ANALYSIS: WORST CITIES FOR BLACK AMERICANS



OVERVIEW & CHALLENGES

With the highest unemployment rate in the State for roughly a quarter century and ranking as second worst metro area in the U.S. for African Americans, the Greater Racine community must carefully consider socioeconomic outcomes, geography, and potential opportunities to close black-white achievement gaps and uplift our African American community.

This report reviews key aspects of the "Worst Cities for Black Americans" study (24/7 Wall St.) as well as its challenges; re-creates portions of the "Worst Cities" study to highlight key socioeconomic focus areas and gaps; analyzes cross-municipality outcomes to better understand the roles and relationships of surrounding communities; and outlines goals, strategies and partners to close local black-white gaps and leave the "Worst Cities" list.



METRICS

The study consists of 8 race-based gaps in socioeconomic outcomes, including median household income, poverty, adult high school attainment, bachelor's degree attainment, homeownership, unemployment, incarceration, and mortality.¹



GEOGRAPHY

Geography is Metropolitan Areas or Metropolitan Statistical Areas (MSA), containing a large population nucleus and adjacent communities that have a high degree of integration with that nucleus.²



RANKING

Ranking is based on differences between black and white residents and not on absolute levels of socioeconomic development.¹



DATA

The study primarily uses 2017 U.S. Census Bureau American Community Survey 5-year estimates with additional data from the Bureau of Justice (incarceration) and Centers for Disease Control and Prevention (mortality).¹



After being ranked the thirdworst metropolitan area in the U.S. for black Americans last year and fourth-worst the year before, Racine has now been ranked as the secondworst city for black Americans in the U.S., according to a recent 24/7 Wall St. study.

- Racine Journal Times

 [&]quot;The Worst Cities for Black Americans" Study, 24/7 Wall St.
 2010 Standards for Delineating MSA's, United States Office of Management and Budget



GEOGRAPHY

Measures Metros, Not Just Cities

Although called "Worst Cities" for Black Americans, the study primarily looks at metropolitan statistical area (MSA) and sometimes, statewide data. The Racine MSA is Racine County.



The Cities of Madison, Green Bay, and Beloit, where black residents comprise less than 5% of the MSA total population, were excluded from the study.

The Cities of La Crosse and Kenosha are part of MSAs that include counties across state lines, incorporating other populations and masking statewide challenges.



METRICS

Not All Measured Locally

Because states, rather than metro areas, are responsible for the prison population, incarceration rates are for the state where the metro area is located.¹



White Category Captures Hispanic/ Latino Population

Study uses "White Alone" vs. "White Alone, not Hispanic or Latino" for educational attainment and unemployment metrics.



RANKING

Unclear Weight by Metric

Racine (#2) outperforms Rochester, NY (#10) on 4 out of 6 U.S. Census metrics.



DATA

Lagging Measurements

"Worst City" study captures data between the years 2013 and 2017.1

As a result, rankings will not reflect 2019 efforts and outcomes onward until the year 2025.

83,000

Wisconsin African Americans

were excluded from study with a small portion (Kenosha) counted as part of Chicago-Naperville-Joliet IL-IN-WI MSA.

^{1. &}quot;The Worst Cities for Black Americans" Study, 24/7 Wall St.

Overview of race-based gaps in socioeconomic outcomes across metropolitan areas in "Worst Cities" study

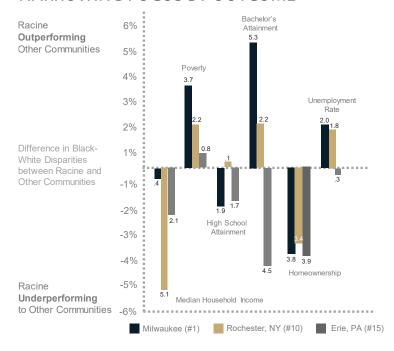
UNDERSTANDING GAPS ACROSS COMMUNITIES

The below chart recreates a portion of the "Worst Cities" study, comparing Racine (#2) to Milwaukee (#1), Rochester, NY (#10), and Erie, PA (#15) across six of eight black-white disparities in socioeconomic outcomes.¹

| | Racine (#2) | Milwaukee (#1) | Rochester, NY (#10) | Erie, PA (#15) |
|--|-------------|----------------|------------------------|-------------------|
| Median Household Income, Black % of White Income* | 43.4% | 43.8% | 48.5% | 45.5% |
| Poverty Disparity | 22.1% | 25.8% | 24.3% | 22.9% |
| High School Attainment Disparity | 13.9% | 12.0% | 14.0% | 12.2% |
| Bachelor's Attainment Disparity | 19.3% | 24.6% | 21.5% | 14.8% |
| Homeownership Disparity | 44.2% | 40.4% | 40.8% | 40.3% |
| Unemployment Rate Disparity | 8.0% | 10.0% | 9.8% | 7.7% |

^{*}Measures black median household income as percentage of white median household income

NARROWING FOCUS BY OUTCOME



Across the above black-white disparities identified in the "Worst Cities" study, the weakest outcomes for Racine (#2) are median household income and homeownership, underperforming to Milwaukee (#1), Rochester, NY (#10), and Erie, PA (#15).

For example, the Racine black-white disparity in homeownership (44.2%) is 3.8% higher than Milwaukee (40.4%), 3.4% higher than Rochester, NY (40.8%) and 3.9% higher than Erie, PA (40.3%).

Racine only outperforms all other communities on poverty-rate disparity.

INCARCERATION AND MORTALITY

The remaining outcomes, mortality and incarceration, are calculated based on metro level (mortality) or statewide (incarceration) data.

Wisconsin is the worst state for black-white disparities in mortality³ and second worst state for black-white disparities in incarceration.⁴

298

More black residents die relative to white residents for every 100,000 Racine County deaths.²

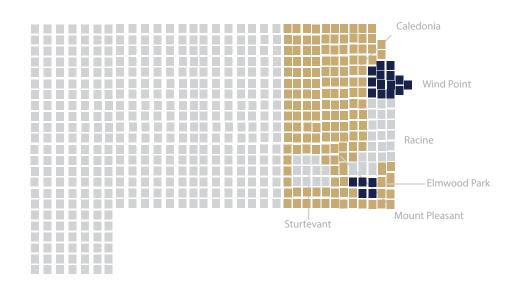
Bottom 2

Wisconsin is in bottom two states for worst black-white disparities in mortality and incarceration rates across U.S.

^{1.} U.S. Census Bureau, 2013-2017 American Community Survey 5-Year Estimates

^{2.} Centers for Disease Control and Prevention, National Center for Health Statistics 2013-2017, Age Adjusted

HIGH-PERFORMING COMMUNITIES BY OUTCOME AND RACE



KEY

- HIGHEST PERFORMING COMMUNITY BY AT LEAST ONE METRIC, BLACK RESIDENTS
- HIGHEST PERFORMING COMMUNITY BY AT LEAST ONE METRIC, WHITE RESIDENTS

METRICS

- MEDIAN HOUSEHOLD INCOME
- POVERTY
- HIGH SCHOOL ATTAINMENT
- BACHELOR'S ATTAINMENT
- HOMEOWNERSHIP
- UNEMPLOYMENT

OPPORTUNITIES AND OUTCOMES IN EASTERN RACINE COUNTY

Elmwood Park, Caledonia, Mount Pleasant and Wind Point together have the best County-wide outcomes for black and white residents across all six U.S. Census metrics identified in the "Worst Cities" study: Median household income, poverty, high school attainment, bachelor's attainment, homeownership and unemployment.* Although the number of white residents in Elmwood Park and Wind Point and black residents in Caledonia and Mount Pleasant are relatively small, the significant difference in outcomes between the City of Racine and surrounding communities indicates concentrated inequality within Eastern Racine County. Unequal opportunities and outcomes in neighboring communities may reflect or contribute to flight out of the City of Racine.



Racine median black household income as percentage of Caledonia median black household income¹



Mount Pleasant black residents with a high school diploma compared to 76% of Racine black residents¹



20% or higher bachelor's degree attainment for black residents in Caledonia and Mount Pleasant vs. just 5% in the City of Racine¹

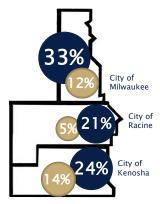


Black unemployment rate in Mount Pleasant, 4.5% lower than black unemployment rate in the City of Racine¹

The City of Racine also faces regional black-white disparities, particularly around educational attainment.

The City of Milwaukee has more than double the percentage of black residents with a bachelor's degree or higher and the City of Kenosha has almost triple the percentage compared to the City of Racine.¹

Regional differences in educational attainment across white residents are less severe but trend similarly.



- BACHELOR'S ATTAINMENT OR HIGHER, BLACK RESIDENTS
- BACHELOR'S ATTAINMENT OR HIGHER, WHITE RESIDENTS

^{*}Some cross-municipality data is not statistically significant at a 90% confidence interval; however, this rigorous statistical standard does not undermine broader differences across municipalities.

Highlighted goals (page 7) outline the changes necessary to close local race-based disparities, surpass Erie, PA (15th), and leave the "Worst Cities for Black Americans" list.

For example, 293 additional black homeowners who previously rented will close the local blackwhite gap in homeownership from 44.2% to 40.2%, surpassing the homeownership gap in Erie, PA (#15).

Setting goals in relation to racebased disparities in other communities will help Greater Racine understand its standing nationally and navigate off the "Worst Cities" list. However, staying off the list requires understanding and addressing the worst disparities and outcomes in absolute terms.

For example, all "Worst Cities" identified in our analysis have a minimum 40% difference in homeownership between black and white residents.

Truly equitable communities must therefore ensure homeownership is affordable and accessible for all residents.

In another example, bachelor's attainment or higher for Greater Racine black residents is around 7%, roughly half the number of black residents in comparable communities and roughly one-fourth the percentage of white residents locally.

Finally, communities in states with the worst black-white disparities in incarceration will continue to find themselves among the "Worst Cities" as incarceration is a statewide metric. In fact, 13 of the 15 "Worst Cities" reside in the 15 worst states for black-white disparities in incarceration. Racine must work closely with Milwaukee, a metro area home to over 70% of Wisconsin African Americans, and the State of Wisconsin to tackle incarceration and address our long-term "Worst Cities" ranking.

FO CLOSE GAPS



\$1,383 INCREASE IN BLACK MEDIAN HOUSEHOLD INCOME

Create more short-term, credentialed trainings targeting unemployed and underemployed residents (local government; training providers).

02

216 MORE BLACK HIGH SCHOOL GRADUATES

Fund additional cohort- and classroom-based high school equivalency diploma programming, targeting adult learners without their high school diploma (school districts; non-profits).

567 MORE BLACK BACHELOR'S DEGREE ATTAINERS

Subsidize tuition for black residents, targeting adults with some college but no degree (four-year colleges and universities).

04

293 MORE BLACK HOMEOWNERS

Subsidize housing, offer low-interest loans and debt forgiveness, and create rent-to-own opportunities for black residents (housing authority; non-profits).



01

03

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