

MONTHLY REPORT TO THE BOARD OF COMMISSIONERS

Housing Authority of the City of Milwaukee

Housing Choice Voucher Program

February 2026

OVERVIEW:

This report details the activities currently under the direction of the Housing Choice Voucher Program.

SYNOPSIS:

CVR Associates, Inc. began its management of the Housing Authority of the City of Milwaukee’s Housing Choice Voucher Program effective January 2, 2025. At project inception, the program has a SEMAP rating of Troubled and is in shortfall. CVR has taken immediate action to begin to address backlogs in every area of operations including but not limited to annual recertifications, interims, late HQS inspections, program enforcement, and leasing and move-ins. The information below highlights the current status of our efforts at increasing staffing, compliance, addressing inherited backlogs, and overall operations for the month of February 2026.

Below is a summary of current staffing progress:

Current Positions (ALL)	Requisition Requirement	# of Active EEs	# of Openings	Hires for the Month
Allocated FTEs				
HCV Director	1	1	0	0
FINANCE/ANALYTICS				
Special Projects Coordinator	1	1	0	0
OWNER SERVICES/INSPECTIONS				
Owner Services/Inspections Supervisor	1	1	0	0
Inspectors	2	2	0	0
Abatement Coordinator	1	1	0	1
ADMISSIONS AND LEASING				
Admissions Supervisor	1	1	0	0
Portability Specialist	1	1	0	0
Lease and Contracts Specialists	3	2	1	1
Eligibility Specialists	2	2	0	1
Wait List Specialist	1	1	0	0
Admin Support/Customer Care Specialist	1	1	0	0
OCCUPANCY AND RECERTIFICATIONS				
Program Supervisor	1	1	0	0
PBV Housing Specialist	3	3	0	1
Housing Specialist	3	2	1	0

Temp Housing Specialist	5	5	0	0
NKA Compliance and QC Manager	1	1	0	0
NKA Recertification Specialists	4	4	0	0
COMPLIANCE AND CUSTOMER SERVICE				
Customer Service/Compliance Manager	1	1	0	0
Enforcement Specialist	1	1	0	0
PIC / Reporting Analyst	1	1	0	0
Customer Service Representative	3	3	0	0
Temp Customer Service Representative	1	1	0	0
Temp Customer Service Representative (S O)	2	1	1	0
Total:	41	38	3	4
-Corporate Staff-				
Sr. Associates	-	1	-	-
Associates	-	2	-	-
Jr. Associates	-	2	-	-
QC Specialist	-	2	-	-
Total Corporate Support		7		
-Subcontractors-				
BDO Finance				
NKA Subcontractors Group				
Total Workforce Numbers				
Grand Total:	41	45	3	4

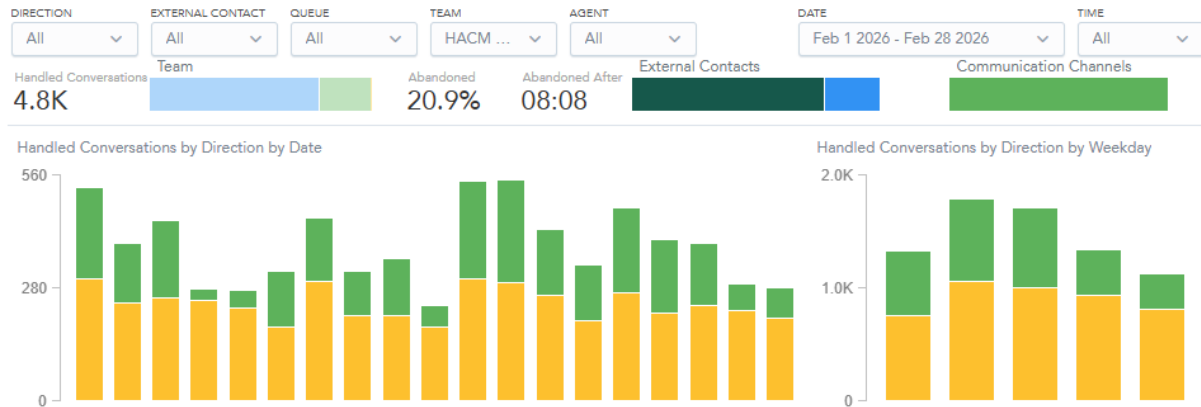
CVR will continue its relationship with NKA Subcontractors Group into 2026 to maintain the MBE requirement in year 2. NKA has shifted to processing a portion of HACM’s recertifications beginning with recertifications due May 2026, and attended CVR’s comprehensive recertification training process in January in order to prepare them for their new role. CVR will maintain staff on-site in the Milwaukee office to continue processing HOME, FSS, PBV, and some HCV recertifications and to continue offering lab assistance on Wednesdays for any families who need hands on assistance. NKA will maintain a minimum of 4 qualified and experience housing specialists for this work and have a quality control manager. CVR will also conduct a percentage of quality control file reviews each month to ensure accuracy and completion, and the subcontractor will have a dedicated point of contact from CVR who will meet with them regularly.

CALL CENTER AND CUSTOMER SERVICE

Summary:

- Call center staff handled 4.8K inbound and outbound calls during February.
- On average, staff are handling 237 inbound calls a day, while making an average of 144 outbound calls daily.
- Management of call volume has improved with increased attendance and assistance from Corporate Resources to take calls.
- Progressive discipline will continue for staff that have attendance and productivity concerns.
- Customer Service Meeting are being held weekly with staff and covered topics such as:

- Escalation Process
- Yardi Memos
- Ticket submissions
- Response Times and expectations
- Phone handle times
- Trainings will be held during the weekly meetings to ensure we are properly equipping staff with the proper tools.
- Productivity / QC Process for all phone staff to ensure proper call handling and ticket creation.



Ticket Submissions

CVR continued to work with HACM IT and the City to identify the root cause of issues impacting the ability to send and receive tickets through general inboxes. The issue was determined to be at the City level, and on February 24, 2026, City IT successfully restored connectivity to four affected HACM inboxes.

Following resolution of the issue, CVR immediately deployed additional resources to address the backlog of impacted tickets and is actively working to bring all items current.

LAB IN-PERSON ASSISTANCE

CVR’s team continues to hold lab hours each Wednesday for applicants and participants to receive in-person assistance in morning and afternoon sessions. On average, 20-25 persons are assisted in each session. The main reasons for assistance include:

- Rent Café credential resets
- Assistance in completing the annual recertification process

CUSTOMER SERVICE LOBBY

CVR explored ways to further its operations and tracking of in-person assistance requests and developed custom lobby check-in webform that was loaded onto a kiosk in the main lobby, where visitors will check themselves into the lobby upon arrival, providing brief information about who they are and the reason for their visit. The system tracks their time of check in, reason for visit, assistance times, and links to CVR’s Reception Tool for the customer service representatives to use to receive a preview of the reason for the visit. As data is continued to be tracked, it will

continue to provide valuable insight into data-driven needs. CVR began fully utilizing this kiosk on September 29th, 2025.



Housing Authority of the City of Milwaukee
Rent Assistance Department

Visitor First Name
Enter your first name

Visitor Last Name
Enter your last name

Visitor Email
Enter your email

by completing this form, you may receive a survey asking for feedback on your experience

Visitor Type
Select visitor type...

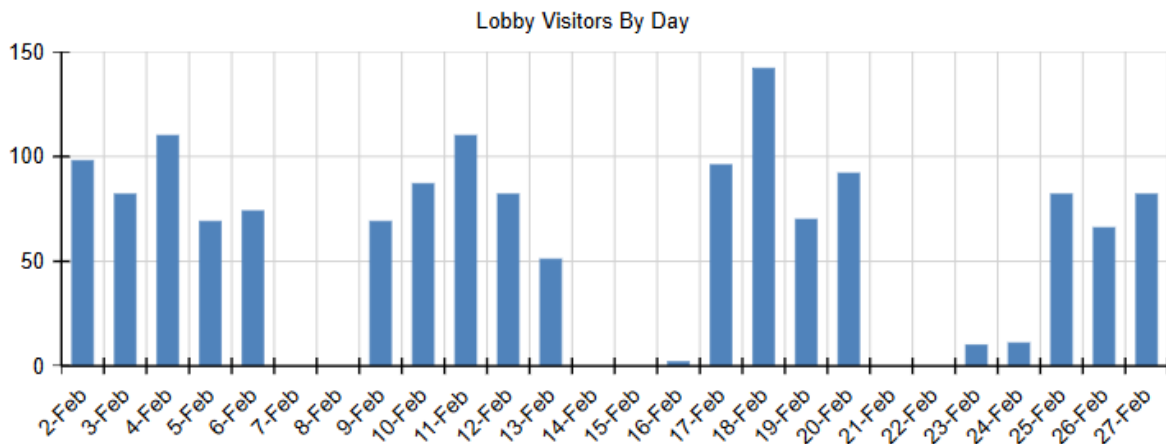
Visit Type
Select visit type...

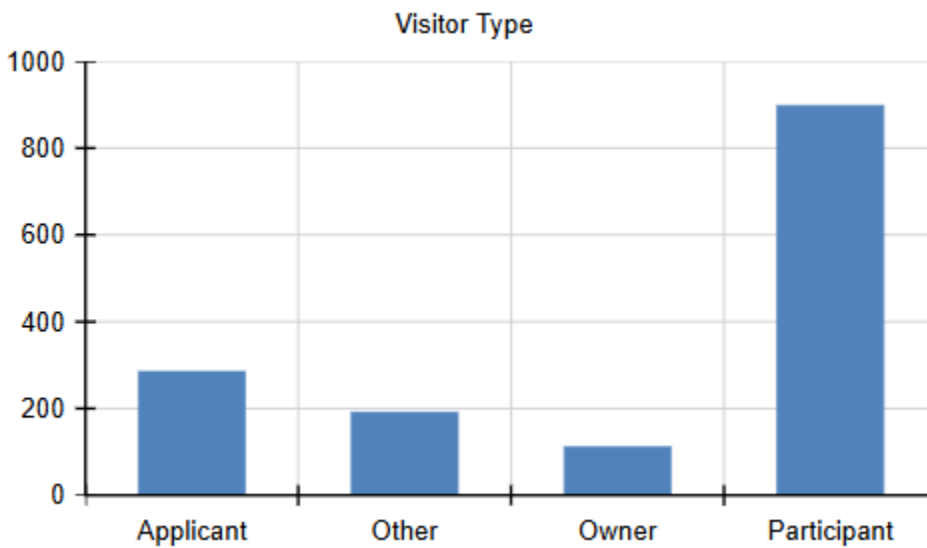
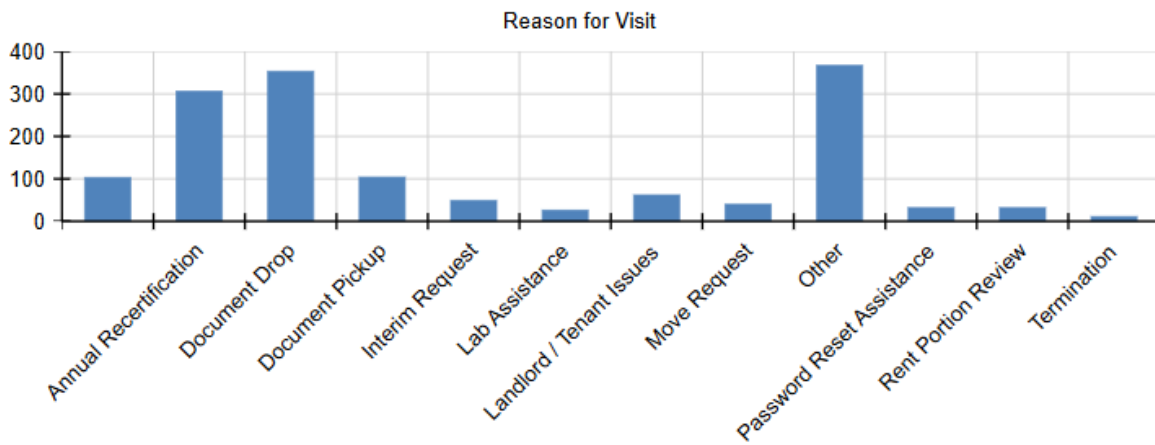
Reason for Visit
Select reason for visit...

Check In

Reset Form

- We have assisted 1,485 families in the office in February for mainly, Annual Recertifications, Document Drop Off and Other. Staff has been advised to update the tracker with the appropriate reason when “Other” has been selected by the visitor upon check-in to allow for greater accuracy in visit reasons.
- Follow Up Training Conducted:
 - To better review accounts and direct families to Rent Café and create tickets for concerns.
 - Operations to follow up with front desk staff timely.
 - Review all incoming documents for completeness.
 - Yardi / Tracker upload and documentation procedures.
- CVR conducted more staff meetings for operations updates.
- Staff have been very receptive to trainings and staff meetings by providing feedback for training opportunities and showing increased engagement.





INTAKE AND LEASING

Wait Lists

Types	Comments
HCV	Currently closed

Summary:

HCV waitlist remains closed. Project-based waiting lists are continuously open.

PBV Wait Lists

Numbers represent after generation

Property	1br	2br	3br	4br	5br
Becher Court	3,948	1,569	N/A	N/A	N/A
Becher Terrace (Referrals)	N/A	N/A	N/A	N/A	N/A
Carver Park	N/A	N/A	11,498	1,562	786
Cherry Court	4,525	N/A	N/A	N/A	N/A
Convent Hill	6,009	N/A	N/A	N/A	N/A

Highland Gardens	9,607	2,636	N/A	N/A	N/A
Holton Terrace	4,311	N/A	N/A	N/A	N/A
Lapham Park	3,377	1,267	N/A	N/A	N/A
Maskani Place (Referrals)	N/A	N/A	N/A	N/A	N/A
McKinley School (Referrals)	N/A	N/A	N/A	N/A	N/A
McAuley Apartments (Referrals)	N/A	N/A	N/A	N/A	N/A
Merrill Park	4,180	N/A	N/A	N/A	N/A
Olga Village	4,294	1,318	N/A	N/A	N/A
Prairie Apartments (Referrals)	N/A	N/A	N/A	N/A	N/A
Scattered Sites	N/A	11,373	4,234	1,167	230
United House (Referrals)	N/A	N/A	N/A	N/A	N/A
Victory Manor	6,165	N/A	N/A	N/A	N/A
Water Tower View (Referrals)	N/A	N/A	N/A	N/A	N/A
West Lawn	8,149	5,511	3,576	1,060	215
West Lawn Gardens Highrise	6,134	N/A	N/A	N/A	N/A
MLK (Referrals) Pending WL set up	N/A	N/A	N/A	N/A	N/A
Riverwest (Referrals)	N/A	N/A	N/A	N/A	N/A

Summary: PBV waiting lists remain adequately populated; however, a significant portion of applicants have been on the lists for more than three years. As a result, a review and potential purge of outdated or unresponsive applicants may be necessary to improve responsiveness and leasing efficiency.

- Current activity reflects lower levels of active applicant engagement, which may impact timely unit referrals.
- Applicant volume varies by property, with some locations maintaining stronger demand than others.
- During the reporting period, waiting list pulls were conducted for Becher, Highland, and Merrill.
- Additionally, Westlawn maintains two one-bedroom waiting lists. These applicants have now been incorporated into the Highrise waiting list to ensure accurate tracking and visibility, which was not previously reflected.

Moves, Contracts and Leasing Summary:

Staff are dedicating considerable time to correcting incomplete or inaccurate submissions, particularly RFTAs and leases. Although rent increase requests tend to be more complete, many are not submitted within the required 90-day notice period. This, combined with gaps in landlord awareness of renewal timelines, is contributing to processing delays.

Common errors include lack of landlord or tenant signatures, lack of utility responsibility indicators (tenant or landlord), lack of unit inspection-readiness date, and/or incomplete lead-based paint disclosure forms.

To address these issues, CVR is implementing a policy change to no longer accept incomplete or incorrect RFTA submissions. This will place responsibility on property owners to ensure submissions are accurate and complete at the time of submission, with the goal of improving processing efficiency and reducing delays.

In addition, targeted landlord education and communication improvements are being explored to reinforce submission requirements and timelines, including a new Request for Tenancy Approval Packet. The near-final draft is enclosed as an attachment to this report.

The RFTA packet outlines the requirements and process for property owners to request approval for a unit to participate in the Housing Choice Voucher (HCV) Program.

To initiate the process, owners must submit a complete RFTA package, including proof of ownership, tax documentation, direct deposit setup, an unsigned lease, and other required forms. Incomplete submissions will be returned and will not move forward to inspection, reinforcing the importance of accurate and complete documentation upfront.

The document emphasizes several key program requirements:

- Units must be inspection-ready at the time of submission, as submitting an RFTA certifies readiness.
- The proposed rent must pass rent reasonableness review before inspection is scheduled.
- No lease may be signed until HACM approval is granted.
- Housing Assistance Payments (HAP) begin only after execution of the HAP contract and successful inspection.

The packet also includes a Statement of Understanding outlining landlord responsibilities, including compliance with fair housing laws, proper tenant screening, and adherence to program rules.

A significant portion of the document focuses on the transition from HQS to NSPIRE inspection standards, which shift the focus to health and safety-based deficiencies. The guide details:

- New inspection categories and deficiency types
- Stricter repair timelines (e.g., 24-hour corrections for life-threatening issues)
- Expanded requirements for safety features such as smoke alarms, GFCI outlets, and structural components

A mandatory pre-inspection checklist is also included to help owners prepare units and avoid failed inspections, covering key areas such as electrical safety, alarms, plumbing, and structural conditions.

Overall, the RFTA packet is designed to:

- Ensure complete and accurate submissions upfront
- Reduce processing delays
- Improve inspection pass rates
- Align landlord expectations with updated NSPIRE standards

Completed Contracts/Leasing	26-Jan	26-Feb	26-Mar	26-Apr	26-May	26-Jun	26-Jul	26-Aug	26-Sept	26-Oct	26-Nov	26-Dec
Transfer Moves	80	20										
New Admissions	6	21										

Portability Activities	26-Jan	26-Feb	26-Mar	26-Apr	26-May	26-Jun	26-Jul	26-Aug	26-Sept	26-Oct	26-Nov	26-Dec
Port. Ins	2	3										
Port. Outs	12	5										

Summary: Move and portability activity is currently at a lower level and is anticipated to trend upward seasonally in the summer months when moves are more common.

Rent Increases

Rent Increases Pending Completion				
Month Effective Date	RI Requested	Completed	Denied	Pending
January 2026	80	14	0	66
February 2026	93	30	10	53

CVR has successfully implemented rent increase request submission through the Rent Café landlord portal module. This enhancement has reduced manual logging and tracking by automatically routing requests into CVR’s tracker for assignment to staff. In January 2026, 75% of rent increase requests were submitted through Rent Café, compared to 73% in February. CVR continues to conduct regular landlord outreach to encourage adoption of this submission method.

CVR is also exploring the use of an Application Programming Interface (API) to integrate with affordablehousing.com, the platform used to conduct required rent reasonableness testing. Currently, the system experiences frequent downtime and significant delays, with testing taking an average of 40 minutes compared to the expected 5–10 minutes under normal conditions. These delays often require staff to log out and retry at a later time, impacting processing efficiency.

To address this, CVR IT is evaluating a solution that would automate the rent reasonableness process by querying and transmitting rent increase data directly from Yardi and Rent Café to affordablehousing.com. This approach would allow testing to occur without manual intervention and outside of peak system usage times, reducing delays and improving overall efficiency. CVR is also testing this solution to ensure automated results are consistent with those produced through manual review prior to implementation.

Waiting List Strategy

CVR is exploring opportunities to streamline the PBV waiting list process by grouping properties with similar eligibility criteria, such as bedroom size, income targeting, and program requirements. This approach would allow applicants to be considered across multiple properties without the need to establish and maintain separate waiting lists for each individual property.

Currently, maintaining property-specific waiting lists can lead to inefficiencies, including outdated applicant pools, inconsistent engagement, and delays in unit referrals. By consolidating or aligning waiting lists where program rules allow, CVR aims to create a more flexible and responsive applicant pool that can be utilized across multiple PBV sites.

This strategy is expected to:

- Improve applicant responsiveness by reducing wait times and increasing opportunities for placement
- Accelerate lease-up timelines by expanding the pool of eligible applicants available for referral
- Reduce administrative burden associated with maintaining, updating, and purging multiple waiting lists
- Improve data accuracy and visibility into active applicant demand across properties

CVR is currently evaluating the feasibility of this approach, including alignment with HUD regulations, local policies, and property-specific requirements, to ensure compliance while maximizing operational efficiency.

Program Coordination & Process Improvements

Internal discussions identified the need for a standardized welcome letter to accompany tenancy documents provided by property managers (e.g., Tenancy Addendum and Statement of Responsibilities). When participants receive multiple documents without clear context, it can lead to confusion regarding program requirements, next steps, and key responsibilities.

The proposed welcome letter will provide a clear, plain-language overview of the HCV/PBV program, outline participant and landlord responsibilities, and highlight important information such as reporting requirements, payment processes, and key contact points. This is intended to improve participant understanding at the start of tenancy, reduce avoidable inquiries, and support overall compliance.

In addition, CVR is working to strengthen communication and engagement with landlords. Feedback and operational trends have identified challenges with consistent use of the Rent Café landlord portal, including submission processes and navigation. To address this, CVR is planning a landlord support session (“landlord lab”) to provide hands-on guidance, reinforce submission requirements, and answer common questions.

These efforts are intended to:

- Improve clarity and understanding for new participants
- Reduce processing delays caused by incomplete or incorrect submissions
- Increase landlord adoption and effective use of the portal
- Strengthen overall communication between CVR, participants, and property owners

CONTINUED OCCUPANCY

CVR continues to make measurable progress in reducing the recertification backlog while maintaining a focus on compliance and participant stability. At the end of December 2025, there were 1,279 recertifications pending completion. As of February 2026, this number has been reduced to 981, reflecting significant and sustained progress in addressing the backlog.

While late recertifications still represent a portion of completed work, there has been a noticeable increase in on-time completions month-over-month, indicating improved workflow stability and proactive case management.

CVR continues to experience challenges in obtaining required documentation from participating families. However, rather than defaulting to high volumes of terminations for non-compliance, staff are prioritizing extended engagement with families to obtain required documentation. This approach is intended to correct prior practices, support participant stability, and ensure households are not unnecessarily terminated due to process gaps.

CVR has increased staff oversight through regular follow-up and weekly check-ins to ensure consistent outreach to both tenants and property managers, with a focus on obtaining required documentation and advancing cases to completion. Bi-weekly meetings are conducted with PBV property partners to address outstanding and missing documentation, strengthening coordination and accountability, while internal team meetings reinforce expectations, review workload, and provide guidance on prioritization and day-to-day case management. These combined efforts are supporting continued reduction of the recertification backlog, improving timeliness, and strengthening overall compliance with program requirements.

PBV Recertifications Pending Tenant Follow-Up - February 2026				
Status	2nd Attempt - Reexam Reminder Sent	ITT	Rent Café Initiated	Grand Total
Property Codes				
Holton Terrace RAD	2	24	11	37
Becher Court	1	16	17	34
Westlawn	17	16		33
Westlawn 6	5	13	13	31
Lampham Park RAD	3	4	22	29
Highland Gardens RAD		1	19	20
Merrill Park	2	5	8	15
Olga Village		1	13	14
Westlawn 3	9	5		14
Westlawn Gardens	5	7		12
Victory Manor	11			11
Lampham Park PBV	1	2	7	10
VASH		1	8	9
Westlawn 7 RAD	2	4	3	9
Westlawn 4 PBV	2	6		8
Westlawn 5 PBV	1	7		8
Becher Terrace		1	5	6
Veterans Manor		1	5	6
Convent Hill	1	4		5
National Soldiers Homes		1	4	5
Westlawn 4 RAD	3	2		5
Carver Park RAD	1	3		4
Highland Gardens PBV	1	2	1	4
Westlawn Gardens SS	3	1		4
Becher Terrace PBV			3	3

McAuley	1	2		3
Westlawn 7 PBV		3		3
Water Tower	2	1		3
Cherry Court RAD			2	2
Cherry Court PBV			1	1
Prairie Apts		1		1
Surgeons Quarters			1	1
SS PBV			1	1
Westlawn 5 RAD	1			1
Grand Total	74	134	144	352

As a result, termination rates have remained relatively low (30 in January and 28 in February), reflecting a more balanced and participant-focused approach while still maintaining program integrity.

Overall, CVR's efforts are demonstrating continued progress toward stabilizing recertification operations, improving timeliness, and reducing the backlog, while ensuring compliance with program requirements and minimizing adverse impacts to participating families.

Recert Outcome								
Year and Month	Recerts Due	Completed Early/On Time	Completed Late	End Participation	Port Out	Date Changed - Earlier	Date Changed - Later	Pending Completion
2025								
1	575			62	11		7	2
2	600			49	12		2	0
3	601	73	430	44	12		25	7
4	600	109	386	50	13	3	18	10
5	604	162	347	46	4	10	19	10
6	711	40	530	69	8	11	30	22
7	569	28	395	64	6	6	19	46
8	549	63	335	53	12	9	25	36
9	662	39	438	64	8	14	15	78
10	582	58	337	41	3	19	5	107
11	575	71	303	45	2	20	16	102
12	749	189	294	49	4	38	7	140
2026			0					
1	589	91	223	30	4	25	8	190
2	582	115	153	28	9	42	2	233
Grand Total		1038	4171	583	85	197	189	981

	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26
Interims Processed	524	621										

VETERANS AFFAIRS

CVR continues to collaborate closely with Veterans Affairs to address ongoing Veteran participant needs. A joint tracking spreadsheet is maintained and updated weekly, with updates provided to the lead VA Case Manager each Monday to ensure alignment and transparency on outstanding items.

In addition, CVR participates in bi-weekly coordination meetings with Veterans Affairs to review cases, discuss barriers, and work toward timely resolution.

Program - Veterans Affairs	Totals	Comments
- National Soldiers Homes	80	Late - 2 (1 Zero HAP, 1 EOP)
- Vets Manor (PBV)	15	
- VASH	178	
- Vets. Manor (PBV VASH)	19	
- Searching	26	
- VO to be issued	0	

HOMEOWNERSHIP

Program - Homeownership		
- RECERTS	59	
- CLOSING	0	Program is currently closed to new homeowners

FAMILY SELF-SUFFICIENCY RECONCILIATION

Below is a summary of the FSS Reconstruction Project, which began with 194 cases identified as enrolled at inception. This project was initiated due to the lack of proper Yardi implementation of FSS escrow functionality dating back to 2019. As a result, escrow balances were not being correctly generated or tracked, leading to situations where successfully graduated participants did not receive escrow disbursements in a timely manner, and current FSS participants were not accruing escrow as required.

To correct this, CVR undertook a comprehensive reconstruction of each participant file, requiring the recreation of every 50058 transaction from the point of FSS enrollment forward. This included rebuilding complex, multi-year histories involving interims, annual recertifications, unit transfers, and other program changes. Each action had to be manually reviewed and re-entered to ensure accuracy of escrow calculations and compliance with program requirements.

As of February 28, the remaining cases require technical intervention and coordination with Yardi representatives to resolve system-level issues. CVR is actively working with Yardi to schedule dedicated sessions to finalize these cases and complete the reconstruction process.

ENFORCEMENT

Program Integrity / Enforcement Activities

CVR continues to actively manage program integrity efforts, including terminations, hearings, repayment agreements, and enforcement-related actions. At present, there are 191 cases pending hearing requests, with a significant portion related to unreported income. Of these, 65 hearings have been completed, and 49 remain pending scheduling.

Overall, 529 Intent to Terminate (ITT) notices were issued, primarily driven by failure to provide required documentation. Additional enforcement categories include fraud (105 cases), unreported income (51 cases), program violations, vacated units, and zero HAP situations. Hearings continue to be processed, with 65 completed to date, and remaining cases progressing through the scheduling pipeline.

Repayment agreement activity remains a key focus area. A total of 55 repayment agreements have been executed, totaling \$320,169.00. As of March 10, 2026, \$87,401.22 has been collected, with \$232,767.78 remaining outstanding. There are currently 32 repayment agreements in default status, which are being reviewed for next steps and enforcement action.

Change of ownership processing continues to present workload challenges, with 145 requests currently pending and 27 completed during the reporting period.

CVR has also focused on strengthening internal processes through targeted training and workflow improvements. Staff have been trained on repayment agreement calculations, letter generation, file closure processes, and tracking mechanisms. Efforts are underway to ensure repayment agreements and enforcement actions are consistently tracked within both the CVR tracker and Yardi to improve visibility and accountability. Additionally, ITT and hearing status tracking processes are being reinforced to support timely case progression.

Recommendations / Process Improvements

Based on ongoing operations and quality control findings, CVR has identified several opportunities for process improvement. These include developing a more structured approach to managing unreported income cases, enhancing workflow design within the Enforcement Department to improve efficiency, and implementing proactive file reviews prior to referral for enforcement action. CVR continues quarterly staff training based on common quality control findings, strengthening HAP contract processes related to change of ownership, and evaluating potential updates to the Administrative Plan to support improved program clarity and consistency.

QUALITY CONTROL AND TRAINING

In February 2026, the internal quality control team conducted reviews on 323 files.

In February 2026, a refresher training session was conducted to reinforce Housing Choice Voucher (HCV) annual recertification (AR) processing procedures for remote cohort staff. The training focused on strengthening staff understanding of end-to-end file processing, system navigation, and compliance with HACM requirements. Emphasis was placed on proper workflow review, documentation accuracy, and handling complex case scenarios within Yardi.

Training Content & Activities

- Step-by-step review of processing an HCV Annual Recertification (AR)
- Navigation of the Yardi Call Center Dashboard to initiate file review
- Review of historical case notes (up to one year back) to identify trends, prior actions, and compliance concerns
- Identification and handling of:

- Holds
- Abatements
- Outstanding processing issues

- Instruction on entering and documenting manual adjustments within Yardi
- Reinforcement of accurate case documentation and workflow consistency

Additional Training Components

- Real-time discussion of common processing errors and how to avoid them
- Guidance on ensuring completeness of file reviews before certification
- Emphasis on maintaining clear and detailed case notes to support compliance and audit readiness

Outcomes

- Improved staff confidence in navigating Yardi and initiating AR processing from the call center dashboard
- Increased awareness of the importance of reviewing historical case activity before processing
- Strengthened understanding of handling complex scenarios such as abatements and manual adjustments
- Reinforced expectations for documentation accuracy and compliance with HACM standards

PROJECT-BASED VOUCHERS RECONCILIATION

CVR compiled the following PBV discrepancies regarding leased units on the HCV side of Yardi vs the property management’s records to date. This analysis and reconciliation is ongoing. Thus far CVR has compiled the following:

Non-HACM Properties

Property	Total Occupied	Discrepancy	Comments
Becher	48	3	3 cases are pending recertification. 2 cases have been submitted for termination for failure to recertify.
Maskani	0	TBD	Maskani have gone bankrupt and closed their doors. Recently purchased by another developer (Wells Street Advisors) to reopen. HAP contract pending.
McKinnley School Apartments	6	0	Reconciliation complete.
McAulley Apartments	12	0	Reconciliation complete
Prairie	3	3	Rent roll received. Review in progress. Follow up sent to PM to resolve discrepancies.
United House	9	0	Reconciliation complete

Veterans Manor	TBD	TBD	Being handled by Tina Royalty
Water Tower View	15	0	Reconciliation complete
MLK Apartments	0	0	In active leasing
Riverwest Apartments	0	0	In active leasing

CVR has been unsuccessful in receiving any response from Dave Steward with Prairie Apartments. Multiple email follow-ups were sent. The last response received was on 07/22/2025.

HACM Properties- Reconciliation

Property	Discrepancies Resolved	Total Cases Pending Documents/Inspections to Process Move-In	Pending Recertification
Westlawn Gardens	15	7	21
Westlawn III	11	1	19
Westlawn IV	12	1	4
Westlawn V	11	0	2
Westlawn VI	5	0	30
Westlawn VII	26	5	27
Westlawn Gardens Scattered Site	3	2	0
Victory Manor	11	0	5
Lapham	10	0	7
Scattered Sites 1	1	0	0
Scattered Sites 2	3	0	0
Olga Village	0	0	1
Merrill Park	9	0	12
Holton Terrace	6	0	5
Highland Gardens	0	0	0
Convent Hill	2	5	4
Cherry Court	9	0	0
Carver Park	1	0	10
Becher Court	0	0	0

CVR continues to make progress in resolving historical discrepancies related to move-ins and recertifications. To date, a total of 148 discrepancies have been resolved. Of these, 84 cases that were not processed at initial move-in have now been completed, resulting in \$346,159.00 in issued payments to ensure affected families were made whole.

As of the reporting period, 5 cases remain outstanding for unprocessed move-ins at Westlawn properties. Additionally, 3 cases at Convent Hill remain pending, where payments are current but required documentation is still outstanding. There are also 128 cases pending recertification, which are being actively worked to ensure compliance and completion.

CVR has established weekly coordination meetings with Westlawn to address discrepancies and ensure timely resolution. Westlawn has committed to providing all requested documentation within seven (7) days. For any documents that cannot be located by Westlawn or Horizon, efforts are underway to obtain documentation directly from families or to recreate files as needed to maintain compliance. Westlawn has also advised that violation notices will be issued to families who fail to provide required documentation, and HACM will similarly issue notices to support compliance efforts.

Enforcement actions have been taken where necessary. A total of 7 families have been withdrawn due to failure to submit required documentation or obtain a passed inspection after multiple attempts. Withdrawal notices have been issued accordingly. For remaining cases submitted after established deadlines, these will be processed as new admissions, requiring a new inspection. Payments for these cases will no longer be retroactive to January 1, 2025, and will instead begin effective the date of a passed inspection.

FINANCE

Direct Deposits

Since January 2025, the monthly email newsletter to all vendors has been advising landlords that HACM would discontinue mailing checks on July 1, 2025 and asking landlords to set up direct deposit. In the May 2025 and June 2025 check mail outs, a mailer was included with all checks with the same message asking landlords to set up direct deposit. After the November 2025 check printing, all vendors with check payments being held were contacted by phone and email again asking owners to set up direct deposit. We continue to hold HAP going back to July 2025 for 30 vendors who have yet to set up direct deposit. In February 2026, all vendors with checks being held at the office will be contacted again.

Financial Operations & HAP Processing

During February, CVR created four MPA batches totaling 102 transactions. There are currently 12 active MPA batches (252 transactions), of which three have been approved for posting and will be processed in the next check run. Total HAP disbursements for February were \$5,279,689.13, compared to \$4,765,965.80 in January. VMS-reported HAP for February totaled \$4,500,813 across 6,517 end-of-month vouchers, compared to \$4,522,984 across 6,556 vouchers in January. Additionally, WE Energies payments for February totaled \$96,675.

Vendor records were also cleaned up to ensure accurate tax information, and an IRS file was created in coordination with BDO for submission. First-of-month check distribution experienced delays due to a printer outage.

PIC / SEMAP Reporting

CVR successfully created and submitted MTCS files to PIC. As this was the first full cycle of monthly reporting, the process presented some initial challenges; however, adjustments were made to submit smaller batches throughout the month to reduce errors and improve efficiency.

Monthly SEMAP reports were reviewed and distributed to management staff. Additional opportunities have been identified to strengthen staff understanding of SEMAP performance metrics, particularly how late recertifications and missed inspections directly impact overall scores.

SEMAP Performance Summary (FY 2025 – February 2026)

CVR completed a comprehensive review of SEMAP indicators for HACM for fiscal year 2025, resulting in a self-assessed score of 80 out of 145 possible points. While this reflects a “Troubled” designation, the program was within one percentage point of achieving “Standard Performer” status, indicating that overall performance was near the required threshold, showing significant improvement from fiscal year 2024.

SEMAP Indicator Self-Assessment Scores (FY 2025)

- Indicator 1 – Waiting List: 20/20 (Full points)
- Indicator 2 – Rent Reasonableness: 0/20
- Indicator 3 – Adjusted Income: 0/20
- Indicator 4 – Utility Allowance: 5/5 (Full points)
- Indicator 5 – HQS Quality Control Inspections: 5/5 (Full points)
- Indicator 6 – HQS Enforcement: 0/10
- Indicator 7 – Expanding Housing Opportunities: 0/5
- Indicator 8 – Payment Standards: 5/5 (Full points)
- Indicator 9 – Annual Reexaminations: 0/10
- Indicator 10 – Tenant Rent Calculation: 5/5 (Full points)
- Indicator 11 – Initial HQS Inspections: 5/5 (Full points)
- Indicator 12 – Annual/Biennial HQS Inspections: 10/10 (Full points)
- Indicator 13 – Lease-Up Utilization: 20/20 (Full points)
- Indicator 14 – Family Self-Sufficiency (FSS): 5/10
- Indicator 15 – Deconcentration Bonus: 0/5

Several core program areas demonstrated strong performance, including waiting list management, utility allowance compliance, HQS quality control inspections, payment standards, tenant rent calculations, initial inspections, annual inspections, and lease-up utilization. These results reflect a solid operational foundation and the program’s ability to effectively manage key functions despite broader systemic challenges.

1. Rent Reasonableness (0/20)

Why:

- File review results fell below the required threshold (approximately 72% accuracy vs. 98% requirement)
- Inconsistencies in documentation and timing of determinations
- Due to sample size, one incorrect rent reasonableness test means points lost

Corrective Actions:

- Implementation of standardized rent reasonableness workflows
- Exploration of API automation with AffordableHousing.com to improve consistency and reduce delays
- Staff training and enhanced QC reviews prior to approval
- Through February 2026, CVR is at an 84% pass rate showing an upward trend.

2. Adjusted Income (0/20)

Why:

- File accuracy significantly below threshold

- Errors tied to income calculation documentation and verification practices
- Impact of backlog and prior process inconsistencies

Corrective Actions:

- Increased QC oversight and file review processes
- Staff retraining on income calculation and documentation standards
- Focus on correcting legacy files and improving consistency going forward
- Through February 2026, CVR is up from 54% in 2025 to 83% pass rate. 80% or higher is required for points, and CVR is in a position to be able to achieve points for this indicator in 2026.

3. HQS Enforcement (0/10)

Why:

- Required enforcement actions (abatements, timelines) were not consistently documented or executed within required timeframes
- Likely tied to prior inspection and follow-up process gaps
- Enforcement follow-up fell below the required threshold (approximately 83% accuracy vs. 98% requirement)
- Due to sample size, one failed action fails the indicator

Corrective Actions:

- Strengthening enforcement tracking and timelines
- Improved coordination between inspections and case management teams
- Implementation of stricter follow-up protocols for failed inspections
- Through February 2026, CVR is 100% compliance for this indicator.

4. Expanding Housing Opportunities (0/5)

Why:

- One required component (mapping of opportunity areas) was not completed by fiscal year-end
- All other criteria were met

Corrective Actions:

- Mapping tool has now been completed using an external contractor
- Full compliance expected for FY 2026

5. Annual Reexaminations (0/10)

Why:

- Percentage of late recertifications exceeded HUD threshold
- Driven by significant backlog and prior operational delays

Corrective Actions:

- At the peak in August 2025, the program was 2,792 recertifications behind. As of February 2026, this has been reduced to 981, representing a 65% reduction in backlog over a five-month period, demonstrating significant progress toward operational stabilization.
- Increased staff oversight, weekly check-ins, and workflow restructuring
- Prioritization of timely recertifications and improved tracking

Of note, Indicator 7, which measures expanding housing opportunities, includes seven scored criteria. CVR successfully met six of the seven requirements, with the only outstanding item being

the development of participant-facing maps identifying housing opportunities outside of poverty- and minority-concentrated areas.

To address this, CVR coordinated with HACM’s Communications Director in August 2025 to obtain existing mapping resources from the City or County; however, these were either not available, not able to be generated, or not provided to CVR. As a result, CVR engaged an external contractor to develop comprehensive mapping analytics tailored to HACM’s jurisdiction. This work has since been completed, though it was finalized after the fiscal year-end deadline and therefore was not reflected in the FY 2025 SEMAP score.

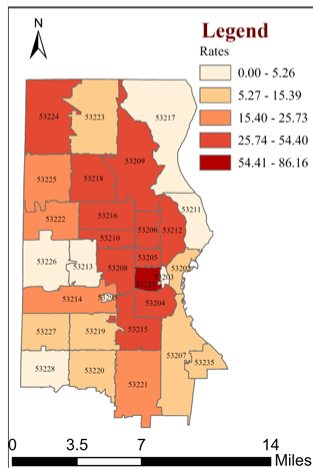
With this enhancement now in place, HACM is positioned to receive full points for this indicator in FY 2026.

Geographic Distribution of Poverty by Demographic Groups in Milwaukee, Wisconsin

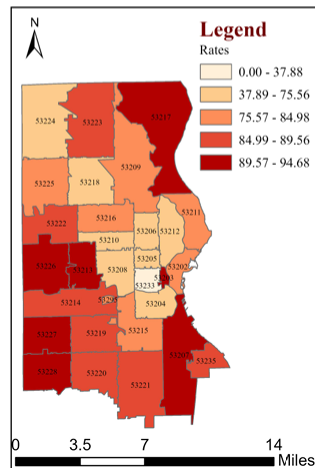
Danela Sadikaj

Data Sources: United States Census Bureau - ACS 2023, Milwaukee County GIS & Land Information

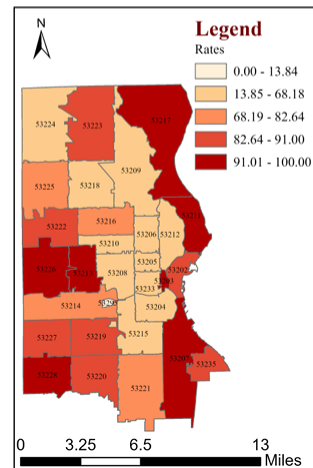
Population Under 18 Below Poverty Line



Overall Population Above Poverty Line



Population Under 18 Above Poverty Line

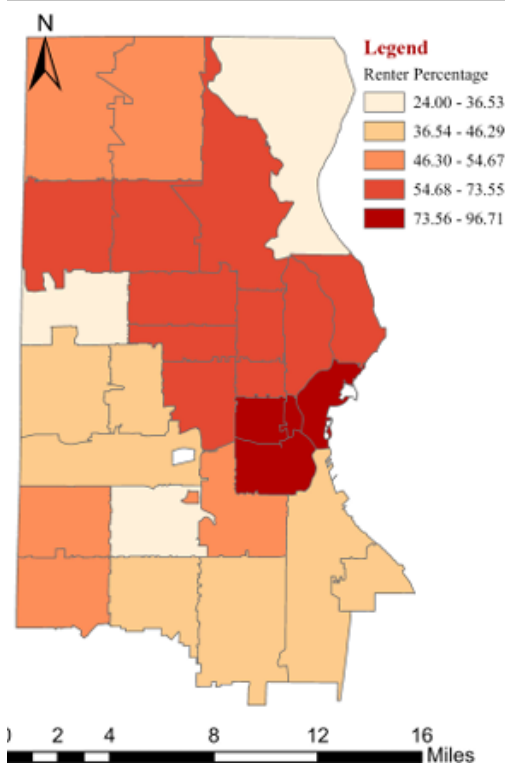


Housing and Transit Overview in Milwaukee, Wisconsin

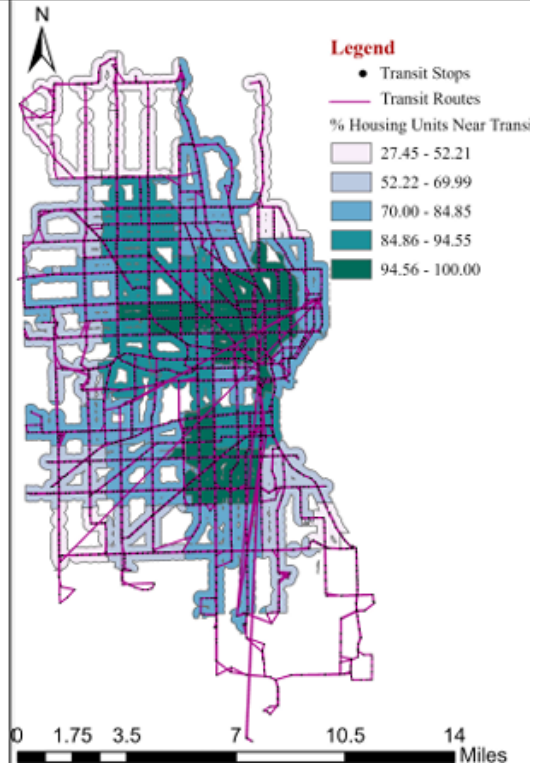
Danela Sadikaj

Data Sources: United States Census Bureau - ACS 2023, Milwaukee County GIS & Land Information, Milwaukee County Transit System

Housing Characteristics 2023



Transit Accessibility of Housing Units



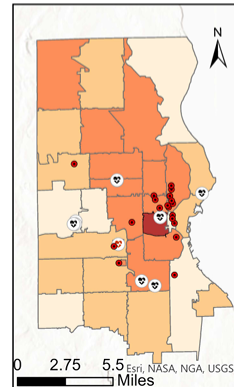
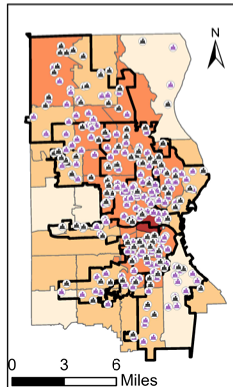
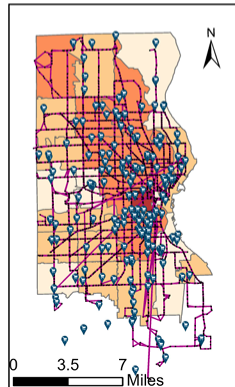
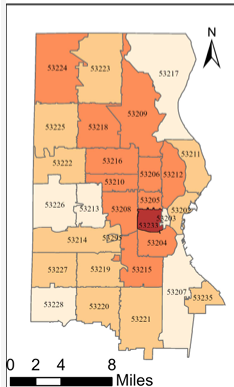
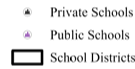
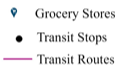
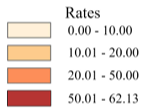
Poverty Concentration and Support Infrastructure in Milwaukee, Wisconsin

Danela Sadikaj

Data Sources: United States Census Bureau - ACS, City of Milwaukee, Wisconsin Department of Public Instruction, Wisconsin Department of Health Services, Milwaukee County Transit System, Milwaukee Food Council and Business Analyst

Legend

Overall Population Below Poverty Line



The current results largely reflect legacy process and documentation gaps that existed prior to recent operational improvements. CVR has already implemented targeted corrective actions, including enhanced quality control, staff training, and process standardization, to address these areas. As these improvements continue to take hold, the program is well-positioned to achieve improved SEMAP performance in the next reporting cycle.

Special Projects & Operational Support

CVR continues to support a range of operational and system improvement efforts. This includes assigning and managing ticket backlogs created by City IT connectivity error, assisting with participant moves, property sales, HACM contract creation, and development of a rent increase standard operating procedure. Staff were also trained on key processing distinctions, including corrections versus voids, to improve data accuracy.

Additional system and program updates included implementing 2025/2026 Operating Cost Adjustment Factor (OCAFs), which is a HUD-published annual percentage adjustment used to update rents to reflect changes in operating costs like:

- Utilities
- Maintenance
- Insurance
- Labor

OCAFs and rent reasonableness updates, updating utility allowance schedules in Yardi for duplex and affordable housing units after errors were identified from a former HACM employee responsible for updating these allowances, and reviewing delinquency reports, resulting in the clearance of

over 360 files. Training was also provided to staff on waitlist application approvals, and June annual recertifications for PBV and HCV were initiated through Rent Café.

BDO Monthly Activity Summary – December 2025

Bank Reconciliations:

US Bank Account - *****3846 – Section 8 Vouch Program has been reconciled through January 2026. Please note - there are deposits in transit and outstanding checks on the reconciliation dating back to 2021 and we recommend that they get cleaned up as soon as possible.

VMS Reporting and RNP Calculation – HCV & EHV

The January VMS was submitted on 2/19/2026. CVR provided us with the most up to date VMS reports out of Yardi for each month from January 2025 thru January 2026. PMCs were made in the VMS for each month to agree to the most recent Yardi VMS reports.

Per the Two-Year Tool, WI002 Housing Authority of the City of Milwaukee’s RNP (Restricted Net Position) for the HCV and EHV programs agrees with HUD’s calculated RNP amount through January 2026. With the updated results of CY 2025 input, the Two-Year Tool is showing a shortfall of \$815,743 or 1.4% of ABA for HCV.

HCV - RNP as of January 2026 was calculated to be a negative \$241,483 and is an increase from the negative \$815,743 reported for December 2025. The main reason for the increase is that \$5,271,568 in HAP funds were received in January while HAP expenses were only \$4,697,313. Estimates for February 2026 bring the RNP back up to a positive \$254,897. This is the result of receiving \$5,238,097 in HAP funds and having estimated HAP expenses of \$4,741,717.

EHV – RNP as of January 2026 was calculated to be a positive \$47,518 and is an increase from the \$37,722 calculated for December 2025. Estimates for February 2026 have the RNP at a positive \$57,484. This is the result of receiving \$74,238 in HAP funds and having estimated HAP expenses of \$64,272.

In summary, HACM’s financial position has improved significantly month-over-month, with HCV reserves increasing from a negative position in December to near break-even in January and projected to be positive in February. While HUD’s Two-Year Tool reflects a minimal projected shortfall of 1.4%, current trends indicate stabilization, with revenues exceeding expenses. Additionally, VMS reporting has been fully reconciled with Yardi, ensuring accurate and aligned financial reporting moving forward.

OWNER SERVICES

The Owner Services Manager continues to make measurable progress in strengthening owner engagement and improving operational efficiency. Through a combination of targeted outreach efforts, including phone calls, emails, and coordination with tenants, the number of vendors not enrolled in direct deposit has been reduced from 30 to 8, representing \$14,280 in HAP payments still pending enrollment.

The Owner Services team continues to manage a high volume of landlord inquiries and support requests. During the reporting period, a monthly virtual owner meeting was conducted with 34

attendees, and one-on-one meetings were held with approximately a dozen property owners and managers to address specific concerns and provide guidance.

Additionally, the number of properties listed on AffordableHousing.com increased from 327 to 341, supporting continued leasing efforts.

Owner engagement remains a focus area. While 34 landlords attended the monthly owner meeting and additional one-on-one meetings were conducted with key property partners, overall participation in group sessions remains limited relative to the size of the landlord pool. Lower attendance can reduce the effectiveness of program-wide communication, limit awareness of requirements and process changes, and contribute to common submission errors that impact processing timelines.

To address this, CVR continues to expand engagement strategies, including direct outreach, targeted meetings with high-volume property partners, and ongoing communication through newsletters and other channels. These efforts are aimed at improving landlord participation, strengthening understanding of program requirements, and ultimately reducing delays in processing and service delivery.

INSPECTIONS

CVR’s inspections performance in February 2026 demonstrates significant operational resilience and efficiency gains, despite the challenges associated with a period of reduced capacity. The agency successfully maintained high safety and compliance standards while increasing overall inspector output.

Inspection Summaries

Start Date 2/1/2026
End Date 2/28/2026

Results

Result	Quantity	Percent
Pass	447	52.96%
Fail	316	37.44%
No Show	71	8.41%
Vacant	9	1.07%
Uninhabitable	1	0.12%

Series Types

Inspection Series Type	Quantity	Percent
Annual	604	71.56%
Initial	130	15.40%
Complaint	84	9.95%
Quality Control	17	2.01%

Miscellaneous	9	1.07%
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Inspection Types

Inspection Type	Quantity	Percent
Re-inspection	254	30.09%
Annual	199	23.58%
Emergency Re-inspection	171	20.26%
Initial	91	10.78%
Emergency	82	9.72%
Complaint	34	4.03%
QC	10	1.18%
Additional Repairs	3	0.36%

Inspectors

Inspector	Quantity	Percent
Mellena Hoppe	15	1.78%
Tony Smith	379	44.91%
Stephen Fendt	8	0.95%
Keeshia Fulsom	442	52.37%

HAP Abatement & Owner Compliance

During this period, the agency enforced HAP abatements for property owners failing to maintain NSPIRE standards.

Inspections Enforcement Report

Start Date: 2/1/2026

End Date: 2/28/2026

Total Inspections:	120
Closed:	4

116

	Compliant
Passed within 30 days	72
Re-inspected within 30 days	43

115

Not Compliant

Score: 100.00%

Inspection Deficiency Trends (January–February 2026)

Inspection data for February reflects both progress and emerging areas of concern when compared to January. The most frequently cited deficiency in both months continues to be missing smoke alarms; however, occurrences decreased significantly from 359 in January to 197 in February, indicating improvement in this area. Despite this reduction, the percentage of units passing re-inspection declined (93.6% in January to 87.3% in February), suggesting ongoing challenges in timely correction of deficiencies.

Electrical-related deficiencies remain a consistent issue, including unprotected outlets near water sources, inoperable GFCI outlets, and damaged outlets or switches. While the volume of these deficiencies declined overall, re-inspection pass rates also decreased in several categories, indicating that corrective actions may not be occurring as quickly or effectively as needed.

Several categories showed notable declines in re-inspection performance in February, including damaged outlets/switches (61.5% pass rate), unsecured toilets (63.6%), and window deficiencies (33.3%). Additionally, new or more severe deficiencies emerged, such as passage door issues and ceiling instability, with low or no successful re-inspections to date, indicating delays in remediation.

Overall, while the total number of deficiencies in several key categories has decreased, the lower re-inspection pass rates and higher outstanding percentages in February point to a need for stronger follow-up and enforcement to ensure timely correction of failed items. CVR is continuing to monitor these trends and is working with property owners to improve response times and compliance with inspection requirements.

Fail Item Trend - HACM

Start Date: 1/1/2026

End Date: 1/31/2026

Fail Item – Top 10 Deficiencies	# of Occurrences	% Passed on Re-inspect	% Outstanding
Smoke alarm is not installed where required.	359	93.59%	6.41%
An unprotected outlet is present within six feet of a water source.	147	88.44%	11.56%
GFCI outlet or GFCI breaker is not visibly damaged and the test or reset button is inoperable.	89	89.89%	10.11%
Outlet or switch is damaged.	34	73.53%	26.47%
Exposed electrical conductor.	33	90.91%	9.09%
Window component is damaged or missing and the window is not functionally adequate.	29	75.86%	24.14%
Testing indicates a three-pronged outlet is not properly wired or grounded.	26	88.46%	11.54%
Toilet is not secured at the base.	24	79.17%	20.83%
Litter is accumulated in an undesignated area.	22	50.00%	50.00%
Smoke alarm does not produce an audio or visual alarm when tested.	20	95.00%	5.00%

Fail Item Trend - HACM

Start 2/1/2026

Date:

End Date: 2/28/2026

Fail Item – Top 10 Deficiencies	# of Occurrences	% Passed on Re-inspect	% Outstanding
Smoke alarm is not installed where required.	197	87.31%	12.69%
An unprotected outlet is present within six feet of a water source.	58	84.48%	15.52%
GFCI outlet or GFCI breaker is not visibly damaged and the test or reset button is inoperable.	52	76.92%	23.08%
Outlet or switch is damaged.	39	61.54%	38.46%
A passage door component is damaged, inoperable, or missing and the door is not functionally adequate.	17	0.00%	100.00%
Ceiling has an unstable surface.	14	35.71%	64.29%
Window component is damaged or missing and the window is not functionally adequate.	12	33.33%	66.67%
Toilet is not secured at the base.	11	63.64%	36.36%
Testing indicates a three-pronged outlet is not properly wired or grounded.	11	90.91%	9.09%
Handrail is not secure.	11	81.82%	18.18%

BARRIERS

CVR has requested PIC/EIV access for its users starting in December 2024. To date, there are still several staff members that do not have the appropriate access.

CVR determined that the former HACM Data Management Specialist made critical errors in loading the new 2026 Utility Allowances, which resulted in recertification, new admission, and portability move in actions after January 1, 2026 being calculated incorrectly. CVR is working with Yardi to get an exact listing of all transactions affected by this error and the error was escalated to HACM Executive Director, Ken Barbeau. CVR will bring in additional staff to help fix this unforeseen issue.

HACM general inboxes connected to CVR's Ticketing system were disconnected for an extended period at the City level. CVR identified and began investigating this issue in December 2025. This resulted in applicants, participants, and landlords not getting responses sent from the ticketing system by CVR staff appropriately, CVR staff not being able to receive responses, inquiries and documents submitted by stakeholders, and overall frustration from the public. Secondly, it caused a backlog of inquiries to resolve that were aged once the errors were fixed by the City on February 24, 2026 and the connection restored.

Respectfully submitted by: **Tracey Sheffield**
Project Director
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