
Milwaukee Promise: 2014 Performance Metric Discussion

Report to the Finance & Personnel Committee

February 26, 2014

Presented by: Budget & Management Division

Today's Presentation

1. Extends report beyond resolution's parameters
2. Two dimensions for today's report:
 - Employment & income
 - Community health
3. March 26 report:
 - Public safety
 - Educational achievement
4. Presentation reflects the conclusions of the Budget & Management Division

Presentation Goals

1. Use trend data to provide context regarding employment, income, and community health
2. Discuss disparities in a regional framework
3. Illustrate how 2014 Budget strategies address reduction to disparity
4. Identify limits to Budget capacity for reducing disparity

Executive Summary:

Employment & Income

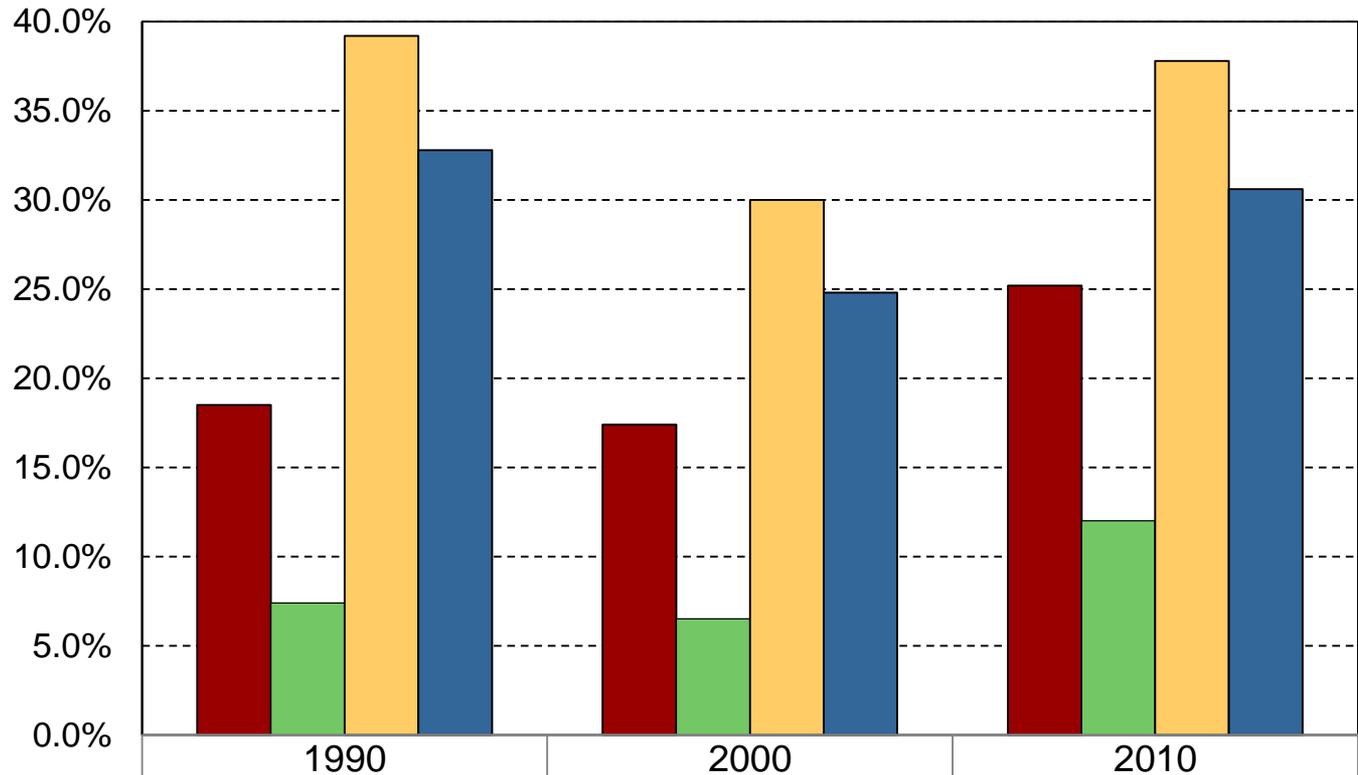
1. Regional trends have driven challenges with employment & income disparity
2. Changes to the location of manufacturing employment in the region have had a major influence on employment & income disparities
3. Ethnic disparities in poverty are significant
 - White poverty rate is growing

Executive Summary:

Employment & Income {cont'd}

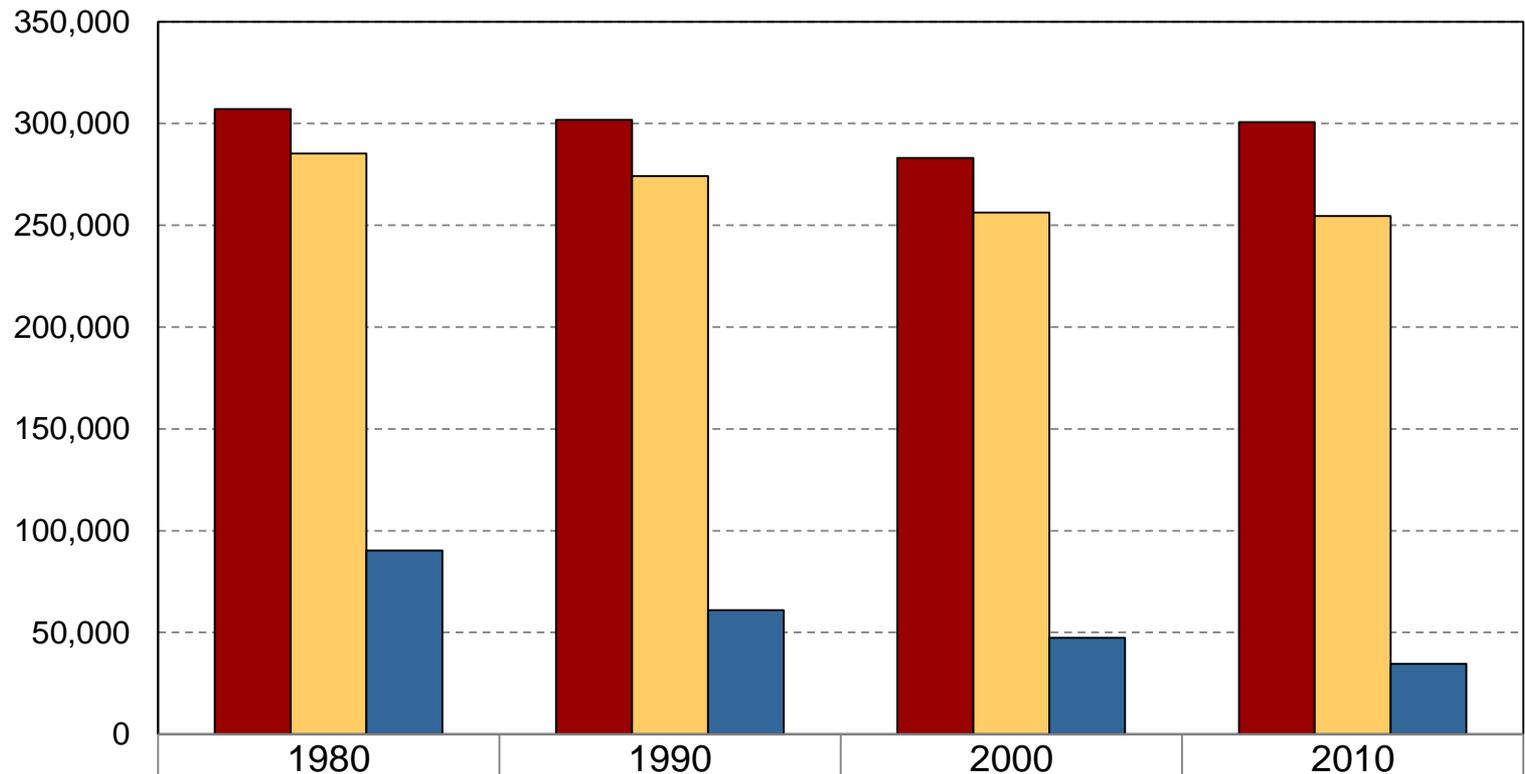
4. Residential segregation is generating disparities in many occupational areas
5. The City's economic development strategies can contribute to improvement, but...=>
 - Can't overcome by themselves the impact of private sector investment and location decisions
6. Enhanced connections to the regional economy are required to reduce Milwaukee's income challenges
 - The "replacement" job phenomenon
7. Income support strategies need to accompany redevelopment and training strategies

Families Living Below Poverty



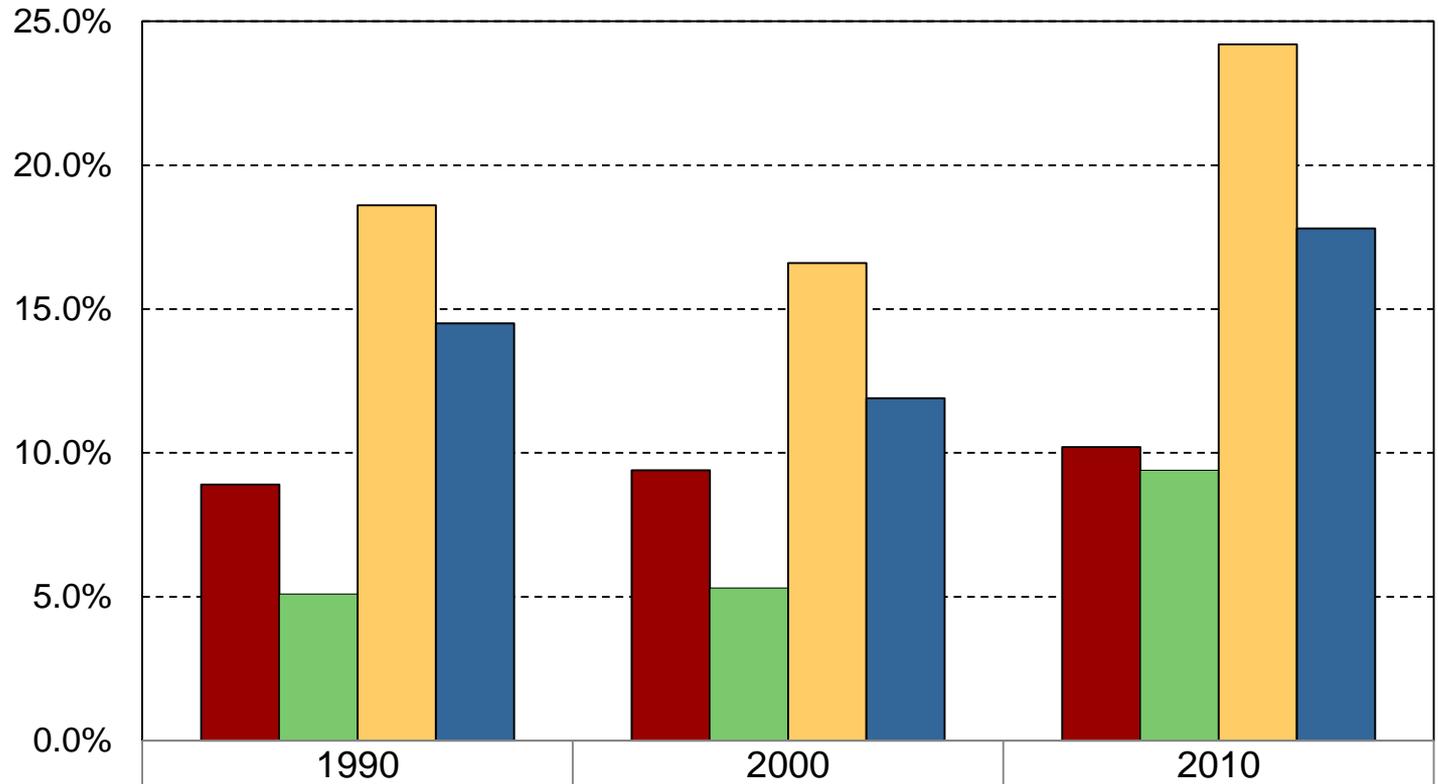
■ Families Under Poverty	18.5%	17.4%	25.2%
■ White Persons	7.4%	6.5%	12.0%
■ Black Persons	39.2%	30.0%	37.8%
■ Hispanic Persons	32.8%	24.8%	30.6%

Milwaukee Labor Force



■ Labor Force	307,114.00	301,743.00	283,052.00	300,734.00
■ Employed	285,291.00	274,237.00	256,244.00	254,544.00
■ Employed in Manufacturing	90,307.00	60,991.00	47,396.00	34,618.00

Resident Unemployment



■ Unemployment Rate	8.9%	9.4%	10.2%
■ White Persons	5.1%	5.3%	9.4%
■ Black Persons	18.6%	16.6%	24.2%
■ Hispanic Persons	14.5%	11.9%	17.8%

Milwaukeeans Employed in Manufacturing

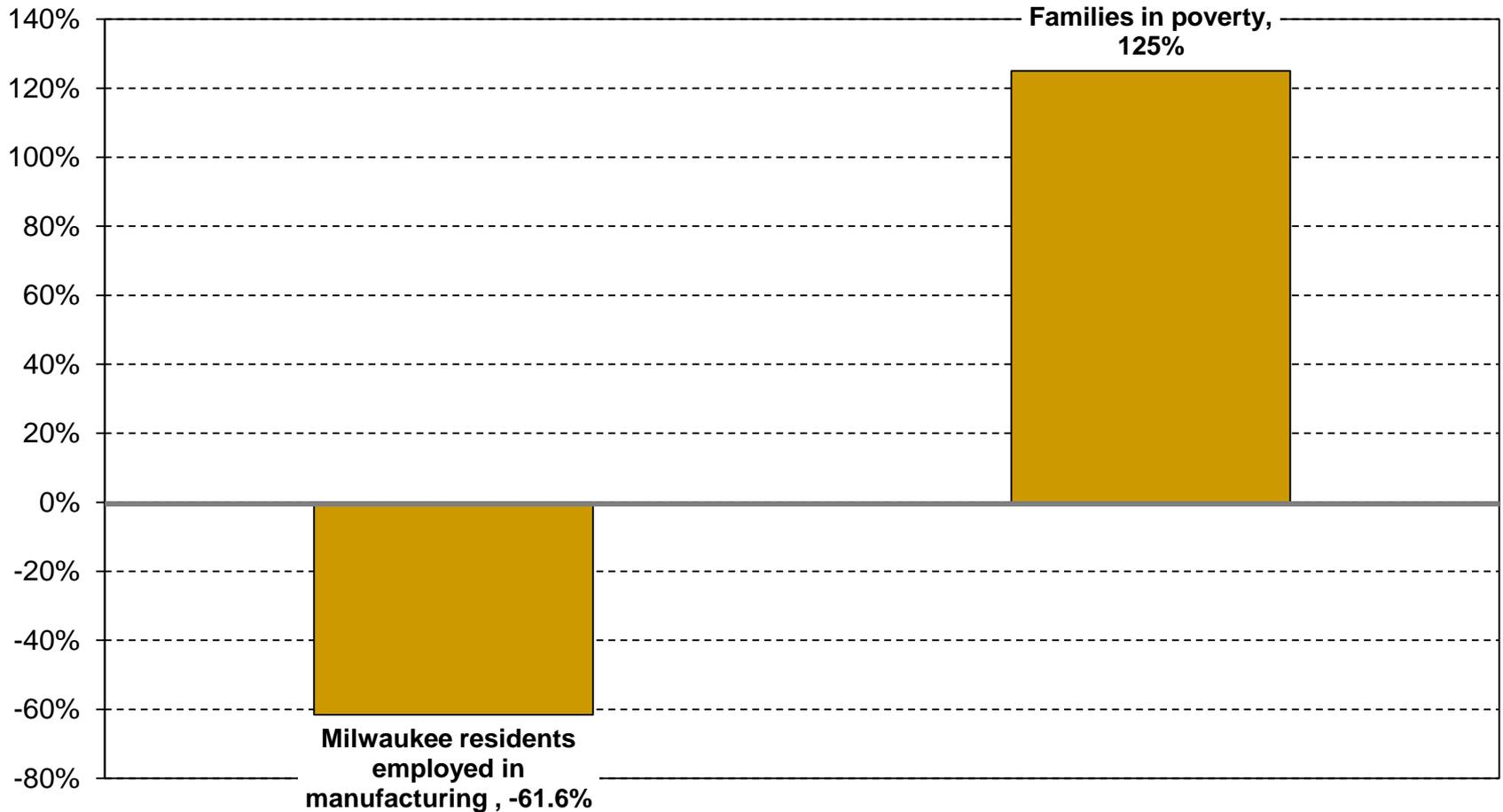
1. Manufacturing sector has an “outsized” influence on employment & income outcomes
2. Declines in Milwaukeeans employed in manufacturing mirror increases in poverty rates
3. Decentralization of regional manufacturing correlates with the above trends

Milwaukeeans Employed in Manufacturing {cont'd}

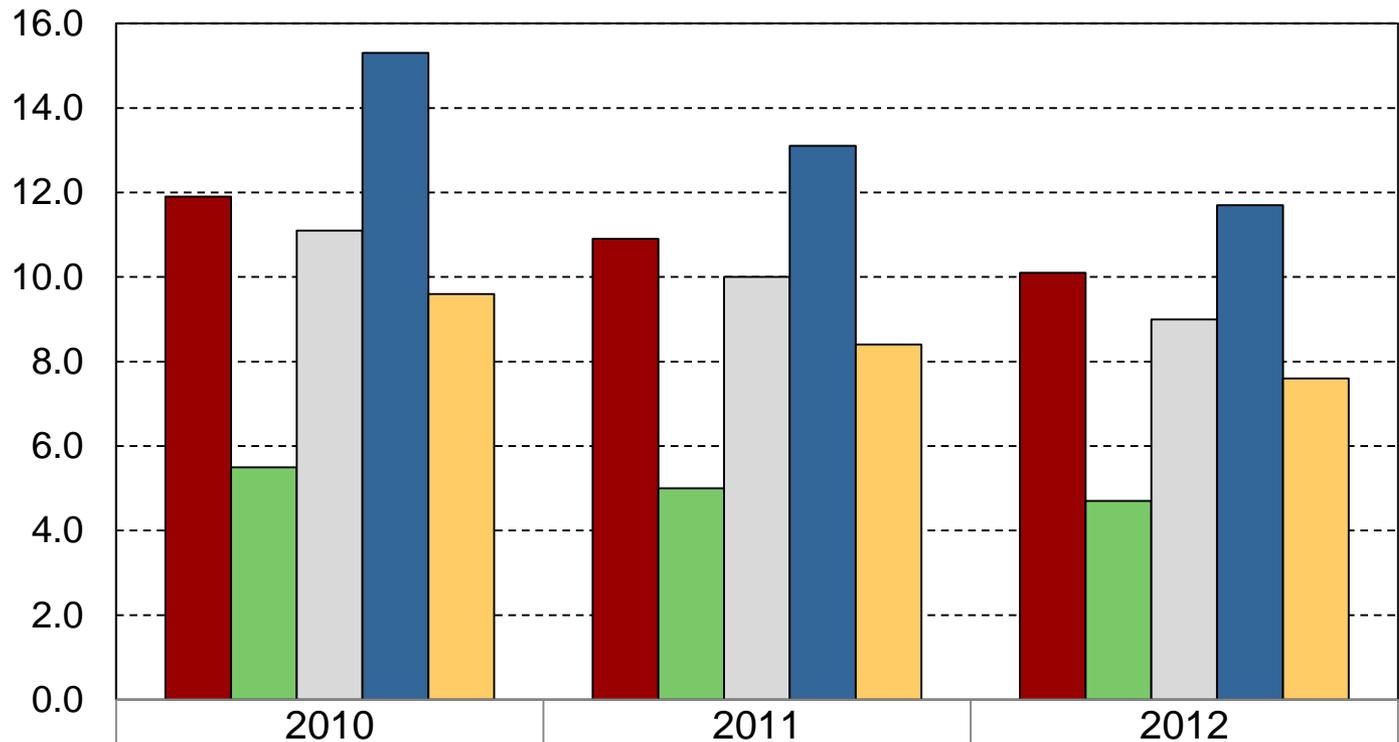
1. 1980: 90,307
2. 1990: 60,991 (- 32.4% from 1980)
3. 2000: 47,396 (- 47.5% from 1980)
4. 2010: 34,618 (- 61.6% from 1980)
5. Changes in manufacturing location:
 - 1982: 43% of metro manufacturing in the city
 - 2009: 19% of metro manufacturing in the city
 - 2009: 54% of metro manufacturing in the “WOW” suburbs

Sources: Bureau of the Census documents; Marc V. Levine, “Perspectives on the Current State of the Milwaukee Economy” University of Wisconsin-Milwaukee, Center for Economic Development, July, 2013, page 8, Table 6

Change in Milwaukee Manufacturing Employment and Family Poverty Rate, 1980-2010



Unemployment Rate Comparison



■ Milwaukee	11.90	10.90	10.10
■ Madison	5.50	5.00	4.70
■ Green Bay	11.10	10.00	9.00
■ Racine	15.30	13.10	11.70
■ Waukesha County	9.60	8.40	7.60

Manufacturing in Metropolitan Milwaukee: Trends

1. Several factors behind decentralization:
 - Cost advantages to greenfield locations
 - Federal interstate highway development
 - Federal housing policy encouraged population migration from core cities
 - MMSD's regional pollution abatement plan reinforced incentives for greenfield migration
2. Metro manufacturing employment declined 63,000 jobs (35%) between 1982 and 2010
 - Impact of Chinese imports (Autor, Dorn, & Hanson, MIT analysis)
 - Productivity/automation impacts
 - Shifts to Sun Belt states

Manufacturing Remains Important in 4-County Metro Area

1. 4-county region remains significant in manufacturing:
 - ❑ ~ 117,000 positions in 2010
 - ❑ 54% of 2010 total is in “WOW” counties
 - ❑ Modest growth projected to 2020
2. Replacement” jobs present opportunities
 - ❑ Aging manufacturing workforces in all 4 counties
 - ❑ State DWD 2010-2020 projection for 4-county region:
~ 2,500 new manufacturing jobs; 15,200 “replacements”

Other Issues Regarding Employment & Poverty

1. Relatively small proportion of Milwaukee County residents work outside the County
 - ❑ 19% vs. 28% statewide (DWD data)
 - ❑ About 24% of city residents work outside of County (UW-CED analysis)
2. More than 100,000 non-County residents commute to Milwaukee County
3. Majority of projected new jobs by 2020 in 4-County area are relatively low-paying
 - ❑ Need for a supplemental income strategy, e.g., EITC, Child Care tax credit, health insurance access
 - ❑ File 131304

Another Interesting Dimension: FIRE Employment

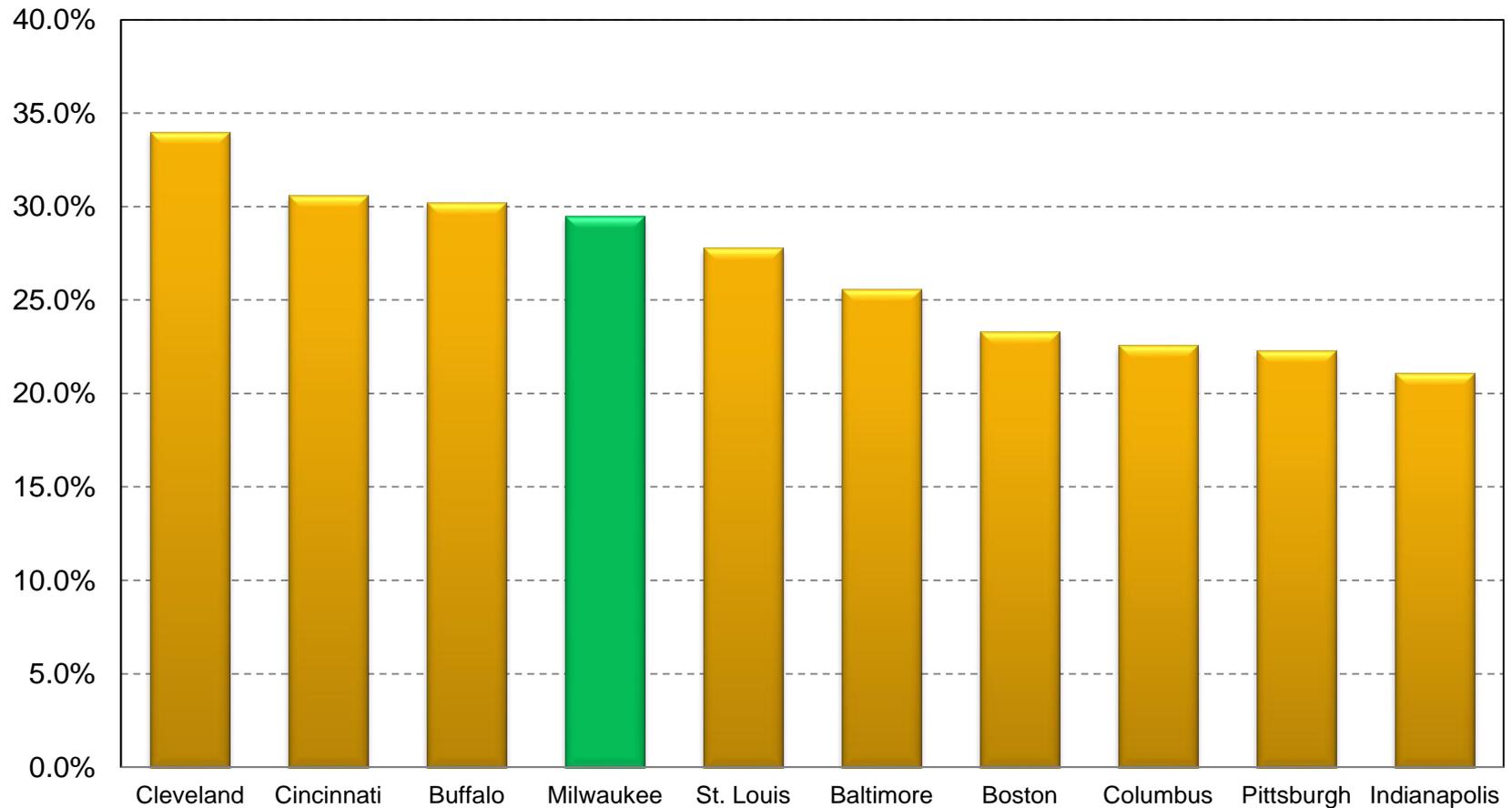
1. FIRE = Finance, Insurance, and Real Estate
2. Range of occupations
3. City residents hold 27% of these jobs in 4-county region
 - ▣ 28% decline (5,560) of Milwaukeeans employed in FIRE 1980-2010
4. 4-County FIRE employment => 8,000 new jobs by 2020
 - ▣ NML expansion in downtown Milwaukee

Concentrated Poverty

UW-Milwaukee Center for Economic Development Analysis:

1. “Inner City” employment declined 56% between 1970 & 2000 (15,491 persons)
2. Employed in manufacturing declined 79% (~ 9,000 persons)
3. Poverty rate increased from 25.7% to 40.2%
4. 25% of African-American households reside in “extreme poverty” neighborhoods

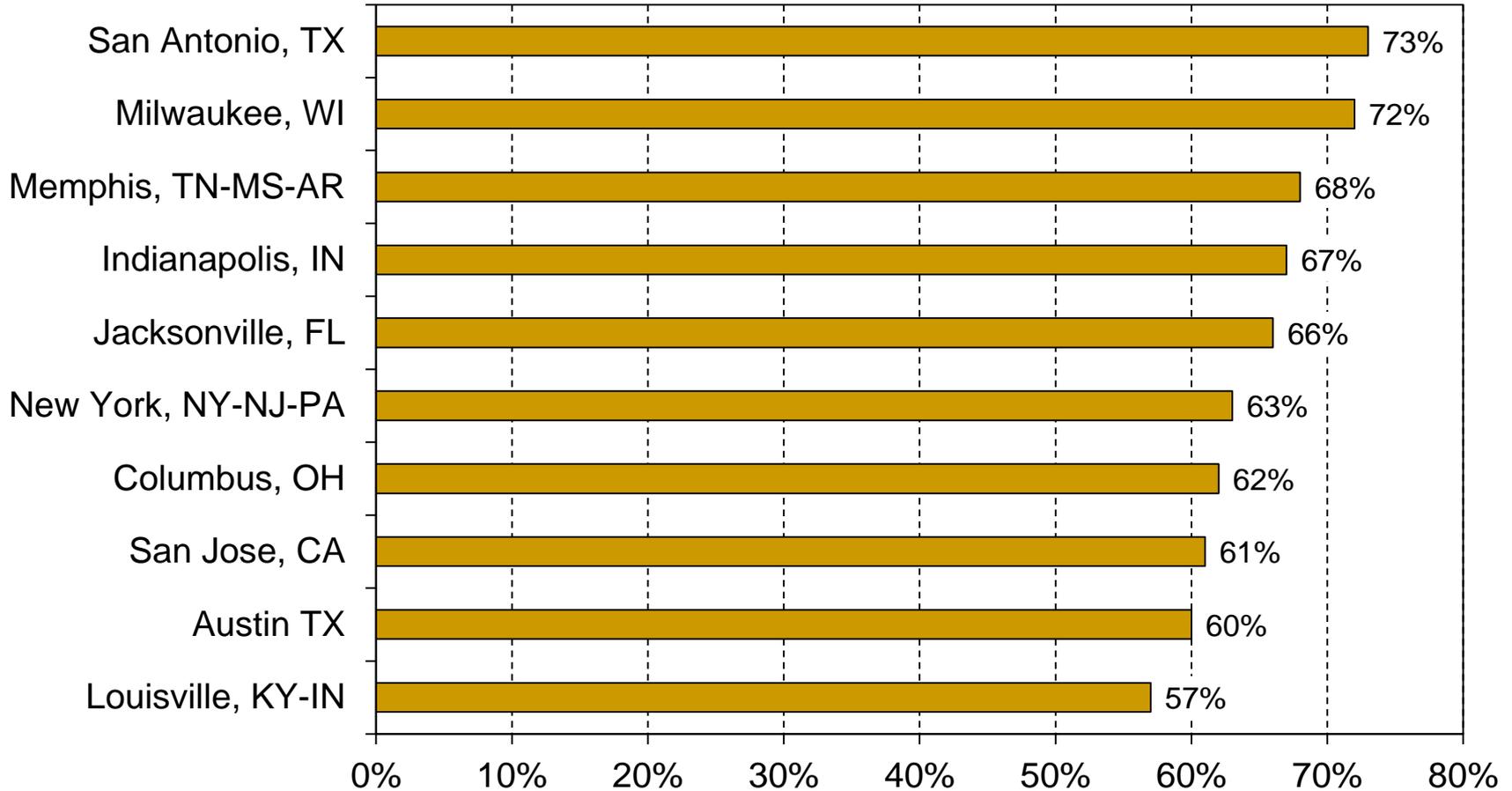
2010 Total Population Poverty Rates



Source: American Community Survey

Poverty Level Share of MSA: Core Cities

Major Metropolitan Areas: 2010: Highest 10



2014 City Budget: Strategy Response

Challenge: Loss of manufacturing employment in the City of Milwaukee

Strategies:

1. Land assembly & preparation (use of TIF)
 - ❑ Menomonee Valley Business Park (moving toward full occupancy)
 - ❑ Century City (\$41.1 million total; \$31.1 million City \$\$ and tax credits)
 - ❑ Brewery: 350 jobs added in an area near concentrated poverty
 - ❑ Reed Street Yards
 - ❑ 2014: projection of 300 jobs retained or added
 - ❑ Potential for 3,000 jobs on City-controlled manufacturing land
 - ❑ City continues to be a leader nationally in Land Bank strategy

2014 City Budget: Strategy Response

2. Environmental remediation

- ❑ E.g., Esser Paint property
- ❑ Projected 20 acres of clean-up in 2014
- ❑ 150 jobs retained or added

3. Improved Competitiveness

- ❑ OES-ME-3
- ❑ MEDC loan programs (working capital, equipment)
- ❑ Manufacturing Community grant application
- ❑ Job preservation is often the leading result

2014 Budget Strategies {cont'd}

Challenge: Workforce Development

Strategies: Milwaukee Area Workforce Investment Board (MAWIB) Targeted Initiatives & City Programs

1. Mayor's Manufacturing Partnership
 - 423 employers: 126 new hires & incumbent workers
 - Year-round earn and learn: 48 placements

2. Construction Sector Initiatives
 - **MATC Programs**
 - **Milwaukee Builds**
 - **Youth Build**

3. City Resident Preference Program

MAWIB Industry Sector Initiatives

Water Accelerator Grant

1. \$1 million over 4 years
2. Connects water industry assets to propel Milwaukee's water cluster forward
3. Focus is on the M7 geographic region
4. Employment and Training
 - Building next generation workforce by linking skills and education with emerging occupations and careers
 - Partners include UW-Milwaukee, UW Milwaukee Small Business Development Center and UW Parkside
5. Water Technician Diploma (proposed)
 - Submitted for review and remains in the approval process

MAWIB Health Careers Partnership

Outcomes (thru 4th year)

1. Enrollment and services provides : 1,117
2. Enrollment in Healthcare Training : 771
3. Currently enrolled in Healthcare training : 353
4. Completed training : 384
5. Earned Credential : 418
6. Employment obtained during training : 345
7. Employment upon exiting program: 248
8. Placements – 374
9. Average wage: \$12.85

More on Workforce Development

MAWIB Foster Care Transitional Jobs

- \$1.7 million
- 125 foster youth served
- Over two years
- Start up funding provided by City of Milwaukee CDBG
- Cash flow provided by City of Milwaukee

2014 City Budget: Strategy Response

Challenge: Concentrated Poverty

1. Strong Neighborhoods Investment Plan => micro-level employment generation; housing investment-induced jobs; transitional jobs; City hiring
2. CDBG-funded programs
 - ▣ See pages 3, 4, 13, and 14 of Milwaukee Promise Report for additional detail
3. DPW initiatives via Forestry training

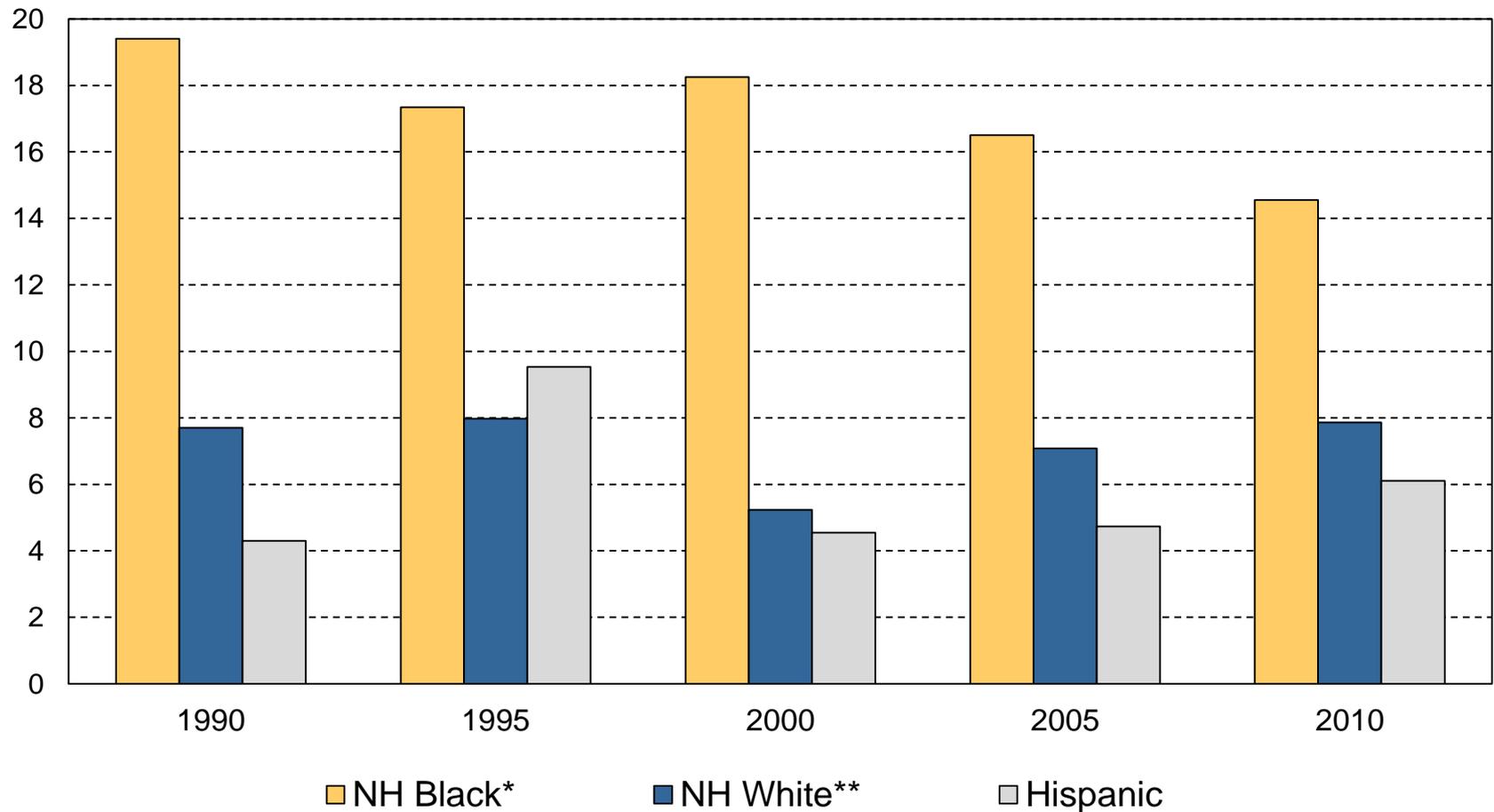
Summary

1. City of Milwaukee cannot solve the employment & poverty challenge on its own
 - E.g., City's manufacturing growth potential is much less than the impact of suburban job migration
 - Increasing use of transitional jobs can help with challenge of concentrated poverty
2. Success of City redevelopment efforts depend on many external factors
3. An active workforce policy aimed at job opportunities outside Milwaukee County => MAWIB trains persons for employment throughout the 4-County region

Community Health: Summary

1. Poverty a major driver of poor health outcomes
2. Significant disparities in health outcomes exist among ethnic groups
3. City's investments in home visitation show promise at reducing disparity in birth outcomes
4. City has been a leader in reducing lead poisoning
5. Private-sector job loss has offset some of City's efforts to reduce disparities in health care access

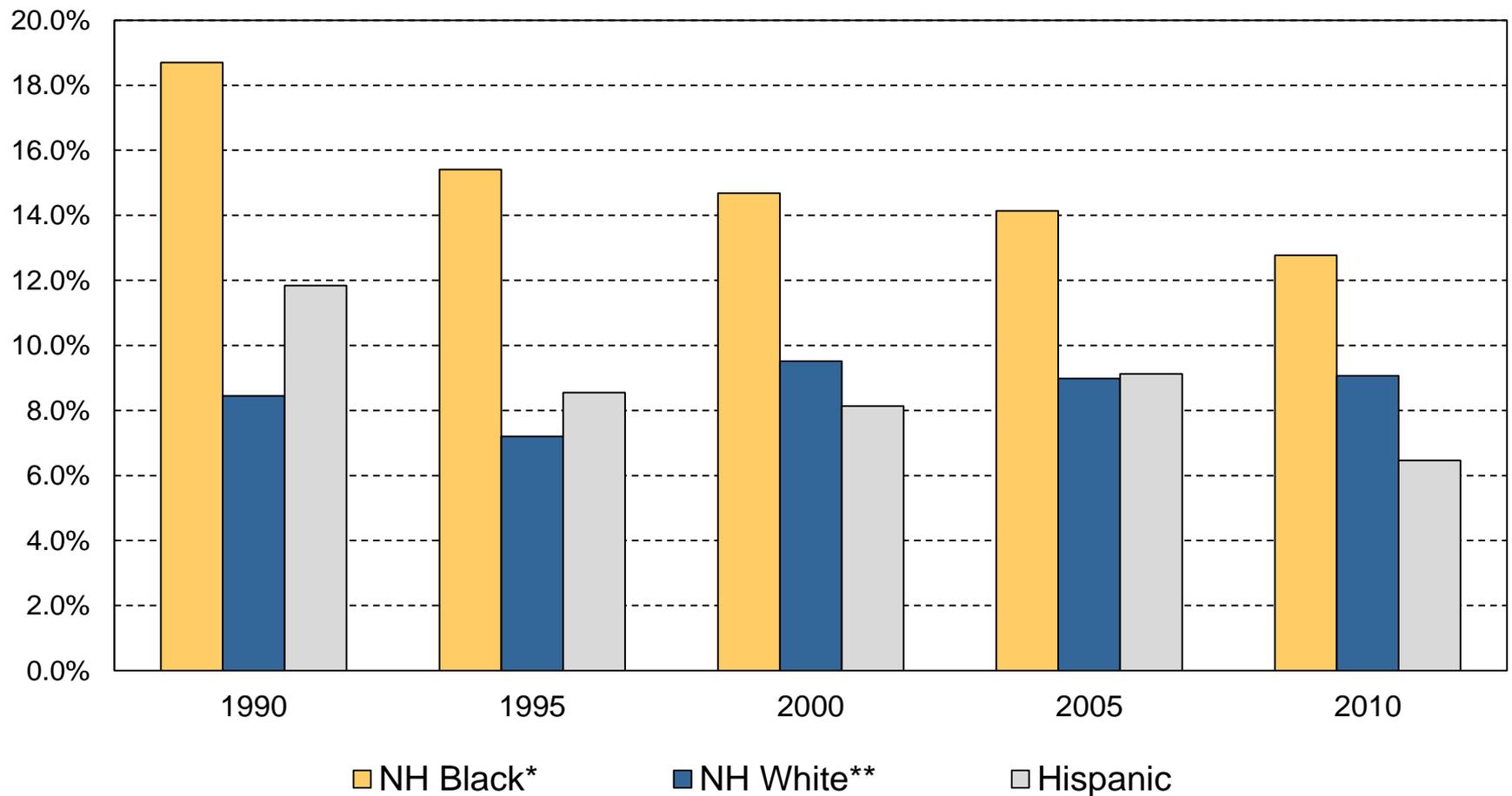
Infant Mortality (per 1,000 live births)



*NH Black = Non-Hispanic Black

**NH White = Non-Hispanic White

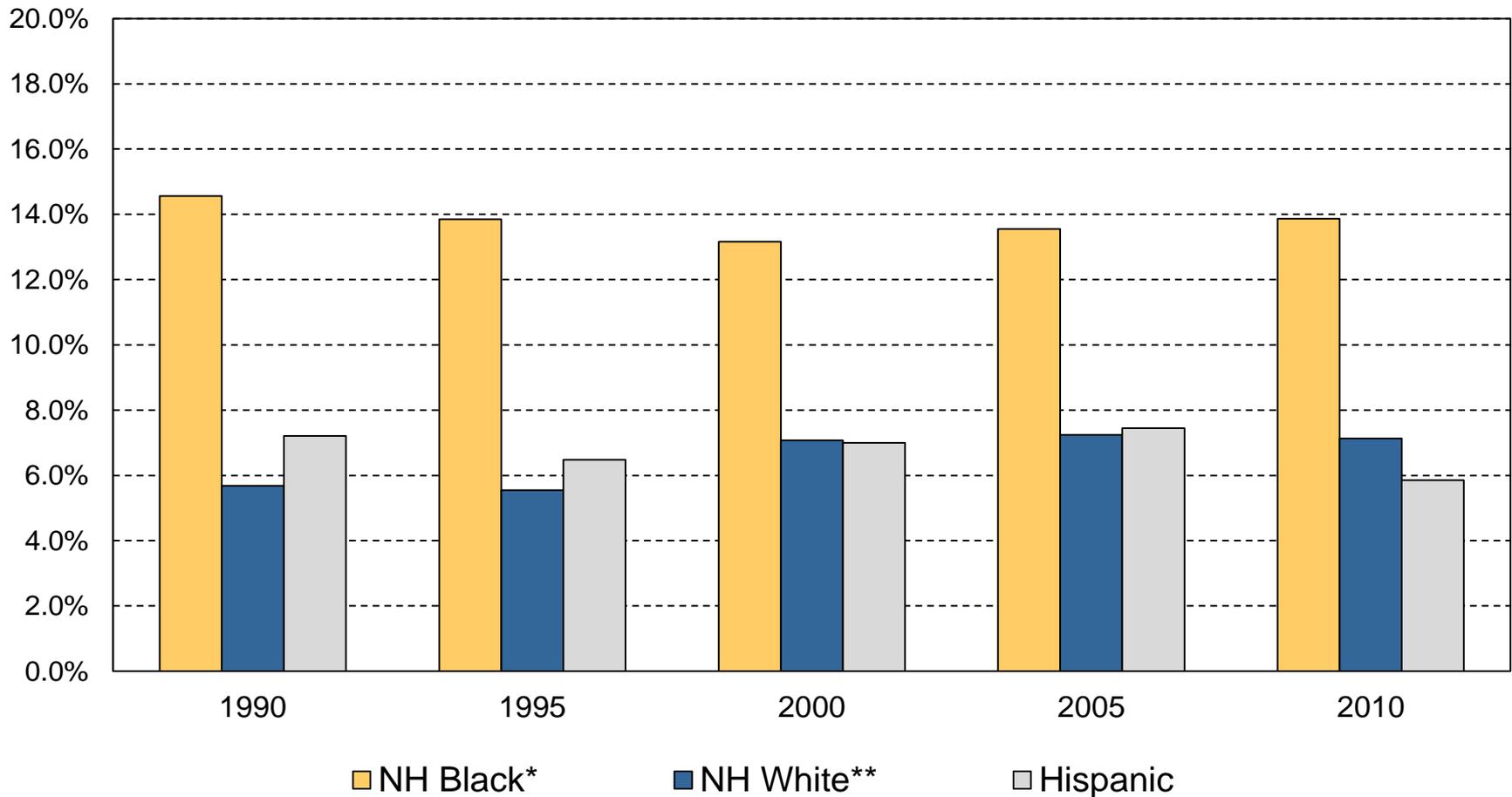
Percentage of Premature Births



*NH Black = Non-Hispanic Black

**NH White = Non-Hispanic White

Percentage of Children Born with Low Birth Weight



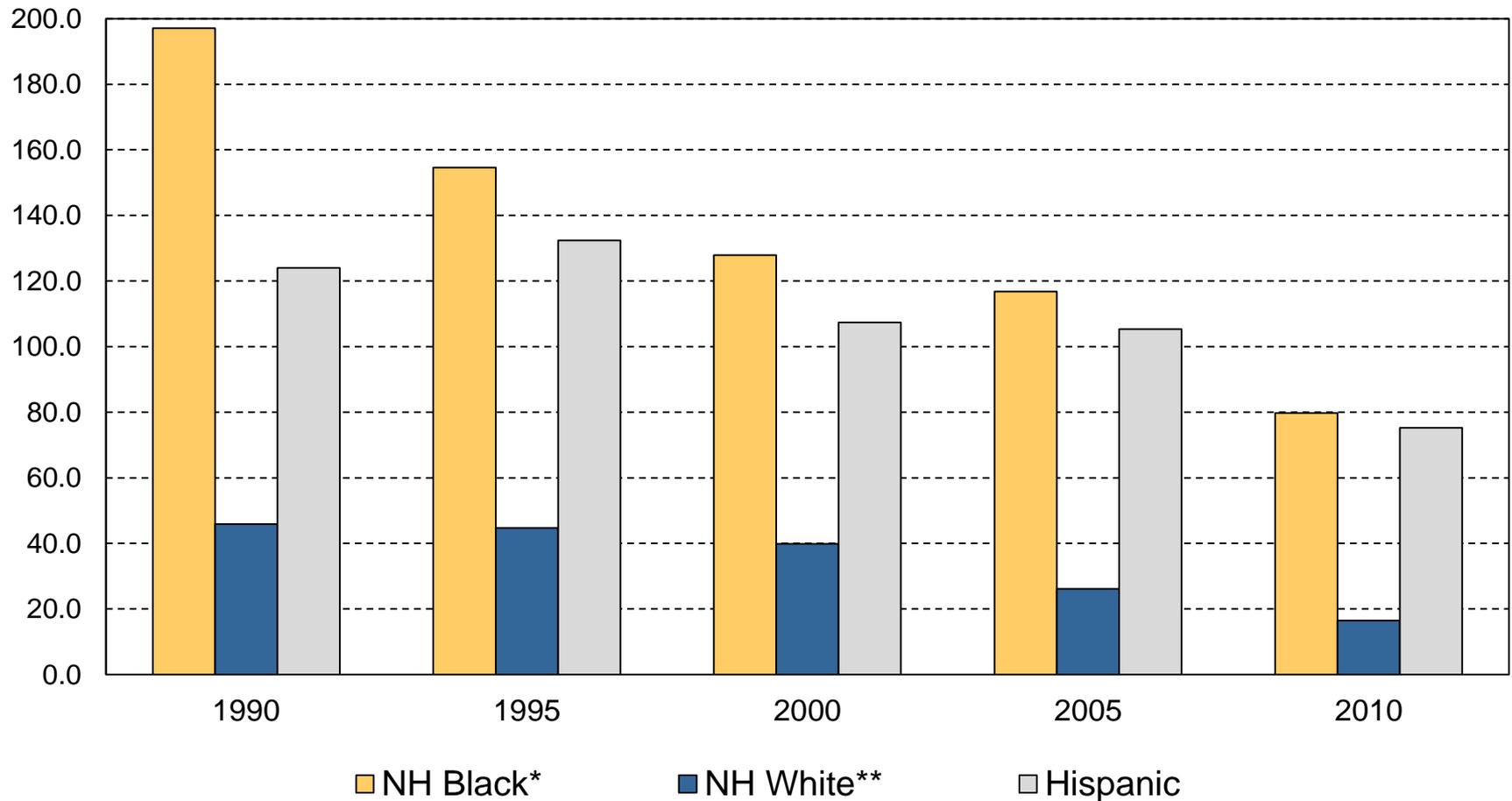
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• Low birth weight is less than 2500 grams

• Very low birth weight is less than 1500 grams

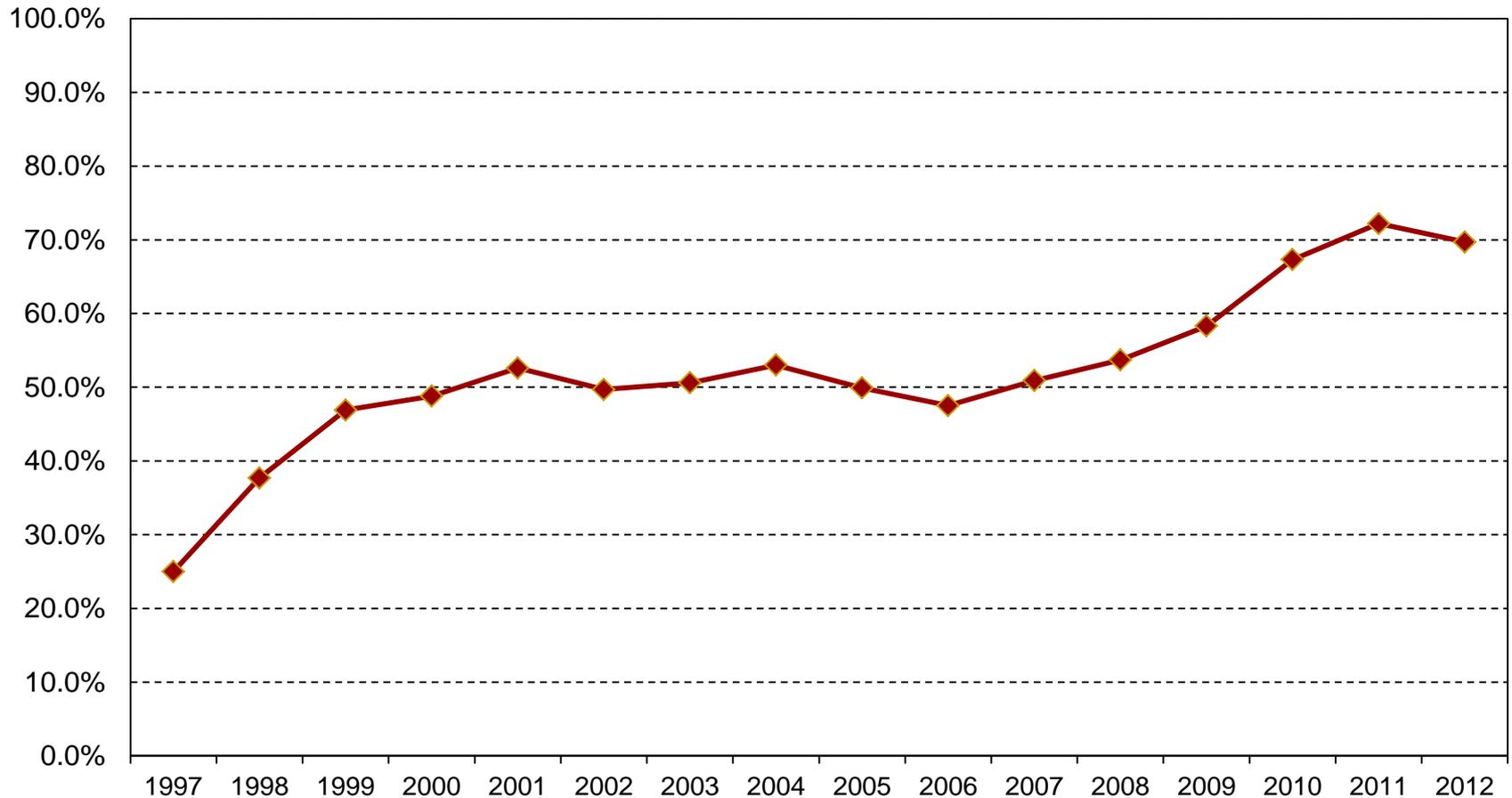
Teen Birth Rates Ages 15-19 (per 1,000 Teen Girls)



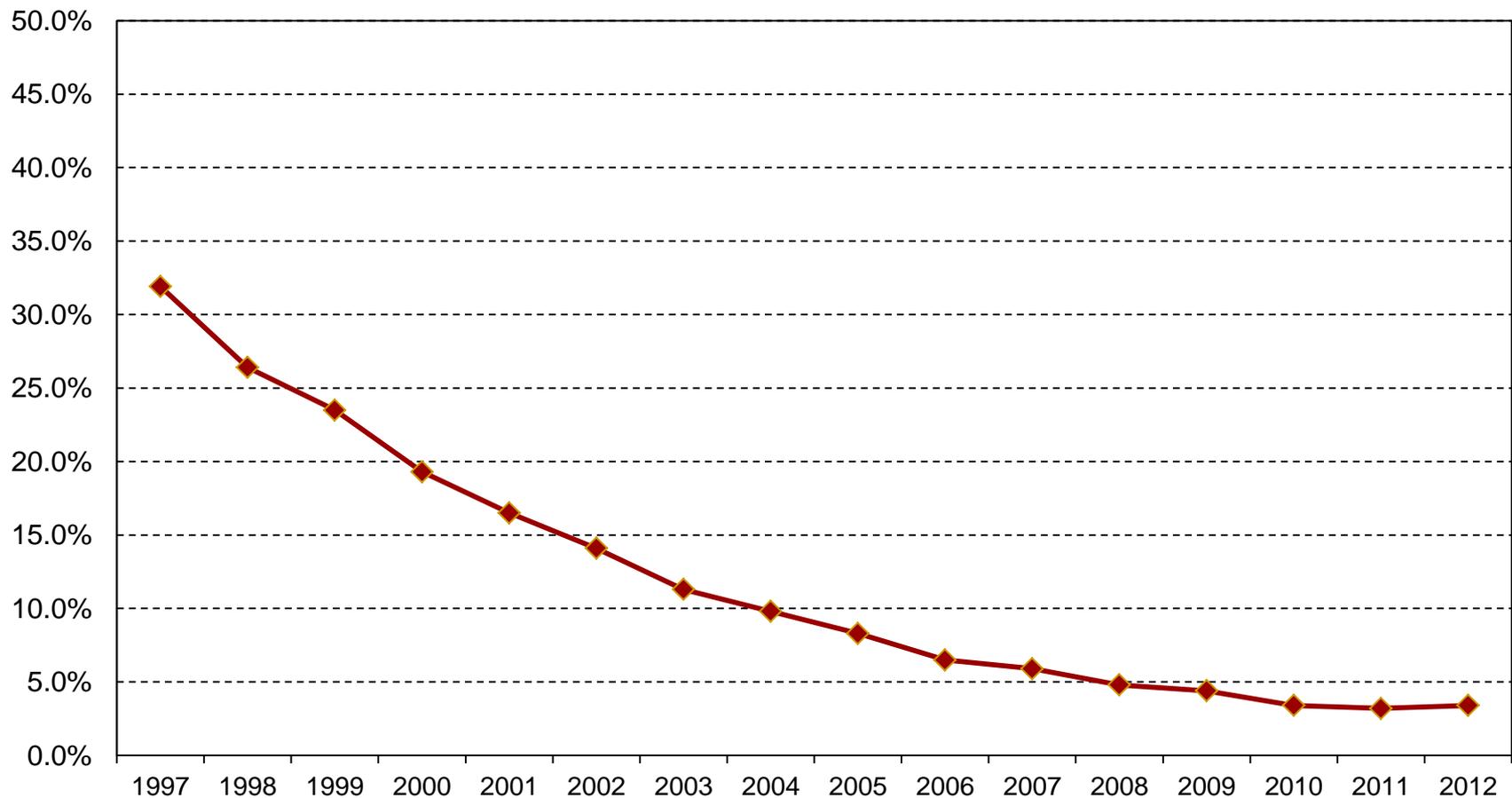
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Percent Blood Lead Testing in Children < 24 Months of Age

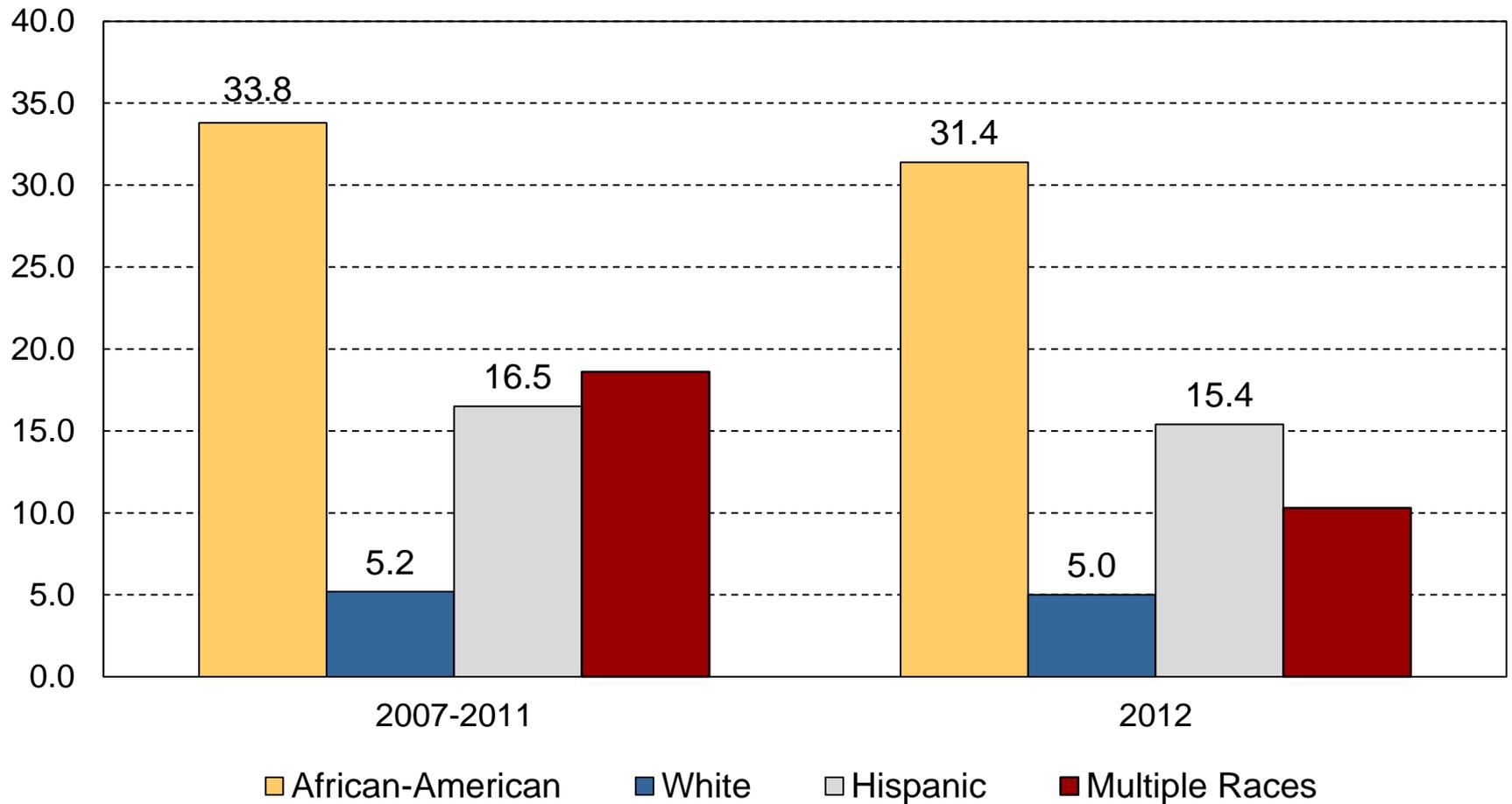


Percent of Children < 6 Years of Age with Elevated Blood Levels (>10 ug/dl)

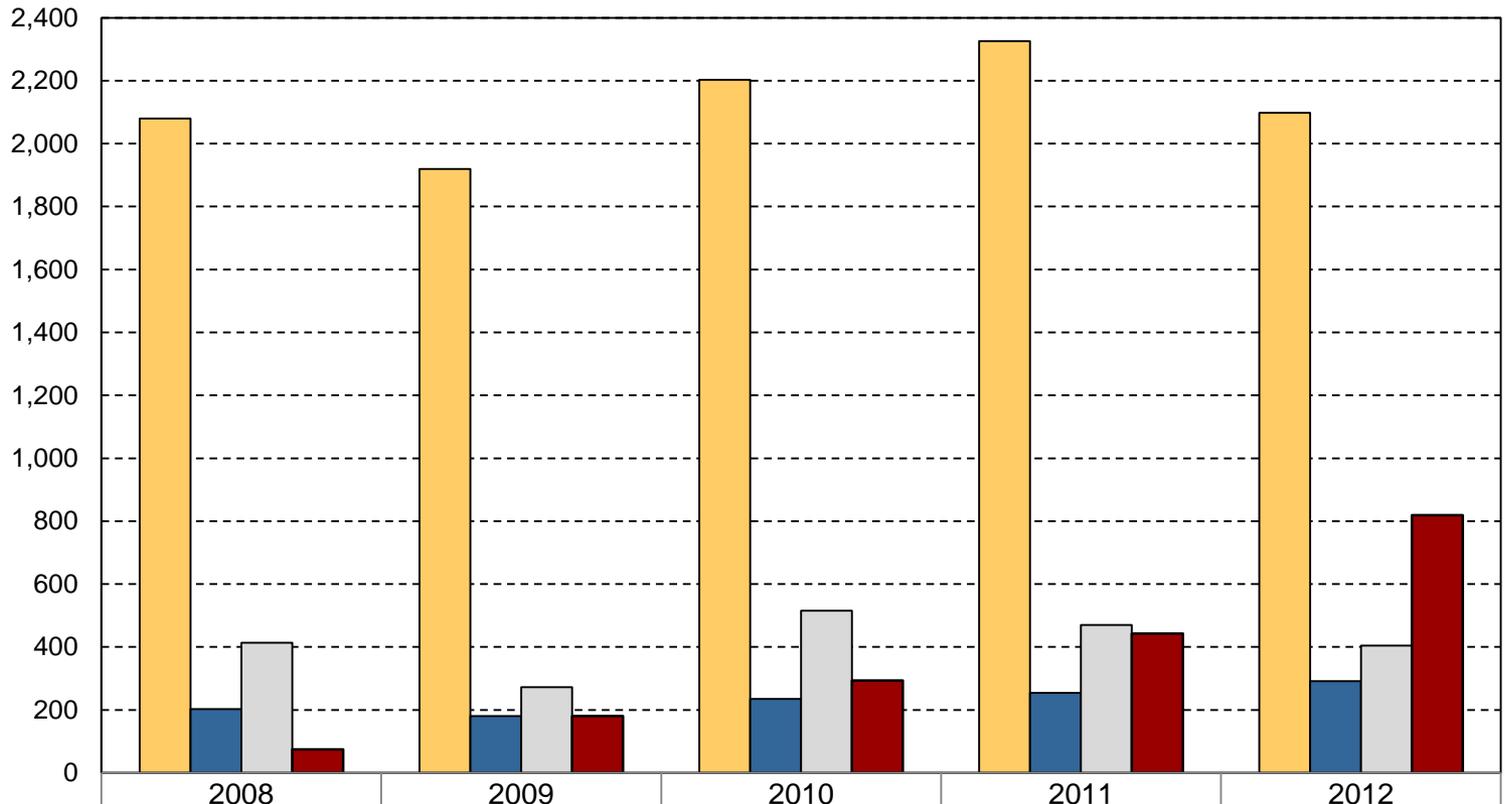


ug/dl = Microgram/deciliter

HIV Rates (per 100,000 of population)

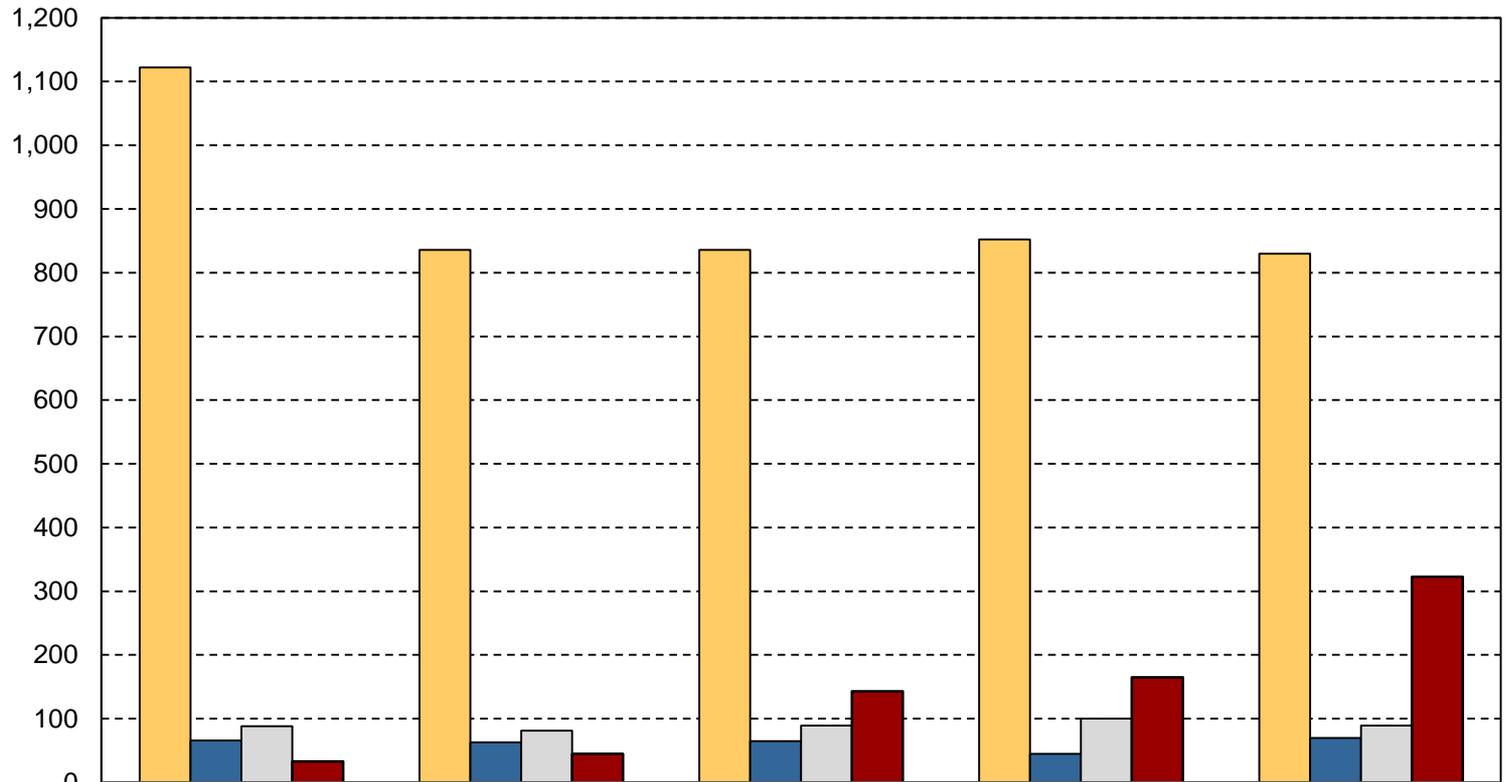


Chlamydia Rates (per 100,000 of population)



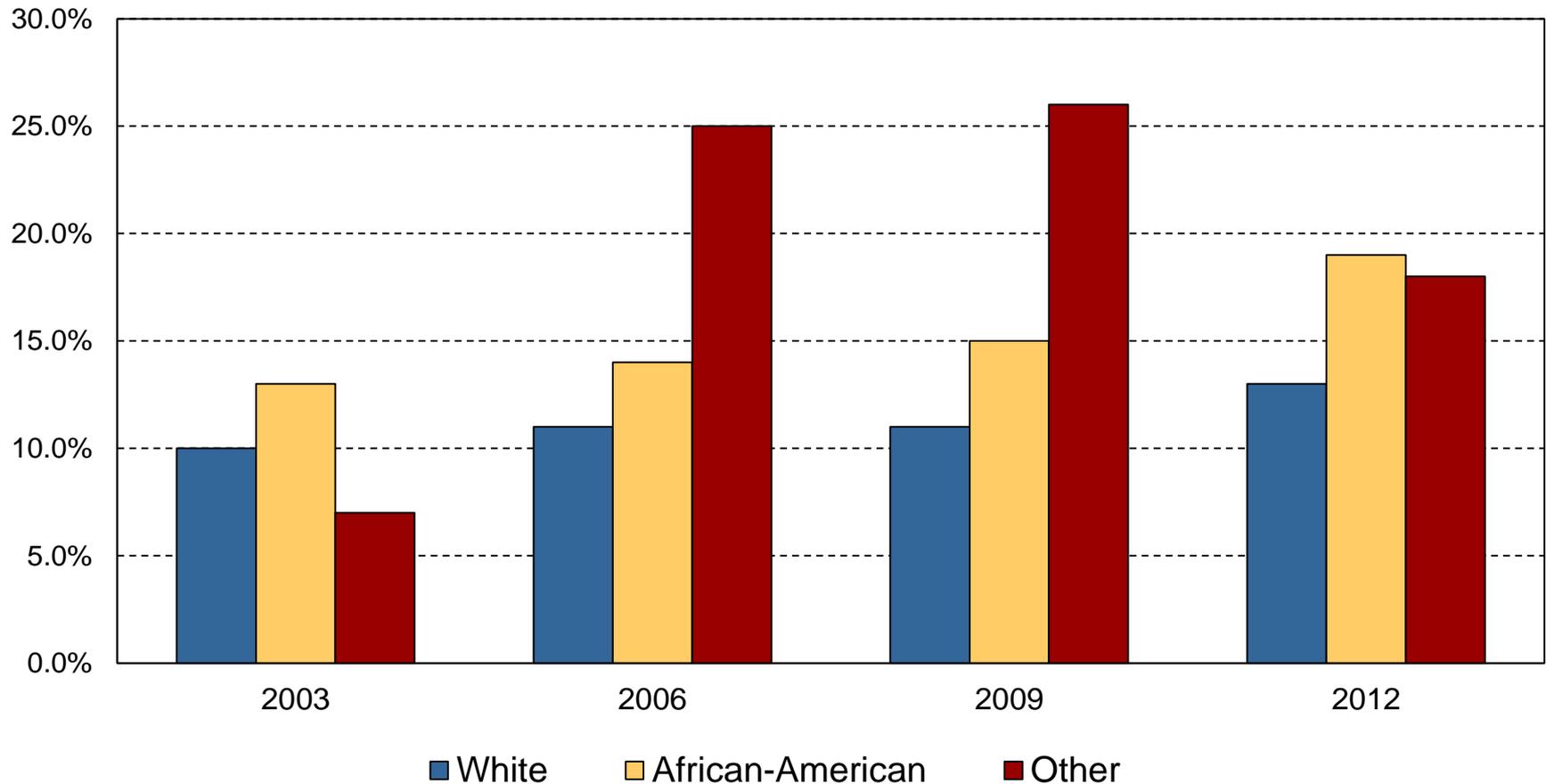
■ African-American	2080	1920	2203	2326	2098
■ White	203	180	235	254	291
■ Hispanic	413	272	515	470	404
■ Multiple Races	75	180	293	443	819

Gonorrhea Rates (per 100,000 of population)



	2008	2009	2010	2011	2012
■ African-American	1,122	836	836	852	830
■ White	66	63	65	45	70
■ Hispanic	88	81	89	100	89
■ Multiple Races	33	45	143	165	323

Percent Of Uninsured Breakdown by Year



Percent Of Uninsured Breakdown by Year

	2003	2006	2009	2012
White	10%	11%	11%	13%
African-American	13%	14%	15%	19%
Other	7%	25%	26%	18%

Health Insurance: Percentage Not Covered

	2003	2006	2009	2012
Someone in House Hold Not Covered in Past 12 Months	27%	30%	30%	25%
Personally not currently covered	11%	13%	15%	17%
Personally not currently covered (10 to 64 years old)	13%	15%	17%	19%
Personally not covered in Past 12 months*			26%	22%

*Question not asked on Community Health Survey in 2003 and 2006.

Summary Takeaways

1. City Health Department Resources cannot address the total community need
 - ❑ Major reduction to departmental resources in the late 1980's and 1990's
 - ❑ Department has reallocated resources to promising strategies
2. Affordable Care Act can improve health care access with opportunities for “health care home” and integrated care
3. Continued reduction to teen pregnancy could drive improved healthcare outcomes in many areas
4. 2014 Performance Measures on page 7 of Milwaukee Promise report