

MILWAUKEE

THE BRIDGE TO WISCONSIN'S FUTURE

# The People's Flag of Milwaukee

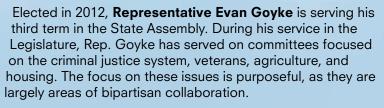
In 2016, Milwaukeeans voted on a new City Flag. The winning design, pictured below, was designed by Robert Lenz. The image and colors of this new City symbol run through this publication.

The rising sun over Lake Michigan symbolizes a new day.

The light blue bars in its reflection represent the city's three rivers and three founding towns.

Gold represents our brewing history,

and white symbolizes unity.



Before being elected to the Legislature, Rep. Goyke served as an attorney in the Milwaukee trial office of the Wisconsin State Public Defender. He is a graduate of Marquette University Law School.

Rep. Goyke lives in the historic Concordia Neighborhood, where he and his wife Gabriela are restoring a previously foreclosed home. Both are active in their neighborhood and are committed to investing in their neighborhood and their city.

# Milwaukee

... is the tale of two cities. In one there is great momentum, excitement, and development. The other presents the difficult challenges of poverty and lack of economic mobility.

To those who call Milwaukee home, this is a generations-old truth. To those outside the city, the two realities may seem too far apart to believe.

The truth is, regardless of which Milwaukee you live in or which Milwaukee you envision, there must be sustained collaborative work to push and pull every corner of Milwaukee forward. This is needed for the city, for the region and the entire state of Wisconsin.

The first part of this publication makes the case for Milwaukee's value to all Wisconsinites. The next tells the stories of a few families that call Milwaukee home. The publication concludes with areas for growth and proposes legislative

solutions to the challenges presented. With smart, collaborative work, our resilient, hardworking people can realize a shared success that all should enjoy.

This publication seeks to avoid the least productive but all-too-common political response—blame. Rather, the design is to share Milwaukee's strengths, target challenges, and suggest solutions. The goal is to build on the success of a similar project last year. The *Moving Milwaukee Forward* publication reached thousands of people around the state. Great dialogues took place and lessons were shared between communities large and small. This work seeks to build on that foundation.

There is no doubt that change is urgently needed and should be made to ensure a unified future.

# **Table of Contents**

Iľ	ne First Half of the Story	
	Milwaukee's Value to Wisconsin	. 2
	Wisconsin's Transportation Hub	. 4
	Major Developments	. 8
Tŀ	ne Second Half of the Story	
	Economic Disparities	14
	Racial Disparities	17
	Education	20
	Public Safety	21
Vo	pices of Milwaukee	22

# **Building the Bridge**

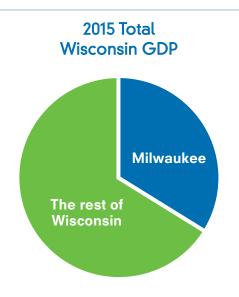
	Build a Modern Local Tax Structure	33
	Build a More Competitive Region	36
	Become a Center for New	
	and Small Businesses	38
	Build a Modern Transportation Network	40
	Become a Center of Educational Excellence	42
	Build Safe Communities	43
Co	nclusion and Thank You	45

This document is written and published by State Representative Evan Goyke. It is a governmental communication. The information and data presented has been gathered, where possible, from governmental sources. Outside sources are credited where used throughout the work. This document may not be reproduced or used for any partisan political purposes.

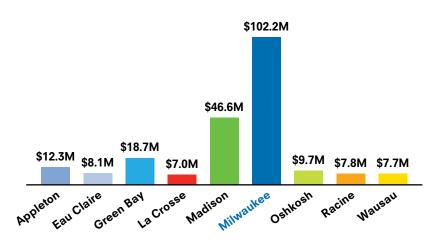
# The First Half of the Story

# Milwaukee's Value to Wisconsin

Wisconsin's economy grows from Milwaukee, where more commerce takes place than anywhere else. As shown below, almost 40% of Wisconsin's gross domestic product comes from the Milwaukee region.



# 2015 Gross Domestic Product of Wisconsin's Metro Statistical Areas

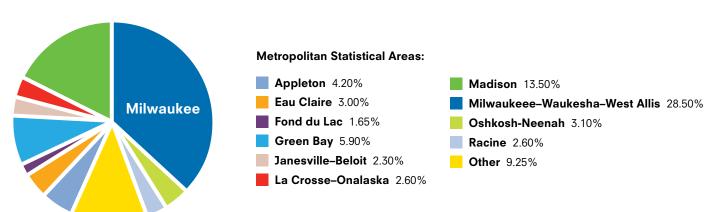


U.S. Department of Commerce, Bureau of Economic Analysis: Gross Domestic Product by Metropolitan Area, 2015

The Milwaukee–Waukesha–West Allis metro area contains 27% of Wisconsin's population but generates 40% of Wisconsin's economy.

Over one million people work in the Milwaukee area. These are the women and men who generate the economic activity fueling Wisconsin's economy. As shown below, **Milwaukee's workforce is the largest in Wisconsin**.

# 2015 Percent of State Employment



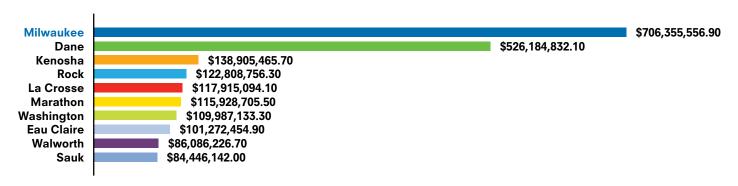
### MILWAUKEE'S VALUE TO WISCONSIN

Wealth is generated in Milwaukee by businesses large and small. Home to more of Wisconsin's largest and most successful businesses than anywhere else, Milwaukee's economic impact stretches throughout the region, state, and nation. Wisconsin is home to **nine** Fortune 500 companies. **Five** call Milwaukee home. **Seven** are in the Milwaukee metro area.

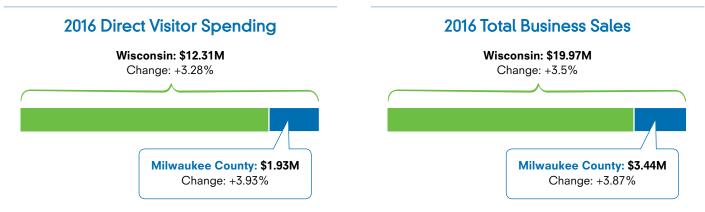
#### City of Milwaukee Milwaukee Metro Area State Northwestern Mutual • Manpower Kohl's • Fiserv American Family Insurance Group • Group • Rockwell Automation • Oshkosh KOHĽS Harley-Davidson • WEC Energy tiserv AMERICAN FAMIL Northwestern Mutual ManpowerGroup Rockwell WEC Automation Energy Group

Bustling streets see economic activity every day. The commerce taking place in Milwaukee, as shown below, generates by far the greatest amount of tax revenue of any place in Wisconsin.

# 2015 Top Ten Wisconsin Counties in Generated Sales Tax Dollars for GPR



The economic activity that generates \$706,355,556 in sales tax revenue comes from around the globe. Visitors play an important role. **Milwaukee** is **Wisconsin's top tourist destination.** Almost 20% of Wisconsin's entire tourism economy takes place in Milwaukee—and that continues to grow.



# **Wisconsin's Transportation Hub**

Milwaukee is not only a frequent destination for visitors, but is also home to Wisconsin's busiest highways, rail lines, and port.

Milwaukee is also home to General Mitchell International Airport, Wisconsin's largest, busiest, and most important airport.



Courtesy of General Mitchell International Airport

- Roughly 1 billion pounds of air freight since 2010
- An average of 7.7 million people pass through General Mitchell per year
- 38,595 total jobs; 3,000 on-airport employees
- \$1.8 billion annual revenues
- Every mainline airline flight from MKE generates approximately \$19 million annually for our local economy

The Port of Milwaukee is Wisconsin's busiest port. If you remember nothing else about the Port of Milwaukee, remember that two million tons of salt arrive in Milwaukee each year. The next time you drive on a Wisconsin winter road, the salt likely came through Milwaukee—and saved you and your town money because of it.



Courtesy of the Port Milwaukee

- Goods come and go on global routes from the Atlantic Ocean and the Gulf of Mexico<sup>1</sup>
- The port is one of the state's main distribution centers as it is connected to two class-1 railroads that service America (Union Pacific and the Canadian Pacific), and provides immediate access to I-94<sup>2</sup>
- 2016 operating revenues: \$3,797,346; there was a net income of \$722,486
   in 2016
- The port helps Wisconsin's agricultural economy by bringing in vessels to export grain to Europe, Africa, and the Middle East; there was a 300% increase in agricultural exports from 2015 to 20164



Road salt delivered to Milwaukee.



180,000 tons of steel per year arrives to Port Milwaukee.

Milwaukee Bucks President Peter Feigin looks on as steel for the arena is being unloaded.

Courtesy of the Port Milwauke

<sup>&</sup>lt;sup>1</sup>City of Milwaukee's Official Website; Port of Milwaukee

<sup>&</sup>lt;sup>2</sup> Ibic

<sup>&</sup>lt;sup>3</sup>The Port of Milwaukee; 2016 Annual Report; p. 4

### WISCONSIN'S TRANSPORTATION HUB



<

# Wisconsin's busiest roads flow through Milwaukee.

The Marquette Interchange, pictured here, was the state's largest public infrastructure project until the Zoo Interchange, in Milwaukee's western suburbs, surpassed it with a total cost of \$1.7 billion and a volume of 350,000 vehicles a day—128 million vehicles a year.

Milwaukee rides public transportation more than any place in Wisconsin. More than 63 percent of all Wisconsin bus rides take place on Milwaukee buses. Now with real-time arrival tracking, Milwaukee's bus network provides critical access for a diverse community of riders. Milwaukee's public transit network is Wisconsin's largest.





Building on the existing bus network, Milwaukee County is leading Wisconsin by building the state's first Bus Rapid Transit system—faster, more convenient bus routes with dedicated traffic lanes for public transportation.







Milwaukee also serves as the critical destination for national carriers, both over the road and by rail. Milwaukee's Intermodal Station is the start or end for roughly 1,610 travelers a day. Supporting daily Amtrak service, Milwaukee's Hiawatha connection to Chicago has experienced steady ridership growth, with over 800,000 passengers in 2016.





Milwaukee's Street Car, "The Hop," has already attracted major investment and development. The initial route of the street car links four of Milwaukee's major redevelopment areas: Station Plaza, The Broadway Connection, Wisconsin Avenue, and the Lakefront



Courtesy of Milwaukee Streets

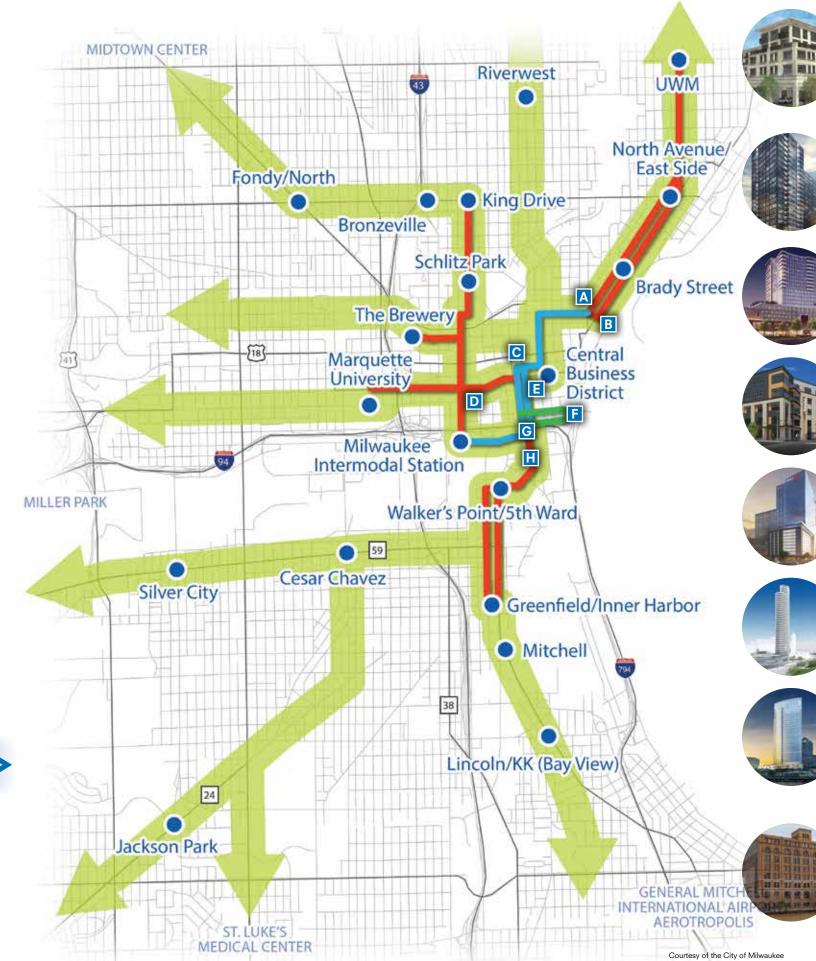
The Phase 1 route and extensions (shown in red) would be within a quarter-mile (4 blocks) of the following destinations:

- 100% of hotels
- 90% occupied office and occupied retail
- 77% of parking
- 77% of housing
- 90% of major downtown attractions
- 100% of downtown's 20 largest employers

Further down the line, future extensions (shown in light green arrows) will be the link between all of Milwaukee's vibrant areas, innovative academic centers, and economic engines.



<sup>&</sup>lt;sup>4</sup> City of Milwaukee; The Milwaukee Streetcar: Route; milwaukeestreetcar.com/route.php



### \$20 million / St. Rita's Square, Taratino & Co

St. Rita's Church may be redeveloped into "St. Rita's Square," a six-story senior apartment building with retail space and a new

City of Milwaukee; www.milwaukeestreetcar.com; Economic Development News.



### \$100 million / Portfolio, Mandel Group

"The addition of the Milwaukee Streetcar will transport you when you want to leave the car at home and connect to the city in a new and profound way."

www.mandelgroup.com; Portfolio.



# \$112 million / Edison Place, Marcus Corp

"That downtown connection along with the planned streetcar line make Edison Street an integral part of an energized downtown."

OnMilwaukee; "Marcus Plans Potential New Edison Place Development with Downtown Cinema"; June 30, 2016.



# \$40 million / The Brewery, Milhaus Devt

"The brewery's strengths include its closeness to I-43, downtown, the future Bucks arena, and a proposed streetcar."

Daykin, Tom; Milwaukee Journal Sentinel, "Indianapolis Developer Proposes 274 Apartments at Former Pabst Complex"; June 27, 2016.



# \$137 million / BMO Harris Financial Center

at Market Square "A fact sheet ... promotes its location adjacent to a stop on the Milwaukee Streetcar line ..."

Jannene, Jeramey; Urban Milwaukee, "BMO Harris Breaks Ground on 25-Story Tower"; November 16, 2017.



### \$122 million / The Couture, Barret Lo **Visionary Development**

"The Couture building ... cannot be built without the streetcar component."

Daykin, Tom; Milwaukee Journal Sentinel; "Couture, streetcar link it's all about the money": December 12, 2014.



### \$450 million / Corporate Tower and Commons, Northwestern **Mutual Real Estate**

"The adjacent amenities are really excellent ... and hopefully, in the future, within proximity to the streetcar.

Tom Zale, vice president and head of Northwestern Mutual Real Estate www.milwaukeestreetcar.com: Economic Development News



downtown streetcar, which will run on St. Paul Avenue past the building."

Ryan, Sean; Milwaukee Business Journal; "\$90 million high-rise with hotel, housing planned at entrance to 3rd ward by Grand Avenue owners"; February 10, 2017; quoting Principal Tony Janowie

# **Major Developments**

Construction is underway in every corner of the city, with some areas undergoing major economic development. The following projects are just a few of the major developments underway or coming soon to Milwaukee.

## **Bucks Arena District**



The completion of Milwaukee's world-class arena is close.

Courtesy of the Milwaukee Bucks

The Bucks arena has created jobs for Wisconsin workers. Part of the deal was that 40% of construction jobs, roughly 400 jobs, went to Milwaukee residents. Contractors have continually hit that mark.<sup>5</sup>



A crew from Hooper Corp. installs a grease interceptor as part of the arena's plumbing system.

<sup>5</sup> Kirchen, Rich; Senior Reporter; *Milwaukee Business Journal*; "Milwaukee Bucks Achieve First Hiring Requirements on Arena Project"; January 25, 2017



An entertainment block adjacent to the arena will make the area a vibrant place to be not only on game day, but throughout the year.

Courtesy of the Milwaukee Bucks

### **MAJOR DEVELOPMENTS**

Radiating from the catalyst of the Arena are several developments that are transforming downtown Milwaukee and reclaiming the long-vacant Park East land. Some of these exciting projects include:



\$31 million

The Froedtert & the Medical College of Wisconsin Sports Science Center (Bucks Training Facility).



\$17.5 million

Engberg Anderson Architects

Development firm Royal Capital will be opening an apartment complex in the fall of 2018 directly north of the new arena, where 90 upper-level apartments will be attached to the new arena's parking structure.



\$27 million

Courtesy of the Janko Hospitality Group

The Hyatt Place at The Brewery. "When we initially started pursuing opportunities in Milwaukee and in this area, the arena was being talked about, but as that became more real, this site and this opportunity became more attractive to us," said Gregory Spanos, managing director of Janko Group.

The Milwaukee Journal Sentinel, Sept 2016



\$15 million

Haymarket square: a new Associated Bank branch, public space, and development of adjacent buildings.

# Northwestern Mutual Tower and Commons

Northwestern Mutual has added elegance to the city's skyline, along with showcasing Milwaukee's growth potential, by constructing a new office tower and commons. According to Northwestern Mutual, the projects have created 1,000 construction-related jobs, brought 1,900 new jobs to the city, retained 1,100 jobs downtown, and generated millions of dollars with the new tax base.





Northwestern Mutual Life Insurance Company

# **BMO Harris Financial Center at Market Square**

Rising 25 stories into Milwaukee's skyline, the BMO Harris Financial Center at Market Square will add 360,000 square feet of office space and serve as the headquarters for BMO Harris Bank and the law firm of Michael Best & Friedrich.





Rendering by Kahler Slater

# **The Couture**

The Couture, a stunning project with a total investment of \$122 million, will rise along the lakefront following the redesign of the nearby highway system. Anchored by the streetcar, public park land, and commercial and residential attractions, **The Couture will redefine Milwaukee's lakeshore.** 







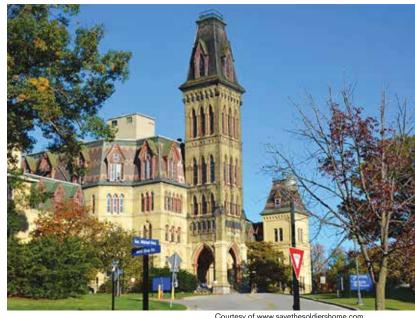
Images this page courtesy of Barrett Lo Visionary Development & Rinka Chung Architecture

# Milwaukee VA Soldiers' Home **Campus Rehabilitation**

The Milwaukee Soldiers' Home campus was built in 1867 to help returning veterans of America's Civil War. It is one of the Nation's three original Civil War Soldiers' Homes.

The Soldiers' Home campus was designated a national landmark in 2011. Six buildings on the campus, including "Old Main," pictured at right, will be rehabilitated. These properties will provide over 100 apartments to veterans and their families, especially veterans who are or are at risk of being homeless.

The project is being developed by The Alexander Company of Madison and will be connected to the Clement Zablocki VA campus, and features access to the Hank Aaron State Trail.



Courtesy of www.savethesoldiershome.com







Bottom three photos this page courtesy of VA

## **Harbor District**

A transformational project is in the beginning phases that may forever change Milwaukee's Harbor District, a large section of over 800 acres. The Harbor District is home to many existing businesses and attractions; however, the development plan includes possible future commercial and residential development and public water and park access. The multiphase project has enormous potential to be one of Milwaukee's most important developments, similar in scale and importance to the transformation of the Menomonee Valley.







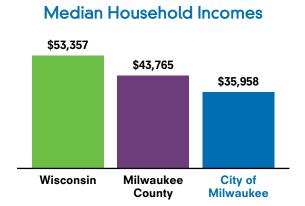
Images this page courtesy of HarborDistrict.org

# The Second Half of the Story

# **Economic Disparities**

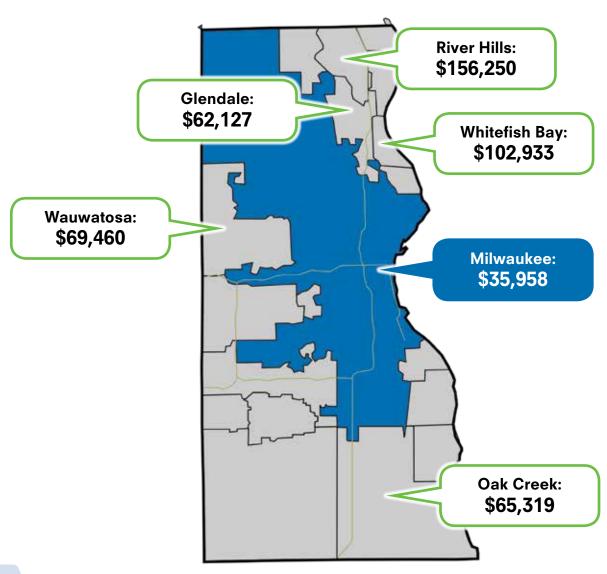
Within the Milwaukee metro area, poverty is heavily concentrated within the city. Separate but unequal communities exist within the same region. Milwaukee's wealth and poverty are linked largely to geography and race. The stark segregation of wealth and race stagnates Milwaukee's progress.

As shown at right and below, the average household income within the City of Milwaukee is less than the county's and nearly \$20,000 a year less than the state average.



U.S. Census Bureau; American Fact Finder: 2011–2015 American Community 5-year Estimates

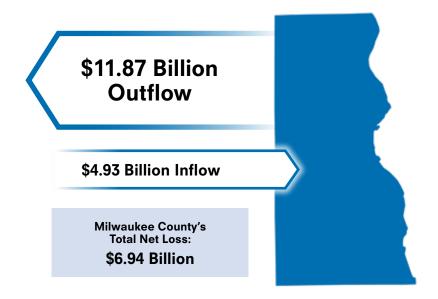
# Median Household Incomes Around Milwaukee County

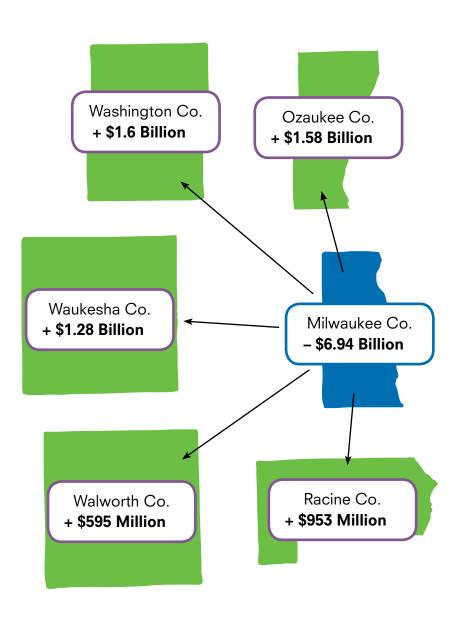


### **ECONOMIC DISPARITIES**

Milwaukee generates great wealth, but much of the wealth earned in Milwaukee leaves, traveling to Milwaukee's neighboring counties. Each year Milwaukee's wealth subsidizes its suburbs in the billions.

More than twice as much money earned in Milwaukee left the county compared to money earned elsewhere and brought in. This imbalance left Milwaukee with a wealth outflow deficit of nearly \$7 billion in 2015.

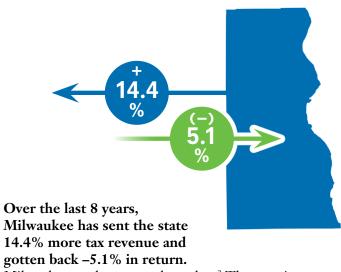




U.S. Department of Commerce, Bureau of Economic Analysis; Regional Data: GDP & Personal Income; https://www.bea.gov/iTable/ (2015)

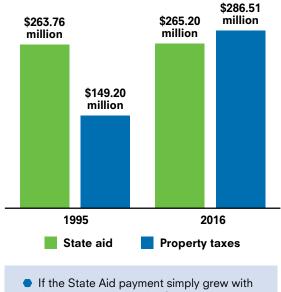
### **ECONOMIC DISPARITIES**

In 2015 the City of Milwaukee generated \$1.38 billion from all income, sales, utility, and other taxes. These taxes went to the State government. In return, the City received \$227 million as part of the State's "Shared Revenue" program.<sup>6</sup>



Milwaukee sends more and gets less. The growing gap between what is generated in Milwaukee versus what is returned stagnates Milwaukee's growth and is unfair to local taxpayers.

# State Aid vs. Property Taxes for City of Milwaukee

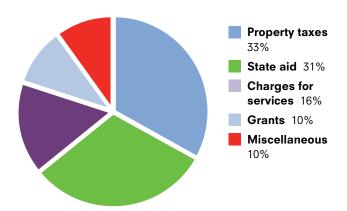


 If the State Aid payment simply grew with the rate of inflation, the City's payment would be \$150 million larger each year.

The Wisconsin Policy Forum, City of Milwaukee, and the Bureau of Labor Statistics

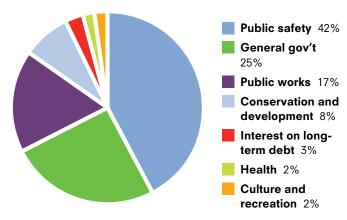
Milwaukee requires a lot of resources to meet its demands. The current revenue limits and shared taxation formula leaves the city with inadequate funds to meet critical city services. According to the City of Milwaukee's Comprehensive Annual Financial Report (CAFR), revenues for the city's governmental activities totaled \$861 million, while expenses totaled \$1 billion, creating a \$102 million deficit.8

# 2016 City Revenues



City of Milwaukee CAFR, 2016, p. 25

# 2016 City Expenses



City of Milwaukee CAFR, 2016, p. 26

<sup>&</sup>lt;sup>6</sup> Office of Mayor Tom Barrett; City of Milwaukee

<sup>7</sup> Ibic

<sup>&</sup>lt;sup>8</sup> City of Milwaukee; Comprehensive Annual Financial Report; p. 25

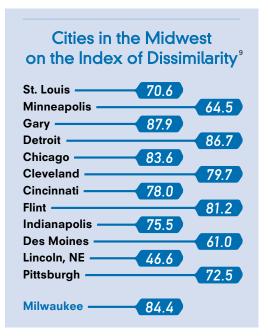
# **Racial Disparities**

**Milwaukee is segregated by wealth and race.** Hidden under the outflow of money from Milwaukee to its neighbors is the truth that race follows the money.

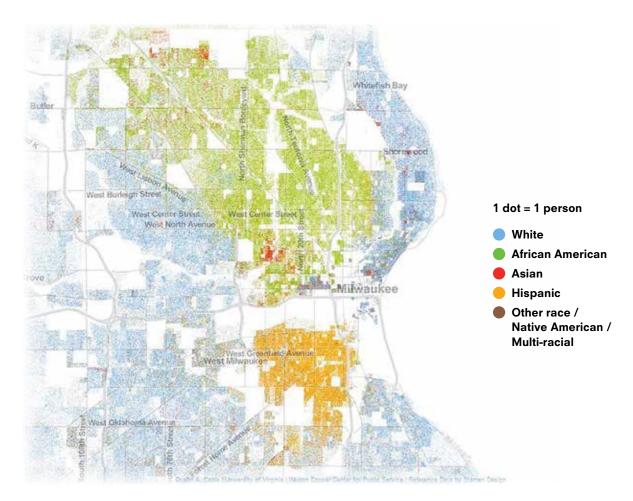
According to the National Community Reinvestment Coalition, Milwaukee ranks as the third-most segregated city in America, behind only Detroit, Michigan and Gary, Indiana. The ranking follows a score on the Index of Dissimilarity, which measures the evenness of the racial makeup of each census tract of the entire metro area.

The lowest score is a 0 (no segregation), the highest is 100 (complete segregation). Milwaukee scored 84.4.

Factors measured by the National Community Reinvestment Coalition include the location of financial institutions and home mortgage lending, both greatly underrepresented in Milwaukee's communities of color.



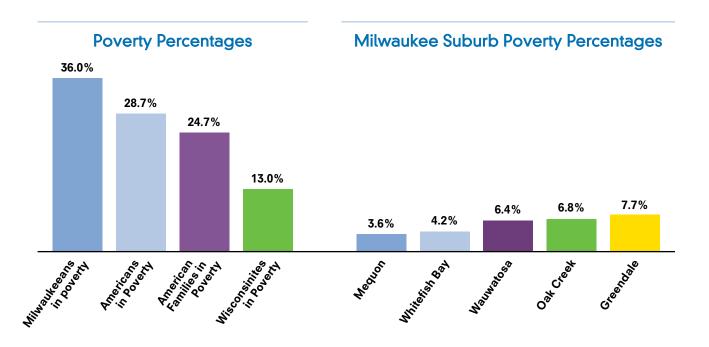
# 2010 Census Block Data



<sup>&</sup>lt;sup>9</sup> Segregation: Dissimilarity Indices; http://www.censusscope.org/us/rank\_dissimilarity\_white\_black.html

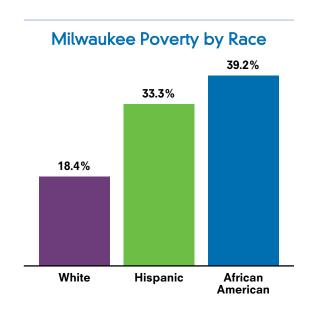
### **RACIAL DISPARITIES**

Concentrated poverty within the city and within communities of color show Milwaukee's poverty in alarming ways. According to the 2011–2015 American Community Survey by the Census Bureau, Milwaukee has one of the highest poverty rates in America.



Milwaukee frequently ranks as one of the worst—if not *the* worst—cities for African Americans in the United States. This unacceptable truth is visible in many ways, but according to the National Urban League, which examined economic data for African Americans in 70 different metro areas:<sup>10</sup>

- Milwaukee had the largest gap in unemployment between African Americans and whites—13.8% of African Americans unemployed, 2.7% of whites
- Milwaukee had the second widest income gap between African Americans and whites—median household income for African Americans in Milwaukee was \$25,600, \$62,600 for whites

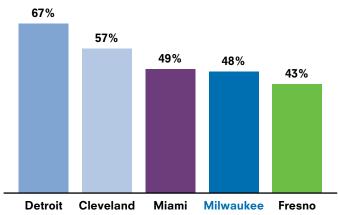


National Urban League; Protect our Progress: State of Black America 2017.

### **RACIAL DISPARITIES**

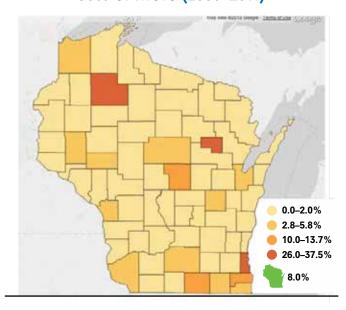
Milwaukee's segregation and poverty rates are not new and are not improving. The most alarming statistic shows how many children are born into poverty each year. In Milwaukee, nearly half of all children—48%—live in poverty.





Wisconsin Council on Children and Families Kids COUNT Data Center, datacenter.kidscount.org, a project of the Annie E. Casey Foundation

# Percent of Children Living In Neighborhoods with Poverty Rates of 30% or More (2006–2011)

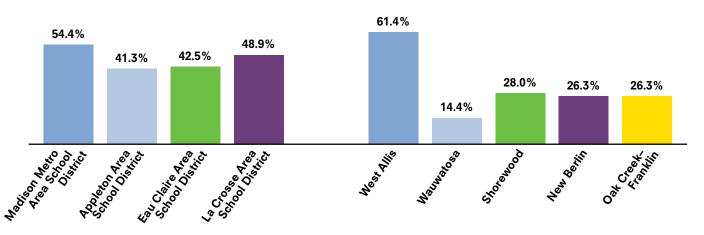


Wisconsin Council on Children and Families Kids COUNT Data Center, datacenter.kidscount.org, a project of the Annie E. Casey Foundation

In 2013, 82.4% of students enrolled in Milwaukee Public Schools qualified for free and reduced lunches. Only the Menominee Indian School District had a higher child poverty rate of 85.7%. In 2014, Milwaukee Public Schools extended the free and reduced lunch program to all families.

# Comparable Metro Areas

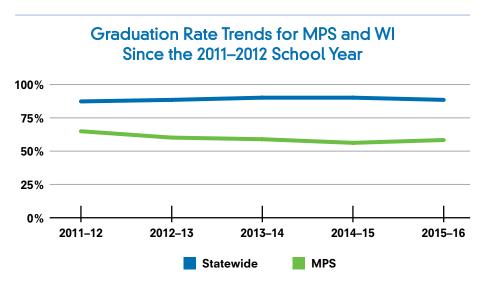
# Surrounding Milwaukee Area



WI Department of Public Instruction; School Nutrition: Program Statistics (October 2013)

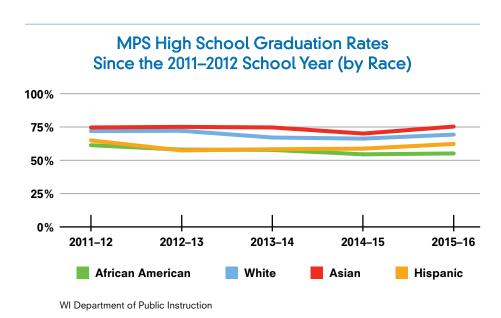
# **Education**

Socio-economic status is a major, though not determinant, factor of educational achievement. The Center for Education Policy Analysis has found that the concentration of poverty is one of the most powerful predictors of the education achievement gap. Economically disadvantaged students within Milwaukee Public Schools have a lower graduation rate compared to their non–economically disadvantaged peers. The same is true statewide.



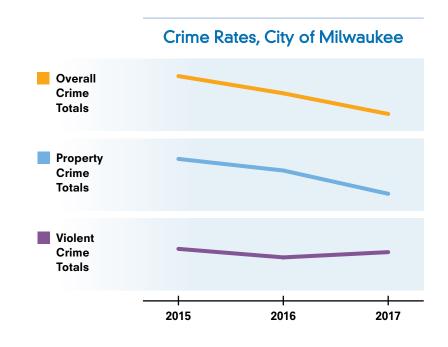
WI Department of Public Instruction

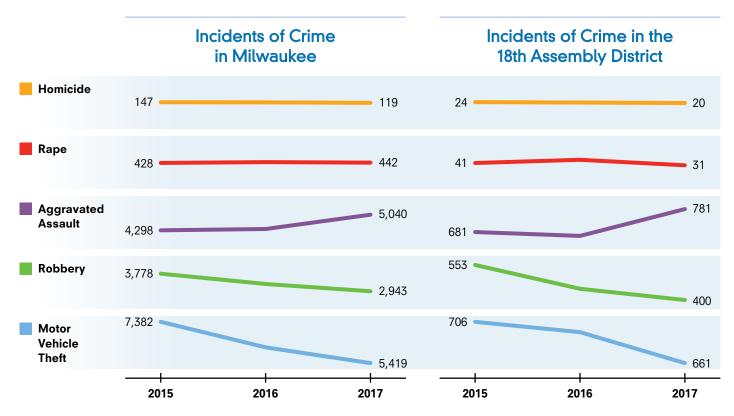
Concentrated poverty in Milwaukee Public Schools, shown throughout the previous pages, results in segregated schools—by both race and economics. The graduation rates of MPS trail the state average, though improvements have been made. The graduation rates of Milwaukee's African American students, however, continue to lag behind their peer groups.



# **Public Safety**

Crime is a daily issue for far too many Milwaukee families. Perception and reality, however, are often different. The overall crime rate of the city of Milwaukee has declined after a spike in 2015. While the overall crime rate remains unacceptably high, progress can be seen in many ways and in many neighborhoods.



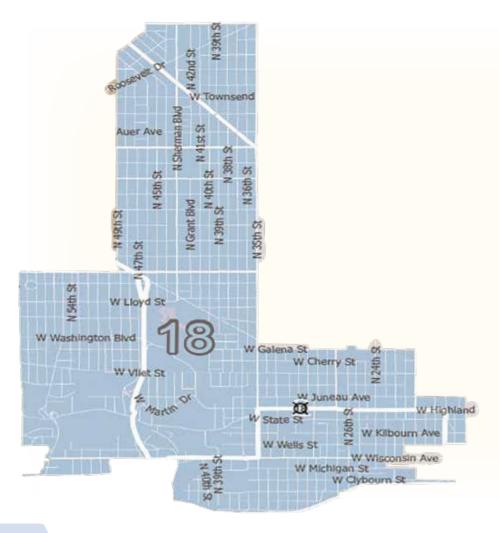


# Voices of Milwaukee

The 18<sup>th</sup> Assembly District is home to Wisconsin's most diverse neighborhoods and largely defies Milwaukee's segregated reality. The district radiates from Milwaukee's downtown in historic corridors that were once wooden plank roads home to horse-drawn carriages. Great beer has been brewed since before statehood, and the best motorcycles in the world were tearing up the neighborhood over one hundred years ago. There is rich history and a bright future.

Life in the neighborhoods of the 18<sup>th</sup> Assembly District is vibrant. Every single day, neighbors organize and work together to better their block, their neighborhood, and their city. Improvements in quality of life are owed more to the unsung heroes of each block than any government action or program. We owe a debt to these great residents.

It is easy for an elected politician to sing the praises of his or her district. The following voices are real, everyday residents of Milwaukee and the neighborhoods of the 18<sup>th</sup> Assembly District. We have included portions of interviews with these neighbors to show what it's really like to live in Milwaukee. As you will see, not everything is perfect. All the residents identified challenges in their community, and that's reality. Yet each resident's experience connects through a love of their diverse and strengthening neighborhoods. We've added the stories of a community school and a public safety plan at the neighborhood level to show what is possible when government and community work together on a shared vision. These are stories that guide our work.



# The 18th District is Home To ...

- 57,000 people
- 22,000 homes
- More than 20 languages
- Diverse Neighborhoods

Avenues West

Cold Spring Park

Concordia

Hawthorne Glen

King Park

Martin Drive

Merrill Park

Metcalfe Park

Near West Side

Sherman Park

Story Hill

**Uptown Crossing** 

Valley Forge

Valley Park

Walnut Hill

Washington Heights

Washington Park

Wick Field

# Felice Green Sherman Park

Felice loves her community. She attends the Spirit of Deliverance Church in the Sherman Park Neighborhood, works out at the nearby YMCA, likes watching youth play little league baseball in the summer, and enjoys walks while admiring her neighbors' landscapes along the way. She also embraces the diversity of her neighborhood, consisting of a mix of retirees, married couples with children, and single families, and many people with different cultural and ethnic backgrounds. One of her neighbors is teaching her Yiddish and Hebrew, a challenge she is welcoming with open arms.

With every community, there are some things she does not like. For instance, she would like to ride her bike more, but says roads such as Sherman Blvd. and 35th are too crazy. "To be clear," said Felice, "I feel safe walking and biking, just traffic scares me the most. I don't feel unsafe in my neighborhood."

Further, Felice would like to see a major facelift at Midtown. She championed more up-scale restaurants, better food options and retail stores, expanded green space, and more things for both younger and older populations to enjoy together. She added, "Midtown should become an economic and cultural center for the African-American population. I want to make it a campus where people will go for all their needs versus having to travel to the far east side or next county for goods and/or services."

When asked if she thinks Milwaukee is heading in the right direction, she had a very eye-opening response:





"Depends on who you are. If you are a key player, then yes." In other words, economic growth will benefit the "higher-upper-middle class" or mostly wealthy, so the level of economic inequality will continue, and those not at the table will experience little to no increase in economic progress, especially in the current political climate.

She concluded, "If I were to have a conversation with another legislator, particularly from the other side of the aisle, I would say that people here want the same things: fair housing, nice homes, good schools, health insurance, and safety. We are all human beings, just living in different places. Therefore, stop looking at us like we are different, that we only want handouts. Bottom line, we want strong families, vibrant communities, and good high-quality schools for all children regardless of their zip code. In my neighborhood the families and individuals want the same things those in the suburbs want—a safe, secure, and nurturing community to live, work, learn, and play."



# Zongcheng & Mayhoua Moua

# King Park

Zongcheng and Mayhoua Moua, both born in Laos during the Vietnam War, met thousands of miles away in Kaukauna, Wisconsin, in the mid 1980s.

They lived in multiple places in the Fox Valley area, spent some time in St. Paul, Minnesota, and lived in Milwaukee on two separate occasions. They planted their roots in Milwaukee for good in 2006, after the passing of Zongcheng's dad.

Mayhoua came back to Milwaukee to help Zongcheng's aging mother. The Mouas' home, which is pictured, allowed the family to care for Zongcheng's mother. Zongcheng slept in the living room every night to be close to her until her passing.

The Mouas have three adult children. The oldest returned to Minnesota for high school, while the younger kids, both girls, graduated from Rufus King High School. All three kids went to college.

Religion is an important part of the Mouas' lives. Mayhoua was raised Catholic while Zongcheng was not. Traditionally, a Hmong wife would adopt the husband's religion after marriage; however, Mayhoua's devout Catholic faith so strong, Zongcheng adopted Catholism. Mayhoua worked as an interpreter first at a church in Kaukauna, which led to a strong connection with St. Michael's parish in Milwaukee, home to a large Southeast-Asian congregation. The St. Michael's community helped ease the move to Milwaukee, and Mayhoua emphasized that "the role of faith helps to stabilize communities."

The Mouas prioritize education, both at school and at home, and believe parental involvement is key. Mayhoua stated it well by saying, "There's a difference between education and instruction. We go to school for instruction. What our kids need is education from their parents, elders, and mentors."



Zongcheng doesn't place the blame solely on the education systems, and recalled a story of a young Hmong teacher who needed to feed students who came to school hungry and unable to listen and learn. He said the teacher needed to be "both teacher and mom." The Mouas suggest building stronger communities to help fill these needs, including more community centers where intergenerational activities could help educate elders, parents, and children.

Building on these needs, Zoncheng summarized the problem that "from 8:00 a.m. to 5:00 p.m., many things are the same for most kids as those are normal school and after-school hours. 5:00 p.m. on, however, things are not equal. That's what makes the difference in a child's life—the family. That's what makes the difference 20 years later."

The Mouas stressed the importance of family, reverence for elders, building a sense of community, and education at home and school as key factors for a strong and thriving Milwaukee. They see many of those at work in their own neighborhood, but also see the need for increased services, as other neighborhoods around them have experienced greater development recently.

For the Mouas, strong faith and family are foundations for strong communities and a strong Milwaukee.

# Katie & Linda Halopka-Ivery Cold Spring Park

Linda and Katie grew up in completely different worlds and eventually found common ground in Milwaukee. Linda grew up on the southwest side of Chicago, while Katie grew up in the small town of Stetsonville, Wisconsin.

Katie moved to Milwaukee for school at Marquette, and she knew right away she was home. She loved the diversity and nightlife Milwaukee offered. She is a graduate of Marquette University Law School and is now an assistant District Attorney for Milwaukee County.

Linda grew up in Chicago. After attending college at University of Illinois Urbana-Champaign, Linda started her career in the restaurant industry. Linda's job brought her to the Milwaukee Area. Initially, Linda struggled, having moved from a large city to the suburbs of Milwaukee. Linda planned to move back to Chicago, just as she and Katie began to get to know each other more and started dating. After about one year of traveling between Milwaukee and Chicago to see each other, they both chose to settle down in Milwaukee.

Their dream was to live in a historic home that didn't require a lot of renovation. They were looking for a home that was surrounded by neighbors who would let them know if their dog got out or would bring their packages inside when they were gone. They wanted a place that they were proud to call home. They found that home in Cold Spring Park, and have lived there ever since.

The two believe the keys to a strong neighborhood rest with a sense of belonging and the closeness of the community. As Linda put it, "The way to change a neighborhood is to make people feel like they are a part of it. A good way of doing that is getting people to attend neighborhood meetings." Katie added, "The closeness of the community keeps it safe—you better behave because your neighbors know you and, more importantly, know your parents."

Katie and Linda both believe Milwaukee is moving in



the right direction. After a shooting in their neighborhood, the community took action and neighborhoods immediately got together to find solutions. Katie organized a neighborhood walk to facilitate solidarity among neighbors that didn't know each other—both renters and home owners. Katie said she wanted to bring everyone together. "I wanted to show it wasn't us versus them."

Katie continued, "Milwaukee is a great place to live. Is there violence in a class-A city? Sure. However, there is violence throughout our state. When I go up north to visit my family, I read the paper. There are people endangering the safety of others with guns, driving drunk, other types of violence, and drugs even in my hometown. It is not that much different here in Milwaukee, just more people."

Linda also pointed out that the sad thing, regardless of living in a small town or the big city, is the idea of hatred and unfounded fears of people in a neighborhood. At the very core, people want the same thing: a safe place to live and raise their family. Sometimes, people fear the unknown and make assumptions about people who are not like them. They avoid or move from neighborhoods out of this fear, instead of getting to know families from different backgrounds and experiences. Cold Spring Park is truly diverse, with neighbors from every background, family dynamic, and culture. This is what Katie and Linda want to pass on to their son, that people who are different from you are not scary, should not be feared, but instead accepted and embraced for the different views you will learn from them. This is the most amazing thing that Milwaukee brings to our family.

# Patricia Dunn Historic Concordia

Pat Dunn has seen many changes in Milwaukee during her life here. Growing up, Pat remembers Milwaukee's Bronzeville neighborhood at its height. Her father owned a business there as a tailor after a career in the Marines, including a deployment on D-Day. Pat went to several MPS schools, graduating from Rufus King. She remembers a time when everyone would get dressed up to go shopping in downtown Milwaukee, though at the time those stores and destinations did not welcome African-Americans. Her favorite memories, however, were about Sundays. Most Sundays after church and an early dinner, her family would ride the streetcar to the end of the rail line to get ice cream. Chocolate was her choice.

In her first job, at Northwestern Mutual Life Insurance, Pat remembers wearing white gloves and a blue suit to work every day. Eventually Pat landed at WE Energies, where she had a distinguished career of 35 years, retiring in 2004.



For the last 25 years, Pat has called Historic Concordia home. She took on a massive project of restoring a home with her husband of 28 years, Curtis Washington. The home on 29th Street was abandoned, a former drug house, with the roof caving in and front porch missing. As a blended family. Pat and Curtis had four daughters—now a vice principal, a lawyer, a social worker, and a nurse—to the benefit of

Milwaukee, as all four chose to remain in the Milwaukee area, two calling the Historic Concordia neighborhood home.

Pat remembers fondly her first Christmas in Concordia, when a group of neighbors arrived at her house singing



carols and welcoming her to the neighborhood. Pat appreciates the strong bond between neighbors, saying, "I live here by choice ... what I like is the diversity—not just ethnic diversity, but we have churches of all denominations, restaurants of all types, we have neighbors in all walks of life, we have a community of people who care about each other. There aren't many communities where you can leave your keys with your neighbor while you're on vacation. We get together to build on issues and make the neighborhood better."

One issue Pat would like to see changed is property owners who don't invest in tenants and the neighborhood. Pat recalled a year when a large initiative brought resources and renovations to many large apartment buildings in Concordia. She saw a big change and the neighborhood felt much safer. Over the years, those improvements have faded and problem landlords have returned.

Pat is also looking to the future and hoping for better access to public transportation. She knows at some point she won't be able to drive and doesn't want to leave her home and her community. She loves the people of Concordia and how engaged everyone is. She also believes that segregation is prevalent in some parts of the city, so an accessible mass-transit system may help desegregate those neighborhoods and allow displaced workers to find well-paying jobs.

She ended our conversation with a few last points: "I love my city and its people, but I want Milwaukee to become more progressive, less fragmented, and shown in a better light. I want to stop building jails and start providing jobs for everyone from every walk of life. I want Milwaukee to become a Mecca where people choose to come."

**VOICES OF MILWAUKEE** 

# Tirrell Brown Metcalf Park/Sherman Park

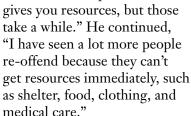
At only 26 years of age, Tirrell Brown has endured more than most do in a lifetime.

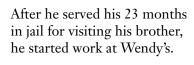
He was incarcerated at the age of 17 and served six and a half years in prison. Since the beginning of his probation, he has been in and out of jail for minor revocations.

Upon his initial release, and with minimal resources, he found himself homeless. He spent nights in cars, on his friends' couches, or at his adopted mother's house. Some nights he slept on the porch as the floor mattress in the room had bed bugs.

Clothing was also an issue. When released, Tirrell only had one pair of pants. He went to his brother's house to get clothes, but the rules of his supervision did not allow him to contact his brother. He was arrested and sent back to prison for 23 months for violating the rules of his supervision. This is an example of a crimeless revocation.

Tirrell pleaded, "What are you coming home to when you get out? You don't have much. The parole officer









Between earning the minimum wage and working so few hours, his take-home pay was \$74 every two weeks.

Not too long ago, Tirrell found a transitional job, a subsidy program offered by the State, through The Urban League. Working at St. John Everlasting, he served and prepared food. He worked there for six months, which is the limit of a transitional job, but was retained for an additional month. The Urban League also helped Tirrell set up his very first checking account.

He was then hired at Lena's Food Market, his second transitional job placement, which he still works at today after being hired permanently. He is currently in charge of the frozen and dairy sections. Between Lena's and another part-time job he acquired, Tirrell works roughly 16 hour days, while still finding time to take care of his fiancée and their children: Harmony, 7; Lyric, 4; Tirrell Jr., 2.5; and Z'iare, 2.

When asked what changed in him to get his life on track, he credited his kids and fiancée and the fear of letting them down again. He then championed the transitional jobs programs. He said, "People gave a crap about me. The program case managers promised to get me a job, and fast. They kept their word." Tirrell continued, "I took one month at a time and was motivated by every little victory, like getting raises at work. After you see a few victories, those are enough to build on."

Tirrell Brown is not asking for much. He currently rents a duplex on 33rd Street in Metcalf Park, and as his family continues to grow, he is not only looking for a bigger space, but a safer place. He wants to take his family to the Wisconsin Dells this summer, a place he's never been. He will also continue to look for betterpaying jobs, and someday hopes to work for a janitorial service. He wants what everyone wants: a chance.

# Josh & Derek Roberts Washington Heights

Derek came to Milwaukee after a childhood in rural Wisconsin. When he met Josh in Milwaukee, the two fell in love. The couple married on June 7, 2014—the very first day same-sex couples could legally marry in Wisconsin.

Josh and Derek have explored Milwaukee, living in many neighborhoods, but have found home in the Washington Heights. After a long stay on the East Side, Josh and Derek were looking for a quieter setting, yet still in the city and connected to dining and entertainment. They found "the Heights," and love the low cost of living, the proximity to city amenities, and the diverse and welcoming community.

They have fallen in love with the neighborhood and see themselves growing old together in the Heights.

Derek works for Apple and Josh works for the Wisconsin Credit Union League. Both are active in the community. Josh serves on the board of the Washington Heights Neighborhood Association, which sponsors several annual events to connect neighbors to one another and build community.





The Heights is an active place, having the highest per capita participation rate on NextDoor, a list serve that's used throughout Wisconsin to organize neighbors and communities. Josh and Derek value the tight-knit community. They know almost everyone on their block and feel close with their neighbors. They value diversity, including the income diversity of their block and neighborhood.

When asked what they would like to see change in Milwaukee, they said infrastructure and image. The two acknowledged the conditions of the local roads and how badly many of the streets they take each day are in need of serious repair. They'd like to see greater investment in road repair and infrastructure of multiple kinds—ways to connect neighborhoods throughout the city.

Both Derek and Josh are concerned that there is an inaccurate image of Milwaukee throughout the state. Not enough is shared that is positive, especially the diversity and industry that makes Milwaukee an asset to Wisconsin.

Josh and Derek have high hopes and expectations for Milwaukee's future. They are excited about the rapid development in downtown. They believe the city is headed in the right direction in many ways and that there is an opportunity to move beyond the rust-belt legacy that has defined Milwaukee for too long.

# Kevin Ronnie & Karen Campbell

Washington Heights

Kevin and Karen were both transplants to Milwaukee, but have called the Washington Heights home for almost 20 years.

Kevin, from western Wisconsin, came to Milwaukee after college to volunteer. He remembers feeling the newness of the diverse community. "Milwaukee was not where I thought I would be, growing up where I did—this was foreign." His work in the community led to lifelong friendships and established strong roots to this day. His work eventually took him to Washington, D.C., where he met Karen.

Karen was born in Alaska and moved to D.C. after a career in local government in Seattle. In deciding between moving to Seattle or Milwaukee, Karen explained that "we ended up here by accident, it was not intentional, but Milwaukee felt like home for us." Central to that feel were the close friendships with neighbors and community leaders.





Once home in Milwaukee, there was no doubt in either where they wanted to buy a home: Washington Heights. While drawn to the neighborhood's diversity and proximity to all things Milwaukee, it was the people and neighborhood connectivity that have kept Kevin and Karen in the Heights. They recall times when issues on their block flared and neighbors organized together to solve them, something unique and inspiring to see.

Kevin and Karen remark on how Milwaukee can provide a neighborhood for anyone.

They wish to see major improvements in the school and transit systems. Kevin remarked on how many

younger families he has met that move out of Milwaukee, but not far outside, because of their perception of the school system. Kevin acknowledges that there are great schools, but the perception is that there aren't.

Having lived in cities with mass-transit networks, Kevin and Karen see a potential for Milwaukee to create a public transit system that could better serve Milwaukee and better connect the City than a car-only system.

Both are happy in Milwaukee and feel confident about the City's future. The interview closed with Kevin quoting their friend and former Milwaukee Mayor John Norquist, who said, "Wisconsin without Milwaukee is Iowa." "That's damn right," Kevin added.

# Auer Avenue School A Community School

The idea of a strong community is a central theme throughout each neighbor's experiences and wishes for Milwaukee. Institutions can bring community together and the community can, in turn, support those institutions.

One exciting model is the Community School, which seeks to significantly improve both the academic and developmental outcomes for children, along with revitalizing the surrounding community. The Community School model brings these two together.

Partnering with students, families, faith-based organizations, elected officials, law enforcement, nonprofits, and institutions of higher education, a Community School is more than just a place of education—it is an anchor institution for the community.

Celebrating its 105<sup>th</sup> birthday in May 2017, Auer Avenue School is one of seven community schools within MPS. Auer's mission is to build leaders, thinkers, and creative minds for tomorrow by being an instrumental part of preparing students to be college-ready



and productive citizens. Auer's motto is to be the "Best school in the City."

"I am counting down to the beginning of the school year. Trust me, I'm excited for what we have coming up. We will be the best Community School in the city. It will no longer be just a slogan," said Dr. Zannetta Walker, principal of Auer Avenue Community School.

2014–15 Attendance Rate: 87.8%; Dropout Rate: 2.1%; 4% of students proficient in reading

2015–16 Attendance Rate: 90%; Dropout Rate: 1.9%;" exceeded reading targets and got close to the 45th percentile of national results in proficiency tests<sup>12</sup>



<sup>&</sup>lt;sup>11</sup> Department of Public Instruction; Wisconsin Information System for Education Data Dashboard.

<sup>&</sup>lt;sup>12</sup> Borsuk, Alan J.; Milwaukee Journal Sentinel; Auer Avenue School Shows Signs of Improved Culture, Achievement; March 12, 2016.

# The Near West Side Partners

# Crime Reduction that Works

The Near West Side Partners is a nonprofit organization formed by the five major private entities that share a home within seven neighborhoods on Milwaukee's near west side. The partners include the anchor institutions of Marquette University, Aurora Health Care, Harley-Davidson, MillerCoors, and the Potawatomi Business Development Corporation.

One of the Near West Side Partners' first initiatives was crime reduction. Funded by the partners, the program called Promoting Assets, Reducing Crime (PARC) was formed. PARC's main objective is to revitalize the Near West Side by promoting economic development and providing greater safety for its residents and businesses.

PARC is a collaboration between residents, businesses, law enforcement, and local organizations. PARC formed a Community Prosecution Unit, led by an Assistant District Attorney, with a special focus of the Near West Side neighborhoods. The PARC team works with neighbors and law enforcement to identify problem areas and is not just reactive, but proactive, by working to prevent problem areas or properties from becoming magnets for crime.

After reviewing crime statistics for the area of the Near West Side, PARC identified the area at right as a target area to reduce crime. The area shown at right had a frequency of crime much higher than other areas or neighborhoods surrounding it.



A Neighborhood of Neighborhoods



The positive ripple effects of reduced crime in this area are seen in the addition of seven new businesses and an increase in home ownership in the area.

Important in crime reduction, after the efforts of PARC, neighbors report a positive change and a positive change in perception of crime in the area.

There was a 38% increase in the positive perception of the neighborhood from neighbors surveyed. Engaged community members are essential to crime reduction and a major reason for PARC's success.

# **Building the Bridge**

Wisconsin faces generational challenges. We aren't growing fast enough, and as our state ages we are slowly losing ground to other parts of the country. Our battle is larger than many politicians believe or will admit. In the decades ahead, Wisconsin must rediscover, recapture, and redefine what will make us a great, unique, and desirable place for all.

Today we compete for knowledge. Attracting and retaining smart, talented people is a battle being waged in neighborhoods throughout Milwaukee as well as suburban and rural communities throughout the state.

What makes a place attractive and competitive can change. Each community has unique assets and challenges, and thus require unique solutions. While state government can be critical to a community's success, its role must be reexamined to ensure that state law allows each community to grow, evolve, and succeed uniquely.

The idea of local self-determination is critical to success. Places that attract smart people are organic, original, and real. The idea, captured well by Silicon Valley entrepreneur Paul Graham, is to embrace "odd ideas."

He's right. We need to tolerate, or embrace, and even invest in odd ideas. The following policies aren't themselves the "odd ideas," but rather ways that state government can better foster their success.

"Without exception the high-tech cities in the US are also the most liberal. But it's not because liberals are smarter that this is so. It's because liberal cities tolerate odd ideas, and smart people by definition have odd ideas."





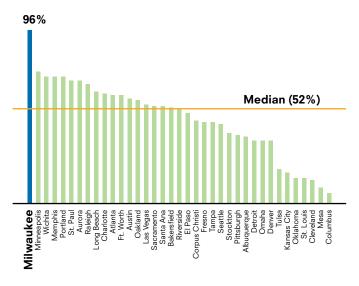
# **Build a Modern Local Tax Structure**

When you buy something or get paid for doing your job, the tax revenue created from that commerce gets sent to the State Government. The State spends your money on many critical things. One is a formula called "Shared Revenue," which returns some of the money back to local units of government like villages, town, cities, and counties.

Wisconsin's "Shared Revenue" policy hasn't been updated since 2002, and change is long overdue. Municipalities, like Milwaukee (shown on page 16), send more money to the State and get less back.

The existing formula places too much reliance on property taxes. The Wisconsin Policy Forum's 2017 report *On The Money?* exposed the problem with stagnant "Shared Revenue" for Milwaukee and compared the diversity of local revenues in many peer cities. The following, published by the Wisconsin Policy Forum, say it all:

# Property Taxes as a Percentage of Local Tax Revenues, 2012



Lincoln Institute of Land Policy

# Revenue Structures of Peer Cities Without a General Sales Tax, 2012

City	Property Tax	Selective Sales Tax	Income Tax	Other Tax
Atlanta	60%	28%	0%	12%
Cleveland	13%	8%	74%	5%
Columbus	6%	2%	87%	5%
Detroit	35%	29%	31%	4%
Las Vegas	55%	29%	0%	15%
Milwaukee	96%	0%	0%	4%
Pittsburgh	38%	32%	21%	9%
Portland	70%	12%	0%	18%
Wichita	70%	26%	0%	4%

Lincoln Institute of Land Policy

"No other state in the Midwest has a local tax structure like Wisconsin's that relies solely on the property tax. Wisconsin also differs from many other Midwestern states in that Milwaukee, the state's largest city, has the same tax structure as other municipalities throughout the state ..."

### **BUILD A MODERN LOCAL TAX STRUCTURE**

When local economy grows, the local government, often at the heart of the economic growth, benefits from increased property tax revenue. Local incentives, especially Tax Incremental Districts, can delay the capture of the increased revenue. While the local government waits, the increased sale and income tax revenue heads to the State.

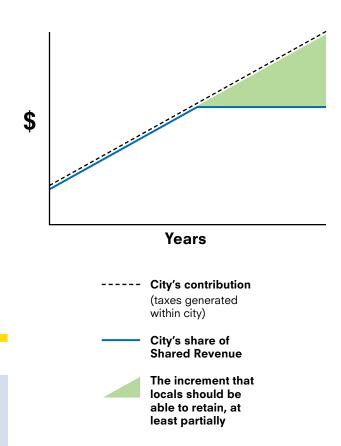
Local governments should be able to retain an increment of the economic growth they help generate.

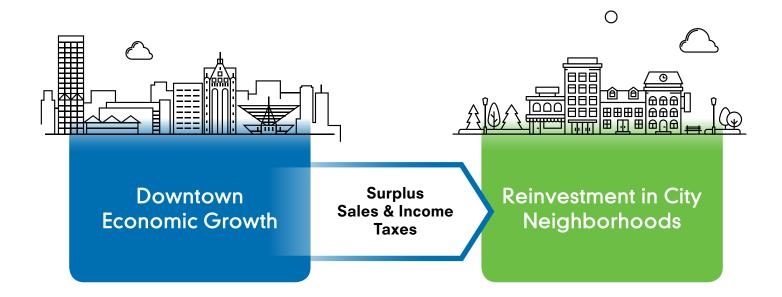
Communities that have success are rewarded. The revenue retained will allow the local government to better accommodate the increased needs from the growth.

In Milwaukee, this formula would break down walls of segregation. Economic growth downtown would directly benefit neighborhoods throughout the city, uniting Milwaukee through success.

# **Reward Local Success**

- If the revenue generated within the local government exceeds the average of the three previous years plus 2.0%, the local government retains the growth.
- The State's contribution continues. Should the local contribution fail to exceed the average plus 2.0%, nothing would be retained or changed.





### **BUILD A MODERN LOCAL TAX STRUCTURE**

Dependence on property taxes and Shared Revenue makes Wisconsin municipalities vulnerable to volatility and challenges long-term planning and investment. Again, as the Wisconsin Policy Forum exposes, nearly all peer cities have more diverse, more stable sources of local revenues.

Each community is unique. A local sales tax may work for some, but not others. The following idea allows local communities to choose which form of local revenue fits their community best—including no additional revenue sources if the residents choose.

### **Restructure Local Taxation**

Through referendum, up to three options could be created; each option must receive its own individual vote; any local option created would not alter the contributions to the State nor the return of Shared Revenue payments by the State.

- Entertainment/Amusement/Admission Tax
  Assess a percentage tax on the sale of tickets
  to events within the municipality. Events
  include concerts, athletic events, festivals, and
  recreational activities, but are not limited to these
  defined events. Events hosted by religious and/
  or nonprofit organizations would be exempt from
  this tax.
- Local Income or Earnings Tax
  Assess a 1% tax on all corporate income,
  earnings, and/or wages by residents and
  nonresidents in the municipality. This tax would
  not include retirement accounts, investments, or
  pensions, but rather income earned by work or by
  the employer.
- Local Payroll Preparation Tax Assess a 0.5% tax on the gross payroll of all for-profit employers as well as on the distribution of net income from self-employed individuals. Religious and nonprofit entities are exempt from this tax.

### Local Services Tax

Assess a tax of \$1.00 a week on every employee or any individual engaged in any occupation working within the municipality—residents and non-residents—which may be used for services related to the maintenance and improvement of public infrastructure.

### Sales and Use Tax

Assess up to 1% local sales and use tax. A municipality that assesses the additional sales and use tax must dedicate a portion to public infrastructure and park and/or recreation within the municipality.

### Special Purposes Sales and Use Tax

Assess up to 1% local sales and use tax to provide revenue for the construction of parks, schools, roads, and other public facilities or infrastructure. The revenues cannot be used for operational costs or most maintenance purposes. The tax may not exceed 5 years and no more than a total of a 3% increase at any one time may be imposed. Each increase must be passed individually by referendum and must include the itemized projects the revenue will be used for.

The local tax options outlined above could generate critical revenue for the City of Milwaukee. Using the best estimates available from the City of Milwaukee and the Wisconsin Policy Forum, the following options would generate:

**Entertainment/Amusement/Admission Tax:** 

\$5,000,000

**Local Income or Earnings Tax:** 

\$68,859,000

**Local Payroll Preparation Tax:** 

\$72,212,000

**Local Services Tax:** 

\$15,624,000

Sales and Use Tax:

\$87,400,000

**Special Purposes Sales and Use Tax:** 

\$87,400,000



# **Build a More Competitive Region**

While local governments need individual help, our region needs greater collaboration. As pages 14–19 detail, the Milwaukee region is one of the most economically and racially segregated metro areas in America.

There is reason for concern. In May of 2017, the Federal Bureau of Labor Statistics reported the Milwaukee–Waukesha–West Allis region experienced the largest loss of employment in any large region in America.

"The Largest over-the-year decrease in employment occurred in Milwaukee-Waukesha-West Allis."



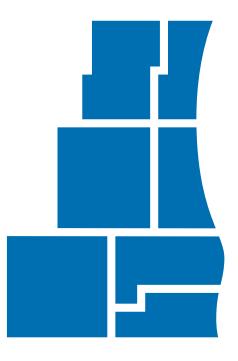
During the same time,297 American metro areas saw job increases

The region needs to break down parochial barriers to grow. Wisconsin offers very little in regional incentives or regional government. For example, the primary development tool for local governments, the Tax Incremental District, must be contained within one municipality. Large, regional projects suffer as local governments compete rather than collaborate.

Since 1960, the seven counties in southeast Wisconsin have joined together in the Southeastern Wisconsin Regional Planning Commission (SEWRPC). SEWRPC gives technical assistance and planning support to communities through the region.

While planning is critical, SEWRPC lacks the power to make policy. Far too often critical decisions fail to advance because local governments have no incentive to make sound regional decisions.

In Minnesota, the Twin Cities Metropolitan Council acts as a planning entity, but also has the power to make policy. We should empower SEWRPC to make policy decisions and explore the feasibility of providing regional services.



# **Empower SEWRPC**

Add elected positions by equal population districts within the seven counties of SEWRPC. Authorize the entity to study, plan, and also implement regional policies on issues such as:

- Economic Development
- Transportation
- Parks/Recreation
- Housing
- Environment and Sustainability

### **BUILD A MORE COMPETITIVE REGION**

Regional planning and policies will help unite the metro area, but alone will not ensure our region grows together. To ensure no community within the region is left behind, the seven-county region should establish a tax base sharing policy similar to the Fiscal Disparities program in the Twin Cities in Minnesota.

The idea is to use the growth in tax revenue from Commercial and Manufacturing properties as an investment pool to be shared within the region. This idea would generate hundreds of millions of dollars each year to help our region grow.

In 2016, the largest growth in Commercial and Manufacturing property tax revenues took place in Milwaukee, Wauwatosa, and Brookfield. The largest decreases were Lake Geneva, New Berlin, and Muskego.

Under the Regional Tax Base Sharing model, 99 municipalities in the Milwaukee metro region would be recipients, while 48 would be contributors. As communities receive investment, property values increase and recipient communities become contributors—and vice versa—as the region develops. No community is left behind and our region grows together.

# **Regional Tax Base Sharing**

By using a portion of growth or new revenue, no community loses. 40% of the growth in property tax revenue generated by Commercial and Manufacturing properties is pooled for regional reallocation.

A regional average is established, and municipalities with a belowaverage value become recipients of investment; municipalities with above-average value become contributors of investment.

Greater investment pushes values higher in communities in the greatest need, balancing the development of the region and ensuring greater overall growth.

In 2016, the Commercial and Manufacturing property value within the Milwaukee region was **\$11.7 billion** and saw an increase of **\$874 million** from the previous year.

Under the Regional Tax Base Sharing model, nearly **\$350 million** would be available for investment.

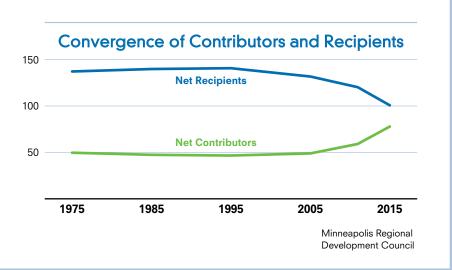
# **Largest Contributors:**

- 1. Wauwatosa
- 2. Glendale
- 3. Brookfield
- 4. Pewaukee
- 5. Pleasant Prairie

# **Largest Recipients:**

- 1. Mukwonago
- 2. Racine
- 3. South Milwaukee
- 4. Muskego
- 5. Cudahy

Regional Tax Base Sharing began in the Twin Cities region in the 1970s and their results are startling. In 2016, the region shared \$561 Million among 200 municipalities. 99 received investment, 80 contributed, and 21 had no change. As shown at right, the disparities between communities within the Twin Cities region have narrowed as a result of regional tax base sharing.





# **Become a Center for New and Small Businesses**

Wisconsin's economic development strategy is top-down and antiquated. The priority to directly invest in existing or foreign large businesses siphons critical dollars away from small or emerging businesses. The results are stark:

Wisconsin is the worst state in America in start-up activity.

Milwaukee ranks second-worst in large metro areas for start-ups in America.

With so much capital consumed at the top, there isn't adequate investment at the ground level. For example, in 2016 the Wisconsin Economic Development Corporation, the State's flagship economic development entity, invested a total of \$155,000,000 in tax credits, grants, and forgivable loans.

# 10 individual entities received 30% of the total, or \$47,500,000.

This top-heavy strategy is vulnerable to a high default rate of 13% by placing too many eggs in one basket. Additionally, many economically depressed areas have the need for smaller, more accessible capital rather than huge, multimillion-dollar investments.

Diversified, smaller, more numerous investments that are paired with business support will help generate greater entrepreneurism in Milwaukee and Wisconsin.

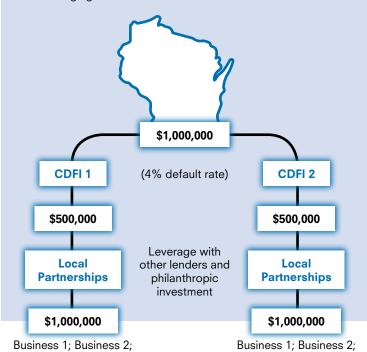
If the same \$47,000,000 were broken into smaller, more accessible investments, the public dollars could better reach the neighborhoods that need it most. In place of 10 businesses receiving \$47,000,000, 470 businesses could receive \$100,000.

State government would be inefficient and ineffective handling such a diverse portfolio of investments. By partnering with local lenders, the State's investment can be leveraged, while the grassroots, hands-on business involvement that's needed for success can be handled by the lender.

# **Economic Development from the Ground Up**

A bottom-up economic development strategy would leverage local partnerships, reduce default rates, and better reach communities in need of capital.

- Require the first 30% of WEDC's investment target Community Development Financial Institutions (CDFIs).
- CDFIs in turn leverage the State's investment with private equity and philanthropic giving
- CDFIs provide counseling and mentorship to new and emerging businesses



Forward Community Investments recently gave \$5 million in New Markets Tax Credits for St. Ann Center, Intergenerational Care's new \$19 million facility for adult daycare services on Milwaukee's North side. St. Ann's sits on land that was long vacant, and is an immediate and substantial investment where it matters most. Several exciting projects are moving forward after the St. Ann's project, multiplying the positive impact of the initial investment.

Business 3

Business 3



### **BECOME A CENTER FOR NEW AND SMALL BUSINESSES**

Wisconsin has 21 CDFI's statewide, with 11 in Milwaukee. These local lenders are just one important route for public investment to have a greater impact.

There is great value in local collaboration. Forward Community Investments and Wisconsin Women's Business Initiative Corporation, two Wisconsin CDFIs, have long histories of success. If each CDFI received \$5,000,000 a year for five years, our public dollars could be leveraged and invested with the following impact:





# Leverage

In <u>5 years</u>, by investing in these CDFIs, we could:

- Create 32,500 jobs
- Build a base of over 450 small business borrowers
- Build 650 facilities which will lead to 11,500 housing units
- Target investments to women and minority borrowers
- Lower the default rate to below 5% through meaningful business support

Empty storefronts would see new life. Affordable housing options will multiply. From the ground-up, these smarter investments can increase the impact of public investment and Wisconsin can rise from the depths of the nation's worst place to start a business.



Michael Osowsk

## Milwaukee CDFIs



**Brewery Credit Union** 



**Forward** Community Investments



**First American Capital Corporation** 



Impact Seven, Inc.



Legacy Redevelopment Corporation



Milwaukee Economic Development Corporation



Mitchell Bank **Holding Corporation** 



**Northwest Side** Community **Development Corp.** 



**Partners Advancing** Values in Education



Ways to Work



Wisconsin Women's **Business Initiative** Corporation



# **Build a Modern Transportation Network**

Milwaukee's fragmented regional transit options prevent long term economic and population growth. Several publications and organizations have pointed out the shortcomings of our transit options. A clear illustration is the Wisconsin Policy Forum's work *The Last Mile*.

We have been on a highway building spree. The Marquette, the Zoo, the Hale, and the Mitchell interchanges total billions in State dollars and represent some of the largest public works projects ever built by the State.

Only **1.67%** of the State's transportation budget is spent on public transportation.

That's \$110 million of a total \$6.64 billion spent in two years.

While these projects brought needed improvement to the region's highway infrastructure, the cost of the projects also anchored state transportation budgets for decades, leaving no room for non-highway transit infrastructure.

Modern, multi-modal transit networks are common features of thriving economies around the country. Walk-able, bike-able, rideable environments support a more equitable and higher quality of life that can attract and retain the talent our economy needs.

The price of just one mega-freeway project could advance the region's non-highway infrastructure in significant ways. The State has proposed to spend \$1,200,000,000 to reconstruct and expand Interstate 94 East-West between 16<sup>th</sup> and 70<sup>th</sup> Streets. This is roughly 3.5 miles of highway between the Marquette and Zoo interchanges.

# Indianapolis

Indianapolis Cultural Trail, linking downtown and city neighborhoods

### Denver

Regional Rail Service, the Eagle P3 project, a public/private collaboration to bring commuter rail to Denver's metro area

# Philadelphia

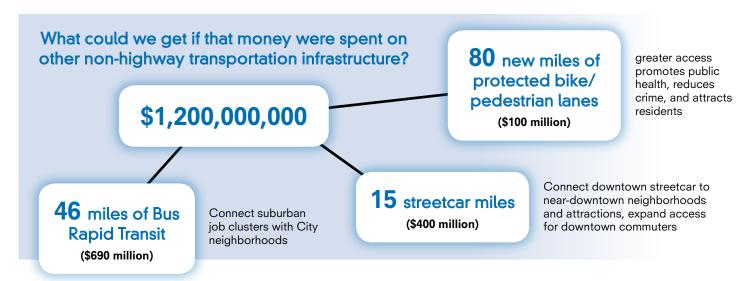
Bike Share for the entire city, the Idego Bike Share project has one-third of its bikes in low-income neighborhoods

# Cleveland

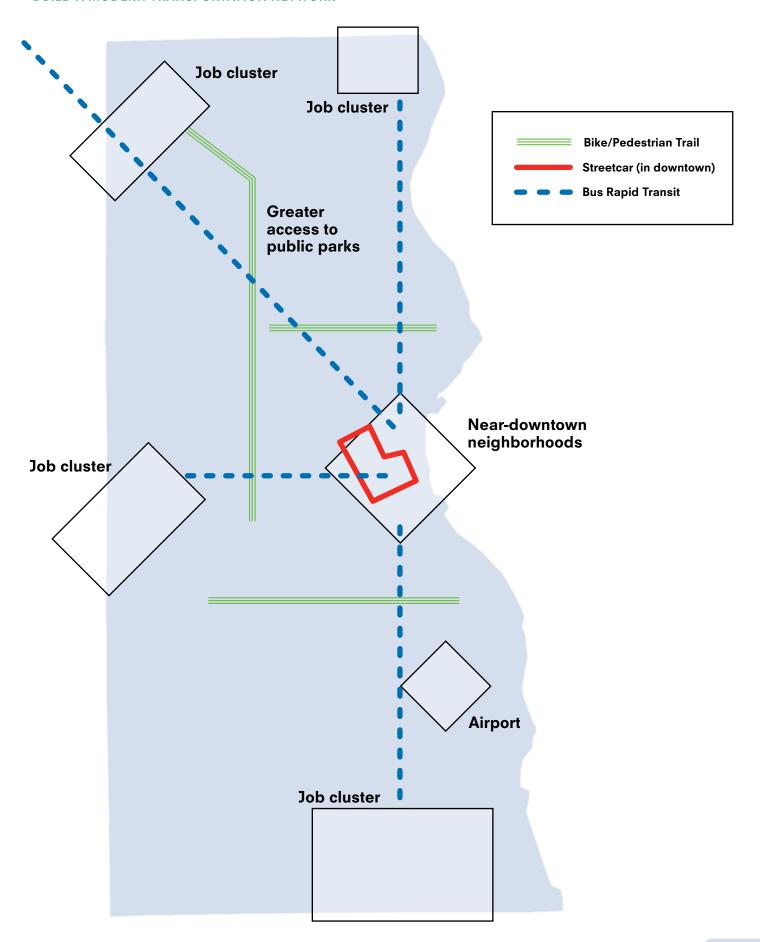
Bus Rapid Transit, the Healthline has linked Cleveland's major health centers with the city and led to more than \$6.3 billion in investment along the 9.2 mile line



Denver commuter rail



### **BUILD A MODERN TRANSPORTATION NETWORK**





# **Become a Center of Educational Excellence**

Nothing in this entire publication is sustainable without a world-class education system. Many innovative ideas have come forward and have been acted on locally—ideas that have great promise. I'm proud that as a Democrat, my party and my caucus has led the way in producing and advocating for important education policy improvements. A few ideas include:

# EDUCATION SAVINGS ACCOUNTS FOR ALL MILWAUKEE PUBLIC SCHOOL STUDENTS

Milwaukee Journal Sentinel

All MPS 5-year-olds will start school next fall with a college savings fund

This public-private partnership has the potential to change thousands of lives each year. By starting school at age five with a small education savings account, young students and families can save, invest, and realize the dream of higher education that may otherwise be unobtainable. Breaking the financial barriers to higher education will ensure all young Milwaukee minds can reach their full potential.

### **MATC PROMISE**

Fox6Now

Free college education: 'MATC Promise' initiative covers tuition, fees for eligible students

High School students in Milwaukee know they have a place of higher education that will be open, accessible, and *free*. Launched in 2015, this groundbreaking program was created by the leadership of the MATC staff and the unprecedented commitment of the MATC Foundation.

As the MATC Promise continues to be utilized in Milwaukee, it is a model that should endure and should be replicated to guarantee access to higher vocational and educational opportunities.

### "BUCKY'S TUITION PROMISE"

**MSNBC** 

University of Wisconsin-Madison offers free tuition to financially strapped freshmen

Incoming freshmen at the University of Wisconsin–Madison from in-state families with an income below \$56,000 a year will receive four years of college tuition free. The University expects upwards of 800 students to qualify in the first year. This program should be encouraged and expanded to campuses within the entire UW System, including the University of Wisconsin–Milwaukee.

### HIGHER ED, LOWER DEBT

The Badger Herald

Wisconsin Democrats propose bill to alleviate student debt

Legislators' proposal would form partly student-led body to develop loan program

For years, Wisconsin Democrats have fought for the ability to deduct and refinance student loans. The bill, authored by Senator Dave Hansen (D-Green Bay) and Representative Cory Mason (now mayor of Racine) would save student loan debtors enormous amounts of money each year.

By offering relief to such a critical need, Wisconsin would immediately attract young, talented workers and thinkers from around the country.



# **Build Safe Communities**

Crime in Milwaukee can be reduced. Neighborhoods that have the necessary combination of local community leadership, nonprofits, or communities of faith and investment to organize and coordinate with local law enforcement can see substantial reductions in crime. Targeting through place-based policing and fostering police–community relationships have proven effective in many chronically high-crime neighborhoods.

Funding for these proven policies can come from smart reforms elsewhere in the justice system. Savings from reforms should be reinvested in proven policies; these investments in turn reduce crime and reduce justice system spending to be reinvested again. This virtuous cycle rewards and self-funds crime-reduction strategies that work.

There are roughly **23,000 people** in Wisconsin's prisons. To accommodate this huge population the State spends

\$1.24 billion a year on prisons, with a price tag of roughly \$32,000 per inmate per year.

By enacting smart reforms Wisconsin can reduce the prison population and the prison budget.

1% reduction of the budget would yield over \$12 million a year

5% reduction would yield over \$60 million a year

# Less Crime through Reinvestment

Smart justice reforms have been successful in deeply conservative and liberal states, surprisingly arriving at very similar policies. Below are three smart justice reforms Wisconsin should pass to bring savings to be reinvested.

- Revocation Reform
  - Increased community alternatives for DOC, elimination of non-criminal revocations, and required use of evidence-based decision-making tools will reduce the nearly 3,000 inmates returned to prison by revocation each year.
- Earned Release Reform
  - Successful completion of education or vocation programming should reduce the term of incarceration, similar to existing law for addiction programming.
- Parole Reform
  - Inmates incarcerated before 1999 may be eligible for parole but most cannot get released. Reviewing all old law inmates and removing bureaucratic delays will restore the parole system to its intended function.

**Justice Reform Savings** 

# Less Crime through Reinvestment

There are many ingredients, causes, individual motives behind crime and there is no single policy that can prevent all crime. A combination of successful and proven policies and investments at the neighborhood level is needed to bring a sustained reduction of crime.



Called "Neighborhood Guardians" by author and professor Patrick Sharkey in his moving book Uneasy Peace, crime can be reduced by empowering local residents and building community. By increasing Collective Efficacy, these groups empower neighbors to police themselves and work collaboratively with law enforcement.

Milwaukee has seen this work. Groups like Safe and Sound have shown that working block by block in Milwaukee can reduce crime. Investments in the community to build up neighborhoods work. Evidence shows that these block-by-block efforts reduce crime.

There was a mobilization of residents in neighborhoods hardest hit by crime," [Sharkey] said, led by nonprofit groups.

Sharkey's research drew on data from 264 cities over a 20-year period; it found that in a city of 100,000 residents, each 10 additional groups "focusing on crime and community life" led to a reduction of 9% in the murder rate, 6% in violent crime overall and 4% for property crime.

Haynes, David D.; *Milwaukee Journal Sentinel*; What if what really matters in fighting crime is how well you know your neighbor?

# **Conclusion**

I came to Milwaukee a little over ten years ago. I didn't want to. I had an old, inaccurate belief about the city. I was wrong. I'm grateful that I learned better. Milwaukee has challenged me, but also opened me to so much. I'm a better person, a better husband, and a better legislator for all of the lessons I've learned here.

I wouldn't live anywhere else, but I also cannot accept the status quo. We need massive systemic change. I've tried to showcase how we can reimagine government systems to bring greater equity and growth to Milwaukee. These ideas are not exhaustive or perfect. Only through offering options, receiving feedback, working toward compromise and consensus will we realize the long-term changes we need.

Milwaukee's a tale of two cities. Let's begin right now to make sure we are the last generation that knows that reality. I'm in for the fight. I hope you join too.

Thank you for the time and attention to read this work and open a dialogue about change. I commit to making myself as available as possible for any conversation, appropriate debate, criticisms and critiques. Please don't hesitate to call.

Thank you to my neighbors who participated in creating this. Thank you to all the people who helped supply the needed information, data, statistics, etc. Thank you especially to my great staff: Ryan Knocke, Michael Ingles, and Clare O'Donnell for your continued patience with me, and to Scott Templeton, who single-handedly made this whole thing look good.

Forward Together.









### **Cover Art**

A copy of this picture was given to Gaby and me as a wedding gift in 2016, and hangs on our living room wall. It serves as the inspiration for this work. The picture blends the 1905 and 2013 construction of the Michigan Street Bridge. It represents our rich past and vibrant future as a city.

The original photo was taken by Robert J. Taylor and the blended version was created by ThenandNow Photography based out of Wausau, WI.

thenandnowart.com