

Socio-Economic Analysis of Issues Facing Children and Families in Milwaukee Public Schools

Research Brief for Milwaukee Public Schools

by Lois M. Quinn, Employment and Training Institute,
University of Wisconsin-Milwaukee, October 26, 2009.



University of Wisconsin-Milwaukee Employment & Training Institute

Background on the ETI Indicators Research

The indicators research was developed for **local foundations** in 1998 to measure neighborhood need during welfare reform. Examples include:

- The Forest County Potawatomi Community Foundation funded outreach programs to increase the number of Milwaukee families claiming the earned income tax credit, based on the ETI claim rate indicators.
- Zip code 53206 was selected for the Zilber Neighborhood Initiative.



The **City of Milwaukee** used the indicators to identify assets and problems in Community Development Block Grant neighborhoods. The city has promoted “purchasing power profiles” detailing advantages of retail businesses in dense central city neighborhoods.

Purchasing Power Profile: Cesar E. Chavez and National


Milwaukee, Wisconsin

Within a 3-Mile Radius of Chavez & National

- Estimated \$675.1 million spent on retail expenditures annually
 - \$251 million for food at home
 - \$90 million for food away from home
 - \$110 million for apparel and related services
 - \$115 million for entertainment
 - \$84 million for household furnishings and equipment
 - \$25 million for personal care products and services
- 63,408 working age income tax filers with \$1.76 billion of adjusted gross income in 1999
- 16,434 elderly persons
- 97,501 active residential postal deliveries and 9,040 active business deliveries
- 77,491 registered vehicles
- 82,368 licensed drivers



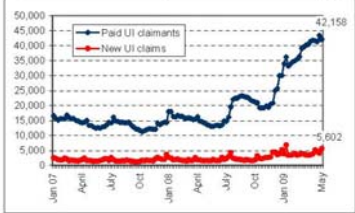
The Milwaukee Area Workforce Investment Board collaborates on monthly drilldowns to track employer and labor force needs.



Milwaukee Drilldown, May 2009

for the Milwaukee Area Workforce Investment Board, Inc.

42,000 Milwaukee County workers receive unemployment compensation; 5,600 more apply



415,455 Milwaukee County residents were reported employed in March 2009 and 43,175 unemployed.

UNEMPLOYMENT INSURANCE CLAIMS
42,158 Milwaukee County workers received unemployment insurance payments for the week ending May 2, 2009 (up by 25,539 since January 2007). Another 5,602 workers filed initial claims for UI. Over half (58%) of new claimants are men, and of these 58% are white, 38% African American, and 3% Latino. For women, 51% of new claimants are African American, 45% white, and 3% Latina.

FIRM CLOSINGS AND LAYOFFS
In April 2009, 2 firms in Milwaukee County (GE Healthcare Monitoring Solutions and T-Shirt International) reported anticipated layoffs to the state for a loss of 273 jobs.

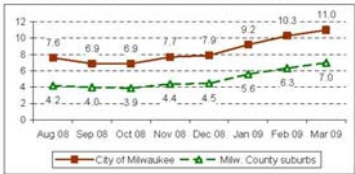
SAFETY NETS FOR MILWAUKEE COUNTY FAMILIES
The number of Milwaukee County residents receiving FoodShares reached 172,671 in March 2009, up by 31,970 from January 2007.

As of March, 161,616 residents were enrolled in BadgerCare Plus with numbers continuing to increase.

W-2 cash assistance cases in March 2009 totaled 4,905, including 4,288 cases with CSJ and transition jobs. The number of families receiving W-2 income support is up by only 365 over January 2007.

14,722 families received Shares child care subsidies in April 2009, up by 1,599 from January 2007. A total of 29,418 children are in care.

City of Milwaukee unemployment hits 11% in March



2,315 construction trade apprentices

Apprenticeships are down in the construction trades, with a total of 2,315 apprentices in 17 committees with workers in the Milwaukee area. Sharp drops were seen for the carpenters, iron workers, and construction craft laborers.

In Spring 2009, 171 (7%) of the apprentices were African American, and 138 (6%) were Hispanic. Females held 3% of the training jobs.

Drilldown Data Sources: Wisconsin departments of Children and Families, Health Services, and Workforce Development. 05/10/09

Joint Apprenticeship Committees Serving the Milwaukee Area	Active Construction Trade Apprentices:		
	CY2007	CY2008	Spring 2009
Milwaukee Area Bricklaying	56	50	29
Milwaukee Area Cement Masonry	44	36	19
Milwaukee Area Electrical	239	251	206
Milwaukee Area Ironworking	253	236	164
Milwaukee Area Painting & Decorating	95	77	53
Milwaukee Area Plumbing	230	204	155
Milwaukee Area Sheet Metal	193	202	168
Milwaukee Area Sprinkler Fitting	90	76	56
Milwaukee Area Tile Setters	12	9	3
SE WI Area Carpenters	465	386	294
SE WI Steamfitting	187	193	167
SE WI Construction Craft Laborers	149	120	59
SE Wisconsin Roofing & Waterproofing	118	149	119
Southeastern Glazing	69	60	52
Southern WI Heat & Frost Insulators	67	64	45
Wisconsin Operating Engineers	560	531	490
ABC of WI-Waukesha (non-union)	305	292	236
TOTAL (DWD May 4, 2009 Report)	3,126	2,938	2,315

Prepared by the Employment & Training Institute, University of Wisconsin-Milwaukee and the Milwaukee Area Workforce Investment Board
Milwaukee DWD photo courtesy of Milwaukee Electric Tool Corporation

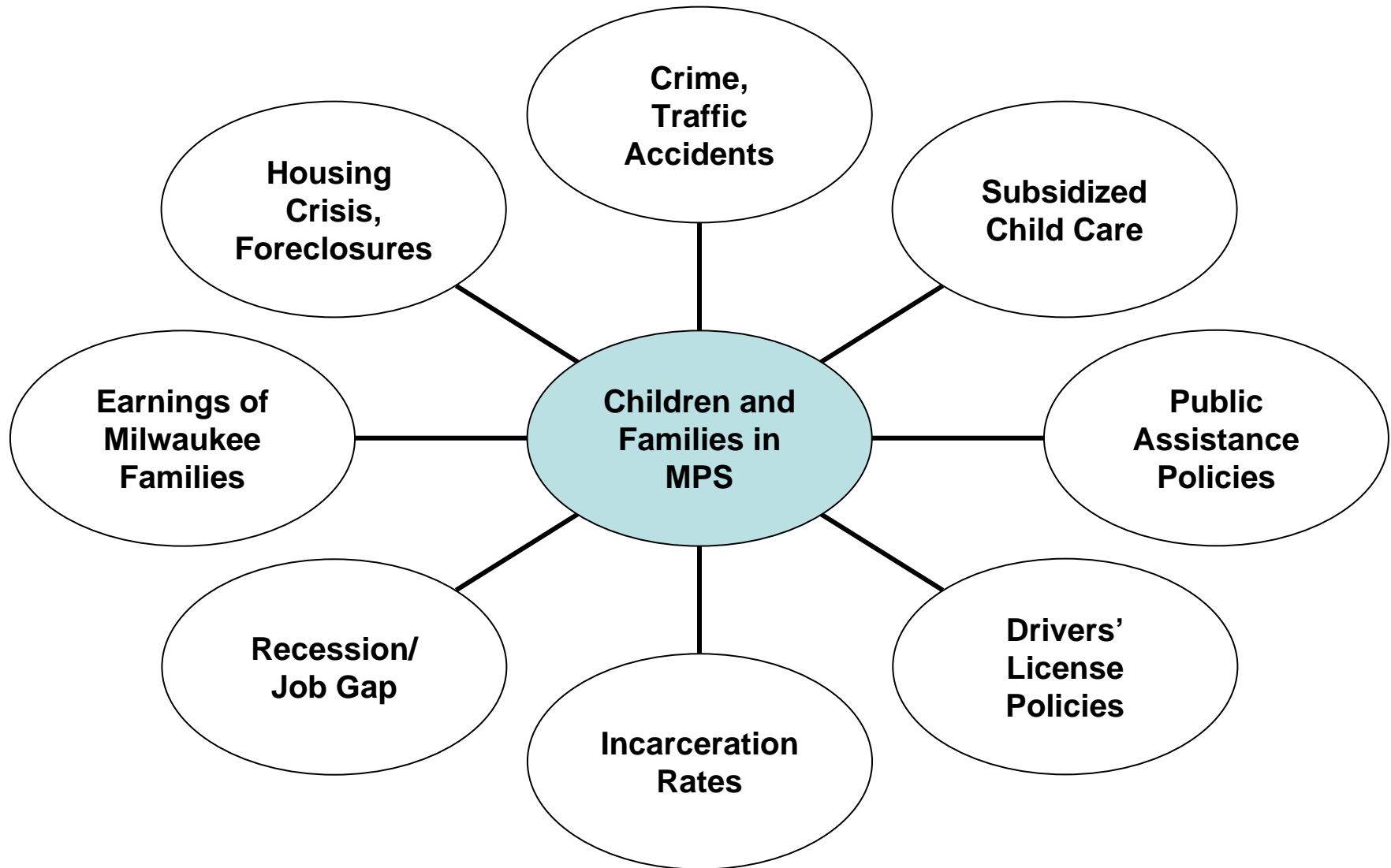


The Brookings Institution identified the ETI indicators as an urban research model. National interest has developed in zip code 53206 as a bellwether for urban poverty.

The screenshot shows the Brookings Institution website interface. At the top, the tagline "QUALITY, INDEPENDENCE, IMPACT." is visible on the left, and navigation links "Home | Contact Us | Media Resources" are on the right. The main header features the "BROOKINGS" logo. Below this, the date "TUESDAY SEPTEMBER 22, 2009" is displayed on the left, and user options "WELCOME | REGISTER | LOG IN" are on the right. A left sidebar contains a navigation menu with categories like "U.S.", "WORLD", "ECONOMY", "Programs", "Experts", "Events", "Brookings Institution Press", "Executive Education", "About Brookings", "NEWSLETTERS", "MULTIMEDIA", "PODCASTS", "RSS", and language options "ESPAÑOL", "中文", and "عربي". The main content area features the article title "Tracking the Progress of Welfare Reform Quickly: A Model For Measuring Neighborhood Health and Change" by John Pawasarat and Lois M. Quinn. The article text begins with "Welfare reform research commonly relies on multi-year state and national evaluations and surveys, leaving city officials and practitioners hungry for data on the immediate impact of policy and economic changes on their inner-city neighborhoods. This study describes the Milwaukee neighborhood indicators project, which uses a variety of geographically specific data sources from state, county, and city agencies to provide a more timely set of indicators on the economic health of Milwaukee families and neighborhoods. The research model described in this paper can be replicated in cities across the country." Below the article text are options to "Save", "Download (PDF)", "Share", "E-mail", and "Print". A "RELATED CONTENT" section lists a link to "Give Credit Where Credit is Due: Increasing Access to Affordable Mainstream Credit Using Alternative Data" by Alyssa Stewart Lee. On the right side, there is a "KEYWORD SEARCH" box, a "My Portfolio" section with "My New Content" link, and a "Save your settings:" section with options to "Create a Brookings Account" or "login". A "Related Topics" section lists "U.S. Poverty", "Welfare", "Cities", "Children & Families", and "Community Development".



Issues Facing Milwaukee Public Schools



Milwaukee's Housing and Foreclosure Crisis

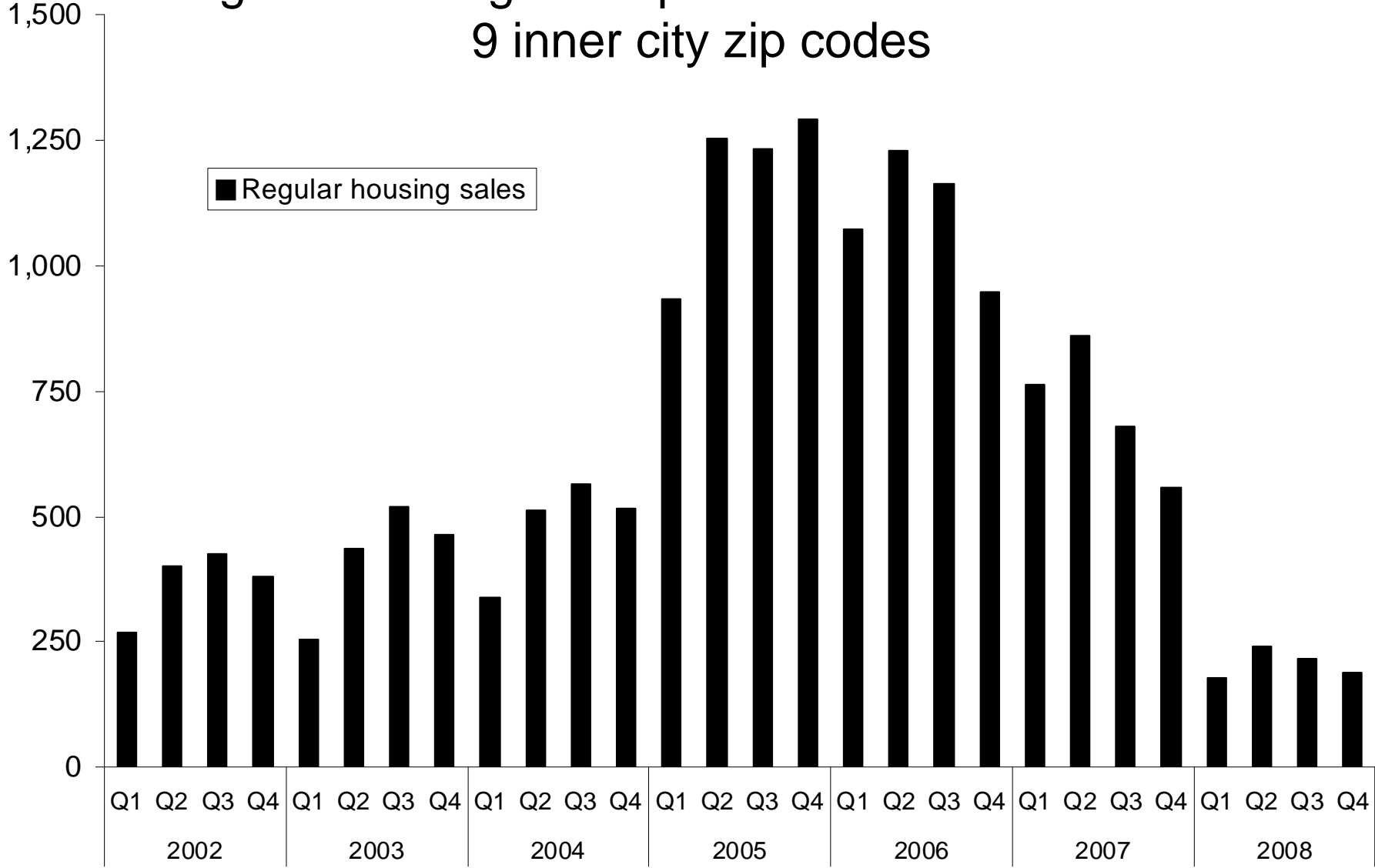
Prior to 2002 relatively few housing sales were recorded in many inner city neighborhoods.

In 2005 and 2006 over 60 mostly out-of-state subprime lenders targeted the inner city for mortgage lending. Families made first-time home purchases and refinanced existing homes.

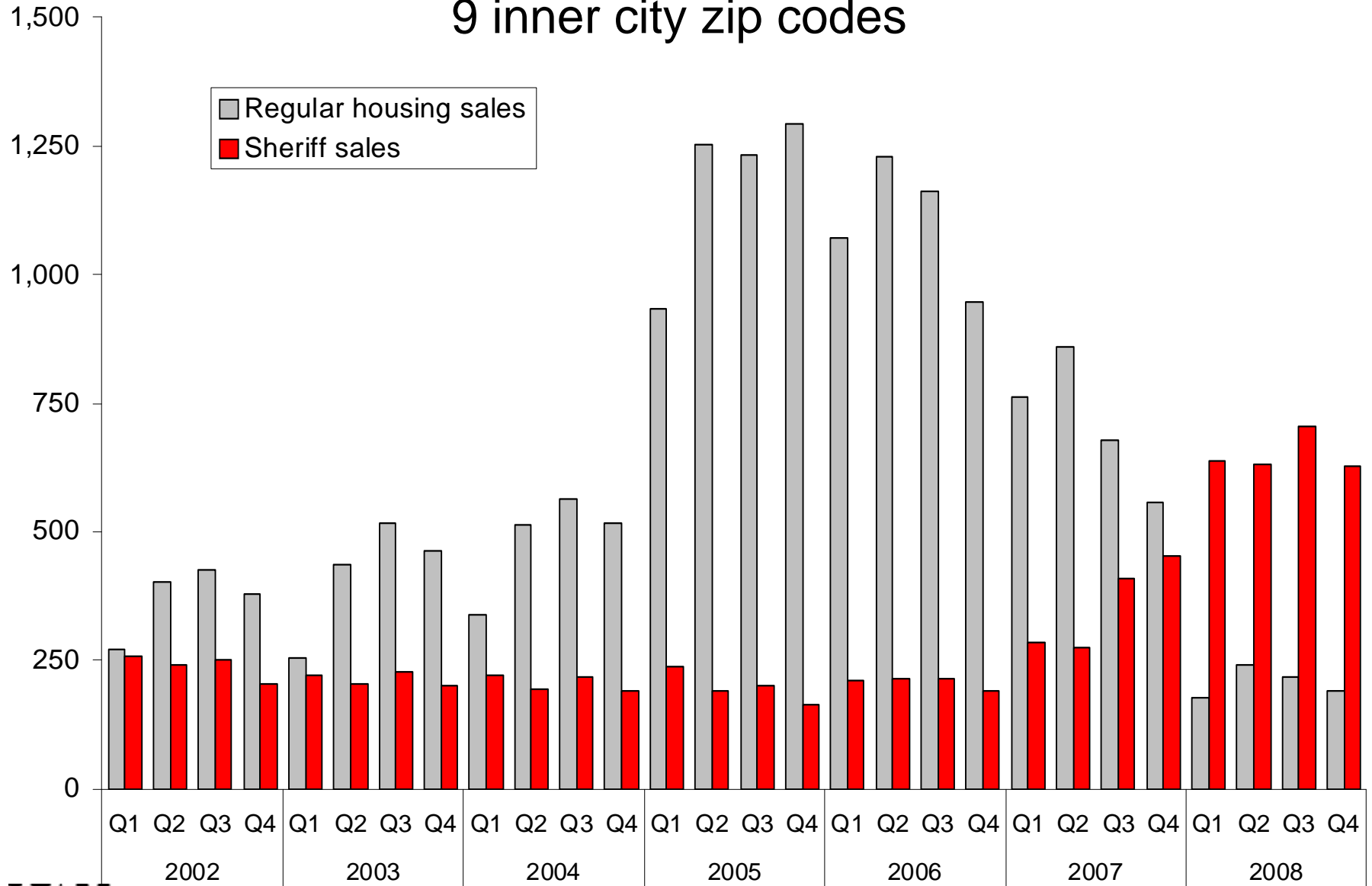
By 2008, regular housing sales had significantly declined, but sheriff sales of properties in foreclosure have increased dramatically.



Regular housing sales peaked in 2005 and 2006: 9 inner city zip codes



Sheriff sales escalated in 2007 and 2008: 9 inner city zip codes



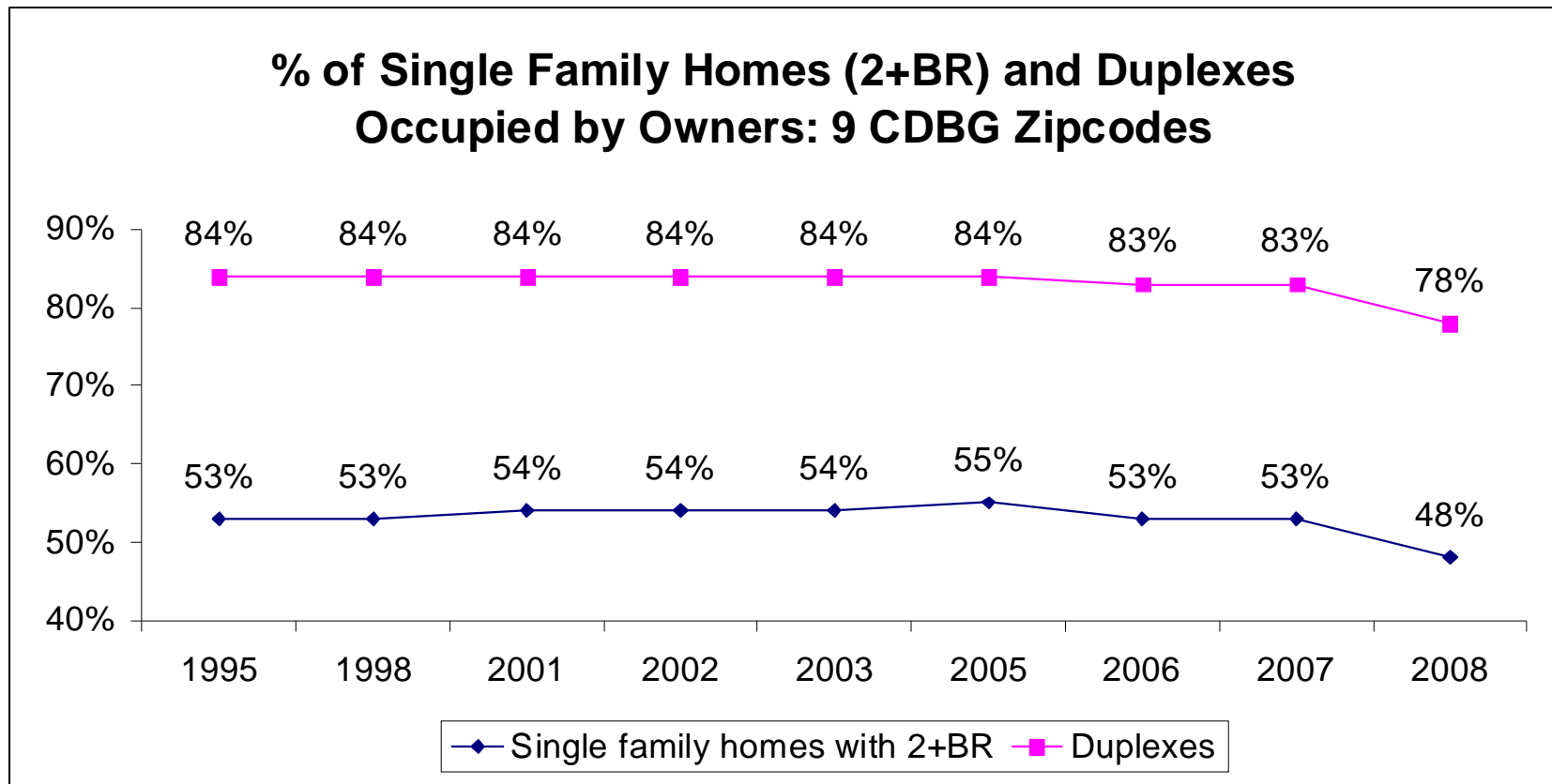
Houses up for sheriff sale can be found on nearly every block in some neighborhoods – often leading to abandoned housing, delayed repairs, vandalism, and tenants displaced.



(Zip code 53218, Jan. 2007-May 2009)



An apparent immediate impact of the housing crisis was a drop in home ownership (a long-time strength of Milwaukee's housing stock) in the central city.



In 2006 **even before the recession** the Census Bureau estimated that of 51,000 Milwaukee children on public assistance (including food stamps and SSI):

- 48% were in households spending at least HALF of their income on housing (i.e., rent and utilities).
- 24% were in households spending more than 75% of their income on housing.

The Census Bureau estimated that one of every 5 Milwaukee homeowners with a mortgage was spending over HALF of their income on housing in 2006.



Student mobility can be expected to continue at high rates given Milwaukee families (both renters and homeowners) displaced by foreclosures and unable to meet their mortgage and rent payments.



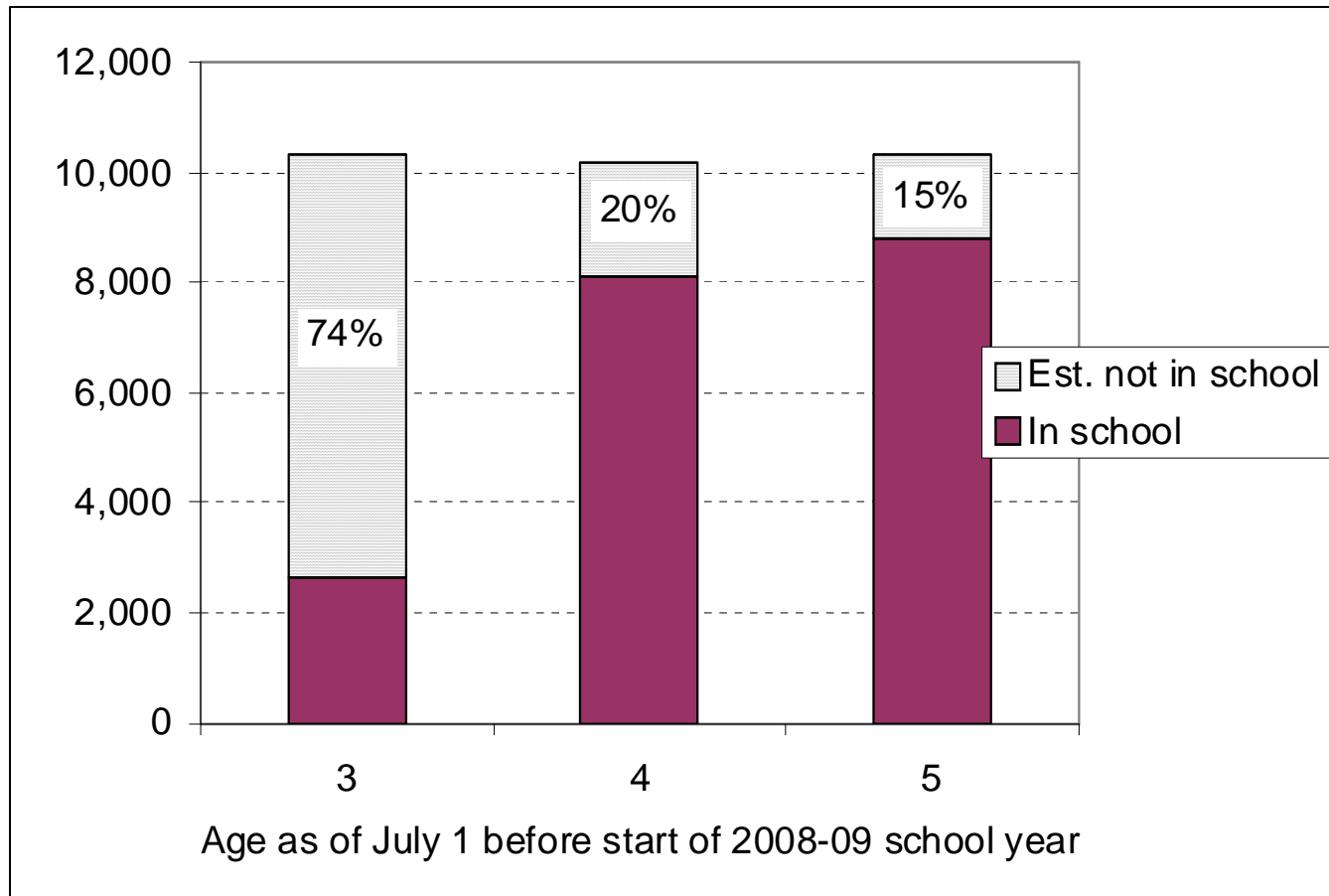
Child Care Concerns

Wisconsin spends \$200 million a year in federal and state funds for subsidized children care in Milwaukee County under the Wisconsin Shares program.

A major concern is the number of Shares-subsidized parents who for a variety of reasons may be keeping their children in **full-time day care rather than** enrolling them in **early childhood education** in the public and private schools.



Many **Milwaukee** children are not in early childhood education.



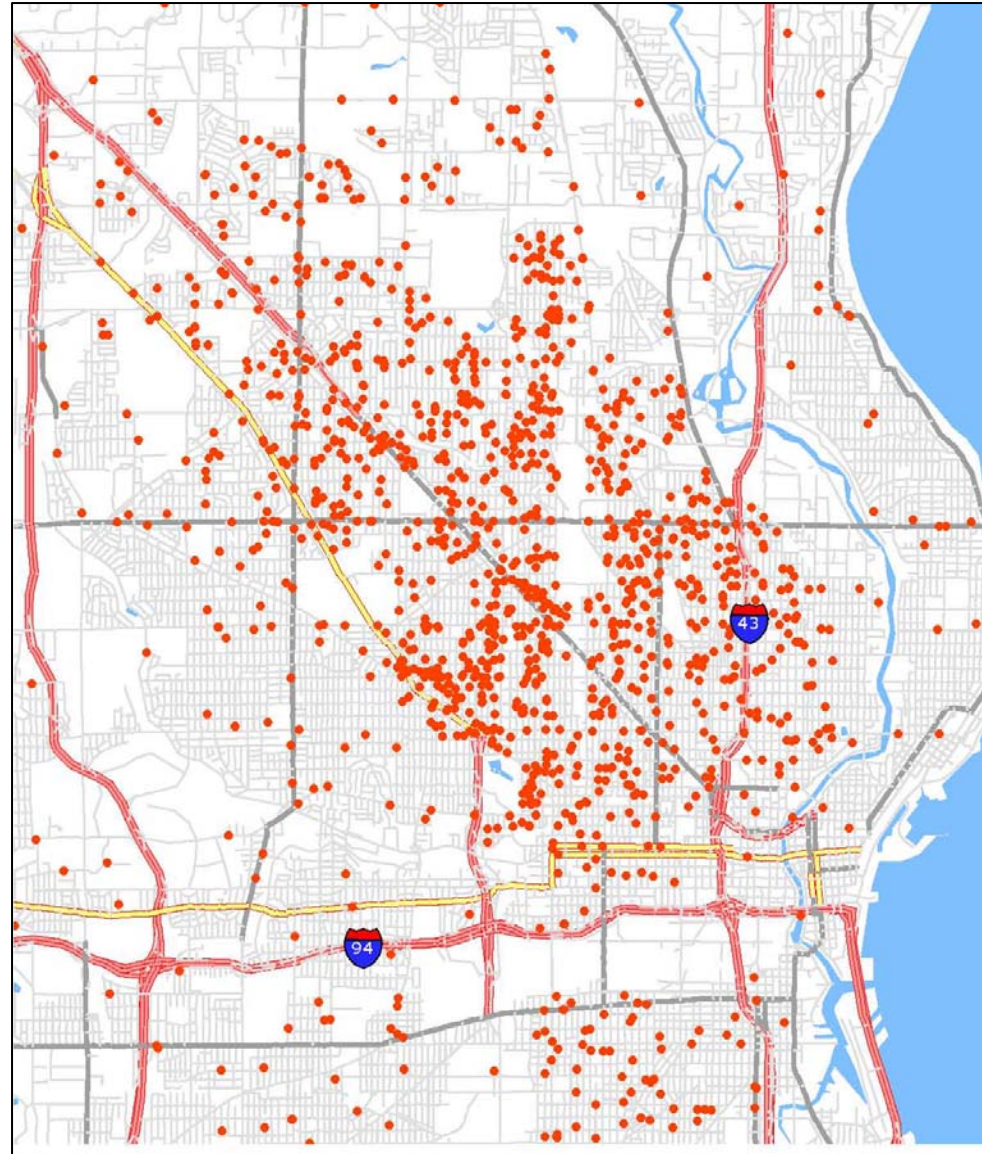
<u>MPS Students by Grade (Jan. 2009)</u>	<u>% not in MPS 2007-08</u>
1 st Grade	14%
K5	23%
K4	76%

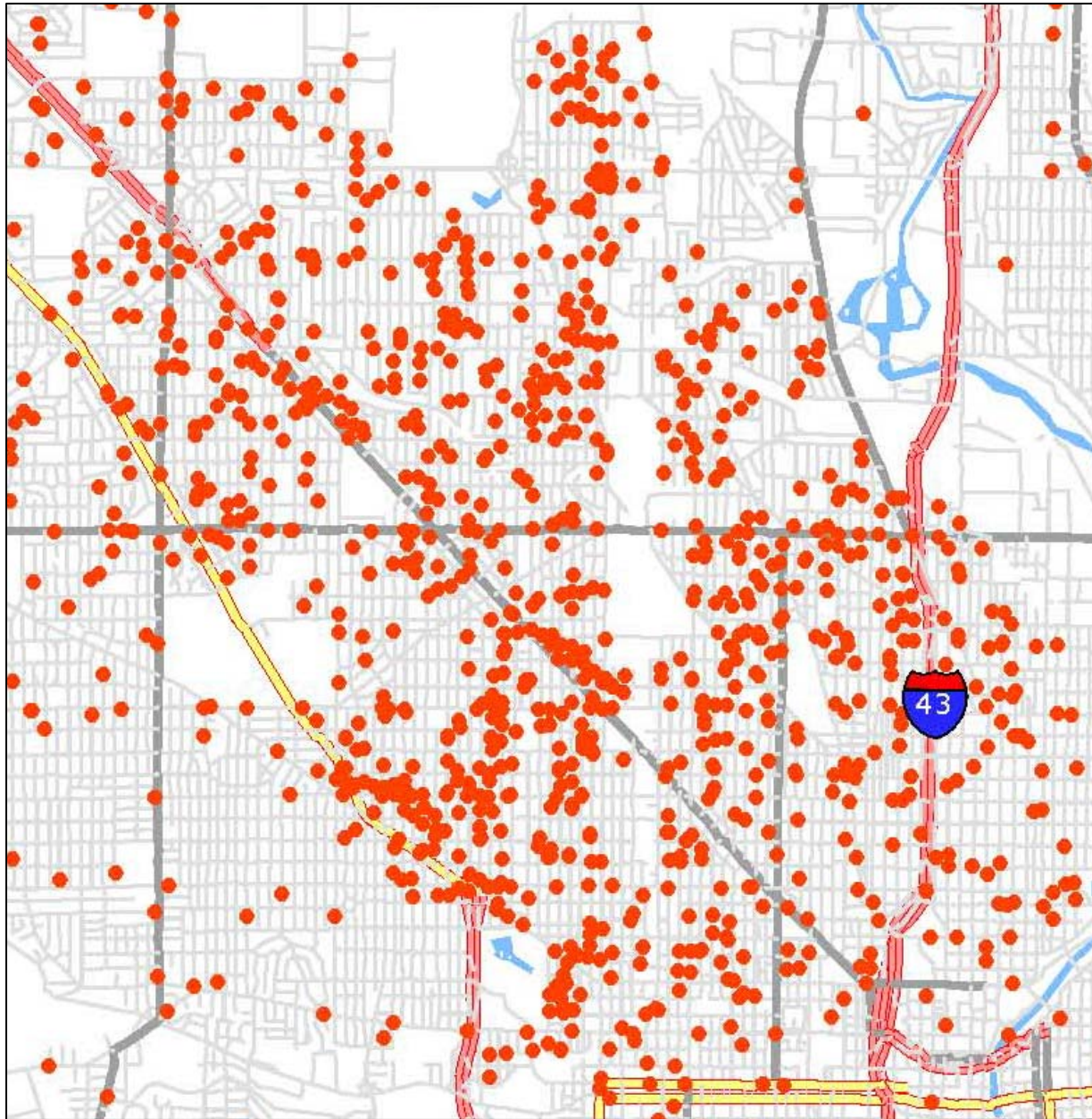


Licensed **day care capacity** has more than tripled in the central city.

Most child care centers in the inner city draw all or nearly all of their clients from the Shares program.

(Licensed family and group child care centers, April 2009)





Wisconsin Shares subsidies averaged \$7,040 per child (\$8,800 including overhead appropriations) in 2008-09.

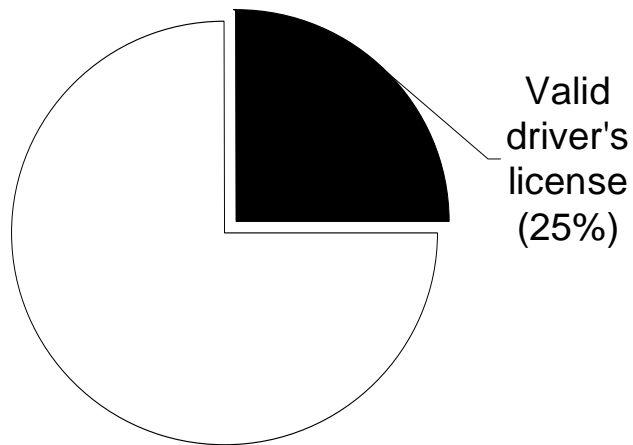
There is little oversight of expenditures or data required on:

- ✓ expected educational and developmental outcomes
- ✓ wages paid to child care staff and administrators
- ✓ qualifications of staff (“lead teacher”=80 hours training)
- ✓ curricula used
- ✓ planned activities
- ✓ transportation costs.

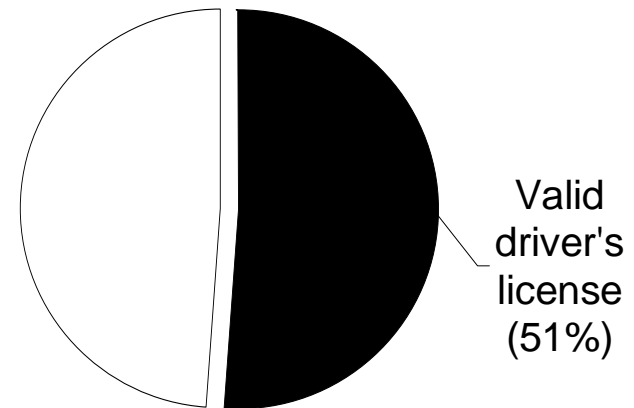


Transportation of children is a safety concern.

Most **parents** in Shares are dependent on their child care provider for transportation.



Only half of subsidized family **providers** have a valid driver's license.



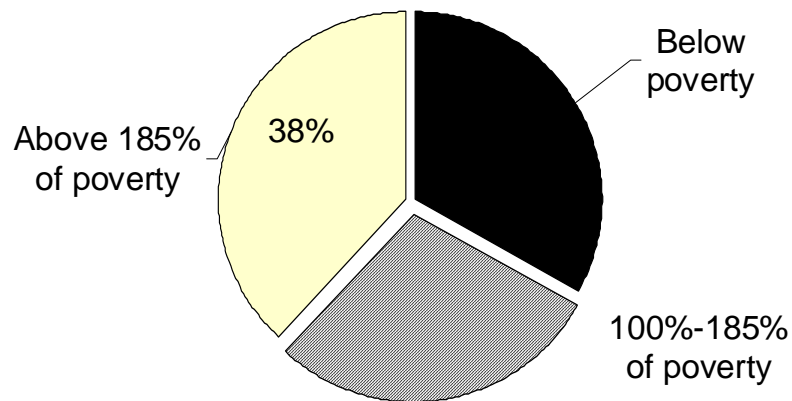
Deaths have resulted from infants and toddlers left unattended in vehicles.

Lack of Jobs/Unemployment

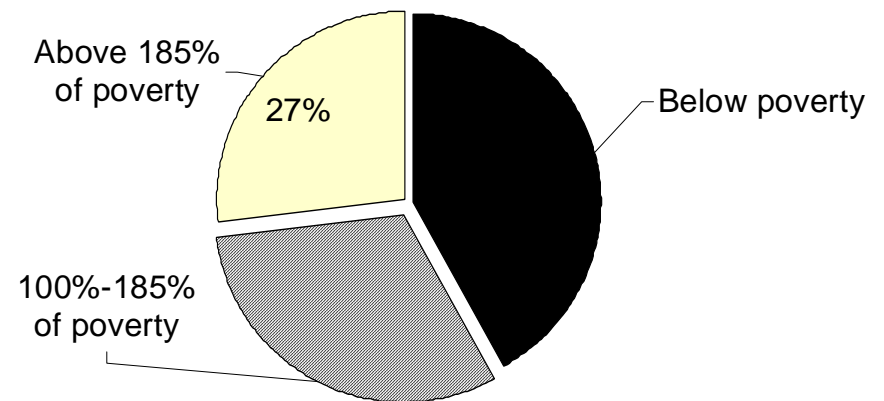
Poverty among working families was a citywide problem ***even before the recession.***

In the predominantly city of Milwaukee zip codes, a majority of non-elderly families (with dependents) had income below or near poverty, according to 2007 state income tax returns.

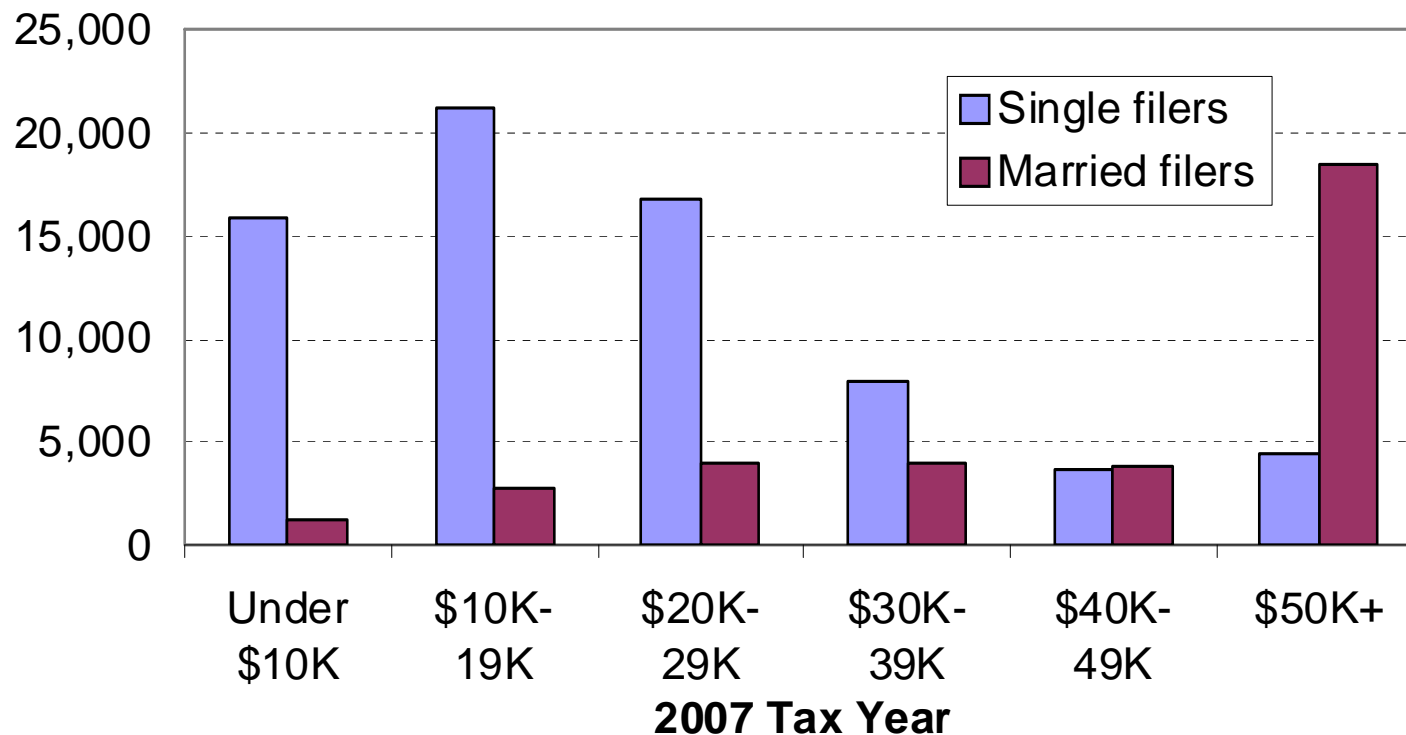
Predominantly City Zip Codes



9 Inner City Zip Codes

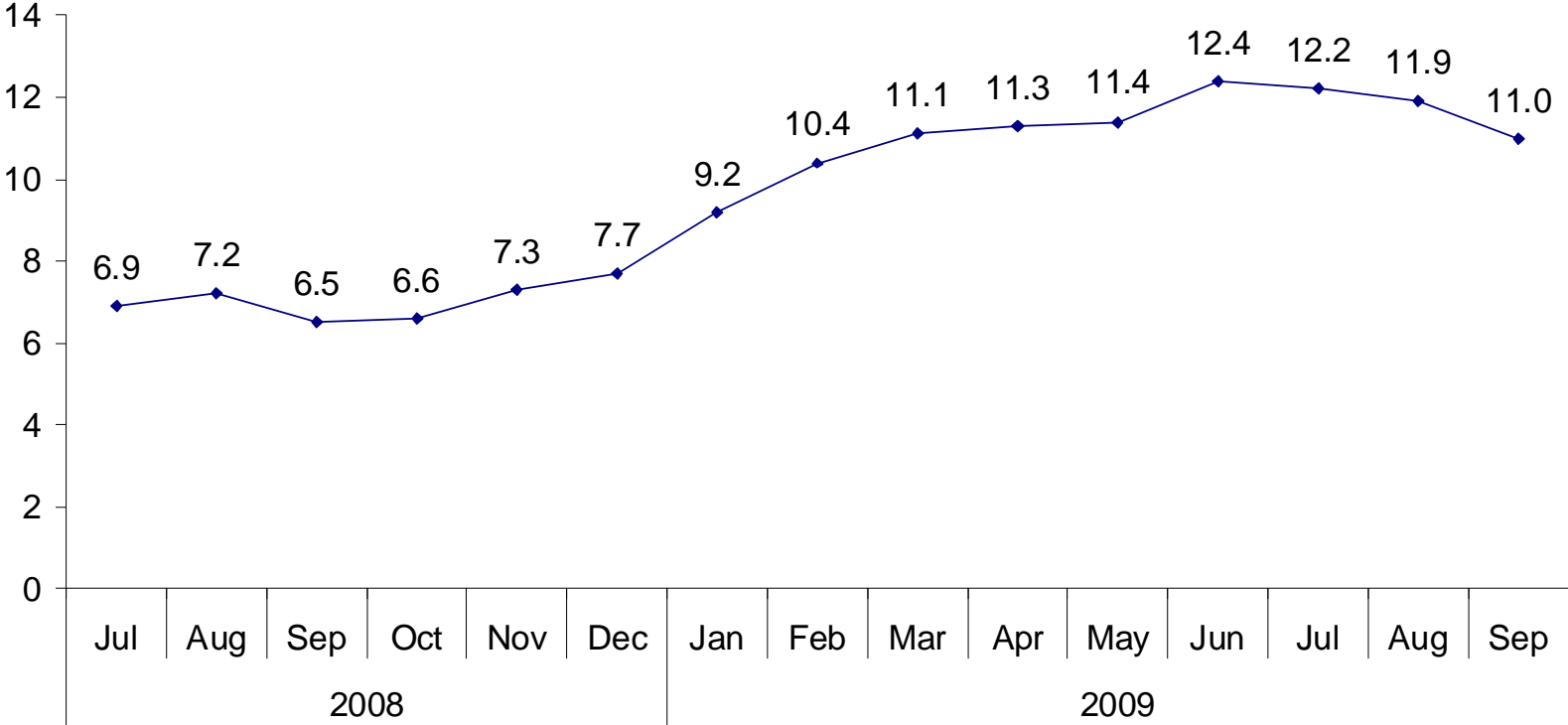


Given their limited income, **single parents** are more likely to live in the city of Milwaukee than in the suburbs and far more likely to live in poverty. In the city zip codes, 15,829 single parents with dependents earned less than \$10,000 in 2007, and another 21,174 earned less than \$20,000.



The economic recession has had devastating effects throughout southeastern Wisconsin, and particularly in Milwaukee. The city of Milwaukee unemployment rate has risen from 6.9% last summer to over 12% in summer of 2009.

Monthly Unemployment Rates: City of Milwaukee



The May 2009 job openings survey conducted by ETI found 25 job seekers for every 1 full-time job openings in the 9 inner city zip codes.

Central city residents have faced severe job shortages for the last two decades.

Inner City Milwaukee Job Gap

(job seekers compared to available full-time jobs)

7:1

May 2006

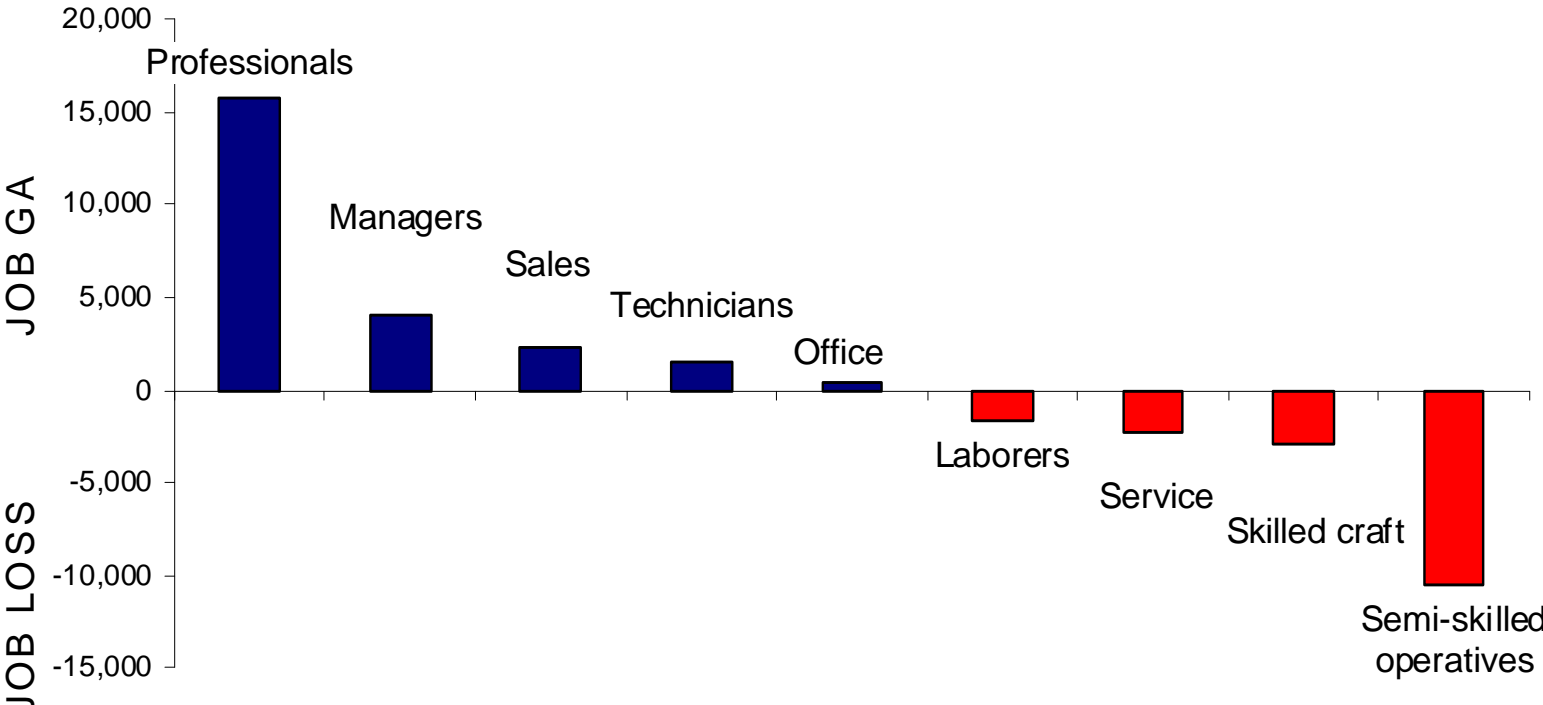
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May 2009



The Milwaukee area labor market has also shown a large decline in blue collar (traditionally male) jobs.

**10-Year Changes in Private Sector Employment: Milwaukee Metro Area
Companies with 100+ Employees, 1996-2006**



High-Poverty MPS Schools

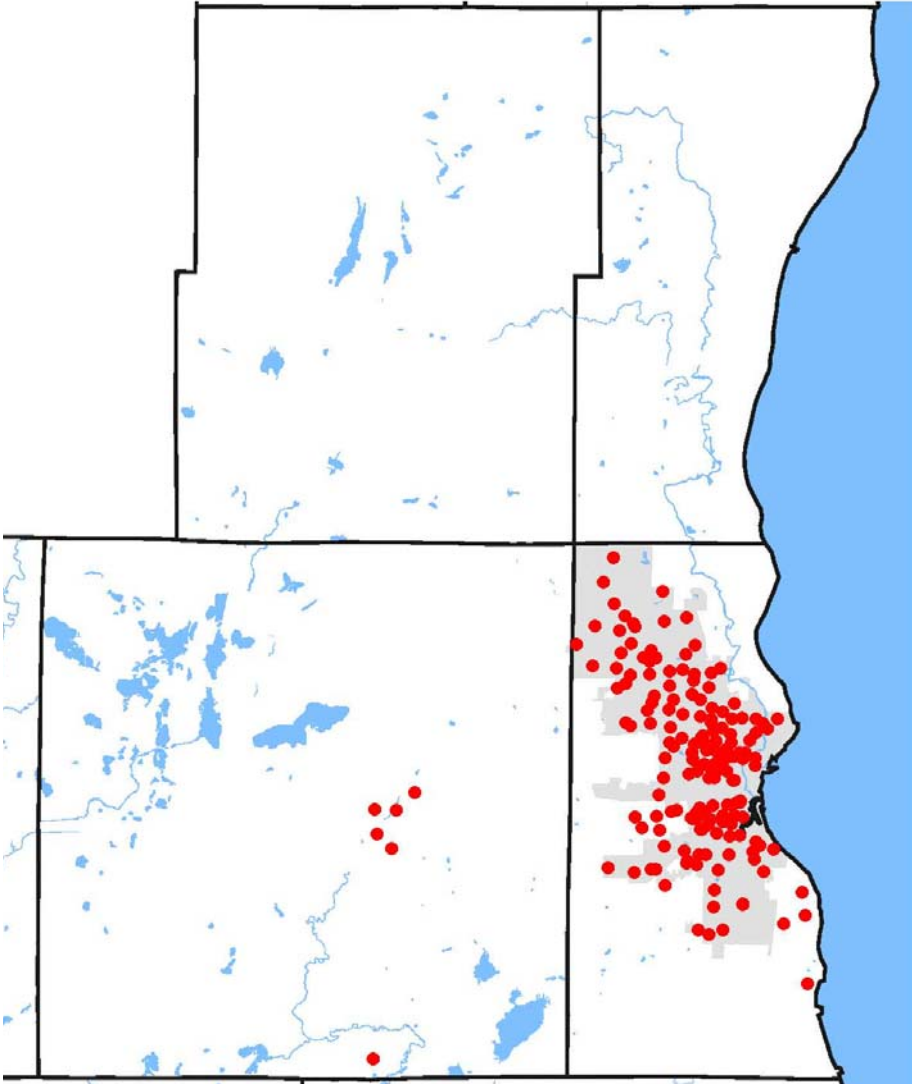
The consequences of the lower earning power of Milwaukee parents can be seen in the MPS classrooms, where a majority of students are poor.

Milwaukee Public Schools now educates 25% of all Wisconsin students (public and private) from low-income families of poverty, but only 3% of middle income children in the state.

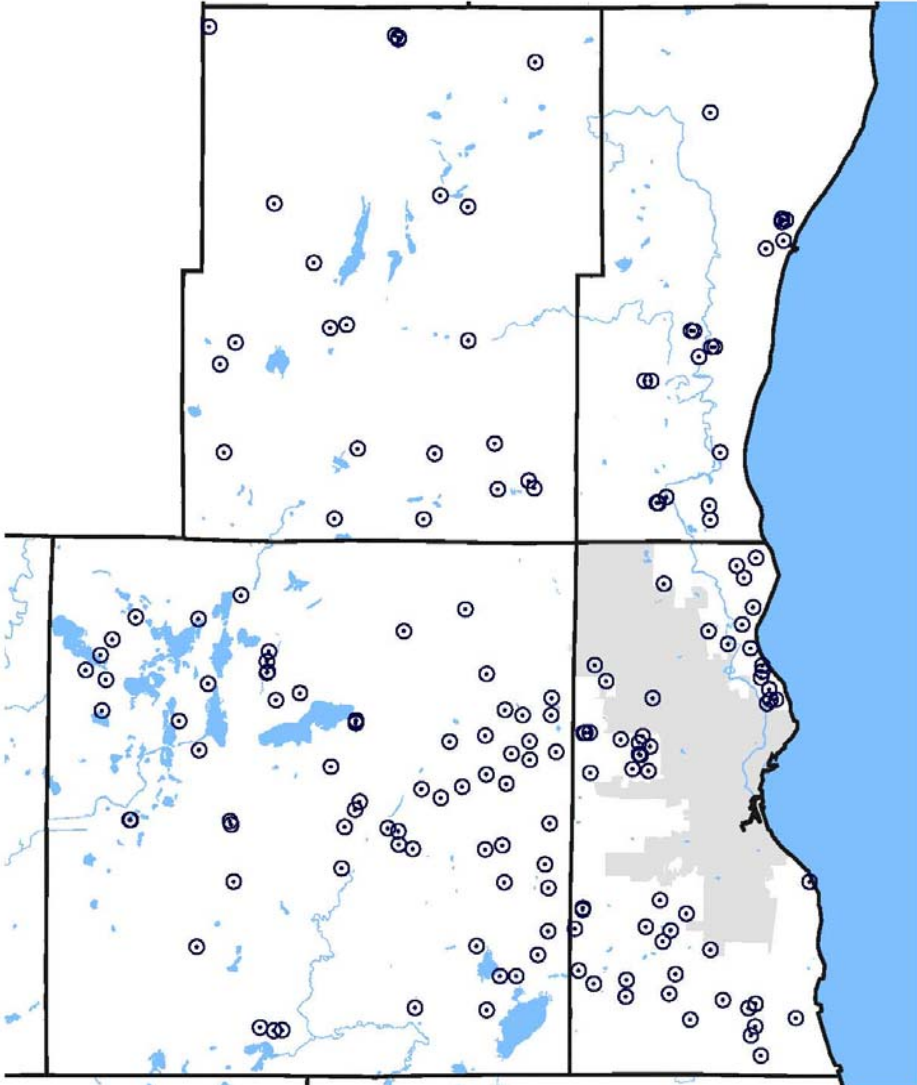
Over the last six years, even as its total enrollment has declined, MPS has enrolled a higher number (and percentage) of poor children.



High-Poverty Schools



Low-Poverty Schools



Milwaukee Public Schools

- 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) in 2008-09.
- 67% of MPS students attended a school where over 75% of students were poor (i.e., **extreme concentrations of poverty**).



Suburban Schools

- The suburban and outer ring public school districts in the Milwaukee metropolitan area largely educate the middle class (with 86% of their students **not** eligible for subsidized meals).
- Only 4% of suburban students attend a school where half of the children are poor and only 1% attend a high-concentration poverty school.



Child Safety: Crime and Traffic Accidents

Safety of children is a primary concern for parents in neighborhoods where crime remains at high levels and large numbers of traffic accidents are reported daily.

In the 9 inner city zip codes the Police Department reported **30,633 Class A crimes** in 2008.



Crimes Reported in 9 Inner City Zip Codes, 2008	Total
Destruction/damage/vandalism of property	4,172
Simple assault	4,124
Burglary/breaking and entering	3,378
All other larceny	2,930
Robbery	2,214
Aggravated assault	2,048
Shoplifting	332
Theft from building	208
Arson	206
Forcible rape	141

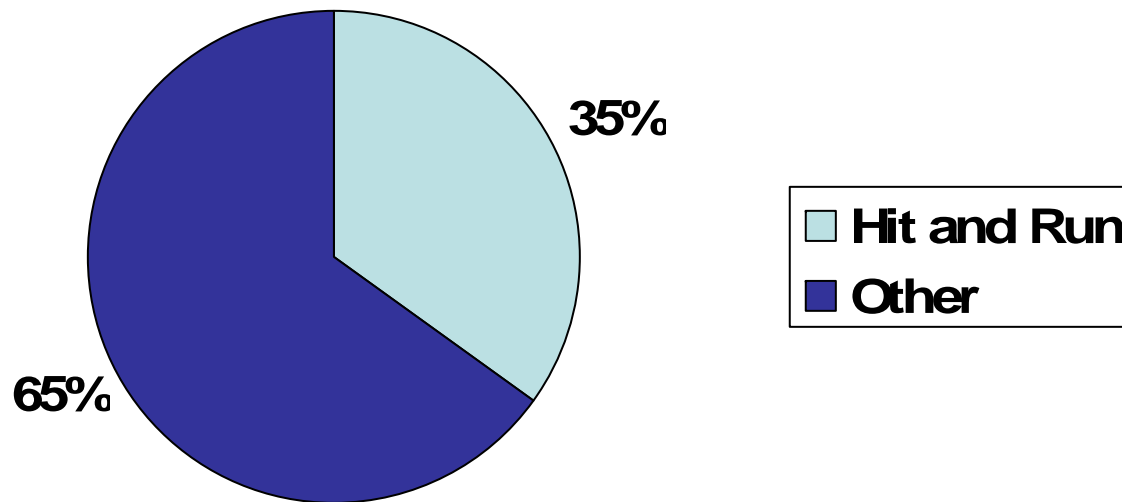


Even parking near schools in high-poverty neighborhoods is an issue, with 4,003 car thefts (or an average of 11 a day) in the 9 inner city zip codes.

Crimes Reported in 9 Inner City Zip Codes, 2008	Total
Motor vehicle theft	4,003
Theft of motor vehicle parts/accessories	3,403
Theft from motor vehicle	2,781



Concerns about the safety of children are heightened by the number of **traffic accidents** reported in the inner city (12,438 in 2008). Over a third of the accidents were “**hit and run**” where the driver didn’t stop to aid victims or to report damages.



In zip code 53204, 46% of traffic accidents were “hit and run.”

High Incarceration Rates/ Returning Ex-Offenders

Wisconsin has the second highest incarceration rate of African Americans in the U.S., according to the Department of Justice. High-poverty Milwaukee neighborhoods are rife with hardened criminals, drug violence, and lack of safety for children.

Incarceration Rates Per 100,000 Population: 2005

	United States	Wisconsin	Difference
Whites	412	415	+3
Blacks	2,290	4,416	+2,126



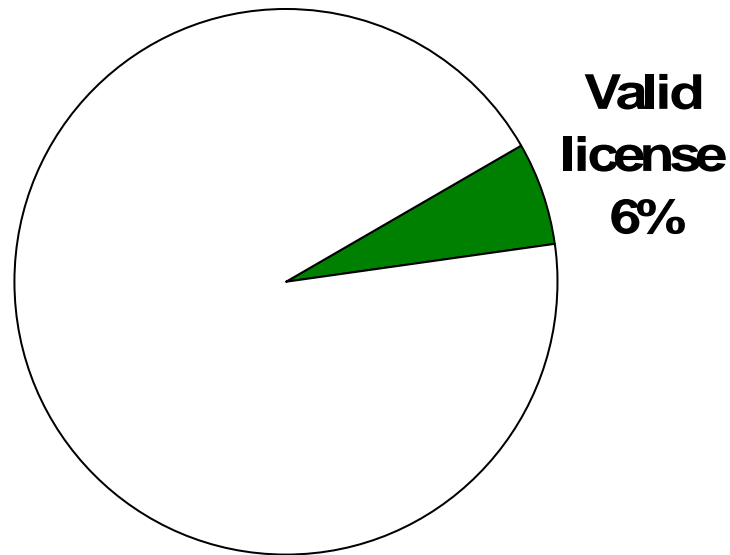
A total of 22,559 adults from the 9 inner city zip codes were in the state corrections system. These include:

- 5,861 adults incarcerated in state facilities
- 12,541 adults on probation and parole
- 4,157 adults who had previously been incarcerated.

In 5 Milwaukee zip codes (53206, 53205, 53212, 53209 and 53210) over 500 state prisoners are released into the neighborhood each year. Many ex-offenders and current prisoners are themselves parents of MPS students.



Returning offenders usually lack driver's licenses. Only 6% of Milwaukee County ex-cons have valid driver's licenses that would allow them to legally drive to jobs.



Driver's License Policies

A critical issue facing central city Milwaukee residents is access to jobs – jobs that are increasingly beyond the county bus lines. Possession of a working vehicle and a valid driver's license are employment assets for securing work.

A series of government policies make it more difficult for low-income residents to secure and maintain a license.

- School-age youth must complete driver's education or commercial driving courses, but state aid for driver's ed has been eliminated.
- School-age high school dropouts are not allowed to obtain licenses.

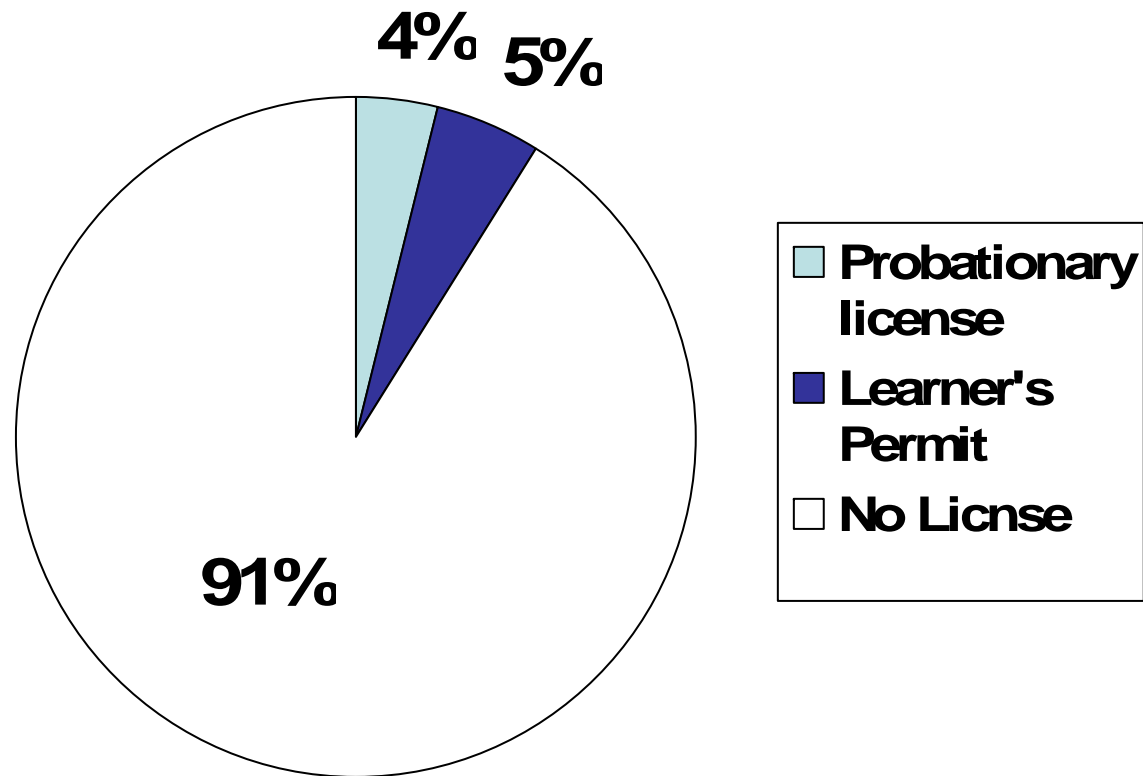


- The municipal courts use the Department of Transportation (DOT) as a collection agency for unpaid fines.
- The city uses the DOT as a collection agency for unpaid parking tickets.
- Minor vehicle infractions observed on older cars (“driving while poor”) may turn into felony violations if the individual is stopped repeatedly while driving with a suspended license.

An estimated 11,855 Milwaukee youth ages 16 and 17 did not have driver’s licenses or learning permits, and over 5,600 of these teens lived in the poorest neighborhoods (as of April 2008).

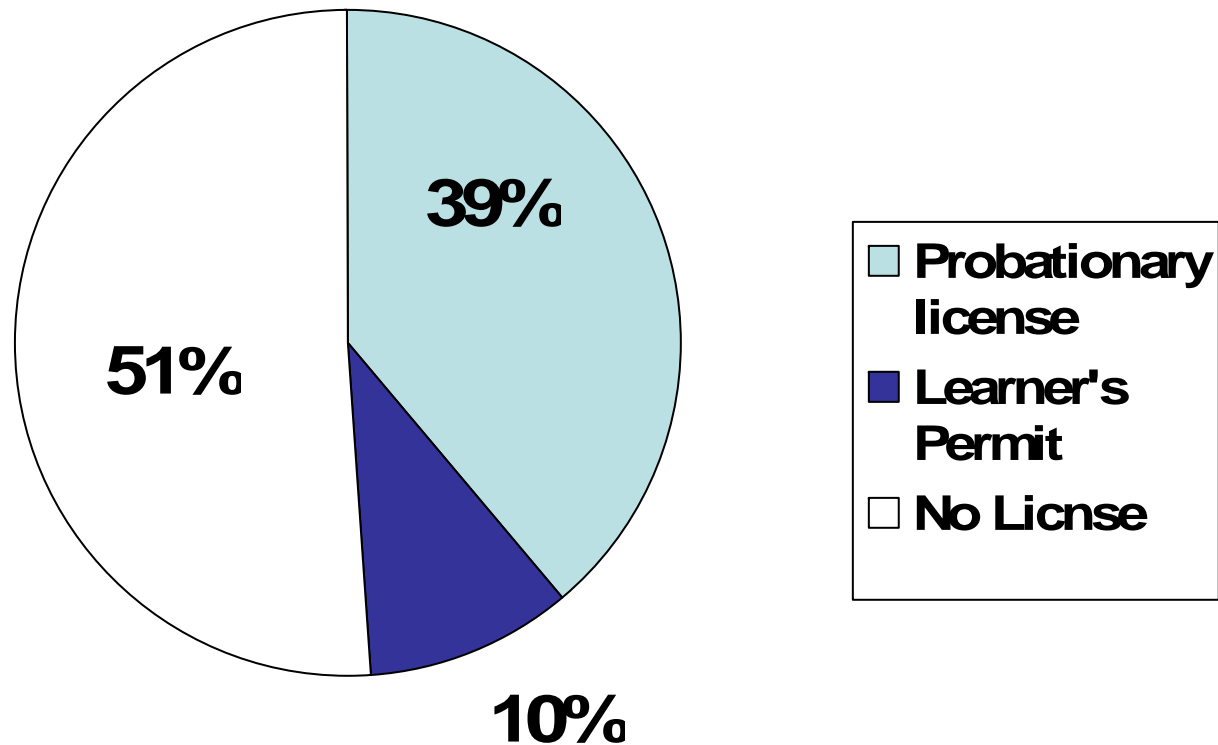


Driver's License Status of 16- and 17-Year Olds in Inner City Milwaukee Neighborhoods



(April 2008)

Driver's License Status of 16- and 17-Year Olds in the Milwaukee County Suburbs



(April 2008)

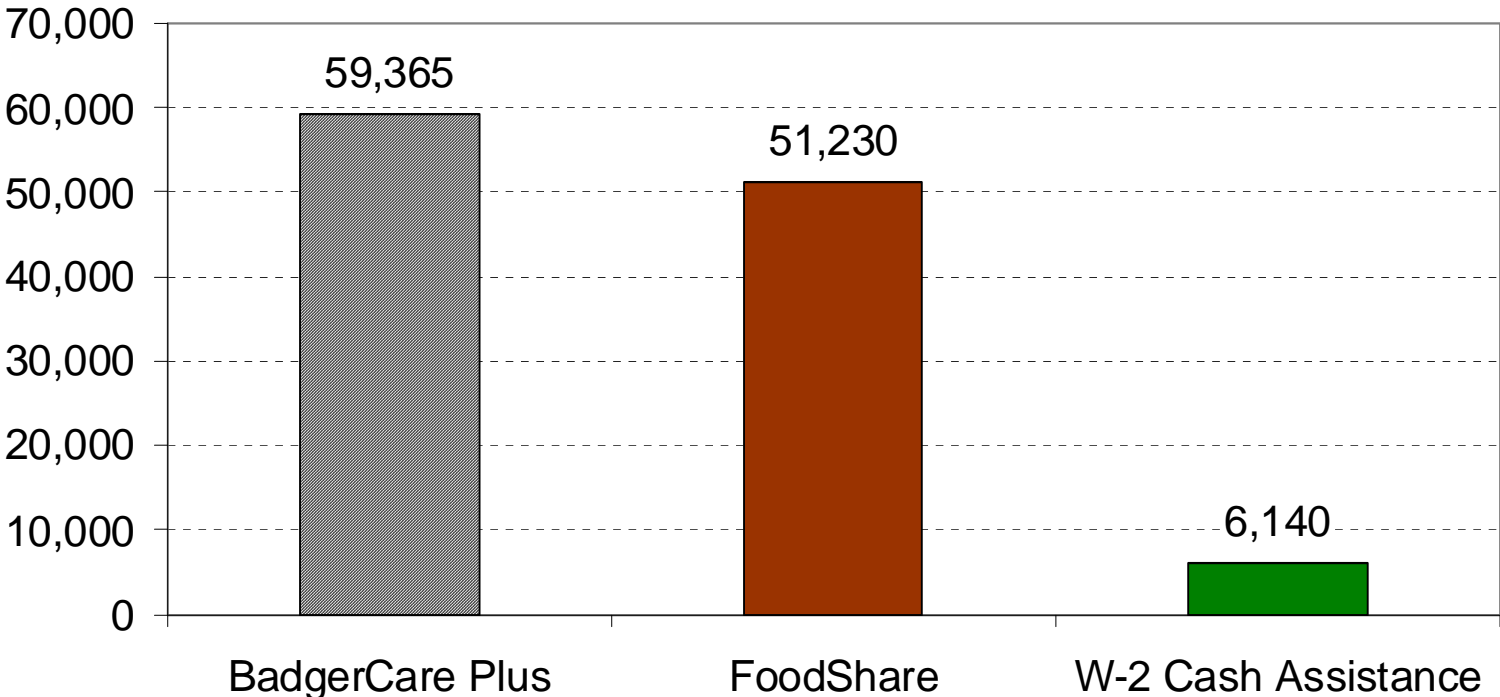
Public Assistance

The state is making substantial efforts to increase enrollment of low-income children and families in federal/state medical insurance and FoodShare programs during the economic recession. In the 9 inner city zip codes as of March 2009:

- 59,365 children were enrolled in BadgerCare Plus
- 51,230 children were receiving FoodShare benefits



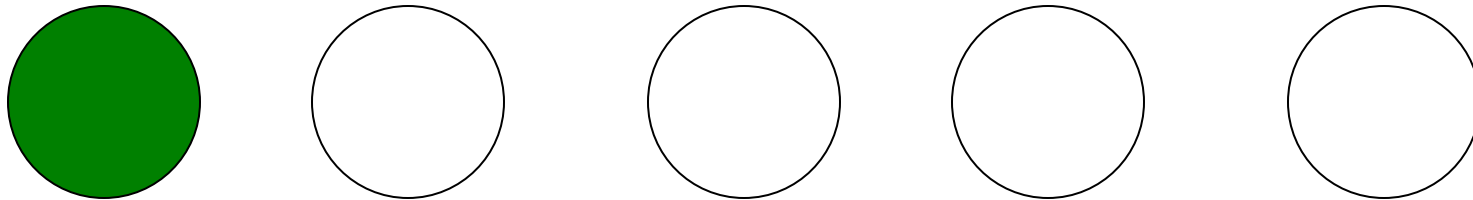
In spite of the high unemployment rates, only 6,140 children were in families receiving W-2 income support in the 9 inner city zip codes.



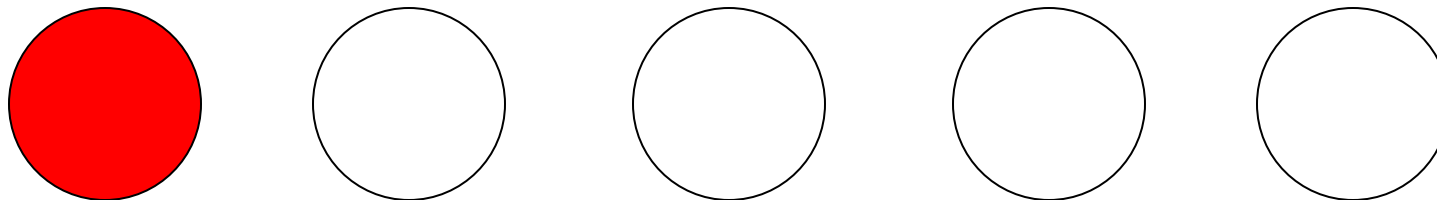
(as of March 2009)

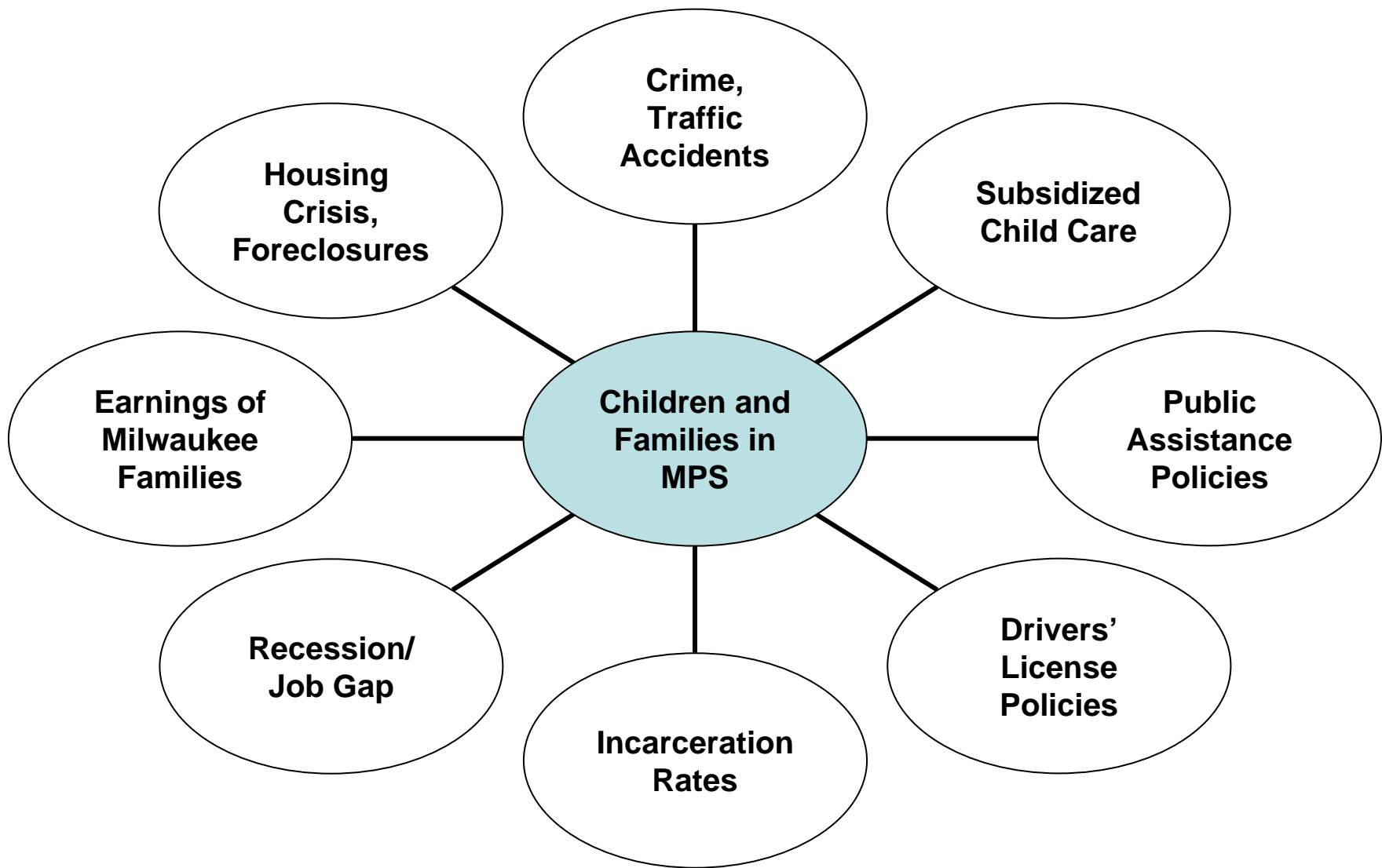


One in 5 Milwaukee County residents is now using FoodShare/food stamps. (194,584 in 8/09)



One in 5 Milwaukee County residents is now enrolled in BadgerCare Plus subsidized medical insurance. (187,727 in 9/09)





The full report on “Socio-Economic Analysis of Issues Facing Children and Families in Milwaukee Public Schools” and 9 individual zip code reports are available online at www.eti.uwm.edu/2009/Indicators.htm.

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