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# Research Brief on ETI Neighborhood Indicators Studies

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## Research Brief on ETI Neighborhood Indicators Studies

University of Wisconsin-Milwaukee Employment and Training Institute, 2016

The Milwaukee neighborhood indicators reports were developed by the University of Wisconsin-Milwaukee Employment and Training Institute with funding from the Greater Milwaukee Foundation and the City of Milwaukee 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. Indicators tracked changes by neighborhood since 1993, prior to the beginning of state and federal welfare payment cuts, and demonstrate the advantages of using administrative and institutional databases to measure dimensions of urban life. In 2001 the Brookings Institution identified the ETI neighborhood indicators approach as a national model. **The ETI neighborhood indicator publications are archived in the University of Wisconsin-Milwaukee Digital Commons collection at [http://dc.uwm.edu/eti\\_pubs/](http://dc.uwm.edu/eti_pubs/).**

### Income Inequality in Milwaukee County

Using annual Wisconsin state income tax filing records summarized by zipcode of residence, the ETI analysis of family income by neighborhood found that even within the small geographic area of Milwaukee County (i.e., 241 square miles of land), children have access to vastly different economic supports for their basic needs as well as for their educational opportunities. State income tax



records for 2012, for example, showed extreme income inequality among families with dependents, ranging from \$20,260 average annual income in Milwaukee's poorest zipcode (53206) to a 12 times higher average of \$253,082 in the suburban "North Shore" zipcode 53217. When examined by marital status, income gaps were even more startling for married tax filers with dependents, ranging from \$34,856 in the predominantly Hispanic zipcode 53204 to \$328,399 in the downtown/eastside 53202.

The 2012 data showed 3,871 fewer single parent tax filers (with dependents), a 5% drop over 2011 and the largest decline showed in recent years. It appeared that parents who "rode out" the recession subsequently showed difficulty competing with growing unemployed and underemployed populations for low wage jobs. In 2011 the state legislature cut its earned income tax credit support for "working poor" families with one more than one child, and Milwaukee County employed families saw a \$17 million reductions in EIC supports over the next two years under that legislation. The brunt of the cuts fell on single parents (\$15 million loss), and particularly those residing in innercity poverty neighborhoods.

### Assets of African American Neighborhoods

The ONE MKE Summit raised important concerns about who defines the assets of Milwaukee neighborhoods and where the considerable income from residents is spent. A [resource data paper for the Summit](#) delineated the Census Bureau estimates of African American income in Milwaukee County. Among the findings:



- African American residents of Milwaukee County had annual income totaling over \$3.5 billion in 2011, with over 70% of this income concentrated in the 9 zip codes where African Americans make up a majority of the population.
- African American income has tremendous economic development potential if tapped for locally-owned businesses and recycled through the community.
- There is a need for locally-developed, accurate descriptions of the assets of the African American community as called for by the ONE MKE Summit participants. Several of the largest *data* marketing firms continue to denigrate predominantly African American neighborhoods and to ignore the advantages of urban density for retail locations.

A critical priority for this issue on Milwaukee's north side was the focus of the ONE MKE Summit, the NAACP, and the African American Chamber of Commerce on maximizing the income assets of local residents for their own neighborhoods. The Chamber works to identify and help African American-owned businesses, and the NAACP Young Adult Committee initiated "recycle the black dollar" campaigns to build support for local businesses and to raise awareness of the advantages of maximizing how long retail dollars remain in the community. Randy Crump, president of the Chamber, discussed the issues and successful initiatives addressing economic development with [Wisconsin Eye](#).

### **Income Tax Data Show Impact of Recession on Milwaukee County Families**

#### Income Changes during the Recession for "Working Poor" Single Parent Families in Central City Milwaukee (2012)

This research report analyzed data on working age state tax filers with dependents reporting income in 2011. Over half (59%) of single filers in 9 central city zipcodes had less than \$20,000 annual income in 2011, suggesting low-wages, part-time jobs, high job turnover, and less than year-round employment. Single parents in Milwaukee's innercity bore the brunt of 2011 state legislated cuts in the earned income tax credit for "working poor" families, with a 26% loss of credit income. Average income filings by single and married families are detailed in the report. The [Milwaukee Journal Sentinel](#) ("Cut in tax credit hurts Milwaukee working poor, study says," December 20, 2012) reported on local and state concerns about the EIC reductions reported in the study.

#### Earned Income Tax Credits to 66,000 Employed Families in Milwaukee County during the Economic Recession (2011)

The ETI report detailed family tax filers (with dependents) qualifying for and receiving the EIC based on their 2009 income earnings. 44% of all working-age family filers in the county used the credit -- receiving \$35.9 million in state credits and an estimated \$219 million in federal credits. Every residential zipcode in the county had hundreds of qualifying families, with the biggest financial impacts in 53218, 53209 and 53215. In 3 suburbs (Cudahy, St. Francis, and South Milwaukee) a third or more of family filers used the credit, and in 11 city and city-suburban zipcodes (53206, 53233, 53205, 53212, 53210, 53218, 53208, 53216, 53209, 53225 and 53224) over half of family filers used the EIC.

## Indicators for 9 High-Poverty Zip Codes

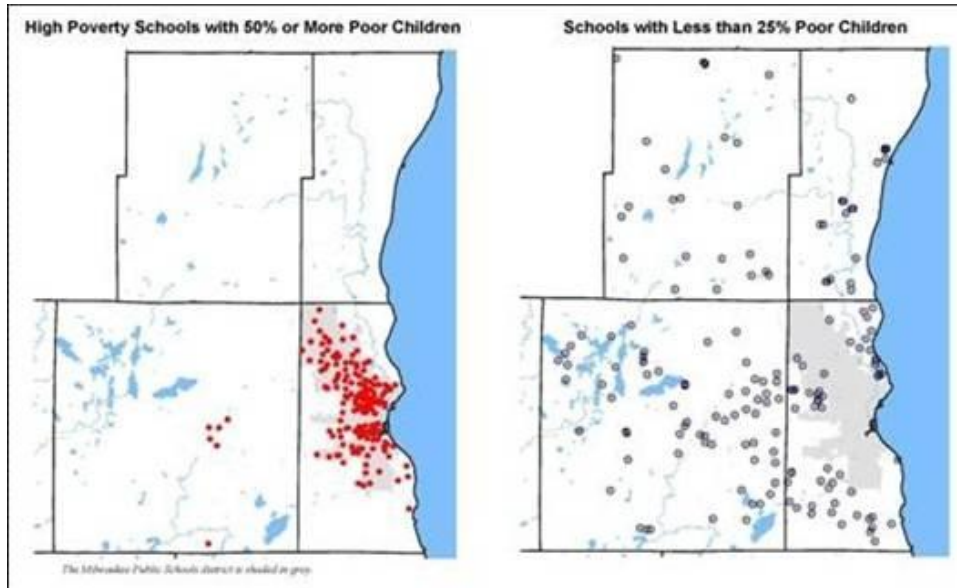
Along with conducting the school census for Milwaukee Public Schools, the Employment and Training Institute was commissioned to prepare a socio-economic analysis of issues facing children and families in Milwaukee Public Schools. The research used administrative and institutional data bases to describe conditions in the city and in 9 high-poverty zip codes, focusing on the impacts of the economic recession, national foreclosure crisis, federal-state subsidized child care program, record African American incarceration rates, crime levels, public assistance programs, driver's license policies, and relatively low earnings of employed Milwaukee families. The following reports are available:

- [Socio-Economic Analysis of Issues Facing Children and Families in Milwaukee Public Schools](#)
- [Presentation to MPS on Issues Facing Students and Families | State of the Central City](#)
- Multiple years of individual reports on Zip Codes [53204, 53205, 53206, 53208, 53210, 53212, 53216, 53218, and 53233](#)

Among the concerns raised were the numbers of Milwaukee families with earnings near or below the poverty level, concentration of single parents in the city, a 25 to 1 inner city job gap between job seekers and job openings, continuing effects of the foreclosure crisis as seen in city blocks with multiple houses up for sheriff sales, failure of the state-subsidized child care program to monitor or emphasize early childhood education, "hit and run" accident rates approaching 50% on the near southside, and incarceration rates reaching 60% for African American males of prime working age on the northside.

## Poverty in the Schools

A 2009 indicators study on [Children Most Impacted by the Economic Recession](#) used state and federal data on the number of families eligible for the National School Lunch and School Breakfast Programs administered by the U.S. Department of Agriculture to assess concentrations of poverty by school building throughout Wisconsin and in the Milwaukee metro area. The report examined numbers of children attending schools where 50% or more of the children are poor, the growing concentration of poverty within Milwaukee Public Schools, and economic factors (including a 9.1% unemployment rate in the City of Milwaukee in January 2009 and a 7 to 1 job gap between job seekers and job openings in inner city Milwaukee neighborhoods) contributing to the high numbers of employed Milwaukee families with poverty-level incomes.



### Poverty in ZIP Code 53206: Milwaukee's Poorest Neighborhood

The 53206 ZIP code neighborhood serves as a bellwether for poverty changes in Milwaukee and nationally. In the 1990s prior to welfare reform in Wisconsin it had the largest number of families receiving AFDC (Aid to Families with Dependent Children). In the 2000 Census it showed the largest number of families in poverty among Milwaukee zipcodes.

A UWM News Service article by Kathy Quirk on “ZIP Code 53206: Numbers Driving Change” explored how ETI’s data reports on one of Milwaukee’s most challenged neighborhoods aided government officials in their public policy deliberations.



As part of a WUWM Milwaukee Public Radio series on youth violence in Milwaukee, reporter LaToya Dennis interviewed residents and explored causes of youth violence. Among large forces negatively impacting this family-based neighborhood was construction in the 1960s of a North-South Freeway through the heart of the community, displacing thousands of residents, and Milwaukee’s loss of manufacturing jobs, impacting male breadwinners. Dennis also prepared a feature on a “home-grown” youth mentoring and work program showing high success in 53206.

## Milwaukee Man Starts Mentoring Program for Black Youth in 53206

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By LATOYA DENNIS



Young men working to clean up their neighborhood this summer.



Today's **TMJ4** reported on a "53206 Initiative" organized by local churches, mosques and synagogues to lower the number of black men in prison. "If we can bring opportunity, bring back jobs, bring back employment, bring back a sense of moral obligation, we can actually heal this," said Reverend Willie Brisco. "We're hoping to prevent that pipeline from high school to prison and stop recidivism and foster jobs," said Reverend Richard Shaw of St. Matthew Church.

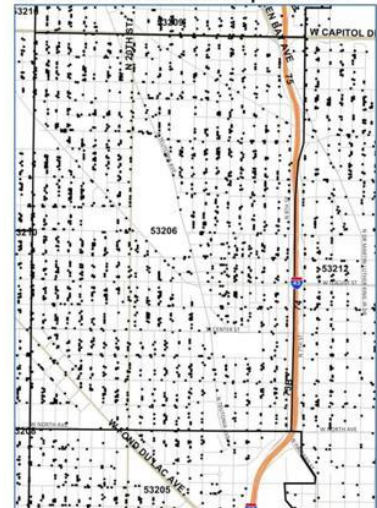
**ETI reports on neighborhood change in 53206** included a 12-year analysis of subprime lending practices, 13-year analysis of ex-prison population, earned income tax credit claim rates by neighborhood, families receiving public assistance, income levels of single and married families with dependents. The housing reports completed for ZIP Code 53206 include:

- [2009 zipcode update](#)
- [Executive Summary -- New Indicators of Neighborhood Need in Milwaukee Zipcode 53206](#)
- [New Indicators of Neighborhood Need in Milwaukee Zipcode 53206](#)
- [Update on the Housing Crisis in ZIP Code 53206](#)

### ETI In-depth Analysis of Ex-Prisoner Issues by Neighborhoods

- [Wisconsin's Mass Incarceration of African American Males \(2013\)](#)
- [Statewide Imprisonment of Black Men in Wisconsin \(2014\)](#)

Concentration of Released and Incarcerated Ex-Offenders in Milwaukee Zipcode 53206



- [Ex-Offender Populations in Milwaukee County](#) analyzes the working populations incarcerated, released from prison, and on probation and parole and maps their concentrations by neighborhood (2009).
- [Understanding the Unemployed Workforce in Milwaukee County](#) examines employment data on 7,000 ex-offenders on laid off from the jobs and receiving unemployment insurance during the recession (2009).
- [Second Year Evaluation of the Center for Driver's License Recovery & Employability](#) examines the success of ex-offenders in restoring their driving privileges through a program operated by Wisconsin Community Services and Legal Action of Wisconsin at the Milwaukee Area Technical College (2008).
- [Barriers to Employment: Prison Time](#) examines legal and employment barriers for 37,080 Milwaukee County adults released from or currently in Wisconsin correctional facilities (2007)
- [New Indicators of Neighborhood Need in Milwaukee Zipcode 53206](#) examining income, employment and quality of life changes in neighborhood where 62% of men in their early 30s have been or are incarcerated in state correctional facilities. (2007)
- [The EARN \(Early Assessment and Retention Network\) Model for Effectively Targeting WIA and TANF Resources to Participants](#) recommends an WIA data-driven service delivery system for Milwaukee that recognizes the special legal problems, driver's license recovery problems, limitations on access to employment and training, and probation and parole requirements for the ex-offender population served by WIA and TANF agencies. (2007)

### **Indepth Analysis of Housing Issues for Low-Income Households**

- [Milwaukee's Housing Crisis: Housing Affordability and Mortgage Lending Practices](#) (2007)
- [Legal Action of Wisconsin Report on Milwaukee's Housing Crisis: Foreclosures, Evictions, and Subprime Lending](#) (2007).
- [Legal Action of Wisconsin Report on Mortgage Lending Practices in Milwaukee County: Part Two](#) (2007)
- [Background on Ameriquest Mortgage Activity in Milwaukee County: 2003-2005](#) (2007).

### **Related Studies**

- [The Drivers License Status of the Voting Age Population in Wisconsin](#)
- [Child Care Selected by Families in the Shares Program](#). An analysis of use of subsidized child care by Milwaukee County neighborhoods and breakdowns of types of care provided.
- [Drill Downs for the Milwaukee Renewal Community](#). An analysis of jobs and commuter patterns for the Menomonee River Valley, Marquette University-Aurora Sinai Medical Center neighborhoods, near northside, and near southside of Milwaukee.
- [Use of Refund Anticipation Loans by Earned Income Tax Credit Filers in Central City Milwaukee Neighborhoods](#)
- [Usage of the Earned Income Tax Credit by Employed Families in Milwaukee County](#)
- [Removing Transportation Barriers to Employment: The Impact of Driver's License Suspension Policies on Milwaukee County Teens](#)
- [Removing Transportation Barriers to Employment: Assessing Driver's License and Vehicle Ownership Patterns of Low-Income Populations](#)
- [Economic Status of Milwaukee County Children in the Year 2000](#)
- [Economic Status of Milwaukee County Children in the Year 1999](#)
- [State of Milwaukee's Children in 1998: Family Income/Economic Support Report](#)



## **Purchasing Power Research (2000-2005)**

To assist the City of Milwaukee in describing the income concentration and spending power around commercial districts, the Employment and Training Institute used the databases amassed for the neighborhood indicators project along with a state-of-the-art methodology based on the Consumer Expenditure Survey data by types of families and households to describe purchasing power and economic assets in neighborhoods throughout Milwaukee County and in zipcodes in Racine, Kenosha, Waukesha, Washington, and Ozaukee County. Individual reports (including comparison tables for 53 ZIP codes, graphs, aerial photos, and density maps) are posted.

- [Purchasing Power Profiles of City of Milwaukee ZIP Codes and Suburban Areas](#)
- [Purchasing Power of Milwaukee Commercial Districts](#)
- [Confronting Anti-Urban Marketing Stereotypes: A Milwaukee Economic Development Challenge](#)
- To allow comparisons of dense urban neighborhoods with more sparsely populated suburban areas, 2002-2003 ETI purchasing power drilldowns were made available free for all census tracts and residential zipcodes in the United States.

## **2001 Brookings Reports on the ETI Indicators Research**

The Milwaukee indicators approach was recognized as a national model by **The Brookings Institution**. In 2001 Brookings commissioned a discussion paper from ETI on how to replicate the Milwaukee ETI approach and a second report on strategies to identify economic assets of central city neighborhoods.

- [Tracking the Progress of Welfare Reform Quickly: A Model for Measuring Neighborhood Health and Change](#), published by The Brookings Institution Center on Urban and Metropolitan Policy, October 2001.
- [Exposing Urban Legends: The Real Purchasing Power of Central City Neighborhoods](#), published by The Brookings Institution Center on Urban and Metropolitan Policy, June 2001.

## **Background on the Indicators Project**

The University of Wisconsin-Milwaukee Employment and Training Institute developed indices from institutional and administrative databases to measure employment, economic and welfare changes in Milwaukee neighborhoods beginning in 1991. The first ZIP code level research project conducted by the Employment and Training Institute focused on [Identifying Youth in Critical Need of Intervention: Lessons from the Past, Measures for the Future](#) for zipcodes 53204 and 53206. This 1991 study identified families most in need of intervention services from the Milwaukee County Department of Health and Human Services.

In 1998 the indices were expanded to include 9 zipcodes in Milwaukee's central city in order to assist local foundations in assessing the neighborhood-wide impacts of the elimination of Aid to Families with Dependent Children on children and families. More recently, assessments have focused on the disparate impacts of the recession and the national housing crisis by neighborhood.



The indices were designed to gauge short-term and long-term progress toward improving the economic and employment well-being of families in central city Milwaukee, utilizing institutional records from the Wisconsin Department of Revenue, Wisconsin Department of Transportation, Milwaukee County, City of Milwaukee, Internal Revenue Service, and U.S. Census Bureau, among others. Individual reports are available on nine Milwaukee zipcode areas targeted by Community Development Block Grant (CDBG) programs. Data trends are analyzed for 1992 to present.



### Monthly Drilldowns for the Milwaukee Area Workforce Investment Board

From 2009 through 2012 the Employment and Training Institute collaborated with MAWIB staff to track economic trends affecting job stability and training concerns for Milwaukee County workers. The set of 47 monthly reports is available on the UWM Digital Commons site at [dc.uwm.edu/eti](http://dc.uwm.edu/eti).

### Vital Signs for the Greater Milwaukee Foundation: 2009-2011

The Employment and Training Institute prepared indicators of economic need for the Greater Milwaukee Foundation "Vital Signs" to help track the impact of the recession on local counties and the metro area as a whole. Monthly changes were posted for:

- BadgerCare Plus enrollments
- Families receiving W-2 (TANF) income support
- FoodShare recipients
- Home foreclosure court filings
- Laid-off workers on unemployment insurance
- Unemployment rates

Summaries of the data findings by counties included:

- Indicators of Economic Need in the Milwaukee Metro Area: June 2011 Update
- Indicators of Economic Need in Milwaukee County (July 2010)
- Indicators of Economic Need in Ozaukee County (July 2010)
- Indicators of Economic Need in Washington County (July 2010)
- Indicators of Economic Need in Waukesha County (July 2010)

For its coverage of the GMF/ETI "Vital Signs," WUWM public radio won the Associated Press award for Enterprise Reporting and the Northwest Broadcast News Association "1st Place, General Reporting" award.

