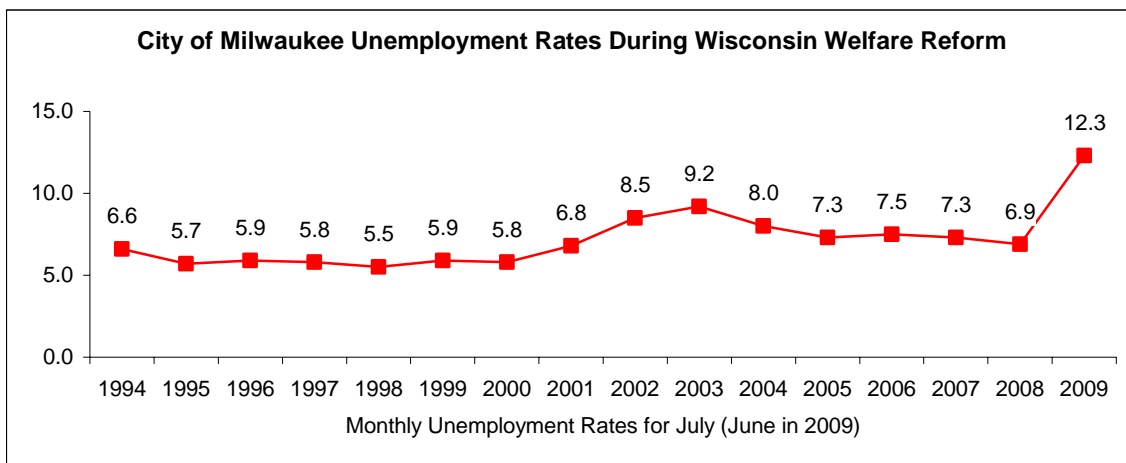
Home Ownership Rates for Single Family Houses with 2 or More Bedrooms										Total
	53204	53205	53206	53208	53210	53212	53216	53218	53233	
1995	75%	72%	74%	85%	87%	73%	89%	90%	51%	84%
2005	74%	83%	71%	89%	86%	77%	88%	89%	64%	84%
2008	73%	74%	62%	83%	81%	71%	83%	83%	56%	78%

Home Ownership Rates for Duplexes										Total
	53204	53205	53206	53208	53210	53212	53216	53218	53233	
1995	49%	47%	52%	51%	51%	51%	66%	57%	34%	53%
2005	51%	52%	50%	58%	54%	51%	62%	59%	45%	55%
2008	47%	46%	42%	52%	45%	47%	56%	52%	36%	48%

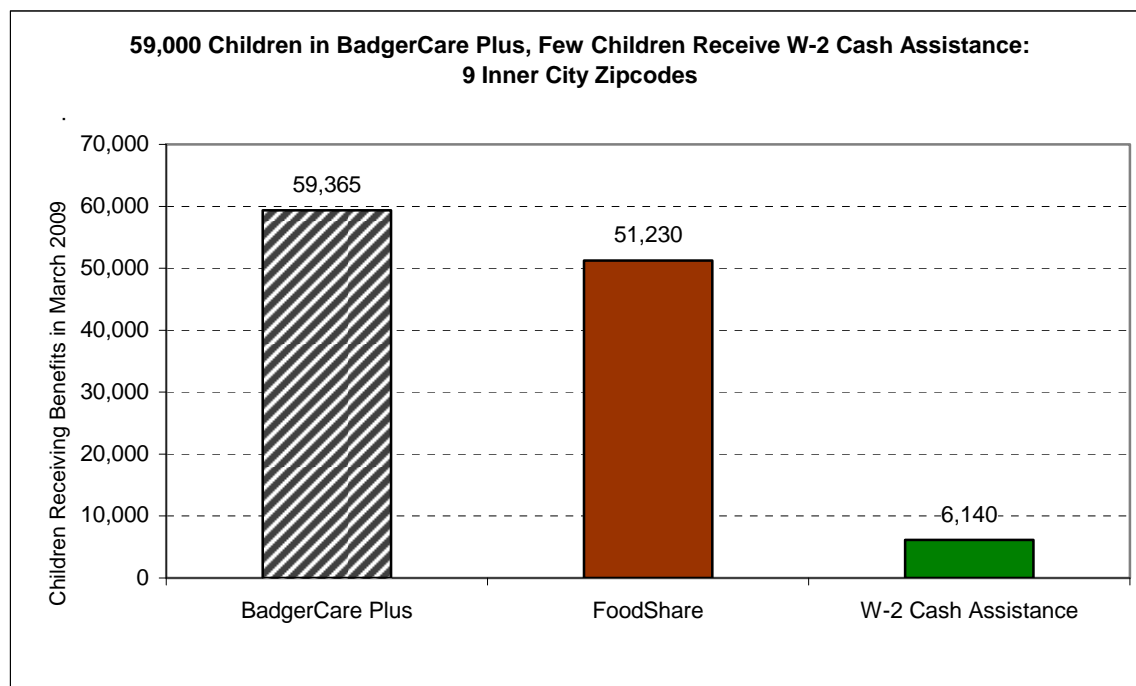
VI. Public Assistance: High Enrollments in FoodShare and BadgerCare Plus, Low Enrollments in W-2

During the period of the improving economy of the mid-1990s, state welfare regulations reduced AFDC (Aid to Families with Dependent Children) caseloads, first under the 1996 “pay for performance” requirements and then through the 1997 adoption of “Wisconsin Works” (“W-2”), which imposed time limits on receipt of aid and denied cash assistance to parents deemed employable. **The current W-2 program has not effectively responded to the growing needs of employed and non-employed families hurt by the current economic recession.**

16. The city of Milwaukee unemployment rate nearly doubled during the past year, rising from 6.9% in July 2008 to 12.3% in June 2009, and the number of laid-off workers receiving unemployment compensation in Milwaukee County increased by 30,376 (from 14,754 workers in July 2008 to 45,130 in June 2008). During this period, however, **the number of families in the 9 inner city zip codes receiving W-2 income support remained very low, increasing by only 465 families** (from 2,823 families in July 2008 to 3,288 families in May 2009). Half as many families received W-2 income support in May 2009 as received it five years ago in July 2004, when the city unemployment rate was at 8%.



17. The state is making substantial efforts to increase enrollment of low-income children and families in federal/state medical insurance programs and FoodShare during the economic recession. **As of March 2009, 59,365 children were enrolled in BadgerCare Plus and 51,230 children were receiving food stamp benefits in the 9 CDBG zip codes.** Only 6,140 children were in families receiving W-2 income support.



Children Receiving Public Assistance in March 2009	53204	53205	53206	53208	53210	53212	53216	53218	53233	Total
BadgerCare Plus	10,858	3,599	8,869	6,769	6,784	5,952	6,018	9,345	1,171	59,365
FoodShare	8,789	2,986	8,219	5,976	5,911	5,340	4,994	7,956	1,059	51,230
W-2 Cash Assistance	1112	310	1197	714	633	685	592	715	182	6,140

Milwaukee Public Schools is seeking year-round access to state SHARES and CARES databases in order to **ensure that all MPS children in households verified as low-income under TANF-supported programs are “direct certified” for breakfast and lunch meal subsidies**, as required by the Department of Agriculture. This access could increase the number of children eligible for free and reduced price meal programs, increase federal subsidies for MPS universal breakfast and lunch programs, reduce MPS costs for certifying families, and reduce meal program auditing costs for the district.

VII. Lack of Driver's Licenses for Milwaukee Teens

A critical issue facing central city Milwaukee residents is access to jobs -- jobs that are increasingly beyond the Milwaukee County bus lines. Possession of a working vehicle and valid driver's license are key employment assets for securing work in the Milwaukee metro economy. Single mothers and ex-offenders are not the only Milwaukee populations lacking driver's licenses. Longstanding state legislative policies to restrict licensing for youth to those who attend a school-based or commercial driver's education program (rather than being taught to drive by their parents or other adults) coupled with elimination of state aids for driver's education has made access to driver's education problematic for low-income Milwaukee teens. Additionally, for a number of years the Milwaukee municipal courts used the Wisconsin Department of Transportation (DOT) as a collection agency for unpaid parking and municipal fines. In many cases the municipal courts removed driving privileges for teens who had not yet even obtained a license -- and for municipal offenses unrelated to driving (e.g. jaywalking, underage drinking, curfew violations). The Milwaukee Public Schools is using local tax revenues to support driver's education for Milwaukee teens but thousands of young adults (including MPS parents) have license suspensions and revocations with no current license.

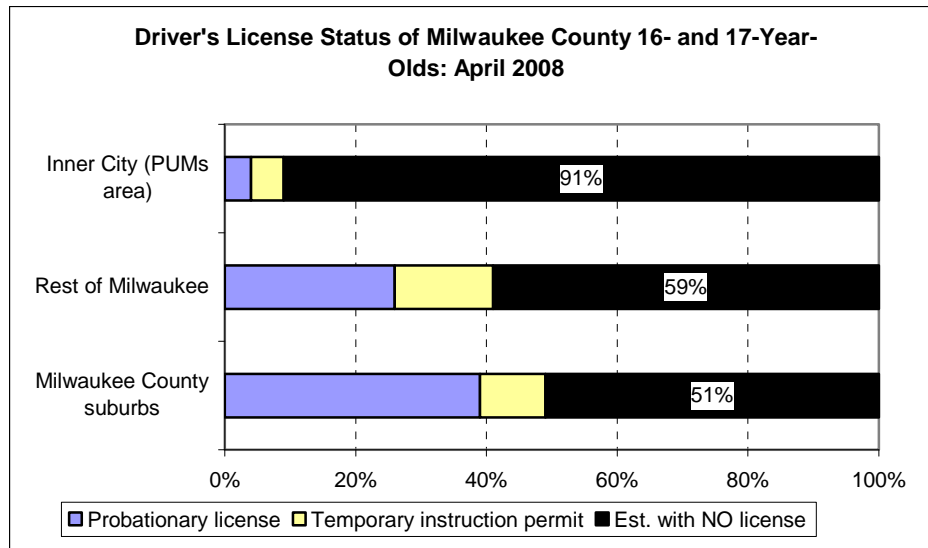
18. **An estimated 11,855 Milwaukee youth ages 16 and 17 did not have probationary driver's licenses or learning permits**, and over 5,600 of these teens lived in the poorest areas of the city, according to U.S. Census population data and Wisconsin Department of Transportation driver's license files, as of April 2008.

Driver's License Status of 16- and 17-Year-Olds in Milwaukee County: April 2008

<u>License Status</u>	<u>CITY OF MILWAUKEE:</u>		<u>Milwaukee County Suburbs</u>
	<u>Inner City (PUMS #2003)</u>	<u>Rest of Milwaukee</u>	
Probationary license	282	2,807	4,713
Temporary instruction permit	293	1,552	1,233
Estimated number with no license	<u>5,604</u>	<u>6,251</u>	<u>6,120</u>
Total	6,179	10,610	12,066
<u>Percent of Total</u>			
Probationary license	4%	26%	39%
Temporary instruction permit	5%	15%	10%
Estimated number with no license	91%	59%	51%
Total	100%	100%	100%

The U.S. Census Bureau Milwaukee inner city PUMS (Public Use Microdata Sample area #2003) is in large part zip codes 53204, 53205, 53206, 53212 and 53203.

- In inner city Milwaukee, only 9% of youth ages 16 and 17 had probationary driver's licenses (4%) or instruction permits (5%), while 91% were unlicensed and not preparing for their license. By contrast, in the suburbs 49% of 16- and 17-year-olds had probationary licenses or learner's permits.



19. **Long-term consequences exist for teens whose driver's licenses are suspended before they are received.** The odds of these teens later obtaining their driving privileges are very low, particularly for youth from low-income neighborhoods.

Of the 22,456 Milwaukee County teens (ages 15 through 17) in the January 2000 DOT file, 10,037 had a probationary license, 3,358 had an instruction permit (temps), and 9,061 had "NON" status, that is, they had suspensions or revocations but no licenses. These teens' subsequent driver's license status was tracked using the April 2008 DOT license file. .

- Most (86%) of county youth with probationary licenses in January 2000 had obtained regular driver's licenses as of April 2008 (when they had reached ages 23 through 25).
- Most (79%) of county youth with instruction permits in January 2000 had obtained regular or probationary licenses as of April 2008.
- Only 23% of Milwaukee County youth with suspensions and revocations **and no license** in 2000 had obtained regular or probationary licenses as of April 2008

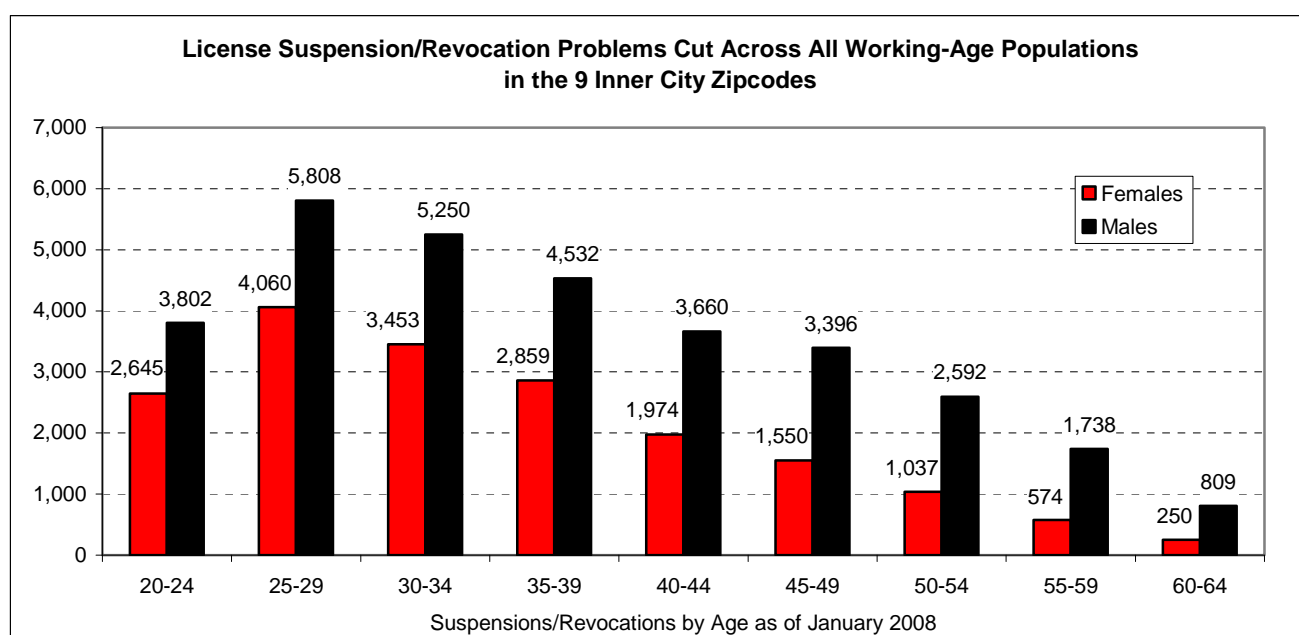
Teens without drivers' licenses were most heavily concentrated in the poorest areas of the county.

- The inner-city areas (north and south) of the city of Milwaukee showed the highest number of unlicensed teens with traps on their future licenses due to suspensions and revocations (many due to failure to pay fines unrelated to driving, such as curfew violations, jaywalking, underage drinking) and also showed the lowest rate of recovery from such traps. A total of 3,389 youth ages 15 through 17 had recorded suspensions and revocations in the DOT system but no licenses, and only 16% of these inner city teens subsequently obtained licenses, according to the DOT file.

- By contrast, the suburban areas showed the lowest number of teens with unpaid fines resulting in suspensions and revocations. Even in the suburbs, however, less than half of the teens recovered from such traps and secured their license by 2008.¹⁰

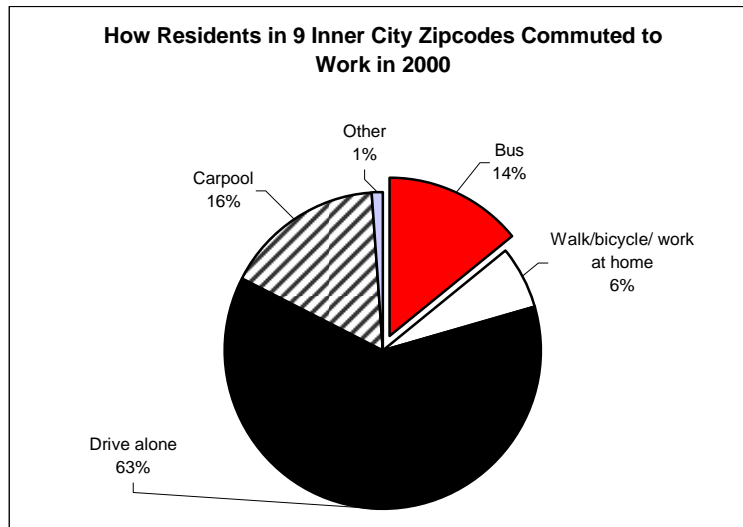
Licensing Problems Extend to the Adult Population

Access to private transportation is critical for reaching most job openings in the metro area, yet few teens obtain their licenses while in school and dropouts under age 18 are prohibited from obtaining licenses. A host of factors contribute to the lack of driver's licenses among central city residents: the lack of affordable driver's education programs for teens; the high cost of auto insurance in inner city neighborhoods; lack of vehicles among low-income residents; and high rates of license suspensions and revocations. Minorities are far more likely to have license suspensions and revocations than whites in Milwaukee County where minor vehicle infractions related to older cars ("driving while poor") may turn into felony violations if the individual is stopped repeatedly while driving with a suspended license.



20. While the majority of inner city workers (about 63%) drive to their jobs, **bus transportation is critical for many workers residing in the inner city zip code neighborhoods.** In 2000 an estimated 6,188 inner city workers (14% of the total inner city resident workforce) used the bus to get to their jobs. Over a fourth (28%) of workers with income below 100% of poverty bussed to work, according to the 2000 U.S. Census Transportation Planning Package data.

¹⁰ For more on this analysis see the **Second Year Evaluation of the Center for Driver's License Recovery & Employability** (University of Wisconsin-Milwaukee Employment and Training Institute, November 2008) at www.eti.uwm.edu/2008/Evaluation.pdf.

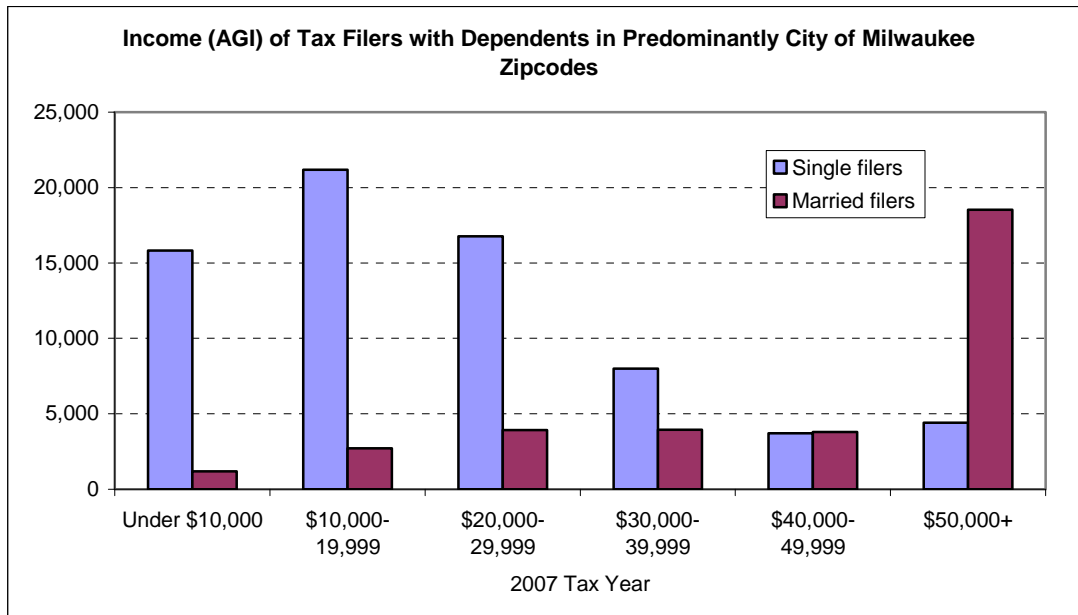


VIII. Employed Milwaukee Parents with Income Near or Below Poverty

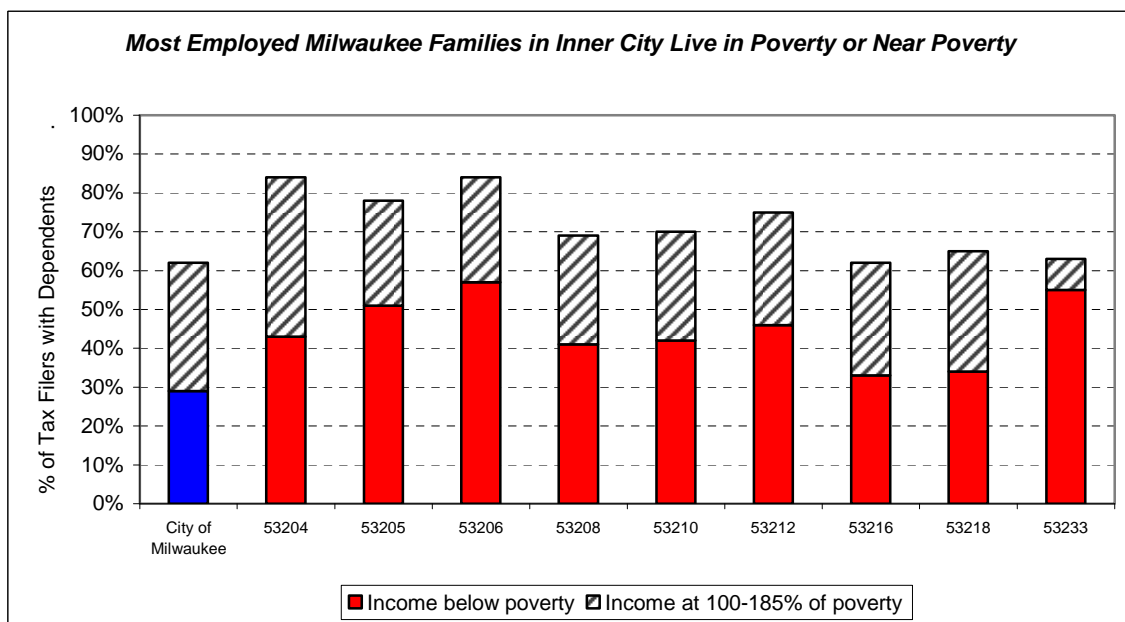
The most serious problem facing MPS families is the large number of employed Milwaukee parents who do not make enough income to support themselves and their children. State income tax returns for 2007 (filed in 2008) showed that an estimated 62% of employed Milwaukee parents had income below 185% of poverty and 33% of all employed Milwaukee families with children had income below poverty.

21. The 2007 Wisconsin tax returns indicate that only 39,370 (38%) of the 103,970 single and married tax filers with dependents in predominantly-city Milwaukee ZIP codes have income above 185% of poverty, while **an estimated 34,700 Milwaukee families (33%) have income below poverty and another 29,900 (29%) have income below 185% of poverty.** In some cases other household members (including non-married partners and non-custodial parents) may help support the children; in other cases, the adults may be responsible for supporting other family members in addition to their children.¹¹
- The population of “working poor” families lives throughout the city, but with **highest concentrations in the inner city neighborhoods.**
 - Given their more limited income, single parents are far more likely to live in the city of Milwaukee than in the suburbs and far more likely to live in poverty. The challenges of securing and maintaining full-time, year-round employment are particularly difficult for single parents throughout Milwaukee. In the predominantly city of Milwaukee zip codes **15,829 single parents (with dependents) earned less than \$10,000 in 2007** and another 21,174 earned less than \$20,000.

¹¹ See www.eti.uwm.edu/#research for the neighborhood indicators methodology.



- A majority of employed parents with children live in or near poverty in the city of Milwaukee, with highest poverty levels in the inner city neighborhoods.



Wisconsin Income Tax Filers with Dependents: 2007										
	53204	53205	53206	53208	53210	53212	53216	53218	53233	Total
Tax filers (married and single) with dependents	8,233	1,924	5,317	5,388	5,648	4,281	6,498	8,314	886	46,489
% with income below poverty	43%	51%	57%	41%	42%	46%	33%	34%	55%	42%
% with income below 185% of poverty	84%	78%	84%	69%	70%	75%	62%	65%	63%	73%

The high mobility rates of children in the Milwaukee Public Schools can be directly traced to the lack of earning power among Milwaukee families. (See the housing section above.) The consequences of the lower earning power of Milwaukee parents can be seen in the MPS classroom, where a majority of MPS students are poor or near poor.

22. The **concentrations of poverty within the schools** have reached unprecedented levels in MPS. In the 2008-2009 school year, 92% of MPS students attended a school where **over half of the children were poor** (as measured by eligibility for free lunch, or family income below 130% of poverty). Yet, only 4% of suburban and outer ring public school students in the four-county area were in school buildings where over half of the children were poor.

In MPS, 67% of students now attend school in buildings with **extreme concentrations of poverty** (that is, where over 75% of the students are poor), while in the suburban districts, less than 1% of students are in high-concentration poverty schools.¹²

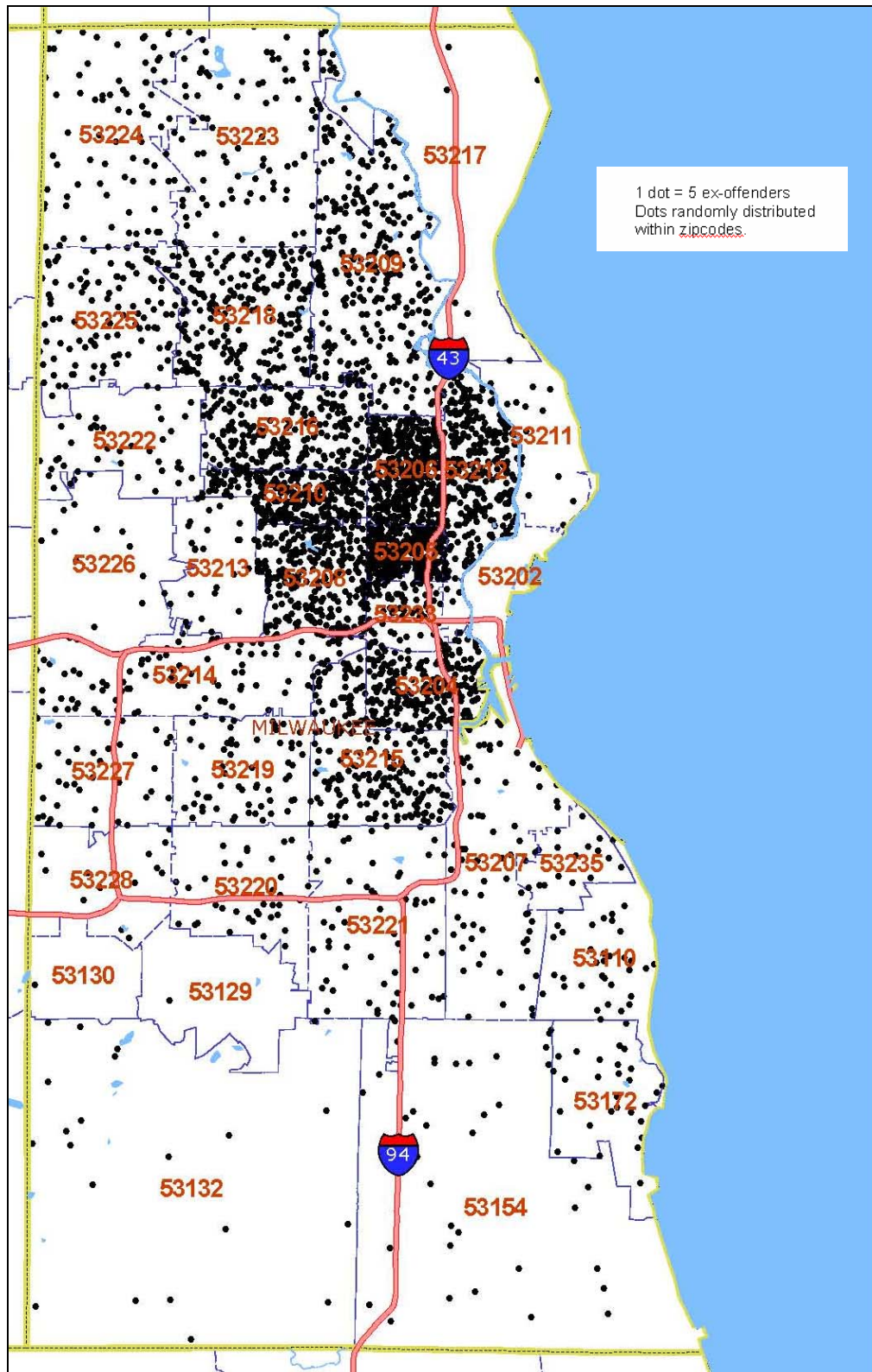
23. Federal and state **earned income tax credits provide needed additional income** for low-income employed families with payments typically obtained in a lump sum after filing their tax returns in the following calendar year.
- Low-income employed parents in the 9 inner city zip codes received \$14.5 million in state earned income tax credits in 2007 and an estimated \$88 million in federal credits.
 - In all predominantly city zip codes 53,832 families with children received \$24.9 million in state earned income tax credits and approximately \$151 million in federal earned income credits.

Wisconsin Parents Receiving the Earned Income Tax Credit (EIC), 2008 Tax Filings for 2007 Income	<u>53204</u>	<u>53205</u>	<u>53206</u>	<u>53208</u>	<u>53210</u>	<u>53212</u>	<u>53216</u>	<u>53218</u>	<u>53233</u>	<u>Total</u>
Families receiving the EIC	3,353	1,457	4,299	3,461	3,854	3,057	4,006	5,317	650	29,454
Average state credit	\$498	\$527	\$534	\$513	\$511	\$488	\$441	\$479	\$396	\$494
Est. average federal credit	\$3,016	\$3,196	\$3,239	\$3,110	\$3,095	\$2,957	\$2,676	\$2,900	\$2,401	\$2,992
Average federal and state credit	\$3,514	\$3,723	\$3,773	\$3,623	\$3,606	\$3,445	\$3,117	\$3,379	\$2,798	\$3,486
% of family tax filers helped	41%	76%	81%	64%	68%	71%	62%	64%	73%	63%

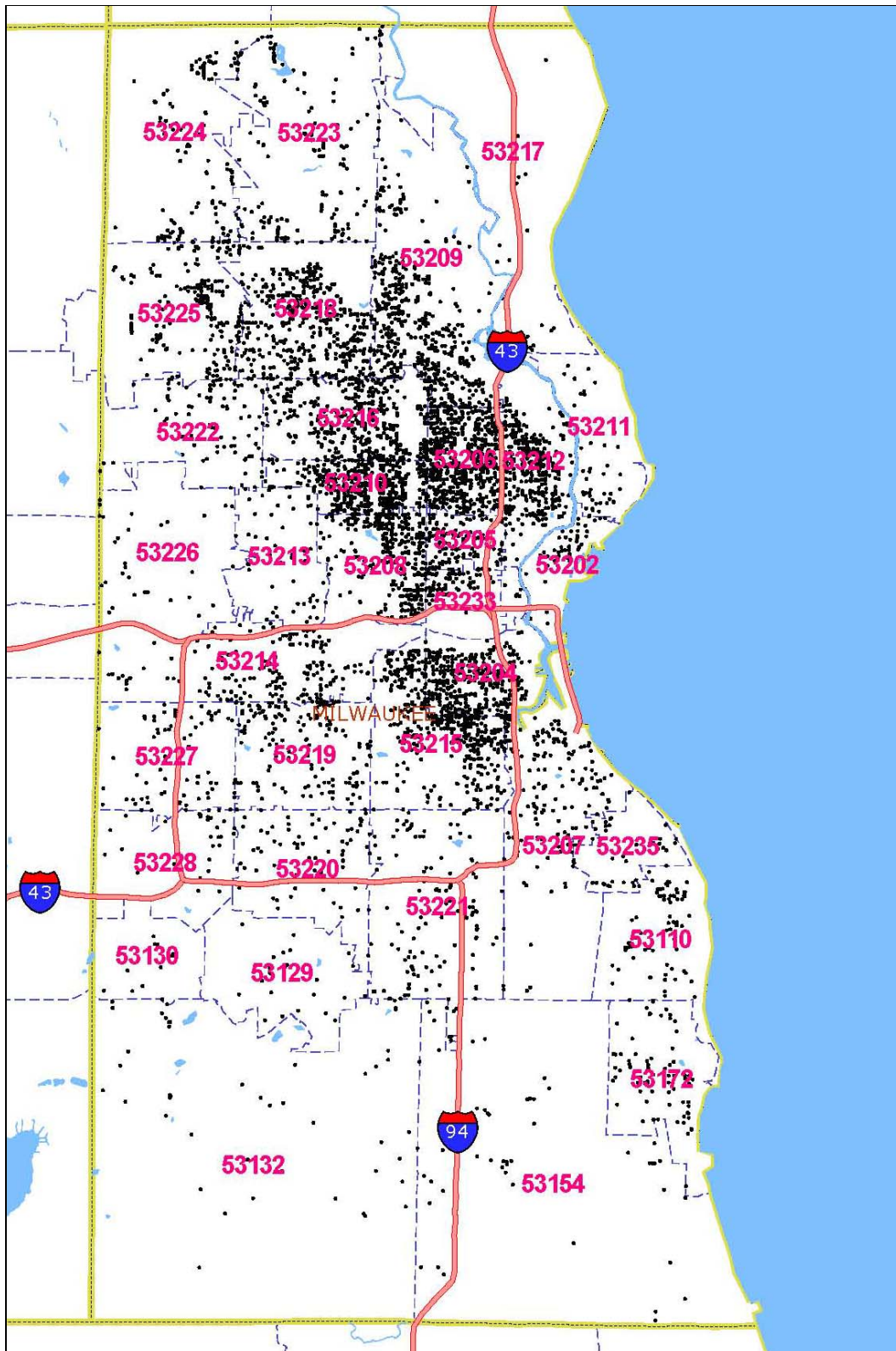
- The share of families receiving the EIC was lowest in zip code 53204 in large part because of the number of immigrant families ineligible for the credit. According to 2006 federal tax returns 27% of income tax filers (including those with and without children) used a TIN (taxpayer identification number) rather than a social security number. The TINs allow non-legal immigrants to obtain their overpaid tax withholdings but cannot be used by parents to apply for the earned income tax credit. An unknown number of additional non-legal immigrants did not file state or federal tax returns, forfeiting their overpaid tax withholdings.

¹² See **Children Most Impacted by the Economic Recession** (University of Wisconsin-Milwaukee Employment and Training Institute, 2009), online at www.eti.uwm.edu/2009/ChildrenImpacted.pdf.

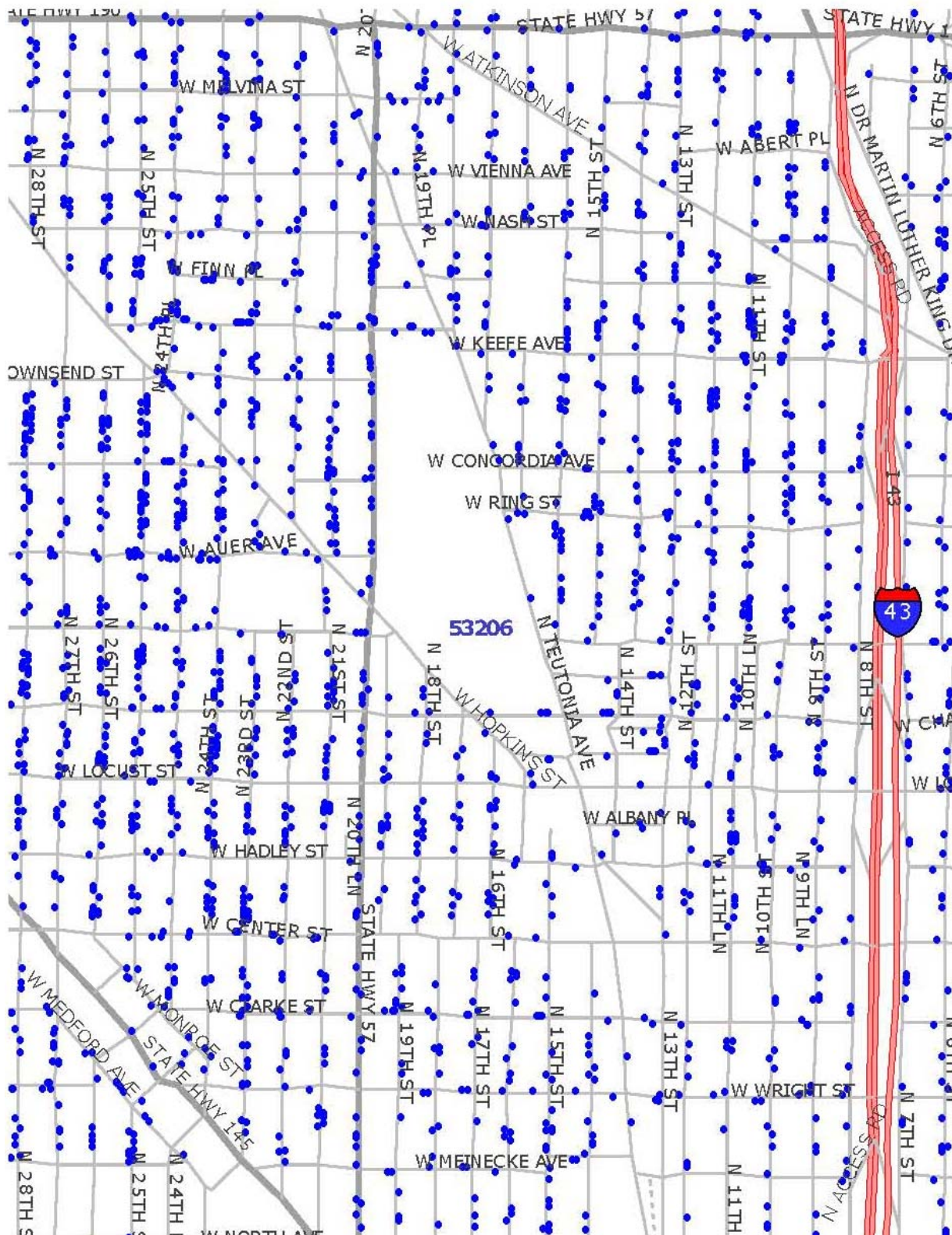
22,985 Ex-Offenders Released to Milwaukee County (1993-2008)



8,167 Milwaukee County Adults on Probation or Parole (2008)

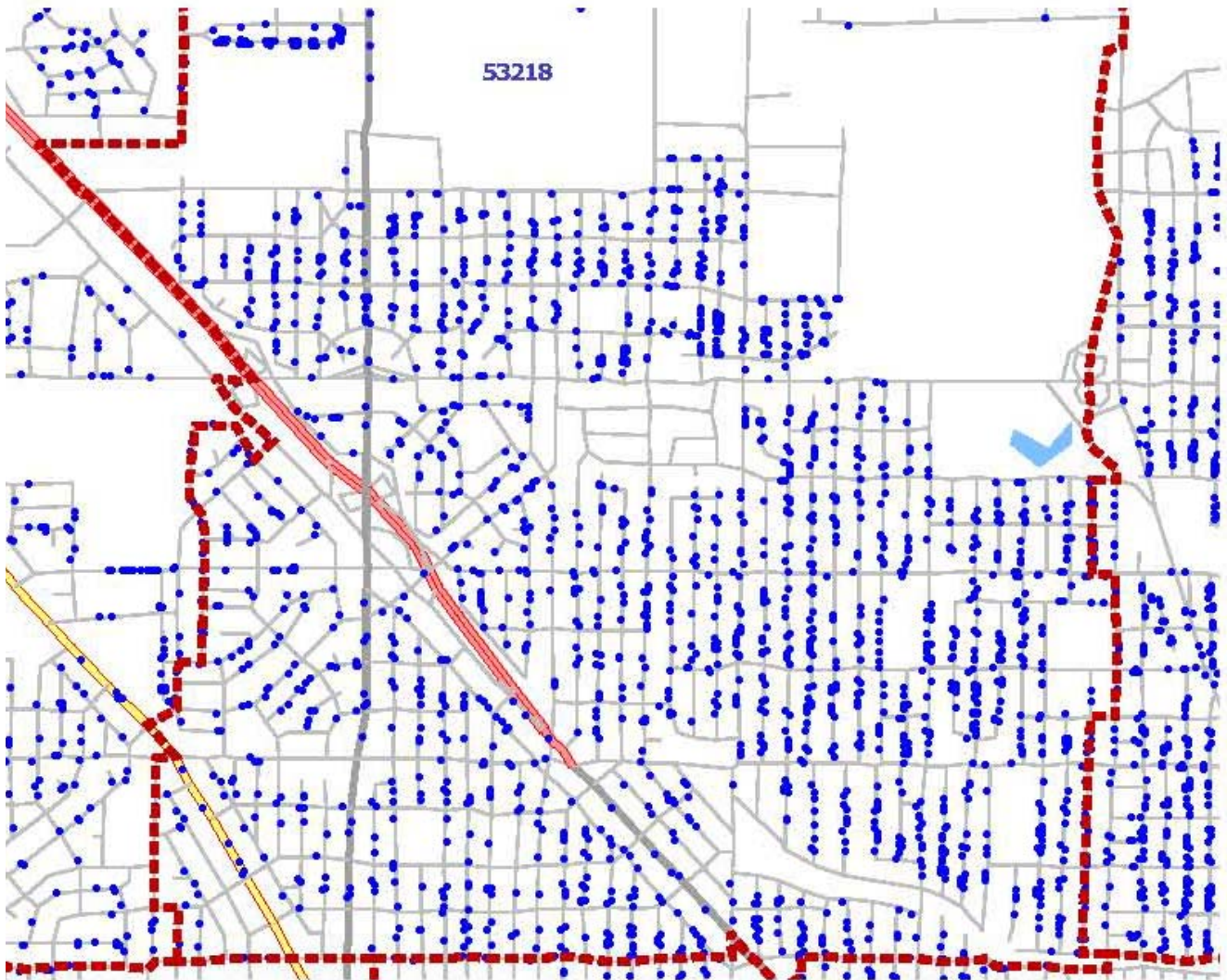


One and Two-Family Houses Put Up for Sheriff Sale: Zipcode 53206
(January 1, 2007 – May 1, 2009)



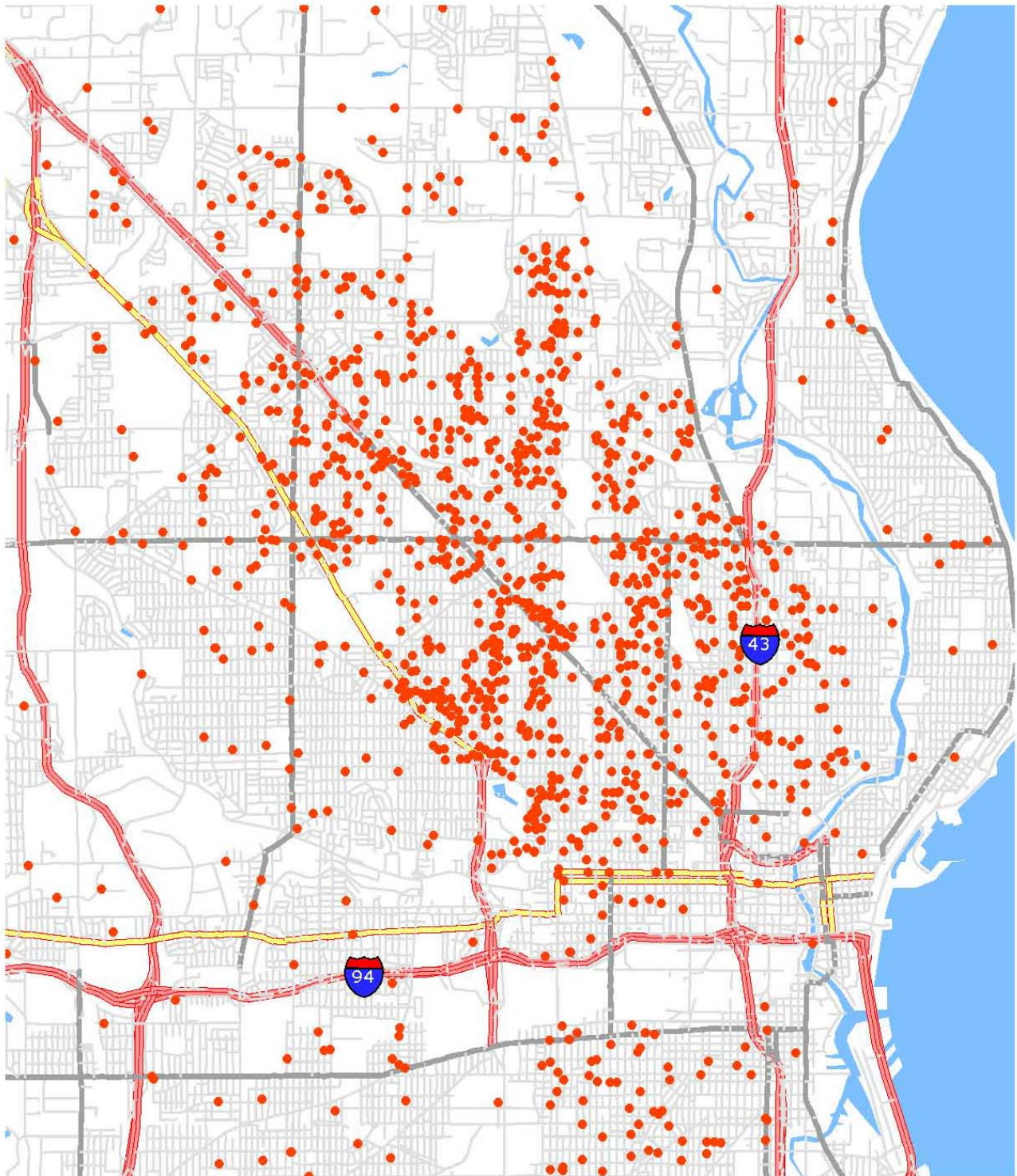
Source: Milwaukee County Sheriff auction sales of properties that are lender foreclosures for non-payment of mortgage.

One and Two-Family Houses Put Up for Sheriff Sale: Zipcode 53218
(January 1, 2007 – May 1, 2009)



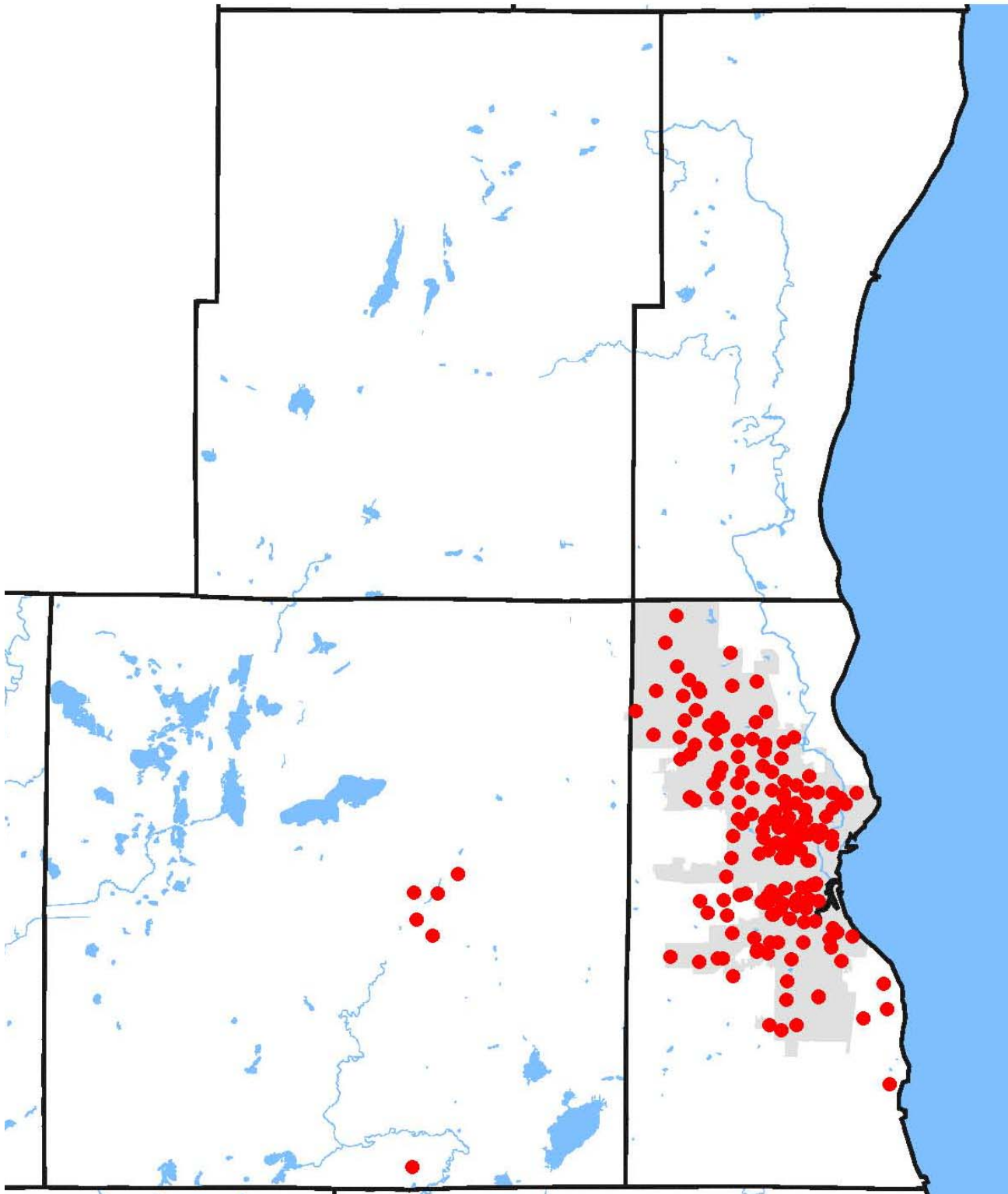
Source: Milwaukee County Sheriff auction sales of properties that are lender foreclosures for non-payment of mortgage.

State-Licensed Child Care Centers in Central City Milwaukee



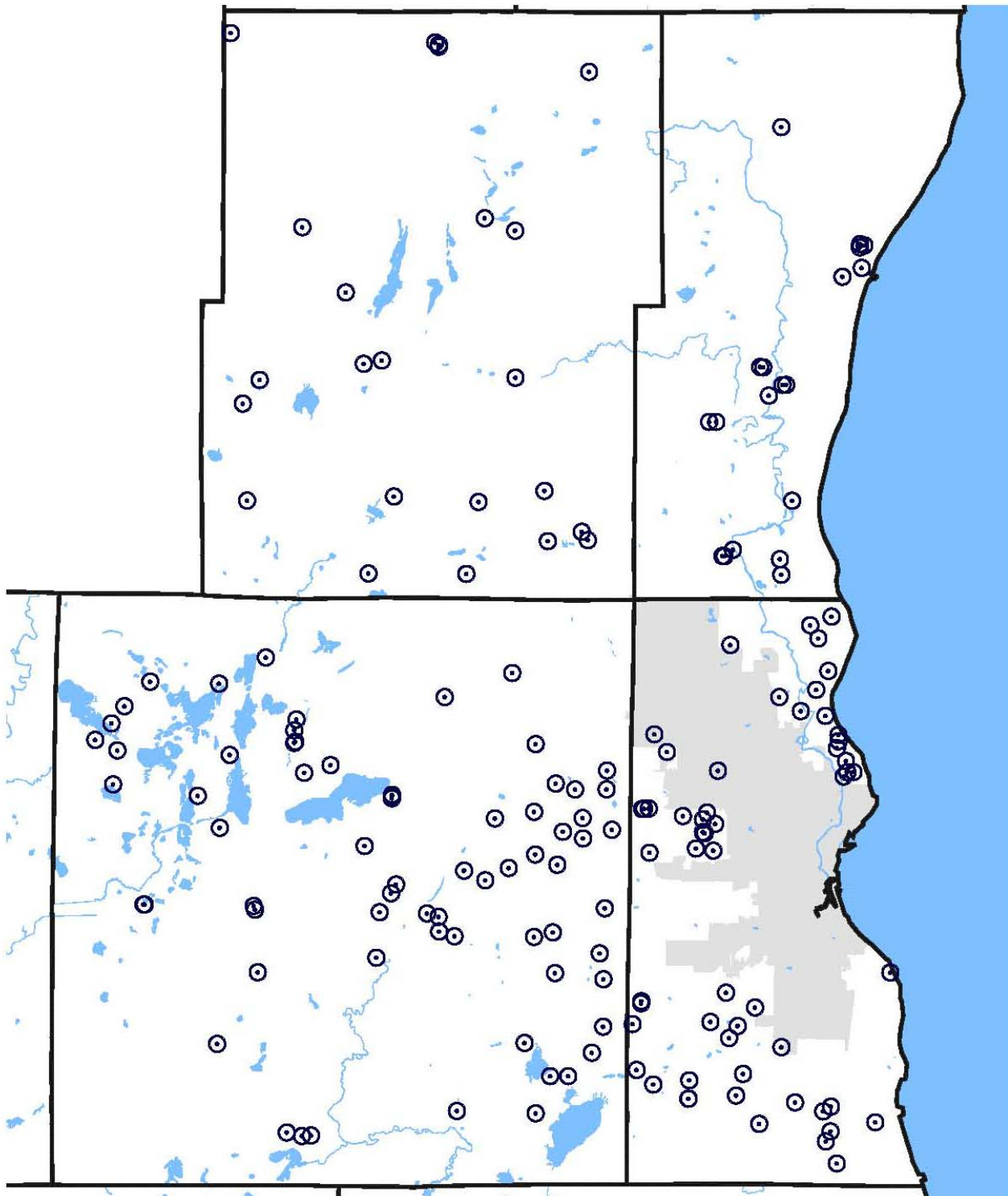
Source: Wisconsin Department of Children and Families, April 2009.

High-Poverty Schools in the Four-County Milwaukee Metro Area
(School buildings where 50% or more of the students are poor)



Source: DPI data on students certified for free and reduced price lunch programs, Milwaukee MSA, October 2008..
"Poor" is measured by family income at or below 185% of poverty. The MPS district is shaded in grey.

Low-Poverty Schools in the Four-County Milwaukee Metro Area
(School buildings where less than 25% of the students are poor)



Source: DPI data on students certified for free and reduced price lunch programs, Milwaukee MSA, October 2008. "Poor" is measured by family income at or below 185% of poverty. The MPS district is shaded in grey.