The Economic State of Milwaukee, 1990-2008

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ABOUT THIS REPORT

This report is the result of a two-year study by the University of Wisconsin-Milwaukee Center for Economic Development (CED) examining a wide range of economic indicators for Milwaukee and 18 other cities and metro areas in the Northeast and the Midwest for the period 1990 to 2008. It updates a previous study examining the economic well-being of Milwaukee published by the Center in 1998.

The report was written by Joel Rast, associate professor of political science and urban studies and director of CED. All maps were created by Peter Armstrong. All tables were created by Peter Armstrong, Lisa Heuler Williams, and Catherine Madison. Additional research assistance was provided by Qiang Zhou, Mary Hoehne, and Crystal Brzezinski.

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EXECUTIVE SUMMARY

In 1998, the UWM Center for Economic Development published a comprehensive study of the Milwaukee region's economic performance. The study, titled *The Economic State of Milwaukee: The City and the Region*, compiled data on a broad set of indicators of economic well-being for Milwaukee and 13 other "Frostbelt" metropolitan areas.[1] The analysis was both historical and comparative, including data as far back as the 1950s for the 14 cities and metropolitan areas examined. A key contribution of the study was to document the impacts of deindustrialization, white flight from the city to the suburbs, and segregation on Milwaukee during this period. The result of these economic and demographic changes was a dramatic deterioration, both absolutely and in comparison to other cities, in the city of Milwaukee's economic well-being as measured by numerous indicators in the study. Suburban Milwaukee fared considerably better on many of our indicators, resulting in a sizeable gap between city and suburban economic performance.

In this report, we examine once again the economic state of Milwaukee, focusing this time on the period from 1990 to 2008. Our intent with this report, in part, is to see how well Milwaukee has weathered the disruptive changes of previous decades. Has Milwaukee successfully come to grips with deindustrialization and other urban problems that caused the city's decline during the 1970s and 1980s? Or is our performance still among the weakest of Frostbelt cities on many indicators of economic well-being? Are we closing the gap between city and suburban economic performance, or do significant disparities remain? Is there noticeable improvement in the economic welfare of the city's black population, or do we continue to see large disparities between racial groups?

This report is similar in scope to our previous study but includes a slightly larger sample of cities and metropolitan areas. Several regions that were not part of our previous study—including Kansas City, Newark, Omaha, Toledo, and Wichita—appear similar enough to Milwaukee to be useful comparative cases for the present study. We ultimately selected the 19 most populated metro areas in the Northeast and Midwest, with the exception of New York City and Washington, DC, which were omitted due to their unusual economic characteristics. In addition to those regions just named, our sample consists of Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

Key findings of the report are as follows:

Population

- The city of Milwaukee's population fell from 628,088 in 1990 to 604,477 in 2008, a decline of nearly 4 percent. The Milwaukee metropolitan area gained population from 1990-2008. However, the Milwaukee region's increase of 8 percent is the smallest increase of all the metro areas in our sample except Toledo and Detroit.

[1] The 14 cities were Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

- Milwaukee became a majority-minority city during the 1990s. The city's white population fell from 61 percent of the city's total population in 1990 to 40 percent in 2008. No other city in our sample experienced this great a percentage decline in its white population during this time period.

- The Milwaukee region remains one of the most segregated metropolitan areas in the country, with more than 90 percent of African Americans living in the city of Milwaukee. Of our 19 sample cities, only Toledo and Wichita had lower percentages of African Americans living in the suburbs in 2008.

Employment and Income

- Sectors with the largest number of jobs for both the city of Milwaukee and the Milwaukee region are health care and social assistance and manufacturing, with combined employment of nearly 250,000 in 2007. However, manufacturing jobs declined sharply from 1997 to 2007 in both the city and the metro area, while jobs in health care and social assistance have grown modestly. Several other sectors added jobs in both the city and the region, including professional, scientific, and technical services; educational services; arts, entertainment, and recreation; and accommodation and food services. This reflects Milwaukee's ongoing transition from a manufacturing to a services-based economy, a trend that is especially pronounced in the city of Milwaukee.

- Payroll figures for the Milwaukee area provide a mixed picture. Payroll per employee in manufacturing rose by 8 percent from 1997 to 2007 in both the city and the metro area, a pace that outranks the vast majority of other cities and metro areas in our sample. The city's manufacturing payroll per employee figure of $49,327 in 2007 places Milwaukee in the top third of our sample cities. On the other hand, manufacturing is a declining sector, and payroll figures for growing sectors such as health care and social services and accommodation and food services are not as strong, either absolutely or in comparison to other cities and metropolitan areas. In accommodation and food services, for example, the city of Milwaukee's payroll per employee of $12,998 ranked 14 of 19 cities.

- Male jobless rates in Milwaukee rose from 1990 to 2008 in both the city and the region. Jobless rates for white males are lower than they are in most of the other cities and regions in our sample. However, the situation is reversed for black males. In 2008, black male joblessness in the Milwaukee metro area was higher than any other region in our sample except Toledo, Detroit, and Buffalo.

- In our previous State of the City report, we found that real per capita income grew by just 3.7 percent in the city of Milwaukee from 1970 to 1990, a slower pace than all but two of the cities in our 14-city sample, Detroit and Cleveland. The most recent data show little improvement on this indicator. From 1990-2008, Milwaukee's real per capita income grew by just 4.4 percent, slower than all of our 19 sample cities except Detroit and Toledo.

- The Milwaukee metropolitan area ranked second to last on real per capita income growth among the 14 metropolitan areas in our previous study. Recent data show a significant turnaround, comparatively speaking. From 1990-2008, real per capita income growth for the

Milwaukee metro area was 17 percent, placing the Milwaukee region in the top third of our sample.

- Median household income for African Americans in the Milwaukee region is comparatively low. One factor contributing to this is the region's comparatively small black middle class. We use four measures to develop a composite picture of the black middle class in the cities and metro areas in our sample: black households earning at least $50,000; the percentage of blacks with a 4-year college degree; the percentage of blacks employed in professional, management, and related occupations; and black-owned businesses. On each of these measures, Milwaukee consistently falls in the bottom half of our sample.

Business and Economic Development

- The Milwaukee region's gross metropolitan product increased by 29 percent from 2001-2008, placing Milwaukee in the bottom third of metro areas in our sample. The region's 8 percent increase in gross metro product *per capita* during this time places Milwaukee squarely in the middle of our sample cities.

- Recent sales figures for tourism-related sectors such as food and accommodation and arts, entertainment, and recreation have been strong for both the city of Milwaukee and the Milwaukee region. From 1997-2007, sales in food and accommodation in the city of Milwaukee grew by nearly 20 percent.

- In terms of overall sales volume, Milwaukee's largest sector is manufacturing, accounting for $9 billion in sales in the city and over $40 billion in sales in the metropolitan area in 2007. Like most other cities in our sample, the city of Milwaukee experienced a drop in manufacturing sales from 1997 to 2007. Milwaukee's decline of 16 percent places the city roughly in the middle of our sample on this indicator.

- In contrast to the central cities in our sample, most metropolitan areas we examine experienced increases in manufacturing sales from 1997 to 2007. In several regions, including Wichita, Columbus, and Philadelphia, gains were 40 percent or higher even after adjusting for inflation. The Milwaukee region's increase of just under 3 percent is one of the smallest gains among the 12 regions in our sample that experienced growth in manufacturing sales during this time.

- The city of Milwaukee's 21 percent share of metro-area retail sales is down from 24 percent in 1997. Comparatively speaking, Milwaukee's performance is reasonably strong, placing Milwaukee near the top third of our sample cities. The city's share of the region's manufacturing employment has declined as well. However, its 22 percent share is still greater than that of most of the other cities in our sample.

Poverty

- As our previous State of the City report showed, the city of Milwaukee's poverty rate increased by 61 percent during the 1980s, the highest increase of the 14 cities in our sample population. Data from 1990, 2000, and 2008 show that poverty has become entrenched in

Milwaukee. Stabilization in the city's poverty rate during the 1990s has given way to further increases since 2000. Milwaukee's 2008 poverty rate of 24 percent is exceeded by only five cities in our sample: Newark, Cincinnati, Buffalo, Cleveland, and Detroit.

- Poverty in the Milwaukee region is largely confined to the central city. In 2000, only 11 of the 182 census tracts in which 10 percent or more of residents were living below the poverty threshold were located outside the city of Milwaukee.

- Milwaukee's child poverty rate in 2008 was a staggering 35 percent. Only Cincinnati, Buffalo, Cleveland, and Detroit had higher child poverty rates than Milwaukee that year. The Milwaukee metro area did not fare any better, comparatively speaking. The region's child poverty rate of 18 percent was higher than all the metro areas in our sample except Buffalo, Detroit, Toledo, and Cleveland.

- When we break down poverty by race, we find once again that trends dating back to the 1980s documented in our previous State of the City report have not been reversed. Our previous report documented a dramatic rise in the city of Milwaukee's African-American poverty rate during the 1980s, from 29.5 percent in 1980 to 41.2 percent in 1990. Like nearly all cities in our sample, Milwaukee's black poverty rate declined during the 1990s. However, by 2008, Milwaukee still had a black poverty rate exceeded by only four cities: Buffalo, Cincinnati, Toledo, and Minneapolis.

Transportation

- The Milwaukee region experiences fewer traffic delays than many other metropolitan areas. In 2007, Milwaukee-area commuters were delayed an average of 18 hours during peak travel periods. Milwaukee is among the top 6 or 7 performers on this indicator of congestion for the years 1990, 2000, and 2007.

- Milwaukee-area commutes are, on average, shorter than they are in many other metropolitan areas. In 2008, only 29 percent of Milwaukee-area commuters spent more than 30 minutes traveling to work. Only four other metropolitan areas in our sample had shorter average commute times.

- Only 7 percent of commuters in the Milwaukee region cycle, walk, or use public transportation to get to work. By contrast, 17 percent of Boston and Chicago commuters use alternatives to driving.

Education

- The percentage of college educated residents in the city of Milwaukee rose from 1990 to 2008 but is still far below cities like Minneapolis and Boston, where more than 40 percent of residents were college educated in 2008. Only four cities—Toledo, Cleveland, Newark, and Detroit—had lower percentages of college educated residents than Milwaukee in 2008. The Milwaukee metro area fares somewhat better on this indicator, both absolutely and comparatively speaking, but is still well below the top performers.

- For the years 1990, 2000, and 2008, the Milwaukee region had the lowest percentage of college educated blacks of all 19 metro areas in our sample. The city of Milwaukee's performance was nearly as poor.

- The disparity between college-educated blacks and college-educated whites in the Milwaukee region is especially pronounced. For the years 1990, 2000, and 2008, the Milwaukee metro area had the highest disparity between black and white residents of all 19 metro areas in our sample. The city of Milwaukee does somewhat better, comparatively speaking, but still falls in the bottom half of our sample for each year examined.

Introduction

In 1998, the UWM Center for Economic Development published a comprehensive study of the Milwaukee region's economic performance. The study, titled *The Economic State of Milwaukee: The City and the Region*, compiled data on a broad set of indicators of economic well-being for Milwaukee and 13 other "Frostbelt" metropolitan areas.[1] The analysis was both historical and comparative, including data as far back as the 1950s for the 14 cities and metropolitan areas examined. A key contribution of the study was to document the impacts of deindustrialization, white flight from the city to the suburbs, and segregation on Milwaukee during this period. The result of these economic and demographic changes was a dramatic deterioration, both absolutely and in comparison to other cities, in the city of Milwaukee's economic well-being as measured by numerous indicators in the study. Suburban Milwaukee fared considerably better on many of our indicators, resulting in a sizeable gap between city and suburban economic performance.

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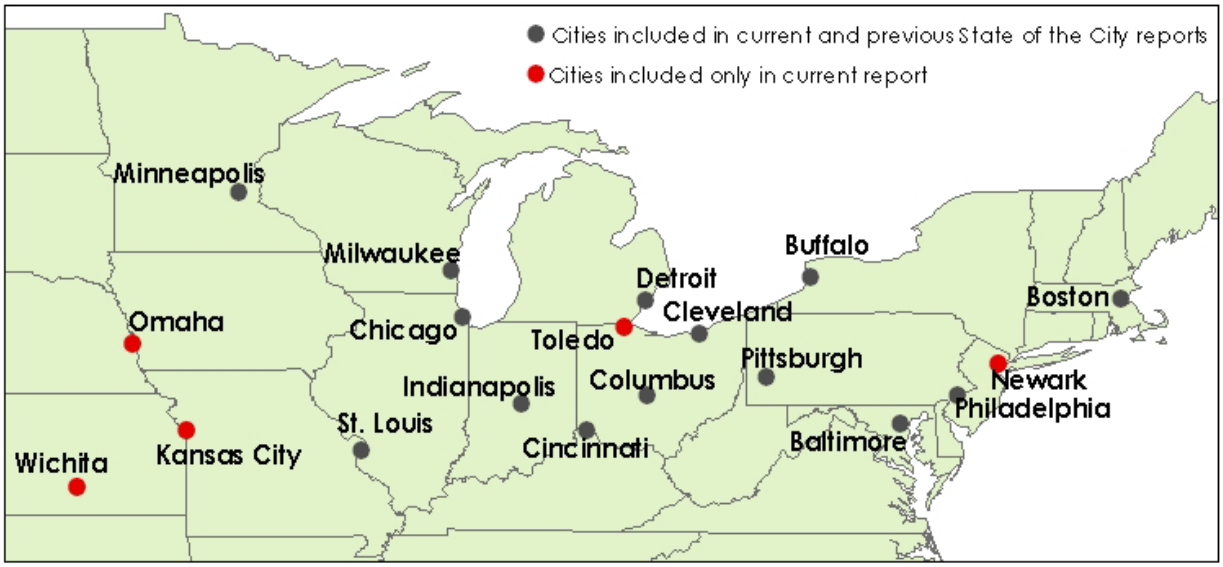
In certain respects, the approach taken by this study is similar to that of our previous State of the City report. Like the earlier study, the analysis here is both historical and comparative. For most of the indicators of economic performance we examine, data are presented for three separate years—1990, 2000, and 2008—allowing us to observe trends. We also provide data for a broad sample of Northeast and Midwest cities to see how Milwaukee's performance compares with that of similar cities. Finally, like our previous study, we present data wherever possible for both cities and metropolitan areas.

In other respects, there are differences between this report and our previous study. First, our previous study was more comprehensive, providing data on more than 350 indicators of city and metropolitan area economic performance. Resources were insufficient to duplicate that effort this time around. As such, the present study focuses on a smaller set of carefully chosen measures that represent valid indicators of the phenomena we set out to observe but are fewer in number than before. Second, our previous study encompassed a longer time span than the current study does. Our focus here on the relatively short period from 1990-2008 makes it difficult to identify trends with the same degree of confidence we could in our previous study.

Finally, this report differs from our previous study because it includes a larger sample of cities and metropolitan areas. Several regions that were not part of our previous study—including Kansas City, Newark, Omaha, Toledo, and Wichita—appear similar enough to Milwaukee to be useful comparative cases for the present study. We ultimately selected the 19 most populated

[1] The 14 cities were Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

metro areas in the Northeast and Midwest, with the exception of New York City and Washington, DC, which were omitted due to their unusual economic characteristics. In addition to those regions just named, our sample consists of Baltimore, Boston, Buffalo, Chicago, Cincinnati, Cleveland, Columbus, Detroit, Indianapolis, Milwaukee, Minneapolis, Philadelphia, Pittsburgh, and St. Louis.

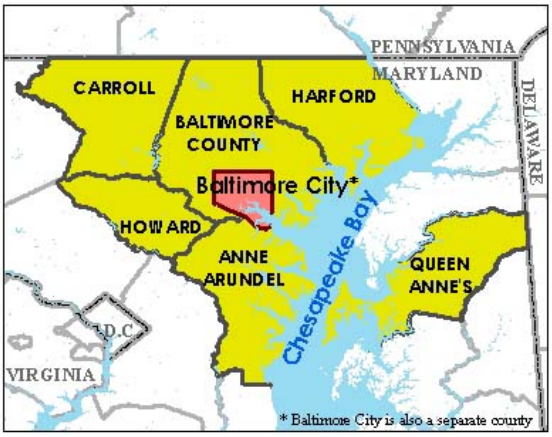


Data for this report come largely from the U.S. Census Bureau's 1990 and 2000 decennial censuses and the 2006-2008 three-year American Community Survey (ACS). The ACS was created as a replacement for the decennial census "long form." Because it uses a significantly smaller sample size than the long form, ACS data may in some cases be less reliable than decennial census data. However, this is a greater problem for small geographic areas than the large cities and metropolitan areas that are the focus of this report. The Census Bureau endorses comparisons between decennial census data and 3-year ACS estimates.

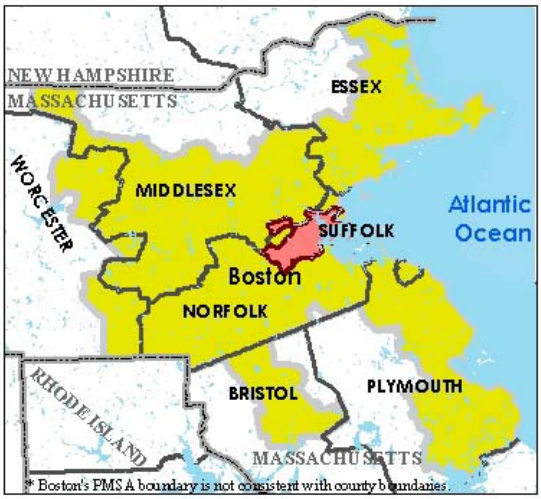
Another Census Bureau change that is relevant to this report has to do with the way in which metropolitan area boundaries are determined. Since 2000, the Census Bureau has replaced Primary Metropolitan Statistical Areas (PMSAs) with Metro Divisions, the boundaries of which do not always correspond precisely with PMSAs. To determine the boundaries of the 19 metropolitan areas in this report, we use PMSAs or Metropolitan Statistical Areas (MSAs) for the years 1990 and 2000. For 2008, we use either Metro Divisions or MSAs—whichever area best approximates the PMSA or MSA from 2000. The boundaries of most metro areas in this study experienced at least minor changes during the period we examine from 1990-2008. However, the Milwaukee metro area has remained constant, consisting of Milwaukee, Waukesha, Ozaukee, and Washington counties for the entire period examined. Maps of the 19 cities and metro areas included in the study appear on the following 3 pages.

Data for each indicator of economic performance we examine are generally presented in the form of a table which, in most cases, includes all 19 cities and metropolitan areas in our sample. Where appropriate, we rank cities and metro areas on individual indicators, with the best performer ranked number 1 and the worst performer ranked 19. For example, the city with the highest rate of income growth during a particular year would be ranked first, while the city with

Baltimore Metro Area



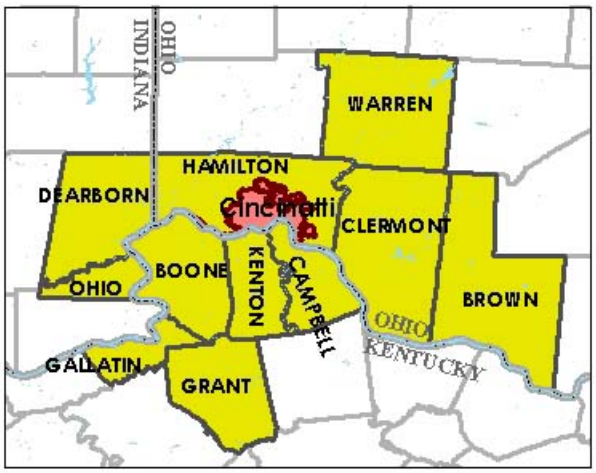
Boston Metro Area



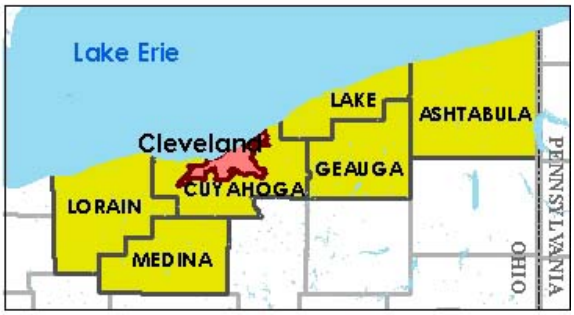
Buffalo Metro Area

Chicago Metro Area

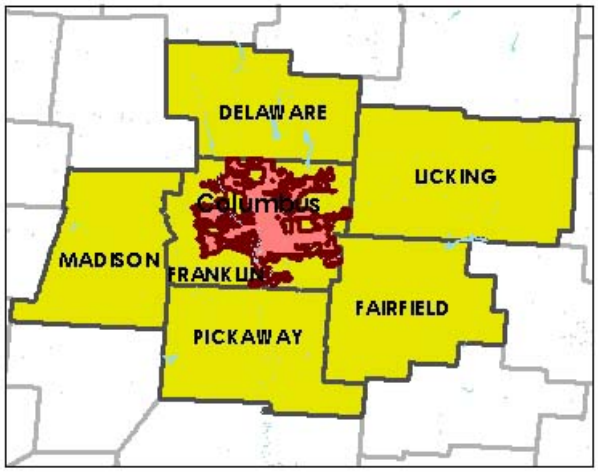
Cincinnati Metro Area



Cleveland Metro Area

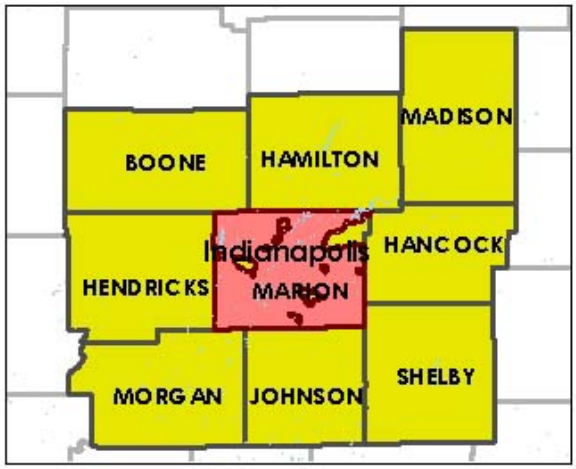


Columbus Metro Area

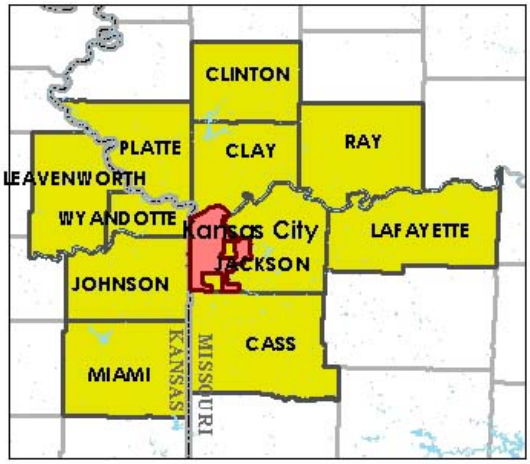


Detroit Metro Area

Indianapolis Metro Area



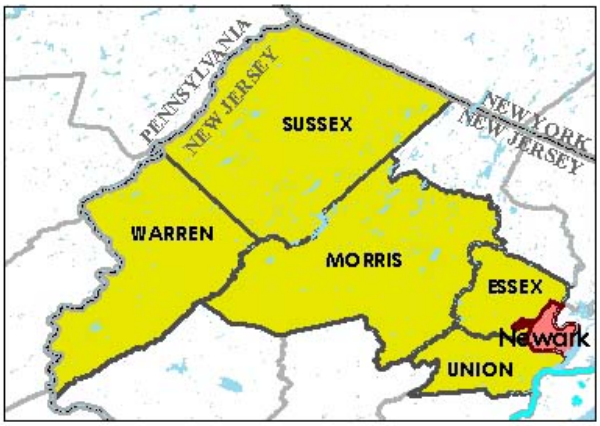
Kansas City Metro Area



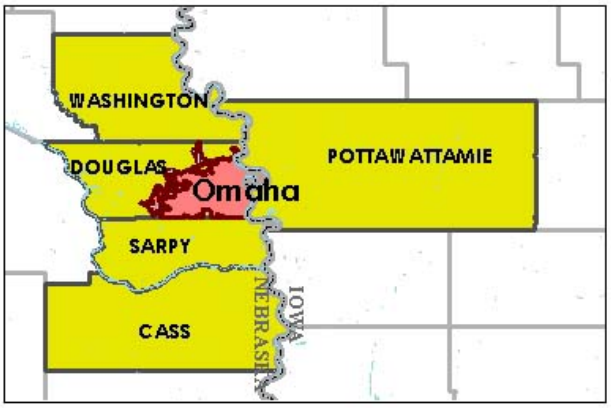
Milwaukee Metro Area

Minneapolis Metro Area

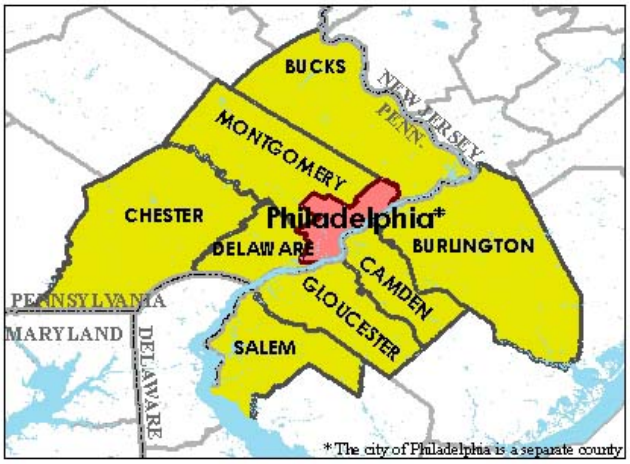
Newark Metro Area



Omaha Metro Area



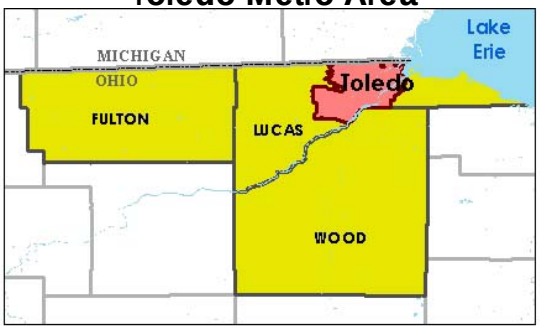
Philadelphia Metro Area



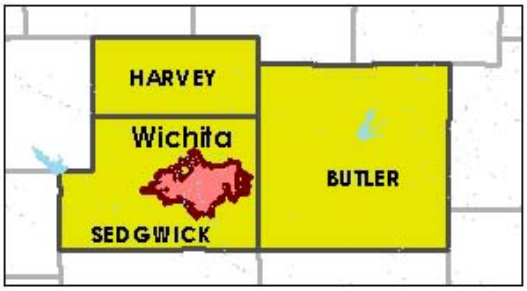
Pittsburgh Metro Area

St. Louis Metro Area

Toledo Metro Area



Wichita Metro Area



the highest unemployment or jobless rate would be ranked last. For some indicators, such as race and ethnicity, there are no “best” or “worst” performers, and the order in which cities appear does not imply a value judgment.

Finally, a note on terminology. We make references from time to time in this report to the “central city,” a term that is often confused with the inner city. In this report, the central city does *not* mean the inner city. Instead, the central city refers to the major city in a given metropolitan area. In the Milwaukee metro area, the city of Milwaukee is the central city.

I. Population

Like other Northeast and Midwest cities, Milwaukee experienced a population decline between the years 1960 and 1990 driven in large part by the movement of many white city residents to suburban areas. For some cities, however, the 1990s represented a turning point. As Table 1.1 indicates, cities such as Chicago, Boston, and Minneapolis gained population during the 1990s and subsequent years. To a large extent, these population gains have been the result of downtown revitalization efforts and the gentrification of certain city neighborhoods, making central city locations attractive once again to residents who might have otherwise chosen suburban areas.

Table 1.1: Total Population and Population Change

	Cities				
	City	**1990**	**2000**	**2008**	**% Change (1990-2008)**
1	Omaha	335,795	390,007	438,646	30.6
2	Wichita	304,011	344,284	366,046	20.4
3	Columbus	632,910	711,470	754,885	19.3
4	Indianapolis	731,327	781,870	798,382	9.2
5	Boston	574,283	589,141	609,023	6.0
6	Minneapolis	368,383	382,618	382,605	3.9
7	Kansas City	435,146	441,545	451,572	3.8
8	Chicago	2,783,726	2,896,016	2,853,114	2.5
9	Newark	275,221	273,546	278,980	1.4
10	Milwaukee	628,088	596,974	604,477	-3.8
11	Cincinnati	364,040	331,285	333,336	-8.4
12	Philadelphia	1,585,577	1,517,550	1,447,395	-8.7
13	St. Louis	396,685	348,189	354,361	-10.7
14	Detroit	1,027,974	951,270	912,062	-11.3
15	Toledo	332,943	313,619	293,201	-11.9
16	Baltimore	736,014	651,154	636,919	-13.5
17	Cleveland	505,616	478,403	433,748	-14.2
18	Pittsburgh	369,879	334,563	310,037	-16.2
19	Buffalo	328,123	292,648	270,919	-17.4
Milwaukee Rank		7	7	7	10

Data Source: U.S. Census 1990 & 2000, U.S. Census 2008 Population Estimates

As Table 1.1 shows, Milwaukee's population declined during the 1990s, but U.S. Census estimates for 2008 show a slight increase in population from 2000 to 2008. It should be emphasized that the 2008 figure is an estimate, and that more conclusive data will have to await the 2010 census. However, the most recent census figures for Milwaukee are cause for optimism that Milwaukee may be joining other Midwest and Northeast cities in reversing decades of population loss.

Overall, Milwaukee's population decline of 3.8 percent from 1990-2007 puts Milwaukee roughly in the middle of our sample of 19 cities. Of the 10 cities that lost population during this time, Milwaukee's loss was the smallest in percentage terms.

Several developments are noteworthy in examining changes in Milwaukee's population during this period. Map 1 shows population changes by census tract from 1990 to 2000, the only two years for which census tract-level data are available. The greatest population gains are in the downtown area, the far Northwest Side, and the near Southwest Side. The largest losses are along the I-43 corridor on the North Side where Milwaukee's high poverty neighborhoods have historically been concentrated. This pattern is consistent with previous research by the UWM Center for Economic Development showing a migration of low-income residents from the I-43 corridor to the far Northwest Side, where both poverty rates and population increased significantly during the 1990s.[2] Population increases in the downtown area, by contrast, are largely the result of gentrification.

Also noteworthy is the fact that Milwaukee became a majority-minority city during the 1990s, and the percentage of white city residents experienced further declines from 2000-2008. As Table 1.2 indicates, Milwaukee's white population fell from 60.8 percent of the city's total population in 1990 to 40.4 percent in 2008. No other city in our sample experienced this great a percentage decline in its white population during this time period.

Table 1.2: Percent White

(non-Hispanic)

Cities

	City	1990	2000	2008
1	Omaha	82.3	75.4	71.1
2	Wichita	80.3	71.7	68.6
3	Pittsburgh	71.6	66.9	65.9
4	Toledo	75.1	67.8	65.0
5	Minneapolis	77.5	62.5	64.2
6	Indianapolis	75.2	67.5	63.3
7	Columbus	73.8	66.9	62.7
8	Kansas City	65.0	57.6	57.6
9	Boston	59.0	49.5	50.6
10	Cincinnati	60.2	52.5	50.0
11	Buffalo	63.1	51.8	48.6
12	St. Louis	50.2	42.9	44.4
13	Milwaukee	60.8	45.4	40.4
14	Philadelphia	52.1	42.5	39.0
15	Cleveland	47.8	38.8	35.5
16	Chicago	37.9	31.3	31.5
17	Baltimore	38.6	31.0	30.6
18	Newark	16.5	14.2	12.8
19	Detroit	20.7	10.5	8.3
Milwaukee Rank		10	12	13

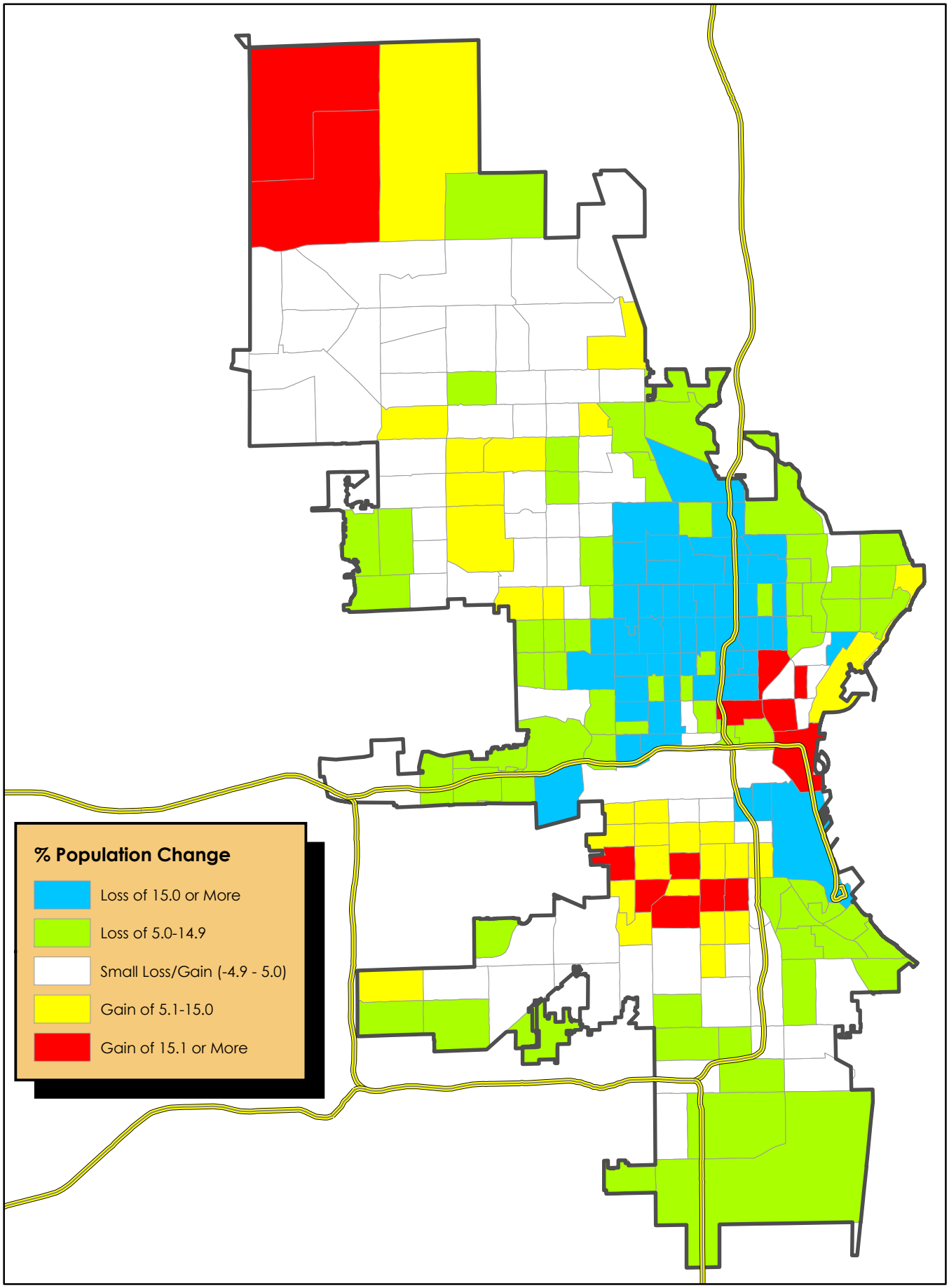
Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

To a large extent, the decline in the percentage of white city residents was the result of increases in the city's African American and Latino populations. The increase in the Latino

[2] See Marc V. Levine, *The Economic State of Milwaukee's Inner City: 1970-2000* (UWM Center for Economic Development, 2002).

Map 1: City of Milwaukee Population Change Between 1990 and 2000 (by Census Tract)

1990 Population=628,088 2000 Population=596,974



Source: U.S. Census 1990, 2000

Created by UW-Milwaukee Center for Economic Development 2010

population was especially pronounced during this period. As Table 1.3 indicates, the percentage of Latino residents rose from 6.3 to 15.7 from 1990-2008, placing Milwaukee in the top third of our sample with respect to percentage of Latino residents. The city's Latino population more than doubled during this time, increasing from 39,409 in 1990 to an estimated 91,257 in 2008 (see Table 1.5). Milwaukee's black population also grew during this period, rising from 30.2 percent of city residents in 1990 to 38 percent in 2008, as Table 1.4 shows.

Table 1.3: Percent Latino

	Cities			
	City	**1990**	**2000**	**2008**
1	Newark	26.1	29.5	31.9
2	Chicago	19.6	26.0	27.8
3	Boston	10.8	14.4	16.1
4	Milwaukee	6.3	12.0	15.7
5	Wichita	5.0	9.6	12.2
6	Omaha	3.1	7.5	11.4
7	Philadelphia	5.6	8.5	11.0
8	Minneapolis	2.1	7.6	9.2
9	Kansas City	3.9	6.9	9.2
10	Cleveland	4.6	7.3	9.0
11	Buffalo	4.9	7.5	8.7
12	Indianapolis	1.1	3.9	7.0
13	Detroit	2.8	5.0	6.4
14	Toledo	4.0	5.5	6.4
15	Columbus	1.1	2.5	4.5
16	St. Louis	1.3	2.0	2.8
17	Baltimore	1.0	1.7	2.6
18	Cincinnati	0.7	1.3	1.9
19	Pittsburgh	0.9	1.3	1.8
Milwaukee Rank		4	4	4

Table 1.4: Percent African-American

	Cities			
	City	**1990**	**2000**	**2008**
1	Detroit	75.3	81.2	82.7
2	Baltimore	58.9	64.0	63.1
3	Cleveland	46.3	50.5	52.2
4	Newark	55.8	51.9	51.3
5	St. Louis	47.3	51.0	48.4
6	Cincinnati	37.8	42.7	44.2
7	Philadelphia	39.3	42.6	42.7
8	Buffalo	30.2	36.6	38.5
9	Milwaukee	30.2	36.9	38.0
10	Chicago	38.6	36.4	34.3
11	Kansas City	29.4	31.0	28.5
12	Pittsburgh	25.6	27.0	26.4
13	Columbus	22.4	24.3	26.2
14	Indianapolis	22.5	25.4	25.8
15	Toledo	19.5	23.3	25.3
16	Boston	23.8	23.8	21.7
17	Minneapolis	12.8	17.8	17.3
18	Omaha	13.0	13.2	12.7
19	Wichita	11.1	11.3	10.7
Milwaukee Rank		10	8	9

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Table 1.5: Milwaukee Latino Population by Origin

	City of Milwaukee					
Origin	**1990 / #**	**1990 / %**	**2000 / #**	**2000 / %**	**2008 / #**	**2008 / %**
Total Latino Population	39,409	100.0	71,646	100.0	91,257	100.0
Mexico	20,988	53.3	43,300	60.4	61,728	67.6
Puerto Rico	14,028	35.6	19,613	27.4	21,747	23.8
All Other	4,393	11.1	8,733	12.2	8,183	8.6

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Metropolitan Areas

In addition to collecting population data for the 19 cities in our sample, we also gathered data for each metropolitan area. Several trends are noteworthy in examining data at the metropolitan area level. First, while central cities located in the Northeast and Midwest generally lost population during the post-World War II era and subsequent years, most metropolitan areas gained residents during this time as a result of suburbanization. This trend has continued in recent years. As Table 1.6 shows, all metropolitan areas in our sample gained population from

Table 1.6: Total Population and Population Change

Metropolitan Areas

	Metro Area	1990	2000	2008	% Change (1990-2008)
1	Boston	2,870,669	3,406,829	4,494,144	56.6
2	Cincinnati	1,452,645	1,646,395	2,138,528	47.2
3	Indianapolis	1,249,822	1,607,486	1,692,148	35.4
4	Omaha	618,262	716,998	828,221	34.0
5	Chicago	6,069,974	8,272,768	7,934,580	30.7
6	Minneapolis	2,464,124	2,968,806	3,197,225	29.8
7	Columbus	1,377,419	1,540,157	1,752,870	27.3
8	Kansas City	1,566,280	1,776,062	1,980,619	26.5
9	Wichita	485,270	545,220	595,686	22.8
10	Philadelphia	4,856,881	5,100,931	5,822,368	19.9
11	Buffalo	968,532	1,170,111	1,127,604	16.4
12	Newark	1,824,321	2,032,989	2,120,058	16.2
13	St. Louis	2,444,099	2,603,607	2,803,854	14.7
14	Pittsburgh	2,056,705	2,358,695	2,355,367	14.5
15	Cleveland	1,831,122	2,250,871	2,095,675	14.4
16	Baltimore	2,382,172	2,552,994	2,662,980	11.8
17	Milwaukee	1,432,149	1,500,741	1,543,802	7.8
18	Toledo	614,128	618,203	650,540	5.9
19	Detroit	4,382,299	4,441,551	4,456,416	1.7
Milwaukee Rank		13	15	15	17

Data Source: U.S. Census 1990 & 2000, ACS 2008

1990-2008, including the Milwaukee metro area. However, Milwaukee's increase of 7.8 percent places our region near the bottom of our sample in population gain. Only two metropolitan areas—Toledo and Detroit—had population increases smaller than Milwaukee's during this time period. This continues a trend dating back to the 1960s in which the Milwaukee region has ranked in the bottom half of Frostbelt metropolitan areas in the rate of population growth.[3]

On a more positive note, the Milwaukee metro area continues to have a greater percentage of residents located in the central city than many other large metropolitan areas in the Northeast and Midwest. With 41 percent of metro area residents located in the central city in 2008, Milwaukee ranks in the top third of our sample on this indicator, a useful measure of sprawl and fragmentation (see Table 1.7).

[3] See Center for Economic Development, *The Economic State of Milwaukee: The City and the Region, 1998*, p. 8.

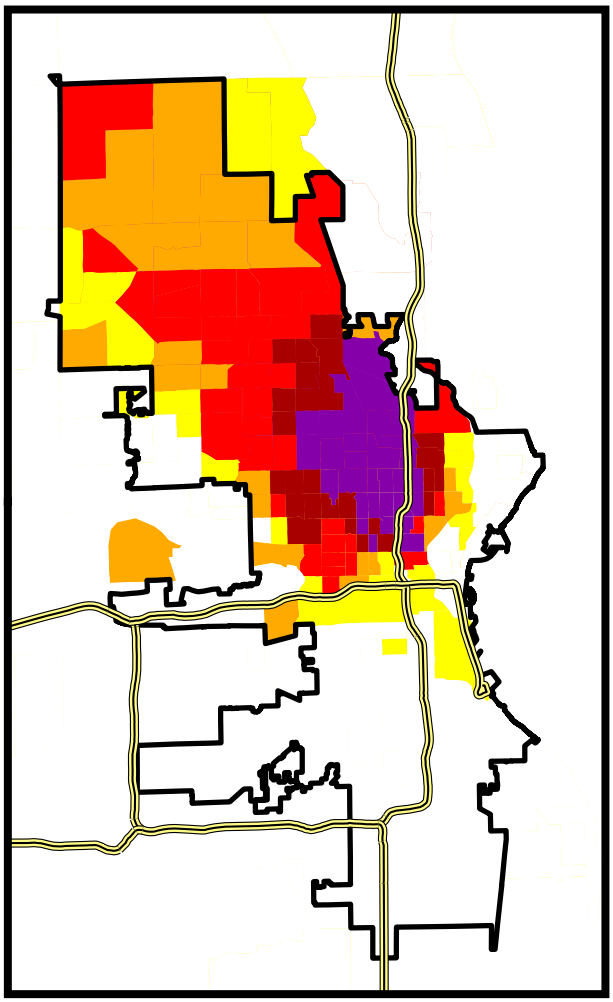
Table 1.7: Percent of Metro Area Residents Living in Central City

	City	City / Metro Ratio-1990	City / Metro Ratio-2000	City / Metro Ratio-2008
1	Toledo	54.2	50.7	51.2
2	Wichita	62.6	63.1	51.0
3	Indianapolis	58.5	48.6	43.2
4	Milwaukee	43.9	39.8	40.7
5	Omaha	54.3	54.4	40.5
6	Columbus	45.9	46.2	36.1
7	Chicago	45.9	35.0	35.1
8	Buffalo	33.9	25.0	29.1
9	Baltimore	30.9	25.5	27.6
10	Philadelphia	32.6	29.8	27.2
11	Cleveland	27.6	21.3	24.1
12	Detroit	23.5	21.4	23.1
13	Kansas City	27.8	24.9	22.0
14	Cincinnati	25.1	20.1	17.0
15	Pittsburgh	18.0	14.2	15.7
16	St. Louis	16.2	13.4	14.1
17	Newark	15.1	13.5	13.0
18	Boston	20.0	17.3	12.8
19	Minneapolis	14.9	12.9	11.5
Milwaukee Rank		7	6	4

Data Source: U.S. Census 1990 & 2000, ACS 2008, U.S. Census 2008 Population Estimates

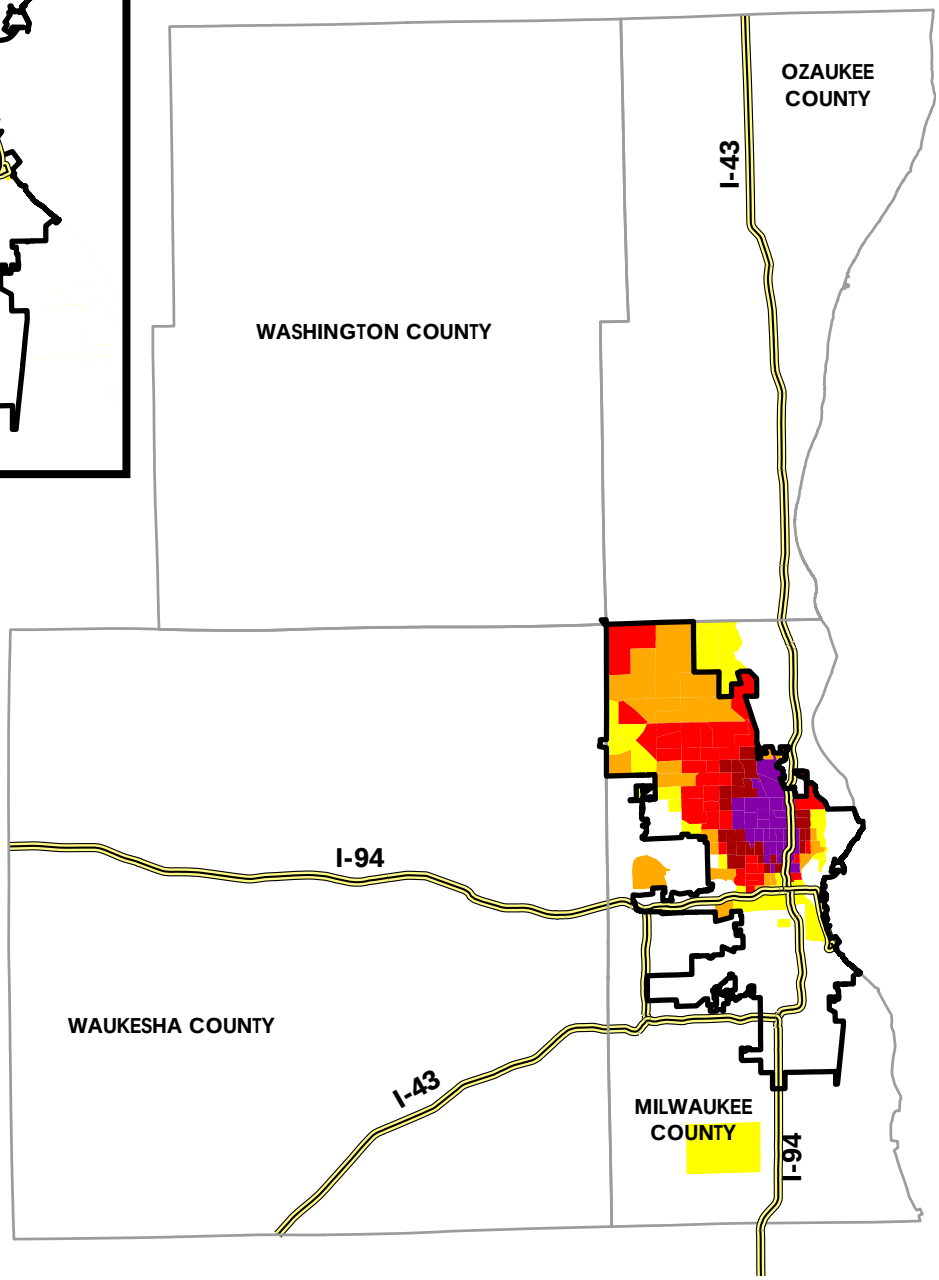
A look at regional demographics offers a more troublesome picture. The Milwaukee region remains one of the most segregated metropolitan areas in the country, with 95 percent of the region's African Americans living in the central city in the year 2000 (see Table 1.8). Map 2 shows the location of the region's black population by census tract for the year 2000. Of the 415 census tracts in the 4-county Milwaukee metro area, only four located outside the city of Milwaukee had black populations of 10 percent or greater. None of the 19 metropolitan areas in our sample had a lower percentage of blacks living in suburban areas that year. While 2008 population figures show some improvement on this indicator, it should again be emphasized that the 2008 figure is an estimate which may change when more definitive numbers are released as part of the 2010 decennial census.

MAP 2: % AFRICAN-AMERICAN BY CENSUS TRACT (2000)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
(% African-American)

- 0.0 - 9.9
- 10.0 - 24.9
- 25.0 - 49.9
- 50.0 - 74.9
- 75.0 - 89.9
- 90.0 - 100.0
- Interstates
- City boundary

Created by the University of Wisconsin-Milwaukee Center for Economic Development, 2010
Data Source: U.S. Census 2000

Table 1.8: Percent of Metro African-American Population Living in the Central City

	City	1990	2000	2008
1	Newark	37.7	32.2	30.6
2	Minneapolis	53.6	43.7	30.7
3	St. Louis	44.5	37.4	34.3
4	Pittsburgh	56.6	47.7	41.9
5	Boston	70.1	63.0	47.3
6	Cleveland	66.2	58.5	51.5
7	Cincinnati	72.6	66.6	52.8
8	Philadelphia	68.3	64.1	53.6
9	Baltimore	70.9	60.0	53.7
10	Kansas City	64.4	61.0	54.2
11	Chicago	81.6	68.4	63.3
12	Detroit	82.5	76.3	66.5
13	Buffalo	91.7	79.5	75.2
14	Columbus	86.8	84.5	79.7
15	Omaha	85.7	87.4	82.0
16	Indianapolis	96.1	89.1	86.1
17	Milwaukee	97.0	94.9	90.8
18	Toledo	94.2	93.7	91.0
19	Wichita	92.8	92.1	92.9
Milwaukee Rank		19	19	17

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

II. Employment and Income

This section of the report examines trends in employment and income for cities and metropolitan areas. We begin with an overview of employment trends for the city of Milwaukee and the Milwaukee region. Table 2.1 shows employment by sector for the city of Milwaukee and the Milwaukee metro area for the years 1997, 2002, and 2007.[4] Several developments are noteworthy. First, the sectors with the largest number of jobs for both the city and the region are health care and social assistance and manufacturing, with combined employment of nearly 250,000 in 2007. However, manufacturing jobs declined sharply from 1997 to 2007 in both the city and the metro area, while jobs in health care and social assistance grew modestly during the years for which data are available (2002 and 2007). Several other sectors added jobs in both the city and the region, including professional, scientific, and technical services; educational services; arts, entertainment, and recreation; and accommodation and food services. These data reflect Milwaukee's ongoing transition from a manufacturing to a services-based economy, a trend that is especially pronounced in the city of Milwaukee.

Table 2.1: Milwaukee Employment by Sector

	City of Milwaukee			Milwaukee Metro Area		
Sector	**1997**	**2002**	**2007**	**1997**	**2002**	**2007**
Manufacturing	46,467	34,957	28,510	165,143	138,997	130,675
Wholesale trade	14,029	13,869	9,788	43,101	43,581	46,102
Retail trade	22,655	19,506	18,937	86,453	83,547	86,028
Information	NA	12,050	9,618	NA	24,711	21,142
Professional, scientific, and technical services	14,871	15,946	17,658	32,645	NA	40,949
Administrative and Support and Waste Management and Remediation Services	22,029	17,500	22,156	61,619	46,945	58,759
Educational services	NA	951	1,083	NA	2,512	3,333
Health care and social assistance	NA	49,030	49,423	NA	112,207	118,780
Arts, entertainment, and recreation	NA	5,389	6,945	NA	11,482	15,065
Accommodation and food services	17,852	19,233	20,453	49,984	52,862	59,644
Other services (except public administration)	5,080	7,563	6,923	17,291	24,406	21,389

Data Source: U.S. Economic Census, 1997-2007

Note: 1997 data are not included for the sectors: Educational services; Health care and social assistance; Arts, entertainment, and recreation, because data for non-taxable establishments are not reported.

How does Milwaukee's employment picture compare with other cities? To answer this question, we examine employment trends in a number of key sectors for our 19 sample cities and metro areas, beginning with manufacturing. Table 2.2 shows manufacturing jobs for the years 1997, 2002, and 2007. As this table indicates, Milwaukee's problems in stemming the loss of manufacturing jobs are not unique. All cities in our sample experienced a sizeable drop in manufacturing employment from 1997-2007. Milwaukee's decline of 39 percent is about average

[4] We rely on data from the U.S. Economic Census for this section of the report, which provides data for 1997, 2002, and 2007. Data for 2008 are not currently available from the Economic Census.

for the cities in our sample. On the other hand, Milwaukee's total of nearly 29,000 manufacturing jobs in 2007 ranks fourth highest among our sample cities. Despite the large drop in manufacturing employment since 1997, the city of Milwaukee still employs more workers in manufacturing than many other cities. The same holds for the Milwaukee metro area. However, the region's 21 percent drop in manufacturing employment from 1997-2007 was greater than many of the other metropolitan areas in our sample. While the Milwaukee region employs more industrial workers than many other regions, sharp declines in manufacturing employment in recent years raise significant questions about how long this trend is likely to continue.

Table 2.2: Manufacturing: Jobs

Cities

	City	1997	2002	2007	% Chg 97-07
1	Omaha	24,767	21,187	20,354	-17.8%
2	Columbus	32,243	32,468	24,027	-25.5%
3	Kansas City	27,888	21,567	19,070	-31.6%
4	Philadelphia	47,928	42,922	32,672	-31.8%
5	Cincinnati	28,917	20,014	18,795	-35.0%
6	Newark	14,960	11,796	9,590	-35.9%
7	Wichita	52,170	34,999	33,140	-36.5%
8	St. Louis	33,836	25,531	21,432	-36.7%
9	Buffalo	20,307	17,158	12,848	-36.7%
10	Toledo	25,446	22,933	15,647	-38.5%
11	Milwaukee	46,467	34,957	28,510	-38.6%
12	Minneapolis	25,906	19,629	15,783	-39.1%
13	Cleveland	44,400	29,898	26,961	-39.3%
14	Pittsburgh	13,924	13,416	8,408	-39.6%
15	Chicago	130,372	97,603	73,447	-43.7%
16	Baltimore	30,216	21,042	16,253	-46.2%
17	Boston	18,944	15,955	9,922	-47.6%
18	Detroit	47,487	38,019	22,962	-51.6%
19	Indianapolis	59,135	54,226	NA	NA
Milwaukee Rank		6	6	4	11

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Cincinnati	119,533	125,193	125,573	5.1%
2	Omaha	34,735	33,934	33,757	-2.8%
3	Boston	207,661	232,033	195,861	-5.7%
4	Wichita	66,234	63,292	60,130	-9.2%
5	Columbus	77,263	81,187	69,841	-9.6%
6	Toledo	55,581	56,974	49,565	-10.8%
7	Philadelphia	251,908	252,316	224,483	-10.9%
8	Kansas City	95,231	86,631	82,421	-13.5%
9	Minneapolis	234,192	209,774	200,650	-14.3%
10	Pittsburgh	120,793	107,837	101,747	-15.8%
11	Indianapolis	106,283	92,678	88,795	-16.5%
12	Newark	110,238	98,010	87,290	-20.8%
13	Milwaukee	165,143	138,997	130,675	-20.9%
14	St. Louis	170,766	149,877	132,161	-22.6%
15	Buffalo	81,398	70,972	58,267	-28.4%
16	Cleveland	199,862	163,624	141,166	-29.4%
17	Detroit	347,293	307,667	234,520	-32.5%
18	Chicago	594,764	443,505	386,223	-35.1%
19	Baltimore	NA	82,438	70,099	NA
Milwaukee Rank		8	8	8	13

Data Source: U.S. Economic Census, 1997-2007

In addition to jobs in manufacturing, we also provide data on employee earnings in the manufacturing sector. Table 2.3 shows payroll per employee in manufacturing for our sample cities and metro areas. Payroll per employee is calculated by dividing the total payroll in the manufacturing sector by the number of workers in this sector. It represents the average earnings for workers in manufacturing. Here the picture is somewhat brighter. Manufacturing payroll per employee rose by 8 percent from 1997 to 2007 in both the city and the metro area, a pace that outranks the vast majority of other cities and metro areas in our sample. In the city of Milwaukee, payroll per employee was higher in 2007 than only four other cities in our sample. Thus, while Milwaukee is losing manufacturing jobs at a rapid pace, the jobs that remain here pay better, on average, than manufacturing jobs in many other cities.

Table 2.3: Manufacturing: Payroll per Employee (adjusted to 2007 $)

Cities

	City	1997	2002	2007	% Chg 97-07
1	Boston	45,789	51,763	58,527	27.8%
2	Milwaukee	45,691	45,499	49,327	8.0%
3	Minneapolis	47,427	46,961	49,295	3.9%
4	Baltimore	43,021	47,090	44,701	3.9%
5	Toledo	55,895	63,100	58,074	3.9%
6	Detroit	62,903	62,268	64,729	2.9%
7	Chicago	41,404	41,353	42,385	2.4%
8	Cincinnati	45,649	45,865	46,687	2.3%
9	Kansas City	46,252	48,160	47,074	1.8%
10	Newark	42,480	43,736	43,084	1.4%
11	Buffalo	47,610	47,865	47,819	0.4%
12	Philadelphia	42,652	43,484	42,749	0.2%
13	Pittsburgh	43,751	46,474	43,145	-1.4%
14	St. Louis	47,481	47,485	46,576	-1.9%
15	Omaha	41,059	40,305	40,162	-2.2%
16	Columbus	47,008	45,972	45,885	-2.4%
17	Cleveland	48,364	45,924	47,147	-2.5%
18	Wichita	53,453	48,599	49,950	-6.6%
19	Indianapolis	55,172	56,505	NA	NA
Milwaukee Rank		12	15	5	2

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Newark	50,868	48,980	57,863	13.8%
2	Philadelphia	48,631	50,432	53,539	10.1%
3	Kansas City	45,151	49,021	49,644	10.0%
4	Milwaukee	46,611	47,219	50,434	8.2%
5	Minneapolis	48,326	50,083	51,931	7.5%
6	Boston	54,280	54,401	57,220	5.4%
7	St. Louis	49,857	53,774	52,332	5.0%
8	Columbus	45,862	47,537	47,915	4.5%
9	Pittsburgh	46,579	45,771	47,272	1.5%
10	Toledo	50,995	52,781	51,608	1.2%
11	Wichita	52,981	52,552	53,426	0.8%
12	Cincinnati	49,050	49,048	49,132	0.2%
13	Cleveland	48,760	47,354	48,713	-0.1%
14	Omaha	40,902	40,572	40,810	-0.2%
15	Chicago	47,248	45,968	46,734	-1.1%
16	Buffalo	51,716	50,090	50,998	-1.4%
17	Detroit	58,015	56,138	56,176	-3.2%
18	Indianapolis	52,337	52,469	49,636	-5.2%
19	Baltimore	NA	51,618	53,325	NA
Milwaukee Rank		15	16	11	4

Data Source: U.S. Economic Census, 1997-2007

We next examine the employment picture for health care and social assistance. As indicated above, this is by far Milwaukee's largest employment sector, with nearly 50,000 jobs in 2007. Table 2.4 shows jobs in health care and social assistance for our 19 sample cities and metro areas for the years 2002 and 2007. This sector has experienced some job growth in almost all of the cities and regions in our sample. In many cases, growth has been sizeable even during the short time frame of 2002 to 2007. Job growth in Milwaukee has been somewhat more modest than it has been in many of the other cities and metro areas we examine.

How well do these jobs pay in the Milwaukee area in comparison to other regions? Table 2.5 provides figures on payroll per employee in the health care and social assistance sector for our sample cities and metro areas. Unlike manufacturing, the city of Milwaukee does not fare as well as many other cities on this indicator. For both 2002 and 2007, Milwaukee ranks in the bottom third of our sample, with payroll per employee figures below $40,000, well below top performers like Minneapolis and Boston. The region as a whole fares slightly better, comparatively speaking.

Table 2.4: Health Care and Social Assistance: Jobs

Cities

	City	2002	2007	% Chg 02-07
1	Cleveland	52,283	63,632	21.7%
2	Omaha	33,997	39,203	15.3%
3	Buffalo	32,030	36,528	14.0%
4	Newark	17,470	19,141	9.6%
5	Columbus	56,739	62,035	9.3%
6	Baltimore	59,451	64,978	9.3%
7	Philadelphia	122,509	131,738	7.5%
8	Boston	105,765	113,597	7.4%
9	Wichita	28,261	30,023	6.2%
10	Pittsburgh	60,260	63,402	5.2%
11	Minneapolis	46,606	48,202	3.4%
12	Milwaukee	49,030	49,423	0.8%
13	Chicago	158,868	159,828	0.6%
14	Kansas City	36,818	37,015	0.5%
15	Toledo	26,341	25,701	-2.4%
16	Cincinnati	50,865	49,388	-2.9%
17	St. Louis	38,819	34,294	-11.7%
18	Detroit	46,274	NA	NA
19	Indianapolis	70,387	NA	NA
Milwaukee Rank		10	8	12

Metro Areas

	Metro Area	2002	2007	% Chg 02-07
1	Columbus	93,656	107,649	14.9%
2	Baltimore	151,284	173,557	14.7%
3	Minneapolis	198,609	227,776	14.7%
4	Omaha	47,084	53,429	13.5%
5	Buffalo	74,597	83,751	12.3%
6	Philadelphia	371,117	415,348	11.9%
7	Kansas City	105,025	116,844	11.3%
8	Cleveland	143,721	159,804	11.2%
9	Pittsburgh	168,885	184,576	9.3%
10	Chicago	401,790	438,790	9.2%
11	Wichita	36,365	39,696	9.2%
12	Boston	334,577	363,736	8.7%
13	Newark	121,527	131,899	8.5%
14	Milwaukee	112,207	118,780	5.9%
15	St. Louis	161,179	170,320	5.7%
16	Indianapolis	101,432	106,787	5.3%
17	Cincinnati	123,165	129,504	5.1%
18	Toledo	48,192	48,747	1.2%
19	Detroit	224,856	NA	NA
Milwaukee Rank		12	11	14

Table 2.5: Health Care and Social Assistance: Payroll per Employee (adj. to 2007 $)

Cities

	City	2002	2007	% Change 2002-2007
1	Minneapolis	42,987	52,033	21.0%
2	Boston	50,556	56,064	10.9%
3	Baltimore	41,202	45,467	10.3%
4	Philadelphia	40,885	44,700	9.3%
5	Toledo	37,207	40,597	9.1%
6	Cincinnati	42,568	46,161	8.4%
7	Cleveland	45,852	49,485	7.9%
8	Columbus	41,173	43,492	5.6%
9	Omaha	40,963	43,160	5.4%
10	Milwaukee	37,992	39,834	4.8%
11	Newark	49,250	51,046	3.6%
12	Pittsburgh	43,315	44,810	3.4%
13	Wichita	37,654	38,644	2.6%
14	Buffalo	37,175	38,042	2.3%
15	Kansas City	42,987	43,908	2.1%
16	St. Louis	34,805	35,195	1.1%
17	Chicago	41,169	41,596	1.0%
18	Detroit	42,493	NA	NA
19	Indianapolis	40,435	NA	NA
Milwaukee Rank		15	14	10

Metro Areas

	Metro Area	2002	2007	% Change 2002-2007
1	Minneapolis	38,428	42,405	10.3%
2	Boston	42,177	45,277	7.4%
3	Toledo	35,147	37,557	6.9%
4	Philadelphia	39,643	42,087	6.2%
5	Baltimore	38,991	41,318	6.0%
6	Cleveland	38,680	40,423	4.5%
7	Indianapolis	38,951	40,354	3.6%
8	Cincinnati	38,361	39,714	3.5%
9	Columbus	38,506	39,648	3.0%
10	Kansas City	39,358	40,517	2.9%
11	Milwaukee	38,527	39,658	2.9%
12	Wichita	35,646	36,592	2.7%
13	Omaha	38,937	39,924	2.5%
14	Newark	43,583	44,488	2.1%
15	Pittsburgh	36,910	37,490	1.6%
16	St. Louis	35,789	36,174	1.1%
17	Chicago	41,774	42,063	0.7%
18	Buffalo	33,698	33,614	-0.2%
19	Detroit	40,457	NA	NA
Milwaukee Rank		11	12	11

Data Source: U.S. Economic Census, 2002-2007

Other sectors in which employment in Milwaukee has grown in recent years include accommodation and food services and arts, entertainment, and recreation. Both sectors are associated with the tourist industry. Like other cities, Milwaukee has sought to market itself as a tourist destination as part of an effort to respond to the decline of manufacturing in the city and the region. Employment trends in tourist-related sectors provide some indication of the impacts of this strategy on the local workforce. Table 2.6 provides employment figures for accommodation and food services for our 19 sample cities and metropolitan areas. As the data indicate, this sector is growing in nearly all the cities and regions in our sample. The city of Milwaukee's 15 percent increase in employment in this sector from 1997 to 2007 places Milwaukee in the middle third of our sample.

Table 2.6: Accommodation and Food Services: Jobs

Cities

	City	1997	2002	2007	% Chg 97-07
1	Newark	5,346	6,530	6,939	29.8%
2	Omaha	18,796	20,781	23,858	26.9%
3	Philadelphia	38,521	39,973	48,552	26.0%
4	Columbus	32,807	37,523	41,282	25.8%
5	Buffalo	8,280	10,130	9,962	20.3%
6	Wichita	15,891	16,308	18,895	18.9%
7	Minneapolis	20,653	21,401	24,428	18.3%
8	Boston	39,844	43,097	46,895	17.7%
9	Milwaukee	17,852	19,233	20,453	14.6%
10	Chicago	92,348	96,874	105,396	14.1%
11	St. Louis	18,843	22,718	20,372	8.1%
12	Pittsburgh	19,012	19,722	20,474	7.7%
13	Detroit	15,426	15,918	16,550	7.3%
14	Baltimore	20,021	19,254	21,456	7.2%
15	Kansas City	26,879	24,772	26,835	-0.2%
16	Cleveland	17,757	15,875	16,038	-9.7%
17	Toledo	13,187	13,149	11,505	-12.8%
18	Cincinnati	16,006	14,903	13,938	-12.9%
19	Indianapolis	41,447	41,183	NA	NA
Milwaukee Rank		12	12	10	9

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Boston	132,048	172,305	185,188	40.2%
2	Omaha	26,895	32,638	37,671	40.1%
3	Philadelphia	133,515	162,363	185,109	38.6%
4	Cincinnati	67,983	84,519	92,094	35.5%
5	Columbus	62,081	71,670	78,561	26.5%
6	Minneapolis	111,217	125,153	138,810	24.8%
7	Baltimore	80,323	87,863	97,405	21.3%
8	St. Louis	100,455	110,070	121,229	20.7%
9	Wichita	20,170	20,773	24,281	20.4%
10	Newark	48,837	52,940	58,397	19.6%
11	Kansas City	70,663	74,199	84,322	19.3%
12	Milwaukee	49,984	52,862	59,644	19.3%
13	Buffalo	38,793	41,692	45,852	18.2%
14	Toledo	24,590	27,844	28,162	14.5%
15	Indianapolis	65,908	66,403	75,084	13.9%
16	Pittsburgh	83,749	88,798	93,669	11.8%
17	Chicago	264,904	261,629	294,630	11.2%
18	Detroit	140,827	144,761	146,138	3.8%
19	Cleveland	81,235	76,420	79,741	-1.8%
Milwaukee Rank		14	15	14	12

Data Source: U.S. Economic Census, 1997-2007

In addition to jobs, we also examine payroll in the accommodation and food services sector. Table 2.7 shows payroll per employee for this sector for our sample cities and metro areas. As one would expect, the data indicate that jobs in accommodation and food services pay, on average, substantially lower wages than jobs in manufacturing. For example, the city of Milwaukee's payroll figure of $12,998 per employee for accommodation and food services in 2007 compares with a figure of $49,327 for manufacturing that year. This general pattern holds for all cities. However, Milwaukee's performance in this sector is weak in comparison to other cities and regions in two key respects. First, Milwaukee's payroll per employee figures are lower than most other cities, placing both the city and the region in the bottom third of our sample cities and metro areas for each year examined. Second, Milwaukee's payroll per employee is

rising at a slower pace than in most other cities and metro areas. Put another way, employee earnings in accommodation and food services are, on average, comparatively low in Milwaukee, and they are rising more slowly than they are in many other cities. This is a troublesome sign for a city which is banking on the tourist industry to help cushion the blow of years of industrial decline.

Table 2.7: Accommodation and Food Services: Payroll per Employee (adjusted to 2007 $)

Cities

	City	1997	2002	2007	% Chg 97-07
1	Detroit	12,599	13,104	20,138	59.8%
2	Boston	18,684	20,078	22,551	20.7%
3	Pittsburgh	12,785	14,698	15,179	18.7%
4	Cincinnati	12,757	13,044	14,859	16.5%
5	Chicago	16,704	18,276	19,449	16.4%
6	Baltimore	14,968	16,796	17,341	15.9%
7	Cleveland	12,866	14,131	14,662	14.0%
8	St. Louis	13,421	15,514	15,285	13.9%
9	Minneapolis	15,436	16,257	17,255	11.8%
10	Philadelphia	15,465	16,462	17,258	11.6%
11	Buffalo	11,000	12,115	12,148	10.4%
12	Kansas City	15,010	15,888	15,898	5.9%
13	Milwaukee	12,490	13,223	12,998	4.1%
14	Omaha	12,103	12,413	12,492	3.2%
15	Columbus	13,181	13,827	13,405	1.7%
16	Wichita	12,280	12,123	11,753	-4.3%
17	Toledo	11,000	11,658	10,489	-4.6%
18	Newark	21,389	18,954	19,573	-8.5%
19	Indianapolis	12,823	14,311	NA	NA
Milwaukee Rank		19	15	14	13

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Buffalo	10,986	11,426	12,765	16.2%
2	Baltimore	12,999	14,087	14,887	14.5%
3	Chicago	14,478	16,025	16,465	13.7%
4	Boston	15,598	17,103	17,620	13.0%
5	Detroit	12,074	12,819	13,521	12.0%
6	Minneapolis	12,909	14,201	14,268	10.5%
7	Cleveland	10,978	12,128	12,088	10.1%
8	Indianapolis	12,160	13,493	13,373	10.0%
9	Philadelphia	13,499	14,649	14,733	9.1%
10	St. Louis	12,130	13,478	13,090	7.9%
11	Pittsburgh	11,234	12,287	12,114	7.8%
12	Cincinnati	12,462	12,921	13,154	5.6%
13	Kansas City	13,367	13,769	14,048	5.1%
14	Milwaukee	11,238	12,239	11,760	4.6%
15	Newark	16,099	16,647	16,822	4.5%
16	Columbus	12,352	13,088	12,645	2.4%
17	Omaha	12,438	12,857	12,727	2.3%
18	Toledo	10,815	11,437	10,843	0.3%
19	Wichita	11,834	11,714	11,328	-4.3%
Milwaukee Rank		15	15	17	14

Data Source: U.S. Economic Census, 1997-2007

The other tourist-related sector we examine is arts, entertainment, and recreation. Table 2.8 provides employment figures for this sector for the 19 cities and metropolitan areas in our sample. As the data indicate, jobs in arts, entertainment, and recreation account for a small but growing share of employment in the Milwaukee area. Table 2.9 provides payroll per employee figures for this sector. The payroll data indicate that, on average, these jobs pay considerably better than jobs in accommodation and food services. Still, Milwaukee's performance on this indicator is weak, comparatively speaking, placing both the city and the region near the bottom third of our sample cities and metro areas. When adjusted for inflation, payroll per employee for both the city and the metro area fell by roughly 10 percent from 2002 to 2007.

Table 2.8: Arts, Entertainment, and Recreation: Jobs

Cities

	City	2002	2007	% Chg 02-07
1	Wichita	1,761	3,159	79.4%
2	Toledo	2,507	3,525	40.6%
3	Milwaukee	5,389	6,945	28.9%
4	Philadelphia	9,660	12,031	24.5%
5	Newark	1,326	1,641	23.8%
6	Cincinnati	3,423	3,903	14.0%
7	Pittsburgh	4,988	5,512	10.5%
8	Minneapolis	5,317	5,803	9.1%
9	Omaha	3,749	4,085	9.0%
10	Boston	9,331	9,678	3.7%
11	St. Louis	4,744	4,749	0.1%
12	Baltimore	5,579	5,459	-2.2%
13	Columbus	4,805	4,660	-3.0%
14	Cleveland	6,002	5,390	-10.2%
15	Kansas City	5,042	4,377	-13.2%
16	Detroit	13,671	9,862	-27.9%
17	Buffalo	2,391	1,608	-32.7%
18	Chicago	17,730	NA	NA
19	Indianapolis	NA	7,874	NA
Milwaukee Rank		7	5	3

Metro Areas

	Metro Area	2002	2007	% Chg 02-07
1	Wichita	2,503	3,957	58.1%
2	Milwaukee	11,482	15,065	31.2%
3	St. Louis	18,776	23,814	26.8%
4	Newark	12,376	15,126	22.2%
5	Toledo	4,481	5,442	21.4%
6	Baltimore	16,994	20,293	19.4%
7	Philadelphia	36,591	43,205	18.1%
8	Chicago	47,438	54,545	15.0%
9	Columbus	9,679	10,979	13.4%
10	Minneapolis	28,109	31,809	13.2%
11	Indianapolis	11,247	12,441	10.6%
12	Boston	35,504	38,181	7.5%
13	Buffalo	6,364	6,663	4.7%
14	Pittsburgh	15,843	16,099	1.6%
15	Kansas City	13,436	13,052	-2.9%
16	Cleveland	14,457	13,649	-5.6%
17	Detroit	33,471	28,732	-14.2%
18	Cincinnati	NA	NA	NA
19	Omaha	6,733	NA	NA
Milwaukee Rank		12	10	2

Table 2.9: Arts, Entertainment, & Recreation: Payroll per Employee (2007 $)

Cities

	City	2002	2007	% Chg 02-07
1	Newark	27,263	70,280	157.8%
2	Buffalo	35,058	52,518	49.8%
3	Kansas City	58,301	75,082	28.8%
4	Cleveland	57,159	68,980	20.7%
5	Minneapolis	47,636	55,172	15.8%
6	Boston	53,968	61,667	14.3%
7	Detroit	40,361	45,635	13.1%
8	Cincinnati	76,476	84,939	11.1%
9	Pittsburgh	58,723	63,984	9.0%
10	Philadelphia	56,528	61,352	8.5%
11	Omaha	17,510	17,076	-2.5%
12	Milwaukee	50,199	45,590	-9.2%
13	Wichita	15,290	12,978	-15.1%
14	Columbus	36,080	29,056	-19.5%
15	Baltimore	57,311	44,060	-23.1%
16	Toledo	19,595	14,498	-26.0%
17	St. Louis	89,092	60,565	-32.0%
18	Chicago	43,552	NA	NA
19	Indianapolis	NA	58,581	NA
Milwaukee Rank		9	13	12

Metro Areas

	Metro Area	2002	2007	% Chg 02-07
1	Buffalo	37,998	44,623	17.4%
2	Newark	21,824	25,363	16.2%
3	Indianapolis	41,495	45,757	10.3%
4	Pittsburgh	32,865	35,336	7.5%
5	Kansas City	32,977	35,180	6.7%
6	Boston	32,626	34,764	6.6%
7	Cleveland	44,094	46,804	6.1%
8	Detroit	33,849	35,635	5.3%
9	Philadelphia	29,888	31,047	3.9%
10	Minneapolis	28,290	29,097	2.9%
11	Baltimore	31,096	31,389	0.9%
12	Chicago	30,377	30,485	0.4%
13	Milwaukee	31,666	28,322	-10.6%
14	Wichita	15,578	13,435	-13.8%
15	St. Louis	38,105	31,836	-16.5%
16	Columbus	29,020	24,016	-17.2%
17	Toledo	19,646	15,099	-23.1%
18	Cincinnati	NA	NA	NA
19	Omaha	17,156	NA	NA
Milwaukee Rank		9	13	13

Data Source: U.S. Economic Census, 2002-2007

Finally, we examine employment trends in three additional sectors which have become increasingly important in light of the manufacturing-services shift experienced by cities in recent decades: retail trade, information, and real estate. Table 2.10 shows retail jobs for the 19 cities and metro areas in our sample for the years 1997, 2002, and 2007. Retail employment in the city of Milwaukee fell by 16 percent during this period. Most cities in our sample experienced a drop in retail employment during this period, and Milwaukee's performance places the city roughly in the middle of our sample on this indicator. Retail employment was more stable for the metropolitan area as a whole, but still far behind high-performing regions like Boston and Philadelphia.

Table 2.10: Retail: Jobs

Cities

	City	1997	2002	2007	% Chg 97-07
1	Newark	5,920	5,501	6,467	9.2%
2	Wichita	22,657	22,508	23,854	5.3%
3	Boston	26,624	28,183	27,909	4.8%
4	Chicago	86,703	83,748	89,349	3.1%
5	Omaha	33,724	32,163	34,372	1.9%
6	Philadelphia	51,398	50,082	50,225	-2.3%
7	Columbus	51,028	47,943	48,684	-4.6%
8	Minneapolis	15,860	17,648	14,740	-7.1%
9	Kansas City	27,774	25,833	25,485	-8.2%
10	Indianapolis	56,279	53,931	48,941	-13.0%
11	Milwaukee	22,655	19,506	18,937	-16.4%
12	Pittsburgh	19,790	19,576	16,455	-16.9%
13	Buffalo	10,187	10,672	8,315	-18.4%
14	Toledo	18,732	16,922	14,799	-21.0%
15	St. Louis	14,511	14,524	11,368	-21.7%
16	Detroit	17,886	14,760	12,933	-27.7%
17	Cincinnati	18,093	15,866	13,048	-27.9%
18	Baltimore	23,159	17,814	16,682	-28.0%
19	Cleveland	15,454	12,875	10,259	-33.6%
Milwaukee Rank		10	10	9	11

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Boston	187,603	255,184	252,997	34.9%
2	Philadelphia	259,802	306,842	316,013	21.6%
3	Kansas City	98,293	105,736	110,941	12.9%
4	Cincinnati	97,593	111,562	110,110	12.8%
5	Newark	90,246	96,857	101,421	12.4%
6	Omaha	46,740	50,067	51,994	11.2%
7	Minneapolis	173,238	189,192	188,242	8.7%
8	Wichita	28,706	29,928	30,972	7.9%
9	Baltimore	132,311	134,961	141,052	6.6%
10	Columbus	95,130	100,175	101,313	6.5%
11	St. Louis	141,603	147,393	148,889	5.1%
12	Pittsburgh	132,247	132,572	132,058	-0.1%
13	Milwaukee	86,453	83,547	86,028	-0.5%
14	Indianapolis	95,437	95,598	94,406	-1.1%
15	Chicago	398,282	351,599	387,591	-2.7%
16	Toledo	37,164	37,700	35,261	-5.1%
17	Buffalo	66,786	64,046	63,093	-5.5%
18	Detroit	233,423	226,616	204,938	-12.2%
19	Cleveland	123,799	111,220	106,023	-14.4%
Milwaukee Rank		15	15	15	13

Data Source: U.S. Economic Census, 1997-2007

Payroll figures for the Milwaukee-area retail sector exhibit patterns similar to what we found in other service industries, namely, earnings that are, on average, below those of workers in most of the other cities and metro areas in our sample. Table 2.11 provides data on payroll per employee for our sample cities and regions. For the years 1997 and 2007, Milwaukee's performance at both the city and regional levels falls in the bottom third of our sample. Performance for 2002 is slightly better, comparatively speaking.

Table 2.11: Retail: Payroll per Employee
(adjusted to 2007 $)

Cities

	City	1997	2002	2007	% Chg 97-07
1	Boston	22,903	25,382	25,987	13.5%
2	Minneapolis	23,435	23,225	26,242	12.0%
3	Cincinnati	22,041	26,040	24,553	11.4%
4	Pittsburgh	20,319	21,846	22,338	9.9%
5	Indianapolis	22,557	24,222	24,249	7.5%
6	Milwaukee	20,562	23,073	21,677	5.4%
7	Baltimore	23,133	24,105	24,067	4.0%
8	Philadelphia	22,298	22,210	23,058	3.4%
9	Newark	22,158	23,275	22,853	3.1%
10	Columbus	22,726	22,539	23,257	2.3%
11	Chicago	23,142	24,805	23,669	2.3%
12	Toledo	19,335	20,852	19,775	2.3%
13	Omaha	21,923	23,215	22,096	0.8%
14	Wichita	21,777	22,985	21,789	0.1%
15	Detroit	20,883	22,728	20,510	-1.8%
16	Cleveland	23,128	21,715	22,664	-2.0%
17	Buffalo	19,573	17,891	19,174	-2.0%
18	Kansas City	23,766	25,620	23,256	-2.1%
19	St. Louis	25,143	26,161	23,180	-7.8%
Milwaukee Rank		16	11	16	6

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Buffalo	18,515	19,929	20,424	10.3%
2	St. Louis	22,800	23,807	24,593	7.9%
3	Cincinnati	20,207	22,168	21,753	7.7%
4	Boston	23,430	25,553	25,182	7.5%
5	Baltimore	22,851	25,066	24,546	7.4%
6	Pittsburgh	19,518	20,954	20,862	6.9%
7	Indianapolis	21,711	22,957	23,122	6.5%
8	Minneapolis	22,162	24,315	23,345	5.3%
9	Toledo	20,279	21,920	21,297	5.0%
10	Omaha	21,161	22,890	22,182	4.8%
11	Columbus	22,514	22,681	23,504	4.4%
12	Milwaukee	20,815	22,799	21,542	3.5%
13	Philadelphia	23,876	24,627	24,653	3.3%
14	Cleveland	21,172	22,130	21,735	2.7%
15	Newark	25,711	27,509	26,362	2.5%
16	Wichita	21,220	22,426	21,642	2.0%
17	Kansas City	22,652	24,304	22,730	0.3%
18	Chicago	23,790	25,036	23,693	-0.4%
19	Detroit	23,475	24,880	22,400	-4.6%
Milwaukee Rank		15	12	16	12

Data Source: U.S. Economic Census, 1997-2007

We next consider the information sector. With fewer than 10,000 employees in the city of Milwaukee and just over 21,000 in the metro area in 2007, the information sector is a relatively small part of Milwaukee's economy. Table 2.12 shows employment in information for our sample cities and metropolitan areas for the years 2002 and 2007. Job losses in this sector occurred in most of the cities and metro areas in our sample during this time period. However, Milwaukee fared worse than most other cities and regions. Table 2.13 shows payroll per employee figures for this sector. Here again, the Milwaukee area's performance in comparison to other cities and regions is relatively weak. On average, Milwaukee information workers earn less than workers in many of the other cities and regions in our sample. In addition, their earnings are, on average, increasing at a slower pace than they are in most of the other cities and metro areas included in our sample.

Table 2.12: Information: Jobs

Cities

	City	2002	2007	% Chg 02-07
1	Newark	6,439	14,315	122.3%
2	Detroit	7,735	9,603	24.1%
3	Philadelphia	17,713	20,081	13.4%
4	Chicago	46,139	47,771	3.5%
5	Columbus	12,750	12,858	0.8%
6	Wichita	6,566	6,537	-0.4%
7	Omaha	11,684	11,252	-3.7%
8	Indianapolis	15,112	13,541	-10.4%
9	Toledo	3,251	2,800	-13.9%
10	Minneapolis	14,085	11,772	-16.4%
11	Boston	24,169	20,045	-17.1%
12	St. Louis	12,107	9,809	-19.0%
13	Kansas City	20,053	16,054	-19.9%
14	Milwaukee	12,050	9,618	-20.2%
15	Baltimore	9,279	6,907	-25.6%
16	Buffalo	5,438	4,019	-26.1%
17	Cleveland	9,687	6,455	-33.4%
18	Pittsburgh	16,563	10,895	-34.2%
19	Cincinnati	12,199	5,677	-53.5%
Milwaukee Rank		11	12	14

Metro Areas

	Metro Area	2002	2007	% Chg 02-07
1	Philadelphia	76,264	79,832	4.7%
2	Kansas City	52,648	52,890	0.5%
3	Wichita	7,139	7,035	-1.5%
4	Minneapolis	55,476	54,627	-1.5%
5	Omaha	13,614	13,297	-2.3%
6	Indianapolis	19,698	18,768	-4.7%
7	St. Louis	38,274	35,755	-6.6%
8	Chicago	112,502	103,044	-8.4%
9	Columbus	23,043	20,590	-10.6%
10	Boston	107,251	94,182	-12.2%
11	Baltimore	31,328	27,169	-13.3%
12	Milwaukee	24,711	21,142	-14.4%
13	Cleveland	25,027	20,372	-18.6%
14	Buffalo	11,277	9,074	-19.5%
15	Pittsburgh	31,604	25,320	-19.9%
16	Toledo	5,188	4,062	-21.7%
17	Cincinnati	23,363	18,072	-22.6%
18	Detroit	56,118	41,199	-26.6%
19	Newark	NA	NA	NA
Milwaukee Rank		11	10	12

Table 2.13: Information: Payroll per Employee (adj. to 2007 $)

Cities

	City	2002	2007	% Chg 02-07
1	Buffalo	39,743	51,181	28.8%
2	Pittsburgh	51,593	61,495	19.2%
3	Detroit	56,790	66,202	16.6%
4	Minneapolis	59,268	67,566	14.0%
5	Omaha	50,498	56,497	11.9%
6	Kansas City	58,503	64,154	9.7%
7	Cleveland	58,169	62,299	7.1%
8	Baltimore	56,786	60,811	7.1%
9	Chicago	73,722	78,358	6.3%
10	Cincinnati	60,023	62,816	4.7%
11	Indianapolis	56,091	57,503	2.5%
12	Philadelphia	52,801	53,729	1.8%
13	Toledo	48,199	48,164	-0.1%
14	Milwaukee	53,231	53,011	-0.4%
15	Columbus	60,473	58,361	-3.5%
16	Wichita	40,846	37,762	-7.5%
17	Boston	70,911	65,051	-8.3%
18	St. Louis	70,738	62,846	-11.2%
19	Newark	69,994	48,325	-31.0%
Milwaukee Rank		13	15	14

Metro Areas

	Metro Area	2002	2007	% Chg 02-07
1	Buffalo	39,389	46,537	18.1%
2	Boston	70,757	82,393	16.4%
3	Pittsburgh	46,586	54,075	16.1%
4	Omaha	49,157	55,227	12.3%
5	Minneapolis	59,382	66,590	12.1%
6	Baltimore	53,910	59,738	10.8%
7	Chicago	64,610	70,235	8.7%
8	Philadelphia	62,222	67,512	8.5%
9	Cleveland	54,073	58,328	7.9%
10	Cincinnati	54,311	58,461	7.6%
11	Kansas City	62,858	66,933	6.5%
12	Detroit	62,336	64,145	2.9%
13	Milwaukee	54,772	55,379	1.1%
14	Toledo	44,552	44,757	0.5%
15	St. Louis	60,451	60,056	-0.7%
16	Indianapolis	56,016	54,807	-2.2%
17	Columbus	59,157	57,569	-2.7%
18	Wichita	40,066	37,413	-6.6%
19	Newark	NA	NA	NA
Milwaukee Rank		10	12	13

Data Source: U.S. Economic Census, 2002-2007

Lastly, we examine employment in the real estate sector. Real estate is one of Milwaukee's smallest sectors, employing just over 3,000 workers in the city and just under 10,000 workers in the metropolitan area in 2007. While this sector experienced job growth in the majority of the cities and regions in our sample, real estate employment in the Milwaukee area experienced modest decline from 1997 to 2007, as Table 2.14 indicates. Real estate earnings, on the other hand, increased significantly during this period, particularly in the city of Milwaukee. Table 2.15 provides payroll per employee figures for our 19 sample cities and metropolitan areas. From 1997 to 2007, the city of Milwaukee experienced a 43 percent increase in payroll per employee, changing Milwaukee from one of the weaker to one of the stronger performers on this indicator. The metro area did not fare as well during this period but still experienced a 19 percent increase.

Table 2.14: Real Estate: Jobs

Cities

	City	1997	2002	2007	% Chg 97-07
1	Cleveland	3,159	3,076	5,548	75.6%
2	Wichita	2,483	2,832	3,170	27.7%
3	Kansas City	4,660	5,961	5,816	24.8%
4	Omaha	4,278	4,973	5,226	22.2%
5	Toledo	1,729	1,625	2,022	16.9%
6	Buffalo	1,635	1,975	1,884	15.2%
7	Chicago	25,827	32,822	28,882	11.8%
8	Columbus	7,701	7,845	8,129	5.6%
9	Minneapolis	4,246	4,019	4,429	4.3%
10	Philadelphia	9,550	9,557	9,813	2.8%
11	Baltimore	4,807	5,266	4,677	-2.7%
12	Pittsburgh	3,974	4,386	3,813	-4.1%
13	Boston	12,736	11,327	11,955	-6.1%
14	Milwaukee	3,899	3,568	3,183	-18.4%
15	St. Louis	3,520	4,306	2,633	-25.2%
16	Newark	3,108	3,965	2,181	-29.8%
17	Cincinnati	3,571	3,571	2,423	-32.1%
18	Detroit	2,279	2,486	NA	NA
19	Indianapolis	8,813	10,697	NA	NA
Milwaukee Rank		11	14	11	14

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Newark	12,882	18,799	18,407	42.9%
2	Philadelphia	32,530	39,227	43,149	32.6%
3	Omaha	5,107	6,112	6,713	31.4%
4	Wichita	2,815	3,221	3,670	30.4%
5	Minneapolis	24,708	29,698	31,686	28.2%
6	Boston	30,605	35,600	38,734	26.6%
7	Indianapolis	12,032	14,159	14,833	23.3%
8	Cincinnati	10,984	14,470	13,389	21.9%
9	Kansas City	13,008	15,698	15,815	21.6%
10	Baltimore	18,521	21,908	22,029	18.9%
11	St. Louis	17,872	20,713	20,731	16.0%
12	Toledo	3,298	3,327	3,780	14.6%
13	Buffalo	5,834	6,640	6,639	13.8%
14	Pittsburgh	12,344	14,154	13,928	12.8%
15	Chicago	59,915	68,441	67,343	12.4%
16	Columbus	11,553	12,256	12,876	11.5%
17	Detroit	27,532	30,299	29,503	7.2%
18	Milwaukee	9,775	10,396	9,657	-1.2%
19	Cleveland	18,706	14,414	18,202	-2.7%
Milwaukee Rank		15	15	15	18

Data Source: U.S. Economic Census, 1997-2007

Table 2.15: Real Estate: Payroll per Employee (adjusted to 2007 $)

Cities

	City	1997	2002	2007	% Chg 97-07
1	Cleveland	31,071	40,835	51,762	66.6%
2	Boston	43,265	58,306	70,837	63.7%
3	Milwaukee	30,034	37,119	42,806	42.5%
4	Baltimore	33,558	35,319	45,945	36.9%
5	Toledo	28,093	31,617	37,753	34.4%
6	Columbus	30,059	36,987	39,977	33.0%
7	Chicago	44,972	47,407	59,096	31.4%
8	Philadelphia	34,289	38,614	44,221	29.0%
9	Pittsburgh	34,811	41,591	44,823	28.8%
10	St. Louis	28,149	31,496	35,963	27.8%
11	Cincinnati	35,815	38,289	42,206	17.8%
12	Newark	31,366	33,313	34,915	11.3%
13	Wichita	26,223	30,425	27,482	4.8%
14	Kansas City	35,059	32,881	36,673	4.6%
15	Omaha	31,152	33,184	32,211	3.4%
16	Minneapolis	36,922	38,788	36,019	-2.4%
17	Buffalo	38,028	33,416	25,701	-32.4%
18	Detroit	26,755	33,090	NA	NA
19	Indianapolis	30,370	36,566	NA	NA
Milwaukee Rank		15	8	7	3

Metro Areas

	Metro Area	1997	2002	2007	% Chg 97-07
1	Cleveland	27,156	34,383	42,970	58.2%
2	Newark	37,522	43,096	51,007	35.9%
3	Indianapolis	28,746	35,078	37,549	30.6%
4	Baltimore	33,213	37,160	43,182	30.0%
5	Philadelphia	35,253	39,433	44,310	25.7%
6	Columbus	29,014	34,397	36,386	25.4%
7	Boston	41,211	48,181	50,998	23.7%
8	Chicago	40,250	42,868	49,802	23.7%
9	Toledo	28,315	29,745	34,646	22.4%
10	Pittsburgh	30,594	34,270	36,486	19.3%
11	Milwaukee	29,413	32,301	34,973	18.9%
12	Minneapolis	32,141	37,601	36,244	12.8%
13	St. Louis	30,906	34,849	34,763	12.5%
14	Cincinnati	32,106	35,232	35,121	9.4%
15	Kansas City	30,906	32,947	33,583	8.7%
16	Omaha	29,535	31,856	32,039	8.5%
17	Detroit	32,617	36,184	34,330	5.3%
18	Wichita	25,858	29,675	26,844	3.8%
19	Buffalo	29,714	31,474	28,174	-5.2%
Milwaukee Rank		14	15	12	11

Data Source: U.S. Economic Census, 1997-2007

Unemployment and Joblessness

Table 2.16 provides unemployment rates for the years 1990, 2000, and 2010 for the 19 cities and metropolitan areas in our sample. The city of Milwaukee's unemployment rate during this period places Milwaukee in the middle third of our sample cities for all three years examined. However, the city's position worsened each year, falling from 9th in 1990 to 13th in 2010. This continues a downward trend dating back to 1960, when Milwaukee had the second lowest unemployment rate of the 14 Frostbelt cities examined in our previous State of the City report.[5] In examining unemployment rates for metropolitan areas, the Milwaukee region also falls in the middle third of our sample cities with a performance slightly stronger than that of the city, comparatively speaking.

[5] See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 79.

Table 2.16: Unemployment Rate

(ages 16+)

Cities

	City	1990	2000	2010
1	Omaha	4.7	4.3	5.2
2	Minneapolis	6.7	5.8	7.0
3	Columbus	5.9	4.9	9.0
4	Pittsburgh	9.1	10.1	9.1
5	Wichita	5.9	5.3	9.2
6	Boston	8.3	7.2	9.3
7	Indianapolis	5.6	5.5	10.2
8	Buffalo	11.6	12.5	10.2
9	Cincinnati	7.9	7.3	10.7
10	Kansas City	7.3	6.3	10.7
11	Baltimore	9.2	10.7	11.3
12	Chicago	11.3	10.1	11.3
13	Milwaukee	8.9	9.4	11.6
14	Cleveland	14.0	11.2	11.7
15	Philadelphia	9.7	10.9	12.1
16	St. Louis	11.0	11.3	12.9
17	Toledo	9.9	7.7	12.9
18	Newark	14.7	16.1	15.8
19	Detroit	19.7	13.8	25.5
Milwaukee Rank		9	10	13

Metropolitan Areas

	Metro Area	1990	2000	2010
1	Omaha	4.2	3.7	5.3
2	Minneapolis	4.6	3.5	6.9
3	Buffalo	7.0	7.0	8.0
4	Baltimore	4.9	5.0	8.1
5	Boston	6.2	4.3	8.4
6	Wichita	5.1	4.6	8.5
7	Pittsburgh	7.0	5.8	8.6
8	Milwaukee	5.4	5.2	8.6
9	Kansas City	5.5	4.3	8.8
10	Columbus	5.1	4.0	9.0
11	Indianapolis	4.7	4.4	9.2
12	Cleveland	6.8	5.3	9.3
13	Philadelphia	5.8	6.2	9.7
14	Cincinnati	5.1	4.3	9.9
15	Newark	6.4	6.2	10.0
16	St. Louis	6.4	5.5	10.1
17	Chicago	7.2	6.2	10.5
18	Toledo	7.8	6.1	11.5
19	Detroit	8.8	5.9	15.2
Milwaukee Rank		8	10	8

Data Source: U.S. Census 1990 & 2000, BLS Local Area Unemployment Statistics, 7/2010

Some analysts prefer the jobless rate to the unemployment rate since the unemployment rate does not capture discouraged workers no longer actively seeking employment. Since many adults are by choice not part of the workforce, however, the overall jobless rate can be a misleading figure. We use the jobless rate for males only (age 16-64), also an imperfect measure but one that we believe comes closer to capturing the problem of joblessness and chronic unemployment than other commonly used measures. Table 2.17 provides male jobless rates for the years 1990, 2000, and 2008 for the 19 cities and metropolitan areas in our sample. Like the other cities and metro areas in our sample, both the city of Milwaukee and the Milwaukee region experienced an increase in male joblessness during this period. However, Milwaukee's increases were higher than those of certain other cities and metro areas, causing both the city and the region to lose ground, comparatively speaking.

Table 2.17: Male Jobless Rate

(Age 16-64)

Cities

	City	1990	2000	2008
1	Wichita	17.1	20.5	21.4
2	Omaha	19.2	21.1	21.8
3	Minneapolis	22.3	23.1	24.9
4	Kansas City	22.8	25.6	25.0
5	Indianapolis	19.1	22.4	25.1
6	Columbus	22.8	21.9	26.0
7	Boston	29.0	32.0	28.7
8	Chicago	29.5	34.5	29.6
9	Milwaukee	27.2	32.0	32.8
10	Toledo	28.6	28.1	34.3
11	Pittsburgh	34.7	35.3	35.0
12	St. Louis	31.5	35.3	35.2
13	Cincinnati	29.3	30.6	37.5
14	Baltimore	31.9	41.1	37.9
15	Philadelphia	32.3	39.2	38.0
16	Newark	37.4	49.2	39.3
17	Buffalo	34.3	38.8	40.2
18	Cleveland	37.3	38.2	40.4
19	Detroit	44.4	44.8	53.7
Milwaukee Rank		7	9	9

Metro Areas

	Metro Area	1990	2000	2008
1	Omaha	17.0	18.3	18.7
2	Minneapolis	15.4	16.5	18.9
3	Wichita	16.4	19.3	19.8
4	Kansas City	19.2	20.1	20.6
5	Indianapolis	17.3	19.8	22.1
6	Boston	21.1	21.8	22.8
7	Milwaukee	19.0	21.6	23.1
8	Newark	20.2	25.3	23.5
9	Columbus	21.7	21.3	23.5
10	Chicago	21.1	24.6	23.9
11	Baltimore	19.4	23.5	24.3
12	Cincinnati	20.3	21.3	24.3
13	St. Louis	20.5	22.0	24.4
14	Pittsburgh	25.3	24.1	25.4
15	Cleveland	22.5	23.1	25.6
16	Philadelphia	21.8	25.7	25.9
17	Toledo	24.3	23.5	27.1
18	Buffalo	24.3	26.7	28.2
19	Detroit	24.2	24.4	30.3
Milwaukee Rank		5	8	7

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

When male jobless figures are broken down by race, several trends are noteworthy. Table 2.18 provides data on joblessness for white males. For each year examined, the city of Milwaukee falls in the middle third of cities in our sample. However, when our unit of analysis is metropolitan areas rather than central cities, Milwaukee fares somewhat better, comparatively speaking. For the year 2000, the Milwaukee metro area's white male jobless rate was lower than only two other metro areas: Minneapolis and Omaha.

Table 2.18: White Non-Hispanic Male Jobless Rate

(Age 16-64)

Cities

	City	1990	2000	2008
1	Wichita	14.5	16.1	18.6
2	Kansas City	17.6	18.1	19.0
3	Chicago	19.5	20.3	19.1
4	Omaha	16.1	16.6	19.5
5	Minneapolis	17.9	17.2	20.4
6	Indianapolis	15.8	17.8	21.8
7	Columbus	19.8	18.4	22.8
8	Milwaukee	20.1	21.3	24.1
9	Boston	24.9	24.6	24.3
10	St. Louis	20.7	24.1	25.0
11	Baltimore	22.3	28.4	26.6
12	Newark	26.8	42.1	28.2
13	Cincinnati	22.1	22.5	28.8
14	Toledo	23.7	22.8	28.9
15	Philadelphia	23.8	29.5	30.0
16	Pittsburgh	28.6	29.6	30.2
17	Buffalo	27.2	30.4	33.2
18	Cleveland	27.0	27.8	33.3
19	Detroit	32.8	37.9	48.4
Milwaukee Rank		8	8	8

Metro Areas

	Metro Area	1990	2000	2008
1	Minneapolis	13.9	14.1	17.0
2	Omaha	14.3	15.5	17.1
3	Wichita	14.3	15.9	17.6
4	Kansas City	16.2	16.5	18.0
5	Milwaukee	14.9	15.9	18.1
6	Baltimore	13.8	16.8	18.7
7	Chicago	14.6	16.6	19.2
8	Indianapolis	15.0	16.8	19.8
9	Newark	15.1	17.6	19.8
10	St. Louis	16.5	17.8	20.7
11	Boston	19.1	18.4	21.1
12	Philadelphia	16.5	19.3	21.1
13	Columbus	19.1	18.5	21.3
14	Cleveland	17.8	18.6	21.7
15	Cincinnati	17.5	18.6	22.0
16	Pittsburgh	23.3	22.1	23.5
17	Toledo	21.3	20.2	23.7
18	Buffalo	20.3	22.3	24.3
19	Detroit	18.6	18.7	24.9
Milwaukee Rank		6	3	5

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

The picture is very different when it comes to black joblessness. Table 2.19 provides jobless rates for African-American males for the cities and metropolitan areas in our sample. Here again, the city of Milwaukee ranks in the middle third of our sample cities, although towards the bottom of the middle tier. More revealing are the data for the metropolitan area. Where the Milwaukee metro area fared comparatively well with respect to white male joblessness, the situation is reversed for African Americans. For all three years examined, the Milwaukee region's black male jobless rate places the region in the bottom third of our sample of metropolitan areas. In 2000, only the Buffalo metro area had a higher jobless rate among black males than Milwaukee.

Table 2.19: African-American Male Jobless Rate

(Age 16-64)

Cities

	City	1990	2000	2008
1	Indianapolis	31.8	36.5	36.6
2	Columbus	33.7	32.8	37.4
3	Boston	36.3	42.1	39.4
4	Wichita	31.6	37.2	39.8
5	Omaha	38.2	43.0	41.5
6	Kansas City	36.2	40.6	41.6
7	Minneapolis	39.1	38.6	42.6
8	Baltimore	38.6	48.6	44.8
9	Philadelphia	42.3	47.4	46.4
10	Pittsburgh	52.6	49.8	46.6
11	Cleveland	50.1	48.1	47.1
12	St. Louis	45.3	48.1	48.2
13	Cincinnati	43.2	44.2	48.9
14	Chicago	45.9	50.5	49.0
15	Milwaukee	43.1	47.1	49.2
16	Buffalo	47.8	50.4	49.8
17	Toledo	47.7	44.5	50.5
18	Newark	44.2	56.2	50.6
19	Detroit	48.1	46.7	56.0
Milwaukee Rank		10	11	15

Metro Areas

	Metro Area	1990	2000	2008
1	Boston	34.0	38.9	33.9
2	Newark	34.2	42.1	36.9
3	Indianapolis	32.7	38.1	36.9
4	Minneapolis	36.6	35.3	37.2
5	Omaha	34.7	39.7	37.6
6	Baltimore	34.6	41.1	38.1
7	Columbus	39.9	37.8	38.6
8	Kansas City	37.6	39.7	39.5
9	Wichita	30.9	38.4	40.2
10	Cleveland	43.0	42.1	40.7
11	Philadelphia	40.0	44.3	41.9
12	St. Louis	40.3	42.1	42.4
13	Cincinnati	40.8	41.1	42.5
14	Chicago	42.5	45.1	44.4
15	Pittsburgh	47.7	44.8	45.3
16	Milwaukee	43.7	47.5	48.8
17	Toledo	47.1	43.9	49.1
18	Detroit	46.3	44.0	50.1
19	Buffalo	49.0	51.8	50.9
Milwaukee Rank		15	18	16

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

What accounts for the Milwaukee metro area's comparatively high black male jobless rate? Segregation appears to play a significant role. For most of the other cities in our sample, black male jobless rates for metro areas are several percentage points below those of their central cities. Black suburban dwellers help bring the black jobless rate down for metropolitan areas because blacks living in the suburbs are more likely to be employed than blacks living in the central city. As we saw in the previous section, however, the proportion of black Milwaukee-area residents living in the suburbs is extremely small. As such, black male jobless rates for the city of Milwaukee and the Milwaukee metro area are virtually identical for all three years examined, as Table 2.19 indicates.

Income

Income represents a basic measure of a community's economic well-being. We measure income in two ways: per capita income and household income. Table 2.20 shows per capita income for the 19 cities and metropolitan areas in our sample for the years 1990, 2000, and 2008. As Table 2.20 indicates, the city of Milwaukee ranks comparatively low on this key benchmark, falling in the bottom third of sample cities for each year examined. For the year 2008, only three cities—Newark, Cleveland, and Detroit—had per capita incomes lower than that of Milwaukee. The Milwaukee metro area performs somewhat better in comparison to other cities and shows improvement over time, moving from 12th to 10th to 9th in the rankings during the three years examined.

Table 2.20: Per Capita Income

Cities

	City	1990	2000	2008
1	Boston	15,581	23,353	31,974
2	Minneapolis	14,830	22,685	30,668
3	Chicago	12,899	20,175	26,814
4	Kansas City	13,799	20,753	26,061
5	Omaha	13,957	21,756	25,728
6	Indianapolis	14,478	21,640	25,360
7	Wichita	14,516	20,647	25,288
8	Pittsburgh	12,580	18,816	24,390
9	Cincinnati	12,547	19,962	23,894
10	Columbus	13,151	20,450	23,423
11	Baltimore	11,994	16,978	22,656
12	Philadelphia	12,091	16,509	20,876
13	St. Louis	10,798	16,108	20,622
14	Toledo	11,894	17,388	19,331
15	Buffalo	10,445	14,991	19,246
16	Milwaukee	11,106	16,181	19,092
17	Newark	9,424	13,009	17,364
18	Cleveland	9,258	14,291	16,723
19	Detroit	9,443	14,717	15,255
Milwaukee Rank		14	14	16

Metro Areas

	Metro Area	1990	2000	2008
1	Newark	19,966	28,435	36,962
2	Boston	19,288	29,227	36,454
3	Minneapolis	16,842	26,219	33,634
4	Baltimore	16,596	24,398	32,889
5	Philadelphia	16,386	23,874	31,257
6	Chicago	16,447	25,011	30,479
7	Kansas City	15,067	23,326	28,808
8	Indianapolis	15,159	23,198	28,527
9	Milwaukee	14,785	23,158	28,506
10	Columbus	14,516	23,020	28,178
11	St. Louis	14,917	22,698	28,130
12	Detroit	15,694	24,354	28,016
13	Cincinnati	14,610	23,124	27,770
14	Omaha	13,989	22,145	27,515
15	Cleveland	15,092	22,321	27,201
16	Pittsburgh	14,052	20,935	27,171
17	Buffalo	13,560	20,143	25,944
18	Wichita	14,303	20,692	25,808
19	Toledo	13,710	20,565	25,295
Milwaukee Rank		12	10	9

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

We also examine real per capita income, which represents per capita income adjusted for the inflation rates of individual cities and metro areas over time. Data on real per capita income reveal striking contrasts between the city of Milwaukee and the Milwaukee metro area. As Table 2.21 shows, the city of Milwaukee's real per capita income grew by just 4.4 percent from 1990-2008, an anemic pace that places Milwaukee ahead of just two cities in our sample: Detroit and Toledo. By contrast, real per capita income growth for the Milwaukee metro area was a respectable 17 percent during this time, high enough to place Milwaukee in the top third of our sample metropolitan areas.

Table 2.21: Real Per Capita Income

(income and percent change 1990-2008, in 2008 dollars)

Cities

		Income			% Change		
	City	1990	2000	2008	1990-2000	2000-2008	1990-2008
1	Chicago	21,249	25,225	26,814	18.7	6.3	26.2
2	Minneapolis	24,430	28,363	30,668	16.1	8.1	25.5
3	Boston	25,667	29,198	31,974	13.8	9.5	24.6
4	Pittsburgh	20,723	23,526	24,390	13.5	3.7	17.7
5	St. Louis	17,788	20,140	20,622	13.2	2.4	15.9
6	Cincinnati	20,669	24,959	23,894	20.8	-4.3	15.6
7	Baltimore	19,758	21,228	22,656	7.4	6.7	14.7
8	Kansas City	22,731	25,948	26,061	14.1	0.4	14.6
9	Omaha	22,991	27,202	25,728	18.3	-5.4	11.9
10	Buffalo	17,206	18,743	19,246	8.9	2.7	11.9
11	Newark	15,524	16,265	17,364	4.8	6.8	11.9
12	Cleveland	15,251	17,868	16,723	17.2	-6.4	9.7
13	Columbus	21,664	25,569	23,423	18.0	-8.4	8.1
14	Indianapolis	23,850	27,057	25,360	13.4	-6.3	6.3
15	Wichita	23,912	25,815	25,288	8.0	-2.0	5.8
16	Philadelphia	19,918	20,641	20,876	3.6	1.1	4.8
17	Milwaukee	18,295	20,231	19,092	10.6	-5.6	4.4
18	Toledo	19,593	21,740	19,331	11.0	-11.1	-1.3
19	Detroit	15,556	18,401	15,255	18.3	-17.1	-1.9
Milwaukee Rank		14	14	16	14	14	17

Metro Areas

		Income			% Change		
	Metro Area	1990	2000	2008	1990-2000	2000-2008	1990-2008
1	Minneapolis	27,744	32,782	33,634	18.2	2.6	21.2
2	Baltimore	27,339	30,505	32,889	11.6	7.8	20.3
3	Omaha	23,044	27,688	27,515	20.2	-0.6	19.4
4	Columbus	23,912	28,782	28,178	20.4	-2.1	17.8
5	Pittsburgh	23,148	26,175	27,171	13.1	3.8	17.4
6	Milwaukee	24,355	28,955	28,506	18.9	-1.5	17.0
7	Buffalo	22,337	25,185	25,944	12.7	3.0	16.1
8	Kansas City	24,820	29,165	28,808	17.5	-1.2	16.1
9	Philadelphia	26,993	29,850	31,257	10.6	4.7	15.8
10	Cincinnati	24,067	28,912	27,770	20.1	-4.0	15.4
11	Boston	31,773	36,543	36,454	15.0	-0.2	14.7
12	St. Louis	24,573	28,379	28,130	15.5	-0.9	14.5
13	Indianapolis	24,972	29,005	28,527	16.2	-1.6	14.2
14	Chicago	27,093	31,271	30,479	15.4	-2.5	12.5
15	Newark	32,890	35,553	36,962	8.1	4.0	12.4
16	Toledo	22,585	25,713	25,295	13.9	-1.6	12.0
17	Wichita	23,561	25,871	25,808	9.8	-0.2	9.5
18	Cleveland	24,861	27,908	27,201	12.3	-2.5	9.4
19	Detroit	25,853	30,450	28,016	17.8	-8.0	8.4
Milwaukee Rank		12	9	7	4	12	6

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Table 2.22 provides additional data on city-suburban disparities in per capita income. As this table shows, the city of Milwaukee's share of suburban per capita income places Milwaukee in the bottom third of cities in our sample. For the year 2008, only the cities of Philadelphia, Cleveland, Detroit, and Newark had lower percentages of suburban per capita income. Figures for the top performers were 88 percent or better, while Milwaukee's share was below 70 percent in both 2000 and 2008.

2.22: City Percent of Suburban Per Capita Income

	City	1990	2000	2008
1	Wichita	101.5	99.8	98.0
2	Omaha	99.8	98.2	93.5
3	Minneapolis	88.1	86.5	91.2
4	Kansas City	91.6	89.0	90.5
5	Pittsburgh	89.5	89.9	89.8
6	Indianapolis	95.5	93.3	88.9
7	Chicago	78.4	80.7	88.0
8	Boston	80.8	79.9	87.7
9	Cincinnati	85.9	86.3	86.0
10	Columbus	90.6	88.8	83.1
11	Toledo	86.8	84.6	76.4
12	Buffalo	77.0	74.4	74.2
13	St. Louis	72.4	71.0	73.3
14	Baltimore	72.3	69.6	68.9
15	Milwaukee	75.1	69.9	67.0
16	Philadelphia	73.8	69.2	66.8
17	Cleveland	61.3	64.0	61.5
18	Detroit	60.2	60.4	54.5
19	Newark	47.2	45.7	47.0
Milwaukee Rank		13	14	15

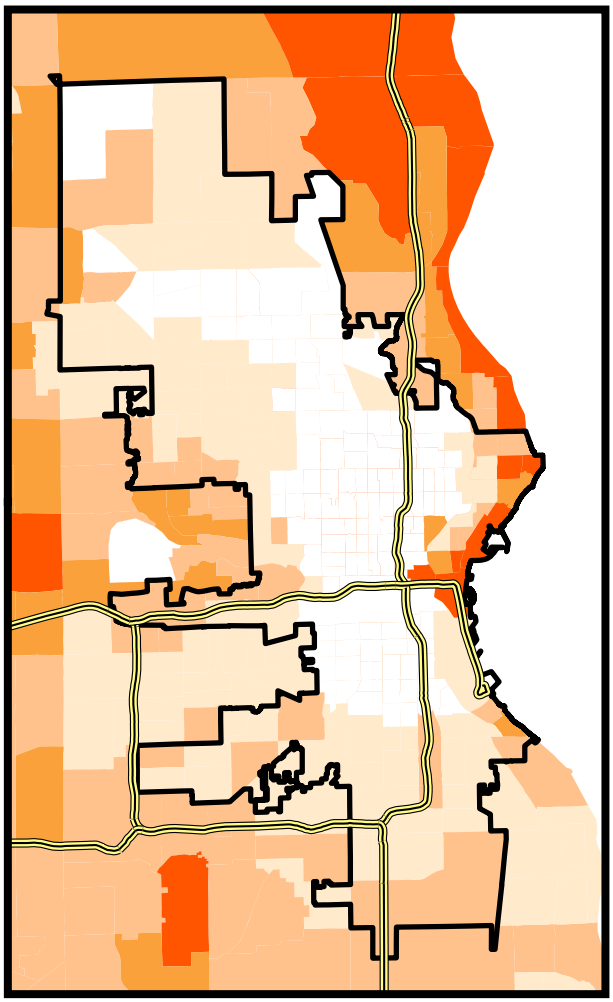
Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Finally, Map 3 shows per capita income by census tract for the 4-county Milwaukee region for the year 2000. Of the 120 census tracts with per capita incomes below $15,000, only one is located outside the city of Milwaukee. By contrast, only five of 18 census tracts with per capita incomes above $40,000 are located within the city of Milwaukee.

In addition to per capita income, we gathered data on median household income for the 19 cities and metro areas in our sample. On this indicator, there is less divergence in the performance of the city of Milwaukee and the Milwaukee region, comparatively speaking. Table 2.23 indicates that both the city of Milwaukee and the Milwaukee metro area fall in the middle third of our sample cities with respect to median household income. In comparison to other cities, the city of Milwaukee's performance improves slightly from 1990 to 2008, while the metro area's performance declines.

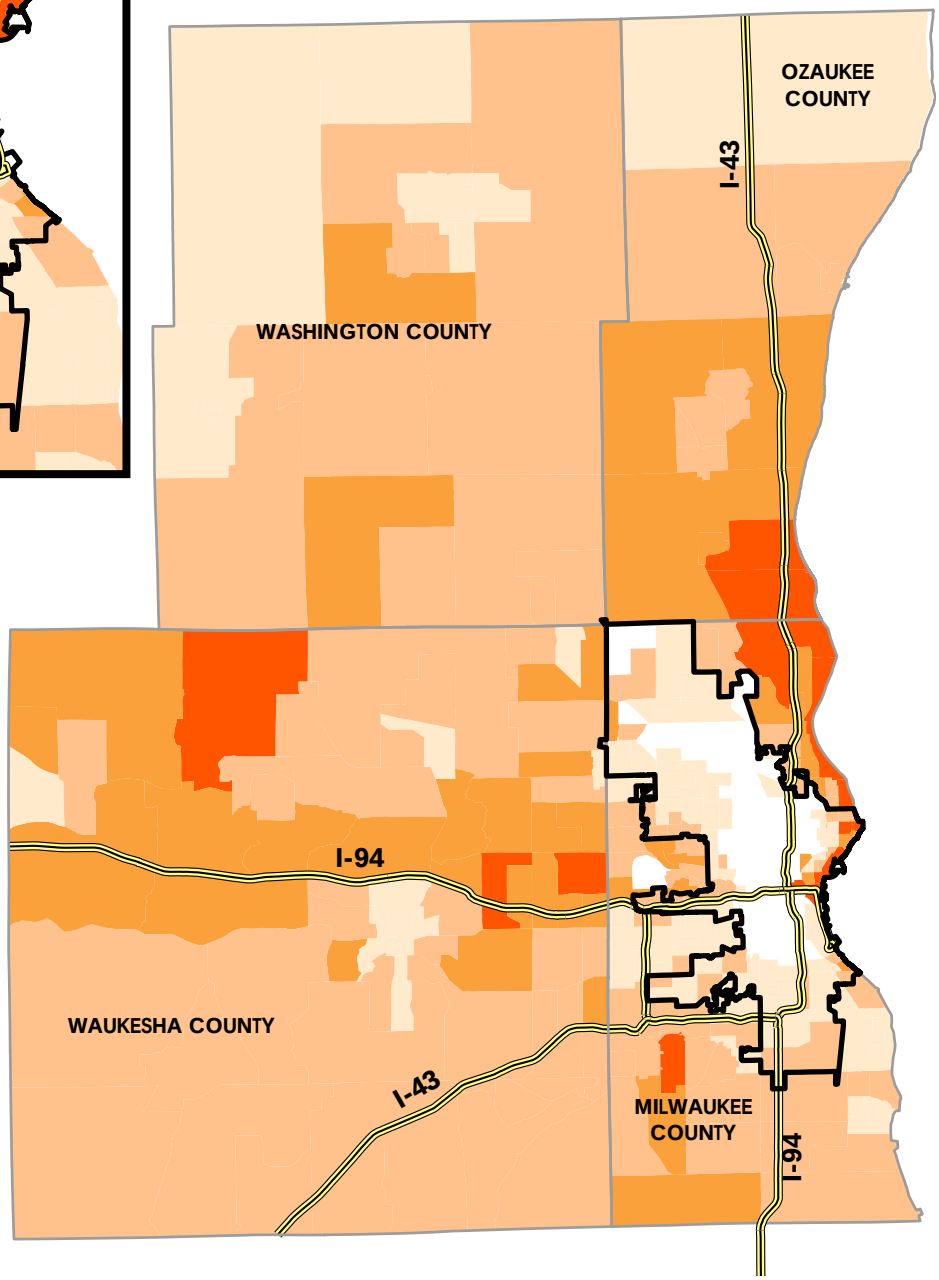
MAP 3: PER CAPITA INCOME (2000)

(in 1999 dollars)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
Per Capita Income ($)

- 0 - 14,999
- 15,000 - 22,499
- 22,500 - 29,999
- 30,000 - 39,999
- 40,000 and Over

Created by the University of Wisconsin-Milwaukee Center for Economic Development, 2010
Data Source: U.S. Census 2000

Table 2.23: Median Household Income

Cities

	City	1990	2000	2008
1	Boston	29,180	39,629	51,849
2	Minneapolis	25,324	37,974	47,097
3	Chicago	26,301	38,625	46,767
4	Omaha	26,927	40,006	45,979
5	Indianapolis	29,006	40,051	44,830
6	Kansas City	26,713	37,198	44,566
7	Wichita	28,024	39,939	43,935
8	Columbus	26,651	37,897	43,600
9	Baltimore	24,045	30,078	39,083
10	Milwaukee	23,627	32,216	37,022
11	Philadelphia	24,603	30,746	36,222
12	Newark	21,650	26,913	35,601
13	Toledo	24,819	32,546	35,345
14	Pittsburgh	20,747	28,588	34,834
15	St. Louis	19,458	27,156	34,074
16	Cincinnati	21,006	29,493	33,524
17	Buffalo	18,482	24,536	29,845
18	Detroit	18,742	29,526	29,423
19	Cleveland	17,822	25,928	27,956
Milwaukee Rank		12	10	10

Metro Areas

	Metro Area	1990	2000	2008
1	Newark	42,328	56,957	71,041
2	Boston	40,491	55,183	70,344
3	Minneapolis	36,565	54,304	66,281
4	Baltimore	36,550	49,938	65,424
5	Chicago	35,265	51,680	60,988
6	Philadelphia	35,437	47,536	60,331
7	Kansas City	31,613	46,193	55,858
8	Omaha	30,323	44,981	55,138
9	Detroit	34,612	49,175	54,359
10	Indianapolis	31,655	45,548	54,266
11	Milwaukee	32,316	45,901	54,127
12	Cincinnati	30,691	44,248	53,933
13	Columbus	30,668	44,782	53,890
14	St. Louis	31,774	44,437	53,434
15	Cleveland	30,560	42,089	49,608
16	Wichita	30,152	42,651	49,092
17	Pittsburgh	26,700	37,467	47,199
18	Toledo	29,121	39,902	46,684
19	Buffalo	28,005	38,488	46,676
Milwaukee Rank		8	9	11

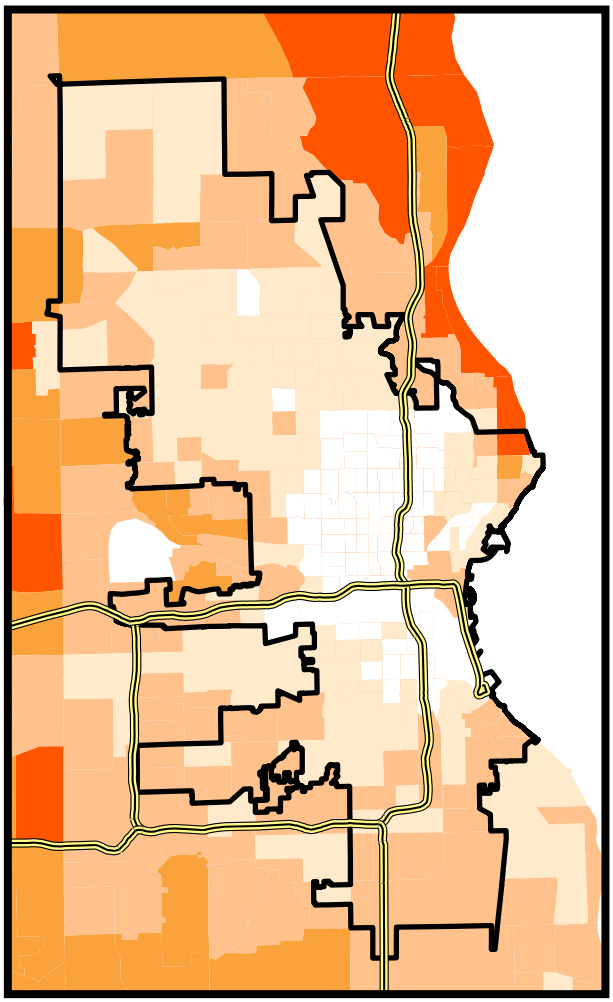
Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Not surprisingly, city-suburban disparities in median household income largely mirror those of per capita income. Map 4 shows median household income by census tract for the 4-county Milwaukee region for the year 2000. Of the 78 census tracts with median household incomes below $25,000, none is located outside the city of Milwaukee. By contrast, only one of 21 census tracts with median household incomes of $80,000 or higher is located within the city of Milwaukee.

The data on real median household income (i.e., median household income adjusted to account for inflation rates of individual cities and metro areas) reveal a somewhat bleaker picture for both the city of Milwaukee and the Milwaukee region, comparatively speaking, than the data for median household income. As Table 2.24 indicates, both the city of Milwaukee and the Milwaukee metro area fall in the bottom third of our sample with respect to real median household income growth from 1990-2008.

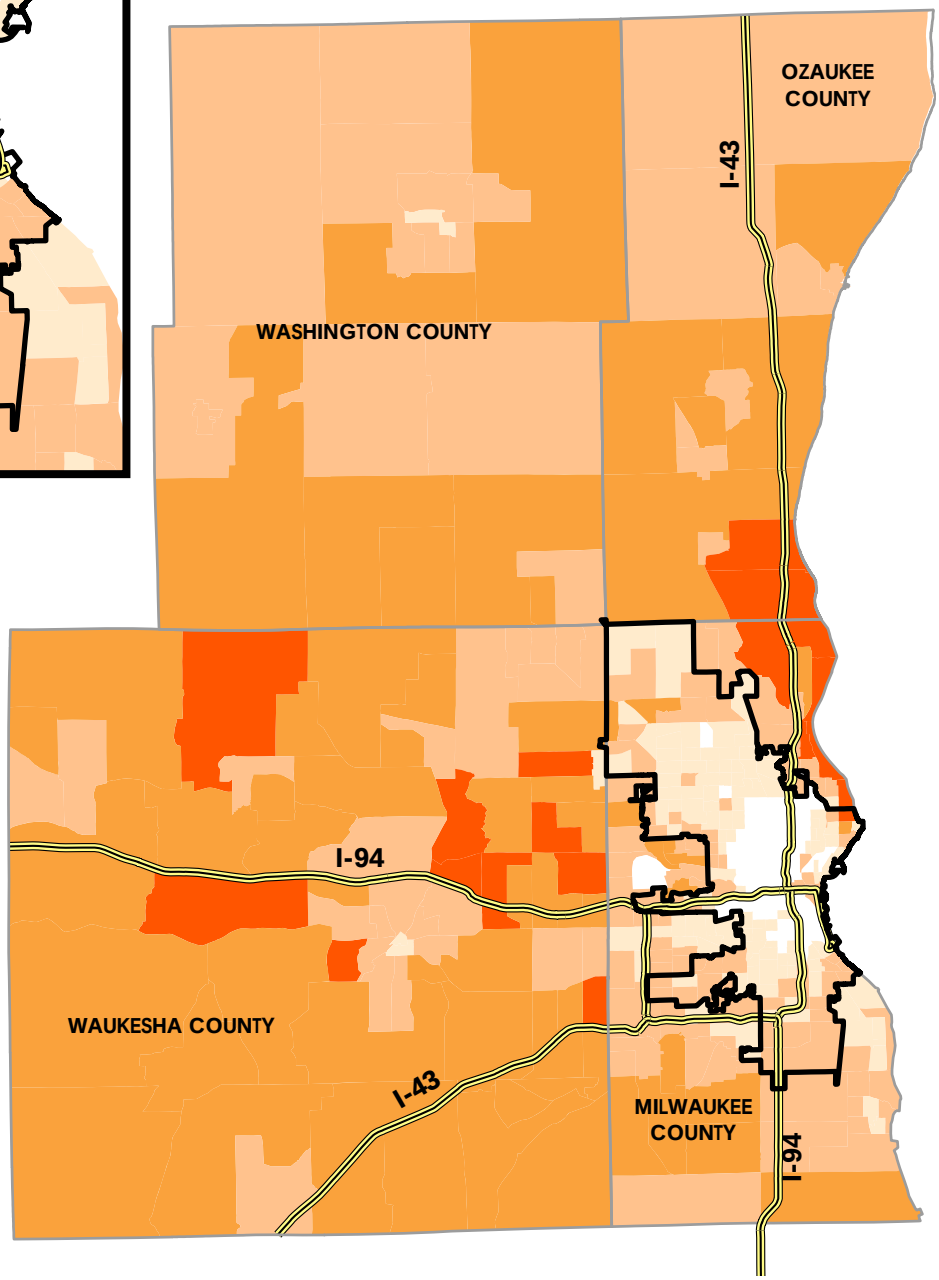
MAP 4: MEDIAN HOUSEHOLD INCOME (2000)

(in 1999 dollars)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
Median Household Income ($)

- 0 - 24,999
- 25,000 - 39,999
- 40,000 - 59,999
- 60,000 - 79,999
- 80,000 and Over

Created by the University of Wisconsin-Milwaukee Center for Economic Development, 2010
Data Source: U.S. Census 2000

Table 2.24: Real Median Household Income

(Percent Change in 2008 Dollars)

Cities

	City	1990-2000	2000-2008	1990-2008
1	Minneapolis	13.8	-0.8	12.9
2	Chicago	11.5	-3.2	7.9
3	Boston	3.1	4.6	7.9
4	St. Louis	5.9	0.4	6.3
5	Omaha	12.8	-8.1	3.7
6	Pittsburgh	4.6	-2.5	1.9
7	Kansas City	5.7	-4.2	1.3
8	Newark	-5.6	5.8	-0.2
9	Columbus	7.9	-8.0	-0.7
10	Baltimore	-5.1	3.9	-1.3
11	Buffalo	0.8	-2.7	-2.0
12	Cincinnati	6.6	-9.1	-3.1
13	Detroit	19.6	-20.3	-4.7
14	Cleveland	10.4	-13.8	-4.8
15	Wichita	8.2	-12.0	-4.8
16	Milwaukee	3.5	-8.1	-4.9
17	Indianapolis	4.8	-10.5	-6.2
18	Philadelphia	-5.1	-5.8	-10.6
19	Toledo	-0.5	-13.1	-13.5
Milwaukee Rank		13	13	16

Metro Areas

	Metro Area	1990-2000	2000-2008	1990-2008
1	Omaha	12.6	-2.0	10.4
2	Minneapolis	12.7	-2.4	10.0
3	Baltimore	3.7	4.8	8.7
4	Pittsburgh	6.5	0.8	7.3
5	Kansas City	10.9	-3.3	7.3
6	Cincinnati	9.4	-2.5	6.7
7	Columbus	10.8	-3.8	6.7
8	Boston	3.4	2.0	5.5
9	Chicago	11.2	-5.6	5.0
10	Indianapolis	9.2	-4.7	4.1
11	Philadelphia	1.8	1.5	3.3
12	St. Louis	6.1	-3.8	2.1
13	Newark	2.1	-0.2	1.9
14	Milwaukee	7.8	-5.7	1.7
15	Buffalo	4.3	-3.0	1.2
16	Wichita	7.4	-7.9	-1.2
17	Cleveland	4.5	-5.7	-1.5
18	Toledo	4.0	-6.4	-2.7
19	Detroit	7.8	-11.6	-4.7
Milwaukee Rank		9	15	14

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Finally, while Milwaukee's performance on household income at both the city and metro level is unremarkable in comparison to the other cities and regions in our sample, a somewhat different picture emerges when we break down median household income by race. Tables 2.25 and 2.26 show median household income for whites and African Americans for our sample cities for the years 1990, 2000, and 2008. For both the city and the metropolitan area, Milwaukee's white median income places Milwaukee near the middle of our sample, with the metro area performing slightly better than the city. Comparatively speaking, however, Milwaukee's African American population does not do as well. As Table 2.26 indicates, the Milwaukee metropolitan area ranks in the bottom third of our sample cities for each year examined. The disparity between white and African-American median household income in 2008 was greater in the Milwaukee region than in any other metropolitan area in our sample except Minneapolis (see Table 2.27).

Table 2.25: White Non-Hispanic Median Household Income

Cities

	City	1990	2000	2008
1	Boston	32,261	47,668	67,087
2	Chicago	31,732	49,222	65,400
3	Minneapolis	27,239	42,231	55,636
4	Baltimore	28,129	37,113	54,362
5	Kansas City	30,399	43,204	53,881
6	Omaha	28,986	43,171	52,689
7	Indianapolis	31,358	43,577	52,318
8	Columbus	28,583	41,585	48,992
9	Wichita	29,815	42,503	48,679
10	Philadelphia	28,548	37,073	48,123
11	Milwaukee	26,848	37,697	47,434
12	Cincinnati	25,580	36,467	47,011
13	Newark	25,149	34,147	45,037
14	St. Louis	23,142	33,590	44,944
15	Pittsburgh	23,671	32,692	41,577
16	Toledo	26,860	36,095	40,969
17	Buffalo	21,279	28,741	37,538
18	Cleveland	21,272	31,491	36,264
19	Detroit	27,122	28,984	30,776
Milwaukee Rank		12	9	11

Metro Areas

	Metro Area	1990	2000	2008
1	Newark	49,347	67,997	88,044
2	Baltimore	40,554	56,615	75,947
3	Boston	42,290	59,323	75,619
4	Chicago	40,166	59,903	72,732
5	Philadelphia	38,903	54,256	70,876
6	Minneapolis	37,430	56,642	70,360
7	Milwaukee	35,115	50,752	62,272
8	Detroit	38,238	54,074	61,730
9	Kansas City	33,472	49,785	61,355
10	Indianapolis	33,390	48,515	59,668
11	Omaha	31,495	47,467	59,611
12	St. Louis	34,274	48,762	58,912
13	Columbus	31,919	47,776	58,263
14	Cincinnati	32,720	47,505	57,797
15	Cleveland	33,285	46,651	56,055
16	Wichita	31,259	45,303	53,204
17	Buffalo	30,288	41,744	51,645
18	Toledo	30,714	42,461	51,395
19	Pittsburgh	27,687	39,025	49,566
Milwaukee Rank		8	8	7

Table 2.26: African-American Median Household Income

Cities

	City	1990	2000	2008
1	Boston	19,504	30,447	33,420
2	Newark	20,299	24,845	33,100
3	Baltimore	20,662	26,202	32,969
4	Indianapolis	19,815	30,109	31,672
5	Columbus	19,750	29,214	31,231
6	Chicago	19,498	29,086	31,143
7	Philadelphia	20,128	26,217	29,827
8	Detroit	21,283	29,647	29,243
9	Kansas City	17,912	26,935	27,779
10	Milwaukee	15,642	24,403	26,948
11	Wichita	24,815	27,105	25,838
12	Omaha	15,341	23,883	25,201
13	St. Louis	13,803	20,785	23,932
14	Buffalo	13,042	19,795	23,834
15	Toledo	14,857	22,687	23,160
16	Cleveland	13,412	21,135	22,819
17	Cincinnati	12,932	20,984	21,991
18	Minneapolis	15,781	25,338	21,747
19	Pittsburgh	12,209	20,075	21,628
Milwaukee Rank		12	12	10

Metro Areas

	Metro Area	1990	2000	2008
1	Baltimore	24,474	33,242	44,772
2	Newark	27,995	36,215	44,292
3	Boston	25,971	34,613	42,934
4	Chicago	21,719	33,518	37,082
5	Philadelphia	22,713	30,517	36,618
6	Columbus	20,396	30,229	33,676
7	Detroit	19,463	32,151	33,652
8	Indianapolis	20,053	30,637	33,159
9	Kansas City	19,167	29,378	32,134
10	St. Louis	18,679	27,310	31,320
11	Minneapolis	18,929	29,417	30,829
12	Cleveland	18,047	26,479	29,271
13	Cincinnati	15,939	25,357	28,163
14	Milwaukee	15,971	25,181	28,010
15	Omaha	17,006	25,896	27,831
16	Wichita	17,993	27,413	26,542
17	Pittsburgh	14,601	22,271	25,581
18	Buffalo	13,630	20,676	25,376
19	Toledo	15,070	23,199	24,407
Milwaukee Rank		15	16	14

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Table 2.27: African American Median Household Income as a Percent of White Median Household Income

	City	1990	2000	2008
1	Detroit	78.5	102.3	95.0
2	Newark	80.7	72.8	73.5
3	Columbus	69.1	70.3	63.7
4	Buffalo	61.3	68.9	63.5
5	Cleveland	63.1	67.1	62.9
6	Philadelphia	70.5	70.7	62.0
7	Baltimore	73.5	70.6	60.6
8	Indianapolis	63.2	69.1	60.5
9	Milwaukee	58.3	64.7	56.8
10	Toledo	55.3	62.9	56.5
11	St. Louis	59.6	61.9	53.2
12	Wichita	83.2	63.8	53.1
13	Pittsburgh	51.6	61.4	52.0
14	Kansas City	58.9	62.3	51.6
15	Boston	60.5	63.9	49.8
16	Omaha	52.9	55.3	47.8
17	Chicago	61.4	59.1	47.6
18	Cincinnati	50.6	57.5	46.8
19	Minneapolis	57.9	60.0	39.1
Milwaukee Rank		14	9	9

	Metro Area	1990	2000	2008
1	Baltimore	60.3	58.7	59.0
2	Columbus	63.9	63.3	57.8
3	Boston	61.4	58.3	56.8
4	Indianapolis	60.1	63.1	55.6
5	Detroit	50.9	59.5	54.5
6	St. Louis	54.5	56.0	53.2
7	Kansas City	57.3	59.0	52.4
8	Cleveland	54.2	56.8	52.2
9	Philadelphia	58.4	56.2	51.7
10	Pittsburgh	52.7	57.1	51.6
11	Chicago	54.1	56.0	51.0
12	Newark	56.7	53.3	50.3
13	Wichita	57.6	60.5	49.9
14	Buffalo	45.0	49.5	49.1
15	Cincinnati	48.7	53.4	48.7
16	Toledo	49.1	54.6	47.5
17	Omaha	54.0	54.6	46.7
18	Milwaukee	45.5	49.6	45.0
19	Minneapolis	50.6	51.9	43.8
Milwaukee Rank		18	17	18

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

What explains the relatively low household incomes of African Americans in the Milwaukee region in comparison to other Northeast and Midwest metropolitan areas? As with joblessness, the low numbers of African Americans living in suburban areas appears to be a factor. In many of our sample regions, black median household incomes are higher for metropolitan areas than for central cities due to the relatively higher earnings of suburban blacks. Higher incomes of suburban black residents offset the lower incomes of many blacks living in the central city. In the Milwaukee region, however, where the vast majority of African Americans live in the central city, there are few black suburban residents to drive up black median household income for the region. As such, the figures for the city and for the metro area are very close for each year examined.

Black Middle Class

Another factor contributing to the relatively low household incomes of the Milwaukee region's black population is the region's comparatively small black middle class. We used three measures to develop a composite picture of the black middle class in the cities and metro areas in our sample: black households earning at least $50,000; the percentage of blacks with a 4-year

college degree; and the percentage of blacks employed in professional, management, and related occupations. The results are displayed in Tables 2.28, 2.29, and 2.30.

Table 2.28: Percent of Black Households Earning $50,000 or More

(Adjusted to 2008 CPI)

Cities

	City	1990	2000	2008
1	Boston	40.5	38.6	36.3
2	Chicago	33.7	36.9	32.4
3	Newark	35.4	31.8	32.2
4	Baltimore	34.5	31.6	31.8
5	Indianapolis	33.0	36.7	29.4
6	Columbus	32.0	35.0	28.8
7	Philadelphia	33.7	31.8	28.2
8	Detroit	33.0	37.8	27.7
9	Kansas City	29.2	32.1	25.8
10	Wichita	29.2	33.2	23.5
11	Milwaukee	26.2	28.5	22.2
12	Buffalo	22.4	23.2	21.4
13	St. Louis	22.0	24.2	21.0
14	Minneapolis	25.9	30.2	20.1
15	Cincinnati	21.8	24.1	20.0
16	Omaha	23.4	28.1	19.5
17	Toledo	27.8	29.2	19.0
18	Cleveland	23.2	24.3	18.7
19	Pittsburgh	20.8	23.1	18.4
Milwaukee Rank		12	13	11

Metro Areas

	Metro Area	1990	2000	2008
1	Newark	47.4	45.9	45.1
2	Baltimore	41.1	41.7	45.0
3	Boston	43.8	43.9	44.2
4	Chicago	37.5	42.7	38.0
5	Philadelphia	38.6	38.0	36.8
6	Detroit	35.7	41.7	33.4
7	Columbus	33.2	36.8	33.0
8	Indianapolis	33.5	37.7	31.9
9	Minneapolis	32.3	37.2	31.8
10	Kansas City	31.5	36.0	31.1
11	St. Louis	31.9	33.8	30.4
12	Cincinnati	27.4	31.4	28.3
13	Cleveland	31.1	32.5	27.7
14	Omaha	27.2	31.6	25.6
15	Wichita	30.0	33.7	25.4
16	Milwaukee	27.1	30.0	24.3
17	Pittsburgh	25.5	27.2	24.0
18	Buffalo	24.1	25.7	23.8
19	Toledo	28.7	30.1	20.6
Milwaukee Rank		17	17	16

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Table 2.29: Percent of Blacks with a 4-Year College Degree (population ages 25+)

Cities

	City	1990	2000	2008
1	Boston	14.0	15.6	17.2
2	Chicago	10.5	13.5	16.9
3	Columbus	11.1	14.3	16.0
4	Indianapolis	9.6	13.3	15.4
5	Pittsburgh	8.8	12.2	15.1
6	Minneapolis	13.8	14.0	13.9
7	Wichita	10.6	12.6	13.9
8	Omaha	9.4	11.4	13.6
9	Kansas City	10.0	11.9	13.1
10	Baltimore	8.6	10.0	12.8
11	Cincinnati	7.9	10.0	12.2
12	St. Louis	8.0	8.8	12.2
13	Philadelphia	9.1	10.3	12.2
14	Newark	8.3	8.9	11.9
15	Toledo	7.4	9.6	11.8
16	Milwaukee	6.9	9.1	10.9
17	Buffalo	10.1	10.2	10.8
18	Detroit	8.4	10.1	10.5
19	Cleveland	5.0	6.5	7.9
Milwaukee Rank		18	16	16

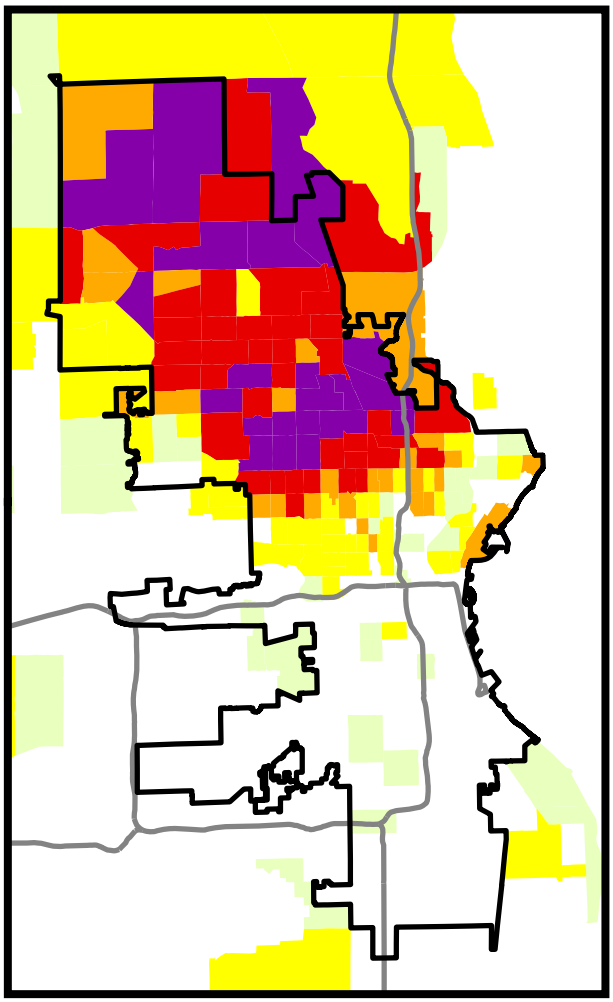
Metropolitan Areas

	Metro Area	1990	2000	2008
1	Boston	17.9	20.8	22.5
2	Minneapolis	17.3	19.1	20.5
3	Baltimore	12.0	16.1	19.5
4	Chicago	11.8	15.6	19.3
5	Newark	13.2	15.5	19.2
6	Columbus	11.4	15.4	18.0
7	Indianapolis	9.9	13.8	17.1
8	Omaha	12.0	13.5	16.7
9	Philadelphia	10.9	12.8	16.4
10	Pittsburgh	10.1	12.8	15.9
11	St. Louis	11.4	13.0	15.7
12	Kansas City	11.7	14.6	15.7
13	Cincinnati	9.8	12.6	15.7
14	Wichita	10.9	13.0	14.9
15	Detroit	9.9	12.8	14.3
16	Toledo	8.1	10.5	12.9
17	Cleveland	8.5	10.8	12.8
18	Buffalo	10.9	11.1	12.6
19	Milwaukee	7.6	10.3	12.4
Milwaukee Rank		19	19	19

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

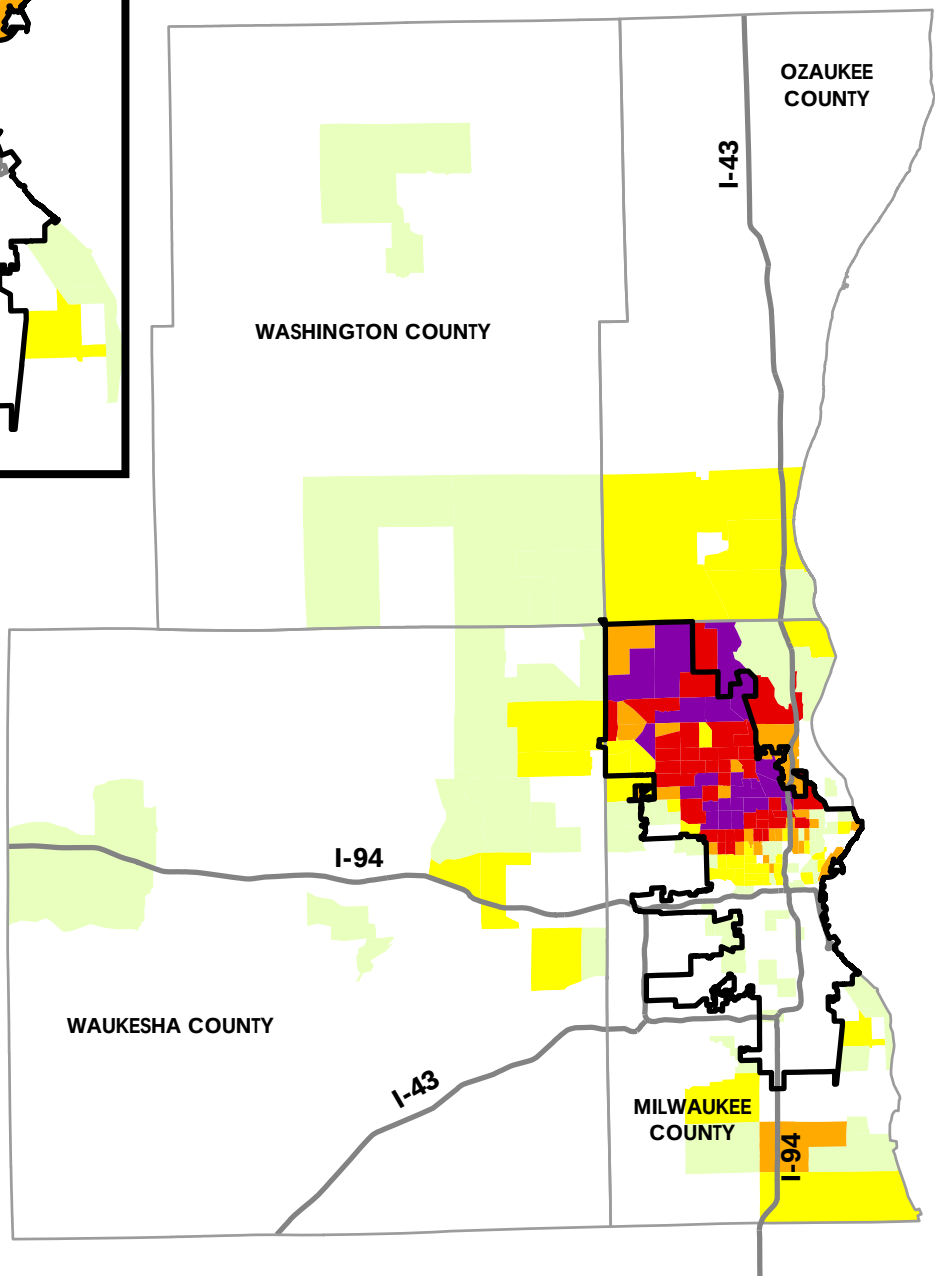
The data on black middle class for our sample cities reveal a number of significant trends. First, on two of our measures—black households earning at least $50,000 and the percentage of blacks employed in professional, management, and related occupations—the city of Milwaukee generally performs better, comparatively speaking, than the Milwaukee metro area (although neither the city nor the metro area fare particularly well). The culprit, once again, is the region's comparatively small suburban black population. Blacks living in the suburbs are more likely to be middle class than blacks living in the central city. With few suburban black residents to offset the city's relatively small black middle class, the Milwaukee region generally fares worse than other metropolitan areas with higher percentages of blacks living in the suburbs. Of the 415 census tracts in the 4-county Milwaukee region, only five located outside the city of Milwaukee contain 50 or more black households earning at least $50,000 (see Map 5). For all three of our measures of black middle class, the Milwaukee region ranks in the bottom third of our sample cities for the years 1990 and 2000, the years for which data are most conclusive.

MAP 5: AFRICAN-AMERICAN HOUSEHOLDS EARNING $50,000 AND OVER (2000)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
(# of Black Households Earning $50,000 or Over by Census Tract)

- 0 - 9
- 10 - 24
- 25 - 49
- 50 - 99
- 100 - 199
- 200+
- Interstates
- City boundary

Created by the University of Wisconsin-Milwaukee Center for Economic Development, 2010
Data Source: U.S. Census 2000

Table 2.30: Percent of Blacks Employed in Professional, Management, and Related Occupations

Cities

	City	2000	2008
1	Chicago	26.7	27.7
2	Boston	29.4	26.9
3	Pittsburgh	25.8	26.7
4	Philadelphia	24.8	26.2
5	Columbus	24.7	25.9
6	Baltimore	23.3	25.0
7	Newark	21.9	24.6
8	Kansas City	23.9	23.9
9	Buffalo	22.2	23.4
10	Minneapolis	24.2	22.9
11	Milwaukee	21.5	22.9
12	Indianapolis	22.8	22.4
13	Wichita	21.2	22.4
14	Omaha	22.1	22.1
15	Detroit	20.9	21.7
16	Toledo	19.5	21.1
17	St. Louis	20.7	21.0
18	Cincinnati	21.3	20.2
19	Cleveland	18.9	19.4
Milwaukee Rank		13	11

Metropolitan Areas

	Metro Area	2000	2008
1	Baltimore	29.6	31.6
2	Boston	33.3	29.7
3	Buffalo	23.3	29.3
4	Chicago	28.0	29.2
5	Cincinnati	23.1	29.2
6	Cleveland	23.5	28.6
7	Columbus	26.1	27.9
8	Detroit	23.7	27.4
9	Indianapolis	23.3	24.9
10	Kansas City	26.2	24.9
11	Milwaukee	22.9	24.8
12	Minneapolis	27.5	24.8
13	Newark	27.1	24.7
14	Omaha	23.5	24.4
15	Philadelphia	26.9	24.3
16	Pittsburgh	25.5	23.9
17	St. Louis	24.5	23.6
18	Toledo	20.2	23.6
19	Wichita	21.7	22.1
Milwaukee Rank		17	11

Data Source: U.S. Census 2000, ACS 2006-2008 3-year sample

On our third measure of black middle class—the percentage of blacks with a 4-year college degree—data for both the city and the metropolitan area place Milwaukee at or near the bottom of our 19 sample cities. For the years 1990, 2000, and 2008 no other metropolitan area in our sample has a lower percentage of blacks with a college degree. The figures for the city of Milwaukee are nearly as disturbing, although there has been some improvement over time. At the other end of the spectrum are such cities as Boston and Chicago, where African-American median household income is among the top cities and metropolitan areas in our sample. Not coincidentally, both Boston and Chicago also rank highly on all three of our measures of black middle class.

We provide one final measure to round out our picture of the black middle class: black-owned businesses. Although this is a more valid measure of black entrepreneurship than black middle class, black business ownership has traditionally been an important vehicle for low and moderate income blacks to improve their social and economic standing. As such, a city's rate of black-owned businesses may reveal something about the prospects for the African-American population. Table 2.31 provides data on black-owned businesses for the 19 cities and metro areas in our sample for the year 2002. We provide both absolute numbers and businesses per 10,000 African-American residents to control for the size of the city's black population. Here again, Milwaukee's performance is disappointing. When we control for size, both the city of Milwaukee and the Milwaukee metro area rank in the bottom third of our sample.

Table 2.31: Black-owned Businesses, 2002

Cities

	City	#	per 10,000 Black Residents
1	Minneapolis	3,068	451.4
2	Columbus	6,696	387.6
3	Chicago	39,419	374.1
4	Wichita	1,378	355.8
5	Indianapolis	5,549	279.9
6	Kansas City	3,777	275.9
7	Cincinnati	3,757	265.4
8	Omaha	1,329	258.4
9	Detroit	19,530	253.0
10	Boston	3,544	252.6
11	Newark	3,128	220.2
12	Cleveland	5,161	213.7
13	St. Louis	3,584	206.1
14	Toledo	1,497	204.7
15	Milwaukee	4,395	199.4
16	Pittsburgh	1,733	192.2
17	Baltimore	7,834	187.9
18	Philadelphia	10,576	163.7
19	Buffalo	1,750	163.5
Milwaukee Rank		8	15

Metropolitan Areas

	Metro Area	#	per 10,000 Black Residents
1	Minneapolis	7,419	477.3
2	Boston	10,177	457.1
3	Columbus	8,771	428.9
4	Chicago	64,380	417.6
5	Baltimore	24,536	352.8
6	Wichita	1,453	345.5
7	Cincinnati	6,941	326.7
8	Detroit	31,208	308.3
9	Kansas City	6,797	302.7
10	Indianapolis	6,453	289.9
11	Omaha	1,618	275.1
12	Cleveland	10,505	254.5
13	St. Louis	12,067	254.3
14	Philadelphia	24,486	242.9
15	Pittsburgh	4,363	230.6
16	Milwaukee	5,069	218.3
17	Toledo	1,627	208.4
18	Buffalo	2,392	177.7
19	Newark	NA	NA
Milwaukee Rank		13	16

Data Source: U.S. Census Bureau, Economic Census 2002

III. Business and Economic Development

In addition to employment and income, we also provide data for several basic indicators of business and economy. The first is gross metropolitan product, a rough metropolitan equivalent of national gross domestic product. Table 3.1 shows gross metropolitan product for the 19 metropolitan areas in our sample, while Table 3.2 lists the per capita figures. Milwaukee experienced a 29 percent increase in gross metropolitan product from 2001-2008, placing Milwaukee in the bottom third of metro areas in our sample for which data are available. When we examine gross metro product per capita, Milwaukee does slightly better, comparatively speaking. The Milwaukee region's 8 percent increase in per capita gross metro product from 2001-2008 places Milwaukee in the middle third of our sample.

Table 3.1: Gross Metro Product

(in millions of current dollars)

Metropolitan Areas

	Metro Area	2001	2008	% Change 2001-2008
1	Omaha	30,798	44,861	45.7
2	Wichita	20,283	28,541	40.7
3	Baltimore	95,869	133,012	38.7
4	Philadelphia	241,831	331,897	37.2
5	Minneapolis	142,733	193,947	35.9
6	Indianapolis	71,062	96,382	35.6
7	Buffalo	32,930	44,030	33.7
8	Pittsburgh	86,131	114,707	33.2
9	Kansas City	76,457	101,001	32.1
10	St. Louis	97,659	128,467	31.5
11	Chicago	396,279	520,672	31.4
12	Cincinnati	75,968	98,750	30.0
13	Boston	230,658	299,590	29.9
14	Milwaukee	63,986	82,694	29.2
15	Columbus	69,975	89,829	28.4
16	Cleveland	83,939	104,425	24.4
17	Toledo	21,671	26,106	20.5
18	Detroit	183,222	200,856	9.6
19	Newark	NA	NA	NA
Milwaukee Rank		14	14	14

Data Source: Bureau of Economic Analysis, 2008

Table 3.2: Gross Metro Product per Capita

(in chained 2001 dollars)

Metropolitan Areas

	Metro Area	2001	2008	% Change 2001-2008
1	Buffalo	28,301	32,777	15.8
2	Boston	51,930	58,286	12.2
3	Omaha	39,726	44,494	12.0
4	Philadelphia	42,368	47,387	11.8
5	Baltimore	37,196	41,432	11.4
6	Pittsburgh	35,617	39,422	10.7
7	Wichita	35,306	38,514	9.1
8	Minneapolis	47,204	51,315	8.7
9	Milwaukee	42,352	45,753	8.0
10	Chicago	43,095	45,786	6.2
11	Kansas City	41,024	43,578	6.2
12	Cleveland	39,151	41,347	5.6
13	St. Louis	35,919	37,917	5.6
14	Toledo	32,864	33,952	3.3
15	Indianapolis	45,679	47,090	3.1
16	Cincinnati	37,323	38,265	2.5
17	Columbus	42,619	43,386	1.8
18	Detroit	40,918	39,805	-2.7
19	Newark	NA	NA	NA
Milwaukee Rank		7	6	9

Data Source: Bureau of Economic Analysis, 2008

Next we provide data on sales for five key sectors in the 19 cities and metropolitan areas in our sample. Tables 3.3 through 3.7 provide sales data for manufacturing; retail; accommodation and food services; arts, entertainment, and recreation; and health care and social assistance for the years 2002 and 2007. Where available, data for 1997 are also reported. Several noteworthy trends are evident from the data contained in the tables below. First, there are three sectors in which sales both in the city of Milwaukee and the Milwaukee metro area have experienced growth during this period: accommodation and food services; arts, entertainment, and recreation; and health care and social assistance. As indicated earlier in this report, the former two sectors are associated with the tourist industry. These are also the sectors which have experienced the strongest growth in sales. This may be welcome news for Milwaukee's tourist industry. However, these figures should be considered alongside the payroll data we provided earlier for these sectors. Food and accommodation jobs in particular represent a significant and rapidly growing share of Milwaukee's economy. Yet such jobs frequently pay low wages, and earnings in this sector are rising slower in Milwaukee than they are in many other cities, as we reported in the previous section of this report.

In two other sectors we examine—manufacturing and retail—sales in the city of Milwaukee declined from 1997 to 2007, while sales in the metropolitan area experienced modest growth when adjusted for inflation. In terms of overall sales volume, Milwaukee's largest sector is manufacturing, accounting for $9 billion in sales in the city and over $40 billion in sales in the metropolitan area in 2007. Like most other cities in our sample, the city of Milwaukee

Table 3.3: Manufacturing: Sales
(in $1,000s, adjusted to 2007 $)

Cities

	City	1997	2002	2007	% Change 1997-2007
1	Wichita	11,083,518	10,084,314	14,213,156	28.2%
2	Philadelphia	14,337,075	13,415,507	18,069,415	26.0%
3	Omaha	8,433,341	7,574,148	8,853,876	5.0%
4	Columbus	10,863,574	12,523,426	11,317,893	4.2%
5	St. Louis	11,116,975	9,680,231	10,920,629	-1.8%
6	Toledo	11,991,364	10,417,641	10,634,796	-11.3%
7	Kansas City	9,243,853	8,386,272	7,789,319	-15.7%
8	Milwaukee	10,841,683	8,560,860	9,058,917	-16.4%
9	Pittsburgh	3,094,008	3,982,417	2,535,019	-18.1%
10	Minneapolis	5,107,368	3,845,943	4,107,488	-19.6%
11	Detroit	25,550,809	26,274,264	20,216,107	-20.9%
12	Buffalo	5,848,482	5,042,391	4,499,775	-23.1%
13	Cincinnati	8,448,945	4,736,220	6,446,611	-23.7%
14	Newark	4,331,660	3,403,549	3,209,162	-25.9%
15	Cleveland	11,207,791	6,434,555	7,497,028	-33.1%
16	Chicago	34,551,678	25,035,577	22,115,580	-36.0%
17	Boston	5,091,858	4,078,781	3,193,339	-37.3%
18	Baltimore	12,688,798	7,191,163	5,730,887	-54.8%
19	Indianapolis	23,148,442	23,095,614	NA	NA
Milwaukee Rank		11	9	8	9

Metro Areas

	Metro Area	1997	2002	2007	% Change 1997-2007
1	Wichita	15,783,842	21,398,575	25,390,856	60.9%
2	Columbus	23,451,061	37,246,750	34,330,434	46.4%
3	Philadelphia	86,047,133	119,145,803	122,509,805	42.4%
4	Cincinnati	37,039,092	45,122,502	50,675,746	36.8%
5	Toledo	21,117,449	25,792,258	28,585,107	35.4%
6	Omaha	11,380,334	13,101,689	14,272,184	25.4%
7	Pittsburgh	31,228,255	31,889,621	38,078,152	21.9%
8	Boston	50,873,064	71,777,269	61,691,318	21.3%
9	Minneapolis	57,616,146	59,642,422	63,158,157	9.6%
10	Indianapolis	34,587,004	37,571,218	35,647,647	3.1%
11	Milwaukee	40,168,189	37,887,850	41,284,158	2.8%
12	St. Louis	66,514,974	65,704,334	67,121,113	0.9%
13	Kansas City	40,066,640	41,842,724	38,875,992	-3.0%
14	Newark	41,512,672	39,705,450	38,292,253	-7.8%
15	Buffalo	23,844,888	21,464,057	19,306,856	-19.0%
16	Chicago	158,504,878	132,586,720	127,798,381	-19.4%
17	Detroit	144,171,230	143,468,843	112,084,489	-22.3%
18	Cleveland	57,084,396	45,031,264	42,181,134	-26.1%
19	Baltimore	NA	26,677,656	24,306,480	NA
Milwaukee Rank		10	11	9	11

Data Source: U.S. Economic Census, 1997-2007

Table 3.4: Accommodation and Food Services: Sales
(in $1,000s, adjusted to 2007 $)

Cities

	City	1997	2002	2007	% Change 1997-2007
1	Detroit	744,056	764,950	1,253,917	68.5%
2	Philadelphia	2,185,249	2,461,800	3,051,401	39.6%
3	Boston	2,647,699	2,975,185	3,661,700	38.3%
4	Omaha	763,273	877,332	1,041,517	36.5%
5	Chicago	5,789,967	6,370,137	7,663,319	32.4%
6	Baltimore	1,097,884	1,227,334	1,434,689	30.7%
7	Columbus	1,498,606	1,765,756	1,944,791	29.8%
8	Newark	432,798	443,285	552,638	27.7%
9	Buffalo	325,881	426,965	414,738	27.3%
10	Minneapolis	1,070,792	1,109,708	1,333,466	24.5%
11	Kansas City	1,346,814	1,462,039	1,668,701	23.9%
12	St. Louis	887,000	1,190,867	1,059,295	19.4%
13	Milwaukee	794,996	901,248	949,053	19.4%
14	Pittsburgh	874,983	1,055,273	1,042,893	19.2%
15	Wichita	682,164	691,337	758,642	11.2%
16	Cleveland	871,276	844,756	868,096	-0.4%
17	Cincinnati	728,759	678,953	712,799	-2.2%
18	Toledo	547,795	531,542	428,710	-21.7%
19	Indianapolis	1,871,198	2,009,766	NA	NA
Milwaukee Rank		12	11	12	13

Metro Areas

	Metro Area	1997	2002	2007	% Change 1997-2007
1	Omaha	1,161,837	1,540,602	1,782,353	53.4%
2	Boston	7,451,434	10,020,441	11,243,699	50.9%
3	Philadelphia	6,632,978	8,711,275	9,991,300	50.6%
4	Buffalo	1,476,855	1,642,499	2,125,179	43.9%
5	Cincinnati	3,077,835	4,086,913	4,413,665	43.4%
6	Baltimore	3,776,265	4,500,755	5,371,278	42.2%
7	Minneapolis	4,853,860	5,698,500	6,590,507	35.8%
8	Kansas City	3,298,076	3,690,244	4,368,510	32.5%
9	St. Louis	4,239,309	5,206,506	5,558,712	31.1%
10	Columbus	2,650,424	3,172,125	3,448,074	30.1%
11	Chicago	14,223,149	15,295,231	18,056,362	27.0%
12	Newark	2,867,422	3,162,335	3,637,606	26.9%
13	Milwaukee	2,009,780	2,249,279	2,465,048	22.7%
14	Indianapolis	2,813,724	3,058,807	3,413,513	21.3%
15	Pittsburgh	3,342,799	3,798,915	3,940,673	17.9%
16	Wichita	837,964	850,485	950,474	13.4%
17	Detroit	6,170,568	6,536,214	6,949,875	12.6%
18	Toledo	987,272	1,132,105	1,055,750	6.9%
19	Cleveland	3,332,295	3,348,373	3,496,667	4.9%
Milwaukee Rank		15	15	15	13

Data Source: U.S. Economic Census, 1997-2007

Table 3.5: Arts, Entertainment, and Recreation: Sales (in $1,000s, adjusted to 2007 $)

Cities

	City	2002	2007	% Change 2002-2007
1	Newark	126,804	208,816	64.7%
2	Wichita	87,753	137,525	56.7%
3	Boston	1,091,174	1,492,154	36.7%
4	Philadelphia	1,153,291	1,529,877	32.7%
5	Pittsburgh	626,151	806,720	28.8%
6	Omaha	189,887	241,640	27.3%
7	Minneapolis	572,875	728,860	27.2%
8	Milwaukee	739,929	904,404	22.2%
9	Kansas City	612,119	694,516	13.5%
10	Cincinnati	545,087	589,911	8.2%
11	Cleveland	806,009	859,869	6.7%
12	Buffalo	172,929	179,745	3.9%
13	Toledo	161,902	141,257	-12.8%
14	St. Louis	741,105	609,913	-17.7%
15	Columbus	419,195	340,902	-18.7%
16	Baltimore	660,326	503,118	-23.8%
17	Detroit	2,080,472	1,565,098	-24.8%
18	Chicago	1,979,502	NA	NA
19	Indianapolis	NA	1,064,261	NA
Milwaukee Rank		7	5	8

Metro Areas

	Metro Area	2002	2007	% Change 2002-2007
1	Philadelphia	2,827,270	3,578,770	26.6%
2	Boston	2,958,806	3,679,996	24.4%
3	Newark	801,388	994,680	24.1%
4	Milwaukee	1,030,892	1,250,405	21.3%
5	Pittsburgh	1,348,079	1,606,987	19.2%
6	Baltimore	1,348,606	1,598,586	18.5%
7	Chicago	4,649,943	5,459,216	17.4%
8	St. Louis	1,875,989	2,170,025	15.7%
9	Minneapolis	2,114,264	2,416,351	14.3%
10	Buffalo	557,245	610,325	9.5%
11	Wichita	179,831	187,386	4.2%
12	Cleveland	1,516,770	1,564,348	3.1%
13	Kansas City	1,120,326	1,149,747	2.6%
14	Columbus	763,037	773,542	1.4%
15	Detroit	3,653,953	3,199,254	-12.4%
16	Indianapolis	1,685,227	1,463,151	-13.2%
17	Toledo	284,945	247,042	-13.3%
18	Cincinnati	NA	NA	NA
19	Omaha	459,932	NA	NA
Milwaukee Rank		12	11	4

Data Source: U.S. Economic Census, 2002-2007

Table 3.6: Health Care and Social Assistance: Sales
(in $1,000s, adjusted to 2007 $)

Cities

	City	2002	2007	% Change 2002-2007
1	Cleveland	5,265,609	6,923,525	31.5%
2	Buffalo	2,699,405	3,489,645	29.3%
3	Minneapolis	4,514,659	5,775,500	27.9%
4	Boston	12,285,100	15,331,781	24.8%
5	Baltimore	6,897,217	8,368,892	21.3%
6	Omaha	3,513,965	4,201,690	19.6%
7	Pittsburgh	6,494,858	7,722,691	18.9%
8	Philadelphia	12,238,420	14,539,824	18.8%
9	Wichita	2,741,755	3,239,882	18.2%
10	Chicago	15,250,698	17,662,015	15.8%
11	Columbus	5,929,105	6,489,958	9.5%
12	Toledo	2,295,355	2,419,481	5.4%
13	Newark	2,080,832	2,140,445	2.9%
14	Milwaukee	4,347,708	4,460,788	2.6%
15	Kansas City	3,885,920	3,941,692	1.4%
16	Cincinnati	4,936,147	4,969,416	0.7%
17	St. Louis	3,651,903	3,510,559	-3.9%
18	Detroit	5,016,256	NA	NA
19	Indianapolis	7,239,255	NA	NA
Milwaukee Rank		12	10	14

Metro Areas

	Metro Area	2002	2007	% Change 2002-2007
1	Minneapolis	7,632,227	9,658,746	26.6%
2	Baltimore	5,898,671	7,171,045	21.6%
3	Philadelphia	14,712,216	17,480,644	18.8%
4	Columbus	3,606,352	4,268,115	18.3%
5	Boston	14,111,287	16,468,759	16.7%
6	Omaha	1,833,289	2,133,084	16.4%
7	Cleveland	5,559,156	6,459,700	16.2%
8	Kansas City	4,133,588	4,734,182	14.5%
9	Wichita	1,296,272	1,452,549	12.1%
10	Buffalo	2,513,741	2,815,200	12.0%
11	Pittsburgh	6,233,629	6,919,737	11.0%
12	Newark	5,296,483	5,867,861	10.8%
13	Chicago	16,784,396	18,456,813	10.0%
14	Indianapolis	3,950,884	4,309,266	9.1%
15	Milwaukee	4,322,976	4,710,530	9.0%
16	Cincinnati	4,724,785	5,143,136	8.9%
17	Toledo	1,693,801	1,830,783	8.1%
18	St. Louis	5,768,454	6,161,174	6.8%
19	Detroit	9,096,889	NA	NA
Milwaukee Rank		12	12	15

Data Source: U.S. Economic Census, 2002-2007

Table 3.7: Retail: Sales
(in $1,000s, adjusted to 2007 $)

Cities

	City	1997	2002	2007	% Change 1997-2007
1	Newark	1,179,219	1,214,503	1,637,185	38.8%
2	Minneapolis	3,028,085	3,234,844	3,867,032	27.7%
3	Boston	5,497,711	6,251,748	6,808,832	23.8%
4	Wichita	4,953,583	5,013,579	5,765,648	16.4%
5	Chicago	17,933,653	19,942,823	19,842,717	10.6%
6	Columbus	11,104,041	10,618,462	12,077,018	8.8%
7	Philadelphia	10,487,559	10,481,111	11,167,787	6.5%
8	Omaha	7,078,400	6,889,112	7,495,144	5.9%
9	Baltimore	4,441,878	3,772,374	4,348,797	-2.1%
10	Pittsburgh	3,532,025	4,104,249	3,412,987	-3.4%
11	Milwaukee	4,368,022	4,142,724	4,001,682	-8.4%
12	Indianapolis	13,213,063	13,020,393	12,060,149	-8.7%
13	Buffalo	1,606,908	1,723,428	1,449,610	-9.8%
14	Kansas City	7,457,889	6,587,492	6,712,982	-10.0%
15	Toledo	3,246,522	3,123,313	2,831,775	-12.8%
16	Cincinnati	3,897,468	3,929,519	3,310,468	-15.1%
17	St. Louis	3,050,997	3,252,425	2,496,672	-18.2%
18	Detroit	4,119,364	3,766,937	3,271,837	-20.6%
19	Cleveland	3,072,414	2,658,921	2,298,137	-25.2%
Milwaukee Rank		10	9	10	11

Metro Areas

	Metro Area	1997	2002	2007	% Change 1997-2007
1	Boston	43,455,949	61,191,225	62,993,339	45.0%
2	Philadelphia	61,611,433	77,769,078	84,725,200	37.5%
3	Omaha	9,890,290	11,341,097	13,052,981	32.0%
4	Baltimore	28,017,296	32,635,969	36,583,925	30.6%
5	Cincinnati	20,612,974	24,811,574	25,842,318	25.4%
6	Newark	22,791,996	26,879,918	28,129,140	23.4%
7	Columbus	21,861,642	23,376,661	26,892,332	23.0%
8	Wichita	6,202,810	6,676,072	7,547,818	21.7%
9	Pittsburgh	27,726,093	28,973,091	32,663,498	17.8%
10	Kansas City	23,397,978	25,199,291	27,215,753	16.3%
11	Minneapolis	40,324,584	44,603,019	46,284,689	14.8%
12	St. Louis	31,162,647	34,677,138	35,738,248	14.7%
13	Buffalo	12,458,373	13,435,855	13,292,271	6.7%
14	Indianapolis	21,885,266	22,050,697	22,908,206	4.7%
15	Toledo	7,859,114	8,350,335	8,219,594	4.6%
16	Chicago	95,175,081	90,376,312	97,414,058	2.4%
17	Milwaukee	18,474,787	18,696,383	18,898,837	2.3%
18	Cleveland	26,477,974	27,332,224	24,195,297	-8.6%
19	Detroit	57,492,078	59,660,758	49,928,321	-13.2%
Milwaukee Rank		15	15	15	17

Data Source: U.S. Economic Census, 1997-2007

experienced a drop in manufacturing sales from 1997 to 2007. Milwaukee's decline of 16 percent places the city roughly in the middle of our sample on this indicator.

In contrast to the central cities in our sample, most metropolitan areas we examine experienced increases in manufacturing sales from 1997 to 2007. In several regions, including Wichita, Columbus, and Philadelphia, gains were 40 percent or higher even after adjusting for inflation. The Milwaukee region's increase of just under 3 percent is one of the smallest gains among the 12 regions in our sample that experienced growth in manufacturing sales during this time.

Like manufacturing, retail also experienced decreasing sales in the city of Milwaukee from 1997 to 2007, while growing slightly in the region as a whole. Nearly all the metropolitan areas in our sample saw some growth in retail during this period, and the Milwaukee region's performance was comparatively weak. With only 2 percent growth in retail sales from 1997 to 2007, Milwaukee's performance was poor. Only Cleveland and Detroit performed worse on this indicator.

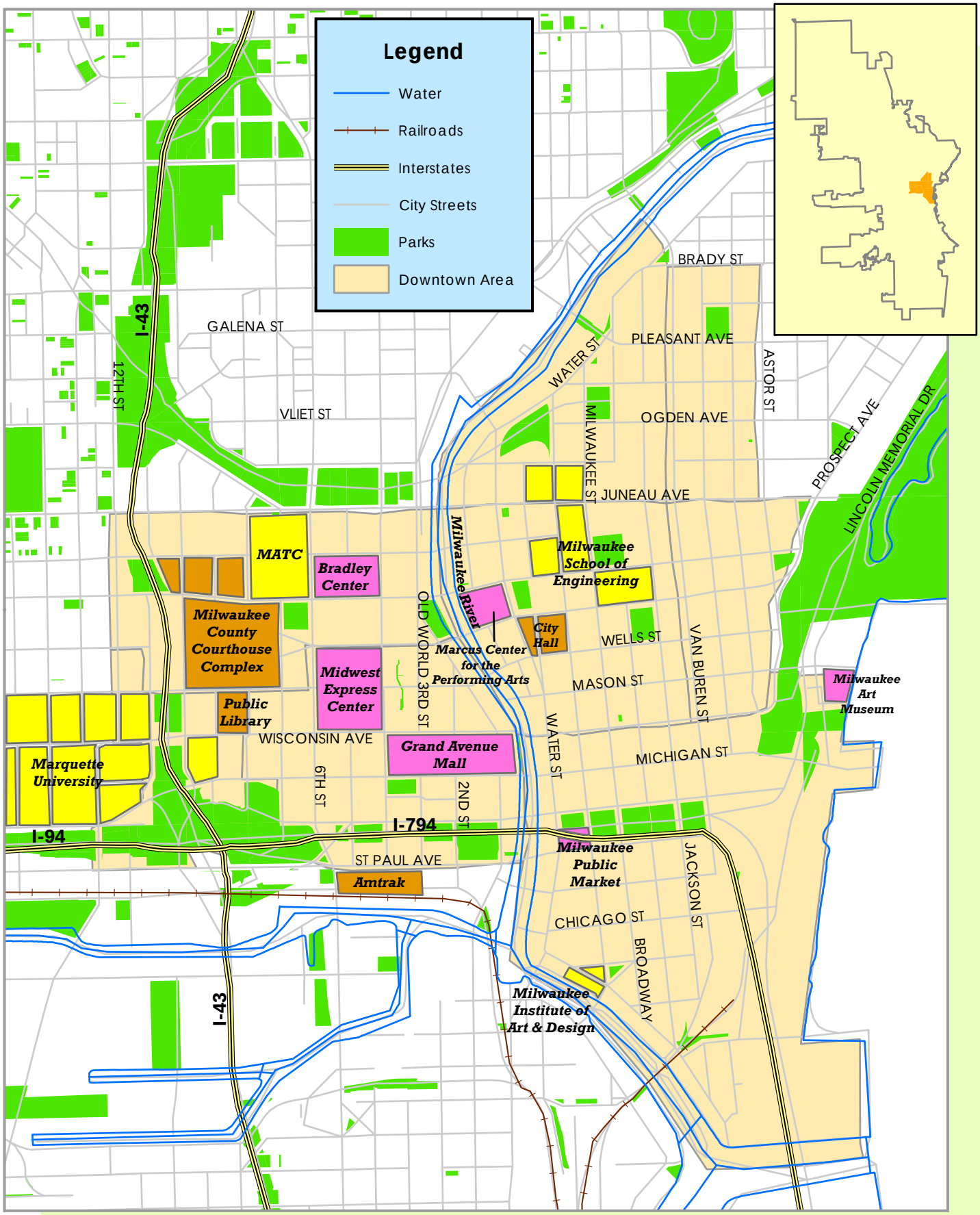
Downtown Revitalization

Many cities, including Milwaukee, have focused economic development efforts in part on downtown revitalization. This typically involves loft conversions and other efforts to gentrify the downtown area, the construction of new hotels, convention centers, and sports stadiums downtown, and efforts to expand the downtown corporate sector. Valid measures of downtown revitalization for which data are readily available are difficult to come by. One problem is defining the geographic boundaries of the downtown area. A frequently cited 2001 study of downtown revitalization published jointly by the Fannie Mae Foundation and the Brookings Institution provides downtown-area census tracts for 10 of our 19 sample cities, including Milwaukee.[1] Using these geographic boundaries, we compiled data on population and residential units in the downtown areas of each of these 10 cities, shown in Tables 3.4 and 3.5. These numbers provide an admittedly limited picture of downtown revitalization, but they do tell us something about how well cities are doing in their efforts to attract residents to the downtown area. Map 6 shows the boundaries of downtown Milwaukee, as defined in the Brookings Institution study noted above. As Table 3.8 shows, Milwaukee's downtown population in 2000 was just over 11,000 residents, representing around 2 percent of the city's population. This places Milwaukee near the middle of this 10 city sample. With respect to downtown residential units, Milwaukee also ranks near the middle of the sample, as Table 3.9 indicates.

[1] See Rebecca R. Sohmer and Robert E. Lang, *Downtown Rebound* (Fannie Mae Foundation and the Brookings Institution, 2001).

MAP 6: DOWNTOWN MILWAUKEE

Downtown census tracts were designated using downtown boundaries outlined in "Downtown Rebound", 2001,Sohmer and Lang, Fannie Mae and Brookings



Created by the University of Wisconsin-Milwaukee Center for Economic Development, 2010

Table 3.8: Downtown Population, 2000

	City	#	% of City Population
1	Boston	30,067	13.5
2	Minneapolis	79,251	6.3
3	Philadelphia	42,039	5.2
4	Baltimore	3,189	4.6
5	St. Louis	9,599	2.2
6	Milwaukee	11,989	2.0
7	Cleveland	6,141	2.0
8	Chicago	24,149	1.5
9	Cincinnati	78,349	1.0
10	Detroit	7,511	0.6
Milwaukee Rank		6	7

Data Source: U.S. Census 2000

Downtown census tracts designated using downtown boundaries outlined in "Downtown Rebound", 2001, Sohmer and Lang, Fannie Mae and Brookings

Table 3.9: Downtown Residential Units, 2000

	City	#	% of Units in City
1	Boston	46,264	18.4
2	Minneapolis	15,650	9.3
3	Philadelphia	51,486	7.8
4	Baltimore	18,255	6.1
5	St. Louis	5,826	3.3
6	Chicago	30,021	2.6
7	Milwaukee	6,124	2.5
8	Cleveland	5,223	2.4
9	Cincinnati	1,968	1.2
10	Detroit	3,844	1.0
Milwaukee Rank		6	6

Data Source: U.S. Census 2000

Downtown census tracts designated using downtown boundaries outlined in "Downtown Rebound", 2001, Sohmer and Lang, Fannie Mae and Brookings

City-Suburban Economic Performance

Finally, we include two measures to examine the economic performance of cities in comparison to their suburbs. Table 3.10 shows the city share of metropolitan retail sales for our 19-city sample for the years 1997 and 2007. As our previous State of the City report found, the city of Milwaukee's share of metro-area retail sales dropped from well over 50 percent during the 1960s to 29 percent by 1992.[2] Table 3.10 indicates that this trend has not been reversed. Suburban shopping malls and other retail centers continue to capture a large proportion of metropolitan retail trade, in Milwaukee and elsewhere. Comparatively speaking, however, Milwaukee's performance is reasonably strong, placing Milwaukee near the top third of our sample cities. This reflects, in part, the comparatively high percentage of metro-area residents who live in the central city as opposed to the suburbs, as the population section of this report indicates.

Table 3.10: City Share of Metropolitan Retail Sales (1997-2007)

	City / Metro Area	1997	2002	2007
1	Wichita	79.9%	75.1%	76.4%
2	Omaha	71.6%	60.7%	57.4%
3	Indianapolis	60.4%	59.0%	52.6%
4	Columbus	50.8%	45.4%	44.9%
5	Toledo	41.3%	37.4%	34.5%
6	Kansas City	31.9%	26.1%	24.7%
7	Milwaukee	23.6%	22.2%	21.2%
8	Chicago	18.8%	22.1%	20.4%
9	Philadelphia	17.0%	13.5%	13.2%
10	Cincinnati	18.9%	15.8%	12.8%
11	Baltimore	15.9%	11.6%	11.9%
12	Buffalo	12.9%	12.8%	10.9%
13	Boston	12.7%	10.2%	10.8%
14	Pittsburgh	12.7%	14.2%	10.4%
15	Cleveland	11.6%	9.7%	9.5%
16	Minneapolis	7.5%	7.3%	8.4%
17	St. Louis	9.8%	9.4%	7.0%
18	Detroit	7.2%	6.3%	6.6%
19	Newark	5.2%	4.5%	5.8%
Milwaukee Rank		7	7	7

Data Source: U.S. Economic Census, 1997-2007

Table 3.11 shows the city share of metropolitan manufacturing employment for our 19 city sample for the years 1997, 2002, and 2007. Here again, we see a continuation of a downward slide for the city of Milwaukee dating back to the 1960s, when the city's share of the region's manufacturing jobs was over 50 percent.[3] By 2007, the figure had fallen to 22 percent. On the plus side, however, the city of Milwaukee is doing better than many of its Northeast and

[2] See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 22.
[3] See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 76.

Midwest counterparts at holding onto its share of regional manufacturing employment, ranking in the top half of our sample cities on this indicator of economic well being.

Table 3.11: City Share of Metropolitan Manufacturing Employment (1997-2007)

	City / Metro Area	1997	2002	2007
1	Omaha	71.3%	62.4%	60.3%
2	Wichita	78.8%	55.3%	55.1%
3	Columbus	41.7%	40.0%	34.4%
4	Toledo	45.8%	40.3%	31.6%
5	Baltimore	NA	25.5%	23.2%
6	Kansas City	29.3%	24.9%	23.1%
7	Buffalo	24.9%	24.2%	22.1%
8	Milwaukee	28.1%	25.1%	21.8%
9	Cleveland	22.2%	18.3%	19.1%
10	Chicago	21.9%	22.0%	19.0%
11	St. Louis	19.8%	17.0%	16.2%
12	Cincinnati	24.2%	16.0%	15.0%
13	Philadelphia	19.0%	17.0%	14.6%
14	Newark	13.6%	12.0%	11.0%
15	Detroit	13.7%	12.4%	9.8%
16	Pittsburgh	11.5%	12.4%	8.3%
17	Minneapolis	11.1%	9.4%	7.9%
18	Boston	9.1%	6.9%	5.1%
19	Indianapolis	55.6%	58.5%	NA
Milwaukee Rank		7	7	8

Data Source: U.S. Economic Census, 1997-2007

IV. Poverty

In our previous State of the City report, we documented the dramatic rise in the city of Milwaukee's poverty rate during the 1980s. Using several measures of urban poverty, we showed how Milwaukee transitioned from a city that performed comparatively well on various poverty measures prior to 1980 to a city that ranked at or near the bottom of our sample by 1990. Data from 1990, 2000, and 2008 show that poverty has become entrenched in Milwaukee. Despite some improvement on certain poverty indicators, the most recent data confirm that poverty remains one of the city's most pressing social and economic problems.

Table 4.1 shows poverty rates for the 19 cities and metropolitan areas in our sample for the years 1990, 2000, and 2008. As Table 4.1 indicates, the dramatic rise in the city of Milwaukee's poverty rate during the 1980s has not been reversed. Despite the economic boom of the 1990s, the city's poverty rate decreased by only 1 percent from 1990 to 2000, rising once again during subsequent years. Milwaukee's estimated 2008 poverty rate of 24 percent is lower than only five other cities in our sample: Newark, Cincinnati, Buffalo, Cleveland, and Detroit.

Table 4.1: Percent of Population Living in Poverty

Cities

	City	1990	2000	2008
1	Omaha	12.6	11.3	14.7
2	Wichita	12.5	11.2	14.9
3	Indianapolis	12.5	11.9	16.1
4	Kansas City	15.3	14.3	17.6
5	Boston	18.7	19.5	19.6
6	Baltimore	21.9	22.9	19.6
7	Columbus	17.2	14.8	20.6
8	Chicago	21.6	19.6	20.7
9	Minneapolis	18.5	16.9	21.4
10	Pittsburgh	21.4	20.4	21.6
11	Toledo	19.1	17.9	23.3
12	St. Louis	24.6	24.6	23.8
13	Philadelphia	20.3	22.9	24.3
14	Milwaukee	22.2	21.3	24.4
15	Newark	26.3	28.4	24.7
16	Cincinnati	24.3	21.9	25.7
17	Cleveland	28.7	26.3	28.9
18	Buffalo	25.6	26.6	29.9
19	Detroit	32.4	26.1	33.1
Milwaukee Rank		13	11	14

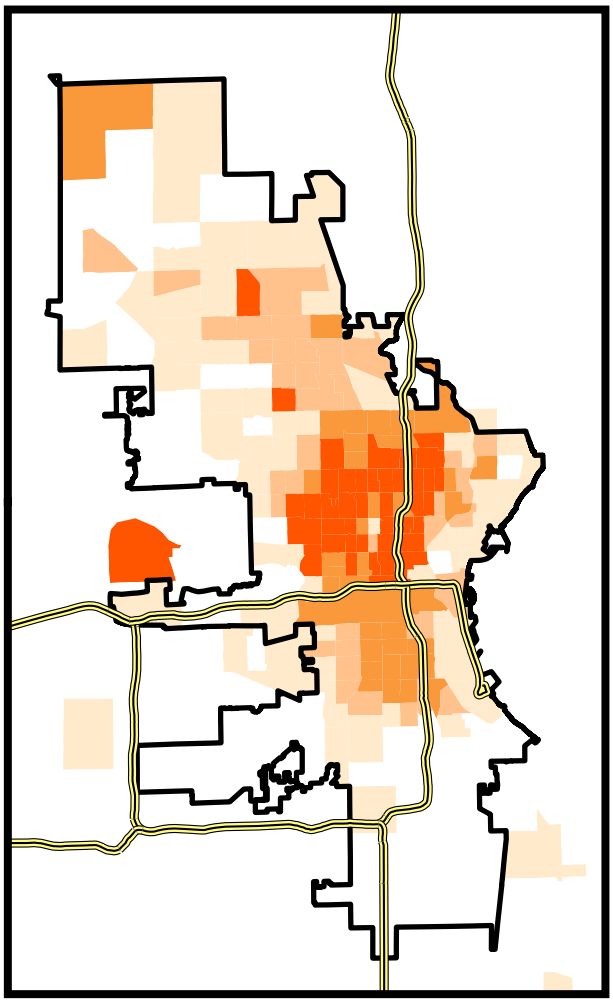
Metro Areas

	Metro Area	1990	2000	2008
1	Minneapolis	8.1	6.7	8.6
2	Newark	8.9	9.7	8.8
3	Boston	8.3	8.6	9.2
4	Baltimore	10.1	9.8	9.2
5	Kansas City	9.8	8.5	10.4
6	Omaha	9.6	8.4	10.5
7	Indianapolis	9.6	8.6	11.1
8	St. Louis	10.8	9.9	11.3
9	Cincinnati	11.4	9.7	11.3
10	Philadelphia	10.4	11.1	11.5
11	Pittsburgh	12.2	10.8	11.6
12	Chicago	12.4	10.5	11.9
13	Wichita	10.5	9.1	12.2
14	Milwaukee	11.6	10.6	12.4
15	Cleveland	11.8	10.8	12.8
16	Columbus	11.8	10.1	13.0
17	Buffalo	12.2	11.9	13.5
18	Detroit	12.9	10.7	13.6
19	Toledo	13.9	12.5	15.0
Milwaukee Rank		12	13	14

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

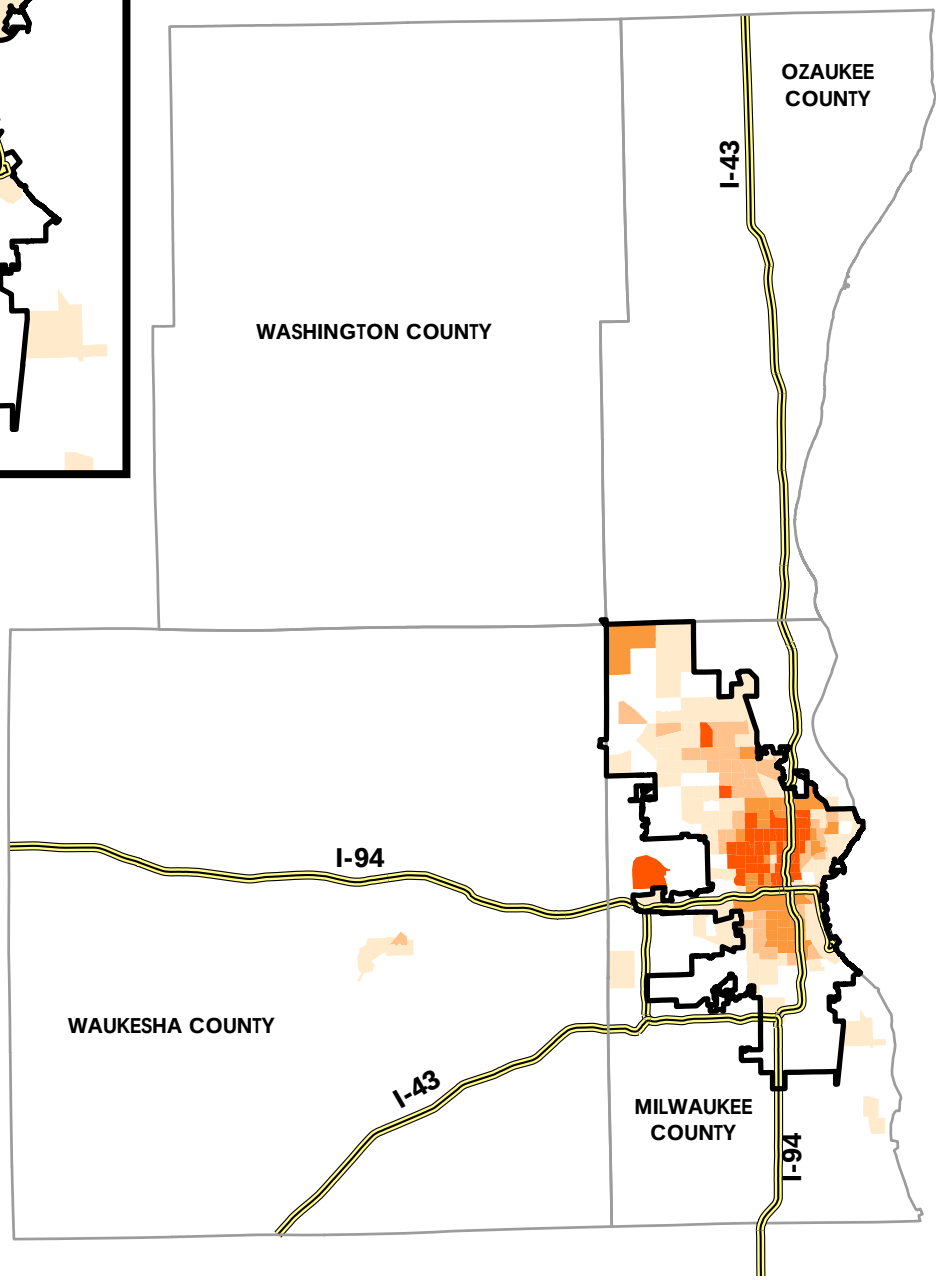
Poverty in the Milwaukee region is largely confined to the city of Milwaukee and Milwaukee County. Map 7 shows the geographic distribution of poverty in the 4-county Milwaukee region for the year 2000. All high poverty census tracts (i.e., census tracts in which 40 percent or more of residents are living below the poverty line) are located in the city of Milwaukee, with the exception of one area in Wauwatosa. Of the 182 census tracts in the 4-

MAP 7: % OF POPULATION LIVING BELOW THE POVERTY LEVEL (2000)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
(% Below Poverty)

- 0.0 - 9.9
- 10.0 - 19.9
- 20.0 - 29.9
- 30.0 - 39.9
- 40.0 and Over

Created by the University of Wisconsin-Milwaukee Center for Economic Development, 2010
Data Source: U.S. Census 2000

county region in which 10 percent or more of residents are living below the poverty threshold, only 11 are located outside the city of Milwaukee. Only three of these census tracts are located outside Milwaukee County.

Other poverty indicators we examined reveal a similar picture. Table 4.2 shows child poverty rates for our 19 sample cities and metro areas for the years 1990, 2000, and 2008. Here again, poverty rates for Milwaukee declined during the boom years of the 1990s, creeping up once again after 2000. Both the city of Milwaukee and the Milwaukee metro area rank among the worst performers in our sample for each year examined. In 2008, only Cincinnati, Buffalo, Cleveland, and Detroit had higher child poverty rates than the city of Milwaukee. The Milwaukee metro area did not fare any better, comparatively speaking, with a 2008 child poverty rate higher than all sample metro areas except Buffalo, Detroit, Toledo, and Cleveland. This was an improvement over 1990, when the Milwaukee region's child poverty rate was exceeded only by the Detroit metro area.

Table 4.2: Percent of Children Living in Poverty

Cities

	City	1990	2000	2008
1	Wichita	17.8	14.9	19.9
2	Omaha	18.8	16.0	20.0
3	Indianapolis	18.9	16.7	23.7
4	Kansas City	22.8	20.6	27.1
5	Baltimore	32.5	31.0	27.2
6	Boston	28.3	25.9	27.7
7	Columbus	24.4	19.0	28.1
8	Pittsburgh	32.5	27.8	29.3
9	Chicago	33.9	28.5	30.7
10	Minneapolis	30.6	25.1	31.3
11	Toledo	27.6	26.1	32.5
12	Newark	37.6	36.9	33.5
13	Philadelphia	30.3	31.6	33.9
14	St. Louis	39.7	36.9	34.9
15	Milwaukee	37.8	32.0	34.9
16	Cincinnati	37.4	32.5	40.3
17	Cleveland	43.0	38.0	42.1
18	Buffalo	38.8	38.7	42.4
19	Detroit	46.6	34.8	46.2
Milwaukee Rank		15	13	15

Metro Areas

	Metro Area	1990	2000	2008
1	Boston	11.5	10.0	10.8
2	Minneapolis	11.2	8.6	11.0
3	Newark	13.7	12.5	11.6
4	Baltimore	14.4	12.6	12.0
5	Omaha	13.1	11.4	13.6
6	Kansas City	13.7	11.4	14.6
7	Cincinnati	16.4	13.1	15.4
8	Indianapolis	13.7	11.2	15.5
9	Philadelphia	15.0	14.7	15.6
10	Pittsburgh	17.9	14.7	16.0
11	St. Louis	15.9	14.1	16.3
12	Wichita	14.2	11.8	16.6
13	Chicago	19.1	14.3	16.7
14	Columbus	15.9	12.6	17.0
15	Milwaukee	19.4	16.0	18.1
16	Cleveland	18.1	15.9	18.9
17	Toledo	18.3	16.8	19.5
18	Buffalo	18.2	17.2	19.5
19	Detroit	19.6	15.1	19.6
Milwaukee Rank		18	15	15

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

When we break down poverty by race, we find once again that trends dating back to the 1980s documented in our previous State of the City report have not been reversed. Our previous report documented a dramatic rise in the city of Milwaukee's African-American poverty rate during the 1980s, from 29.5 percent in 1980 to 41.2 percent in 1990.[4] By 1990, no other city in our sample of 14 Frostbelt cities had a higher black poverty rate than Milwaukee. Table 4.3

[4] See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 54.

shows the black poverty rates for our current sample of 19 cities for the years 1990, 2000, and 2008. Milwaukee experienced some improvement, both absolutely and comparatively speaking, during this time. Like nearly all cities in our sample, Milwaukee's black poverty rate declined during the 1990s. However, by 2008, Milwaukee still had a black poverty rate exceeded by only four cities: Buffalo, Cincinnati, Toledo, and Minneapolis.

Table 4.3: Percent of African-American Population Living in Poverty

	Cities			
	City	**1990**	**2000**	**2008**
1	Baltimore	27.9	27.3	22.9
2	Indianapolis	26.4	20.7	24.3
3	Boston	24.2	22.6	25.2
4	Newark	29.0	31.6	27.9
5	Philadelphia	29.0	28.5	29.9
6	Kansas City	29.6	24.6	30.1
7	Wichita	34.4	25.7	30.3
8	Chicago	33.2	29.4	31.4
9	Columbus	30.1	23.4	31.8
10	Detroit	35.2	26.4	32.9
11	Pittsburgh	40.9	34.1	34.4
12	St. Louis	37.4	34.1	34.5
13	Omaha	34.6	30.0	35.1
14	Cleveland	39.1	33.8	35.8
15	Milwaukee	41.9	33.3	35.9
16	Buffalo	38.3	34.4	37.0
17	Cincinnati	39.4	33.4	37.5
18	Toledo	38.7	33.2	38.5
19	Minneapolis	40.5	31.7	43.9
Milwaukee Rank		19	14	15

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

In contrast to black poverty, our previous report found that white poverty rates in Milwaukee dating back to the 1970s were comparatively low. In 1980, Milwaukee's white poverty rate of 8 percent was the lowest of the 14 Frostbelt cities in our sample.[5] While Milwaukee's performance on this indicator has dropped slightly since then, recent data show that Milwaukee continues to outperform many other cities. Table 4.4 shows white poverty rates for the 19 cities in our current sample for the years 1990, 2000, and 2008. For each year examined, Milwaukee ranks within or very near the top half of our sample cities. At the same time, however, the city's white poverty rate of 13 percent in 2008 is significantly higher than the 8 percent figure of 1980.

[5] See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 53.

Table 4.4: Percent of White Non-Hispanic Population Living in Poverty

	Cities			
	City	**1990**	**2000**	**2008**
1	Omaha	8.8	6.7	9.3
2	Kansas City	9.0	7.8	9.4
3	Chicago	9.1	8.2	9.7
4	Wichita	8.7	7.0	10.3
5	Indianapolis	8.6	7.9	11.3
6	St. Louis	13.2	12.8	11.6
7	Minneapolis	12.5	9.0	12.5
8	Boston	13.3	13.1	12.5
9	Baltimore	12.8	13.3	13.1
10	Milwaukee	10.8	9.5	13.2
11	Philadelphia	10.9	12.7	13.3
12	Cincinnati	15.2	12.2	14.3
13	Newark	14.0	15.8	14.8
14	Columbus	13.1	10.8	15.5
15	Pittsburgh	14.3	14.3	16.0
16	Toledo	13.4	11.6	16.5
17	Cleveland	18.0	15.6	18.1
18	Buffalo	17.9	17.4	19.6
19	Detroit	23.3	22.2	30.4
Milwaukee Rank		6	7	10

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Given these findings, it is not surprising that one of the more noteworthy trends we documented in our previous report was the disparity in poverty rates between Milwaukee's black and white populations. For the years 1970, 1980, and 1990, no other city in our sample had a higher disparity between black and white poverty.[6] More recent data show minor improvement on this indicator, both absolutely and comparatively speaking. An increase in the poverty rate for whites accompanied by lower poverty rates for African Americans since 1990 has led to a slight narrowing of the gap between the city's black and white populations. However, Milwaukee still ranks among the worst performers of major Northeast and Midwest cities on this indicator. Table 4.5 provides ratios of black poverty to white poverty for our 19 sample cities. Milwaukee ranks within or near the bottom third of sample cities for each year examined, although there has been some improvement over time.

[6] See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 56.

Table 4.5: Disparity in Black-White Poverty Rates

(the Ratio of Black Poverty to White Poverty)

	Cities			
	City	**1990**	**2000**	**2008**
1	Detroit	1.51	1.19	1.08
2	Baltimore	2.17	2.01	1.75
3	Newark	2.08	2.00	1.88
4	Buffalo	2.15	1.98	1.88
5	Cleveland	2.17	2.17	1.97
6	Boston	1.81	1.73	2.01
7	Columbus	2.30	2.17	2.05
8	Pittsburgh	2.86	2.39	2.14
9	Indianapolis	3.08	2.62	2.16
10	Philadelphia	2.66	2.25	2.25
11	Toledo	2.89	2.87	2.34
12	Cincinnati	2.59	2.74	2.62
13	Milwaukee	3.89	3.51	2.73
14	Wichita	3.95	3.69	2.95
15	St. Louis	2.83	2.66	2.97
16	Kansas City	3.27	3.17	3.22
17	Chicago	3.63	3.59	3.24
18	Minneapolis	3.25	3.51	3.52
19	Omaha	3.93	4.46	3.78
Milwaukee Rank		17	15	13

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

V. Transportation

For many cities, transportation is a significant economic development issue. Cities with transportation infrastructure that facilitates the efficient movement of people and goods have an economic advantage over cities with snarled transportation systems causing chronic delays. In making decisions about where to locate corporate headquarters or new production facilities, businesses routinely include a region's transportation infrastructure among the factors to be evaluated.

We provide two measures of traffic congestion for the 19 metropolitan areas in our sample for the years 1990, 2000, and 2007. Table 5.1 shows the Texas Transportation Institute's travel time index for our sample cities. The travel time index represents the ratio of travel times during peak periods to travel times when traffic is moving freely. Like the other metropolitan areas in our sample, Milwaukee's peak period travel times have edged upwards since 1990. However, Milwaukee still performs comparatively well on this measure of congestion, ranking near the top third of our sample cities.

Table 5.1: Travel Time Index

	Metropolitan Areas			
	Metro Area	**1990**	**2000**	**2007**
1	Wichita	NA	NA	1.02
2	Buffalo	1.04	1.07	1.07
3	Kansas City	1.04	1.09	1.07
4	Cleveland	1.06	1.12	1.08
5	Toledo	1.03	1.10	1.08
6	Pittsburgh	1.09	1.09	1.09
7	Milwaukee	1.10	1.15	1.13
8	St. Louis	1.09	1.20	1.13
9	Omaha	1.08	1.14	1.16
10	Cincinnati	1.11	1.19	1.18
11	Columbus	1.10	1.16	1.18
12	Indianapolis	1.14	1.22	1.21
13	Minneapolis	1.11	1.24	1.24
14	Boston	1.17	1.22	1.26
15	Philadelphia	1.16	1.23	1.28
16	Detroit	1.23	1.28	1.29
17	Baltimore	1.18	1.22	1.31
18	Newark*	1.22	1.29	1.37
19	Chicago	1.26	1.34	1.43
Milwaukee Rank		8	7	7

*Newark is counted as part of the New York City metropolitan area.
Data Source: Urban Mobility Report from the Texas Transportation Institute, accessed in May of 2009 from http://mobility.tamu.edu/ums

Table 5.2 shows the average number of hours that commuters in our 19 sample metropolitan areas were delayed during peak travel periods for during the years 1990, 2000, and 2007. Milwaukee's annual delay of 18 hours in 2007 was an improvement over the 21 hours of delay in 2000 but slightly higher than the 16 hours of delay in 1990. Comparatively speaking, the

Milwaukee region experiences fewer traffic delays than many other Northeast and Midwest cities, ranking within or near the top third of our sample on this indicator of congestion for the years 1990, 2000, and 2007.

Table 5.2: Annual Delay per Peak Period Traveler*
(hours)

	Metro Area	1990	2000	2007
1	Wichita	NA	NA	6
2	Buffalo	6	10	11
3	Cleveland	8	16	12
4	Toledo	4	17	14
5	Kansas City	11	19	15
6	Pittsburgh	20	17	15
7	Milwaukee	16	21	18
8	Cincinnati	17	29	25
9	Omaha	14	23	26
10	St. Louis	17	39	26
11	Columbus	19	29	30
12	Philadelphia	25	30	38
13	Indianapolis	28	46	39
14	Minneapolis	21	41	39
15	Chicago	30	34	41
16	Boston	25	36	43
17	Baltimore	34	33	44
18	Newark**	27	34	44
19	Detroit	48	51	52
Milwaukee Rank		6	6	7

** Newark is counted as part of the New York City metropolitan area.

Data Source: *Urban Mobility Report* from the Texas Transportation Institute, accessed in May, 2009 from http://mobility.tamu.edu/ums/

*A peak period traveler is any resident beginning a trip, by any mode, between 6-10 a.m. or 3-7 p.m.

Another useful transportation measure is time spent traveling to and from work. As commute times increase due to sprawl and congestion, workers have less time to spend with their families, relax, and take care of personal business. Table 5.3 shows the percentage of workers who spend more than 30 minutes traveling to work for each of the 19 cities and metro areas in our sample. In 2008, 27 percent of workers living in the city of Milwaukee had commute times of more than 30 minutes. The city of Milwaukee ranks squarely in the middle of our sample on this indicator. When we examine metropolitan areas rather than central cities, Milwaukee does somewhat better, comparatively speaking. As Table 5.3 indicates, for the years 2000 and 2008 only Wichita, Omaha, Toledo, and Buffalo have lower percentages of workers with commute times of more than 30 minutes.

Table 5.3: Percent Commuting Over 30 Minutes to Work (any mode)

Cities

	City	1990	2000	2008
1	Wichita	12.6	12.9	12.2
2	Omaha	13.4	13.7	14.1
3	Toledo	14.8	17.7	17.2
4	Buffalo	19.9	21.4	20.6
5	Columbus	22.4	24.7	22.3
6	Cincinnati	24.6	27.6	26.0
7	Kansas City	24.6	25.5	26.1
8	Minneapolis	20.4	24.0	26.3
9	Indianapolis	23.3	26.6	26.8
10	Milwaukee	21.9	26.0	26.9
11	Pittsburgh	27.3	29.5	28.6
12	Cleveland	30.3	33.0	31.4
13	St. Louis	28.9	31.2	32.1
14	Detroit	35.4	39.6	37.5
15	Baltimore	39.2	43.1	42.4
16	Newark	42.1	48.7	46.9
17	Boston	41.2	47.7	47.6
18	Philadelphia	46.0	50.6	51.2
19	Chicago	55.5	59.9	59.4
	Milwaukee Rank	6	8	10

Metropolitan Areas

	Metro Area	1990	2000	2008
1	Wichita	17.5	18.0	17.9
2	Omaha	16.7	17.7	19.6
3	Toledo	17.7	19.8	20.7
4	Buffalo	23.0	23.7	24.2
5	Milwaukee	23.1	26.5	29.0
6	Columbus	26.5	29.2	29.2
7	Kansas City	28.5	30.0	30.9
8	Cincinnati	30.4	33.6	33.0
9	Indianapolis	28.7	32.2	33.4
10	Cleveland	32.1	33.2	33.7
11	Minneapolis	26.7	32.2	34.2
12	Pittsburgh	32.4	35.3	36.0
13	St. Louis	34.0	37.2	36.6
14	Detroit	34.5	38.3	39.0
15	Philadelphia	38.3	43.0	42.6
16	Baltimore	40.4	44.5	44.4
17	Boston	38.7	45.4	45.2
18	Newark	39.1	45.5	45.5
19	Chicago	48.3	49.8	51.2
	Milwaukee Rank	5	5	5

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

While the above measures do not indicate obvious trouble spots for the Milwaukee region's transportation infrastructure, there are warning signs on the horizon. The Milwaukee region has relied heavily on road building and improvements to address its transportation needs. There is no rail system—light or heavy—serving the city or the metro area exclusively. Milwaukee County commuters rely on an antiquated bus system that has either cut service, raised fares, or both every year for the past 10 years. Ridership has plunged in recent years. Table 5.4 shows the percentage of workers in our 19-city sample who use public transportation, bike, or walk to work. For the city of Milwaukee, the figure dropped from 17.2 percent in 1990 to just 14.3 percent in 2008, far below cities like Boston, where nearly half of all workers use alternative means of transportation to commute to work. For the metropolitan area as a whole, only 7 percent of Milwaukee area workers commuted to work using alternatives to driving in 2008, down from 9.5 percent in 1990.

Transportation experts are in agreement that cities need balanced transportation systems that include good public transit and other alternatives to driving. Milwaukee's failure to develop such alternatives may prove costly in the long run as roads become increasingly congested and few options exist to ease the pressure on the highway system.

Table 5.4: Percent Taking Alternative Transportation to Work: Public Transportation, Walking, or Biking

Cities

	City	1990	2000	2008
1	Boston	46.0	46.3	47.5
2	Philadelphia	39.6	35.4	35.7
3	Chicago	35.7	32.3	33.0
4	Pittsburgh	35.0	30.7	32.8
5	Newark	32.8	34.6	32.4
6	Baltimore	29.1	26.9	26.9
7	Minneapolis	25.2	23.1	23.6
8	Buffalo	21.9	18.0	20.2
9	Cleveland	19.1	16.2	17.6
10	Cincinnati	17.0	15.8	16.6
11	St. Louis	16.7	15.0	14.8
12	Milwaukee	17.2	15.3	14.3
13	Detroit	13.8	11.7	11.5
14	Columbus	9.2	7.4	6.9
15	Kansas City	8.5	6.2	6.1
16	Toledo	5.8	5.0	5.8
17	Omaha	6.5	4.4	4.2
18	Indianapolis	5.8	4.6	4.1
19	Wichita	3.7	2.4	2.6
Milwaukee Rank		10	11	12

Metropolitan Areas

	Metro Area	1990	2000	2008
1	Boston	20.9	19.7	17.3
2	Chicago	21.2	16.0	16.5
3	Newark	13.8	13.8	13.8
4	Philadelphia	17.3	14.1	13.1
5	Baltimore	11.6	9.3	9.7
6	Pittsburgh	13.7	9.9	9.7
7	Minneapolis	8.8	7.3	7.4
8	Milwaukee	9.5	7.4	7.0
9	Buffalo	9.8	6.4	7.0
10	Cleveland	9.2	6.5	6.4
11	Cincinnati	7.0	5.7	5.0
12	Toledo	5.4	4.0	4.6
13	St. Louis	5.1	4.1	4.4
14	Columbus	6.2	4.9	4.2
15	Detroit	4.3	3.4	3.3
16	Omaha	4.9	3.1	3.0
17	Kansas City	4.0	2.7	2.9
18	Indianapolis	4.3	3.2	2.9
19	Wichita	3.3	2.3	2.4
Milwaukee Rank		8	7	8

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

VI. Education

In a global economy where capital is increasingly mobile, education plays an important role in regional economic competitiveness. Companies choose locations based in part on their assessment of the regional workforce. Regions with large pools of well educated residents have an economic advantage over regions where fewer residents have completed college or high school.

Table 6.1 shows the percentage of residents age 25 and older who are college educated for the 19 cities and metro areas in our sample. As Table 6.1 indicates, the percentage of college educated residents in the city of Milwaukee rose from 1990 to 2008 but is still far below cities like Minneapolis and Boston, where more than 40 percent of residents were college educated in 2008. Only four cities—Toledo, Cleveland, Newark, and Detroit—had lower percentages of college educated residents than Milwaukee in 2008. The Milwaukee metro area fares somewhat better on this indicator, both absolutely and comparatively speaking, but is still well below the top performers.

Table 6.1: Percent College Educated

(Population 25 and over)

Cities

	City	1990	2000	2008
1	Minneapolis	30.3	37.4	42.5
2	Boston	30.0	35.6	41.3
3	Pittsburgh	20.1	26.2	32.4
4	Omaha	23.1	28.7	31.6
5	Columbus	24.6	29.0	31.5
6	Chicago	19.5	25.5	30.2
7	Kansas City	22.0	25.7	29.4
8	Cincinnati	22.2	26.6	28.9
9	Indianapolis	21.7	25.4	27.4
10	Wichita	22.7	25.3	27.4
11	St. Louis	15.3	19.1	24.8
12	Baltimore	15.5	19.1	24.2
13	Philadelphia	15.2	17.9	21.1
14	Buffalo	16.0	18.3	20.9
15	Milwaukee	14.8	18.3	20.3
16	Toledo	14.1	16.8	17.2
17	Cleveland	8.1	11.4	12.8
18	Newark	8.5	9.0	11.8
19	Detroit	9.6	11.0	11.3
Milwaukee Rank		15	13	15

Metropolitan Areas

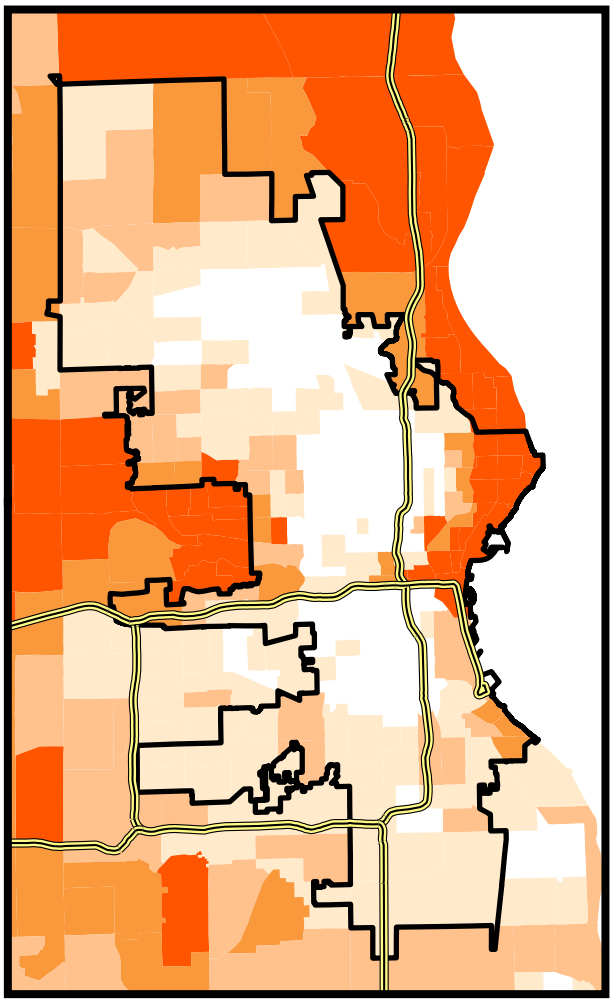
	Metro Area	1990	2000	2008
1	Boston	33.1	39.5	41.5
2	Minneapolis	27.1	33.3	37.0
3	Newark	27.3	31.5	35.8
4	Baltimore	23.1	29.2	33.7
5	Chicago	24.4	30.1	33.0
6	Columbus	23.0	29.1	32.3
7	Philadelphia	22.8	27.7	31.6
8	Omaha	22.8	28.0	31.6
9	Kansas City	23.4	28.5	31.5
10	Indianapolis	21.1	25.8	30.5
11	Milwaukee	21.3	27.0	30.3
12	St. Louis	20.7	25.3	28.5
13	Pittsburgh	19.5	23.8	28.0
14	Cincinnati	20.5	25.3	27.8
15	Buffalo	20.0	23.2	26.7
16	Cleveland	19.9	23.3	26.6
17	Wichita	21.5	24.7	26.6
18	Detroit	17.7	22.8	26.3
19	Toledo	17.4	21.6	23.3
Milwaukee Rank		10	10	11

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Map 8 shows the percentage of residents age 25 or older with a 4-year college degree by census tract for the 4-county Milwaukee region for the year 2000. Of the 92 census tracts in which fewer than 10 percent of residents have college degrees, only four are located outside the city of Milwaukee. By contrast, just 18 of the 68 census tracts in which 40 percent or more

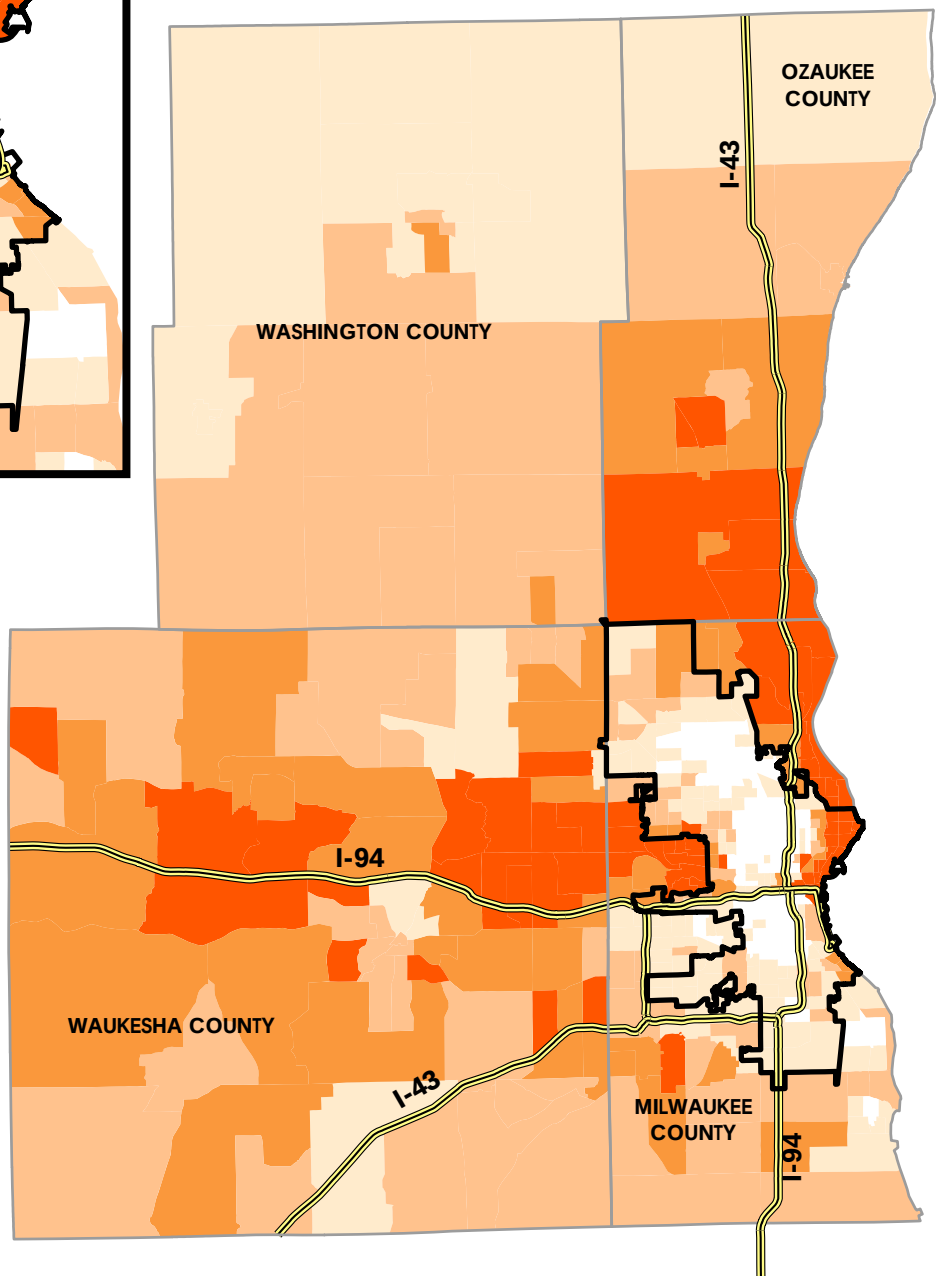
MAP 8: PERCENT OF POPULATION AGE 25 AND OVER WITH A COLLEGE EDUCATION (2000)

(minimum 4-year degree)



CITY OF MILWAUKEE

MILWAUKEE 4-COUNTY METROPOLITAN AREA



LEGEND
(% College-Educated)

- 0.0 - 9.9
- 10.0 - 19.9
- 20.0 - 29.9
- 30.0 - 39.9
- 40.0 - 100.0

Created by the University of Wisconsin-Milwaukee Center for Economic Development, 2010
Data Source: U.S. Census 2000

residents are college educated are located in the city of Milwaukee. All but two of those census tracts are concentrated on the city's affluent East Side.

The picture is even bleaker when examining the data for African Americans. In the section of this report focusing on the black middle class, we presented figures on college education for African Americans for our 19 sample cities and metropolitan areas. We found that the Milwaukee region had the lowest percentage of college educated blacks of all 19 metro areas in our sample for the years 1990, 2000, and 2008. The city of Milwaukee's performance was nearly as poor.

How do the figures for the black population compare with those for the white population? Table 6.2 shows the black-white education gap for our 19 sample cities and metro areas for the years 1990, 2000, and 2008. The figures represent the ratio of black college-educated residents to white college-educated residents. The higher the percentage, the lower the disparity between black and white residents. Once again, the numbers are disturbing. For all three years considered, the Milwaukee metro area has the highest disparity between black and white residents of all 19 metro areas in our sample. The city of Milwaukee does somewhat better, comparatively speaking, but still falls in the bottom half of our sample for each year examined.

Table 6.2: Black-White Education Gap

(black college-educated as a percentage of white, age 25 and over)

Cities

	City	1990	2000	2008
1	Newark	77.1	76.5	93.1
2	Toledo	48.0	51.4	62.1
3	Detroit	68.4	66.1	60.6
4	Indianapolis	39.2	45.7	47.4
5	Wichita	43.4	43.9	44.9
6	Columbus	40.8	43.8	44.4
7	Cleveland	49.2	40.8	43.6
8	Pittsburgh	39.4	42.3	41.5
9	Philadelphia	47.9	42.6	41.1
10	Buffalo	55.3	44.6	38.5
11	Omaha	37.7	35.9	37.5
12	Milwaukee	38.7	36.6	36.6
13	St. Louis	39.3	31.2	34.6
14	Kansas City	37.3	36.4	34.4
15	Chicago	36.4	31.8	33.1
16	Boston	37.4	32.0	30.4
17	Cincinnati	27.4	27.5	30.0
18	Baltimore	36.5	30.4	29.6
19	Minneapolis	42.0	30.8	26.8
Milwaukee Rank		13	11	12

Metropolitan Areas

	Metro Area	1990	2000	2008
1	Pittsburgh	50.9	53.2	56.4
2	Cincinnati	45.4	47.4	54.5
3	Columbus	47.4	50.5	53.4
4	Minneapolis	62.7	55.2	52.7
5	Toledo	44.0	45.6	52.5
6	Indianapolis	44.0	50.4	52.2
7	Wichita	48.1	48.6	51.9
8	St. Louis	51.7	47.5	51.6
9	Boston	52.1	50.2	51.3
10	Baltimore	46.0	48.6	51.1
11	Detroit	51.3	52.0	50.1
12	Omaha	50.6	45.5	49.6
13	Chicago	41.0	42.8	47.8
14	Philadelphia	43.2	40.8	46.1
15	Kansas City	46.6	47.1	45.6
16	Buffalo	52.9	45.8	44.9
17	Newark	40.8	40.7	44.0
18	Cleveland	38.6	42.0	43.6
19	Milwaukee	33.1	34.4	35.9
Milwaukee Rank		19	19	19

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

Finally, Table 6.3 shows the percentage of residents with high school degrees for the 19 cities and metro areas in our sample. For each year examined, the city of Milwaukee ranks in the bottom half of our sample cities. The Milwaukee metro area does comparatively better, with high school graduation rates close to 90 percent, not far below the top performers on this indicator.

Table 6.3: Percent High School Educated

(Population 25 and over)

Cities

	City	1990	2000	2008
1	Omaha	82.6	86.0	88.0
2	Minneapolis	82.6	85.0	87.5
3	Pittsburgh	72.4	81.3	87.0
4	Columbus	78.7	83.8	86.6
5	Kansas City	78.8	82.5	86.4
6	Wichita	81.9	83.8	86.3
7	Indianapolis	76.4	81.3	84.0
8	Toledo	73.2	79.7	83.6
9	Boston	75.7	78.9	83.4
10	Cincinnati	69.6	76.7	81.6
11	Buffalo	67.3	74.6	80.2
12	Milwaukee	71.5	74.8	79.7
13	St. Louis	62.8	71.3	78.9
14	Philadelphia	64.3	71.2	78.5
15	Chicago	66.0	71.8	78.1
16	Detroit	62.1	69.6	75.9
17	Baltimore	60.7	68.4	75.8
18	Cleveland	58.8	69.0	74.7
19	Newark	51.2	57.9	66.0
Milwaukee Rank		10	11	12

Metropolitan Areas

	Metro Area	1990	2000	2008
1	Minneapolis	87.2	90.6	92.6
2	Omaha	84.4	88.0	90.6
3	Pittsburgh	77.4	85.1	90.1
4	Kansas City	82.3	86.7	90.0
5	Boston	83.7	87.1	89.6
6	Columbus	79.7	85.8	89.0
7	Wichita	82.2	85.3	88.5
8	Milwaukee	79.7	84.5	88.2
9	Buffalo	76.4	83.0	88.0
10	Toledo	77.6	84.1	88.0
11	Indianapolis	78.6	84.0	87.8
12	St. Louis	76.0	83.4	87.4
13	Cleveland	75.7	82.9	87.3
14	Philadelphia	75.9	82.2	87.1
15	Cincinnati	74.9	82.4	86.8
16	Detroit	75.7	82.1	86.8
17	Baltimore	74.7	81.9	86.7
18	Newark	76.5	81.6	86.4
19	Chicago	75.7	81.0	84.7
Milwaukee Rank		7	8	8

Data Source: U.S. Census 1990 & 2000, ACS 2006-2008 3-year sample

VII. Conclusion

The purpose of this study, in part, was to determine how successfully Milwaukee has responded to the economic disruptions of previous decades. Have we turned the corner on problems like deindustrialization and urban poverty that became so pronounced by the 1980s? Are we faring as well as other major Midwest and Northeast cities which have wrestled with the same kinds of problems? Or are there many areas where our performance continues to rank among the worst-off cities and metropolitan areas? What do the data tell us about how Milwaukee is doing?

It would be an oversimplification to provide some kind of overall ranking for Milwaukee vis-à-vis the other cities and metropolitan areas in our sample. We can, however, identify certain themes and patterns. On many of our indicators, both the city of Milwaukee and the Milwaukee metro area fall somewhere in the middle of our 19-city sample. Clearly, we are not one of the top performers. Boston, Minneapolis, and a few other cities are possible candidates for that designation. However, neither are we consistently at the bottom of our rankings. Certain other cities such as Detroit and Buffalo fare worse than Milwaukee in many of the areas we examine.

In our previous State of the City report, we reached similar conclusions about where Milwaukee stands vis-à-vis peer cities and regions. At the same time, we identified four key problem areas for the city and the region: poverty, lagging incomes, city-suburban disparities, and racial inequality. ***Perhaps the most significant finding of this study is the lack of progress made in these four areas.*** Twelve years after the publication of our previous report, these problems seem as pronounced and intractable as ever.

Poverty

As our previous State of the City report showed, the city of Milwaukee's poverty rate increased by 61 percent during the 1980s, the highest increase of the 14 cities in our sample population. Data from 1990, 2000, and 2008 show that poverty has become entrenched in Milwaukee. The stabilization in the city's poverty rate during the 1990s has given way to further increases since 2000. Milwaukee's 2008 poverty rate of 24 percent is exceeded by only five cities in our sample: Newark, Cincinnati, Buffalo, Cleveland, and Detroit. Poverty in the Milwaukee region is largely confined to the central city. In 2000, only 11 of the 182 census tracts in which 10 percent or more of residents were living below the poverty threshold were located outside the city of Milwaukee.

Child poverty rates are equally disturbing, both for the city of Milwaukee and the Milwaukee metro area. In 2008, Milwaukee's child poverty rate was a staggering 35 percent. Only Cincinnati, Buffalo, Cleveland, and Detroit had higher child poverty rates than Milwaukee that year. The Milwaukee metro area did not fare any better, comparatively speaking. The region's child poverty rate of 18 percent was higher than all the metro areas in our sample except Buffalo, Detroit, Toledo, and Cleveland.

Income

In our previous report, we found that real per capita income grew by just 3.7 percent in Milwaukee from 1970 to 1990, a slower pace than all but two of the cities in our 14-city sample, Detroit and Cleveland. The most recent data show little improvement on this indicator. From 1990-2008, the city of Milwaukee's real per capita income grew by just 4.4 percent, slower than all of our 19 sample cities except Detroit and Toledo.

The one bright spot is the Milwaukee metropolitan area, which ranked second to last on real per capita income growth among the 14 metropolitan areas in our previous study. Recent data show a significant turnaround, comparatively speaking. From 1990-2008, real per capita income growth for the Milwaukee metro area was 17 percent, placing the Milwaukee region in the top third of our sample.

Payroll figures for the Milwaukee area provide a mixed picture. Payroll per employee in manufacturing rose by 8 percent from 1997 to 2007 in both the city and the metro area, a pace that outranks the vast majority of other cities and metro areas in our sample. The city's manufacturing payroll per employee figure of $49,327 in 2007 places Milwaukee in the top third of our sample cities. On the other hand, manufacturing is a declining sector, and payroll figures for growing sectors such as health care and social services and accommodation and food services are not as strong, either absolutely or in comparison to other cities and metropolitan areas. In accommodation and food services, for example, the city of Milwaukee's payroll per employee of $12,998 ranked 14 of 19 cities.

City-Suburban Disparities

Like other large metropolitan areas in the Midwest and Northeast, Milwaukee has experienced a rising gap between the economic performance of the central city and that of the surrounding suburbs. Our previous State of the City report documented this trend and showed that it was particularly pronounced in the Milwaukee region. For example, regional data on per capita income showed that by 1990, city of Milwaukee residents earned less income in comparison to suburban residents than all but two other major Frostbelt cities: Cleveland and Detroit.[7]

Our present report confirms that disparities between city and suburban economic performance in the Milwaukee region remain substantial. On many of the indicators we examine here—including unemployment, joblessness, income, share of regional employment, education, and poverty—the suburbs continue to outperform the central city by significant margins. For example, as noted above, from 1990 to 2008 the city of Milwaukee's real per capita income growth of 4.4 percent was lower than all 19 cities in our sample except Detroit and Toledo. For the metropolitan area as a whole, however, per capita income growth was in the top third of our sample metro areas.

To take another example, the city of Milwaukee's 4-year college graduation rate of 20 percent in 2008 was lower than all but four cities in our sample. By contrast, the metro area ranked 11 of 19 cities with a graduation rate of 30 percent that year. In 2000, only four of the 92

[7] See Center for Economic Development, *The Economic State of Milwaukee*, 1998, p. 112.

census tracts in which fewer than 10 percent of residents had college degrees were located outside the city of Milwaukee. By contrast, just 18 of the 68 census tracts in which 40 percent or more residents were college educated were located in the city of Milwaukee.

Racial Inequality

In our previous report, we found many indicators of economic well-being on which African-American residents of the Milwaukee region ranked among the lowest of our sample cities. In many cases, disparities between the performance of the black and white populations were among the highest in our sample. Recent data show little to no improvement on key measures of racial inequality. Key findings are summarized below:

- The Milwaukee region remains one of the most segregated metropolitan areas in the country, with 91 percent of the region's African-American population living in the central city in 2008. Of the 19 metropolitan areas in our sample, only Toledo and Wichita have a lower percentage of blacks living in the suburbs.

- Jobless figures for the years 1990, 2000, and 2008 show significant disparities between white males and black males. For all three years examined, the Milwaukee region's black male jobless rate places the region in the bottom third of metro areas in our sample. In 2000, only the Buffalo metro area had a higher black male jobless rate than that of Milwaukee. By contrast, the Milwaukee region's white male jobless rate in 2000 was lower than only two other metro areas in our sample: Minneapolis and Omaha.

- A similar if less pronounced pattern exists with respect to median household income. For the years 1990, 2000, and 2008, black median household income for the Milwaukee region ranks in the bottom third of our sample cities. White median household income for both the city and the region is comparatively higher, placing Milwaukee in the middle third of our sample for each year examined. In 2008, the disparity between median household incomes of whites and African Americans in the Milwaukee metro area was greater than any other region in our sample except Minneapolis.

- In 1990, the city of Milwaukee's black poverty rate of 41.9 percent was higher than any other city in our sample. The black poverty rate showed some improvement from 1990 to 2008, both absolutely and comparatively speaking. However, by 2008, only four cities in our sample—Buffalo, Cincinnati, Toledo, and Minneapolis—had black poverty rates higher than Milwaukee.

- For the years 1990, 2000, and 2008, no metropolitan area in our sample had a lower percentage of blacks with a 4-year college degree than the Milwaukee metro area. For all three years, the disparity between the region's white and black populations in college educated residents is greater than all other metropolitan areas in our sample.

A comprehensive analysis of the causes of racial disparities in the Milwaukee region lies outside the scope of this study. However, our findings suggest two possible areas for further investigation. First, the Milwaukee area's comparatively small black middle class is a troublesome sign. It suggests either that the earnings of most low and moderate-income blacks are not improving measurably over time, or that black residents whose incomes and status have

risen are leaving the area. Either way, the outcome is problematic. A stronger black middle class would help sever the connection between race and poverty, help rebuild and restore confidence in black neighborhoods (as is currently happening on Chicago's South Side, for example), and provide leadership for the black community.

In addition, as we have pointed out repeatedly in this study, the concentration of the Milwaukee region's black population in the central city exceeds that of nearly every metro area in our sample. Relatively few of the region's African American residents are currently taking advantage of the high performing school districts, job opportunities, healthy neighborhoods, and social networks that many suburban communities offer. Instead, many blacks live in high poverty, inner-city neighborhoods where barriers to economic advancement are substantial. Efforts to reduce segregation in the Milwaukee region by making the suburbs more accessible to blacks would, if successful, lead to improvements in the economic well-being of the region's African American community.

DEC 1 6 2010

Jursha moved to Refer Back to Committee On Motion 11-8

Supervisor Theodore Lipscomb, Vice-Chairperson
From the Committee on Economic and Community Development, reporting on:

File No.10-400
(Journal, December 16, 2010)

(ITEM 1) A resolution by Supervisors Thomas and De Bruin requesting that the Southeastern Wisconsin Regional Planning Commission expand its scope of services for Milwaukee County to include various studies pertaining to increasing economic development opportunities and improving air quality in Milwaukee County, by recommending adoption of the following:

AN AMENDED RESOLUTION

WHEREAS, the 2011 budget for the Southeastern Wisconsin Regional Planning Commission (SEWRPC) is $2,370,245, per 66.0309(14)(b) of the Wisconsin Statutes; and

WHEREAS, according to SEWRPC's 2011 budget, the 2011 appropriation for SEWRPC will fund several programs including but not limited to the Land Use Planning Program, Transportation Planning Program, Water Quality Planning Program, Community Assistance Planning Program, Economic Development Assistance Program; and

WHEREAS, in addition to these programs, it is recommended that SEWRPC undertake the studies largely aimed at regional planning related to increasing opportunities for economic development and improving air quality; and

WHEREAS, unlike other counties in Southeastern Wisconsin, Milwaukee County does not have a comprehensive economic development strategy (CEDS) that provides a framework for the maintenance and expansion of economic development; and

WHEREAS, not having a CEDS in place is likely to result in a significant disadvantage to Milwaukee County in competing for new businesses and jobs; therefore, it is recommended that SEWRPC develop a Comprehensive Development Strategy (CEDS) to be the blueprint for the County's economic development activities and include actions to be taken by the County and also by local units of government within Milwaukee County, as well as the State and Federal governments and other organizations that could enhance and expand economic development within Milwaukee County; and

WHEREAS, the plan should also serve as a framework for more detailed plans, which may be subsequently prepared for municipalities in Milwaukee County, or for groupings of municipalities, such as a South Shore Blueprint for the south shore communities; and

APPROVED AS TO FORM
Timothy R. Schoewe
CORPORATION COUNSEL

WHEREAS, the Milwaukee 7 Regional Economic Development Council has expressed interest in the preparation of a regional comprehensive economic development strategy, which could include recommendations from a Milwaukee County CEDS; and

WHEREAS, a good quality of life, including good air quality, is a key component of any economic development strategy; and

WHEREAS, the Wisconsin Department of Natural Resources (WDNR) is the designated air quality planning agency for the State of Wisconsin, and Milwaukee County is in nonattainment for national ozone air quality standards along with Kenosha, Ozaukee, Racine, Washington and Waukesha Counties; and

WHEREAS, although ozone monitoring data for 2006-2008 indicates those air quality standards are being achieved, more stringent ozone standards are expected to be promulgated by the U.S. Environmental Protection Agency (USEPA) later this year, and it is expected that Milwaukee County may not be in attainment of the new standards; and

WHEREAS, the new standards will include a schedule for the development of a new state implementation plan for achieving attainment that would be prepared by the WDNR; and

WHEREAS, Milwaukee County is also designate as being in nonattainment of national fine particulate matter air quality standards along with Racine and Waukesha Counties; and

WHEREAS, the WDNR has already initiated a state implementation planning process for achieving fine particulate matter standards and expects completion will occur in December of 2012; and

WHEREAS, it is recommended that SEWRPC, as the official area-wide regional planning agency and designated metropolitan transportation planning agency for Southeastern Wisconsin, monitors and reviews the WDNR's air quality planning process and provide regular briefings to Milwaukee County staff and the County Board; and

WHEREAS, these briefings will provide county staff and elected officials with the knowledge and information regarding findings of inventories, analyses and WDNR planning, and to have input and opportunity to participate in and shape WDNR planning for nonattainment of national air quality standards in Milwaukee County, Southeastern Wisconsin and the State of Wisconsin; and

WHEREAS, the Committee on Economic and Community Development, at its December 6, 2010 meeting, recommended approval of the resolution as amended to request quarterly reports from county staff and SEWRPC as to progress on development of the CEDS; now, therefore,

87 BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby requests
88 that the Southeastern Wisconsin Regional Planning Commission expand its 2011 scope of
89 services for Milwaukee County to include the development of a comprehensive economic
90 development study and serve as a liaison between Milwaukee County and the State of
91 Wisconsin's Department of Natural Resources regarding the planning and achievement of
92 national air quality standards.
93
94 BE IT FURTHER RESOLVED, that the Southeastern Wisconsin Regional Planning
95 Commission and the director of Economic Development shall report back to the Economic
96 and Community Development Committee on a quarterly basis as to the progress being
97 made.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: November 10, 2010

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: Proposed development of the Milwaukee County Comprehensive Economic Development Plan by the SEWRPC.

FISCAL EFFECT:

☒ No Direct County Fiscal Impact

☒ Existing Staff Time Required

☐ Increase Operating Expenditures
(If checked, check one of two boxes below)

☐ Absorbed Within Agency's Budget

☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☐ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☐ Decrease Capital Revenues

☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	
	Revenue	0	
	Net Cost	0	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.[1] If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The development of the Milwaukee County Comprehensive Economic Development plan will be done by the SEWRPC, at no direct cost to Milwaukee County.

Department/Prepared By Damon M. Dorsey, Director of Economic Development

Authorized Signature _____

Did DAS-Fiscal Staff Review? ☒ Yes ☐ No

[1] If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

By Supervisors

A RESOLUTION

Authorizing and directing the Director of Economic Development to prepare an economic development plan for Milwaukee County.

WHEREAS, according to an October 2010 report entitled, “Wisconsin Poverty Projections through 2020,” conducted by the University of Wisconsin’s Community and Environmental Sociology Department, the overall number of people living in poverty in Wisconsin is expected to increase for all racial categories regardless of household type; and

WHEREAS, poverty in Wisconsin is expected to continue to disproportionately affect racial minority families through 2020, if historical trends persist, which does not even take into account the effects of the recent national economic downturn; and

WHEREAS, the historic trends in Milwaukee County’s poverty rate and the state of the national and global economy is impetus for the county to develop an economic development plan that would provide a roadmap to create and retain businesses in Milwaukee County by leveraging the wealth of county resources including but not limited to the airport, transit system, county road system, and housing and block grant programs; and

WHEREAS, the economic development plan should be developed by the Milwaukee County Economic Development Director in partnership with the Southeastern Wisconsin Regional Planning Commission and appropriate county staff; and

WHEREAS, an advisory committee consisting of a maximum of 15 members shall be created to guide the development of a comprehensive economic development plan and shall be appointed by the County Board Chairman; now, therefore,

BE IT RESOLVED, that the Milwaukee County Board of Supervisors hereby authorizes and directs the Director of the Economic Development Department to develop an economic development plan for Milwaukee County; and

BE IT FUTHER RESOLVED, that the Economic Development Director shall work in partnership with the Southeastern Wisconsin Regional Planning Commission and appropriate county staff; and

BE IT FURTHER RESOLVED, that the County Board establishes the Economic Development Plan Oversight Committee to guide plan development, which shall include a maximum of 15 members, three of which shall be Milwaukee County Board

Supervisors and all shall be appointed by the Chairman of the County Board of Supervisors; and

BE IT FURTHER RESOLVED, the proposed scope of work for SEWRPC shall have the following study elements:

(1) Review of existing economic development conditions in Milwaukee County,

(2) Assessment of the County's infrastructure,

(3) Analysis of existing economic development efforts by Milwaukee County as well as other private for-profit and not-for-profit agencies in Milwaukee County,

(4) Survey of economic development activities and needs,

(5) Formulation of a Milwaukee County economic development plan,

(6) An action plan to implement the recommended objectives, which are of the greatest need and importance,

(7) Identification of potential funding sources, including but not limited to all federal, state and county programs such as Economic Development Administration grants, block grants, housing, brownfield, gap funding and surplus real estate revenue, to implement each recommendation

; and

BE IT FURTHER RESOLVED, that the economic development plan should explore opportunities for job creation based upon Milwaukee County government's existing infrastructure, programs and services, particularly as related to transit service, and the possible need for new and improved infrastructure, programs and services to ensure job creation in the county; and

BE IT FURTHER RESOLVED, that the economic development plan should explore the creation of a demonstration project(s) through the Federal Aviation Administration, Federal Transit Administration and Federal Highway Administration, as well as any other pertinent federal agency, to provide opportunities for the creation and expansion of women and minority owned businesses in Milwaukee County; and

BE IT FURTHER RESOLVED, that the Director of Economic Development shall report back to the Economic and Community Development Committee on a regular basis as to the progress of plan development.

JE
January 7, 2011
H:\Shared\Research Analysts\Esch\Economic Development Plan Development - Mayo and Weishan.doc

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: January 10, 2011

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: Authorizing and directing the Director of Economic Development to prepare an economic development plan for Milwaukee County.

FISCAL EFFECT:

☒ No Direct County Fiscal Impact

☒ Existing Staff Time Required

☐ Increase Operating Expenditures
(If checked, check one of two boxes below)

☐ Absorbed Within Agency's Budget

☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☐ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☐ Decrease Capital Revenues

☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. [1] If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Adoption of this resolution will require neither an expenditure of funds nor an expenditure of staff time.

Department/Prepared By Julie Esch, Legislative Research Analyst

Authorized Signature _____

Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

[1] If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

County of Milwaukee

Office of the Sheriff

David A. Clarke, Jr.
Sheriff

DATE: January 12, 2011

TO: Supervisor Michael Mayo, Sr., Acting Chairman, County Board of Supervisors

FROM: Richard Schmidt, Inspector, Milwaukee County Office of the Sheriff

SUBJECT: Request to grant an amendment to existing easement with the City of Franklin dated February 26, 2001.

REQUEST

The Sheriff of Milwaukee County requests the authority to grant an amendment to an existing easement with the City of Franklin as it relates to the area surrounding the City of Franklin Water Tower, which is located on land owned by the Milwaukee County Correctional Facility South.

BACKGROUND

In September of 2000, County Board File No. 00-407 was approved which granted the City of Franklin an easement for land to site two water towers on land owned by Milwaukee County's Correctional Facility South. In 2010, the City of Franklin contacted staff at the CCFS to request to add a booster station to the allowed improvements clause contained in the present agreement and to slightly reconfigure the easement area. The addition of the booster station will increase the reliability of the utility's water system. The easement retains the same size of 1.99 acres but the shape is slightly changed to accommodate the construction of the booster station.

The City of Franklin submitted the easement documents to Milwaukee County's Office of Corporation Counsel for its review. Attached to this report is a copy of the easement agreement and maps showing the location of the water tower.

FISCAL NOTE

There is no fiscal effect to the change in the easement as requested by the City of Franklin.

Inspector Richard R Schmidt

Richard Schmidt, Inspector, Milwaukee County Office of the Sheriff

cc: Willie Johnson, Jr., Chairman, Judiciary, Safety and General Services Committee
Theodore Lipscomb, Vice Chair, Economic and Community Development Committee
Jon Priebe, Public Safety Fiscal Administrator

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 1/12/11

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: The Sheriff of Milwaukee County requests the authority to grant an amendment to an existing easement with the City of Franklin as it relates to the area surrounding the City of Franklin Water Tower, which is located on land owned by the Milwaukee County Correctional Facility South.

FISCAL EFFECT:

☒ No Direct County Fiscal Impact

☒ Existing Staff Time Required

☐ Increase Operating Expenditures
(If checked, check one of two boxes below)

☐ Absorbed Within Agency's Budget

☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☐ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☐ Decrease Capital Revenues

☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	
	Revenue	0	
	Net Cost	0	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

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A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.[1] If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

The Sheriff of Milwaukee County is requesting the authority to grant an amendment to an existing easement with the City of Franklin as it relates to the area surrounding the City of Franklin Water Tower, which is located on land owned by the Milwaukee County Correctional Facility South. There is no fiscal effect from entering into this amendment.

Department/Prepared By Molly Pahl, Fiscal Operations Manager

Authorized Signature

Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

[1] If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

File No.
(Journal, 2011)

(ITEM) From the Sheriff requesting to grant an amendment to existing easement with the City of Franklin dated February 26, 2001:

A RESOLUTION

WHEREAS, the Sheriff of Milwaukee County requests to grant an amendment to an existing easement with the City of Franklin as it relates to the area surrounding the City of Franklin Water Tower, which is located on land owned by the Milwaukee County Correctional Facility South; and

WHEREAS, in September of 2000, County Board File No. 00-407 was approved which granted the City of Franklin an easement for land to site two water towers on land owned by Milwaukee County's Correctional Facility South(CCFS); and

WHEREAS, in 2010, the City of Franklin contacted staff at the CCFS to request to add a booster station to the allowed improvements clause contained in the present agreement and to slightly reconfigure the easement area; and

WHEREAS, the addition of the booster station will increase the reliability of the utility's water system and the easement retains the same size of 1.99 acres but the shape is slightly changed to accommodate the construction of the booster station; and

WHEREAS, the City of Franklin submitted the easement documents to Milwaukee County's Office of Corporation Counsel for its review; now, therefore,

BE IT RESOLVED, that the Office of the Sheriff is hereby authorized to enter into an amendment of its easement agreement with the City of Franklin over land located at the CCFS.

FISCAL NOTE

There is no fiscal effect to the change in the easement as requested by the City of Franklin.

Approved as to Form
Robert L. Andrea 1-13-11
Corporation Counsel

Judiciary
~~TPW~~ ECD

City of Franklin

Engineering Department

9229 West Loomis Road, Franklin, Wisconsin 53132-9728 (414) 425-7510 Fax: (414) 425-3106

December 3, 2010

Chairman Lee Holloway
Milwaukee County Board of Supervisors
Courthouse Room 201
901 N. 9th Street
Milwaukee, WI 53233

FILE NO. 10-470

SUBJECT: Franklin Water Utility Easement on House of Correction Land
At W. Puetz Road and S. 76th Street

Dear Chairman Holloway:

The City of Franklin Water Utility has found it necessary to construct a water booster (pump station) near the elevated water tower located on Milwaukee County House of Correction lands and herewith requests an amendment to the easement with Milwaukee County dated February 26, 2001 (copy enclosed).

The amendment to the easement would add the booster station to the allowed improvements contained in the present agreement and slightly reconfigure the easement area. Please note that the easement remains the same size, 1.99 acres, but the shape is slightly changed to accommodate the construction of the booster station.

The proposed revision to the agreement will allow the Franklin Water Utility to construct a second booster station which will increase the reliability of the Utility's water system. As per the existing easement agreement, Milwaukee County has the right to review and approve the building that would house the booster station.

I have worked with Shawn Sullivan of the House of Correction staff and he has recommended that prior to submitting the amendment to you, Milwaukee County Corporation Counsel would review the easement document. Attorney John Schapekahm with the Corporation Counsel has reviewed the easement and indicated it was in a form that could be submitted to the County Board.

It is my understanding that the amendment to the easement must clear the Committee on Judiciary, Safety and General Services prior to being presented to the County Board.

Would you please take the necessary action to route our request through the recommending committee to the County Board.

Should you have any questions, please feel free to contact me.

Yours Very Truly,

John M. Bennett, P.E.
City Engineer

JMB: pw/db

C: Board of Water Commissioners
Shawn Sullivan, House of Corrections
John Schapekahm, Corporation Counsel
Paul Cesarz, 9th District Supervisor

WATER TOWER EASEMENT AMENDMENT NO. 1

THIS WATER TOWER EASEMENT AMENDMENT NO. 1 is made by and between the City of Franklin, a municipal corporation of the State of Wisconsin, and Milwaukee County, a municipal corporation of the State of Wisconsin, as owner, effective the _____ day of ____, 2010.

WITNESSETH

WHEREAS, the City of Franklin was granted a WATER TOWER EASEMENT, recorded in the Office of the Register of Deeds for Milwaukee County on March 8, 2001, as Document No. 8033249, for the purpose of the installation of facilities to serve the City of Franklin municipal water system; and

WHEREAS, the City of Franklin municipal water system has experienced the need for the installation of a water booster station proximate to the water tower on and approximate to the existing property subject to the WATER TOWER EASEMENT, and as such, the City of Franklin and Milwaukee County have agreed to amend the WATER TOWER EASEMENT to specify the installation of this additional "Facilities" and to amend the "Easement Area" of property subject to the easement to allow for its installation and operation.

NOW, THEREFORE, in the public interest and in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, subject to the terms and conditions set forth below:

1. The Facilities shall include a water booster station.

2. The Easement Area subject to the WATER TOWER EASEMENT is hereby amended to be that area described upon Exhibit A annexed hereto and incorporated herein.

3. All of the other terms and conditions of the WATER TOWER EASEMENT shall remain in full force and effect and shall apply to the water booster station and expanded Easement Area provided for by this WATER TOWER EASEMENT AMENDMENT NO. 1.

IN WITNESS WHEREOF, this WATER TOWER EASEMENT AMENDMENT NO. 1 has been executed as set forth below and effective as of the date first written above.

IN WITNESS WHEREOF, Milwaukee County has caused these presents to be signed by _____, County Executive, at Milwaukee, Wisconsin, this _____ day of _____, 2011

By:_____
, County Executive

STATE OF WISCONSIN
SS
MILWAUKEE COUNTY

Personally came before me this _____ day of _____, 2011, _____, County Executive of the above named municipal corporation, to me known to be the person who executed the foregoing instrument and to me known to be the County Executive of said municipal corporation and acknowledge the same.

_____
Notary Public
State of Wisconsin
My Commission Expires: _____

IN WITNESS WHEREOF, Milwaukee County has caused these presents to be signed by Joseph J. Czarnezki, County Clerk, at Milwaukee, Wisconsin, this _____ day of _____, 2011

By:_____
Joseph J. Czarnezki, County Clerk

STATE OF WISCONSIN
SS
MILWAUKEE COUNTY

Personally came before me this _____ day of _____, 2011, Joseph J. Czarnezki, County Clerk of the above named municipal corporation, to me known to be the person who executed the foregoing instrument and to me known to be the County Clerk of said municipal corporation and acknowledge the same.

_____
Notary Public
State of Wisconsin
My Commission Expires: _____

CITY OF FRANKLIN

By: _____
Thomas M. Taylor, Mayor

By: _____
Sandra L. Wesolowski, City Clerk

STATE OF WISCONSIN
SS
COUNTY OF MILWAUKEE

On this _____ day of _____, A.D. 2011, before me personally appeared Thomas M. Taylor and Sandra L. Wesolowski who being by me duly sworn, did say that they are respectively the Mayor and City Clerk of the City of Franklin, and that the seal affixed to said instrument is the corporate seal of said municipal corporation, and acknowledged that they executed the foregoing assignment as such officers as the deed of said municipal corporation by its authority, and pursuant to resolution file No. _____ adopted by its Common Council on _____, 2011.

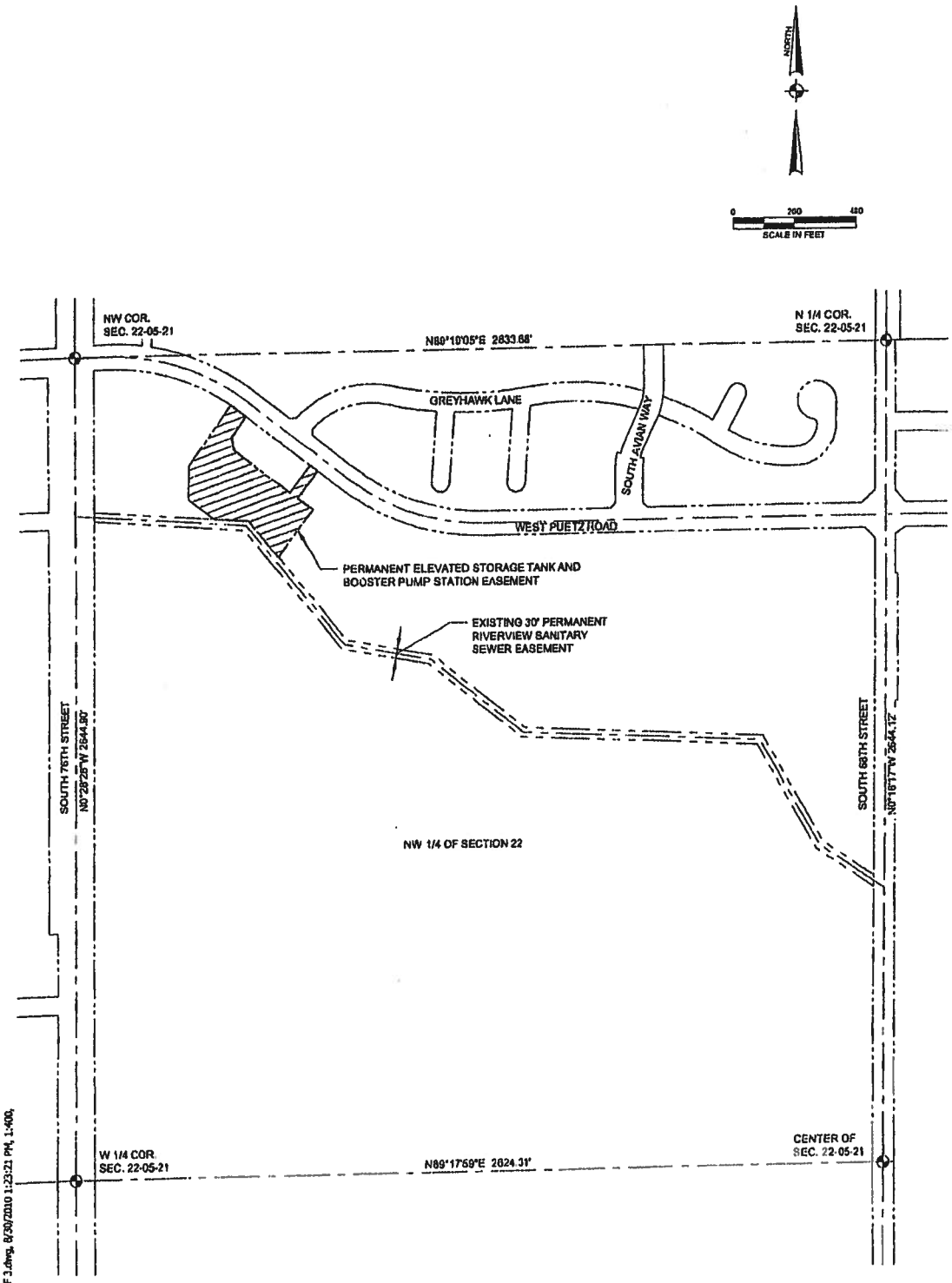
_____
Notary Public, Milwaukee County, Wisconsin

My commission expires _____

Description of Easement Area

Being a part of the Northwest 1/4 of Section 22, Township 5 North, Range 21 East, in the City of Franklin, Milwaukee County, Wisconsin.

Commencing at the Northwest corner of Section 22: thence N89°19'05"E, along the centerline of West Puetz Road, 114.83 feet; thence southeasterly along the said centerline, 439.82 feet, along the arc of a curve whose center lies to the south, whose radius is 721.78 feet, whose chord bears S73°14'06"E, 443.04 feet to a point; thence S35°05'11"W, 40.00 feet to a point on the southerly right-of-way line of West Puetz Road and the **POINT OF BEGINNING** of the lands to be described; thence continuing S35°05'11"W, 236.85 feet to a point; thence S0°29'41"E, 108.76 feet to a point; thence S53°02'26"E, 105.34 feet to a point on the existing northerly easement line of the Riverview Sanitary Sewer Easement; thence S86°13'11"E, 110.59 feet along said northerly easement line to a point; thence S39°59'57"E, 153.02 feet along said northerly easement line to a point; thence N35°05'11"E, 188.98 feet to a point; thence N53°02'26"W, 60.05 feet to a point; thence N35°05'11"E, 109.06 feet to a point on the southerly right-of-way line of West Puetz Road; thence N53°02'26"W, 30.00 feet along the said southerly right-of-way line to a point; thence S35°05'11"W, 109.06 feet to a point; thence N53°02'26"W, 230.12 feet to a point; thence N8°58'37"W, 43.14 feet to a point; thence N35°05'11"E, 79.04 feet to a point on the southerly right-of-way line of West Puetz Road; thence N53°02'26"W, 27.74 feet along the said southerly right-of-way line to a point; thence northwesterly along the said southerly right-of-way line 33.20 feet along the arc of a curve whose center lies to the southwest, whose radius is 681.78 feet, whose chord bears N54°26'34"W, 33.20 feet to the **POINT OF BEGINNING**. Containing 86,693.65 square feet, 1.99 acres.



NW1/4, SECTION 22, T5N, R21E
CITY OF FRANKLIN
MILWAUKEE COUNTY, WISCONSIN

EXHIBIT A
PAGE 2 OF 3

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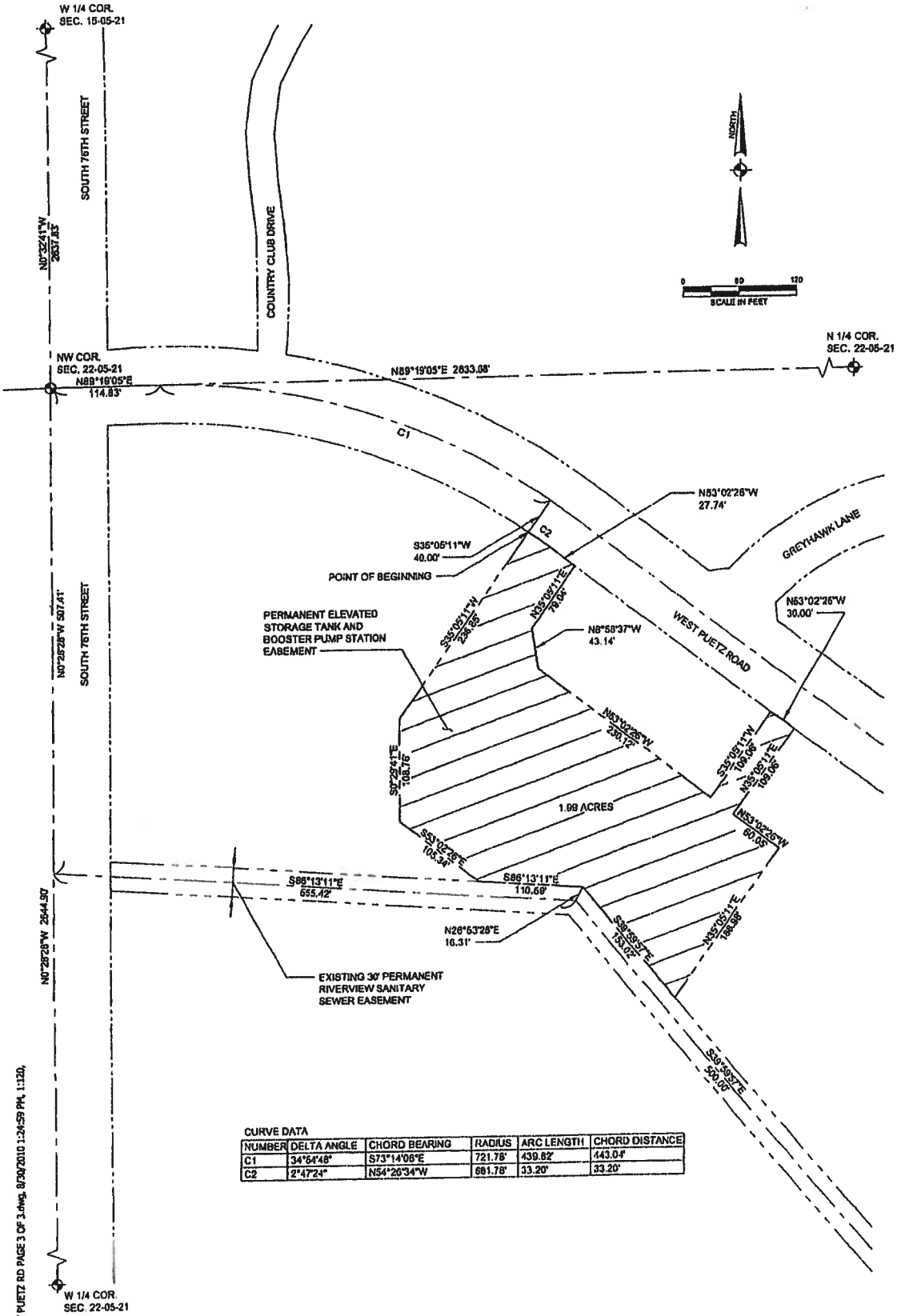

CURVE DATA

NUMBER	DELTA ANGLE	CHORD BEARING	RADIUS	ARC LENGTH	CHORD DISTANCE
C1	34°54'48"	S73°14'06"E	721.78'	439.82'	443.04'
C2	2°47'24"	N54°26'34"W	681.78'	33.20'	33.20'

NW1/4, SECTION 22, T5N, R21E
CITY OF FRANKLIN
MILWAUKEE COUNTY, WISCONSIN

EXHIBIT A
PAGE 3 OF 3

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Water Tower Easement

Document Number	Document Title

8033249

REGISTER'S OFFICE | SS
Milwaukee County, WI

RECORDED AT 1:46 PM

03-08-2001

WALTER R. BARCZAK
REGISTER OF DEEDS

AMOUNT 36.00

Recording Area

Name and Return Address

CITY OF FRANKLIN
9229 W. LOOMIS ROAD
FRANKLIN, WI 53132.

Parcel Identification Number (PIN)

This information must be completed by submitter: document title, name & return address, and PIN (if required). Other information such as the granting clauses, legal description, etc. may be placed on this first page of the document or may be placed on additional pages of the document. Note: Use of this cover page adds one page to your document and $2.00 to the recording fee. Wisconsin Statutes, 59.43(2m) WRDA 2/99

215-32 (2/99)

WATER TOWER EASEMENT

THIS EASEMENT is made by and between the CITY OF FRANKLIN, a municipal corporation of the State of Wisconsin, hereinafter referred to as "City," and Milwaukee County, a municipal corporation of the State of Wisconsin, as owner, hereinafter called "County".

WITNESSETH

WHEREAS, County is the owner and holder of record title and fee simple to certain real property particularly described on Exhibit "A" which is attached hereto and incorporated herein (the Property); and

WHEREAS, the City desires to acquire a perpetual, non-exclusive easement with the right of entry in, upon and across a portion of the property as the same is more particularly hereinafter described, with the right to build and construct and/or operate, maintain, repair, enlarge, reconstruct, relocate and inspect as may be or may become applicable, the following facilities and appurtenances thereto; two water towers and associated appurtenances, access improvements and water main improvements, hereinafter collectively referred to the "Facilities," all, including additional temporary construction easement areas as are shown, with all appropriate specifications detailing limitations on the project which may not be exceeded, on the plan attached hereto and incorporated herein as Exhibit "B"; and

WHEREAS, the initial construction and installation of the Facilities shall be made by the City, at the expense of the City and the Facilities shall remain the property of the City subject to the terms and conditions set forth below:

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the receipt on which is hereby acknowledged, County, being the sole owner and person interested in the land hereinafter described, does hereby grant unto the City a perpetual, non-exclusive easement for the purposes set forth above in that part of the Northwest quarter (1/4) of Section Twenty-two (22), Township Five (5) North, Range Twenty-one (21) East, in the City of Franklin, Milwaukee County, Wisconsin, more particularly described on Exhibit C attached hereto (the "Easement Area"), subject to the following terms and conditions:

1. The Facilities shall be installed, operated, maintained and kept in good order and condition by the City, at the sole cost and expense of the City. City shall at all times keep or cause to be kept in good maintenance and repair, including painting and the removal of graffiti, any improvements constructed on the property. Whenever, in the judgment of the County, such maintenance and repairs have not been made and it is necessary to effect the same, the County shall notify City in writing, setting forth the nature of the maintenance and repairs that are required. If the nature of the maintenance and repairs so set forth are of an emergency nature, the City shall immediately undertake to make such maintenance and repairs and complete the same in a time and manner satisfactory to the County. In non-emergency cases, the City shall, within thirty (30) days of receipt of

notice from the County take the remedial action required. If a condition arises which, in the judgment of the County constitutes an immediate and serious threat to the safety of the public and the City, having been notified, shall have failed or been unable to remedy the same within a time, which, in the judgment of the County is reasonable, then, and in that event, the County shall, without the consent of the City, have the right to enter in and upon the property and, at City's expense, make such maintenance and repair work as it deems necessary, and all expenses and costs of making such maintenance and repairs shall constitute charges due to the County by City which shall be due immediately upon demand.

2. That if surface or subsurface of the Easement Area is disturbed during any construction, reconstruction, enlargement or repair work occuring in the course of constructing, maintaining and/or operating the Facilities, so much of the surface or subsurface of the Easement Area as may be disturbed will, at the expense of the City, be restored to substantially the same condition as it was prior to such disturbance, excepting for the facilities installed, unless removed. In the event that the land is no longer used for the purposes intended by this easement agreement, then and in that event the water towers and associated appurtenances, access improvements and water main improvements must, at the request of County, at City's sole expense, demolish and remove the water towers and associated appurtenances, access improvements and water main improvements and restore the site to its original pre-easement condition or such other condition as the County and City may then agree.

3. The City shall pay, indemnify, and save harmless the County, its agents and employees, from all suits, actions, claims, demands, damages, losses, and other reasonable expenses and costs of every kind and description (except those proximately resulting from or growing out of acts of commission or omission, involving negligence or fault on the part of the County or its employees or agents) to which the County or its employees or agents, may be subjected by reason of injury (including death) to persons or damage to property resulting from or growing out of any act of commission or omission by the City, its agents, or employees or its contractors or subcontractors in connection with (1) any building, construction, reconstruction, installation, development or removal work, service or operation being undertaken or performed by or for the City in, on, or over the property, or (2) any use, occupancy or operation in, on or of the property, whether such suits, actions, claims, demands, damage, losses, expenses and costs be against, suffered or sustained by the County and/or its agents and employees.

4. That no structure may be placed within the limits of the Easement Area by the County except that improvements such as walks, pavements for driveways, parking lot surfacing and landscaping may be constructed or placed within the Easement Area provided such improvements do not interfere with the purposes of this Easement or the construction, use, operation, maintenance, repair, enlargement or relocation of the Facilities.

5. That no charges will be made by the City against the property for the cost of maintenance or operation of the Facilities in and on the property. Whenever the County makes application for a service connection associated with the services provided by virtue of the

Facility, the regular and customary service connection charge in effect at the time of the application shall be charged by the City and paid by the County.

6. The Facilities shall be accessible for the installation, operation, and maintenance by the City at all times. The County shall submit plans for approval to the City Engineer for any underground installation within the Easement Area, which approval shall not be unreasonably withheld, conditioned or delayed. County reserves the right to the use and enjoyment of the land so long as County's activities do not interfere with the purposes of this easement. In any event, sufficient room shall be reserved by City to permit farmer access, ingress and egress between west field and east field on House of Correction property. A locked gate, satisfactory to County shall be installed at the road entrance providing access to the water towers and associated appurtenances, access improvements and water main improvements.

7. City shall not construct nor make any improvements in, on or upon the property and no alterations shall be made in, on, or upon the property, without written approval of the County, under penalty of forfeiture of this easement. Violation of this restriction and prohibition will, alternatively, at County's option, entitle County to injunctive relief and City hereby agrees to reimburse County for its actual reasonable legal fees, costs and disbursements incurred in obtaining such legal relief. Requests by City to construct on or develop, improve or alter the property shall be in writing and accompanied by detailed plans and specifications, prepared by a Professional Engineer or Architect registered in the State of Wisconsin, covering proposed development, improvement or alteration. Upon written approval by the County of such plans and specifications for any improvement or alteration, as to the height, location and exterior aesthetics of the two water towers and associated appurtenances, access improvements and water main improvements, construction, development, improvement or alteration by City shall be in accordance with such approved plans and specifications. Similarly, the County shall submit plans for all surface alterations of plus or minus 1 foot or greater within the limits of said Easement Area to the City Engineer. Said alterations shall be made only with the approval of the City Engineer of the City of Franklin, which approval shall not be unreasonably withheld, conditioned or delayed. The City shall make application, secure and pay for all permits, licenses or other authorizations required by authority of Federal, State or Local laws, ordinances, codes and other regulatory measures in connection with the conduct of the operation of water towers and associated appurtenances, access improvements and water main improvements and the City shall pay all fees, taxes and charges assessed under Federal, State and Local laws or ordinances insofar as they are applicable, including real estate taxes, if any.

8. Advertising limitation, Communication Equipment, revenue sharing: Advertising signs, displays, lighting, Communication Equipment (particularly, that connected with transmission and reception of wireless telephone, radio, data and other communication signals and for the construction, maintenance, repair or replacement of related facilities, antennas, or equipment and related activities incidental to the operation of these activities), control and directional lights or devices will be subject to approval of the County, and shall in all respects conform to Federal and State, and local requirements:

reserving to the County the right to restrict number, size, location and design. City and County shall share equally in any revenues derived from any advertising and/or telecommunication equipment affixed in any way to the water towers or tanks. County shall have the right to affix communication equipment to the water towers or tanks as needed. City hereby agrees that it will not levy or impose charges or fees upon County in connection with County's placement of any such communication equipment onto the water towers or tanks.

9. The City and County shall each use, and take reasonable measures to cause their employees, officers, customers, agents, contractors and assigns to use, the Easement Area in a reasonable manner and so as not to obstruct or otherwise use the Easement Area in a manner that would unreasonably interfere with the use thereof by the other party hereto or its employees, officers, customers, agents, contractors and assigns. City will construct and maintain water towers and associated appurtenances, access improvements and water main improvements in such a way as not to interfere with the ability of the person or persons farming the surrounding area to have access, ingress and egress between the fields east and west of the site of the water towers and associated appurtenances.

10. The City and County each hereby waives all rights of subrogation that either has or may hereafter have against the other for any damage to the Easement Area or any other real or personal property or to persons covered by such party's insurance, but only to the extent of the waiving party's insurance coverage; provided, however, that the foregoing waivers shall not invalidate any policy of insurance now or hereafter issued, it being hereby agreed that such a waiver shall not apply in any case which would result in the invalidation of any such policy of insurance and that each party shall notify the other if such party's insurance would be so invalidated.

11. Either party hereto may enforce this easement by appropriate action. In the event City does not respond to Milwaukee County's rightful demand for work, maintenance or repair, Milwaukee County will be entitled to self help for which it will be entitled to bill City, and for which charges City agrees to pay.

12. This easement may not be modified or amended, except by a writing executed and delivered by the City and County or their respective successors and assigns. The property shall be used exclusively for the purpose of building and constructing and/or operating, maintaining, repairing, enlarging, reconstructing, relocating and inspecting as may be or may become applicable, two water towers and associated appurtenances, access improvements and water main improvements, subject to the provisions herein relating to advertising and telecommunication equipment. Any contemplated change in the authorized use of the property is subject to prior approval by County. The City will not, in any manner subeasement, assign, transfer, convey or encumber any of the easement rights received herein from the County nor any of the improvements constructed within the property without written approval of the County. Violation by City of this restriction of the use it may put to this property will, at County's option, entitle County to injunctive relief and City hereby agrees to reimburse County for its actual reasonable legal fees, costs and disbursements incurred in obtaining such legal relief.

13. No waiver of, acquiescence in, or consent to any breach of any term, covenant, or condition hereof shall be construed as, or constitute, a waiver of, acquiescence in, or consent to any other, further, or succeeding breach of the same or any other term, covenant, or condition.

14. If any term or provision of this easement shall, to any extent, be invalid or unenforceable under applicable law, then the remaining terms and provisions of this easement shall not be affected thereby, and each such remaining term and provision shall be valid and enforceable to the fullest extent permitted by applicable law.

15. This easement shall be construed and enforced in accordance with the internal laws of the State of Wisconsin.

16. It is agreed between the City and the County that in consideration for granting the easement as described in Exhibit "C", that the City will not levy a special assessment for the installation of water main in West Puetz Road against the County lands abutting that portion of West Puetz Road on the south side of West Puetz Road between South 68th Street and South 76th Street. The City will pay the amounts which would otherwise have been specially assessed to the County in consideration of this Easement.

17. It is also agreed between the City and the County that in consideration for granting the easements as described in Exhibit "C", that the City will grant a ten (10) year interest free deferment for the proposed levy of the special assessment for the installation of water main in West Puetz Road against the County land on the north side of West Puetz Road from South 76th Street to South 68th Street. Said deferment shall be on the principal and interest of the special assessment for water main assessed against the above described portion of West Puetz Road for a period of ten (10) years from adoption of the resolution levying the special assessment or until such time the County transfers or develops the abutting property, whichever is sooner. The City will pay the cost of such deferment in consideration of this Easement.

18. Environmental Remediation Costs.

a) County represents that it has no knowledge of any Hazardous Substances (as defined below) on the Property that is identified as hazardous, toxic or dangerous in any applicable Federal, State or local law or regulation. City and County shall not, either with or without negligence, cause or permit the escape, unlawful disposal, or re-easement beyond lawful limits of any Hazardous Materials as hereinafter defined. City and County shall not bring onto the Premises and/or Property or knowingly allow the storage or use of Hazardous Materials in any manner if prohibited by law or if not sanctioned by the highest standards prevailing in the industry for the storage and use of such substances or materials. For the purposes of this paragraph, the term "Hazardous Materials" shall mean, (i) any substances defined as "hazardous substances", "pollutants", "contaminants", "hazardous materials", "hazardous

waste", or "hazardous and toxic substances" as now and hereafter defined in any applicable federal, state or local law, regulation, ordinances or directive, including, but not limited to the Resource Conservation and Recovery Act of 1976 (42USC Sec 6901 et. seq.); the Comprehensive Environmental Response, Compensation and Liability Act of 1980, amended by SARA, 42 USC Sec. 9601), et. seq.; the Hazardous Materials Transportation act, 49 USC Sec. 1801 et. seq.; the Toxic control substance Act, 15USC Sec. 2601, et. seq.; the Resource Conservation and Recovery Act, as amended (42 USC Sec. 9601, et. seq.; the Clean Water Act, 33 USC Sec. 1251 et. seq.; the Clean Air Act, 42 USC Sec 7412, et. seq.; as any such act may be amended, modified, or supplemental; (ii) those substances listed or otherwise identified in the regulations adopted and publication issued, as may be amended, modified or supplemented, pursuant to any of the above referenced statutes; (iii) any friable asbestos, airborne asbestos, or any substances or materials containing asbestos; (iv) any substances, the presence of which on the Premises or Property is prohibited by any legal requirement of any governmental authority or which may give rise to an assessment of a governmental authority; and (v) any other substance which by legal requirement of any governmental authority requires special handling in its collection, storage, treatment or disposal.

b) If a federal or state agency shall, in its reasonable discretion, require testing to ascertain whether or not there has been any re-easement of Hazardous Materials by City, then the reasonable costs thereof attributable shall be reimbursed by City to County upon demand to the extent such testing is attributable to City if such requirement applies to City's use of the Premises or Property. If testing conducted by County pursuant to this subparagraph identifies the presence of any re-easement of Hazardous Materials by City, City shall have the right and opportunity to perform, at City's costs, a retest to confirm or refute the results of County's testing. City shall execute affidavits, representations and the like from time to time at County's reasonable request concerning City's best knowledge and belief regarding the presence of Hazardous Materials on the Premises or Property.

c) <u>City Indemnification of County</u>. City shall indemnify and hold harmless County, it's officers, employees, agents, successors and assigns from and against any and all losses, claims, damages, penalties, liabilities, costs and expenses (including reasonable attorney's fees and court costs), fines, injuries, penalties, response costs (including costs of any required or necessary investigation, testing, monitoring, repair cleanup, detoxification, preparation of any closure or other required plans or other removal, response or remedial action at or relating to the Property) (collectively, the "Claims and costs"), with respect to, as a direct or indirect result of, or arising out of any of the following: (i) any legal requirements, lawsuit (brought or threatened), reasonable settlement, or requirement of any insurer of the Premise or Property or any portion thereof, relating to the generation, presence, management, disposal, re-easement (or threatened re-easement), escape,

seepage, leakage or cleanup or any Hazardous Materials at or from or under all or a portion of the Premises or Property to the extent which City, its agents, contractors or invitees are responsible, or (ii) the migration of Hazardous Materials to the extent caused by City from the Premises or Property to any other property or onto the Premises or Property; or (iii) the treatment, disposal or storage of Hazardous Materials from the Premises or Property by City, its agents, contractors or invitees, or (iv) the incorporation by City of any Hazardous Materials on the Premises.

d) County Indemnification of City. County shall agree to indemnify, defend and hold City and its officers, partners, employees and agents harmless from any claims, judgments, damages, penalties, fines, costs, liabilities (including sums paid in settlement of claims) or loss including attorney's fees, consultants fees and expert fees which arise during or after the term of this Easement from or in connection with the presence in the soil, groundwater or soil vapor on or under the Property of Hazardous materials, unless the Hazardous Materials are present as a result of the negligence or willful misconduct of City, its officers, employees or agents. Without limiting the generality of the foregoing, the indemnification provided by this paragraph (c) shall specifically cover costs incurred in connection with any investigation of site conditions or any cleanup, remediation, removal or restoration work required by any federal, state or local government agency or political subdivision because of the presence of Hazardous Material in the soil, groundwater or soil vapor on or under the Property, unless the Hazardous Materials are present solely as a result of the negligence or willful misconduct of City, it's officers, employees or agents. Without limiting the generality of any of the foregoing the indemnification provided by paragraph (c) shall also specifically cover costs incurred in connection with

1. Hazardous Materials present in the soil, groundwater or soil vapor on or under the Property before the term of this Easement commenced;
2. Hazardous Materials that migrate, flow, percolate, diffuse or in any way move onto or under the Property after the commencement of this easement, except to the extent caused by City; or
3. Hazardous Materials present on or under the Property as a result of any discharge, dumping, or spilling, (accidental or otherwise) on to the Property, prior to or during the easement by any persons, corporation, partnership or entity other then City.19. All of the terms and conditions of this Water Tower Easement shall be binding upon the City and County and their respective successors and assigns.

19. All of the terms and conditions of this Water Tower Easement shall be binding upon the City and County and their respective successors and assigns.

20. If City does not substantially commence construction of a water tower and associated appurtenances, access improvements and water main improvements by January 31, 2002, or complete construction by January 31, 2004, this easement will terminate and City will, at

County's option, either (i) turn any partially completed water tower and associated appurtenances, access improvements and water main improvements over to the County; or (ii) at City's sole expense, demolish and remove the partially completed water tower and associated appurtenances, access improvements and water main improvements and restore the site to its original condition or such other conditions as the County and City may then agree. If in the future City commences construction of a second water tower and associated appurtenances, access improvements and water main improvements but does not complete construction thereof within two years thereafter, then and in that event, City will, at County's option, either (i) turn any partially completed second water tower and associated appurtenances, access improvements and water main improvements over to the County; or (ii) at City's sole expense, demolish and remove the partially completed second water tower and associated appurtenances, access improvements and water main improvements and restore the site to the condition the site was in prior to commencement of construction on the second water tank, or such other condition or conditions as the County and City may then agree.

IN WITNESS WHEREOF, Milwaukee County has caused these presents to be signed by F. Thomas Ament, County Executive, at Milwaukee, Wisconsin, this 26th day of February, 2001.

BY: F. Thomas Ament
F. Thomas Ament, County Executive

STATE OF WISCONSIN)
MILWAUKEE COUNTY) SS

Personally came before me this 26th day of February, 2001, F. Thomas Ament, County Executive of the above named municipal corporation, to me known to be the person who executed the foregoing instrument and to me known to be the County Executive of said municipal corporation and acknowledge the same.

Craig C. Dillmann
Notary Public
State of Wisconsin
My Commission Expires: 11-9-03

APPROVED AS TO FORM
John Chrystal
CORPORATION COUNSEL 2/23/01

CRAIG C. DILLMANN NOTARY PUBLIC STATE OF WISCONSIN

IN WITNESS WHEREOF, Milwaukee County has caused these presents to be signed by Mark Ryan, County Clerk, at Milwaukee, Wisconsin, this 26th day of February, 2000.

BY: Mark Ryan
Mark Ryan, County Clerk

STATE OF WISCONSIN)
MILWAUKEE COUNTY) SS

Personally came before me this 26th day of February, 2000, Mark Ryan, County Clerk of the above named municipal corporation, to me known to be the person who executed the foregoing instrument and to me known to be the County Clerk of said municipal corporation and acknowledge the same.

Lori J. Mueller
Notary Public
State of Wisconsin
My Commission Expires: 10-19-03

LORI J. MUELLER NOTARY PUBLIC STATE OF WISCONSIN

CITY OF FRANKLIN

By: Frederick F. Klimetz
Frederick F. Klimetz
By: Sandra L. Claus
Sandra L. Claus, City Clerk

STATE OF WISCONSIN)
COUNTY OF MILWAUKEE) SS

On this 5th day of January A.D. 2001, before me personally appeared Frederick F. Klimetz and Sandra L. Claus, who being by me duly sworn, did say that they are respectively the Mayor and City Clerk of the City of Franklin, and that the seal affixed to said instrument is the corporate seal of said municipal corporation, and acknowledged that they executed the foregoing assignment as such officers as the deed of said municipal corporation by its authority, and pursuant to resolution file No. 2000-5129 adopted by its Common Council on 12/19, 2000.

Jodi J. VanderBoom
NOTARY PUBLIC, Milwaukee County, Wisconsin
My commission expires 9-19-04

NOTARY PUBLIC JODI J. VANDEN BOOM STATE OF WISCONSIN

forms/easementwatertower1

REVISED DATE: 2-12-01

EXHIBIT A
DESCRIPTION OF THE PROPERTY
(TAX KEY NO. 850-0009-001)

All of the NW 1/4 of Section 22, Township 5 North, Range 21 East, in the City of Franklin, County of Milwaukee, State of Wisconsin. Excepting the South 198.00 feet of North 1285.00 feet of East 220.00 feet of said quarter section and excepting West 60.00 feet for street right of way. Containing 153.791 acres.

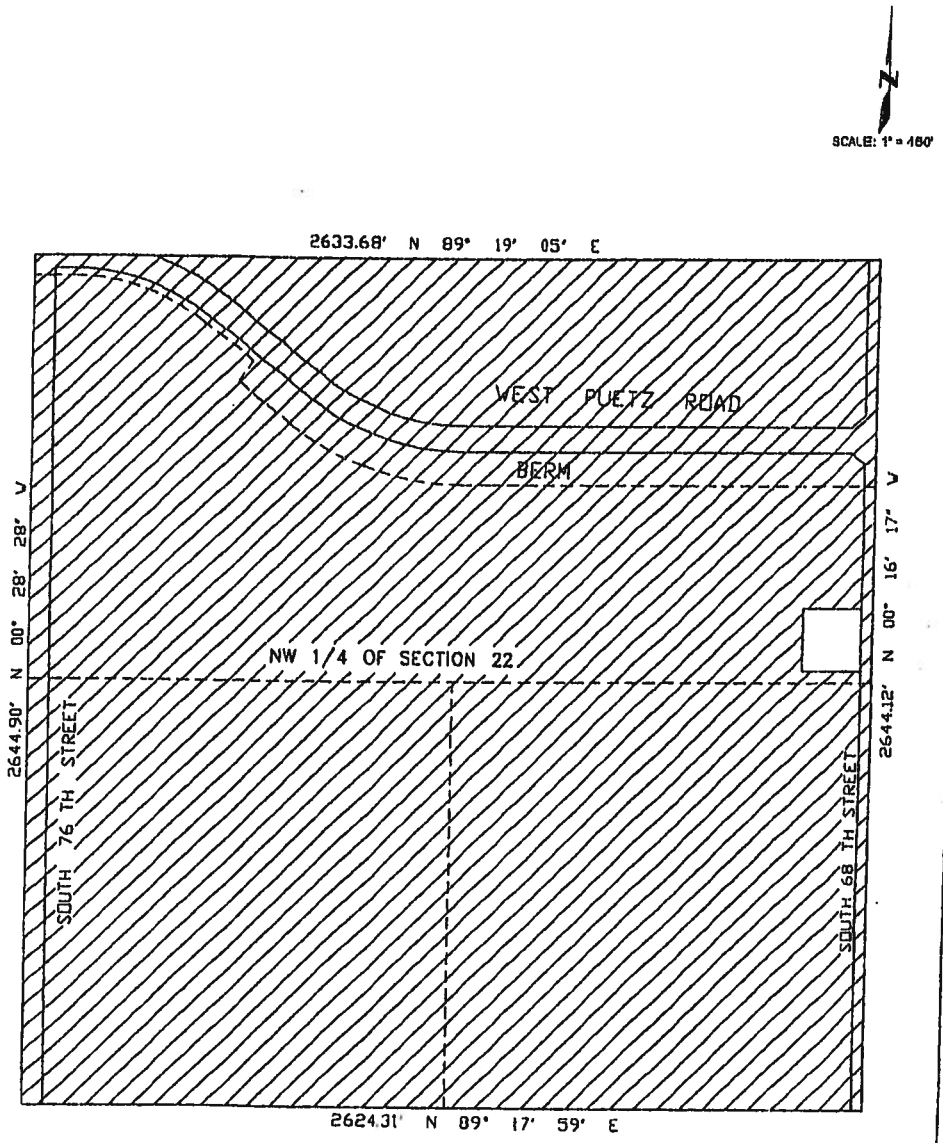
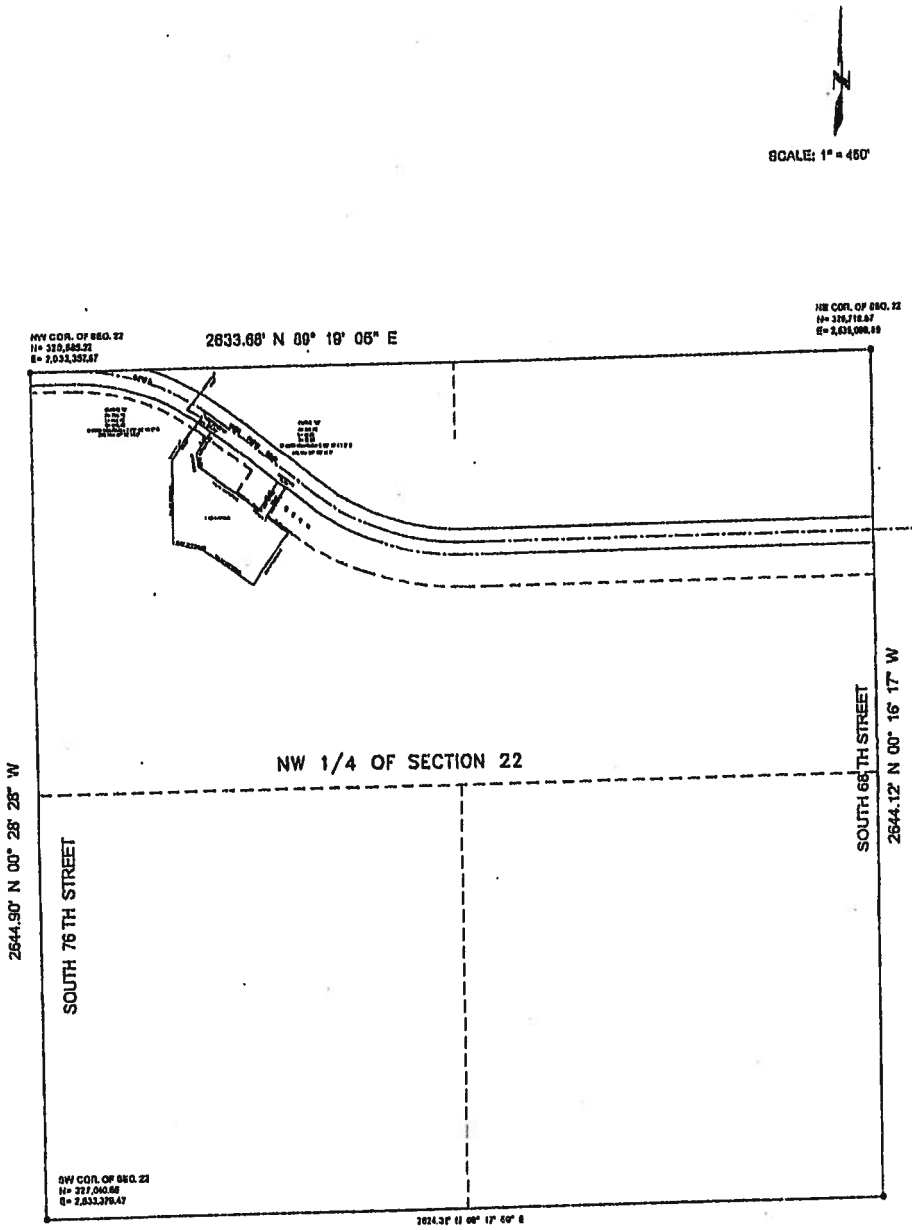


EXHIBIT B
DEPECTION OF THE FACILITIES

1 of 2



REVISED DATE: 2-12-01

EXHIBIT B
DEPECTION OF THE FACILITIES

2 of 2

SCALE: 1" = 150'

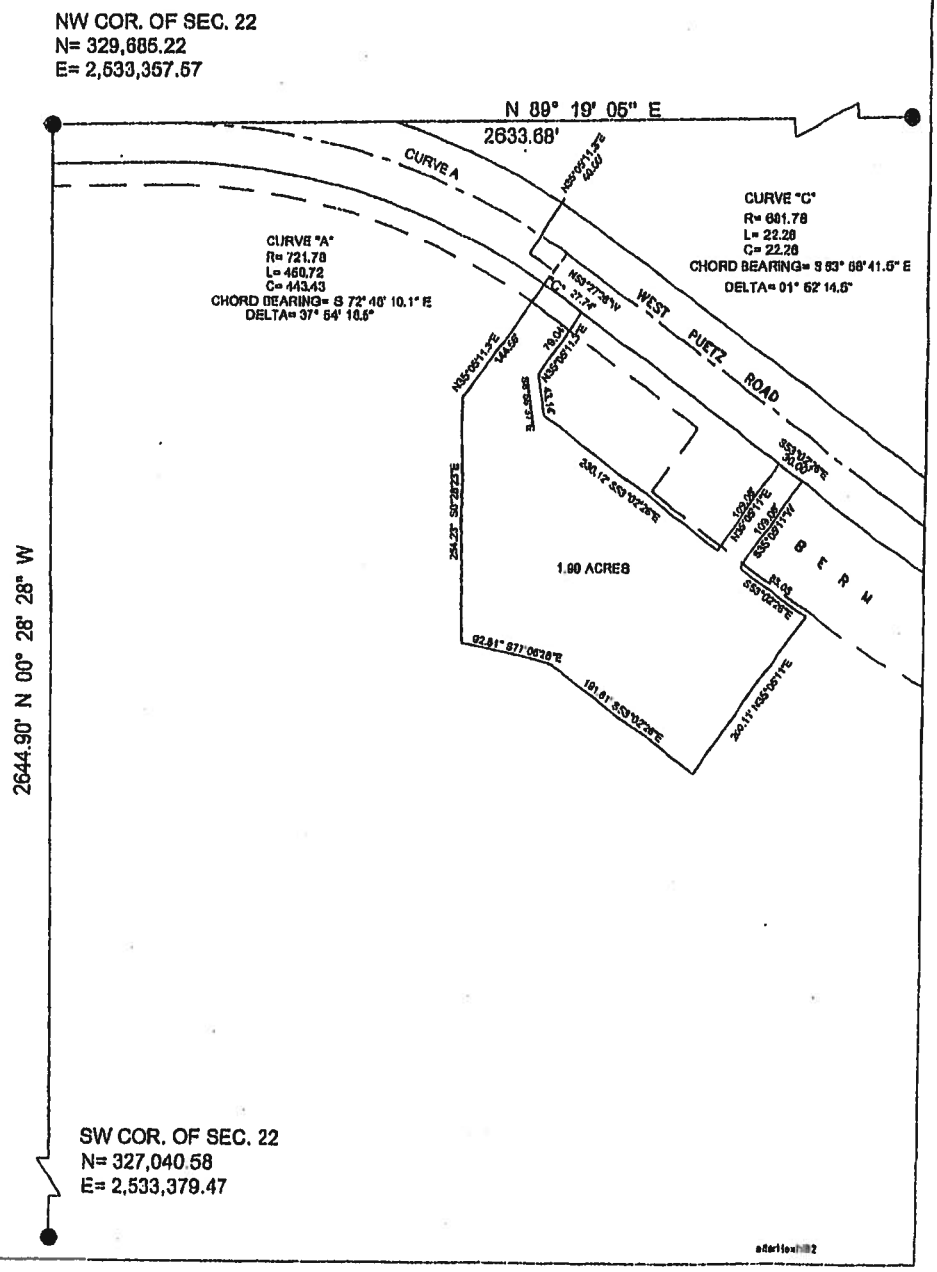


EXHIBIT C

(Description of Easement Area)

Being a part of the NW ¼ of Section 22, Township 5 North, Range 21 East, in the City of Franklin, Milwaukee County, Wisconsin.

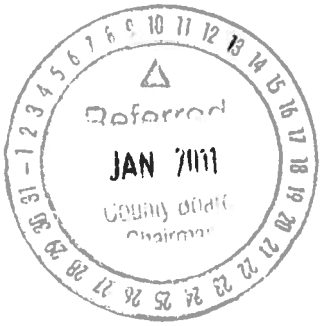
Commencing at the Northwest corner of the Northwest ¼ of Section 22; thence N 89° 19′ 05″ E, along centerline of West Puetz Road, 114.83 feet; thence southeasterly along the said centerline, 450.72 feet, along the arc of a curve whose center lies to the south, whose radius is 721.78 feet, whose chord bears S 72° 48′ 10.1″ E, 443.43 feet to a point; thence S 35° 05′ 11.3″ W, 40.00 feet to a point of beginning of the lands to be described; thence continuing S 35° 05′ 11.3″ W, 144.56 feet to a point; thence S 00° 28′ 23″ E, 254.23 feet to a point; thence S 77° 06′ 26″ E, 92.51 feet to a point; thence S 53° 02′ 26″ E, 191.61 feet to a point; thence N 35° 05′ 11″ E, 200.11 feet to a point; thence N 53° 02′ 26″ W, 85.05 feet to a point; thence N 35° 05′ 11″ E, 109.06 feet to a point; thence N 53° 02′ 26″ W, 30.00 feet to a point; thence S 35° 05′ 11″ W, 109.06 feet to a point; thence N 53° 02′ 26″ W, 230.12 feet to a point; thence N 08° 58′ 37″ W, 43.14 feet to a point; thence N 35° 05′ 11.3″ E, 79.04 feet to a point; thence N 53° 27′ 28″ W, 27.74 feet to a point; thence northwesterly 450.72 feet along the arc of a curve whose center lies to the southwest, whose radius is 681.78 feet, whose chord bears N 53° 58′ 41.5″ W, 22.26 feet to the point of beginning. Containing 86486.35 square feet, 1.99 acres.

APPROVED
FOR
DESCRIPTION
KDS 2/21/01
COUNTY D. P. W.

RECEIVED
2010 DEC -9 PM 3:29
COUNTY BOARD
CHAIRMAN

5

MILWAUKEE
REGIONAL
MEDICAL
CENTER



January 5, 2011

Michael Mayo, Chairman
Milwaukee County Board of Supervisors
Courthouse, 901 N. 9th St.
Milwaukee, WI 53233

Lee Holloway, County Executive
Milwaukee County
Courthouse, 901 N. 9th St.
Milwaukee, WI 53233

Re: Milwaukee Regional Medical Center
Child Daycare Center, County Grounds

Dear Messrs. Holloway and Mayo:

Milwaukee Regional Medical Center, Inc ("MRMC") is requesting the necessary approvals from the Milwaukee County Board of Supervisors in connection with MRMC's proposed sale of its child daycare facility at 8624 W. Watertown Plank Rd., Wauwatosa (the "Facility"), which is situated on land leased by MRMC from Milwaukee County.

MRMC constructed the 13,670 square-foot Facility in 1991 on a 1.7475 acre parcel of land leased from the County pursuant to a lease effective June 12, 1990 (the "Lease"). The term of the Lease is 50 years with rental at one dollar ($1.00) per year for the first 30 years and market value thereafter. Under the terms and conditions of the Lease, any sublease or assignment requires approval from the County.

MRMC contracts with a private operator for the operation of the child daycare at the Facility. The daycare is open to the general public, and is not exclusive to employees of MRMC's members.

The 20-year old Facility is in need of remodeling and physical upgrade to continue to meet child daycare standards and to meet the expectations of today's child daycare customers. The current Facility has the capacity to serve 175 daycare

9000 W. WISCONSIN AVENUE • SUITE C165 • MILWAUKEE, WI 53226 • 414-778-4570 • FAX: 414-778-6085

MEMBERS
BLOODCENTER OF WISCONSIN • CHILDREN'S HOSPITAL OF WISCONSIN • CURATIVE CARE NETWORK
FROEDTERT HOSPITAL • MEDICAL COLLEGE OF WISCONSIN • MILWAUKEE COUNTY BEHAVIORAL HEALTH DIVISION

customers and needs to be expanded to a capacity which will make it economically feasible. The prospective purchaser of the Facility is willing to make such investment and believes such investment would allow the daycare to continue as a viable enterprise serving the childcare needs of the community.

MRMC respectfully requests that this matter be referred to the Milwaukee County Board of Supervisors' Committee on Economic and Community Development Committee and/or County staff to determine appropriate approval(s) and action.

Respectfully Submitted,

William Hatcher, Executive Director, MRMC

CC by email: William Petasnick, Chairman, MRMC Board of Directors
Supervisor Theodore Lipscomb, Vice Chairman, ECD Committee
Terry Cooley, County Board Chief of Staff
Jack Takerian, Director, DTPW
Craig Dillmann, Manager of Real Estate, DTPW
Glenn Bultman, County Board Research Analyst
Julie Esch, County Board Research Analyst

COUNTY OF MILWAUKEE

INTER-OFFICE COMMUNICATION

DATE: January 20, 2011

TO: Committee on Economic and Community Development

FROM: Craig C. Dillmann, Manager, Real Estate Services

SUBJECT: Status of 2010 excess property sales (**INFORMATION ONLY**)

The Real Estate Services Division of the Department of Transportation and Public Works reports to the Committee, on a monthly basis, the status of excess property sales. Attached is the monthly report for period ending December 31, 2010.

_____
Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: January 24, 2011

cc. Lee Holloway, County Executive
Michael Mayo, County Board Chairman
Renee Booker, Director, Department of Administration
Jack Takerian, Director of Transportation and Public Works
Josh Fudge, Fiscal Mgmt. Analyst - DAS

REAL ESTATE SERVICES DIVISION

EXCESS LAND SALES STATUS REPORT
Period ending December 31, 2010

CLOSED PROPERTIES – REAL ESTATE SALES REVENUE

Property	Committee Date	Closed	Sale Proceeds
Block 1E – Park East Development	March 9, 2009 December 7, 2009	RSC forfeiture	$ 50,000.00[1]
4900 North Shoreland Avenue, Whitefish Bay	March 8, 2010	April 23, 2010	**$** 89,000.00
2113 South 84th Street, West Allis	March 8, 2010	April 30, 2010	$ 20,000.00
6375 North 76th St., Milwaukee	October 27, 2008 March 8, 2010	August 31, 2010	$ 26,314.00[2]
721 Winnebago St. (release of environmental escrow)	March 10, 2008	September 19, 2008	$ 60,175.00
Land west of the Southwest corner of E. Layton & S. Pennsylvania Avenues	June 12, 2006	October 15 2010	$ 183,000.00
6614 Vista, Wauwatosa	September 20, 2010	October 15, 2010	$ 55,500.00
		Total	**$ 483,989.00**
		2010 Budget	**$ 400,000.00**

PENDING PROPERTY CLOSINGS

Property	Committee Date	Pending Closing	Sale Proceeds
Block 6E, Park East Development	April 3, 2006	3rd quarter 2011	$ 406,000.00[3]
NE Quadrant County Grounds	May 11, 2009	1st quarter 2011	$ 5,000,000.00[4]
TOTAL			**$ 5,406,000.00**

GENERAL PROPERTY STATUS

Property	Committee Date	Status	Asking Price
3231 South 122nd Street, West Allis		Available for sale	$ 189,900.00
4812 South 39th Street, Greenfield	Presenting offer	Available for Sale	$ 79,900.00
5414-22 South Packard Avenue, Cudahy		Available for sale	$ 35,000.00
5478 South Packard, Cudahy		Available for sale	$ 19,900.00
3618 East Grange, Cudahy		Available for sale	$ 4,900.00
3749 East Squire, Cudahy		Available for sale	$ 25,000.00
8450 West Beatrice Ct., Milwaukee		Available for sale	$ 375,000.00[5]
3672 East Lunham Avenue, St. Francis		Available for sale	$ 69,900.00
3802 East Cudahy Avenue, Cudahy		Available for sale	$ 38,900.00
1904 S. 94th Street, West Allis		Available for sale	$ 14,900.00
4500 North Lake Drive, Shorewood		Available for sale	$ 575,000.00

1. RSC closed the sale of Block 1E for $2,725,000 in December 2007 and entered into a Development Agreement to construct the proposed development.
   The Committee dates refer to extensions of the Excavation Commencement Date granted to RSC.
   The March 9, 2009 meeting granted an extension until November 30, 2009.
   The December 7, 2009 meeting granted an extension until May 31, 2010.
   The June 14, 2010 meeting granted an extension until September 30, 2010
   The September 20, 2010 meeting granted an extension until March 30, 2011
   $25,000 was received from RSC for not meeting the January 29, 2010 Excavation Completion Date.
   An additional $25,000 was received for not meeting the July 30, 2010 Excavation Completion Date.
2. Net Real Estate Revenue from the $475,000 sale price. Net proceeds of $ 421,681 to Federal Transportation Administration to be allocated for transit projects in Milwaukee County.
3. County's share of $ 700,000 sales price.
4. First installment payment of the $13,550,000 sales price. See attached comments for full payment schedule.
5. Net proceeds to Federal Transportation Administration

SUMMARY DETAIL OF PENDING PROPERTY CLOSINGS

PROPERTY	BUYER	CLOSING	COMMENTS
Block 6E, Park East	Rainier Properties II, LLC	3rd quarter 2011	Option extension granted until June 30, 2011. If Buyer exercises option closing to occur within 30 days.
NE Quadrant County Grounds	UWM	1st quarter 2011	UWM waived all purchase contingencies as of December 15, 2010. UWM requesting January 15, 2011closing date be extended to February 15, 2011. Also requesting 24 month extension of installment payment dates. Current installment payment schedule applies to the following budget years: 2010 $5,000,000 2011 $5,000,000 2012 $ 887,500 2013 $ 887,500 2014 $ 887,500 2015 $ 887,500

COUNTY OF MILWAUKEE

INTER-OFFICE COMMUNICATION

DATE: January 20, 2011

TO: Supervisor Theo Lipscomb, Vice Chairperson
Committee on Economic & Community Development

FROM: Craig C. Dillmann, Manager, Real Estate Services

SUBJECT: Offers to purchase on a County-owned single-family house located at 4812 South 39th Street in the City of Greenfield, Wisconsin.

POLICY ISSUE:

County Board Resolution File No. 11-14 was established by the County Board Chairperson relative to offers-to-purchase on lands under County control.

BACKGROUND:

The Real Estate Division of the Department of Transportation and Public Works received two offers to purchase on an excess County-owned single-family house located at 4812 South 39th Street in the City of Greenfield. A copy of the offers and an exhibit depicting the location of the property are attached.

The subject property consists of a one bedroom, one-bath, house with a one car detached garage situated on an approximately 136' X 220' lot. The Milwaukee County Treasurer acquired the property for delinquent taxes by foreclosure proceedings. The house and garage are in deplorable condition and are in need of complete interior and exterior rehabilitation. The house is very small and has no basement, which makes it undesirable for rehabilitation. The appraisal, in the amount of $75,000, assumes the property is vacant and available for development and free and clear of the existing structures. The property was placed on the market at an asking price of $78,900.

The real estate staff has been in discussion with the Greenfield Fire Department to use the house and garage for a controlled burn. This would benefit the County by removing the existing buildings, creating a desirable buildable lot for a new larger single-family home, and adding value to the tax base. The fire department would benefit by the practical training the burn would provide.

The first offer is from Pauline Steinke in the amount of $78,900 cash. The offer is contingent on Milwaukee County entering into an agreement with the Greenfield Fire Department to burn the structures, remove any residue and provide proper grading. Ms. Steinke plans to build a new home on the site for her family.

The second offer is from James L. Davis and Kristen E. Davis in the amount of $65,000 cash. The offer requires the County to coordinate with the Greenfield Fire Department the removal of the structures by a controlled burn and to clean up the site after the burn.

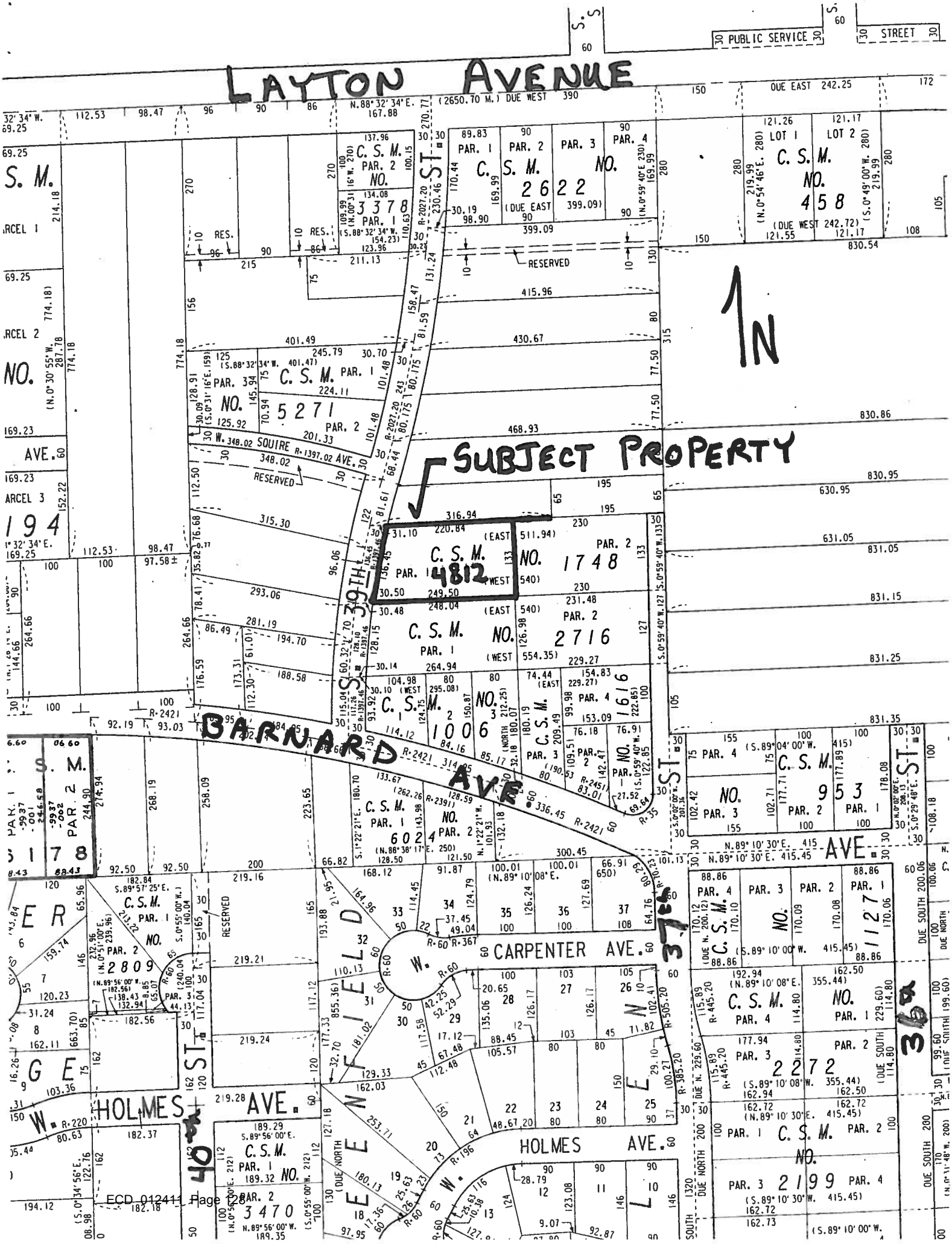
RECOMMENDATION:

Staff respectfully requests that the Committee on Economic and Community Development recommend to the County Board acceptance of the above described offer from Pauline Steinke in the amount of $78,900 and in the event Ms. Steinke does not fulfill the terms and conditions of her offer, acceptance of the offer from James L. Davis and Kristen E. Davis provided they agree to increase the amount of their offer to the appraised value of $75,000, since the expense of removing the structures will not be borne by the buyer due to the controlled burn.

_____
Craig C. Dillmann, Manager
Real Estate Services

Meeting Date: January 24, 2011
Attachments

cc: Lee Holloway, County Executive
Supervisor Mark Borkowski, 11th District


LAYTON AVENUE
PUBLIC SERVICE
STREET
SUBJECT PROPERTY
1N
BARNARD AVE.
CARPENTER AVE.
HOLMES AVE.
SQUIRE AVE.
39TH ST.
37TH ST.
40TH ST.
C.S.M. NO. 4812
C.S.M. NO. 1748
C.S.M. NO. 2716
C.S.M. NO. 1616
C.S.M. NO. 1006
C.S.M. NO. 6024
C.S.M. NO. 2809
C.S.M. NO. 3470
C.S.M. NO. 5271
C.S.M. NO. 3378
C.S.M. NO. 2622
C.S.M. NO. 458
C.S.M. NO. 953
C.S.M. NO. 1127
C.S.M. NO. 2272
C.S.M. NO. 2199
C.S.M. NO. 3178
RESERVED

WB-13 VACANT LAND OFFER TO PURCHASE

BROKER DRAFTING THIS OFFER ON 01/04/2011 [DATE] IS (AGENT OF SELLER) (AGENT OF BUYER) (DUAL AGENT) STRIKE TWO

GENERAL PROVISIONS The Buyer, Pauline Steinke, offers to purchase the Property known as [Street Address] 4812 South 39th Street, in the City of Greenfield, County of Milwaukee, Wisconsin, (Insert additional description, if any, at lines 179 - 187 or attach as an addendum, line 188), on the following terms:

- PURCHASE PRICE: Seventy-Eight Thousand, Nine Hundred Dollars ($ 78,900.00).
- EARNEST MONEY of $ 0 accompanies this Offer and earnest money of $ 1,000.00 will be paid within 3 days of acceptance.
- THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise provided below.
- ADDITIONAL ITEMS INCLUDED IN PURCHASE PRICE: Seller shall include in the purchase price and transfer, free and clear of encumbrances, all fixtures, as defined at lines 15 - 18 and as may be on the Property on the date of this Offer, unless excluded at line 14, and the following additional items: none
- ITEMS NOT INCLUDED IN THE PURCHASE PRICE: none

A "Fixture" is defined as an item of property which is physically attached to or so closely associated with land so as to be treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage to the Property, items specifically adapted to the Property, and items customarily treated as fixtures including but not limited to all: perennial crops; garden bulbs; plants; shrubs and trees. CAUTION: Annual crops are not included in the purchase price unless otherwise agreed at line 13.

- ZONING: Seller represents that the Property is zoned Residential.

ACCEPTANCE Acceptance occurs when all Buyers and Sellers have signed an identical copy of the Offer, including signatures on separate but identical copies of the Offer. ***CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines running from acceptance provide adequate time for both binding acceptance and performance.***

BINDING ACCEPTANCE This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or before March 31, 2011. ***CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.***

DELIVERY OF DOCUMENTS AND WRITTEN NOTICES Unless otherwise stated in this Offer, delivery of documents and written notices to a Party shall be effective only when acccomplished by one of the methods specified at lines 27 - 36.

(1) By depositing the document or written notice postage or fees prepaid in the U.S. Mail or fees prepaid or charged to an account with a commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery designated at lines 30 or 32 (if any), for delivery to the Party's delivery address at lines 31 or 33.

Seller's recipient for delivery (optional): Gerald A.Baker
Seller's delivery address: 2711 West Wells Street, 3rd Floor, Milwaukee, WI 53208
Buyer's recipient for delivery (optional): _____
Buyer's delivery address: _____

(2) By giving the document or written notice personally to the Party or the Party's recipient for delivery if an individual is designated at lines 30 or 32.

(3) By fax transmission of the document or written notice to the following telephone number:

Buyer: ( ) _____ Seller: (414) 223-1917

OCCUPANCY Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer (lines 179 - 187 or in an addendum per line 188). Occupancy shall be given subject to tenant's rights, if any. **Caution: Consider an agreement which addresses responsibility for clearing the Property of personal property and debris, if applicable.**

LEASED PROPERTY If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) STRIKE ONE lease(s), if any, are NO LEASES.

PLACE OF CLOSING This transaction is to be closed at the place designated by Buyer's mortgagee or 2711 N. 27th Street, 3rd Floor, Milw., WI 53208 no later than April 30, 2011 unless another date or place is agreed to in writing.

CLOSING PRORATIONS The following items shall be prorated at closing: real estate taxes, rents, private and municipal charges, property owner's association assessments, fuel and none. Any income, taxes or expenses shall accrue to Seller, and be prorated, through the day prior to closing. Net general real estate taxes shall be prorated based on (the net general real estate taxes for the current year, if known, otherwise on the net general real estate taxes for the preceding year) (Tax exempt for 2011 per WI Stats.). STRIKE AND COMPLETE AS APPLICABLE

CAUTION: If proration on the basis of net general real estate taxes is not acceptable (for example, completed/pending reassessment, changing mill rate, lottery credits), insert estimated annual tax or other formula for proration.

PROPERTY CONDITION PROVISIONS

- PROPERTY CONDITION REPRESENTATIONS: Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge of conditions affecting the Property or transaction (see below) other than those identified in Seller's Real Estate Condition Report dated REPORT EXEMPT, which was received by Buyer prior to Buyer signing this Offer and which is made a part of this Offer by reference COMPLETE DATE OR STRIKE AS APPLICABLE and BUYER RELIES ON THEIR OWN INSPECTIONS AND PURCHASES THE PROPERTY IN ITS "AS IS" CONDITION INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT.

A "condition affecting the Property or transaction" is defined as follows:

(a) planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property or the present use of the Property;

(b) completed or pending reassessment of the Property for property tax purposes;

(c) government agency or court order requiring repair, alteration or correction of any existing condition;

(d) any land division involving the subject Property, for which required state or local approvals had not been obtained;

(e) any portion of the Property being in a 100 year floodplain, a wetland or shoreland zoning area under local, state or federal laws;

(f) conditions constituting a significant health or safety hazard for occupants of Property;

(g) underground or aboveground storage tanks on the Property for storage of flammable or combustible liquids including but not limited to gasoline and heating oil which are currently or which were previously located on the Property; ***NOTE: Wis. Adm. Code, Chapter Comm 10 contains registration and operation rules for such underground and aboveground storage tanks.***

(h) material violations of environmental laws or other laws or agreements regulating the use of the Property;

(i) high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property;

(j) any portion of the Property being subject to, or in violation of, a Farmland Preservation Agreement under a County Farmland Preservation Plan or enrolled in, or in violation of, a Forest Crop, Woodland Tax, Managed Forest, Conservation Reserve or comparable program;

(k) boundary disputes or material violation of fence laws (Wis. Stats. Chapter 90) which require the erection and maintenance of legal fences between adjoining properties where one or both of the properties is used and occupied for farming or grazing purposes;

(l) wells on the Property required to be abandoned under state regulations (Wis. Adm. Code NR 112.26) but which are not abondoned;

(m) cisterns or septic tanks on the Property which are currently not servicing the Property:

(n) subsoil conditions which would significantly increase the cost of the development proposed at lines 271-272, if any, including, but not limited to, subsurface foundations, organic or non-organic fill, dumpsites or containers on Property which contained or currently contain toxic or hazardous materials, high groundwater, soil conditions (e.g. low load bearing capacity) or excessive rocks or rock formations on the Property;

(o) a lack of legal vehicular access to the Property from public roads;

(p) prior reimbursement for corrective action costs under the Agricultural Chemical Cleanup Program; (Wis. Stats. §94.73.)

(q) other conditions or occurrences which would significantly increase the cost of the development proposed at lines 271 to 272 or reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.

■ PROPERTY DIMENSIONS AND SURVEYS: Buyer acknowledges that any land dimensions, total square footage/acreage figures, or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of rounding or other reasons, unless verified by survey or other means. ***CAUTION: Buyer should verify land dimensions, total square footage/acreage figures or allocation of acreage information if material to Buyer's decision to purchase.***

■ ISSUES RELATED TO PROPERTY DEVELOPMENT: WARNING: If Buyer contemplates developing Property for a use other than the current use, there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and therefore should be reviewed. Building permits, zoning variances, Architectural Control Committee approvals, estimates for utility hook-up expenses, special assessments, charges for installation of roads or utilities, environmental audits, subsoil tests, or other development related fees may need to be obtained or verified in order to determine the feasibility of development of, or a particular use for, a property. Optional contingencies which allow Buyer to investigate certain of these issues can be found at lines 271 - 314 and Buyer may add contingencies as needed in addenda (see line 188). Buyer should review any plans for development or use changes to determine what issues should be addressed in these contingencies.

■ INSPECTIONS: Seller agrees to allow Buyer's inspectors reasonable access to the Property upon reasonable notice if the inspections are reasonably necessary to satisfy the contingencies in this Offer. Buyer agrees to promptly provide copies of all such inspection reports to Seller, and to listing broker if Property is listed. Furthermore, Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections are completed, unless otherwise agreed in this Offer. An "inspection" is defined as an observation of the Property which does not include testing of the Property, other than testing for leaking LP gas or natural gas used as a fuel source, which are hereby authorized.

■ TESTING: Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property. A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory or other analysis of these materials. If Buyer requires testing, testing contingencies must be specifically provided for at lines 179 - 187 or in an addendum per line 188. Note: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of the contingency (e.g., Buyer's obligation to return the Property to its original condition). Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

■ PRE-CLOSING INSPECTION: At a reasonable time, pre-approved by Seller or Seller's agent, within 3 days before closing, Buyer shall have the right to inspect the Property to determine that there has been no significant change in the condition of the Property, except for changes approved by Buyer.

■ PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING: Seller shall maintain the Property until the earlier of closing or occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior to closing, the Property is damaged in an amount of not more than five percent (5%) of the selling price, Seller shall be obligated to repair the Property and restore it to the same condition that is was on the day of this Offer. If the damage shall exceed such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer. Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds relating to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy. However, if this sale is financed by a land contract or a mortgage to Seller, the insurance proceeds shall be held in trust for the sole purpose of restoring the Property.

FENCES Wisconsin Statutes section 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal shares where one or both of the properties is used and occupied for farming or grazing purposes. ***CAUTION: Consider an agreement addressing responsibility for fences if Property or adjoining land is used and occupied for farming or grazing purposes.***

DELIVERY/RECEIPT Unless otherwise stated in this Offer, any signed document transmitted by facsimile machine (fax) shall be treated in all manner and respects as an original document and the signature of any Party upon a document transmitted by fax shall be considered an original signature. Personal delivery to, or actual receipt by, any named Buyer or Seller constitutes personal delivery to, or actual receipt by Buyer or Seller. Once received, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving the notice. A Party may not unilaterally reinstate a contingency after a notice of a contingency waiver has been received by the other Party. **The delivery provisions in this Offer may be modified when appropriate (e.g., when mail delivery is not desirable (see lines 25 - 36)).** Buyer and Seller authorize the agents of Buyer and Seller to distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the transaction as defined by the Real Estate Settlement Procedures Act (RESPA).

[TIME IS OF THE ESSENCE] "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4) date of closing; (5) contingency deadlines [STRIKE AS APPLICABLE] and all other dates and deadlines in this Offer except: none _____. If "Time is of the Essence" applies to a date or deadline, failure to perform by the exact date or deadline is a breach of contract. If "Time is of the Essence" does not apply to a date or deadline, then performance within a reasonable time of the date or deadline is allowed before a breach occurs.

[DATES AND DEADLINES] Deadlines expressed as a number of "days" from an event, such as acceptance, are calculated by excluding the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal law, and other day designated by the President such that the postal service does not receive registered mail or make regular deliveries on that day. Deadlines expressed as a specific number of "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as closing, expire at midnight of that day.

THE FINANCING CONTINGENCY PROVISIONS AT LINES 148 - 162 ARE A PART OF THIS OFFER IF LINE 148 IS MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF LINE 148 IS MARKED N/A OR IS NOT MARKED.

[N/A] **FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a _____ [INSERT LOAN PROGRAM OR SOURCE] first mortgage loan commitment as described below, within _____ days of acceptance of this Offer. The financing selected shall be in an amount of not less than $ _____ for a term of not less than _____ years, amortized over not less than _____ years. Initial monthly payments of principal and interest shall not exceed $ _____. Monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay a loan fee not to exceed _____ % of the loan. (Loan fee refers to discount points and/or loan origination fee, but DOES NOT include Buyer's other closing costs.) If the purchase price under this Offer is modified, the financed amount, unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain the term and amortization stated above. **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 158 OR 159.**

[ ] **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____ %.

[ ] **ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed _____ %. The initial interest rate shall be fixed for _____ months, at which time the interest rate may be increased not more than _____ % per year. The maximum interest rate during the mortgage term shall not exceed _____ %. Monthly payments of principal and interest may be adjusted to reflect interest changes.

LOAN COMMITMENT: Buyer agrees to pay all customary financing costs (including closing fees), to apply for financing promptly, and to provide evidence of application promptly upon request by Seller. If Buyer qualifies for the financing described in this Offer or other financing acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no later than the deadline for loan commitment at line 149. **Buyer's delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall satisfy the Buyer's financing contingency unless accompanied by a notice of unacceptability.** ***CAUTION: BUYER, BUYER'S LENDER AND AGENTS OF BUYER OR SELLER SHOULD NOT DELIVER A LOAN COMMITMENT TO SELLER WITHOUT BUYER'S PRIOR APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.***

SELLER TERMINATION RIGHTS: If Buyer does not make timely delivery of said commitment, Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's actual receipt of a copy of Buyer's written loan commitment.

FINANCING UNAVAILABILITY: If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is named in this Offer, Seller shall then have 10 days to give Buyer written notice of Seller's decision to finance this transaction on the same terms set forth in this Offer and this Offer shall remain in full force and effect, with the time for closing extended accordingly. If Seller's notice is not timely given, this Offer shall be null and void. Buyer authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

[ADDITIONAL PROVISIONS/CONTINGENCIES] Buyer responsible for any and all cost associated with the extension and hookup of all utilities including cable,electric,gas, sewer and water laterals, etc. Seller does not warrant condition or suitability of subsoils for construction purposes. Buyer is responsible to obtain any environmental testing, if desired, at Buyer's expense. Buyer shall not hold Seller liable for any environmental contamination found on property. Offer contingent upon entering into an agreement with the Greenfield Fire Department to burn the house, garage and removal of fire residue,and proper grading of area at the cost of the Seller. Acceptance of this offer and sale of property is subject to the approval of the Milwaukee County Board of Supervisors and the County Executive.

[X] **ADDENDA:** The attached _____ is/are made part of this Offer.

[TITLE EVIDENCE]

■ CONVEYANCE OF TITLE: **Upon payment of the purchase price, Seller shall convey the Property by warranty deed (or other conveyance as provided herein)** free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants, general taxes levied in the year of closing and none _____ (provided none of the foregoing prohibit present use of the Property), which constitutes merchantable title for purposes of this transaction. Seller further agrees to complete and execute the documents necessary to record the conveyance.

■ FORM OF TITLE EVIDENCE: Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. ***CAUTION: IF TITLE EVIDENCE WILL BE GIVEN BY ABSTRACT, STRIKE TITLE INSURANCE PROVISIONS AND INSERT ABSTRACT PROVISIONS.***

■ PROVISION OF MERCHANTABLE TITLE: Seller shall pay all costs of providing title evidence. For purposes of closing, title evidence shall be acceptable if the commitment for the required title insurance is delivered to Buyer's attorney or Buyer not less than 3 business days before closing, showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and exceptions, as appropriate. ***CAUTION: BUYER SHOULD CONSIDER UPDATING THE EFFECTIVE DATE OF THE TITLE COMMITMENT PRIOR TO CLOSING OR A "GAP ENDORSEMENT" WHICH WOULD INSURE OVER LIENS FILED BETWEEN THE EFFECTIVE DATE OF THE COMMITMENT AND THE DATE THE DEED IS RECORDED.***

■ TITLE ACCEPTABLE FOR CLOSING: If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title by the time set for closing. In such event, Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and the time for closing shall be extended as necessary for this purpose. In the event that Seller is unable to remove said objections, Buyer shall have 5 days from receipt of notice thereof, to deliver written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

■ SPECIAL ASSESSMENTS: Special assessments, if any, for work actually commenced or levied prior to date of this Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer. ***CAUTION: Consider a special agreement if area assessments, property owner's association assessments or other expenses are contemplated.*** "Other expenses" are one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter, street, sidewalk, sanitary and stormwater and storm sewer (including all sewer mains and hook-up and interceptor charges), parks, street lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.55(1)(c) & (f).

ENTIRE CONTRACT This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and inures to the benefit of the Parties to this Offer and their successors in interest.

DEFAULT

Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A material failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or other legal remedies.

If Buyer defaults, Seller may:

(1) sue for specific performance and request the earnest money as partial payment of the purchase price; or

(2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) direct Broker to return the earnest money and have the option to sue for actual damages.

If Seller defaults, Buyer may:

(1) sue for specific performance; or

(2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

In addition, the Parties may seek any other remedies available in law or equity.

The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the arbitration agreement.

NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.

EARNEST MONEY

■ HELD BY: Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker (buyer's agent if Property is not listed or seller if no broker is involved), until applied to purchase price or otherwise disbursed as provided in the Offer. ***CAUTION: Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the Parties or an attorney. If someone other than Buyer makes payment of earnest money, consider a special disbursement agreement.***

■ DISBURSEMENT: If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according to a written disbursement agreement signed by all Parties to this Offer (Note: Wis. Adm. Code § RL 18.09(1)(b) provides that an offer to purchase is not a written disbursement agreement pursuant to which the broker may disburse). If said disbursement agreement has not been delivered to broker within 60 days after the date set for closing, broker may disburse the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; or (4) any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to exceed $250, prior to disbursement.

■ LEGAL RIGHTS/ACTION: Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to disbursement per (1) or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or Seller disagree with broker's proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of residential property with 1-4 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good faith disbursement of earnest money in accordance with this Offer or applicable Department of Regulation and Licensing regulations concerning earnest money. See Wis. Adm. Code Ch. RL 18. **NOTE: WISCONSIN LICENSE LAW PROHIBITS A BROKER FROM GIVING ADVICE OR OPINIONS CONCERNING THE LEGAL RIGHTS OR OBLIGATIONS OF PARTIES TO A TRANSACTION OR THE LEGAL EFFECT OF A SPECIFIC CONTRACT OR CONVEYANCE. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS REQUIRED.**

OPTIONAL PROVISIONS: THE PARAGRAPHS AT LINES 271 - 314 WHICH ARE PRECEDED BY A BOX ARE A PART OF THIS OFFER IF MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF MARKED N/A OR ARE LEFT BLANK.

N/A **PROPOSED USE CONTINGENCY:** Buyer is purchasing the property for the purpose of: _____ _____. This Offer is contingent upon Buyer obtaining the following:

☐ Written evidence at (Buyer's) (Seller's) STRIKE ONE expense from a qualified soils expert that the Property is free of any subsoil condition which would make the proposed development impossible or significantly increase the costs of such development.

☐ Written evidence at (Buyer's) (Seller's) STRIKE ONE expense from a certified soils tester or other qualified expert that indicates that the Property's soils at locations selected by Buyer and all other conditions which must be approved to obtain a permit for an acceptable private septic system for: _____ [insert proposed use of Property; e.g., three bedroom single family home] meet applicable codes in effect as of the date of this offer. An acceptable system includes all systems approved for use by the State for the type of property identified at line 277. An acceptable system does not include a holding tank, privy, composting toilet or chemical toilet or other systems (e.g. mound system) excluded in additonal provisions or an addendum per lines 179 - 188.

☐ Copies at (Buyer's) (Seller's) STRIKE ONE expense of all public and private easements, covenants and restrictions affecting the Property and a written determination by a qualified independent third party that none of these prohibit or significantly delay or increase the costs of the proposed use or development identified at lines 271 to 272.

☐ Permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance of such permits, approvals and licenses at (Buyer's) (Seller's) STRIKE ONE expense for the following items related to the proposed development _____.

☐ Written evidence at (Buyer's) (Seller's) STRIKE ONE expense that the following utility connections are located as follows (e.g., on the Property, at the lot line across the street, etc.): electricity _____; gas _____; sewer _____; water _____; telephone _____; other _____.

This proposed use contingency shall be deemed satisfied unless Buyer within _____ days of acceptance delivers written notice to Seller specifying those items of this contingency which cannot be satisfied and written evidence substantiating why each specific item included in Buyer's notice cannot be satisfied.

N/A **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) STRIKE ONE a map of the Property prepared by a registered land surveyor, within _____ days of acceptance, at (Buyer's) (Seller's) STRIKE ONE expense. The map shall identify the legal description of the Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements, if any, and: _____. STRIKE AND COMPLETE AS APPLICABLE Additional map features which may be added include, but are not limited to: specifying how current the map must be; staking of all corners of the Property; identifying dedicated and apparent street, lot dimensions, total acreage or square footage, easements or rights-of-way. ***CAUTION: Consider the cost and the need for map features before selecting them.*** The map shall show no significant encroachment(s) or any information materially inconsistent with any prior representations to Buyer. This contingency shall be deemed satisfied unless Buyer, within five days of the earlier of: 1) Buyer's receipt of the map, or 2) the deadline for delivery of said map, delivers to Seller, and to listing broker if Property is listed, a copy of the map and a written notice which identifies the significant encroachment or the information materially inconsistent with prior representations.

N/A **INSPECTION CONTINGENCY:** This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s), at Buyer's expense, of the Property and _____ which discloses no defects as defined below. This contingecy shall be deemed satisfied unless Buyer within _____ days of acceptance delivers to Seller, and to listing broker if Property is listed, a copy of the inspector's written inspection report and a written notice listing the defects identified in the report to which Buyer objects. This Offer shall be null and void upon timely delivery of the above notice and report. ***CAUTION: A proposed amendment will not satisfy this notice requirement.*** Buyer shall order the inspection and be responsible for all costs of inspection, including any inspections required by lender or follow-up to inspection. Note: This contingency only authorizes inspections, not testing, see lines 98 to 110. For the purposes of this contingency a defect is defined as any condition of the Property which constitutes a significant threat to the health or safety of persons who occupy or use the Property or gives evidence of any material use, storage or disposal of hazardous or toxic substances on the Property. Defects do not include conditions the nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

This Offer was drafted on 01/04/2011 (date) by [Licensee and Firm] Gerald A. Baker Milwaukee County.

(X) Pauline Steinke — xxxxxxxxxxxxxxxxxxxx — 1-10-11
Buyer's Signature ▲ Print Name Here: ► Pauline Steinke — Social Security No. or FEIN ▲ — Date ▲

(X) _____ — _____ — _____
Buyer's Signature ▲ Print Name Here: ► — Social Security No. or FEIN ▲ — Date ▲

EARNEST MONEY RECEIPT Broker acknowledges receipt of earnest money as per line 8 of the above Offer. (See lines 242 - 267)

_____ Broker (By) _____

SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

(X) _____ — xxxxxxxxxxxxxxxxxxxx — _____
Seller's Signature ▲ Print Name Here: ► — Social Security No. or FEIN ▲ — Date ▲

(X) _____ — xxxxxxxxxxxxxxxxxxxx — _____
Seller's Signature ▲ Print Name Here: ► Craig C. Dillmann,R.E.Manager — Social Security No. or FEIN ▲ — Date ▲

This Offer was presented to Seller by _____ on _____, _____, at _____ a.m./p.m.

THIS OFFER IS REJECTED _____ _____ THIS OFFER IS COUNTERED [See attached counter] _____ _____
Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

pproved by the Wisconsin Department of Regulation and Licensing
1-99 (Optional Use Date)
1-00 (Mandatory Use Date)

WB-13 VACANT LAND OFFER TO PURCHASE

BROKER DRAFTING THIS OFFER ON 5 January 2011 [DATE] IS ~~(AGENT OF SELLER)~~ (AGENT OF BUYER) ~~(DUAL AGENT)~~ STRIKE TWO

GENERAL PROVISIONS The Buyer, James L. Davis and Kristen E. Davis (a married couple),
offers to purchase the Property known as [Street Address] 4812 South 39th Street, County of Milwaukee,
in the City of Greenfield
Wisconsin, (Insert additional description, if any, at lines 179 - 187 or attach as an addendum, line 188), on the following terms:

■ PURCHASE PRICE: Sixty-Five Thousand Dollars ($ 65,000).

■ EARNEST MONEY of $ N/A accompanies this Offer and earnest money of $ 500
will be paid within 3 days of acceptance.

■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise provided below.

■ ADDITIONAL ITEMS INCLUDED IN PURCHASE PRICE: Seller shall include in the purchase price and transfer, free and clear of encumbrances, all fixtures, as defined at lines 15 - 18 and as may be on the Property on the date of this Offer, unless excluded at line 14, and the following additional items: none

■ ITEMS NOT INCLUDED IN THE PURCHASE PRICE: none

A "Fixture" is defined as an item of property which is physically attached to or so closely associated with land so as to be treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage to the Property, items specifically adapted to the Property, and items customarily treated as fixtures including but not limited to all: perennial crops; garden bulbs; plants; shrubs and trees. CAUTION: Annual crops are not included in the purchase price unless otherwise agreed at line 13.

■ ZONING: Seller represents that the Property is zoned Residential.

ACCEPTANCE Acceptance occurs when all Buyers and Sellers have signed an identical copy of the Offer, including signatures on separate but identical copies of the Offer. *CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines running from acceptance provide adequate time for both binding acceptance and performance.*

BINDING ACCEPTANCE This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or before February 15, 2011. *CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.*

DELIVERY OF DOCUMENTS AND WRITTEN NOTICES Unless otherwise stated in this Offer, delivery of documents and written notices to a Party shall be effective only when accomplished by one of the methods specified at lines 27 - 36.
(1) By depositing the document or written notice postage or fees prepaid in the U.S. Mail or fees prepaid or charged to an account with a commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery designated at lines 30 or 32 (if any), for delivery to the Party's delivery address at lines 31 or 33.
Seller's recipient for delivery (optional): Gerald A. Baker
Seller's delivery address: 2711 West Wells Street, 3rd Floor, Milwaukee, WI 53208
Buyer's recipient for delivery (optional): James L. Davis and Kristen E. Davis
Buyer's delivery address: 4113 South Hately Avenue, Saint Francis, WI 53235
(2) By giving the document or written notice personally to the Party or the Party's recipient for delivery if an individual is designated at lines 30 or 32.
(3) By fax transmission of the document or written notice to the following telephone number:
Buyer: (262) 770-0939 Seller: (414) 223-1917

OCCUPANCY Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer (lines 179 - 187 or in an addendum per line 188). Occupancy shall be given subject to tenant's rights, if any. **Caution: Consider an agreement which addresses responsibility for clearing the Property of personal property and debris, if applicable.**

LEASED PROPERTY If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) STRIKE ONE lease(s), if any, are NO LEASES.

PLACE OF CLOSING This transaction is to be closed at the place designated by Buyer's mortgagee or 2711 N. 27th Street, 3rd floor, Milwaukee, WI 53208 no later than March 31, 2011 unless another date or place is agreed to in writing.

CLOSING PRORATIONS The following items shall be prorated at closing: real estate taxes, rents, private and municipal charges, property owner's association assessments, fuel and none other. Any income, taxes or expenses shall accrue to Seller, and be prorated, through the day prior to closing.
Net general real estate taxes shall be prorated based on (the net general real estate taxes for the current year, if known, otherwise on the net general real estate taxes for the preceding year) (Tax Exempt for 2011 per WI Stats.). STRIKE AND COMPLETE AS APPLICABLE

CAUTION: If proration on the basis of net general real estate taxes is not acceptable (for example, completed/pending reassessment, changing mill rate, lottery credits), insert estimated annual tax or other formula for proration.

PROPERTY CONDITION PROVISIONS

■ PROPERTY CONDITION REPRESENTATIONS: Seller represents to Buyer that as of the date of acceptance Seller has no notice or knowledge of conditions affecting the Property or transaction (see below) other than those identified in Seller's Real Estate Condition Report dated REPORT EXEMPT, which was received by Buyer prior to Buyer signing this Offer and which is made a part of this Offer by reference COMPLETE DATE OR STRIKE AS APPLICABLE and BUYER RELIES ON THIER OWN INSPECTIONS AND PURCHASES THE PROPERTY IN ITS "AS IS" CONDITION. INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT

"condition affecting the Property or transaction" is defined as follows:

a) planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property or the present use of the Property;
b) completed or pending reassessment of the Property for property tax purposes;
c) government agency or court order requiring repair, alteration or correction of any existing condition;
d) any land division involving the subject Property, for which required state or local approvals had not been obtained;
e) any portion of the Property being in a 100 year floodplain, a wetland or shoreland zoning area under local, state or federal laws;
f) conditions constituting a significant health or safety hazard for occupants of Property;
g) underground or aboveground storage tanks on the Property for storage of flammable or combustible liquids including but not limited to gasoline and heating oil which are currently or which were previously located on the Property; *NOTE: Wis. Adm. Code, Chapter Comm 10 contains registration and operation rules for such underground and aboveground storage tanks.*
h) material violations of environmental laws or other laws or agreements regulating the use of the Property;
i) high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property;
j) any portion of the Property being subject to, or in violation of, a Farmland Preservation Agreement under a County Farmland Preservation Plan or enrolled in, or in violation of, a Forest Crop, Woodland Tax, Managed Forest, Conservation Reserve or comparable program;
k) boundary disputes or material violation of fence laws (Wis. Stats. Chapter 90) which require the erection and maintenance of legal fences between adjoining properties where one or both of the properties is used and occupied for farming or grazing purposes;
l) wells on the Property required to be abandoned under state regulations (Wis. Adm. Code NR 112.26) but which are not abandoned;
m) cisterns or septic tanks on the Property which are currently not servicing the Property;
n) subsoil conditions which would significantly increase the cost of the development proposed at lines 271-272, if any, including, but not limited to, subsurface foundations, organic or non-organic fill, dumpsites or containers on Property which contained or currently contain toxic or hazardous materials, high groundwater, soil conditions (e.g. low load bearing capacity) or excessive rocks or rock formations on the Property;
o) a lack of legal vehicular access to the Property from public roads;
p) prior reimbursement for corrective action costs under the Agricultural Chemical Cleanup Program; (Wis. Stats. §94.73.)
q) other conditions or occurrences which would significantly increase the cost of the development proposed at lines 271 to 272 or reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.

■ PROPERTY DIMENSIONS AND SURVEYS: Buyer acknowledges that any land dimensions, total square footage/acreage figures, or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of rounding or other reasons, unless verified by survey or other means. *CAUTION: Buyer should verify land dimensions, total square footage/acreage figures or allocation of acreage information if material to Buyer's decision to purchase.*

■ ISSUES RELATED TO PROPERTY DEVELOPMENT: WARNING: If Buyer contemplates developing Property for a use other than the current use, there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and therefore should be reviewed. Building permits, zoning variances, Architectural Control Committee approvals, estimates for utility hook-up expenses, special assessments, charges for installation of roads or utilities, environmental audits, subsoil tests, or other development related fees may need to be obtained or verified in order to determine the feasibility of development of, or a particular use for, a property. Optional contingencies which allow Buyer to investigate certain of these issues can be found at lines 271 - 314 and Buyer may add contingencies as needed in addenda (see line 188). Buyer should review any plans for development or use changes to determine what issues should be addressed in these contingencies.

■ INSPECTIONS: Seller agrees to allow Buyer's inspectors reasonable access to the Property upon reasonable notice if the inspections are reasonably necessary to satisfy the contingencies in this Offer. Buyer agrees to promptly provide copies of all such inspection reports to Seller, and to listing broker if Property is listed. Furthermore, Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections are completed, unless otherwise agreed in this Offer. An "inspection" is defined as an observation of the Property which does not include testing of the Property, other than testing for leaking LP gas or natural gas used as a fuel source, which are hereby authorized.

■ TESTING: Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property. A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory or other analysis of these materials. If Buyer requires testing, testing contingencies must be specifically provided for at lines 179 - 187 or in an addendum per line 188. Note: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of the contingency (e.g., Buyer's obligation to return the Property to its original condition). Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

■ PRE-CLOSING INSPECTION: At a reasonable time, pre-approved by Seller or Seller's agent, within 3 days before closing, Buyer shall have the right to inspect the Property to determine that there has been no significant change in the condition of the Property, except for changes approved by Buyer.

■ PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING: Seller shall maintain the Property until the earlier of closing or occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior to closing, the Property is damaged in an amount of not more than five percent (5%) of the selling price, Seller shall be obligated to repair the Property and restore it to the same condition that is was on the day of this Offer. If the damage shall exceed such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer. Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds relating to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on such policy. However, if this sale is financed by a land contract or a mortgage to Seller, the insurance proceeds shall be held in trust for the sole purpose of restoring the Property.

FENCES Wisconsin Statutes section 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal shares where one or both of the properties is used and occupied for farming or grazing purposes. *CAUTION: Consider an agreement addressing responsibility for fences if Property or adjoining land is used and occupied for farming or grazing purposes.*

DELIVERY/RECEIPT Unless otherwise stated in this Offer, any signed document transmitted by facsimile machine (fax) shall be treated in all manner and respects as an original document and the signature of any Party upon a document transmitted by fax shall be considered an original signature. Personal delivery to, or actual receipt by, any named Buyer or Seller constitutes personal delivery to, or actual receipt by Buyer or Seller. Once received, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving the notice. A Party may not unilaterally reinstate a contingency after a notice of a contingency waiver has been received by the other Party. **The delivery provisions in this Offer may be modified when appropriate (e.g., when mail delivery is not desirable (see lines 25 - 36)).**

Buyer and Seller authorize the agents of Buyer and Seller to distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the transaction as defined by the Real Estate Settlement Procedures Act (RESPA).

PROPERTY ADDRESS: 4812 South 39th Street, Greenfield, WI

[TIME IS OF THE ESSENCE] "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3) occupancy; (4) date of closing; (5) contingency deadlines [STRIKE AS APPLICABLE] and all other dates and deadlines in this Offer except: none. If "Time is of the Essence" applies to a date or deadline, failure to perform by the exact date or deadline is a breach of contract. If "Time is of the Essence" does not apply to a date or deadline, then performance within a reasonable time of the date or deadline is allowed before a breach occurs.

[DATES AND DEADLINES] Deadlines expressed as a number of "days" from an event, such as acceptance, are calculated by excluding the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal law, and other day designated by the President such that the postal service does not receive registered mail or make regular deliveries on that day. Deadlines expressed as a specific number of "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as closing, expire at midnight of that day.

THE FINANCING CONTINGENCY PROVISIONS AT LINES 148 - 162 ARE A PART OF THIS OFFER IF LINE 148 IS MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF LINE 148 IS MARKED N/A OR IS NOT MARKED.

[N/A] **FINANCING CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a _____ [INSERT LOAN PROGRAM OR SOURCE] first mortgage loan commitment as described below, within _____ days of acceptance of this Offer. The financing selected shall be in an amount of not less than $ _____ for a term of not less than _____ years, amortized over not less than _____ years. Initial monthly payments of principal and interest shall not exceed $ _____. Monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay a loan fee not to exceed _____ % of the loan. (Loan fee refers to discount points and/or loan origination fee, but DOES NOT include Buyer's other closing costs.) If the purchase price under this Offer is modified, the financed amount, unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain the term and amortization stated above. **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 158 OR 159.**

☐ **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____ %.

☐ **ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed _____ %. The initial interest rate shall be fixed for _____ months, at which time the interest rate may be increased not more than _____ % per year. The maximum interest rate during the mortgage term shall not exceed _____ %. Monthly payments of principal and interest may be adjusted to reflect interest changes.

LOAN COMMITMENT: Buyer agrees to pay all customary financing costs (including closing fees), to apply for financing promptly, and to provide evidence of application promptly upon request by Seller. If Buyer qualifies for the financing described in this Offer or other financing acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no later than the deadline for loan commitment at line 149. **Buyer's delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall satisfy the Buyer's financing contingency unless accompanied by a notice of unacceptability.** *CAUTION: BUYER, BUYER'S LENDER AND AGENTS OF BUYER OR SELLER SHOULD NOT DELIVER A LOAN COMMITMENT TO SELLER WITHOUT BUYER'S PRIOR APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.*

SELLER TERMINATION RIGHTS: If Buyer does not make timely delivery of said commitment, Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's actual receipt of a copy of Buyer's written loan commitment.

FINANCING UNAVAILABILITY: If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is named in this Offer, Seller shall then have 10 days to give Buyer written notice of Seller's decision to finance this transaction on the same terms set forth in this Offer and this Offer shall remain in full force and effect, with the time for closing extended accordingly. If Seller's notice is not timely given, this Offer shall be null and void. Buyer authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

[ADDITIONAL PROVISIONS/CONTINGENCIES] Buyer responsible for any and all cost associated with the extension and hookup of all utilities including cable, electric, and gas lines, sewer and water laterals, etc.
Seller does not warrant condition or suitability of subsoils for construction purposes.
Buyer is responsible to obtain any environmental testing, if desired, at Buyer's expense.
Buyer shall not hold seller liable for any enviromental contamination found on property.
Seller shall be responsible for cordination with Greenfield Fire Department in reguards to removal and clean up of all structures used after fire training / excercise. (i.e. controlled burn)

Acceptance of this offer and sale of property is subject to the approval of the Milwaukee County Board of Supervisors.

[X] **ADDENDA:** The attached _____ is/are made part of this Offer.

[TITLE EVIDENCE]

■ CONVEYANCE OF TITLE: **Upon payment of the purchase price, Seller shall convey the Property by warranty deed (or other conveyance as provided herein)** free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants, general taxes levied in the year of closing and none _____ (provided none of the foregoing prohibit present use of the Property), which constitutes merchantable title for purposes of this transaction. Seller further agrees to complete and execute the documents necessary to record the conveyance.

■ FORM OF TITLE EVIDENCE: Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. *CAUTION: IF TITLE EVIDENCE WILL BE GIVEN BY ABSTRACT, STRIKE TITLE INSURANCE PROVISIONS AND INSERT ABSTRACT PROVISIONS.*

■ PROVISION OF MERCHANTABLE TITLE: Seller shall pay all costs of providing title evidence. For purposes of closing, title evidence shall be acceptable if the commitment for the required title insurance is delivered to Buyer's attorney or Buyer not less than 3 business days before closing, showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and exceptions, as appropriate. *CAUTION: BUYER SHOULD CONSIDER UPDATING THE EFFECTIVE DATE OF THE TITLE COMMITMENT PRIOR TO CLOSING OR A "GAP ENDORSEMENT" WHICH WOULD INSURE OVER LIENS FILED BETWEEN THE EFFECTIVE DATE OF THE COMMITMENT AND THE DATE THE DEED IS RECORDED.*

■ TITLE ACCEPTABLE FOR CLOSING: If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title by the time set for closing. In such event, Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and the time for closing shall be extended as necessary for this purpose. In the event that Seller is unable to remove said objections, Buyer shall have 5 days from receipt of notice thereof, to deliver written notice waiving the objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer shall be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable title to Buyer.

■ SPECIAL ASSESSMENTS: Special assessments, if any, for work actually commenced or levied prior to date of this Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer. *CAUTION: Consider a special agreement if area assessments, property owner's association assessments or other expenses are contemplated.* "Other expenses" are one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter, street, sidewalk, sanitary and stormwater and storm sewer (including all sewer mains and hook-up and interceptor charges), parks, street lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66.55(1)(c) & (f).

ENTIRE CONTRACT This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and inures to the benefit of the Parties to this Offer and their successors in interest.

DEFAULT

Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A material failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or other legal remedies.

If Buyer defaults, Seller may:

(1) sue for specific performance and request the earnest money as partial payment of the purchase price; or

(2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) direct Broker to return the earnest money and have the option to sue for actual damages.

If Seller defaults, Buyer may:

(1) sue for specific performance; or

(2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

In addition, the Parties may seek any other remedies available in law or equity.

The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the arbitration agreement.

NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ THIS DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.

EARNEST MONEY

■ HELD BY: Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker (buyer's agent if Property is not listed or seller if no broker is involved), until applied to purchase price or otherwise disbursed as provided in the Offer. *CAUTION: Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the Parties or an attorney. If someone other than Buyer makes payment of earnest money, consider a special disbursement agreement.*

■ DISBURSEMENT: If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according to a written disbursement agreement signed by all Parties to this Offer (Note: Wis. Adm. Code § RL 18.09(1)(b) provides that an offer to purchase is not a written disbursement agreement pursuant to which the broker may disburse). If said disbursement agreement has not been delivered to broker within 60 days after the date set for closing, broker may disburse the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller; (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; or (4) any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to exceed $250, prior to disbursement.

■ LEGAL RIGHTS/ACTION: Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to disbursement per (1) or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or Seller disagree with broker's proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of residential property with 1-4 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good faith disbursement of earnest money in accordance with this Offer or applicable Department of Regulation and Licensing regulations concerning earnest money. See Wis. Adm. Code Ch. RL 18. NOTE: WISCONSIN LICENSE LAW PROHIBITS A BROKER FROM GIVING ADVICE OR OPINIONS CONCERNING THE LEGAL RIGHTS OR OBLIGATIONS OF PARTIES TO A TRANSACTION OR THE LEGAL EFFECT OF A SPECIFIC CONTRACT OR CONVEYANCE. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS REQUIRED.

PROPERTY ADDRESS: 4812 South 39th Street, Greenfield, WI

OPTIONAL PROVISIONS: THE PARAGRAPHS AT LINES 271 - 314 WHICH ARE PRECEDED BY A BOX ARE A PART OF THIS OFFER IF MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF MARKED N/A OR ARE LEFT BLANK.

N/A **PROPOSED USE CONTINGENCY:** Buyer is purchasing the property for the purpose of: _____. This Offer is contingent upon Buyer obtaining the following: _____

☐ Written evidence at (Buyer's) (Seller's) STRIKE ONE expense from a qualified soils expert that the Property is free of any subsoil condition which would make the proposed development impossible or significantly increase the costs of such development.

☐ Written evidence at (Buyer's) (Seller's) STRIKE ONE expense from a certified soils tester or other qualified expert that indicates that the Property's soils at locations selected by Buyer and all other conditions which must be approved to obtain a permit for an acceptable private septic system for: _____ [insert proposed use of Property; e.g., three bedroom single family home] meet applicable codes in effect as of the date of this offer. An acceptable system includes all systems approved for use by the State for the type of property identified at line 277. An acceptable system does not include a holding tank, privy, composting toilet or chemical toilet or other systems (e.g. mound system) excluded in additonal provisions or an addendum per lines 179 - 188.

☐ Copies at (Buyer's) (Seller's) STRIKE ONE expense of all public and private easements, covenants and restrictions affecting the Property and a written determination by a qualified independent third party that none of these prohibit or significantly delay or increase the costs of the proposed use or development identified at lines 271 to 272.

☐ Permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance of such permits, approvals and licenses at (Buyer's) (Seller's) STRIKE ONE expense for the following items related to the proposed development _____.

☐ Written evidence at (Buyer's) (Seller's) STRIKE ONE expense that the following utility connections are located as follows (e.g., on the Property, at the lot line across the street, etc.): electricity _____; gas _____; sewer _____; water _____; telephone _____; other _____.

This proposed use contingency shall be deemed satisfied unless Buyer within _____ days of acceptance delivers written notice to Seller specifying those items of this contingency which cannot be satisfied and written evidence substantiating why each specific item included in Buyer's notice cannot be satisfied.

N/A **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) STRIKE ONE a map of the Property prepared by a registered land surveyor, within _____ days of acceptance, at (Buyer's) (Seller's) STRIKE ONE expense. The map shall identify the legal description of the Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements, if any, and: _____. STRIKE AND COMPLETE AS APPLICABLE Additional map features _____ which may be added include, but are not limited to: specifying how current the map must be; staking of all corners of the Property; identifying dedicated and apparent street, lot dimensions, total acreage or square footage, easements or rights-of-way. ***CAUTION: Consider the cost and the need for map features before selecting them.*** The map shall show no significant encroachment(s) or any information materially inconsistent with any prior representations to Buyer. This contingency shall be deemed satisfied unless Buyer, within five days of the earlier of: 1) Buyer's receipt of the map, or 2) the deadline for delivery of said map, delivers to Seller, and to listing broker if Property is listed, a copy of the map and a written notice which identifies the significant encroachment or the information materially inconsistent with prior representations.

N/A **INSPECTION CONTINGENCY:** This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s), at Buyer's expense, of the Property and _____ which discloses no defects as defined below. This contingecy shall be deemed satisfied unless Buyer within _____ days of acceptance delivers to Seller, and to listing broker if Property is listed, a copy of the inspector's written inspection report and a written notice listing the defects identified in the report to which Buyer objects. This Offer shall be null and void upon timely delivery of the above notice and report. ***CAUTION: A proposed amendment will not satisfy this notice requirement.*** Buyer shall order the inspection and be responsible for all costs of inspection, including any inspections required by lender or follow-up to inspection. Note: This contingency only authorizes inspections, not testing, see lines 98 to 110. For the purposes of this contingency a defect is defined as any condition of the Property which constitutes a significant threat to the health or safety of persons who occupy or use the Property or gives evidence of any material use, storage or disposal of hazardous or toxic substances on the Property. Defects do not include conditions the nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

This Offer was drafted on _____ [date] by [Licensee and Firm] Gerald A. Baker Milwaukee County.

(X) _____ James L Davis xxxxxxxxxxxxxxxxxxxx 5 Jan 2011
Buyer's Signature ▲ Print Name Here: ► Social Security No. or FEIN ▲ Date ▲

(X) _____ Kristen E Davis private 1/5/11
Buyer's Signature ▲ Print Name Here: ► Social Security No. or FEIN ▲ Date ▲

EARNEST MONEY RECEIPT Broker acknowledges receipt of earnest money as per line 8 of the above Offer. (See lines 242 - 267)

_____ Broker (By) _____

SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

(X) _____ xxxxxxxxxxxxxxxxxxxx _____
Seller's Signature ▲ Print Name Here: ► Social Security No. or FEIN ▲ Date ▲

(X) _____ xxxxxxxxxxxxxxxxxxxx _____
Seller's Signature ▲ Print Name Here: ► Craig C. Dillmann,R.E.Manager Social Security No. or FEIN ▲ Date ▲

This Offer was presented to Seller by _____ on _____, _____, at _____ a.m./p.m.

THIS OFFER IS REJECTED _____ _____ THIS OFFER IS COUNTERED [See attached counter] _____ _____
Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

File No. 11-14 (a) ( )
(Journal December 16, 2010)

(ITEM) Reference file established by the County Board Chairperson relative to offers to purchase on lands under County control with an undesignated use, by recommending adoption of the following:

A RESOLUTION

WHEREAS, the Real Estate Division of the Department of Transportation and Public Works received two offers to purchase on an excess County-owned single-family house located at 4812 South 39th Street in the City of Greenfield. A copy of the offers and an exhibit depicting the location of the property are attached.

WHEREAS, the subject property consists of a one bedroom, one-bath, house with a one car detached garage situated on an approximately 136′ X 220′ lot. The Milwaukee County Treasurer acquired the property for delinquent taxes by foreclosure proceedings; and

WHEREAS, the house and garage are in deplorable condition and are in need of complete interior and exterior rehabilitation. The house is very small and has no basement, which makes it undesirable for rehabilitation; and

WHEREAS, the appraisal, in the amount of $75,000, assumes the property is vacant and available for development and free and clear of the existing structures. The property was placed on the market at an asking price of $78,900; and

WHEREAS, the real estate staff has been in discussion with the Greenfield Fire Department to use the house and garage for a controlled burn. This would benefit the County by removing the existing buildings, creating a desirable buildable lot for a new larger single-family home, and adding value to the tax base. The fire department would benefit by the practical training the burn would provide; and

WHEREAS, the first offer is from Pauline Steinke in the amount of $78,900 cash. The offer is contingent on Milwaukee County entering into an agreement with the Greenfield Fire Department to burn the structures, remove any residue and provide proper grading. Ms. Steinke plans to build a new home on the site for her family; and

WHEREAS, the second offer is from James L. Davis and Kristen E. Davis in the amount of $65,000 cash. The offer requires the County to coordinate with the Greenfield Fire Department the removal of the structures by a controlled burn and to clean up the site after the burn; and

WHEREAS, the Committee on Economic and Community Development at their meeting on January 24, 2011 recommended acceptance of the above described offer from

Pauline Steinke in the amount of $78,900 and in the event Ms. Steinke does not fulfill the terms and conditions of her offer, acceptance of the offer from James L. Davis and Kristen E. Davis provided they agree to increase the amount of their offer to the appraised value of $75,000; now, therefore,

BE IT RESOLVED, that the Manager of Real Estate Services is hereby authorized to sign the above described offer to purchase from Pauline Steinke and in the event Ms. Steinke dose not fulfill the terms of her offer the Manager of Real Estate Services may sign a counter offer to James L. Davis and Kristen E. Davis in the amount of $75,000; and

BE IT FURTHER RESOLVED, that the County Executive and the County Clerk are hereby authorized to convey by Warranty Deed the subject property located at 4812 South 39th Street in the City of Greenfield to Pauline Steinke and/or assigns for the consideration of $78,900, pursuant to the terms and conditions of her offer to purchase; and

BE IT FURTHER RESOLVED, that in the event Ms. Steinke does not fulfill the terms and conditions of her offer to purchase, the County Executive and the County Clerk are hereby authorized to convey by Warranty Deed the subject property located at 4812 South 39th Street in the City of Greenfield to James L. Davis and Kristen E. Davis and/or assigns for the consideration of $75,000, pursuant to the terms and conditions of the counter offer to purchase

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: January 11, 2011

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: Offers to purchase on a County-owned single-family house located at 4812 South 39th Street in the City of Greenfield, Wisconsin.

FISCAL EFFECT:

☒ No Direct County Fiscal Impact

☒ Existing Staff Time Required

☒ Increase Operating Expenditures
(If checked, check one of two boxes below)

☒ Absorbed Within Agency's Budget

☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☒ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☐ Decrease Capital Revenues

☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	$ 1,900	
	Revenue	$ 78,900	
	Net Cost	- $ 77,000	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. [1] If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

FISCAL NOTE: Sale proceeds less expenses will be deposited in the Sale of Capital Assets Account 5804-4905

.

Department/Prepared By Craig C. Dillmann

Authorized Signature _____

Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

[1] If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

The Milwaukee County Research Park/University of Wisconsin-Milwaukee Accelerator Initiative

John F. Weishan, Jr.,

Milwaukee County Supervisor 16th District

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INTRODUCTION

Developing the employment opportunities of the 21st century in Milwaukee County and the entire Milwaukee metro area will require a major commitment to research facilities and support programs for entrepreneurs.

There have been many proposals over the years to meet this need, with the most recent being the University of Wisconsin – Milwaukee's real estate foundation's proposal for Innovation Park. As our community has come to a consensus on the need to create and expand research and entrepreneurial support, the location and funding for this effort has stalled.

The new collaborative effort between the University of Wisconsin – Milwaukee (UWM) and the Milwaukee County Research Park (MCRP) will allow for the construction of a 30,000 square foot Engineering and Applied Science Accelerator facility on the current research park grounds at NO local taxpayer expense along with providing additional new amenities for academic and entrepreneurial spinoffs.

In the following proposal you will find answers to many of the problems that have plagued previous plans. The way forward does not have to come at the expense of the city of Wauwatosa taxpayer or needlessly expose taxpayers to perilous market conditions.

BACKGROUND

The **University of Wisconsin–Milwaukee** (also known as **UW–Milwaukee** or **UWM**) is an urban public research university located in Milwaukee, Wisconsin. UWM is one of two doctoral granting public research universities in the state. It is also the second largest university in Wisconsin, with a total student enrollment of 30,455 (25,239 undergraduates and 5,216 graduate students) and 1,349 faculty members. Located in Milwaukee's upper East Side close to Lake Michigan, the University is home to 14 schools and colleges, 70 academic centers, institutes and laboratory facilities. It offers a total of 166 degree programs, including 87 bachelor, 51 master and 31 doctorate degrees.

To meet the diverse needs of Wisconsin's largest metropolitan area, the University of Wisconsin–Milwaukee must provide a wide array of degree programs, a balanced program of applied and basic research, and a faculty active in public service. Fulfilling this mission requires the pursuit of mutually reinforcing academic goals that include:

(a) Engaging in a sustained research effort which will enhance and fulfill the University's role as a doctoral institution of academic and professional excellence.

(b) Development of a balanced array of high quality doctoral programs in basic disciplines and professional areas.

(c) Attracting highly qualified faculty and students who demonstrate the potential for intellectual development, innovation, collaboration and leadership for their communities.

(d) To promote public service and research efforts directed toward meeting the social, economic, technological, and cultural needs of the state of Wisconsin and its metropolitan areas.

ABSTRACT

The **Milwaukee County Research Park Corporation (MCRPC)** is a non-profit organization created in 1987 by the Milwaukee County Board to manage the development of a university-related research and technology park on 175 acres of Milwaukee County owned land in Wauwatosa, Wisconsin. The Research Park nurtures technology-based companies, strengthens Milwaukee County's business base, creates new employment opportunities, and facilitates technology commercialization. This objective is being accomplished by bringing together the substantial academic, intellectual, business, and entrepreneurial resources of the metropolitan Milwaukee area in a physical environment conducive to such activities.

The basic objectives outlined for MCRPC as set forth in the Blue Ribbon Task Force Report dated September 23, 1985 are as follows:

- To develop a high quality research and technology park on the County Grounds for the purpose of creating jobs, stimulating new enterprises, and encouraging balance and diversity in the regional economy.
- To be a center for encouraging entrepreneurship motivated by the opportunity to generate profit, offer employment, and stimulate ideas.
- To pursue innovation and development of research products for the benefit of the Milwaukee Regional Medical Center, area universities and technical schools, as well as area municipalities, the City of Wauwatosa, Milwaukee County, the Milwaukee Metropolitan region, and the State of Wisconsin.
- To support research facilities, business incubators, pilot plants, and prototype production facilities that require a high degree of scientific input, together with related professional support activities, offices, and conference facilities as may be required.

NEED

Based on areas of compatibility and mutual interest as outlined in the previous section, UWM and MCRPC believe that there is a need for a state-of-the-art engineering and applied science facility that will serve as an accelerator and provide pre-incubation services for university faculty and industry collaborators wishing to pursue research initiatives that have a high probability of spawning start-up technology-based companies. They recognize that opportunities exist to build new companies around platform technologies and discoveries. UWM is in competition with other leading institutions in recruiting high caliber faculty to the university. The capability to commercialize technology and a facility in which to do it is high on the list of incentives that will attract top quality researchers to UWM.

There is also a need for a location with close proximity to the Medical College of Wisconsin to foster innovative research and collaboration with the region's other academic centers of innovative research and with close proximity to potential corporate partners such as GE Healthcare, which has a major presence in the research park.

Lastly, because of the urgency of finding solutions to UWM's requirements, a site is needed that presents a minimum of development challenges and is already served by utilities, public roadways, and other infrastructure elements such as storm water retention systems, activity trails, and other amenities.

SOLUTION

While there are proposals for accelerator facilities in other parts of the Milwaukee metro area, it has been determined that a location other than the Milwaukee County Research Park could prove to be detrimental to the interests of both UWM and MCRPC. In fact, the acquisition of a fully developed and available site in the Milwaukee County Research Park is the only solution that meets all of the criteria set forth by UWM. In addition, MCRPC has a highly competent staff with extensive and comprehensive expertise in incubation program management, as evidenced by the success of the Technology Innovation Center, an award winning 138,000 sq. ft. business incubator; research and innovation park development; infrastructure construction; public financing; and entrepreneurial support.

The building at the research park will house laboratories; exhaust and make-up air systems; emergency generator with stand-by power to each laboratory; some shared equipment in a central location; conference rooms; office space for research staff; high speed Internet connectivity; and engineering, prototype manufacturing, and light assembly space.

PROPOSAL

The Engineering and Applied Science Accelerator Initiative (EASAI) would be a collaborative effort between UWM and MCRPC. A 30,000 square foot facility would initially be developed on an existing fully developed 2.1 acre lot in the Research Park. Vacant land currently exists for other facilities, should the first one prove successful, and MCRPC is willing to embargo a certain amount of land to meet UWM's future needs. For the first project, two buildings were investigated: a 30,000 square foot building and a 60,000 square foot building. At the present time the smaller building looks more feasible because (1) it would be easier to finance, (2) would adequately met the needs of UWM, and (3) entails less risk in a very uncertain economy. The following site plans, schematic designs (of comparable 24,000 sq. ft. and 56,000 sq. ft. buildings for comparison) and pro forma further describe the project, which could readily be modified to meet any number of marketing, functional, or financing criteria. The key to proceeding with the project at this time is the identification of creditworthy users for the facility and commitments from them for the leasing of space and a master lease for a suitable length of time from UWM for the entire building. UWM (and/or Medical College of Wisconsin) may use the building for multiple academic purposes until such a time that it is converted to engineering and applied research uses by faculty entrepreneurs.

The Milwaukee Regional Innovation Center, Inc. (MRIC), an entity created by MCRPC for such a purpose, would develop, own, and manage the building. MRIC was organized exclusively for charitable, educational and scientific purposes. The mission of MRIC includes but is not limited to:

(a) Creating a center for encouraging entrepreneurship motivated by the desire to generate new employment opportunities and stimulate technology development.
(b) Pursuing innovation and development of research products for the benefit of the Milwaukee Regional Medical Center, area universities and technical schools, as well as the Milwaukee area, the state of Wisconsin and the region.

(c) To support and house new and developing businesses engaged in technology development, scientific research and related activities, and build, modify, and/or rehabilitate technology innovation center facilities to further these purposes.

SUMMARY – UWM INNOVATION CAMPUS AT THE MILWAUKEE COUNTY RESEARCH PARK

Facility	Building Size (SF)	Lot Size (Acres)
Technology Innovation Center	85,000	6.3
Accelerator 1	30,000	2.1
Accelerator 2	60,000	5.9
Campus Amenity – Café, etc. (M-10)	8,050	1.5
Campus Amenity – Commercial	4,000	1.7
Total	187,050	17.5

MILWAUKEE COUNTY RESEARCH PARK
UNIVERSITY OF WISCONSIN - MILWAUKEE
ACCELERATOR BUILDING PRO FORMA

AS OF AUGUST 26, 2010

Building: 30,000 sq. ft.		**Cost per sq. ft.**
Land 2.1 acres x $160,000 per acre	336,000.00	11.2
Soft costs - Legal, design, etc. $15/sq. ft.	450,000.00	15
Building Shell - $75/sq. ft.	2,250,000.00	75
Laboratory: 15,000 sq. ft. at $100.00 per sq. ft.	1,500,000.00	100
Office: 15,000 sq. ft. at $30.00 per sq. ft.	450,000.00	30
Total Cost:	***$4,986,000.00***	***$166.2***

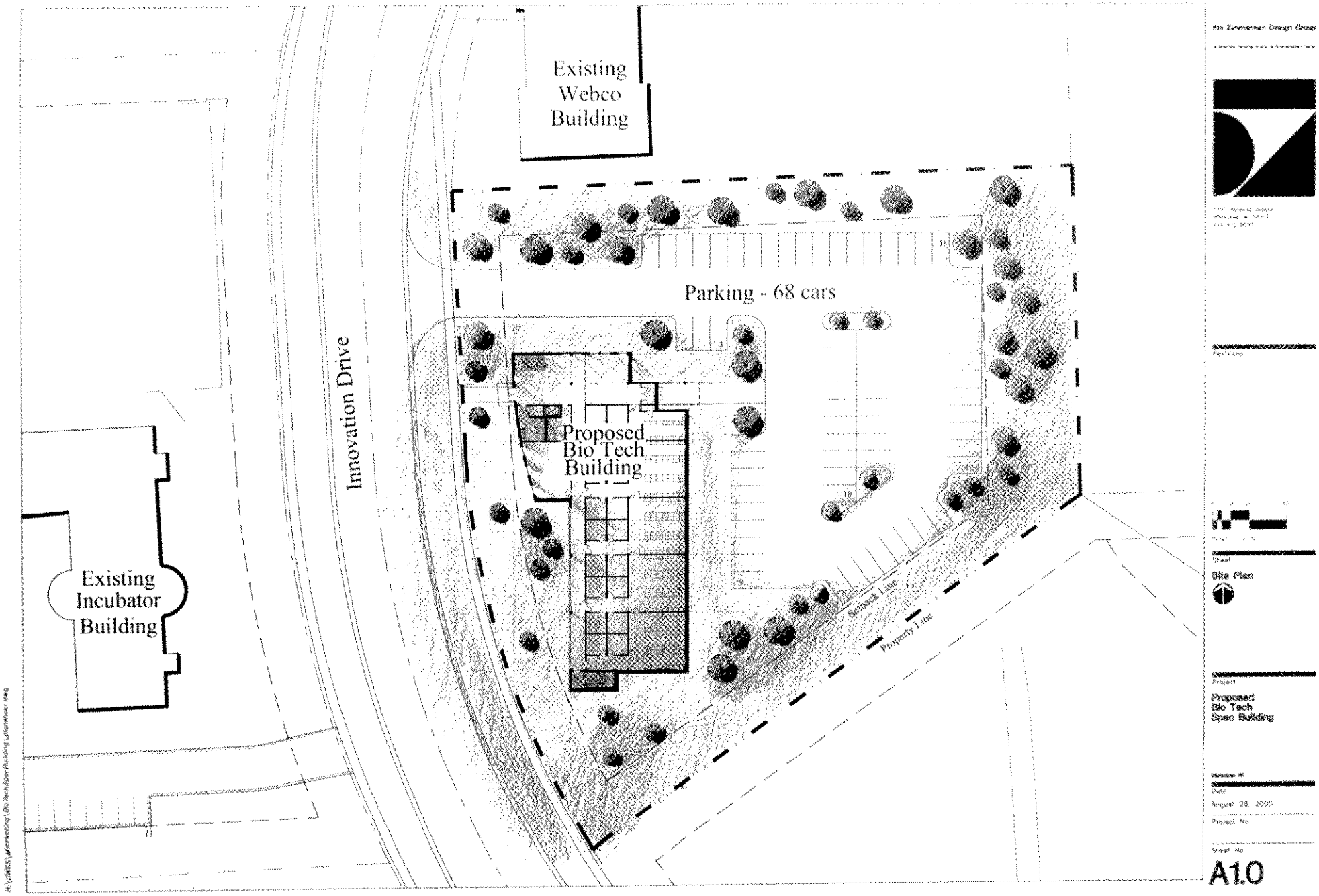
Financing Assumptions	
EDA Grant	2,493,000.00
Tax Exempt Bonds	2,493,000.00
Total Funding Available:	***$4,986,000.00***

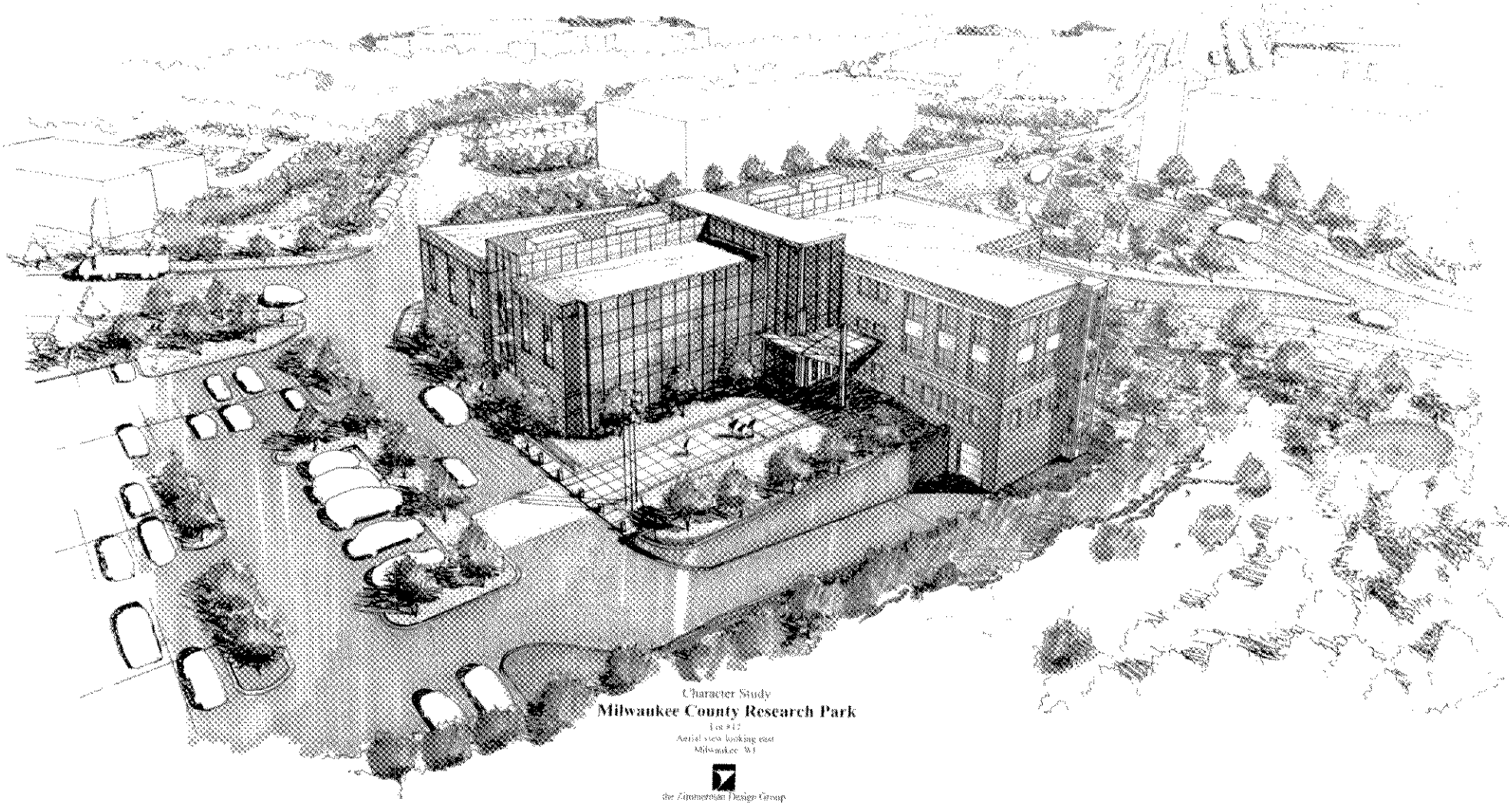
Annual Debt Service at 6% for 20 Years	$214,327.52

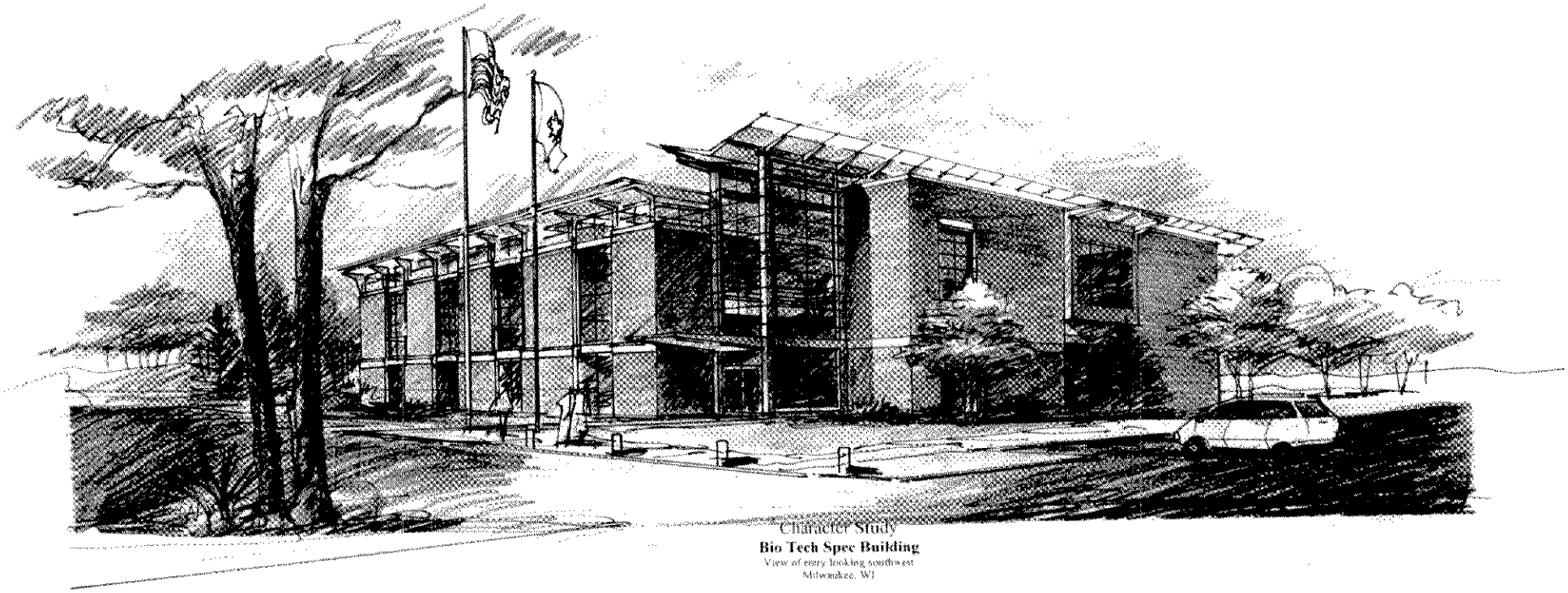
Rentable Area (Gross, less 5%)	
Laboratory	14,250
Office	14,250
Total	***28,500***

Pro Forma Rent (10+% Cash-on-Cash Return)	
Laboratory NNN (Cost $201.20/sq. ft.)	$20.25 psf/yr.
Office NNN (Cost $131.20)	$13.25 psf/yr.

Operating Expenses (per sq. ft./yr.)	
Insurance	0.25
Property Taxes (or PILOTS)	3.00
Utilities	1.00
Janitorial	1.00
Common Area Maintenance (Lab)	4.50
Common Area Maintenance (Office)	2.25
Incubation Program Costs	1.50
Total Laboratory	$11.25 psf/yr.
Total Office	$9.00 psf/yr.
Gross Rents	
Laboratory	$31.50 psf/yr.
Office	$22.25 psf/yr.


Existing
Webco
Building
Parking - 68 cars
Innovation Drive
Proposed
Bio Tech
Building
Existing
Incubator
Building
Setback Line
Property Line
Site Plan
Proposed
Bio Tech
Spec Building
August 28, 2000
A1.0


Character Study
Milwaukee County Research Park
Lot #12
Aerial view looking east
Milwaukee, WI
the Zimmerman Design Group



Character Study

Bio Tech Spec Building

View of entry looking southwest

Milwaukee, WI

the Zimmerman Design Group

COUNTY OF MILWAUKEE

INTER-OFFICE COMMUNICATION

DATE : January 10, 2011

TO : Committee on Economic and Community Development
Committee on Finance and Audit

FROM : Craig C. Dillmann, Manager of Real Estate Services
Department of Transportation and Public Works

SUBJECT : From UWM Innovation Park, LLC requesting an amendment to the Real Property Purchase Agreement for County-owned land located in the Northeast Quadrant of the County Grounds in the City of Wauwatosa.

BACKGROUND:

In May 2009 the Milwaukee County Board of Supervisors adopted Resolution File No. 09-14(a)(g) approving a Development Agreement and accepting a Real Property Purchase Agreement ("Purchase Agreement") from UWM Innovation Park, LLC ("UWM") for approximately 88.9 acres of land in the Northeast Quadrant of the County Grounds for the development of a new College of Engineering and Applied Science Campus, known as Innovation Park. The Purchase Agreement, as extended by the County Board in December 2010, includes the current schedule of payments by UWM for the $13.55 million purchase price as follows:

- Initial $5 million payable at closing on January 15, 2011
- Second $5 million payable on the one (1) year anniversary of closing or January 15, 2012
- $887,500 payable on January 15, 2013
- $887,500 payable on January 15, 2014
- $887,500 payable on January 15, 2015
- $887,500 payable on January 15, 2016

The County Board adopted Resolution File No. 09-14(a)(n) in December 2009 approving a Habitat Restoration Landscaping Plan ("Habitat Plan"), which preserves and protects the environmentally sensitive areas of the land to be acquired by UWM. In response to the County Board approving the Habitat Plan, the Purchase Agreement and Development Agreement were amended to incorporate the elements of the Habitat Plan.

In May 2010, the City of Wauwatosa ("City") Common Council approved the Preliminary Business Planned Development, the change of zoning and the land division by CSM and in September 2010 the following events occurred:

- The City approved the creation of a Tax Incremental Financing District to fund the public infrastructure improvements for Innovation Park.
- UWM waived the three major contingencies of the Purchase Agreement (Preliminary Business Plan Development (i.e.; site plan), the change in zoning and the land division by CSM), thus eliminating them as a condition of closing.
- The CSM, which legally divides and describes the land to be conveyed to UWM was fully executed and will be recorded in conjunction with the closing.
- Mr. Michael Lovell, the dean of UWM's College of Engineering and Applied Science, was named the interim chancellor upon the departure of Chancellor Santiago.
- A $5.4 million federal grant was secured to fund the construction of the "business accelerator" building within Innovation Park.

In November 2010, the County Board adopted Resolution File No. 10-14(a)(j) extending the Contingency Waiver Date in the Purchase Agreement until December 15, 2010. The extension was granted for UWM to solidify the donations necessary to fund the purchase of the County-owned land and to address the remaining closing contingencies in the Purchase Agreement. In the attached letter dated December 15, 2010, UWM waived all the remaining closing contingencies and per the Purchase Agreement deposited an additional $175,000 of earnest money to the existing $25,000 currently in escrow with the title company (title company confirmed receipt of the $175,000 on December 17, 2010). In the letter, UWM indicates they are in the position to make the first $5 million installment payment of the $13.55 million purchase price at closing in early February 2011, but may not be able to raise the second $5 million payment
by the one-year anniversary of closing as required in the Purchase Agreement. Therefore, UWM requested in the letter that the County consider granting an amendment to the Purchase Agreement that would extend each of the five remaining installment payment dates from closing by twenty-four (24) months.
In the enclosed letter, dated January 5, 2011, UWM has reinforced their commitment to close on the purchase of the land and make the initial $5 million payment of the $13.55 million purchase price. However, as they did in in their December 15, 2010 letter UWM is requesting an extension for each of the installment payment dates for the remaining $8.55 million of the purchase price by twenty-four (24) months,. Therefore, UWM is requesting an amendment to the Purchase Agreement incorporating the following:

1. Extend the closing date to February 15, 2011.
2. Extend each of the purchase price installment payment dates by twenty four months.
3. Provide that 75% of all gross sale proceeds from a sale of real property in UWM Innovation Park shall be paid to Milwaukee County in consideration of the County's release of such property from the lien of its first mortgage.
4. Provide that gross sale proceeds paid to the County per par. 3, above, shall be credited against the outstanding installment payments due the County in the inverse order of the due dates for such installment payments, thereby shortening the payment schedule.
5. Provide that in consideration of UWM Innovation Park, LLC's payment of the initial $5 million at closing, Milwaukee County will release from its first mortgage the amount of land necessary to construct the "accelerator building" being funded by a U.S. Economic Development Administration grant (not to exceed two acres).
6. Provide that the County will agree to release from its first mortgage those portions of the site that the City of Wauwatosa requests be dedicated to the City or must be granted to a utility company to accommodate the installation of public improvements and site infrastructure, such as streets, sewer, water, gas and electric.
7. Provide that all philanthropic funds in excess of $1.8 million received for the acquisition of the Innovation Park property be paid to Milwaukee County within thirty (30) days of receipt, and credited against the next installment payment due the Milwaukee County.
8. Provide that the County Executive and County Clerk, or other appropriate County official(s) are authorized to execute any and all releases and/or terminations to eliminate the appropriate exceptions to the title commitment for closing.

RECOMMENDATION:

Staff recognizes that the uncertain economic environment has had a material adverse impact on UWM's fundraising ability for the Innovation Park project. The importance of the project to UWM, the County and the region again calls for a unified partnership to accomplish this mutually beneficial objective. Each entity of the partnership is contributing toward the project; the City of Wauwatosa by creation of a $12 million Tax Incremental Financing District for the project infrastructure, the U.S. Department of Commerce with a $5.4 million grant toward construction of the first building and Milwaukee County by conveying the land needed for the project at fair market value, while protecting environmental components of the land. Therefore, staff recommends approval of an amendment to the Purchase and Development Agreement incorporating the following:

1. Extend the closing date to February 15, 2011, with the initial $5 million payment due at closing.
2. Extend each of the purchase price installment payment dates after closing by twenty four months or as follows:
    - Second $5 million payable on February 15, 2014
    - $887,500 payable on February 15, 2015
    - $887,500 payable on February 15, 2016
    - $887,500 payable on February 15, 2017
    - $887,500 payable on February 15, 2018
3. Provide that 75% of all gross sale proceeds from a sale of real property in UWM Innovation Park shall be paid to Milwaukee County in consideration of the County's release of such property from the lien of its first mortgage.
4. Provide that gross sale proceeds paid to the County per par. 3, above, shall be credited against the outstanding installment payments due the County in the inverse order of the due dates for such installment payments, thereby shortening the payment schedule.
5. Provide that in consideration of UWM Innovation Park, LLC's payment of the initial $5 million at closing, Milwaukee County will release from its first mortgage the amount of land necessary to construct the "accelerator building" being funded by a U.S. Economic Development Administration grant (not to exceed two acres).
6. Provide that the County will agree to release from its first mortgage those portions of the site that the City of Wauwatosa requests be dedicated to the City or must be granted to a utility company to accommodate the installation of public improvements and site infrastructure, such as streets, sewer, water, gas and electric.
7. Provide that all philanthropic funds in excess of $1.8 million received for the acquisition of the Innovation Park property be paid to the County within 30 days of receipt, and credited against the next installment payment due Milwaukee County.
8. Provide that the County Executive and County Clerk, or other appropriate County official(s) are authorized to execute any and all releases and/or terminations to eliminate the appropriate exceptions to the title commitment for closing.

FISCAL NOTE:

The requested twenty-four (24) month extension in the schedule of payments after closing will still result in the initial $5 million payment to the County at closing. Postponing the payments after closing by twenty-four months would result in a $5 million shortfall in 2011 revenue that was budgeted in a number of capital projects (for capital project detail, see fiscal note form attached to the subject resolution).

The extended payment schedule will also result in a decrease in the anticipated revenue in 2012 by $887,500. The total nominal value of the original agreement and the amended agreement are each $13.55 million. Since the cash flows under the extended payment schedule are being received over a longer period of time, the net present value of the amended agreement is $342,616 less than the original agreement. However, if the gross sale proceeds from the sale of real property in UWM Innovation Park are paid to the County by UWM and credited in the inverse order of the due dates for such payments, as called for under the amended agreement, the twenty-four month extension period would be shortened and the $5 million shortfall in 2011 reduced. In addition, per the amended agreement, all philanthropic donations received by UWM, in excess $1.8 million, for the acquisition of the Innovation Park property and paid to the County would also reduce the $5 million shortfall in 2011.

_____
Craig C. Dillmann, Manager
Real Estate Services

ECD Committee Meeting Date: January 24, 2011
F&A Committee Meeting Date: January 27, 2011
Attachments

cc: Lee Holloway, County Executive
Michael Mayo Sr., County Board Chairman
Supervisor James Schmitt, District 19
Jack Takerian, Director, Transportation and Public Works
Renee Booker, Director-Administrative Services
Steve Cady, Fiscal and Budget Analyst, County Board
Josh Fudge, Fiscal Mgt Analyst

cd\committee\UWMamendmemoJan2011

1440 East North Avenue
Milwaukee, WI 53202

(414) 906-4640
(800) 654-0434
(414) 906-4680 fax

President
David H. Gilbert
(414) 906-4670

January 5, 2011

Craig C. Dillmann
Manager of Real Estate Services
Milwaukee County
2711 West Wells Street, 5th Floor
Milwaukee, WI 53208

Dear Craig:

Re: July 1, 2009 Purchase Contract for Northeast Quadrant of the Milwaukee County Grounds (the "Contract")

As you know, UWM Innovation Park, LLC is prepared to move forward and close on the purchase of the approximately 89 acre parcel located in the northeast quadrant of the Milwaukee County grounds. Pursuant to my December 15, 2010 letter to Chairman Holloway (copy attached), we waived the remaining contingencies under the Contract and deposited an additional $175,000 of earnest money with Chicago Title on December 17, 2010.

For the reasons stated in my December 15 letter, we respectfully request that Milwaukee County approve an amendment to the Contract during its January/February 2011 legislative cycle that would extend each of the payment dates for the remaining installments of the purchase price by twenty four months. Such an extension will in no way slow down our fundraising efforts for this project. It is our desire to pay the purchase price in full as soon as possible, and (subject to preliminary retention of some funds for upfront operating expenses and recoupment of advances for the initial purchase price) all philanthropic funds raised for acquisition of this property will be paid promptly to Milwaukee County as and when received, irrespective of the installment payment dates.

Moreover, as you are also aware, we are already in the process of marketing the Eschweiler parcel for acquisition and redevelopment by a third party developer. We have informed the group of developers who have expressed interest in this parcel that we will want to close the sale of the parcel during the first half of 2011. A substantial portion of the proceeds from this sale will be paid to Milwaukee County. We will agree to apply the sale proceeds due the County from this parcel (as well as all proceeds due the County from other land sales at UWM Innovation Park) as a credit against the last installment payments due under the Contract. This will have the effect of accelerating the last installment payment date (possibly to a date earlier than the last date currently provided for under the Contract) as well as providing a flow of funds to the County starting in 2011, well in advance of the next installment payment date.

In addition to addressing the extension of the installment payment dates and the application of sale proceeds, we believe it is important to establish clear mechanisms for obtaining releases of parcels of land from the County's first mortgage lien in the event of a land sale or in conjunction with dedications to the City of Wauwatosa or utility companies for infrastructure installation. Accordingly, here are the specific amendments to the Contract that we request be adopted in order to accommodate all of the foregoing:

1. Extend the closing date to February 15, 2011.
2. Extend each of the purchase price installment payment dates by twenty four months.

3. Provide that 75% of all gross sale proceeds from a sale of real property in UWM Innovation Park shall be paid to Milwaukee County in consideration of the County's release of such property from the lien of its first mortgage.
4. Provide that gross sale proceeds paid to the County pursuant to par. 3, above, shall be credited against the outstanding installment payments due the County in the inverse order of the due dates for such installment payments, thereby shortening the payment schedule.
5. Provide that in consideration of UWM Innovation Park, LLC's payment of the initial $5 million at closing, Milwaukee County will release from its first mortgage the amount of land necessary to construct the "accelerator building" being funded by a U.S. Economic Development Administration grant (not to exceed two acres).
6. Provide that the County will agree to release from its first mortgage those portions of the site that the City of Wauwatosa requests be dedicated to the City or must be granted to a utility company to accommodate the installation of public improvements and site infrastructure, such as streets, sewer, water, gas and electric.
7. Provide that all philanthropic funds in excess of $1.8 million received for the acquisition of the Innovation Park property be paid to Milwaukee County within thirty days of receipt and credited against the next installment payment due Milwaukee County.
8. Provide that the County Executive or County Clerk, or other appropriate County official(s), are authorized to execute any and all releases and/or terminations to eliminate the appropriate exceptions to the title commitment for closing.

Craig, we appreciate Milwaukee County's ongoing support and patience. This has been a long process. Once we obtain title to this property, once we commence construction of the accelerator building, once the City of Wauwatosa initiates the installation of needed infrastructure and once redevelopment activities commence on the Eschweiler parcel, UWM Innovation Park will no longer be just a concept; it will be a reality. While we believe that obtaining the extended installment payment dates is fiscally prudent for us, we hope that we will be able to perform at a significantly faster pace. And we believe that our aggressive marketing of the Eschweiler parcel and the prepayment schedule we have proposed will provide a significant infusion of cash to the County well in advance of the date that our next payment is due.

If you have any questions or require further information or clarification, please do not hesitate to give me a call.

Yours very truly,

UWM Innovation Park, LLC

By: UWM Real Estate Foundation, Inc., sole member

By:
David H. Gilbert, President

CAMBRIDGE COMMONS
1440 East North Avenue
Milwaukee, WI 53202

DAVID H. GILBERT
President
(414) 412-4140

December 15, 2010

Mr. Lee Holloway
Chairman, Milwaukee County Board of Supervisors
Milwaukee County Courthouse
901 North 9th Street, RM 201
Milwaukee, Wisconsin 53233

Dear Chairman Holloway:

This letter will confirm that UWM Innovation Park, LLC waives all of the remaining contingencies in the July 1, 2009 Purchase Contract for the Northeast Quadrant of the Milwaukee County Grounds. In accordance with the terms of the contract, we will deposit an additional $175,000 of earnest money with the title insurance company no later than Monday, December 20 (three business days following the date of our waiver).

As you know, the current economic conditions have had a material impact upon our ability to fundraise for this endeavor. Fortunately, we are in a position to make the first $5 million installment of the purchase price. We are concerned, however, that we may not be able to raise the second $5 million installment within the twelve months required under our contract. Accordingly, we respectfully request that the County consider an amendment to the purchase contract that would extend each of the payment dates for the remaining installments of the purchase price by twenty four months. We understand that the legislative cycle of the County Board would allow such an amendment to be considered and approved by the first week in February, 2011. If such an amendment were approved, we could close this transaction in early February without the specter of a potential default which we clearly wish to avoid. We therefore hope that the County will give our request very serious consideration. Our expectation is that once we close on the property and begin construction of the accelerator building and other activities, our fundraising capabilities will be enhanced and we will be able to accelerate the payments due the County. But our experience to date is that we can take nothing for granted in today's financial climate.

We are very appreciative of the cooperation and assistance you and the entire County Board of Supervisors have provided throughout this complex transaction. We firmly believe that UWM Innovation Park is one of the most important economic development initiatives currently underway in Southeast Wisconsin and we are committed to its success. We look forward to working together with you in this endeavor.

Yours very truly,

UWM Innovation Park, LLC

BY The UWM Real Estate Foundation, Inc., sole member

By: _____
David H. Gilbert, President

Cc: Mr. Craig Dillmann
Mr. Michael Orgeman
Mr. John Schapekahm

File No.
(Journal)

(ITEM), From UWM Innovation Park, LLC requesting an amendment to the Real Property Purchase Agreement for County-owned land located in the Northeast Quadrant of the County Grounds in the City of Wauwatosa, by recommending adoption of the following resolution:

A RESOLUTION

WHEREAS, in May 2009 the Milwaukee County Board of Supervisors adopted Resolution File No. 09-14(a)(g) approving a Development Agreement and accepting a Real Property Purchase Agreement ("Purchase Agreement") from UWM Innovation Park, LLC ("UWM") for approximately 88.9 acres of land in the Northeast Quadrant of the County Grounds for the development of a new College of Engineering and Applied Science Campus, known as Innovation Park. The Purchase Agreement, executed on July 1, 2009, includes the following schedule of installment payments by UWM for the $13.55 million purchase price:

- Initial $5 million payable at closing on January 15, 2011
- Second $5 million payable on the one (1) year anniversary of closing or January 15, 2012
- $887,500 payable on January 15, 2013
- $887,500 payable on January 15, 2014
- $887,500 payable on January 15, 2015
- $887,500 payable on January 15, 2016

; and

WHEREAS, the County Board adopted Resolution File No. 09-14(a)(n) in December 2009 approving a Habitat Restoration Landscaping Plan ("Habitat Plan"), which preserves and protects the environmentally sensitive areas of the land to be acquired by UWM. In response to the County Board approving the Habitat Plan, the Purchase Agreement and the Development Agreement were amended to incorporate the elements of the Habitat Plan; and

WHEREAS, in May 2010, the City of Wauwatosa ("City") Common Council approved the Preliminary Business Planned Development for Innovation Park, the change of zoning and the land division by CSM and in September 2010 the following events occurred:

- The City approved the creation of a Tax Incremental Financing District ("TIF") district to fund public infrastructure improvements for Innovation Park.

- UWM waived the three major contingencies of the Purchase Agreement (Preliminary Business Plan Development (i.e.; site plan), the change in zoning, and the land division by CSM), thus eliminating them as a condition of closing.
- The CSM, which legally divides and describes the land to be conveyed to UWM was fully executed and will be recorded in conjunction with the closing.
- Mr. Michael Lovell, dean of UWM's College of Engineering and Applied Science, was named the interim chancellor upon the departure of Chancellor Santiago.
- A $5.4 million federal grant was secured to fund the construction of the "business accelerator" building within Innovation Park.

; and

WHEREAS, in November 2010, the County Board adopted Resolution File No. 10-14(a)(j) extending the Contingency Waiver Date in the Purchase Agreement until December 15, 2010. The extension was granted to solidify the donations necessary to fund the purchase of the County-owned land and to address the remaining closing contingencies in the Purchase Agreement; and

WHEREAS, by letter dated December 15, 2010, UWM waived all the remaining closing contingencies and per the Purchase Agreement agreed to deposit an additional $175,000 of earnest money to the existing $25,000 currently in escrow with the title company (received by the title company on December 17, 2010). UWM indicated in the letter they are in position to make the first $5 million installment payment of the $13.55 million purchase price at closing in early February 2011, but may not be able to raise the second $5 million payment by the one-year anniversary of closing, as required in the Purchase Agreement. UWM requested in the letter that the County consider granting an amendment to the Purchase Agreement that would extend each of the five remaining installment payment dates from closing by twenty-four (24); and

WHEREAS, by subsequent letter dated January 5, UWM outlined their request to extend the installment payment schedule for the remaining $8.55 million of the purchase price as follows:

1. Extend the closing date to February 15, 2011.
2. Extend each of the purchase price installment payment dates by twenty-four months.
3. Provide that 75% of all gross sale proceeds from a sale of real property in UWM Innovation Park shall be paid to Milwaukee County in consideration of the County's release of such property from the lien of its first mortgage.
4. Provide that gross sale proceeds paid to the County per par. 3, above,

shall be credited against the outstanding installment payments due the County in the inverse order of the due dates for such installment payments, thereby shortening the payment schedule.

5. Provide that in consideration of UWM Innovation Park, LLC's payment of the initial $5 million at closing, Milwaukee County will release from its first mortgage the amount of land necessary to construct the "accelerator building" being funded by a U.S. Economic Development Administration grant (not to exceed two acres).
6. Provide that the County will agree to release from its first mortgage those portions of the site that the City of Wauwatosa requests be dedicated to the City or must be granted to a utility company to accommodate the installation of public improvements and site infrastructure, such as streets, sewer, water, gas and electric.
7. Provide that all philanthropic funds in excess of $1.8 million received for the acquisition of the Innovation Park property be paid to Milwaukee County within thirty (30) days of receipt, and credited against the next installment payment due the Milwaukee County.
8. Provide that the County Executive and County Clerk, or other appropriate County official(s) are authorized to execute any and all releases and/or terminations to eliminate the appropriate exceptions to the title commitment for closing.

;and

WHEREAS, at the meeting on January 24, 2011, the Committee on Economic and Community Development recommended the following:

1. Extend the closing date to February 15, 2011, with the initial $5 million payment due at closing.
2. Extend each of the purchase price installment payment dates after closing by twenty-four months as follows:

    - Second $5 million payable on February 15, 2014
    - $887,500 payable on February 15, 2015
    - $887,500 payable on February 15, 2016
    - $887,500 payable on February 15, 2017
    - $887,500 payable on February 15, 2018

3. Provide that 75% of all gross sale proceeds from a sale of real property in UWM Innovation Park shall be paid to Milwaukee County in consideration of the County's release of such property from the lien of its first mortgage.
4. Provide that gross sale proceeds paid to the County per par. 3, above, shall be credited against the outstanding installment payments due the

County in the inverse order of the due dates for such installment payments, thereby shortening the payment schedule.

5. Provide that in consideration of UWM Innovation Park, LLC's payment of the initial $5 million at closing, Milwaukee County will release from its first mortgage the amount of land necessary to construct the "accelerator building" being funded by a U.S. Economic Development Administration grant (not to exceed two acres).
6. Provide that the County will agree to release from its first mortgage those portions of the site that the City of Wauwatosa requests be dedicated to the City or must be granted to a utility company to accommodate the installation of public improvements and site infrastructure, such as streets, sewer, water, gas and electric.
7. Provide that all philanthropic funds in excess of $1.8 million received for the acquisition of the Innovation Park property be paid to the County within 30 days of receipt, and credited against the next installment payment due Milwaukee County.
8. Provide that the County Executive and County Clerk, or other appropriate County official(s) are authorized to execute any and all releases and/or terminations to eliminate the appropriate exceptions to the title commitment for closing.

; and

WHEREAS, staff recognizes that the uncertain economic environment has had a material adverse impact on UWM's fundraising ability for the Innovation Park project and the importance of the project to UWM, the County and the region again calls for a unified partnership to accomplish this mutually beneficial objective; and

WHEREAS, each partner is contributing toward the project; the City of Wauwatosa by creation of a $12 million Tax Incremental Financing District for the project infrastructure, the U.S. Department of Commerce with a $5.4 million grant toward construction of the first building and Milwaukee County by conveying the needed land for the project at fair market value, while protecting environmental components of the land; now, therefore,

BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby approves the following revisions to the Purchase Agreement and Development Agreement with UWM:

1. Extend the closing date to February 15, 2011, with the initial $5 million payment due at closing.
2. Extend each of the purchase price installment payment dates after closing by twenty-four months as follows:

    - Second $5 million payable on February 15, 2014

- $887,500 payable on February 15, 2015
- $887,500 payable on February 15, 2016
- $887,500 payable on February 15, 2017
- $887,500 payable on February 15, 2018

3. Provide that 75% of all gross sale proceeds from a sale of real property in UWM Innovation Park shall be paid to Milwaukee County in consideration of the County's release of such property from the lien of its first mortgage.
4. Provide that gross sale proceeds paid to the County per par. 3, above, shall be credited against the outstanding installment payments due the County in the inverse order of the due dates for such installment payments, thereby shortening the payment schedule.
5. Provide that in consideration of UWM Innovation Park, LLC's payment of the initial $5 million at closing, Milwaukee County will release from its first mortgage the amount of land necessary to construct the "accelerator building" being funded by a U.S. Economic Development Administration grant (not to exceed two acres).
6. Provide that the County will agree to release from its first mortgage those portions of the site that the City of Wauwatosa requests be dedicated to the City or must be granted to a utility company to accommodate the installation of public improvements and site infrastructure, such as streets, sewer, water, gas and electric.
7. Provide that all philanthropic funds in excess of $1.8 million received for the acquisition of the Innovation Park property be paid to the County within 30 days of receipt, and credited against the next installment payment due Milwaukee County.
8. Provide that the County Executive and County Clerk, or other appropriate County official(s) are authorized to execute any and all releases and/or terminations to eliminate the appropriate exceptions to the title commitment for closing.

; and

BE IT FURTHER RESOLVED, the County Executive and County Clerk, or other appropriate County officials are authorized to execute an amendment or an amended Purchase Agreement and Development Agreement, after Corporation Counsel approval, incorporating the aforementioned revisions to the Purchase Agreement and Development Agreement as well as the authority to execute any and all releases and/or terminations to eliminate the appropriate exceptions in the title commitment for closing and the release of aforementioned lands from its first mortgage.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: January 10, 2011

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: From UWM Innovation Park, LLC requesting an amendment to the Real Property Purchase Agreement for County-owned land in the Northeast Quadrant of the County Grounds in the City of Wauwatosa.

FISCAL EFFECT:

☐ No Direct County Fiscal Impact

☐ Existing Staff Time Required

☐ Increase Operating Expenditures
(If checked, check one of two boxes below)

☐ Absorbed Within Agency's Budget

☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☐ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☒ Decrease Capital Revenues

☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue	-5,000,000	-887,500
	Net Cost	5,000,000	887,500

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. [1] If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. An amendment to the Real Property Purchase Agreement is being requested by the Department of Transportation and Public Works. The request is seeking to change the payment schedule by UWM in order to postpone some of the payments further into the future.

B. The change in the schedule of payments would result in a $5,000,000 shortfall in 2011 revenue that was budgeted in a number of capital projects. The change in payment schedule will also result in $887,500 less revenue in 2012 compared to the original agreement. The total nominal value of the original agreement and the amended agreement are each $13,550,000. Since the cash flows under the amended agreement are being received over a longer period of time, the net present value of the amended agreement is $342,615 less than the original agreement.

C. The amended agreement would result in a shortfall of $5,000,000 of revenue that is budgeted in the 2011 Adopted Capital Improvements Budget. The projects that would be impacted are WP174 Parks Major Maintenance ($100,000) (Domes HVAC Repairs & Upgrades), WP186 Parks Naturalization ($61,000), WZ600 Zoo Master Plan ($200,000), WO114 Countywide Infrastructure Improvements ($2,848,382), WO205 Fiscal Automation Program ($65,000), WO444 BHD/MCSO Electronic Medical Records System ($500,000), WO514 War Memorial Window Replacement and Reseal ($42,000), WO515 War Memorial Window Ledge Leak Repairs ($15,300), and WO949 Inventory and Assessment

[1] If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

of County Buildings ($1,168,318). In 2012, the amended schedule would decrease anticipated revenue by $887,500 compared the original agreement. The complete schedule of payments is listed below:

Year Revenue is Recorded	Current Schedule of Payments		Revised Schedule of Payments
2010	$5,000,000		$5,000,000
2011	$5,000,000		$0
2012	$887,500		$0
2013	$887,500		$5,000,000
2014	$887,500		$887,500
2015	$887,500		$887,500
2016			$887,500
2017			$887,500

D. The discount rate used for the calculation of the net present value was 2%. This is based on the County's current investment rates. The DAS consulted with the County's Financial Advisors regarding the discount rate.

Department/Prepared By Craig Dillmann

Authorized Signature _____

Did DAS-Fiscal Staff Review? ☒ Yes ☐ No

MILWAUKEE COUNTY
INTEROFFICE COMMUNICATION
COMMUNITY BUSINESS DEVELOPMENT PARTNERS

DATE: January 24, 2011

TO: Michael Mayo Sr, Supervisor & Chairman, Milwaukee County Board
Supervisor Theodore A. Lipscomb, Vice Chairman, Economic & Community Development and Committee Members

FROM: Freida Webb, Director
Community Business Development Partners

SUBJECT: Community Business Development Partners
Monthly Waiver Report, November 2010
Informational Only

DIRECTIVE:

The Office of Community Business Development Partners (CBDP) at the request of Committee on Economic & Community Development submits a monthly update on waivers requested and granted to various Milwaukee County Departments and Divisions that come through the CBDP office.

For the purpose of this report, waivers are contracts that have no disadvantaged business enterprise (DBE) participation. CBDP does not always have the benefit of receiving and or reviewing all contracts prior to services being engaged. This has been noted in this report, ("**Contracts without CBDP Review"**). Other such contracts only come to our attention via form 1684 from the Department of Administrative Services, (DAS) Accounts Payable Section. Subsequently we do not know, in all cases prior to contract signing the status of DBE participation and if not are provided an opportunity to assist for DBE participation. Any and all waived contracts are shared and reviewed with Board Chairman Holloway before any approved waiver is granted.

BACKGROUND

The Office of Community Business Development Partners is responsible for implementing Federal and Milwaukee County DBE regulations. Implementation of the regulations includes establishing DBE goals on both Federal and County funded contracts, as well as monitoring the DBE compliance of departments. DBE goals are

established based on Federal and County contracts where there are **"ready, willing and able" DBE firms available for contracting and or subcontracting opportunities.**

In the past, Milwaukee County measured participation by M/WBE standards; however, since January 2001, the County federalized its DBE Program to comply with 49 CFR 26. According to certification standards, the term "DBE" means a small business concern known as a Disadvantaged Business Enterprise (DBE) firm owned at least 51% by socially and economically disadvantaged individuals. Certain minority males and all women are presumed to be disadvantaged. Other individuals, including white males, may be certified if they demonstrate a preponderance of the evidence that they are indeed **socially and economically disadvantaged.** In addition each individual or firm must demonstrate their business size and personal net worth do not exceed the economic guidelines as well.

When the CBDP office receives a waiver request from a department, it is first reviewed by the department then forwarded to the County Board Chairman with a recommendation to either grant or deny the request. The Chairman may request CBDP gather more information to provide clarification regarding issues such as: 1) Is there anything else that can be done, directly or indirectly to include DBEs; 2) If DBE participation is not possible, is there a way to improve equal employment opportunity representation (i.e., employee diversity); and or 3) Can DBE participation be included for this company in other areas not related to this project.

In summary County Board Chairman Lee Holloway always make sure that additional steps have been taken to assure maximum DBE participation, or if not direct then "indirect" DBE participation. When and if all else fails the prime contractors must submit documentation to prove their Good Faith Efforts (GFE) which CBDP must then review to determine if it should be approved.

Disadvantaged Business Enterprise Goals are as follows:

Construction	25%
Time & Material (Construction)	25%
Professional Services	17%
Professional Services Construction Related	25%
Purchase of Service Agreements	17%

Waiver Report Summary

Based upon the above the Milwaukee Community Business Development Partners (CBDP), Disadvantaged Business Enterprise (DBE) Waiver Report for October 2010 is as follows per attachment "A"

Total Contract $ Amount for November 2010	**$1,991,096.44**
Total Approved Waved $Amount	$439,744.97
Total Unapproved Waved $ Amount	00.00
Percentage Waved	22.09%

Prepared by:

Keith Garland,
CPBD Contract Compliance Manager

Mildred Hyde-Demoze,
Manager Certification Section

Approved by:

Freida Webb, Director

Freida Webb, Director

November 2010
Waiver Report

DEPARTMENT	Consultants /Contractors	SCOPE OF SERVICES	CONTRACT AMOUNT	APPROVAL REASON
		CBDP approved waviers [1]		
DAS-Fiscal Affairs	Moodys Investors Service	GMIA Revenue/Refunding Bonds 2010C and 2010D	$42,300.00	Approved Waiver-Financial Services
DAS-Fiscal Affairs	Chase Equipment Leasing Inc.	Lease payments for Honeywell, Ameresco, John.Contr.	$289,025.56	Approved Waiver-Financial Services
DAS-Fiscal Affairs	U.S. Bank	Debt Service for Revenue Bonds 2004A and 2000A	$2,574.38	Approved Waiver-Financial Services
DAS-Fiscal Affairs	Baker Tilly Virchow Krause	Issuance of Bonds:2010C,2010D 2010A and 2010B	$5,600.00	Approved Waiver-Financial Services
DAS-Fiscal Affairs	U.S. Bank	Debt Service Bonds: 2000A,2007A,2006B,2007A/B	$5,500.00	Approved Waiver-Financial Services
DAS-Fiscal Affairs	Baker Tilly Virchow Krause	Final Bill for autit compliance	$1,100.00	Approved Waiver-Financial Services
DAS-Fiscal Affairs	Public Financial Management	GMIA Revenue/Refunding Bonds 2010A and 2010B	$93,645.03	Approved Waiver-Financial Services

Contracts issued without CBDP review [2]

Total Contract $ Amount for November	$1,991,096.44
Total Approved Waiver $ Amount	$439,744.97
Total Unapproved Waiver $ Amount	$0.00
Percentage Waived	22.09%

[1] Waviers approved by CBDP Department with County Board Chairman's Approval

[2] Contracts issued without DBE goals by departments without CDBP review or approval. CDBP is only made aware of these projects when accounts payable department forwards new contact information to CDBP

MILWAUKEE COUNTY

Interoffice Communication

TO: Michael Mayo, Sr., Chairman, Milwaukee County Board of Supervisors
Theo Lipscomb, Vice-Chair, Committee on Economic & Community Development
Economic & Community Development Committee Members

FROM: Freida Webb, CBDP Director

DATE: January 19, 2011

SUBJECT: **Recommendation for Changes in Chapter 32 and 56.30**

Background

In 2010, the Milwaukee County Board adopted revisions to county Ordinances so that Board approval would be required for contracts that would implement privatization of services provided by County employees. As part of that revision, administrators were charged with following adopted County policies related to working with the Office of Community business Development Partners to incorporate disadvantaged businesses in the contracts. The language effecting these changes appears to be limited to only the initial contracts related to privatization, not to subsequent renewal or re-solicitation of contracts for such services.

Recommendation

The attached resolution, if adopted, would strike the language limiting the involvement of the Board and the Office of Community Business Development Partners to only the initial privatization. The changes would accomplish two things. First, the Board would be in a position to re-authorize the use of private service providers rather than County employees. Second, if the privatization is re-authorized, administrators would be required to comply with adopted County policies related to disadvantaged businesses.

Cc: Terrence Cooley, County Board Chief of Staff
Jerome Heer, Director, Department of Audit
Stephen Cady, Fiscal Analyst, County Board
Julie Esch, County Board Analyst
Linda Durham, Committee Clerk, Economic & Community Development

From the Director, Office of Community ~~Development~~ Business Development Partners seeking authorization to amend Chapters 32 and 56 of the Milwaukee County Code of General Ordinances that would require approval of the Milwaukee County Board of Supervisors and involvement of the Office of Community Business Development Partners in any future contracts related to services that were previously provided by Milwaukee County Employees, by recommending adoption of the following:

A RESOLUTION/ORDINANCE

WHEREAS, Milwaukee County wishes to ensure Disadvantaged Business Enterprises (ACDBEs) have every opportunity to bid or respond to requests for products or services that Milwaukee County purchases or contracts for; and

WHEREAS, Milwaukee County's policy is "to comply with all federal and state requirements relating to disadvantaged business enterprises and to require participation of disadvantaged business enterprises (DBEs) and airport concession disadvantaged business enterprises (ACDBEs) in county procurement, professional services, time and material, and public works contracting"; and

WHEREAS, the federal regulations were amended in February 1999 to strengthen the DBE programs of recipients of U.S. DOT funding; and

WHEREAS, the Milwaukee County Board approved changes mandated by the U.S. DOT in May 2000, including amending Chapters 42 and 56.30 to conform to those changes; and

WHEREAS, in 2010, the Milwaukee County Board adopted revisions to county ordinances so that Board approval would be required for contracts that would implement privatization of services provided by county employees; and

WHEREAS, as part of that revision, administrators were charged with following adopted county policies related to working with the Office of Community Business Development Partners to incorporate disadvantaged businesses in the contracts; and

WHEREAS, the language effecting these changes appears to be limited to only the initial contracts related to privatization, not to subsequent renewal or re-solicitation of contracts for such services; and

WHEREAS, it is therefore necessary that Chapters 32 and 56 be amended to provide for Milwaukee County Board review and approve of the continued use of private sector services providers for services previous provided by county employees, and

WHEREAS, there are significant opportunities for the use of certified Disadvantaged Business Enterprises (DBEs) in providing services to Milwaukee County; and

WHEREAS, these opportunities can strengthen the local economy; now, therefore,

BE IT RESOLVED, that the County Board of Supervisors authorizes and directs the Director, Department of Administrative Services (or designee), to work with the Procurement Administrator, and

the Director of the Office of Community Business Development Partners, the Director of Audit, and the County Board Staff to update the policies and procedures contained in the County's Administrative Manual to conform to amendments to Chapters 32 and 56.30 to ensure clarity and compliance with said chapters as amended:

AMENDED ORDINANCES

SECTION 1. Section 32.20 of the General Ordinances of Milwaukee County as amended to and including _____ hereby amended as follows:

(17) "Service Contract" means an agreement ~~for services where an existing County position will be abolished or where an existing position will be unfunded or where a County employee will be subject to layoff or reduced work hours which are~~ primarily related to staff services including, but not limited to, housekeeping, security, landscaping, maintenance and other non-professional services.

SECTION 6. Section 32.25 (7) (e) of the General Ordinances of Milwaukee County as amended to and including _____ hereby amended as follows:

(e) Annnnaully the county board shall sdopt by resolution a recommended minimum percentage goal for the participation of disadvantaged business enterprise vendors in contracts awarded pursuant to chapter 32. Such goals are not manadatory; however, the purchasing administrator shall make diligent efforts to achieve or exceed such annual participation goals.

SECTION 2. Section 56.30 of the General Ordinances of Milwaukee County as amended to and including _____ hereby amended as follows:

(1)(g) "Service Contract" means an agreement ~~for services where an existing County position will be abolished or where an existing position will be unfunded or where a County employee will be subject to layoff or reduced work hours which are~~ primarily related to staff services including, but not limited to, housekeeping, security, landscaping, maintenance and other non-professional services.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: January 20 , 2011

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: Amdendments to Milwaukee County General Ordinacnces Chapter 32 and 56.30 based upon Milwaukee County Board approvded in January. 2011 to provide County Board approval and CBDP involvement in any future contracts related to services previously provided by County employees.

FISCAL EFFECT:

☒ No Direct County Fiscal Impact

☒ Existing Staff Time Required

☐ Increase Operating Expenditures
(If checked, check one of two boxes below)

☐ Absorbed Within Agency's Budget

☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☐ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☐ Decrease Capital Revenues

☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	0
	Revenue	0	0
	Net Cost	0	0
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. [1] If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

A. Adoption of Amendendts to the Milwaukee County Ordinances Chapters 32 and 56.30 will ensure County Board approval and the involvement of the Office of Community Business Devellpment Partners in any future contracts related to services that were previously provided by County employees and provide correct and current information regarding poractive clear, steps for compliance with Milwaukee County Disadvanataged Business Enterpriser (DBE) Program rules administered by by County Board Office Community Business Development Parttners (CBDP).

B. There are no direct cost related to these amendments .

Department/Prepared By Mildred Hyde-Demoze

Authorized Signature _____

Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

[1] If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

COUNTY OF MILWAUKEE
Housing Division
Department of Health & Human Services
INTER-OFFICE COMMUNICATION

DATE: January 11, 2011

TO: Chairman Michael Mayo, Milwaukee County Board of Supervisors

FROM: Geri Lyday, Interim Director, Department of Health & Human Services
Prepared by Gary Bottoni, Program Coordinator – Housing Division

SUBJECT: From the Interim Director, Department of Health and Human Services, Requesting Authorization to Accept Community Housing Development Funds for Housing for Persons with Disabilities

Issue

Approval to accept $575,000 in federal HOME Community Housing Development Organization (CHDO) funds and HOME program income to Movin' Out, Inc, to provide 11 housing units for persons with permanent disabilities in Brown Deer is requested. This total includes $500,000 for project costs and $75,000 for CHDO operating costs. This request is in addition to a request for $2,250,000 in County Housing Trust Funds for this project, as well as 20 Section 8 rental vouchers.

Background

Milwaukee County, representing 16 suburban communities, along with the Cities of Wauwatosa and West Allis, participate as a consortium in the federal HOME Investments Partnerships Program. The consortium is required to set aside 15% of each annual allocation for use exclusively by non-profit CHDO's for the development of HOME eligible housing.

Movin' Out was designated a county CHDO in March of 2009. The county has approved two previous projects for Movin' Out. One is for $368,112 in acquisition/rehab funds and $55,212 in operating funds for 10 HOME units in the Northport Village Project in Glendale. The second is for $553,500 for the new construction of 11 HOME units, and $55,212 in operating funds, for the Berkshire – Greendale Project

The attachment from Movin' Out provides further detail on their current proposal.

Movin' Out, as co-developer and in partnership with Jewish Family Services and General Capital Group, seeks $500,000 to be used in conjunction with an application for federal Section 42 Affordable Housing Tax Credits through the Wisconsin Housing and Economic Development Authority (WHEDA), for the construction of an $11.27 million, 60 unit affordable mixed use housing project in Brown Deer. The project would be located at approximately Bradley Road and Sherman Boulevard. Movin' Out would provide 11 one and two-bedroom units to persons with permanent disabilities receiving long-term care services necessary to remain independent

from Jewish Family Services. The third partner in this project is General Capital Group. In existence since the 1980s, General Capital has an established record of developing over 700 affordable housing units in Southeast Wisconsin. Several of their projects have been developed in partnership with non-profits, including St Catherine Residence and Jewish Family Services.

This project is 60 units. Of this total, 20 would be reserved for persons with disabilities. The balance would be provided as affordable, moderate income family and workforce housing. The project developers state they will "stress socialization and interaction, as the primary goal of the facility is to integrate persons with physical and intellectual disabilities in successful independent environments".

The Section 42 Tax Credit application is due on February 4, 2011.

Movin' Out also seeks $75,000 in CHDO operating funds, which would be used to maintain local staff to oversee the project's completion, the provision of resident services, and to pursue further development opportunities.

To meet the total request ($575,000), the county would need to pledge pending, but currently not in hand, resources.

At this time, the county has $66,219 in existing CHDO funding, as well as $279,995 in available program income, for a total of $346,214. Program income is principally repayments of prior HOME funded loans.

The 2011 HOME funding will include an estimated $170,000 in new CHDO set-aside funding. In addition, the County typically takes in over $100,000 in loan repayments in a year.

Prior year CHDO set-aside, uncommitted balance	$ 66,219
Available program income	$ 279,995
Pending CHDO set-aside (est)	$ 170,000
Pending program income (est)	$ 58,786
	$ 575,000

The County could forgo the future pledge of pending funding and commit only the exiting resources ($346,214).

It is noteworthy that this project depends upon the approval of LITC funding. The provision of local governmental assistance is looked upon very favorably in the LITC approval process, and could help to secure the award. Furthermore, it is unlikely this project would close before the 4th quarter of 2011, at which time the pending funding would be secured.

The developer could accept an approval of $346,214, with the balance ($228,786) approved contingent upon receipt by the County.

The HOME Program has a 20 year affordability requirement for newly constructed housing. During this period, units must meet income and rent limits or the initial HOME investment must be recaptured. Consistent with this requirement and the assistance approved for the previous two CHDO projects and with the description of the available and pending funds given above, staff will recommend that project funds be provided as a 0% interest loan, with payment deferred for 40 years.

Recommendation

1) Approval of a 0% interest, deferred payment loan in the amount of $500,000 for the project as described above, contingent upon receipt of pending funds and contingent upon award of Section 42 tax credits, and execution of a CHDO development agreement consistent with the requirements of the HOME Program.

2) Approval of $75,000 in CHDO operating funds, contingent upon execution of an agreement consistent with the requirements of the HOME Program.

Fiscal Effect

Approval of this recommendation will result in the expenditure of $575,000 in federal HOME CHDO set-aside funds allocated to the County, and HOME program income derived from HOME funded loan repayments.

Geri Lyday

Geri Lyday, Interim Director
Department of Health and Human Services

cc: Lee Hollowy, County Executive
Renee Booker, Director - DAS
Antionette Thomas-Bailey, DAS
Glenn Bultman - County Board Analyst
Linda Durham - Committee Clerk

File No.
(Journal,)

From the Interim Director, Department of Health and Human Services, Requesting Authorization to Accept Community Housing Development Funds for Housing for Persons with Disabilities, by adoption of the following:

WHEREAS, Milwaukee County with the Cities of Wauwatosa and West Allis participates as a Consortium in the federal HOME Investments Partnerships Program; and

WHEREAS, HOME participants are required to set aside 15% of each annual allocation for use by non-profit Community Housing Development Organizations (CHDOs) to produce HOME eligible housing; and

WHEREAS, having been designated a County CHDO, Movin' Out, Inc, as co-developer and in partnership with General Capital Group and with Jewish Family Services, has requested $500,000 to be used in conjunction with federal Section 42 Affordable Housing Tax Credits to construct a 60 unit affordable housing project, of which 11 units would be reserved for, in conjunction with long term care services provided to, persons with disabilities, at approximately Bradley Road and Sherman Boulevard in Brown Deer; and

WHEREAS, Movin' Out also seeks $75,000 in CHDO operating funds to maintain local staff to oversee the project and the provision of services, and to pursue further projects; and

WHEREAS, Movin' Out's proposal presents an opportunity to provide affordable income and rent capped, newly constructed units to persons with disabilities that are integrated into the community; and

WHEREAS, the HOME CHDO set-aside fund balance is $66,219, and there is $279,995 in program income (repayments from prior HOME loans), for a total of $346,214 currently available to the County; and

WHEREAS, the HOME CHDO set-aside for 2011 is estimated to be $170,000, and further program income of $58,786 is anticipated in 2011; and

WHEREAS, Movin' Out has indicated that a commitment of $346,214 in funds now available, with additional funding of $228,786 contingent upon its receipt by the County, for a total of $575,000, would significantly enhance the pending application for Housing Tax Credits; now therefore

BE IT RESOLVED, that the Interim Director of the Department of Health and Human Services, or her designee, is authorized and directed to enter into a development agreement consistent with HOME requirements, to provide $500,000 in HOME CHDO funds and HOME program income, as a 0%, deferred payment loan, payable in full in 40 years, to Movin' Out, Inc, to construct 11 units for persons with disabilities, at Bradley Road and Sherman Boulevard,

46 Brown Deer, contingent upon receipt of pending HOME funds and anticipated program income,
47 and award of Section 42 Affordable Housing Tax Credits: and
48
49 BE IT FURTHER RESOLVED, that the Interim Director of the Department of Health and
50 Human Services, or her designee, is authorized and directed to enter into an agreement
51 consistent with HOME requirements to provide $75,000 in CHDO operating funds to Movin'
52 Out, Inc; and
53
54 BE IT FURTHER RESOLVED, that the Interim Director of the Department of Health and
55 Human Services is authorized and directed to carry out all steps necessary to accomplish the
56 objective of this resolution.

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: Oct 14, 2009

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: From the Interim Director, Department of Health and Human Services, Requesting Authorization to Accept Community Housing Development Funds for Housing for Persons with Disabilities

FISCAL EFFECT:

☒ No Direct County Fiscal Impact

☐ Existing Staff Time Required

☐ Increase Operating Expenditures
(If checked, check one of two boxes below)

☐ Absorbed Within Agency's Budget

☐ Not Absorbed Within Agency's Budget

☐ Decrease Operating Expenditures

☐ Increase Operating Revenues

☐ Decrease Operating Revenues

☐ Increase Capital Expenditures

☐ Decrease Capital Expenditures

☐ Increase Capital Revenues

☐ Decrease Capital Revenues

☐ Use of contingent funds

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure		
	Revenue		
	Net Cost		
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. [1] If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Federal HOME funds now available to allocate to this project include a CHDO set-aside balance of $66,219 and $279,995 in program income (repayments of previous HOME loans), for a total of $346,214.

This project anticipates, and funding commitment is contingent upon receipt of, a pending HOME CHDO set-aside of $170,000, and future program income of $58,786, for total project funding of $575,000.

Department/Prepared By Milwaukee County DHHS, Gary Bottoni, Program Coordinator

Authorized Signature Keri Lydsey

Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

[1] If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

Movin' Out, Inc.
Housing solutions for adults and children with disabilities

600 Williamson Street
Madison, WI 53703
Phone: 608-251-4446
Fax: 608-819-0623
Toll Free: 1-877-861-6746
e-mail: info@movin-out.org
www.movin.out.org

Mr. Michael Mayo Sr.
Chairman, Milwaukee County Board of Supervisors
901 N. 9th Street, Room 201
Milwaukee, WI 53233

Dear Chairman Mayo;

This letter serves as an application for an award of Federal HOME funding in the amount of 500,000 plus CHDO operating funds of $75,000 for the proposed project described in this submission. Included in this letter is a description of the project, an updated description of Movin' Out, the other project partners, a project budget and project timetable. We would like to be included on the next County Economic and Community Development Committee agenda to have our proposal considered and hopefully advanced and approved. We are asking that Milwaukee County consider and approve our application for these funds prior to February 4, 2011, which is the application submission deadline for the upcoming Wisconsin Housing and Economic Development Authority (WHEDA) Low Income Housing Tax Credit cycle. Obtaining tax credits is critical to the economic viability of the project. In turn, obtaining County HOME funds is critical to the underwriting of the project. Additionally, a commitment of HOME funds helps make our WHEDA application more competitive from a scoring standpoint.

Description of Movin' Out.

As you know Movin' Out was approved two years ago by Milwaukee County as a Community Housing Development Organization (CHDO). Movin' Out continues its mission providing affordable housing opportunities and resources to households which include a person with a permanent disability. Further, Movin' Out strives to provide highly integrated housing solutions and does not develop or operate group living type housing or any other form of congregate housing. The project described in this funding application is consistent with that mission.

During the past year Movin' Out has made significant strides in establishing itself in Milwaukee County. We just recently made arrangements to have an office in Fox Point in Milwaukee County. We are about to close on our first project of 10 condo units using a combination of Milwaukee County HOME funding and HUD 811 financing located in Glendale. Additionally we are expecting to close later this spring on an additional 11 HOME units which are part of a 90 unit independent senior housing project located in Greendale. We have worked to establish new partnerships with both for profit developers and human service providers to carry out these projects.

Movin' Out has experience with the type of project described in this proposal. Last week we closed on a similar project located in Stoughton Wisconsin (Dane County) That project is a 33 unit affordable multifamily project financed in the same way as the project we are currently requesting these fund for in Milwaukee County. We believe this approach to be both very marketable and sustainable over time for the target population providing much needed housing stock for some of Milwaukee County's most vulnerable citizens.

Project Description

The proposed project is collaboration between three housing groups. Movin' Out acting as a HOME Program CHDO will work with the project sponsor Jewish Family Services who will be the long term owner of the project. Jewish Family Services (JFS) is a Milwaukee County based nonprofit human services provider (please see the attached information regarding JFS). The third member of this collaboration is a for-profit housing developer General Capital Group (information enclosed) who will provide development services. Movin' Out will coordinate with these two partners to carry out the development of this 60 unit affordable family project located in the Village of Brown Deer. This project meets the mission of both Movin' Out's and JFS by integrating and including 20 units of housing representing 33% of the project which will be reserved for low income people with permanent disabilities. The balance of the units will provide much needed family and workforce housing to the area. The project has also requested County assistance in the form of project based Section 8 Certificates and County Trust Funding to ensure affordability of these units for their target population. Below is a more comprehensive description of the project.

Bradley Village Overview

Movin' Out, General Capital Group and JFS propose to develop a new 60-unit residential facility in the Bradley Village neighborhood at Bradley Road and Sherman Boulevard. The layout of the building, parking and pedestrian facilities reinforces the Traditional Neighborhood Development (TND) design intended for the Bradley Village neighborhood. The primary building is placed on Bradley Road, comfortably reflecting the scale and pedestrian orientation of the Bradley

Village Shopping Center and proposed 2/3-story townhomes to the west. A primary pedestrian entrance and building signage is placed on the north side (street side) of the building, while primary vehicular drop-off, surface parking and access to underground parking is placed on the south side of the building in a residential courtyard framed by the existing Bradley Village Shopping Center building and the new residential facility. The courtyard itself includes gazebo/pavilion, trellis structure and other outdoor amenities for resident use.

The new residential facility will include approximately 60 residential units (one and two bedroom apartments). All units will include full kitchens, as it is the intention of the facility to have residents live independently and cook for themselves. Each floor will include community areas for gathering, laundry facilities and amenity rooms (e.g. fitness center, business center and the like). The three story building and underground parking will be fully served by two elevators, creating a high degree of access for all residents.

The entire east end of the ground floor of the building will likely include offices for JFS and a new senior center for the Village of Brown Deer. These uses will be completely separate from the function of the residential portion of the building, with separate secure entries and identification signage. The offices include approximately 1,200 square feet and the senior center will comprise approximately 3,000 square feet. Parking for these facilities will be shared with the residential facility on a day-to-day basis; however, a new shared surface parking lot directly south of the Bradley Village commercial buildings will accommodate parking for large events.

Residents in the facility will include clients of JFS and other organizations who serve clients with physical and intellectual disabilities from age 18 and older, together with tenants from the general public. All residents will be served with a high level of support services ranging from assistance with financial matters (maintaining household budgets, paying bills, etc.) to employment training and counseling, as their individual situations require. The facility will stress socialization and interaction, as the primary goal of the facility is to integrate persons with physical and intellectual disabilities in successful independent environments.

Finally, it is the intention of this development to successfully integrate this new facility with the concept for Bradley Village as a mixed use traditional neighborhood with a strong pedestrian orientation and high quality physical design.

Financial Request to Milwaukee County

We are requesting that Milwaukee County provide a loan of $2,250,000 to the Project and project base 20 of its section 8 rental vouchers. General Capital

Group will apply to WHEDA for an allocation of section 42 Federal Income Tax Credits in the February, 2011 cycle. The credits are the primary driver of the capital structure which will be utilized to finance the Project. Additionally, a key component of the structure (which, based upon its terms fills a gap between sources and uses, and which assists in competitively scoring the tax credit application) would include a permanent, long term loan from the County to the Project upon the following terms:

Loan Amount:	$2,250,000 (2 separate notes)
Interest Rate:	County cost of funds + .25% (blends today to 5.5%)
Term:	20 yrs (right to prepay without penalty)
Amortization:	35 yrs (balloon principal payment due yr 20)
Fee:	.25% of the loan amount

The Project's sources and uses of funds are presently projected as follows:

Sources:	Milwaukee County 1st mortgage	$2,250,000
	Tax credit equity	8,520,000
	Home funds	500,000
		$11,270,000
Uses:	Land	$900,000
	Bldg/Site	7,700,000
	Financing/Soft costs	2,328,000
	Reserves	342,000
		$11,270,000

Project Timeline

The project development team has negotiated site control. The WHEDA Tax Credits are awarded through an annual state-wide competition. After the February submission WHEDA evaluates all applications and announces approximately mid April.. If successful the project will move forward to assemble the balance of its financing, develop construction documents and close in the 4th quarter of 2011.. Occupancy would be expected within about a year of closing.

HOME Request

Movin' Out is requesting $500,000 in HOME project funds to assist 11 of the 20 units set aside for people with disabilities. Additionally Movin' Out is requesting $75,000 in CHDO Operating funds which are used to support Movin' Out's development activities (staff time, overhead and other project related costs) associated with this project. The proposed project will be structured to meet the County's HOME Program required CHDO activities. Project Ownership will be turned over to Jewish Family Services or an affiliate formed by JFS to own the project.

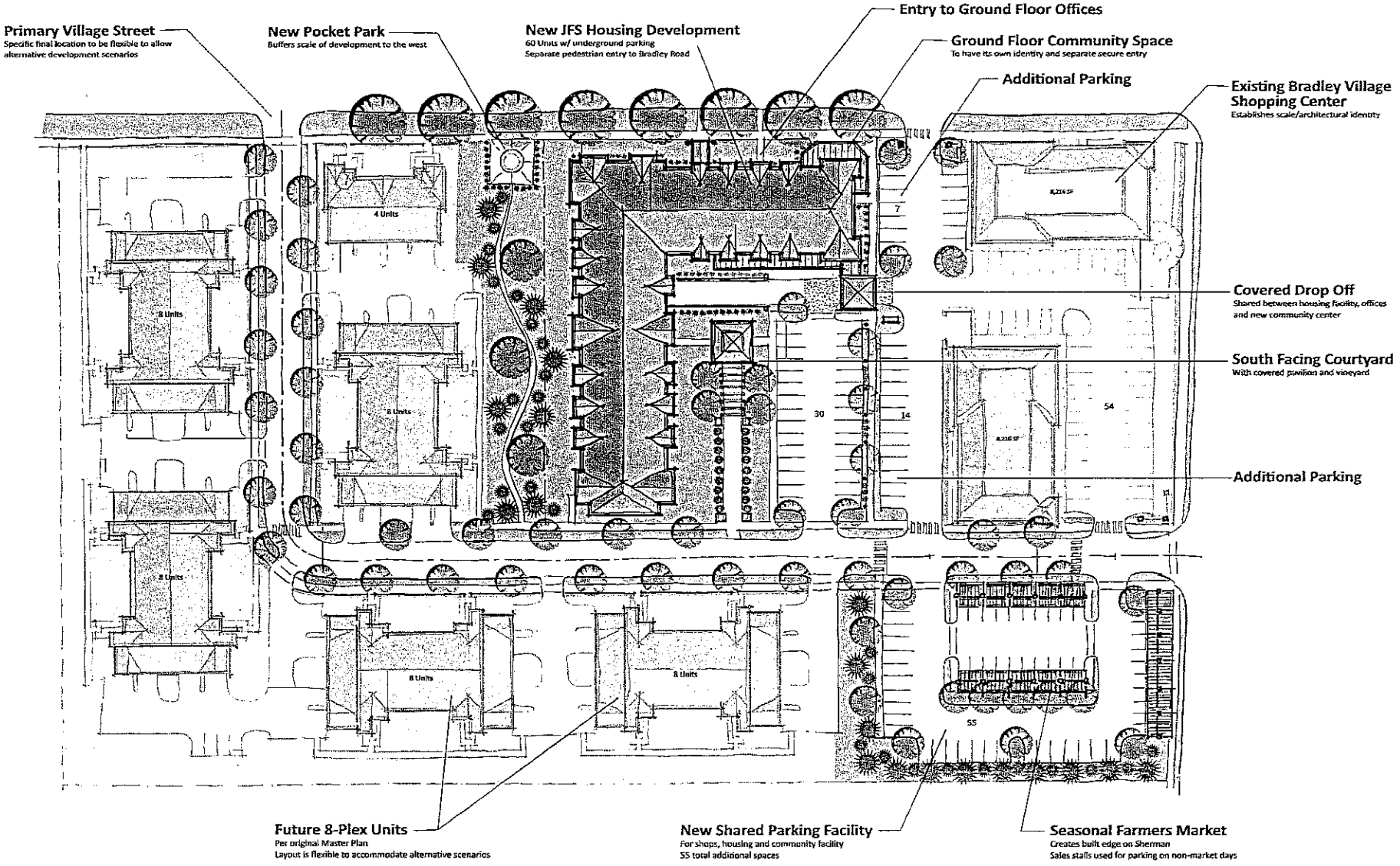
We look forward to continuing expanding our housing efforts in Milwaukee County, to assisting low income families who include a member with a permanent disability and working with you and the Commission on this exciting project and others we are also in the process of planning. Please contact me with any questions or if you need any additional information.

Sincerely

Dave Porterfield
Real Estate Developer
Movin' Out, Inc.

cc:
Supervisor Theodore Lipscomb - Chairman, Milwaukee County Economic and Community Development Committee

Gary Bottoni, Housing Division



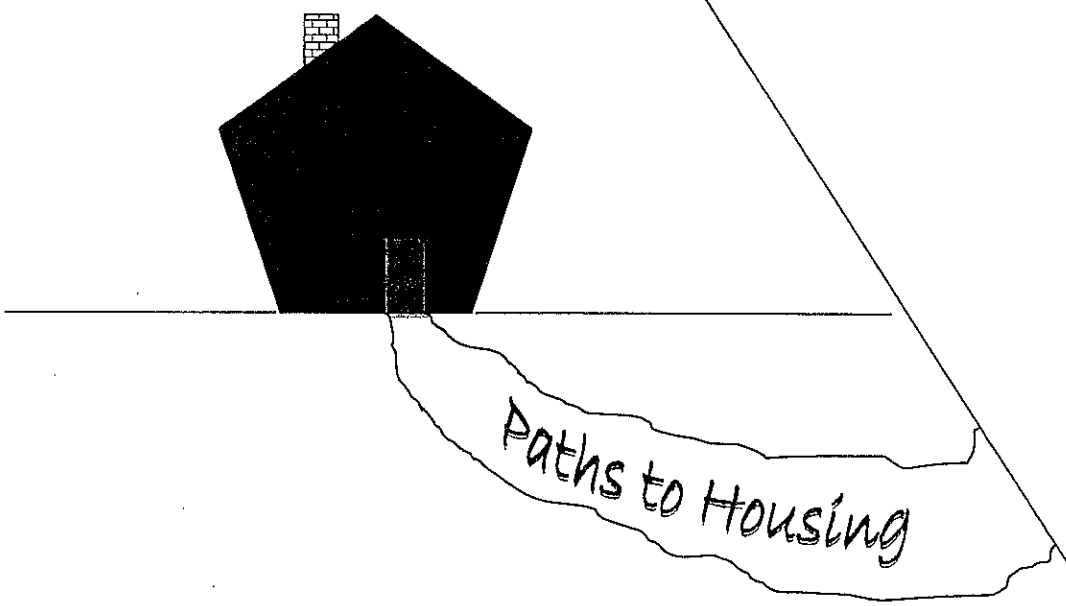
Bradley Village

Modified Master Plan

0 30 60 120

GENERAL CAPITAL GROUP

Movin' Out, Inc.
2009 Annual Report



Movin' Out, in partnership with people with disabilities and their allies, creates and sustains community-integrated, safe, affordable housing solutions.

Please visit our website: www.movin-out.org
Send questions or messages to our email address at: info@movin-out.org

608 251 4446
Toll free 877 861 6746

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Amy McGrath, Planning and Operations
Amy Wedekind, Housing Counseling
Rebecca Wiese, Housing Counseling
Dave Porterfield, Property Development
Mary Myers, Property Coordination

Movin' Out, Inc.
600 Williamson Street
Madison, WI 53703

Movin' Out, Inc.

With each passing year, Wisconsin citizens with disabilities are finding their best path to a new housing situation and Movin' Out is taking new paths to make their housing plans a reality. For Movin' Out, 2009 was a year of economic uncertainty. The economy created real risks for almost everyone, including the very low income households who rely on Movin' Out. Interestingly, it also created some opportunities for low-income people with disabilities to secure affordable housing.

In 2009 we were fortunate to witness successes small and large which changed people's lives for the better. The economic climate created openings for Movin' Out to meet our mission in new ways. We have learned that being clear about our mission and operating with fluidity and flexibility will allow us to take advantage of change, even in a climate of risk and doubt.

This report captures our continued agency growth: a decrease in new homeowners counseled but an increase in renters worked with; new rehab and development activities; loss of some funders, a gain of others. Most importantly, we describe successful work with households to find stable, lasting housing solutions for people with disabilities.

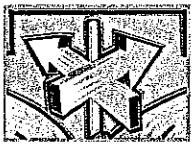
Lifetime Achievement

Maureen Arcand - At the Goodman Center in Madison WI on the occasion of her 80th birthday celebration and lifetime of achievement.

In 2009, Board Member, Maureen Arcand (with her family) was kind enough to "give" Movin' Out her 80th birthday party. Movin' Out held an event for 200 people, featuring a celebration of Maureen and an awards ceremony for outstanding achievements by housing advocates. Maureen was presented with the first "Arcand Outstanding Lifetime Achievement Award" for her life's achievements in Dane County, some of which include *mother of six, welfare rights organizer, community leader, home owner, disability advocate, county board supervisor, mentor, teacher, researcher on aging and cerebral palsy, and past president of Movin' Out, Inc.* The mayor and county executive addressed the audience and Congresswoman Tammy Baldwin read accolades into the federal congressional record.

Additional Award Recipients

Outstanding Young Disability Advocate:	Sadler Bell
Arcand Outstanding Family Advocacy:	LOV Dane
Arcand Outstanding Housing Advocacy:	Tim Radelet
Arcand Unstoppable Spirit Award:	Marcie Brost

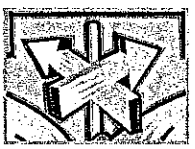


The Homeowner Path

While pundits questioned the wisdom and value of continuing to extend the opportunity of home ownership to citizens with low household incomes, Movin' Out home owners demonstrated that while they are among the lowest income home-owning households, they are also stable and successful in their home ownership. While virtually all of the 1,000 Movin' Out home owners maintained their homes successfully, in 2009 Movin' Out assisted an additional 70 first time home buyers to achieve their dream. Movin' Out assisted an additional 26 home owners to complete rehab and accessibility projects to improve their homes and stabilize their ownership.

The federal department of Housing and Urban Development (HUD) approved pairing Movin' Out's home-ownership loans with FHA-insured financing. HUD authorized Movin' Out to provide funds for closing costs and rehabilitation assistance to home buyers and home owners using FHA financing. Movin' Out is the only Wisconsin agency approved as a statewide program. Only three other Wisconsin non-profit agencies have earned the HUD approval and they each serve a specific metro area. Lenders and their underwriters can find detailed guidelines for linking Movin' Out secondary financing with a FHA mortgage on the Movin' Out web page: www.movin-out.org. In 2009, HUD also recertified Movin' Out as a HUD housing counseling agency and authorized HUD funds to supplement the costs of Movin' Out housing counseling.

A Path to Affordable Rent



In 2009 Movin' Out made a concerted commitment to assume the risks inherent in property development in order to purchase or create new, affordable rental housing for people with disabilities. We knew the need was significant and determined that the agency had both the strength and the capacity to do so. However, the challenges are great, not the least of which is securing financing for a timeline that can easily exceed two years from initial planning to move-in day for the first tenants.

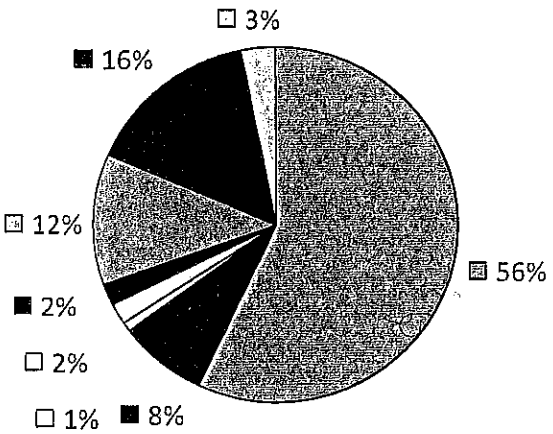
For contractors and developers the costs of building one unit at a time isn't feasible, so most housing for people with special needs is built with the intent of having all units occupied by people with disabilities in one or more large buildings. Movin' Out does not support housing that congregates people with disabilities into a self-contained environment. We choose to develop housing where people with disabilities have opportunities to integrate themselves into their neighborhood like any other new tenant would, rather than be stigmatized by an address. In order to make rents affordable over the long term, a significant subsidy amount has to go into the development project and still these transactions often require multiple mortgages.

With a lot of creativity, community commitment and even a little luck, Movin' Out doubled the number of its rental units in 2009. Movin' Out now provides affordable rentals tailored to the needs of people with disabilities to 62 tenants who are "at home" in 35 distinct units. The rental homes are located in Madison, Mount Horeb, Milwaukee, Shawano, and West Bend.

Assets and Liabilities

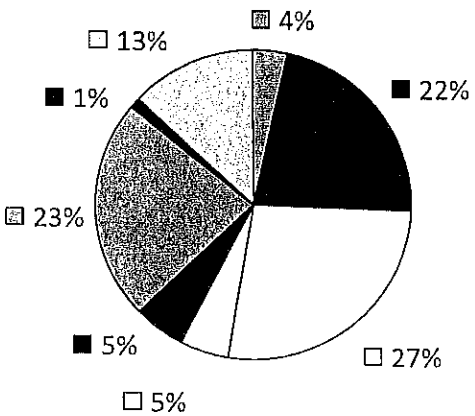
Current Assets:	$ 670,393	Current Liabilities:	$ 109,179
Fixed Assets:	$2,305,578	Long-term Liabilities:	$4,663,132
Non-current Assets:	$2,828,003		
		Total Liabilities:	$4,772,311
TOTAL ASSETS	$5,803,974	Total Net Assets:	$1,021,663
		TOTAL LIABILILTIES AND NET ASSETS	$5,803,974

Expenses by Percent of Budget



- Salaries and contract personnel
- Occupancy and operations
- Training and travel
- Professional Fees
- Insurance
- Mortgage debt
- Rental properties
- Property development

Revenue Type by Percentage



- Grants
- Contracts
- Counseling and Loan Fees
- Contributions/Other
- Foundations
- Rental Income
- Technical Assistance Fees
- Development Fees

2009 Program Activities

- Information and Assistance Calls

  800+ calls were received from 67 counties and 8 other states.
- Housing Plans

  303 housing plans were developed working one on one with a housing counselor. 30% of those counseled were minority households. Ninety-six households either purchased or rehabbed their home, others are still being counseled, and still others have a plan in place that resulted in retaining rental housing for at least one more year.
- Housing Trust

  The greatest barrier to using the Movin' Out trust was removed in 2009. State legislation was passed that has allowed marketing of the trust to resume and we anticipate being able to work with families to explore this housing option. Movin' Out's charitable, pooled housing trust can hold and manage homes for the lifetime use of people with disabilities. The trust offers a way for parents to contribute to ensuring that a safe, secure home is permanently available to their son or daughter with a disability, and that their home is part of a legacy of permanent, affordable housing for people with disabilities. When a home is placed into the trust Movin' Out provides any needed property management for that home which can increase as needs increase or family and friends are no longer available to help out.

2009 Homeowner Households

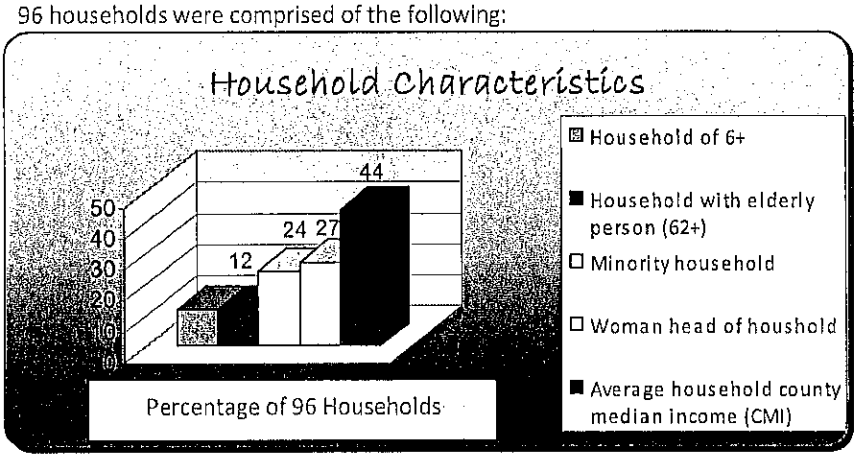
70 New Homeowners representing 22 Counties

Homebuyers had an average household income of 46% of county median

26 Homeowners with completed Rehab Projects representing 16 Counties

Households doing rehab had an average income of 39% of county median

Of the 96 households that completed rehab or purchased their first home, there were a total of 235 household members (102 children; 133 adults). The 96 households were comprised of the following:



100% of households had one or more members with a disability.

2009 Rental Households

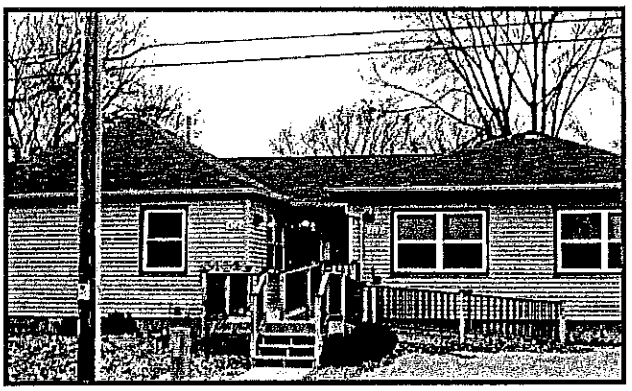
Managing a rental program has its challenges but it is also presents an opportunity to participate in some of Movin' Out's most visible outcomes. Two of the year's projects are described below:

From Displacement to Self-Direction

At risk of displacement from homes they had rented for years, 15 women and their residential support provider collaborated with Movin' Out to secure spacious, newly renovated homes in the Stonebridge Condominium neighborhood on Madison's east side. Movin' Out made all of the homes *visit-able* (zero-step entrances, wider doorways, and a main floor bathroom), some fully accessible, and improved them with new finishes, décor, and appliances. Movin' Out secured funding from the HUD 811 program and Madison's HOME program to purchase the units, improve them, and put in place rent subsidies that make the homes affordable forever. The 12 units are dispersed among 300 units in Stonebridge, insuring community integration while also enhancing efficiencies for the residential support agency that purchased a 13th Stonebridge unit for caregivers. Because the HUD 811 funding includes rent subsidies for tenants, many of the women had their first opportunity as self-directing adults to choose to live alone rather than having to share a home for economic reasons.

Accommodations and Additions

Movin' Out took on a well-worn property, from another non-profit, that needed substantial work inside and out. Our tenant had lived there for 13 years. As the years go by, she needs more modifications that allow her to remain in her own home. Her house sits on a big lot. So, in 2009, we confirmed funding from Madison's HOME program and the Federal Home Loan Bank's AHP program and developed a plan to completely remodel her home and build a new second unit to accommodate two other tenants. The tenant in the existing unit and her support team worked with us from the beginning to factor in the big and small details that would tailor the improvements to the woman's preferences as well as her current and future needs. The second unit was built to specifications reflecting the



Both men had lived alone in their own apartments and wanted to maintain as much autonomy as they could, while at the same time realize cost savings in sharing a home. We designed the new unit so it could function as two integrated units: roomy bedrooms, each with its own adjoining living room, individual bathrooms, and a shared kitchen and dining area. The layout succeeds in offering each tenant the privacy they both value while also providing companionship and affordable rent.

preferences and needs of two men with disabilities. The new unit is entirely barrier free and accommodates all the tenants' belongings including their sound systems, large TV, wheel chairs and therapy equipment.

It doesn't happen without you.

2009 Funders ...

HUD 811 Program
HUD Housing Counseling
City of Madison Community Development HOME program
HOME Consortium of Waukesha, Washington, Ozaukee & Jefferson Counties
Federal Home Loan Bank of Chicago and Bank Mutual
Federal Home Loan Bank of Chicago and Anchor Bank
Helen Bader Foundation
Madison Community Foundation
Dane County Department of Human Services
Dane County CDBG Commission
Wisconsin Department of Commerce HCRI program
United Way of Dane County

...and Donors

Corporate/Organizations/Groups

Associated Bank
Astar Capital Mngt.
Augusta Realty
Badger Cab
Bruner Realty
Capitol Bank
Community Living Alliance
Deephaven Farm
Disability Rights
Foley & Lardner LLP
Grampa's Gun Shop
Johnson Block & Co.
Luedtke Chiropractic
MACLT
Madison Development Corporation
M & I Bank
Mt. Horeb Class of '47
Realtor's Association of South Central WI
Rehab for WI
Scholz Law
Scooter Software
Sletten Trust
West Bend Mutual Insurance
US Bank

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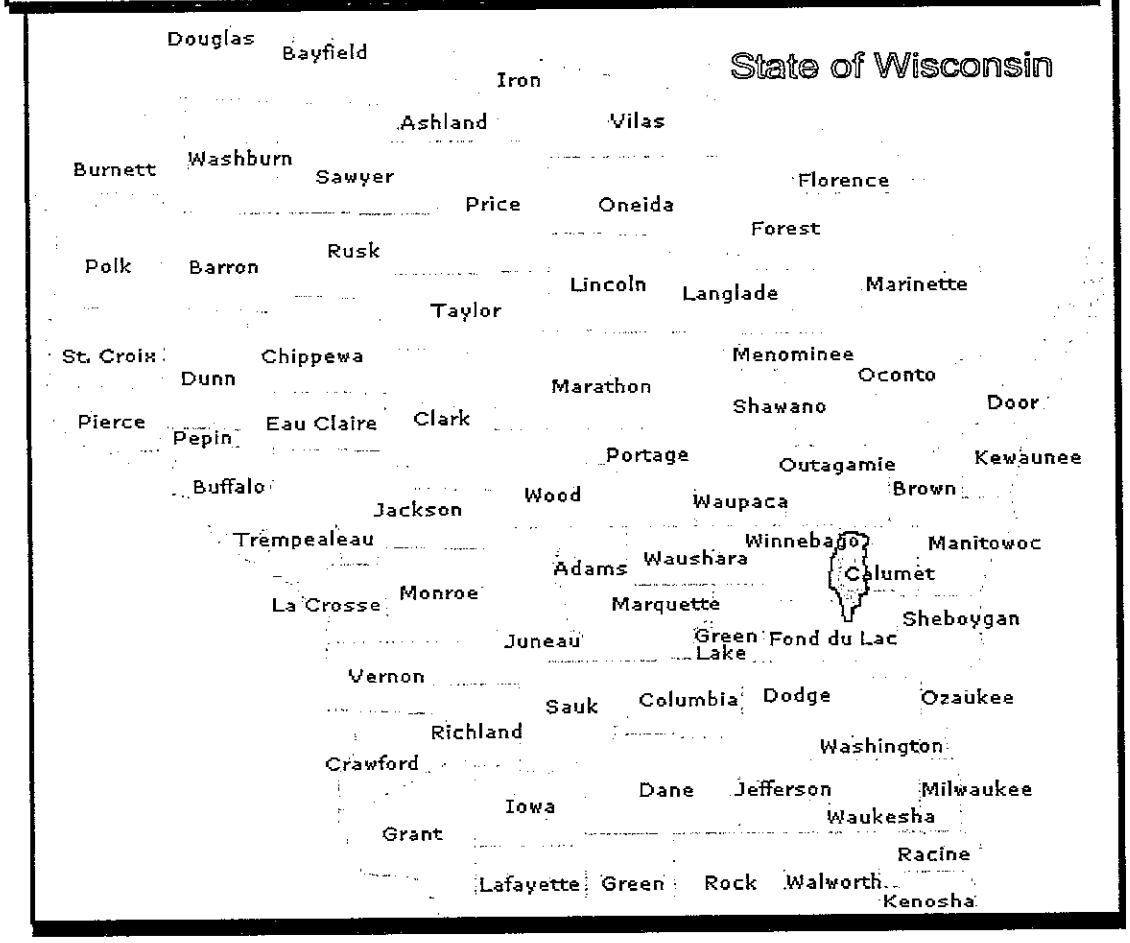
Dolohanty/Coussa
Linda/Dan Dolohanty/Young
John Donnelly
Linda Dorn
Malcom Einerson
Nelson Elsman
Faith Ellestad
Mary Ann Fahl
Maribeth/Joseph Fox-Chmielewski
Karen/Jim Foxgrover
Jack/Eleanor Frame
John Franz
Roy/Terri Froemming/Johnson
Eve Galanter
Patrick/Doris Glancy
Larry Gleasman
Ken Golden
Lynn Green
Dianne Greenley
Ruth Gullerud
Chris Hendrickson
Pam Hill
Tom Hirsch
Caroline/Bob Hoffman/Kann
Rita Hohlstein
Stephen/Julie Hooper
Steven/Frances Hopkins
Barbara Hummel
In Memory of Jerry Vogt
In Memory of Rose Brost
Sarah Jamison
Linda Jorgenson
James Kalscheur
Jennifer Kamenick
Jesse Kaysen
Kim Kessler
Diana Keyes
Mary Klopp
Joyce Knutson
Melissa Korth
Nancy Livingston
Dean Loomis
Jean MacCubbin
Howard Mandeville
Shirley Martin
Russell Martin
Frank/Carol Martin/Petrucci
Roger/Jean Maxwell
Kathryn Mazack
Anna McCabe
Amy McGrath
Duncan McNelly
Lori Mettel
Charlotte/Alan Meyer/Kruger
Ron/Kristen Miller/Engel
Karen/Jim Mitchell
Myra Moran
Marianne Morton
Michael Moskoff
Kathryn Mueller
Melissa Mulliken
Mary Myers
Helene Nelson
Julie Nichols-Younes
David Nispel
John/Connie O'Brien
Jennifer Ondrejka
Larry Palm
Nino Pedrelli
Rick Phelps
David Porterfield
Stefanie Primm
Janis Reek
Dan Remick
Ron Rosner
Dan Rossiter
Paul Rusk
Sinikka Santala
Gregory/Mary Scalissi
Christopher Schieble
Greg/Lisa Schultheiss
Marsha Seltzer
Constance/Thomas Seversin
Betsy Shiraga
Audrey Short
Mary/Joseph Skadahl
Marilyn/David Slautterback
Stan/Jane Spencer
Jeff/Cheryl Spitzer-Resnick
Caroline Standford-Taylor
Megan Stark
LaVerne Starkson
Michael Steinhauer
Henry/Ruth Steinhauer
Tom Swant
Mark Sweet
Mary Sykes
Susan Tess
Alun Thomas
Gib Thompson
Paula Tiffany
Patricia Torkildson
Kim Turner
Claudia Vlisides
Peg Volkman
Richard Wagner
Stephen Webster
Amy Wedekind
Judy Wenkman
Paul/Ellen White
Amy Whitehead
Rebecca Wiese
Judith Wilcox
Marilyn Wilson
Donna Winnick
Jayn Wittenmeyer
Beth Wroblewski
Theresa Wyatt
Paul Yochum
Daniel/Linda Young
Judy/Red Zitske
Dave Zweifel

Thank You

Movin' Out, Inc: Providing Services Statewide Since 1996

Movin' Out offers some programs and services on a statewide basis and others in limited geographical areas. By 12/31/09, **1098 households in 67** Wisconsin counties had worked with us to purchase a new home or to rehab or make accessibility modifications to an existing home.



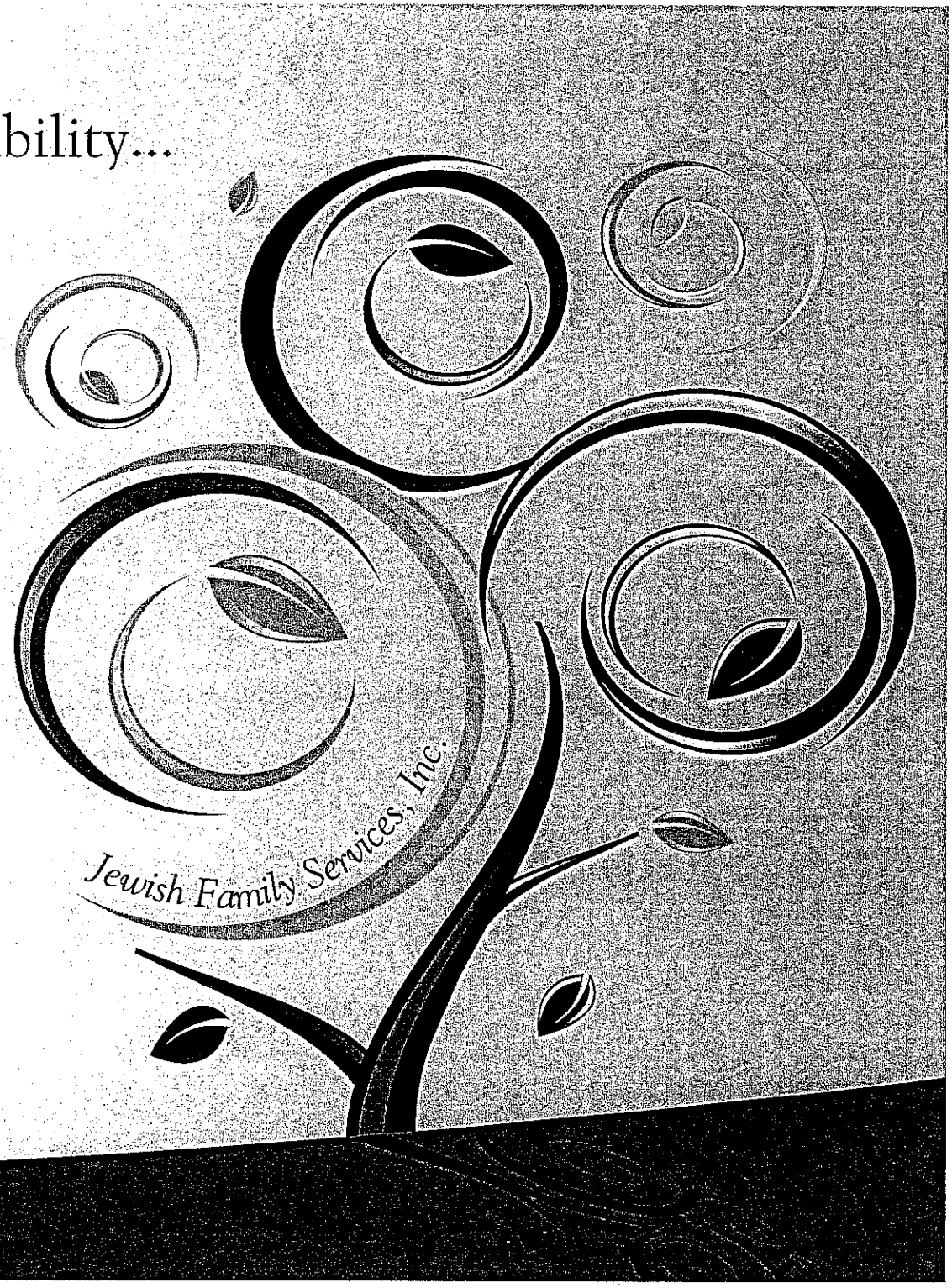
Adams	42	Marathon	4
Ashland	5	Marinette	10
Barron	2	Marquette	6
Bayfield	3	*Menominee*	*0*
Brown	61	Milwaukee	168
Buffalo	2	Monroe	4
Burnett	5	Oconto	14
Calumet	7	Oneida	13
Chippewa	5	Outagamie	27
Clark	1	Ozaukee	1
Columbia	18	Pepin	2
Crawford	26	*Pierce*	*0*
Dane	235	Polk	2
Dodge	16	Portage	19
Door	3	*Price*	*0*
Douglas	8	Racine	15
Dunn	3	Richland	34
Eau Claire	27	Rock	61
Florence	*0*	Rusk	4
Fond du Lac	6	Sauk	15
Forest	2	Sawyer	2
Grant	4	Shawano	5
Green	9	Sheboygan	9
Green Lake	4	St. Croix	2
Iowa	2	Taylor	1
Iron	*0*	Trempealeau	3
Jackson	2	Vernon	21
Jefferson	15	Vilas	2
Juneau	13	Walworth	16
Kenosha	8	Washburn	2
Kewaunee	1	Washington	2
La Crosse	30	Waukesha	3
Lafayette	5	Waupaca	4
Langlade	5	Waushara	13
Lincoln	2	Winnebago	23
Manitowoc	9	Wood	5

Welcome to Possibility...

ANNUAL

REPORT

2008 - 2009



JEWISH FAMILY SERVICES
ROBERT & MIMI HABUSH FAMILY CENTER

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Secretary

Directors

2008-2009

Misson

Vision

Values

WELCOME TO POSSIBILITY

A Message from Leadership

All year we read about financial stresses facing non-profit organizations. JFS was not immune. Our Board of Directors made difficult decisions and our staff made personal sacrifices to enable us to keep our promises to our clients and fulfill our mission. Last year, we served almost 3,000 clients through our major programs of clinical and counseling, exceptional needs and older adult services.

The result was that JFS ended the year with close to a balanced budget. We can move ahead with initiatives to expand life's possibilities for current and new JFS clients. Some really wonderful things are happening:

- Ground breaking took place in July 2009 for ***Deerwood Crossing*** which will open in July 2010. We are fortunate to have secured a tax credit investor and construction lender this year, which has propelled this project forward. This unique "age in place" affordable housing complex will offer independent living and a range of care levels in an exciting and modern 66-unit apartment building.

- We are refurbishing Habush House with upgraded electrical systems, new furnaces and new landscaping.

- Progress also is being made toward finding transitional housing alternatives for participants in our Young Adults Independence Project (YAIP). We now expect that our partnerships with *Homes for Independent Living* and *Movin' Out, Inc.* will make a number of affordable housing options, with appropriate staffing support, available to our consumers within nine to twelve months.

- More than 350 people attended our spring community-wide conference on depression and suicide. The conference will lead to further enhanced community programming and additional training for our clinical staff, enabling us to reach out and reduce barriers for people in need of services.

- Our Keshet program ended the year with a balanced budget for first time in five years.

- We began planning to provide counseling services at two charter schools in Milwaukee and received funding to do a pilot study of counseling needs of at-risk children and their parents in 15 additional charter schools.

- The Board completed a Succession Planning document to guide the agency in case of emergency or planned retirements and departures.

The many letters and calls we receive from clients and their families are testament to the effectiveness and compassion of our staff. We want to thank the Board, our donors and our staff for their dedication to the mission of this agency and to turning possibility into reality for so many of our clients.

Sylvan Leabman
President/CEO

Nathan Fishbach
Chair, Board of Directors

Exceptional Needs

Welcome to Possibility, Welcome to Keshet

With the birth of every baby comes wonder and excitement at all the possibilities that lie ahead. For parents of a child who has learning disabilities, wonder and excitement often give way to uncertainty about what the possibilities will be for their child.

Keshet expands the possibilities for children with diverse abilities, linking them to a whole range of services to help them reach their potential. Keshet, Hebrew for "rainbow," guides families toward their children's "pot of gold." Its staff collaborates with a variety of organizations and skilled professionals within the Jewish educational, social and cultural community.

Deborah Gollin credits the program with enabling her 11-year-old grandson to learn, grow and flourish.

Unconventional customized approach

A.J. was born prematurely and weighed less than two pounds. He survived a rocky beginning, but over the years A.J. has been diagnosed with a variety of conditions that have made learning a challenge for him, sometimes a frustrating one.

When A.J. was finishing pre-school, the Gollins searched for a kindergarten that would be able to support A.J.'s learning needs. They learned about Keshet and the resources the program provides for children like their grandson. Having taught first grade for 10 years, Deborah was well aware that every child has a different learning style. Keshet Director Jody Margolis and her staff of highly qualified professionals specialize in identifying and supporting each child's individual learning style.

"What we provide is an individualized educational program that is tailor made for each student," explains Jody. "We work closely with teachers, family members and other support services for the benefit of the total child."

A.J. receives individualized instruction combined with support in the mainstream classroom, and Keshet's services take much of the frustration out of learning. With Keshet's help, A.J. is learning strategies that help him be successful academically and socially. A.J.'s family receives daily reports on his progress, along with recommendations, involving the whole family in helping him develop his skills.

"Keshet is a necessity. These are the children of the future. We are blessed to be able to help them receive a Jewish education."

~Marilyn & Marvin Zetley

School is just one "color" in his Keshet rainbow. His Bar Mitzvah is not too far in the future, and Keshet will help A.J. with his preparation for the big event. He has developed the confidence to make new friends and try new activities like tennis, ice skating and kickball. He loves Harry Potter and Harry Houdini, wields a mean "Star Wars" light saber, takes golf lessons, and participates in First Stage Milwaukee's children's theater program.

Deborah proudly reports that A.J.'s teachers describe him as a "mensch-y" kid. She firmly believes that A.J. is outperforming original academic expectations and without Keshet he would be a different kid with a different future.

"Honestly, I don't know where A.J. would be without Keshet. I wish we would have found it earlier," Deborah says. "Without Keshet, A.J. would have slipped through the cracks. Every single recommendation Keshet has made has led us in the right direction. The positive reinforcement and support from Keshet teachers and staff have increased A.J.'s self-esteem and self-confidence. Keshet is all about making A.J. the most successful he can be in every part of his life."

Every child deserves a rainbow

Keshet reaches out to families with kids as young as two or three years old through its preschool support program. For most children, the program's services are available through the eighth grade and to help students make the crucial transition to high school. The highly visible JFS program also engages in community advocacy for educational programming.

Keshet helps turn challenge into possibility.

(l-r) James Gollin, A.J., Deborah Gollin

Older Adult Services

Welcome to Possibility, Welcome to Deerwood Crossing

"When it comes to housing, moderate-income older adults have fallen between the cracks," says Gina Botshtein, JFS Vice President of Older Adult Services.

Affluent seniors have almost endless possibilities; those at the other end of the income scale have more limited options. But if a 55-plus couple with a modest income has one partner who is in good health and another who requires assistance, an ideal living situation may be all but impossible to find.

That is about to change with the opening of Deerwood Crossing in July, 2010.

Identifying the need

A couple was unable to find a place where he could get medical help while she could live independently. An insulin-dependent man had to enter a nursing home simply because he couldn't handle a syringe. A woman was forced into a nursing home prematurely by her dwindling funds. These are the situations JFS staff heard about from their clients and from others in the community. These were the kind of people who needed a place like Deerwood Crossing.

Deerwood Crossing has been three years in the planning. JFS needed to determine if anecdotal information would be supported by hard data. The agency sent more than 850 surveys to seniors age 70 and above and to sandwich generation members between the ages of 45-65. Even Gina was surprised by the astounding 28% response rate – five times higher than the normal return rate. More than 50 percent of seniors and 79 percent of adult children responded that there was a need for an affordable retirement community with assisted living services.

Gina says, "I don't think we understood how great the need was. Our waiting list grew quickly to over 100 names in just one year, and is still growing."

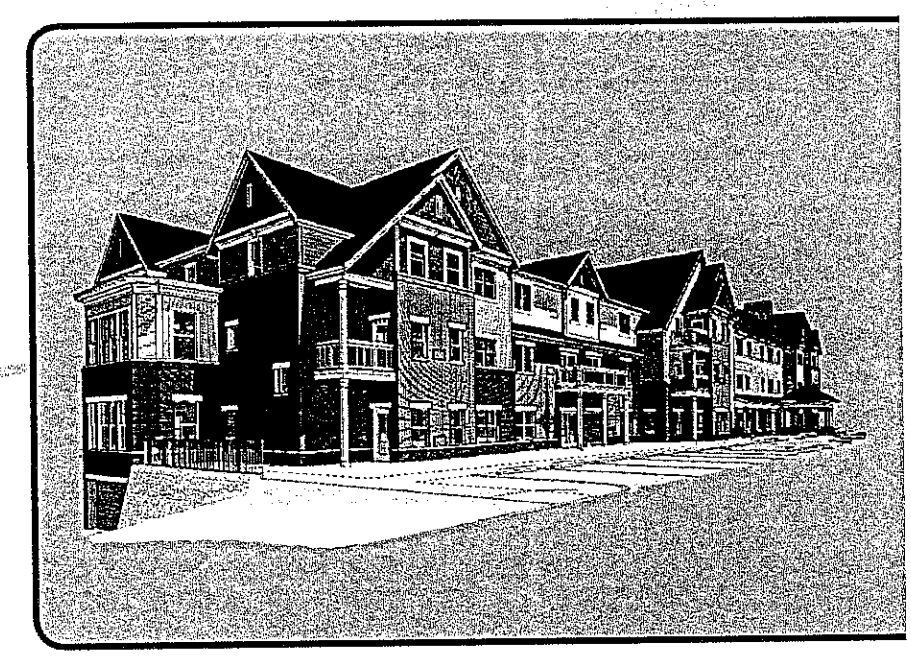
Imagine the possibilities. A market analysis, exploration of possible sites and search for funding took time and persistence. Thanks to a $10.4 million tax credit award from the Wisconsin Housing and Economic Development Authority (WHEDA) and a $750,000 gift from the Daniel M. Soref Charitable Trust, the project's financing package closed on June 10, 2009. Ground was broken in July 2009.

"The Daniel M. Soref Charitable Trust is pleased to provide major financial support for Deerwood Crossing. This new facility allows JFS to expand the services it provides to older adults in the Milwaukee area, providing needed services to help these older adults age in a place with dignity."

–Audrey & Burt Stroud

Deerwood Crossing opens summer of 2010

Just one year later, the new 66-unit apartment complex will open its doors at 4195 West Bradley Road in Brown Deer. Deerwood Crossing will offer studio, one-bedroom and two-bedroom units to individuals 55 or older and adult couples, including senior living with an adult child. Applicants must have an income of less than 60 percent of the Milwaukee County median income, though they need not be county residents to apply. Apart from age and income, the only requirement is that residents be capable of making sound decisions on their own.



The spacious three-story complex will feature underground parking, dining room, party room, café and juice bar, library and computer lab, exercise room, game room, and a playground for visiting children. Each apartment will have a full kitchen, air conditioning and energy efficient appliances; many will have a washer and dryer. Deerwood Crossing is one block from a bus line, next to a bank and minutes from dozens of stores and restaurants.

On the a la carte menu of services will be personal assistance including medication administration, weekly linen and housekeeping services and chef-prepared meals. Trained staff will be on hand 24 hours a day.

Deerwood Crossing will provide comfortable and affordable housing for a segment of the community that has been overlooked for too long. Possibility will become reality.

For more information or to be added to the waiting list, please call 414-390-5800.

Counseling & Clinical Services

Welcome to Possibility, Welcome to JFS Counseling & Clinical Services

Different ages and different stages: each has unique challenges under the best circumstances. When circumstances take a negative turn, the struggle can become too much to handle.

JFS offers a comprehensive range of counseling and outpatient psychotherapy services. Our clinicians, psychologists and psychiatrists are qualified to assess and treat emotional problems ranging from common issues of adjustment to severe behavioral difficulties. Our clinic is licensed by the state of Wisconsin and accredited by the Council on Accreditation.

"This is a hidden gem in the community," says Jim Welsh, JFS' new Vice President of Clinical and Case Management Services. "We have so many services people don't know about."

Confidential services for all ages

Children's behavioral issues are sometimes the result of things outside of a child's control, like divorce. JFS' innovative Kids in the Middle® program works with children of divorce or separation and their families. Reaching out to kids as young as three-and-a-half, Kids in the Middle offers discussion groups, therapeutic games, art therapy and other approaches to help children cope with their challenging situation. The program works with divorcing or separating parents to help them understand what their children need.

At the other end of the age spectrum, some of JFS' 14 skilled clinicians specialize in emotional issues affecting the elderly, such as serious illness, loss of independence or the passing of a beloved spouse. The very idea of counseling is uncomfortable to many older adults; JFS clinicians offer respectful, sensitive support at times of need.

Referrals for counseling come from physicians, schools and other agencies, but individuals and families can contact JFS directly for an appointment.

Sliding scale makes help affordable

JFS is one of the few providers left in Milwaukee County that offers a sliding fee scale. With many insurers putting stringent

"Kids in the Middle provides a place where children of all ages can express their anger, fear and confusion over their parents' divorce. Being with others their same age, they are comforted in knowing that they are not alone in what they are feeling. I am proud to support this program which helps children learn to cope with their emotions."

~Suzy Ettinger

limits on mental-health services, JFS offers fee reductions based on income, so no one is turned away.

"We are a safety net, and that safety net has never been needed more," Jim says.

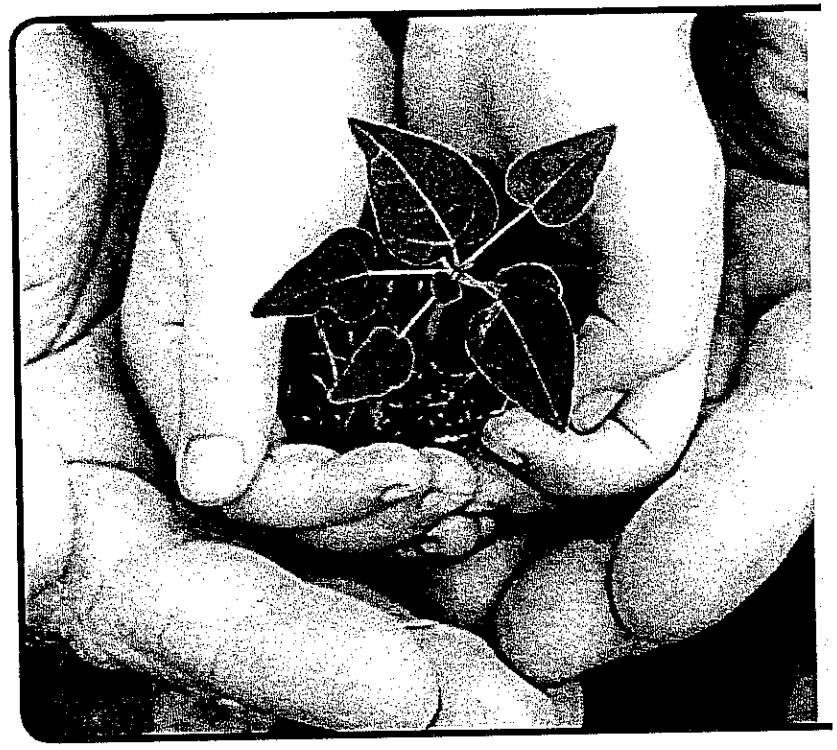
Reaching out to the underserved

Though JFS clinicians primarily help with individual, couple and family counseling, Jim sees a role for the division in addressing wider social issues.

JFS collaborated with COA Youth & Family Center in Milwaukee's inner city to help children traumatized by gun violence by providing an art therapy program using digital cameras.

The agency also is working to reach out to adult males involved with domestic violence and abuse. These men are less likely to seek counseling and therapy than women, but their role in a healthy family dynamic is a crucial one. JFS is trying to go where these clients are to reach this important group.

Life is challenging, society is complex, and sometimes it all seems more than a little overwhelming. At those times, JFS' counseling & clinical services are here to guide the way to brighter possibilities.



Volunteer Services

Welcome to Possibility, Welcome to Volunteer Services

"Laura" already had a hard time getting around; for years, impaired mobility and diabetes made life a real challenge. When she was stricken with adult-onset blindness, a fulfilling, "normal life" became an even more remote possibility. Small daily tasks caused anxiety. Venturing out tested her waning self-confidence.

She really needed a friend. She found her friend through the JFS Friendly Visitor program.

Not your usual volunteer

Stacy Trinastic is not your typical JFS volunteer. She's a 30-year-old graduate student who grew up in Greenfield. She's a self-proclaimed "gear-head" who helped her dad rebuild a '69 Chevy. Three years ago, Stacy returned to college to finish her Bachelor's degree, working to pay her way through school.

"It was time to become a grownup," she says, and becoming a community volunteer was an important part of that process. She learned that from her parents, Linda and Robert, whose volunteer efforts ranged from political fundraising to little league coaching.

"Volunteering is just what you do in my family," she explains. "It's a way to give something back. I looked at my life, and I may not drive a Mercedes, but I have a lot."

Stacy has a lot of everything – except time. She is pursuing a Master's degree in psychology and will go on for a doctorate in Behavioral Neuroscience in the field of drug addiction. She continues to work her way through school. She's a fitness buff, hoping to take on a triathlon. Stacy is also active in Mortar Board, Phi Kappa Phi and Psi Chi honor societies.

She is outgoing, upbeat, and proud of her independence, self-confidence and ability to get things done. That includes volunteering. Her online search of Milwaukee service organizations introduced her to Jewish Family Services.

"I liked what JFS had to offer," she says. "As a JFS Friendly Visitor I can help instill some of my confidence and independent spirit into the life of a disabled client."

"JFS was very generous to me and I never forgot how warm and wonderful JFS was to our family. I always wanted to give something back to the agency. I know there are people who have so little connection to the community. In giving blankets to JFS, I feel this is something tangible that they can wrap around themselves and it also gives them a message that people in the community really do care about them."

~Adrienne

(Adrienne has donated over 35 hand-made fleece blankets in six months)

Strong support and a gentle push

It has not been easy for Laura to make the transition from the sighted world to the challenging one of the visually impaired. Stacy helps Laura open mail, pay bills, pick up medications and do other routine chores that most people take for granted. They shop for groceries together and Stacy encourages Laura to make better choices at the supermarket to manage her diabetes.

Recently, when Laura needed some shelves installed, Stacy recruited a special guest volunteer – her boyfriend, Warren Heir – to do the job.

"She's come a long way," Stacy says, noting that Laura recently went on a camping trip with other visually impaired adults. "She didn't believe she would enjoy it, but very much did. She needs self-confidence; I give her that little push to help lessen her anxiety."

What started as a volunteer commitment of eight to 10 hours a month has flourished into what is now sometimes eight to 10 hours a week. Stacy talks to Laura on the phone at least once a day.

Why? They became friends. Welcome to possibility.

Stacy Trinastic

2008-09 Highlights

- JFS received a contract from the Milwaukee County Department of Health and Human Services Economic Support Division to provide Food Stamp recertification to those limited English speaking immigrants who are entitled to Food Share program support.

- JFS continues to be a significant provider of Family Care case management services for low-income adults over the age of 60 in Milwaukee County, serving over 550 member clients during the year.

- JFS received $10.4 million in Affordable Housing Section 42 tax credits from the Wisconsin Housing and Economic Development Authority (WHEDA) and closed on Deerwood Crossing, a 66 unit affordable housing apartment building. Construction began in summer 2009 with a projected completion/move-in date of summer 2010. Associated Community Development, LLC became the tax credit investor. As part of this project, JFS Housing, Inc. was created with the purpose of developing housing to support the mission of JFS. A lead gift from the Daniel M. Soref Charitable Trust helped solidify the financial aspects of Deerwood Crossing, which will be a Residential Care Apartment Complex (RCAC) under Wisconsin law.

- The Honor Your Aging Parent Wellness program presented information to over 130 participants to increase caregiver knowledge of available resources and to increase their comfort level in having difficult conversations with a loved one about issues of aging.

- Gina Botshtein, Vice President of Older Adult Services, was named one of Milwaukee's "Top 40 Under 40" by Milwaukee Magazine and MRA-The Management Association.

- JFS partnered with Children's Outing Association (COA) to offer an art therapy class for children who have witnessed or experienced gun violence in their home.

- The American Psychological Association (APA) approved the Raising Safe Kids parenting program, to continue to work with mothers who are recovering addicts. Meta House and JFS were included in an APA national study of the efficacy of the Raising Safe Kids program, along with seven other sites across the country.

- The Bayshore Town Center office was expanded and remodeled to include office space for individual sessions and a group room was added, providing confidentiality and convenience for our clients.

- Over 350 individuals attend the Community Mental Health Education Conference on depression and suicide awareness.

Families participating in the Young Adults Independence Project reached 40.

JFS began a support group specifically for individuals with developmental disabilities and chronic mental illness to address living with their diagnosis.

Statistics

July 1, 2008 - June 30, 2009
(unaudited)

Revenue

Milwaukee Jewish Federation	$585,000
United Way	374,000
Client Fees	478,000
Memberships	105,000
Foundations, Grants & Government Funds	2,973,000
Contributions	308,000
Endowments	332,000
Special Events, Net	87,000
Other	39,000
Total Revenue	**$5,281,000**

Expenses

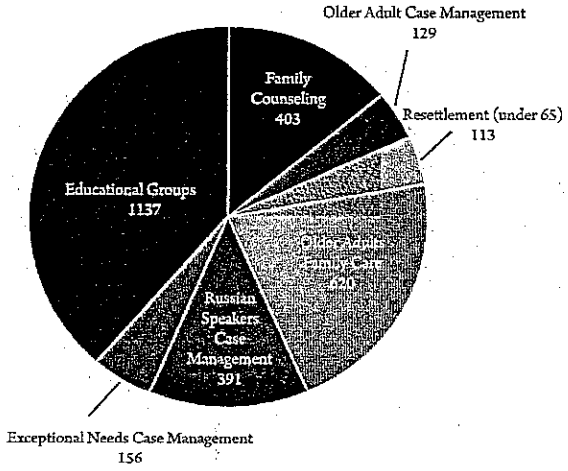
Wages & Benefits	$3,876,000
Purchased Services	778,000
Rents, Utilities & Maintenance	116,000
Office Operations	216,000
Client Assitance	94,000
Staff Transportation	36,000
Other	171,000
Total Expenses	**$5,287,000**
Net Deficit from Operations	($6,000)

Endowment Report

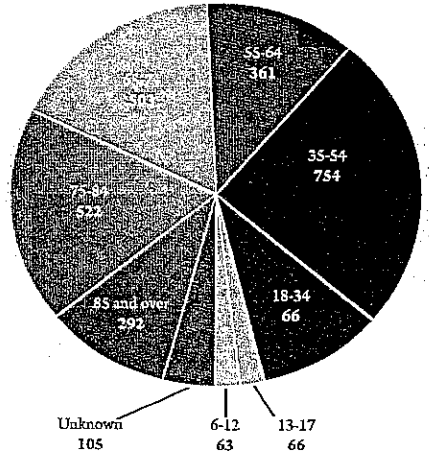
Unrestricted Funds	$3,628,000
Restricted Funds	
Family Counseling Programs	98,000
Older Adult Services Programs	251,000
Exceptional Needs Programs	119,000
Keshet Program	21,000
Other	163,000
Total	**$4,280,000**

*Endowment balance as of June 30, 2009 $4,280,000

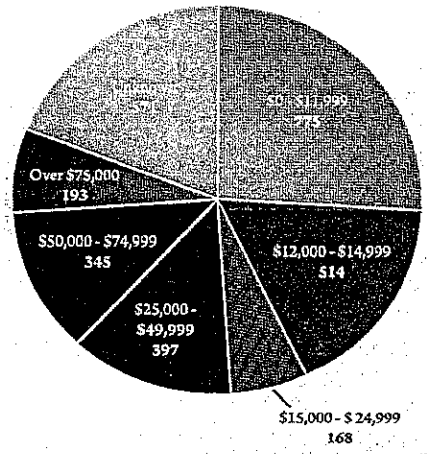
Clients by Program/Service



Clients by Age



Clients by Income

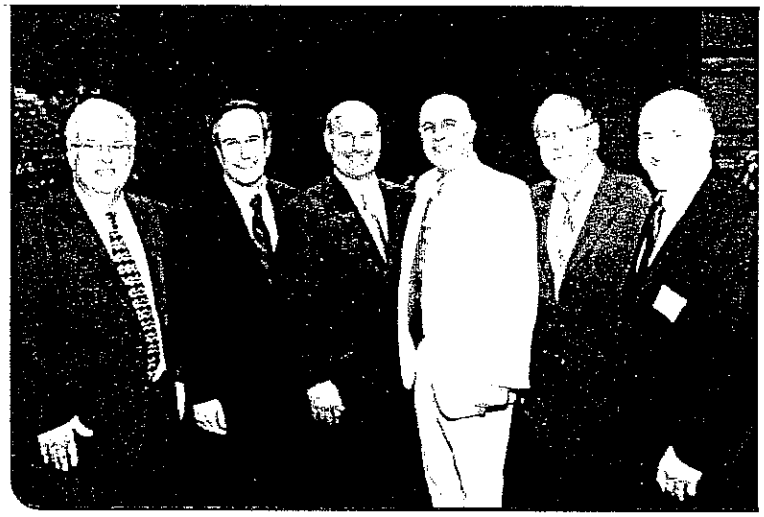


Total Clients Served: 2963 Total Volunteer Hours: 5375

Endowments

These families have chosen to preserve their legacy and support their interests for the future of our community by setting up a named Endowment Fund to:

Abrahams Ogens Endowment Fund
Samuel L. & Sara Bornstein Alzheimer Disease Endowment
Braverman Family Endowment Fund
Phillip & Mildred Cohen Children's Opportunity Endowment
Louise and Ralph Eder Endowment
Beatrice M. Frank & M. P. Frank Developmentally Disabled Endowment
Sue & Michael Freeman Family Endowment
Elaine B. & Sidney Friedman Family Endowment Fund
Ronald C. Glick Memorial Exceptional Needs Endowment Fund
Ruth and Samuel Gordon LinkAges Endowment Fund
Keshet Myron & Ann Gottfried Endowment Fund
Erwin E. & Helen Z. Grossman LinkAges Endowment Fund
Robert Habush Employment Assistance Endowment Fund
Habush House Endowment Fund
Herbert Heilbronner Family Endowment
Stella Joffe Endowment Fund
Sara & Ben Kuritz Memorial Endowment
Larkey & Malawsky Family Interpersonal Violence Prevention Endowment
Kippy & Sylvan Leabman Exceptional Needs Endowment Fund
Carol & Julian Lichtig Memorial Youth Development Fund
Eve Lipchik Family Integration for Newcomers Endowment
Elliot Lubar Staff Education Fund
William S. Mautner Memorial Endowment
Dr. Harold L & Margaret Miller Memorial Fund
Sandra & Emanuel Rotter Exceptional Needs Endowment
Robert L. & Dolores Schlossmann Endowment Fund
Ralph Sherman Community Endowment Fund
Jenny Szwarcbir Endowment Fund
Ray & Fritzi Rice Family Endowment Fund
Richard Samuel Rice Endowment Fund
Michael J. & Suzanne M. Shapiro Keshet Children's Endowment Fund
Ralph Sherman Community Education Endowment
Eli Tash Endowment
Mollie E. & Jerome J. Trosch ESL Program Endowment
Harry & Jeanette Weinberg Building Endowment



Luncheon of Champions

Honoring Community Heroes

JFS held their annual Luncheon of Champions on Wednesday, June 3rd at the Italian Conference Center to honor heroes who make it their way of life to be involved in the community and make it a better place. Honorees included Mr. Frank Gimbel and Mr. Josh Gimbel who were the recipients of the Father-Son award, and Rabbi Ronald Shapiro, who was the recipient of the Community Partner Award. Mr. Allan H. 'Bud' Selig and Mr. Robert Joseph co-chaired the event and Mr. Robert Habush was the emcee. Over 450 individuals attended the luncheon to pay tribute to these community heroes.

You can view a complete list of 2008-09 donors at our website www.jfsmilw.org

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Milwaukee, WI 53202
ph 414-390-5800 | fax 414-390-5808 | www.jfsmilw.org

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JFS is a partner in serving the community with the Milwaukee Jewish Federation & a beneficiary of the United Way.

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JEWISH FEDERATION

United Way
of Greater Milwaukee

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The Conference on Jewish Material Claims Against Germany

www.generalcapitalgroup.com

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FOX POINT, WI 53217
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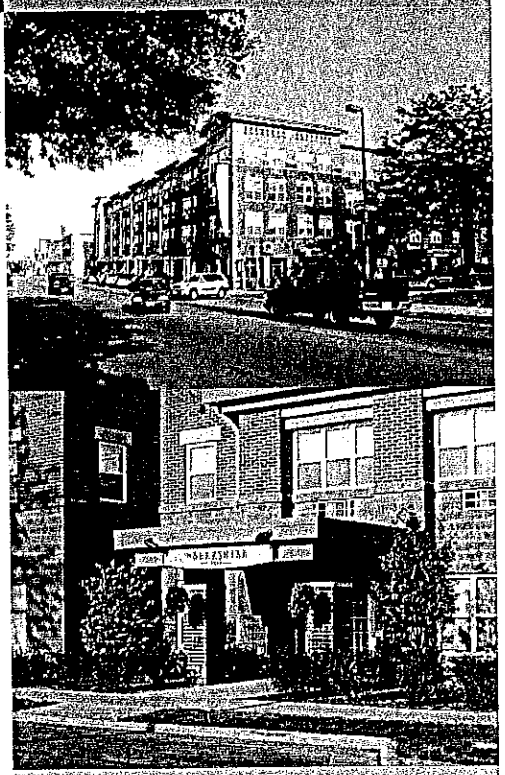
GENERAL CAPITAL GROUP

Multifamily Development



General Capital Group

acquires

rehabilitates

and develops affordable housing

- Working with non-profit organizations
- Emphasizing community collaboration with local organizations and community business leaders
- Structuring innovative transactions with a deep understanding of property subsidy, rehabilitation and financing vehicles
- Maximizing environmental conservation through sustainable development including the redevelopment and renewal of environmentally contaminated properties
- Engaging high quality property management firms and intensive asset management
- Utilizing best practice construction methods and high quality materials that ensure quality and durability of product
- Working closely with state agencies to achieve mutual objectives

THESE PRACTICES ARE THE BASIS OF GENERAL CAPITAL GROUP'S SUCCESS

GENERAL CAPITAL GROUP
6938 N. SANTA MONICA BLVD.
FOX POINT, WI 53217
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GENERAL CAPITAL
GROUP

General Capital Overview

General Capital is a leading Wisconsin-based real estate development firm that focuses on creating exceptional development projects in established urban and suburban neighborhoods. Its core business entails development and management of quality commercial, industrial and affordable housing properties that stand the test of time. In selecting and executing its projects, General Capital works closely with tenants, municipalities and sellers to ensure that projects enhance the long-term objectives of all stakeholders.

General Capital is led by industry veterans who bring a multi-disciplinary approach to process management. This approach has been instrumental in converting complex development challenges into valuable real estate assets. Michael and David Weiss, who both have commercial banking backgrounds, formed General Capital in 1996. Steven Schnoll, an attorney by background, joined the company as partner in 1998 with broad experience in real estate investment. The expertise and entrepreneurial spirit of the partners is supported by staff proficiencies in real estate development, urban planning, architecture, construction, marketing, finance and environmental remediation.

At inception, General Capital's portfolio strategy concentrated on developing grocery-anchored shopping centers. This focus soon broadened to include stand-alone food stores and other large retail, industrial distribution and light manufacturing build-to-suit developments. The firm evolved further into development of apartments with affordable rents under government driven tax credit programs, which in turn led to development of affordably priced condominium units. More recently General Capital has been involved in larger, mixed-use developments which maximize the multi-discipline capabilities of the firm.

GENERAL CAPITAL GROUP

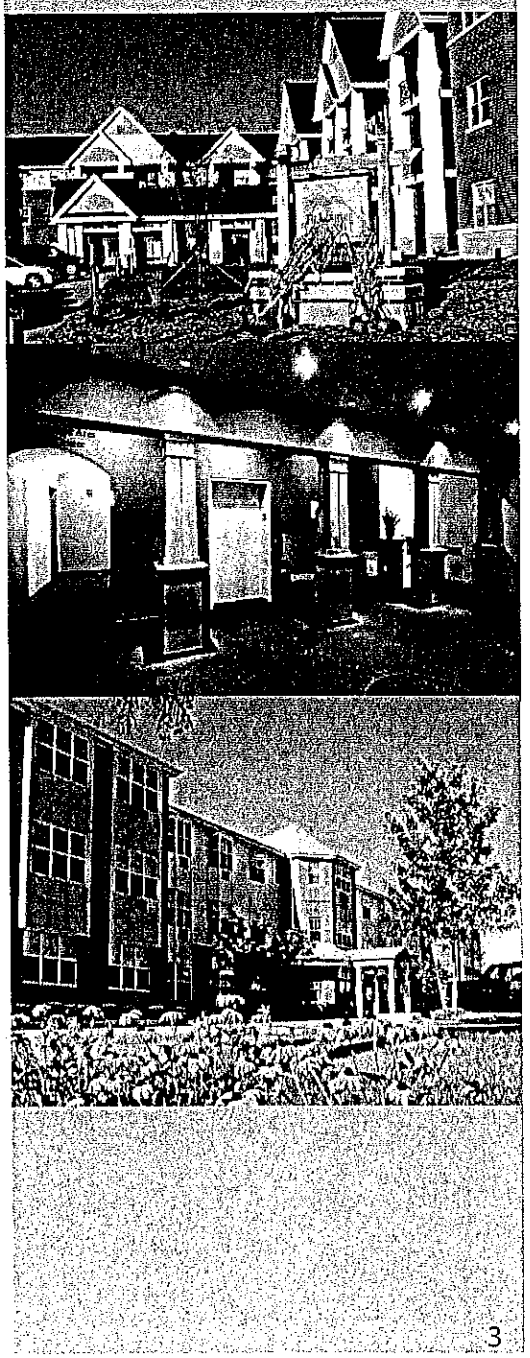
General Capital Affordable Housing

Affordable housing is central to General Capital's core business. The partners of General Capital have been involved in the development, management and ownership of affordable housing communities since the 1980's. This commitment to affordable housing involves three complimentary pursuits: (1) new construction of apartment communities with moderate rents; (2) the acquisition and rehabilitation of existing apartment developments (often with low income, government subsidized rents); and (3) new construction of moderately priced for-sale condominiums.

General Capital's new construction of affordable rental housing has involved the use of 9% and 4% tax credit programs as well as other federal and local housing initiatives. General Capital has successfully developed the "Berkshire" brand, a recognized name in the senior housing market. Berkshire independent senior apartment communities are designed specifically to meet the housing and supportive service needs of elderly residents maintaining an independent, self supportive lifestyle. Berkshire residents are part of an active, well-rounded community that provides a sense of self, well-being and inclusion. The Berkshire's commitment to quality was recognized with a national Charles Edson Tax Credit Excellence Award for the Berkshire-Grafton in 2003.

General Capital is also active in the acquisition and preservation of affordable apartment projects currently regulated by HUD, the IRS or state housing agencies and non-regulated multi-family properties that are candidates for repositioning as affordable properties. The firm has extensive experience utilizing both public and private resources to preserve these assets and position them for long term sustainability. Many of the transactions have involved the placement of new tax credit equity as part of a capital structure geared towards low and moderate rent levels.

General Capital is actively developing a variety of affordable residential condominium communities as well. These projects have involved the use of TIF funds and other subsidized financing vehicles which effectively allow for competitive pricing of the units in the marketplace. These projects are known for their design, green built initiatives and use of quality materials.



Biographies

Michael Weiss

Michael Weiss is the President of General Capital Management Inc. and leads the firm's commercial development efforts. In 1985, Michael joined Citibank's New York Shopping Centers Group where he worked with top developers including Simon, DeBartolo, General Growth and Westfield. He was directly involved in financing the buyouts of Macy's and Federated Department Stores. In 1991, Michael joined the Midland Group as a Partner and opened Midland's third office in Milwaukee. He is currently Acting Chair of Local Initiative Support Corporation Milwaukee, a non-profit that supports sustainable and affordable neighborhoods. He is also an independent director of First Wisconsin Bank & Trust. Michael graduated from Brown University with a degree in history. He and his wife Sarah live in River Hills, WI with their two children.

Steve Schnoll

Steven Schnoll is Executive Vice President of General Capital Management, Inc. and leads the firm's affordable housing and industrial build-to-suit efforts. After practicing law for four years, Steve joined Trammell Crow Company as a developer specializing in office and industrial buildings. Following Trammell Crow, Steve became the Senior Vice President- Investments for MLG, a Milwaukee based full-service real estate company, where he was involved in MLG's private placement program. This real estate investment activity centered on "value added" acquisitions of real estate assets with accredited investors. Steve has served on WHEDA's tax credit advisory committee and is a board member of other non-profit organizations. Steve graduated from the University of Wisconsin with a degree in business and from Marquette University Law School with a legal degree. He and his wife Susan live in River Hills, WI with their two children.

David Weiss

David Weiss is the Chief Executive Officer of General Capital Management, Inc. David has primary responsibility for structuring debt and equity for the firm's real estate activities. David's background is in corporate and real estate finance. Over a ten-year period, David worked in Citibank's New York and Chicago offices of Leveraged Finance, Institutional Recovery Management (workouts) and Real Estate. Most recently he was a Vice President in the Shopping Centers Group and responsible for a debt portfolio in excess of $400 million. David is an independent director of a number of privately held real estate companies. David graduated from San Diego State University with a degree in history. He and his wife Beth live with their three children in Chicago.

Biographies

Sig Strautmanis

Sig Strautmanis leads General Capital's condominium and for-sale residential team. He is responsible for product innovation and development, design, construction and project implementation. In 2004, Sig was named to the Milwaukee Business Journal's "40 Under 40" list for his contributions to the profession and local community. Sig joined General Capital after working for LDR International, a nationally recognized land use and urban design firm in Columbia, Maryland and for the Village of Germantown, a high growth Milwaukee suburb. In addition to his work at General Capital, Sig is currently an Adjunct Assistant Professor of Urban Planning at the University of Wisconsin – Milwaukee. He has a Masters degree in Architecture and Urban Planning and an undergraduate degree in Architectural Studies from the University of Wisconsin - Milwaukee. He and his wife Alisa live in Germantown, WI with their two children.

Josh Hafron

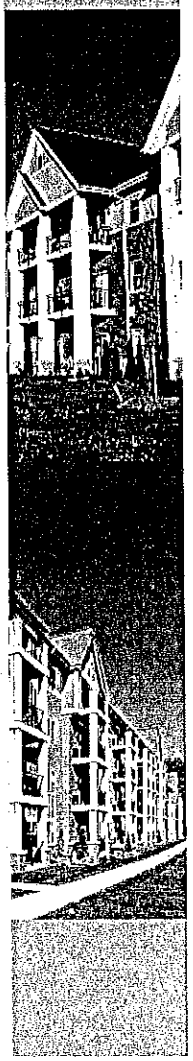
Josh Hafron joined General Capital's Chicago office in 2007 with a focus on the acquisition and redevelopment of affordable/low income housing projects across the country. Josh has over 10 years of commercial real estate experience. Most recently he served as assistant vice president with Urban Innovations in Chicago, where he was involved in the acquisition of affordable housing projects nationally. Josh previously held positions with First Industrial Realty Trust and First Chicago Capital Markets. Josh graduated from Tufts University and also has a joint MA/MBA degree from George Washington University. He and his wife Kim live with their two children in Glencoe, IL.

Affordable Multifamily Projects

Rental Housing

McAuley Apartments – St. Catherine Residence, Milwaukee WI (46 units)
9% Section 42 special needs tax credit development

General Capital, acting as fee developer and general contractor, secured 9% tax credits from WHEDA and other forms of subsidized financing for St. Catherine Residence, Inc., a 114 year old non profit agency serving women in need. General Capital structured the sale of the tax credits with the equity investor. This apartment project benefited from a variety of financing sources including LISC, City of Milwaukee, Milwaukee County, and private foundations/donors.



Berkshire Oconomowoc, Oconomowoc, WI (85 units)
4% Section 42 independent senior tax credit development with senior center

General Capital utilized tax exempt bond financing through the City of Oconomowoc Community Development Authority on a partial conversion and new construction addition of a former church school into a senior housing development which also houses the Oconomowoc Area Senior Center. The capital structure utilized Tax Increment Financing to fund environmental clean up and off-site infrastructure improvements, subordinate debt financing of HOME funds, and the sale of 4% tax credits to an equity investor.

Berkshire West Allis, West Allis, WI (80 units)
9% Section 42 independent senior tax credit development with 9,500 s.f. retail space

General Capital leveraged Tax Increment Financing from the City of West Allis to fund the acquisition, demolition and environmental remediation of the site, together with proceeds from the sale of tax credits to an equity investor. The development includes 9,500 s.f. of commercial space on the first floor.

Berkshire Sunset, Waukesha, WI (78 units)
9% Section 42 independent senior tax credit development with grocery anchored shopping center

General Capital assembled multiple land parcels to build this affordable independent senior project after securing an allocation of tax credits. The development was part of a 47,000 s.f. grocery store and 19,000 s.f. multi tenant retail strip center.

Affordable Multifamily Projects

Rental Housing

Berkshire Grafton, Grafton, WI (66 units)
9% Section 42 independent senior tax credit development

General Capital's proposal was accepted in response to a request for proposals from the Village of Grafton to develop this shuttered foundry site, which was instrumental to the village's master plan and redevelopment of its downtown area. The village provided Tax Increment Financing to fund environmental clean up and off-site streetscape improvements. Tax credits were sold to an equity investor. Upon completion, the project was awarded the coveted Charles Edson Tax Credit Excellence Award in 2003.

The Silvernail, Waukesha, WI (90 units)
9% Section 42 independent senior tax credit development

General Capital secured an award of tax credits from WHEDA, structured the equity sale of the tax credits, and co-developed the project in the City of Waukesha.

Hunters Ridge I, II, III, Plymouth, WI (96 units)
4% Section 42 & market rate family development

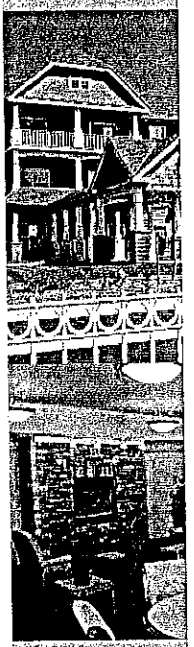
Steve Schnoll co-developed this WHEDA bond financed development in three phases. The bonds produced a 4% tax credit which was retained by the partnership. WHEDA is the lender on a long term below market interest rate basis. The loan was provided in exchange for roughly half the units being set aside at specified levels of county median income.

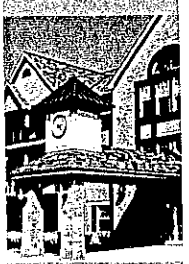
Hawthorne Woods, Plymouth, WI (64 units)
9% Section 42 family development with project based Section 8

Steve Schnoll co-developed this existing Section 8 low income development by acquiring the project, securing tax credits from WHEDA which were sold to an equity investor and rehabilitating the buildings and units.

Orchard Ridge, Green Bay, WI (43 units)
4% Section 42 family development with project based Section 8

Steve Schnoll co-developed this existing Section 8 low income development. With HUD's consent the interest rate subsidy was decoupled, the Section 8 contract was extended for 20 years, and a loan from WHEDA with the issuance of tax exempt bonds provided debt financing and tax credits which were sold to an equity investor. The project was a successful turnaround of a troubled HUD property.





Affordable Condominium Developments

Affordable For Sale Housing

Beaver Creek, Brown Deer, WI
Mixed-use 51 unit affordable condominium and commercial development

General Capital assembled three parcels and obtained TIF from the Village to facilitate this urban infill development. As part of the incentives negotiated for the project, the Village transferred ownership of a parcel along Beaver Creek to create a contiguous development site. In addition to retail frontage, the development includes 24 town houses and 27 garden style affordable condos.

Bradley Village, Brown Deer, WI
65 unit condominium development with 16,400 ft. of neighborhood retail

General Capital acquired a functionally obsolete shopping center and sought TIF support from the Village to redevelop this blighted site in the center of the community. Designed as a Traditional Neighborhood Development (TND), the project includes two 8,200 square foot retail buildings and 65 affordable condominium units set in a pedestrian-friendly environment. Since this project was launched, the immediate area has experienced an increase in development activity not seen in a generation.

Hide House, Bay View (Milwaukee), WI
Mixed use 150 unit affordable condominium, rental and commercial development

General Capital and a strategic partner acquired this 200,000 square foot former tannery complex to develop "neighborhood logical" affordable housing. The phased project will ultimately include up to 150 residential units as well as live work space, artist studios and commercial space.

Misty Ridge, Port Washington, WI
68 unit condominium development

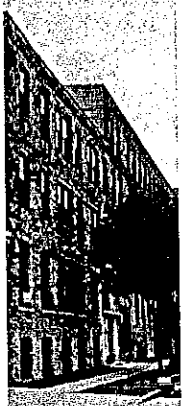
General Capital acquired three development parcels split from a larger residential subdivision to ultimately develop 68 affordable duplex condominium units in a three phase Planned Unit Development. The project is designed to take advantage of rolling topography and views. All units in the project have been certified by the Wisconsin Environmental Initiative's Green Built Home ™ program for energy efficiency and sustainable development practices.

Affordable Condominium Developments

Affordable For Sale Housing

Pinecroft, Wales, WI
110 unit condominium development

General Capital and a strategic partner are in the planning and design phase of this 19-acre master planned residential community located near the rolling hills of the southern Kettle Moraine State Forest. General Capital is working in a public-private partnership with the Village of Wales through TIF financing to facilitate a sanitary sewer infrastructure project (sanitary sewer service) which will serve the development and surrounding parcels.

North Port Village, Glendale, WI
43 unit affordable condominium conversion

General Capital converted this former FHA insured senior apartment facility into 43 attractively priced condominium units. The entire product was refurbished and upgraded creating units that were sold at prices well below the cost of new construction.